

ROYAL COMMISSION ON LABOUR.

D I G E S T
OF THE
E V I D E N C E

TAKEN BEFORE THE

ROYAL COMMISSION ON LABOUR.
(SITTING AS A WHOLE.)

ONE VOLUME.

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES AND OF
VARIOUS MOVEMENTS, AND PUBLIC OFFICIALS.

[WITH INDEXES.]

Presented to both Houses of Parliament by Command of Her Majesty.
June 1893.



LONDON:
PRINTED FOR HER MAJESTY'S STATIONERY OFFICE,
BY EYRE AND SPOTTISWOODE,
PRINTERS TO THE QUEEN'S MOST EXCELLENT MAJESTY.

And to be purchased, either directly or through any Bookseller, from
EYRE AND SPOTTISWOODE, EAST HARDING STREET, FLEET STREET, E.C., and
32, ABINGDON STREET, WESTMINSTER, S.W.; or
JOHN MENZIES & Co., 12, HANOVER STREET, EDINBURGH, and
90, WEST NILE STREET, GLASGOW; or
HODGES, FIGGIS, & Co., LIMITED, 104, GRAFTON STREET, DUBLIN.

1893.

[C.—7063—II.] Price 7d.

ROYAL COMMISSION ON LABOUR.

44, Parliament Street,
London, S.W.,

June 1st, 1893.

MY LORD DUKE,

I HAVE the honour to submit to you the Digest of the Evidence taken before the Commission, sitting as a whole, at seventeen sittings in October, November, and December, 1892, and in January and February, 1893, which I have been directed to draw up for the use of the Commission.

I have added an Index to the Précis and Abstracts under three heads, (1) Witnesses (2) Subjects, (3) Trades, which I trust will be of use to the Commission.

I am,

Your Grace's obedient Servant,

GEOFFREY DRAGE,

Secretary.

To

His Grace the Duke of Devonshire, K.G.,

Chairman of the Royal Commission on Labour.

C O N T E N T S.

	Page
LIST OF WITNESSES - - - - -	5
PRÉCIS OF EVIDENCE - - - - -	6
ABSTRACT No. I.—STRIKES AND LOCK-OUTS - - - - -	44
ABSTRACT No. II.—EIGHT HOURS' DAY - - - - -	48
ABSTRACT No. III.—ARBITRATION AND CONCILIATION - - - - -	52
ABSTRACT No. IV.—ACTS OF PARLIAMENT - - - - -	56
INDEX TO PRÉCIS AND ABSTRACTS - - - - -	63

LIST OF WITNESSES.

Name.	Interests represented.	Nos. of Questions in Evidence.	Days on which Evidence was given.	Page in Digest.	
				Index.	Précis.
Mr. J. T. W. Mitchell -	The Co-operative Union of Great Britain and Ireland.	1-405	1st	64	6
„ William Maxwell -	The Co-operative Union of Great Britain and Ireland.	406-940	1st & 2nd	64	9
„ Joseph Greenwood -	The Co-operative Union of Great Britain and Ireland.	941-1107	2nd	68	12
„ Frank Hardern -	The Co-operative Union of Great Britain and Ireland.	1108-1221	„	64	13
„ Edward William Brabrook	Chief Registrar of Friendly Societies -	1222-1646	3rd	68	35
Dr. William Ogle -	Superintendent of Statistics in the General Register Office.	1647-1789 and 5338-5403	3rd & 10th	64	38
Mr. J. M. Ludlow -	Ex-Chief Registrar of Friendly Societies -	1740-1936	4th	64	37
„ William Henry Gardener -	The Egham Free Labour Registry -	1987-1999	„	63	27
„ T. Smyth -	The Chelsea Labour Bureau -	2000-2071	„	64	28
„ Tom Mann -	State and Municipal Socialism -	2072-3577	5, 6, & 7th	64	16
„ Sidney Webb -	State and Municipal Socialism -	3578-4877	8th & 9th	64	19
„ Samuel Bagster Boulton -	The London Labour Conciliation Board -	4878-5038	10th	63	31
The Rev. John Gritton, D.D. -	The Lord's Day Observance Society of London	5039-5141	„	63	33
Mr. Robert Walker -	The Traders' Defence Association of Scotland	5142-5387	„	64	15
„ Charles Booth -	Labour in the East End of London -	5404-5801	11th	63	25
„ Charles Stewart Loch -	The Charity Organisation Society -	5802-5892	„	64	29
„ Thomas Wilham Bushill -	Profit-sharing -	5893-6172	12th	63	33
The Rev. Wickham Toser -	The Ipswich Labour Bureau -	6173-6386	„	64	28
Mr. Edward Thomas Scammell	The Exeter Chamber of Commerce -	6387-6427	„	64	29
Dr. Elgin B. L. Gould -	The United States Labour Department -	6428-6827	13th	63	41
Mr. William Allan -	The Prevention and Settlement of Strikes -	6828-6873	„	63	33
„ Robert Giffen, C.B., LL.D.	Assistant Secretary of the Board of Trade in charge of the Commercial Department.	6873-7165 and 8086-8381	14th & 17th	63	43
„ Charles Fenwick, M.P. -	The Parliamentary Committee of the Trades' Union Congress.	7166-7532	15th	63	26
„ Edward Harford -				64	27
„ John Anderson -				63	27
„ Henry Vivian -	The Labour Association for promoting Co-operative Production.	7533-7688	„	64	14
Sir Thomas Henry Farrer, Bart.	The London County Council -	7689-8085	16th	63	33
Mr. Henry Mayers Hyndman -	State and Municipal Socialism -	8382-8719	17th	64	23

CONTENTS.

	Page.
LIST OF WITNESSES -	5
PRÉCIS OF EVIDENCE -	6
ABSTRACT No. I.—STRIKES AND LOCK-OUTS -	44
ABSTRACT No. II.—EIGHT HOURS' DAY -	48
ABSTRACT No. III.—ARBITRATION AND CONCILIATION -	52
ABSTRACT No. IV.—ACTS OF PARLIAMENT -	56
INDEX TO PRÉCIS AND ABSTRACTS -	63

REFERENCES
OF
CO-OPERA-
TIVE
SOCIETIES.

qualification necessary for membership is the purchase of 4l. worth of goods a year. The average portion of the share capital subscribed for per member does not exceed 80l. The Industrial and Provident Societies' Act, 1867, limits the amount to 200l., but the society has by its own rules gone further and imposed a limitation of 100l. Other societies, moreover, have gone further still and limited the amount of each member's share capital to 25l or 30l. Personally, the witness was in favour of the removal of the legislative restriction, but many co-operators held the contrary opinion (15, 29-31, 176-80).

Its develop-
ment.

In December, 1844, the committee rented a shop, No. 31, Toad Lane, Rochdale, to sell grocery goods, at the prices current in the town, to both members and other customers. The shop was at first open only in the evening, the committee and other leaders of the movement officiating as its business staff. The witness put in a tabulated statement showing the extension of the society's operations between 1845, when its membership amounted to 74 persons, its funds to 181l., its sales to 710l., and its profits to 22l., and in 1891, when its membership amounted to 11,647 persons, its funds to 370,792l., its sales to 296,025l., and its profits to 36,823l., or, including the interest on the investments which by a change of policy the society had made outside its own business, to 52,198l. It is to the capital sum represented by such investments that the excess of the funds over the sales is due. The figures furnished by the witness show, between 1877 and 1891, an increase of membership, but a decrease in sales. This fact is due to the increase in the families of co-operators being more rapid than the increase in their purchasing power (15-23, 331-44).

Of the nett profits, 2½ per cent. is appropriated to educational purposes. By this means, the society has instituted a large central newroom and provided 18 branches with libraries, containing an aggregate number of 17,318 volumes, and has organised science, art, and technology classes, which have been attended during the current session by 845 students paying 12l. in fees (15).

Other retail
distributive
societies.

Other societies followed the Rochdale Pioneers in quick succession. Those started at Bolton and Lincoln, in 1859 and 1877 respectively, are good examples of co-operative effort, the one in a large industrial centre, and the other in an agricultural district. The former has, during the 32 years of its existence, done a trade of 5,110,547l., which has resulted in a profit of 726,784l., after paying all charges for management and depreciation. Out of these profits, the members have received 606,265l., which has been distributed among them in proportion to their purchases. The society's business premises have cost 115,638l., have depreciated to the extent of 36,987l., and are now valued at 78,651l. It has advanced to its members no less than 258,265l., to enable them to build houses for themselves. Of this amount, the borrowing members have repaid 140,820l., the remainder being still advanced on mortgage security. It has opened a savings' bank where, during the last 17 years, 37,131l. has been received from small depositors, who have again withdrawn 29,039l., leaving 9,191l. standing to their credit. It has, also, ever since its formation, made an annual grant of 2½ per cent. of its profits for educational purposes. The total sum so expended amounts to 16,983l., and the annual grant is now about 1,900l. (32-4).

(S.) At
Lincoln.

The Lincoln Society embraces primarily agricultural labourers, but includes also platelayers and other railway workers, cottagers, village artisans, farmers, clergymen, and, in some instances, even landed proprietors. At any of its branches the expressed desire of the members for the appointment of a local supervising committee is gratified; but such a local committee, if elected, is entirely subordinate to the general committee or directors of the society. With some branches, meetings are held periodically—quarterly or half-yearly—when accounts are submitted and officers elected; but no such meetings are held except in fulfilment of the expressed desire of the branch. A large portion of the trade is done by barter through the instrumentality of a van which brings groceries, bread, flour, drapery, boots, and clothing from the town, and takes in exchange dairy and farm products from the villagers at a ratio determined by the respective market prices of the commodities in question. The society acts to some extent as a bank for its members, by enabling them to withdraw from their share capital from time to time, in order to buy seed, pigs for fattening, and

outfits of clothing, &c. Through their membership in this society, the agricultural labourers are receiving some degree of training in local self-government. Advances are granted by the society to members on mortgage to enable them to purchase houses or lands. These mortgages are repayable, both principal and interest, in 19½ years. The interest amounts to 4½ per cent per annum. The witness put in figures, furnished by the secretary of this society, showing that the present number of members in its six branches is 1,702, that the sales for the last four quarters have amounted to 35,550l. 5s. 6d., and the nett profits to 2,511l. 7s. 6½d., that the amount of capital held by members is 11,437l. 6s. 1d., that the value of its saleable stock is 3,551l. 17s. 2d., and of land, buildings, and fixed stock, 5,746l. 14s. 6d., and that the total amount advanced on mortgage to members for the purchase of houses or lands is 1,742l. 12s. 6d. (35-9).

REFERENCES
OF
CO-OPERA-
TIVE
SOCIETIES.

In some places, as, for example, in London, where its want of success is very marked, retail co-operative distribution has made less progress than in others. In illustration, however, of its general development, the witness put in a table showing the number and character of the shops connected with 919 retail distributive societies in 1887. The number was 5,010, and the businesses conducted were as follows.—Baking, butchering, and trades connected with flour, grocery, coal-clogging, drapery, millinery, boots and shoes, tailoring, earthenware, furniture, hardware, ironmongery, and beer, wine and spirits (44-5, 349-55).

General
develop-
ment of
retail
distributive
co-ope-
ration.

Wholesale as opposed to retail distributive co-operation was first instituted in 1831 by the formation of the North-West of England United Co-operative Company, but this first attempt failed owing to want of sufficient capital to compete with other wholesale dealers. A second venture, promoted by the body of Christian Socialists in London, met with no better fate, and the failure was repeated in the case of the wholesale department attached to the Rochdale Pioneers' Society, which was opened in 1853. In 1862 and 1863, however, the matter was again taken up, and, as a result of several conferences in the northern districts, where the societies had all along shown greater vitality and more striking signs of progress, it was decided to establish "The North of England Co-operative Wholesale Society," of which only registered co-operative societies were capable of becoming members or shareholders. In course of time this society altered its title to "The English Co-operative Wholesale Society," in view of the enlargement of its business connexion (46).

Wholesale
Distributive
Co-ope-
ration.

The
English Co-
operative
Wholesale
Society.

How remarkable has been the career and how wide-spread the ramifications of this purely working-class organisation may be gathered from the following account of its development. It was registered on August 11th, 1863, and commenced business on March 14th, 1864, when 50 societies, representing 17,545 persons, had become shareholders and had subscribed capital to the extent of 999l. In two years, the number of societies in membership had increased to 96, representing 26,240 persons, and a depot was started at Tipperary, Ireland, for the purchase of butter and eggs, in pursuance of one of its principal objects, viz. to eliminate the middleman and purchase direct from the producer. At the present time, the society has six depôts of the kind in Ireland, and their combined shipment for 1891 amounted to 123,151 firkins of butter, worth 463,708l. (46-8). In 1881, a similar depot was opened at Copenhagen for the purchase of Danish produce, and its shipments—comprised chiefly of butter—are now worth over 930,800l. per annum. Depôts have subsequently been started at Hamburg and Aarhus, the shipments from the former being 232,215l. for the year, and from the latter 131,422l. for the 31 weeks that have elapsed since its establishment. In 1876, moreover, a depot was opened at New York, and now sends over to England cheese, bacon, flour, and other produce to the annual value of 476,746l. (46-8).

Its develop-
ment.

Prior to 1871, the Wholesale Co-operative Society had conducted all its business with the Distributive Co-operative Societies in England from Manchester; but, in that year, a branch was established at Newcastle-on-Tyne for the benefit of the societies in that district. In 1891, the sales of this branch amounted to 1,907,365l. In 1874, a similar branch was opened in London to supply the requirements of the societies in the south of England. Its sales amount to 1,283,612l. per annum. In 1882, a saleroom was

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

opened Leeds, where a representative is stationed to show samples of goods and receive orders from those societies that are situated in the immediate neighbourhood. Seven other such salerooms have since been opened at Nottingham, Blackburn, Huddersfield, Birmingham, Northampton, Bristol and Cardiff (46-8).

In 1872, the banking department was instituted. Its turnover for 1873 was 1,581,495l., and, for 1891, 28,590,670l. (46-8).

In 1876, a small vessel was purchased to ply between Goole and Calais, taking out English coal and manufactures and bringing back French produce. The society now owns a fleet of six steamers, "Pioneer," "Unity," "Progress," "Equity," "Federation," and "Liberty," built at a cost of 84,500l., and with a registered gross tonnage of 3,898. The receipts of the shipping department have not always been sufficient to pay the charges for interest and depreciation (46-8, 86-112).

In 1882, a buyer was appointed to take charge of the purchase of teas and coffees direct from the importers, instead of, as heretofore, conducting this business through a firm of tea merchants. The success of this step was soon demonstrated by the rapid increase in the sales of tea and coffee, which now amount to 870,431l. per annum against 190,020l. in 1882. The manufacture of chocolate and cocoa has been added to this department and is making very satisfactory progress. The department finds employment for 300 hands (46-8).

In 1873, the nucleus of an insurance fund was formed by transferring the sum of 2,000l. from the reserve fund. The society insures its own steamships in this fund, as well as a proportion of its various buildings, fixtures, stocks, and goods in transit by water. Notwithstanding that large payments have been made to meet losses through fire, damage to steamships, &c., the fund has now accumulated, through premiums and additions from the profits, to the large sum of 206,780l., which fully justifies its establishment (46-8).

The growth of the society has, on the whole, been rapid and continuous. In the first period of its existence, the society confined its operations almost exclusively to groceries and provisions, but by degrees there were added the drapery, boot and shoe, furnishing, hardware, and other departments. At the present time, it can supply almost every article that co-operators require. The society has invested in land, buildings, steamships, and fixtures the sum of 892,634l.; this has, however, depreciated by no less an amount than 308,523l., and, therefore, the assets appear in the society's accounts at the headquarters in Manchester at the reduced figure of 584,111l. (46-8).

Its constitution.

An executive committee is entrusted with the administration of the affairs of the society. It consists of eight members for the Newcastle and London branches respectively and sixteen representing the general body, whose headquarters are at Manchester. The presence of two of the members for both Newcastle and London, however, in addition to the sixteen at Manchester, is deemed sufficient to complete the executive authority. Two Manchester, one Newcastle, and one London member of the committee retire quarterly, but are eligible for re-election. The committee is elected by the committees of the various retail societies in membership. No workmen employed by the society are on its committee of management. It is, indeed, inexpedient to give workmen direct control of the institutions in connexion with which they are employed, until co-operation shall have become universal and destroyed the private interests which still exist among them in antagonism to the interests of the whole. Indirectly, however, workmen can and do control the management of the wholesale society through their membership of the retail societies, which gives them the power of electing the committees that elect the body that employs them (46-8, 101-1, 216-26, 273-9).

Its relations with the Scotch Wholesale Co-operative Society.

Harmonious relations exist between the English and the Scotch wholesale co-operative societies. The latter has 23,444l. in the funds of the former in the shape of a loan, and proposals have been made for amalgamating the two organizations. Such a proceeding, however, proves to be contrary to the law (182-4).

The progress of the distributive societies, both wholesale and retail, has led to the trial of experiments in co-operative production. The total annual value of the goods made by the large number of the retail distributive societies that undertake the production of the articles they sell is put down at 3,347,480l. The number of persons they employ at this work is 4,600, viz., 1,600 bakers, 600 butchers, 1,200 boot-makers, 700 tailors, and 500 dressmakers (49-52).

In addition to this, some of these societies own corn mills for grinding corn to supply their members, viz., at Leeds, at Banbury, at Barnsley, at Carlisle, at Cleator Moor, at Leicester, at Leigh, at Lincoln, at Mansfield, and at Stockton-on-Tees, all of which, with the exception of that at Leigh, work them at a profit (52).

Production is also carried on by groups of distributive co-operative societies for their common benefit. The Derwent Co-operative Flour Mills, Shotley Bridge, Durham, and the Colne Vale Corn Mill, were quoted by the witness as examples of this phase of co-operative effort (52).

More important, however, are the productive enterprises undertaken by the Co-operative Wholesale Society. The first of such enterprises was set on foot in 1873 by the establishment, at Crumpsall, near Manchester, of a factory for making biscuits and boiled sweets. At the same works, there was subsequently added the manufacture of jams, marmalade, and dried goods. The progress of these works has been continuous, and they now find employment for over 280 workpeople and produce over 69,000l. of goods annually. Boot and shoe works were also established at Leicester in the same year. They are now annually making 1,000,000 pairs of boots of the aggregate value of 250,000l. and employing 2,000 hands. Encouraged by the success of these undertakings, the Wholesale Society established a soapworks at Durham in 1874, and opened another boot and shoe works at Heckmondwike in 1880. A woollen mill was started at Batley in 1887, a clothing factory at Leeds in 1888, and, in 1891, a large flour mill was erected at Dunston, near Newcastle-on-Tyne, capable of manufacturing 40 sacks of flour per hour. The total capital expended in the Wholesale Society's various productive works amounts to about 350,000l., the value of the goods produced is 714,480l. and the number of employes over 3,000 (53-5).

Persons employed in productive work by the English Wholesale Society, unlike those similarly employed by the Scottish Wholesale and some of the retail societies, do not receive a share of the profits, except in their capacity as consumers, and as customers of their retail distributive societies which benefit by their productive work. It is not thought desirable to distribute among the workers money which would, in the interests of the co-operative movement, be better employed in extending its productive enterprises. To raise wages is the function of Trades Unionism. Co-operation seeks only to increase the purchasing power of the wages received (62-78, 145-59, 191-215, 245-74, 291-306).

There would be no objection to the amendment of the Trades Union Acts in such a manner as to permit the investment of Union funds in productive co-operative enterprises. Such permission, however, if granted, should be utilised with the greatest caution, in view of the importance, too frequently underrated, of avoiding the risk of such funds in undertakings where success is as yet uncertain (181-90).

Co-operative societies, like other employers of labour, have occasionally had disputes with the workmen they employ in their productive work, but settlements have almost always been effected by conference with the Trade Union officials. This method of conciliation is the best possible substitute for the barbarous remedy of strikes and lock-outs (56-7, 79, 238-44, 329-30).

A strike, indeed, did occur at the Leicester boot and shoe works against an obnoxious foreman; but it was soon ended under an amicable arrangement involving a modification of the said foreman's position (80-3).

Co-operative production is adopted not only as a matter of convenience, but also as a matter of principle, and with a view to stamping out "sweating" and controlling production in the interests of the distributive societies and their members, the consumers. There would be no objection to municipal

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES. Productive co-operation. (a.) Retail distributive societies.

(b.) By groups of retail distributive societies.

(c.) By the English Co-operative Wholesale Society.

(d.) Proposed investment of Trades Union funds in co-operative enterprises.

Productive co-operation and its effect on employment of consumers.

Strike.

Productive co-operation and its effect on the sale of co-operative goods.

MEMBERSHIP OF CO-OPERATIVE SOCIETIES. THE Co-operative Union.

bodies being empowered by law to supplement the efforts made by co-operators towards the democratic control of industry; but it should be only to supplement—not to supplant—these efforts (356-405).
 The Co-operative Union has grown up out of the practice, commenced in 1869, of holding annual conferences amongst co-operative societies. Similar conferences, however, had been held intermittently before that date. As far as can be ascertained, the first co-operative congress was held at Manchester in May 1830, when 56 of the 260 societies then in existence sent delegates representing about 3,000 members, who had amongst them accumulated a capital sum of 6,000*l.* after less than 15 months' trading. The said Union has recently been registered under the Limited Liability Act, in order to get its property out of the hands of trustees, and so to acquire the security and permanence of a corporate body. Its objects are the consolidation of existing co-operative effort and the general promulgation of co-operative principles and practice. With these ends in view, it has organised the existing societies, first in the Union itself, secondly, in sections of the Union, and, thirdly, in sub-sections of the same, called district associations. The latter generally consist of about 30 societies, situated within easy distance of one another, and they hold quarterly conferences at which papers are read, and subjects affecting the welfare of the movement are discussed, while the Union as a whole convenes annually a congress of representatives from all the societies in its membership. Those congresses are held in the district belonging to each of the various societies in turn. Members of the Union are pledged, in the conduct of their business transactions, to keep in view the following principles—First, the abolition of all false dealing, whether directly by representing any article produced or sold to be other than it is known by the producer or vendor to be, or, indirectly, by concealing from the intending purchaser any fact material to his ability to judge the value of the

article he proposes to purchase. Secondly, the consolidation of the conflicting interests of capitalist, worker and purchaser by an equitable division among them of the fund commonly known as profit. Thirdly, the prevention of the waste of labour that results from unregulated competition (2 12).
 It appears from the returns issued by the Registrar of Friendly Societies that, during the 30 years ending 1890, the number of members of co-operative societies has increased over ten-fold, and the share capital nearly twenty-seven-fold. The sales have grown from 2,349,055*l.* to 85,367,102*l.*, and the profits from 165,682*l.* to 3,393,991*l.* per annum. The trade stocks are turned over more than eight times a year, and the reserve funds amount to 521,215*l.* Inasmuch, however, as many societies have failed to make returns to the registrar,—in 1890, for example, only 1,092 made returns out of 1,430, the witness put in the arbitrated summary based upon the latest statistics published by the Co-operative Union, and embracing all the societies in the United Kingdom. The distributive societies mentioned in the said summary are entirely working-class societies (42-3).
 Co-operative societies do not pay income tax on their profits. It would be unjust to make them do so, for these profits are appropriated to division among the members, many of whom are not liable to pay the tax. The imposition of the tax on the profits before distribution would cause either the reduction of the dividends on which the success of the co-operative movement largely depends, or the raising of prices to the disadvantage of the societies in fighting private competitors (113-7, 227-37).
 Universal co-operation would of itself prevent the unequal distribution of wealth. The support of the rich is, therefore, invited as the best means towards the extension of a movement that is to result in economic equality. The extinction of the small retail trader by the co-operative stores is no more to be deplored than that of the carriers by the railways (397-321).

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

The present condition of the movement generally.

Payment of unjust income tax on profits is to be deprecated.

Universal co-operation is the ultimate aim of the movement.

DETAILED SUMMARY OF THE SOCIETIES.

	No. of Societies.	No. of Members at End of 1891.	LIABILITIES.			ASSETS.			TRADE.		PROFITS.					
			Share Capital at End of 1891.	Loan Capital at End of 1891.	Reserve Fund at End of 1891.	Value of Buildings and Land at End of 1891.	Value of Stock at End of 1891.	Amount for general purposes at End of 1891.	Investment at End of 1891.	Received for Goods sold during 1891.	Trade Charges during 1891.	Total Net Proceeds during 1891.	Applied for Functional Purposes during 1891.	Applied for Charitable Purposes during 1891.	Subscriptions of General Board.	
Distributive societies	1,459	1,098,598	11,529,045	1,207,204	479,861	3,554,771	4,946,312	392,150	3,786,516	31,514,634	1,831,216	4,342,373	32,661	10,166	4,310	5 4
Productive societies	160	23,217	635,741	241,737	47,208	382,216	414,774	23,057	117,634	2,528,285	255,696	138,964	241	406	118	5 6
Supply associations	13	65,596	512,332	102,505	97,945	500,029	320,863	8,863	149,974	2,940,801	317,248	68,805	—	46	63	5 2
English Wholesale Soc.																
Distributive	1	906	202,923	591,316	41,007	646,090	405,710	33,787	306,542	2,177,478	163,640	116,146	50	397	150	0 0
Productive	—	—	271,033	—	—	187,112	172,077	7,858	—	538,952	—	19,802	—	—	—	—
Scottish Wholesale Soc.																
Distributive	1	398	30,311	510,791	64,098	641,738	131,637	9,173	106,921	2,060,079	58,140	77,407	—	350	50	0 0
Productive	—	—	75,107	—	—	46,892	45,980	2,200	—	167,974	—	11,633	—	—	—	—
Total	1,634	1,191,330	13,268,482	3,757,573	730,049	5,586,627	6,427,203	387,106	6,511,687	45,671,736	3,220,940	4,774,050	32,942	11,435	4,700	15 0

GREAT BRITAIN: CO-OPERATIVE.

Mr. W. MAXWELL.

The witness. Chairman, for the last four years, of the Scottish Co-operative Wholesale Society, gave evidence with regard to the growth of the co-operative movement in Scotland (406-7).

Co-operation in Scotland. (c.) Before 1864.

Co-operation in Scotland may be said to have begun with the virtualising societies that grew up towards the end of the last century. The Govan Society is an example. It was founded in 1779, and is still in existence. These societies distributed their profits, not to purchasers, but to shareholders, and, as the poor artisans with little or no capital to invest had thus but small inducement to join them, the members were mainly recruited from among the small employers of labour of the lower middle class (408).
 o 76710.

Early in the present century, some crude attempts were made towards the working of a scheme of distributive co-operation in the interests of the consumers, but nothing of any importance was effected till 1846 or 1847, when the Rochdale system of paying dividends upon purchases was first applied (408).

Since that date, the progress of the movement has been such that, in 1890, the number of retail distributive societies in Scotland amounted to 333 with an aggregate membership of 171,688, their share capital to 1,356,899*l.*, and loan capital to 971,181*l.*, their sales to 3,900,697*l.*, and their profits, after paying all the expenses of management and interest on capital both loan and share, to 104 per cent., or 330,863*l.*, representing an average dividend of 1*l.* 17*s.* 1*d.* per

(c.) After 1847.

Retail distributive societies.

EXPRESS-
TIVES OF
CO-OPERA-
TIVE
SOCIETIES.

member. Of these profits, about two-thirds are actually withdrawn per annum by the members to whom they are apportioned, and about one-third is left on deposit. The division of the profits reacts upon the prosperity of the stores by increasing the purchasing power of the customers, almost all of whom are members, inasmuch as outsiders do not, as a rule, take advantage of the absence of any rule prohibiting them from dealing (409-11, 852, 856-62, 939-40)

Credit is not given to members. If this rule is departed from at all the credit given is limited to an amount equal to a certain proportion varying from one-half to three-fourths of the members' paid-up share capital, and is given conditionally upon the society having a lien over such share capital (114-5)

In 1891, the Scotch societies devoted 3,411*l* to educational and 3,211*l* to charitable purposes (411)

Their pro-
ductive
work.

In addition to their ordinary distributive business, many of the societies have undertaken works of production, such as baking, tailoring, shoemaking, dress-making, millinery, &c. As a rule, their employes enjoy exceptional advantages in regard to the condition of the workshops, hours of labour, and rates of wages. Indeed, the fact of a number of trade-union leaders being members is at least one guarantee against low wages and questionable conditions. The average hours worked by employes of Scotch co-operative societies are 55 per week. A large number of the societies share a portion of the profits both of their distributive and of their productive enterprises with their employes (418-9, 590-2, 608).

Any bankruptcies that have occurred of late years may be traced to the carelessness of committees in allowing too much credit, or in permitting the control to fall into the hands of an individual or clique (428)

Productive
societies.

Included among the 333 societies whose operations have been just described, are some whose business is essentially productive. They are, however, connected in all cases with distributive societies by including among their members either members of such societies, or such societies themselves. The societies referred to are the Paisley Manufacturing Society, the United Baking Society, the Bolnes Co-operative Pottery, the Scotch Tweeds Manufacturing Society, and the Scottish Farming Association. Their aggregate share and loan capital amounts to 130,536*l*. They all share profits with their workers, and all are members of the Scottish Wholesale Society (462-4, 786)

(a) The
Paisley
Manu-
facturing
Society.

The Paisley Manufacturing Society was instituted in 1862, when a few weavers and others, being members of the Paisley Provident Co-operative Society, met to consider whether they could not carry the principle of co-operation into the manufacture of goods. A provisional committee was formed to carry out the project, and, early in November 1862, the first piece of cloth was woven. During 1863, the propriety of sharing profits among purchasers was discussed, and the system was finally adopted, and a year later it was agreed that a dividend should be paid on wages to all employes of the society. Until 1870, the membership of the society was confined to individuals, but, in that year, the Paisley Equitable Co-operative Society took up one share. By the end of 1873, 24 societies were members. In 1870, the share and loan capital amounted to 1,177*l*, and the sales for the year to 2,463*l*. From this point, the following figures record the state of the society, in periods of five years—First, as to capital for the year ending June 1875, it had increased to 4,421*l*, of which 2,403*l* was for shares; at 1880 the share and loan capital was 6,174*l*; at 1885 it amounted to 9,166*l*, and at June 1890 the total share and loan capital was 19,546*l*, share, 8,563*l*; loan, 10,983*l*. The sales for the five years ending June 1875 were 28,644*l*, for those ending June 1880 34,731*l*, an increase of fully 1,200*l*, a year. For these five years ending June 1885, the sales were 74,779*l*, an increase of 8,000*l*, a year. For the five years ending June 1890, the sales were 154,563*l*, or an annual increase of nearly 10,000*l*. These figures show that, during the past 10 years, the capital and sales have been doubled in each of the five years. The amount paid in wages for the five years ending June 1880 was 4,920*l*, for those ending June 1885, 13,369*l*; and for those ending June 1890, 31,463*l*. For the five years ending June 1880, the dividend paid to purchasers was 550*l*; to workers, 68*l*. For the five years ending 1885, to purchasers, 2,056*l*; to workers, 279*l*. For the five years ending 1890, to purchasers, 6,837*l*; to workers, 873*l*. As a result of

the growth of the society, a meeting of members, in 1888 gave powers to the directors to proceed with the building of a factory and warehouse. During 1889, a site was fixed upon on the lands of Colmiele, and contracts were arranged for a factory and warehouse, also for 48 looms and winding machines, &c. By the end of March 1890, all these looms were working. At a general meeting of members, held on the 9th of August, 1890, further powers were given to the directors. A large addition to the original factory has been completed. The weaving shed is now capable of accommodating about 200 power looms (99 are already laid down and fully employed), also beaming and winding machines. During 1891, the growth of the society has been fully maintained. The membership includes 211 societies. The loan and share capital is 33,754*l*. The amount expended on property and machinery is 18,779*l*. The reductions are 1,961*l*, the sales for the year, 48,361*l*; the dividend paid to purchasers, 1,943*l*, wages paid for the year, 8,918*l*, dividend paid to wages, 365*l*. The society now manufactures wool, union and cotton shirtings, and shirts, cloakings, aprons, bed quilts, union flannelettes, &c., &c., also ladies' clan taitan, tweeds and serge costume cloths, fancy, tibot, and cotton shirtings and skirts, tweed, Saxony, and velvet shawls; wool handkerchiefs (shawlettes) and scarfs. Its employes work the ordinary factory hours, viz., 56*h* per week. They are admitted to the board of management, and the chairman of that board is himself a workman. This has not led to any relaxation of discipline, although, in the tailoring department, there has been some little trouble with the Trade Union (465, 632-42)

EXPRESS-
TIVES OF
CO-OPERA-
TIVE
SOCIETIES.

The Co-operative Farming Association was founded in 1890. It owns 870 acres of land situated between Paisley and Barhead in Renfrewshire. The shares have been taken up by both societies and individuals to the extent of about 8,000*l* worth. The technical management is in the hands of one man, but the financial and general control is exercised by a committee. The profit remaining after all charges have been met is divided between wages and capital in the same proportion per £; but there is a strong feeling in favour of limiting the profits of capital to 5 per cent. The witness did not know whether any interest on capital was included among the charges met before the profit was calculated and divided. The farms are rented on a five years' lease. There was no hostility on the part of the landlords towards the scheme; but, in promoting it, there was some difficulty in combating the prejudices of co-operators against embarking in what was to them a new form of industry. There are, at present, only two years' results, but, so far, the scheme promises to be successful. The labourers employed on the farms are subject to the same wages and hours as ordinarily prevail in the district (466-75, 479-504, 593-9, 714-25, 923-32).

(b) The
Co-operative
Farming
Association

The United Co-operative Baking Society was established by the various societies in and around Glasgow with a view to centralising their efforts in this branch of production in one good factory, where they bake possibly 1,400 or 1,500 bags of flour per week. It is one of the largest baking establishments in Scotland, and it sends out all the bread and biscuits required by its own federation, which extends over a radius of 10 or 15 miles from Glasgow. This enterprise also has been a marked success (476-8, 652-3)

(c) The
United
Co-operative
Baking
Society.

The Scottish Co-operative Wholesale Society was started, in 1868, on the lines of the English Wholesale Society which originated in 1864. It consists of a federation of 268 retail societies. Every society in membership is required to take at least one *l* share per person. There are, accordingly, no less than 131,086 individual shareholders. The paid-up share capital amounts to 95,378*l*, and the loan capital to 510,792*l*. The latter is paid 4*h* per cent. if withdrawable at 12 months, 4 per cent if at six months, and 3*h* per cent if at call. In 1891 the sales realised 2,827,991*l*, the profits were 88,841*l* 18*s* 2*d*, and the interest on shares and loans, 26,429*l* 19*s*, the depreciation of buildings and fixtures was estimated at 3,701*l* 10*s* 8*d*, while the value of buildings, fixtures, and land used in trade was 161,667*l*, and of the stock in trade 288,671*l*. Of the profits, 68,734*l* was disposed of to members and 931*l* 6*s* 10*d* to non-members. The extra depreciation of buildings, plant, &c. was put down at 5,163*l* 18*s*, and the bonuses paid on wages reached the figure of 3,911*l* 1*s*. The

The
Scottish
Co-operative
Wholesale
Society

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

witness put in the balance sheet giving the above figures (409, 429-31, 853-5). Possibly about 4d. per £ of the profits of the retail societies are given them by the Wholesale Society as a share of its profits. The ordinary dividend paid by the Wholesale upon purchases is 7d. per £ (665-71).

All societies in membership are furnished with tickets of admission to the quarterly meetings. In addition to the ticket obtained by the mere fact of membership, every society receives one for every 1,000l worth of goods purchased from the Wholesale during the quarter. The Wholesale is, generally speaking, well supported by the retail societies, and, in return, it gives them preference of patronage in buying the material it requires for its productive work. It also purchases largely from the Joint Stock Institution at Huddersfield, where the profit-sharing system prevails (672-8).

Its productive work.

Like the retail societies, the Scottish Wholesale carries on productive as well as distributive work. In this capacity it manufactures furniture, clothing, shirts, hosiery, preserves, confections, boots and shoes, and tobacco. It also employs a large staff at printing and book-binding and in making paper-bags. It is also directly employing workmen to build a large flour mill at Edinburgh. The productive departments are carried on almost entirely for the use of the various co-operative societies. Among possible customers outside the movement, indeed, there exists a prejudice against supporting either co-operative or other productive firms where the profit-sharing system prevails. A notable exception is the case where the tender of the Wholesale Society, competing against all comers for a certain contract, was accepted by the Corporation of Glasgow. The aggregate account of the productive department has always shown a profit. If it ever failed to do so, the loss would be written off the reserve fund, which amounts to between 60,000l. and 70,000l. In 1891, the Wholesale Society bought 2,650,000l worth, and made in its productive departments only 150,000l. worth of its total stock of 2,800,000l. value. The reason why it is compelled to purchase so large a proportion is because nearly three-fourths of its sales consist of grocery and other provisions which are for the most part necessarily imported from abroad (433-40, 846-50, 863-905).

Its relations with its employees (a) Profit sharing.

The profits of all the productive departments of the Wholesale Society are pooled and divided equally among those who claim a share. Unlike the English Wholesale, the Scottish allows its employes to draw a share at the same rate per £ on their wages as the purchasers receive on their purchases. In 1891, 23 per cent. of the profits went to the workers. The hope that starting several different productive industries at once would enable men thrown out of employment in one department to be transferred to another has been disappointed. The productive work might be decentralised, but there should be some sort of bond between the various departments to ensure their harmonious working. If they were entirely independent and allowed to compete against one another in the same markets, the men employed in the less successful departments would be discontented at not receiving so large a share of profits as their fellows (437-48, 505-14, 559-60, 564-77, 622-5, 643-51, 663).

About 1,800 persons are employed by the Wholesale Society in production and about 300 in distribution (455).

(b) Wages and hours.

No favouritism is practised in selecting workers from among the total number of persons seeking work. The society aims not so much at increasing its profits as at placing its workpeople in good conditions of employment. In all cases, the full Trade Union rates are paid and, where no such rates exist, higher wages are given than in private firms. The condition of the workshops is good, and the factory inspector has no improvements to suggest. In the shirt finishing department, no work is given out to be done at home. In order to induce the workpeople to come into the workshops provided by the society, an extra 3d. per lb is paid. There is no absolute rule against the employment of married women, but the managers have been given general instructions to discourage it. The hours follow the Trade Union rule where such a rule exists. Thus, in the boot and shoe and carrying factories, the men work 52 hours per week; in printing, 50; in preserves, 53; in hosiery, 48. In the women's trades where the employes are not members of the Women's Provident and Protective

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

League, which has fixed a number of hours, the hours are limited by the Wholesale Society to 44 per week, although it is permitted under the Factory Acts to work 56½. No half-timers are employed. (550-6, 600-7, 609-14, 679-86, 759-85, 804-11, 906-17)

The witness advocates Unionism, and has himself taken active steps towards persuading the girls to join the Women's Provident and Protective League (687-90).

In cases of sickness, employes of the society in receipt of "upstanding wages," i.e., those that are paid for holidays, but are liable to be called upon to work overtime upon occasion for nothing, receive full wages for the four first and half wages for the four succeeding weeks of illness. These sick allowances are charged as expenses to the department in which the recipients are employed. Facilities are also afforded for enabling workers to buy food on the premises at cost price. The society has also erected for their use recreation rooms supplied with newspapers and magazines. The necessity for providing old age pensions has not yet arisen, because co-operation has not penetrated down to the class likely to require them (432, 537-8, 710, 803).

(c) Allowances.

Generally speaking, the relations of the Wholesale Society with its employes are good. Nowhere in Scotland can such regular work be obtained, and the knowledge that the directors are drawn from their own class and that they themselves, if members of co-operative societies, can, through their delegates, review their policy at the meetings that take place every quarter, gives the workers a feeling of security that is absent in private employments (454, 356-61). It is true that, as workers, they have no share in the management, and, in the opinion of the witness, the co-operative ideal will not be perfectly realised till they get it. But they have a share in the profits, and the witness is pressing their claim to a share in management upon the attention of the society, being confident that such a reform would not result in a relaxation of discipline. The presence of workers on the board of management would prevent disputes. In the Paisley Manufacturing Society, at any rate, even the chairman of the board is an employe, and this society has been a great success and has not found discipline to be at all impaired by its policy in this respect (532-42, 561-3, 615-3, 741-4, 787-94).

(d) General relations.

During the past seven years, the only disputes that the Wholesale Society has had with its workpeople are as follows.—In 1885, one arose in connexion with the boot factory. The society intended making certain classes of boots and shoes that were not enumerated in the Glasgow statement of prices, and the manager, having no precedent to guide him, fixed a price which the men refused to accept. The matter was soon arranged, however, by conference between the manager and a trades' union official. Again, in 1888, a small dispute, lasting less than a week, took place in the cabinet-making factory. The men were dissatisfied with the adjustment of the prices of certain articles made formerly by hand, but now by a new machine. The men denied that the said machine did so much work as was claimed for it by the management. In 1890, moreover, nine workers struck work without notice for a uniform day rate of wages instead of the payment according to merit offered by the society. The management were ultimately convinced of the justice of the men's claim and conceded it. No other disputes have occurred (449-53, 691-3).

(e) Disputes.

The Wholesale Society has refused all invitations to attend the meetings of Employers' Associations. To connect itself with such organisations would be to give the lie to all its professions. Many employers, particularly railway companies, have interfered with the freedom of their men to participate in the co-operative movement, and, in a few isolated cases, have even dismissed them for so participating (694-7, 703-9, 795-852).

Its relations with other employers.

Taken as a whole, the Scotch Co-operative Societies are distinguished from their English neighbours in the following main points.—First, they confine their investments to co-operative undertakings, and invest a larger proportionate amount in productive enterprises connected with the movement; secondly, they give a share of the profits to their workmen; and, thirdly, they are seeking to remove the legal limit of the amount of share capital per member, whereas the English societies have, as a rule, supplemented the law on this point by more stringent regulations of

English and Scotch Co-operative Societies compared and contrasted.

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

their own. With regard to the first point, Scotch co-operators feel that to invest their funds in undertakings outside the movement is to confess their inability to extend the movement further. The societies, however, have lent money to co-operative undertakings outside their own individual concerns to the extent of 526,028*l.*, including the sums advanced on loan to individual members for the purchase of houses. Profit-sharing is looked upon with favour, as conferring upon the workers benefits both material and moral. It would be a great moral advantage to entirely supersede the wages system by the system of profit-sharing, under which the worker is responsible not only for his labour but for the extraction of a profit out of that labour. 3*l.* earned under the latter system would be more valued by an intelligent man than the same sum earned without risk in the form of wages. There would not necessarily be any difficulty about providing subsistence for the workmen while waiting for the profits, for some quarrymen lately worked on the absolute profit-sharing system for eight weeks before they received a penny. At the same time, the workers are not yet willing to run the risk of allowing the wages system to be entirely superseded. The limitation of the amount of share capital per member to 200*l.* by the Industrial and Provident Societies Act, 1867, is a hardship, because many members have allowed their dividends to accumulate and to be added to their share capital to the full amount, and are obliged for the future either to purchase loan shares or to invest their money elsewhere. The abolition of the limit would not have the effect of putting the control of the concern into the hands of the large shareholders, because every shareholder has equal voting power whatever the number of his shares (412-3, 422-7, 515-31, 626-42, 711-3, 745-58, 812-3, 825-45).

Future of co-operation (a) Extension of co-operative production.

Co-operation is having an excellent educational effect upon workmen in business processes. The witness looked forward to a great extension of the movement on productive lines, to the undertaking of similar work by Trades' Unions and to a development of profit-sharing under individual employers. He did not, however, share Mr. Mitchell's view that co-operative production would eventually absorb the entire industry of the country, in the first place, because, owing to their migratory habits, members of the lowest class of society could never be reached by co-operative organisation, and, in the second place, because the limit of growth for the productive enterprises must be determined by that of the distributive societies. Co-operative enterprise cannot be in advance of co-operative thought. The Wholesale Society, accordingly, publishes literature to propagate co-operative ideas, and the Co-operative Union spends about 4,000*l.* in the same educational direction. How far and by what means productive co-operative enterprise should be pushed forward and encouraged are questions which must be decided on purely utilitarian grounds. Great good would result from the transference of public patronage from "sweating" to co-operative industries. The Government, too, might encourage the movement by dividing their contracts into two parts, one for material and the other for labour. This would enable associations of workmen with small capital to take them up. The proposed policy has been adopted by the Italian Government with the direct object of encouraging co-operation, and also by the Glasgow Town Council in respect of policemen's clothing, &c (420-1, 575-89, 698-702, 814-24).

(b) Amalgamation with Trades' Unions.

The use of Trade Union funds for investment in co-operative productive enterprises is to be recommended in the interests of unionism and co-operation alike. It would open to each movement the distinctive advantages of the other. Unionists would gain the co-operators' knowledge of the employers' side of the case, and strikes would in consequence be prevented and mitigated, while co-operators would find in the number and ubiquity of unionists a means of effecting a rapid and immediate advance towards their main object—the control of the industry of the country (664).

(c) Increase of profit-sharing outside the movement.

Profit-sharing under individual employers is a policy of mere justice. It should be encouraged under circumstances which preclude the substitution of the higher form of co-operation where workers and capitalists are identical (726-40).

Municipalities should supplement

Municipalities should be encouraged to undertake the direction of productive industry, but only in those spheres in which co-operation has failed or cannot

hope to succeed. The witness did not know of any industries as applied to which co-operation was certain to fail. If there were any, indeed, he would support the claim of municipal or national organisations to undertake them as against the claim of individuals or companies, since municipalities and Governments partake of the nature of co-operative organisations, in so far as they are representative of the people. But no municipality or Government ought to compete against or supplant voluntary co-operative effort (654-62, 932-8).

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES — but not supplant co-operation.

Mr J. GREENWOOD.

Member of the Central Executive Board of the Co-operative Union, and Manager, since 1870, of the Hebden Bridge Fustian Manufacturing Co-operative Society, supplemented the evidence of the two preceding witnesses in the matter of co-operative production (941-2).

The witness.

Co-operative production may be defined as the conduct of an industry in the interests of the workers employed therein. Recognising the mutual dependence of capital and labour, co-operators seek to reconcile capitalists and labourers either by blending them in the same individuals or by paying the former at a fixed rate of interest and disassociating them from the control of the businesses in which they have invested their money. Whichever method is adopted, it is desired to divide a substantial portion of the profits among the workers in proportion to the value of their work (943-7).

Co-operative production defined.

Four co-operative productive societies were started as early as the beginning of the present century at Birkacre, at Huddersfield, at Kendal, and at Loughborough, but though their object was to become their own employers, they never managed to furnish work for more than a small fraction of their members, and they have now ceased to exist (948-50).

Its history and development.

The next attempt was made about the year 1850 by the Christian Socialists, who formed various associations of producers in both London and the provinces, and then established an organisation called the Society for Promoting Working Men's Productive Associations, in order to secure for them a connexion among the various associations of consumers. In the provincial societies all the capital was found by the workers, but in the London Working Men's Productive Association, only 47*l.* of the 13,562*l.* worth of capital which it possessed in 1852 was subscribed by the men employed, the remaining 13,086*l.* being advanced by Mr. Vanastart Neale and other gentlemen interested in the movement (951-3).

At the present time, there are 88 independent co-operative productive societies in England, with an aggregate membership of 8,081. At the end of 1891, their aggregate loan capital amounted to 235,244*l.*, and their reserve funds to 18,979*l.* Their saleable stock was valued at 141,703*l.* and their land, buildings, and fixed stock at 109,829*l.* And their sales for the year realised 594,594*l.*, and their profits 25,214*l.*, of which 8,213*l.* was paid as interest to capital, and 3,450*l.* and 3,713*l.* as dividends to labourers and purchasers respectively, while 484*l.* was written off as "loss" (954-5).

Its present condition.

These societies may be classified as follows.—(a) Those in which the workers supply all the capital and take all the profit. (b) Those where other co-operative societies and patrons of the movement provide some of the capital, and where the workers share the profits with both capitalists and purchasers. (c) Where the co-operative system has been introduced by an individual employer or firm, e.g., Messrs W. Thomson and Sons, of Huddersfield (956-8).

Productive societies of three kinds.

Very few societies fulfil completely the conditions of Class A. The following, however, do so as nearly as possible—The Nelson Self-help Weaving Society, the Finedon, the Northamptonshire Productive, the Raunds and the Tingdene Boot and Shoemaking Societies, the Bromsgrove Nail Forgers', and the Dudley Nail Manufacturing Societies, and the Brighton Artisans, and the Brixton Building Societies. Of these, the Finedon Society has 27 members. Its sales for the past year amounted to 19,861*l.*, and its share capital to 1,860*l.* It employs as workers persons other than members, and the Co-operative Union recently called a conference to urge it to admit more workers to membership and to share in the profits. The Northamptonshire Productive Society has, during the last 10 years, earned a total profit of 3,443*l.*, and, during 1891, a profit of 2*l.* 8*d.* in

(a) Those where labourers and capitalists are completely fused.

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

(b) Those where labourers and capitalists are incompletely fused. The Hebden Bridge Fustian Manufacturing Society.

the pound on wages. It is noteworthy that most of the above-mentioned societies are connected with the boot trade, and depend very largely upon Government contracts. They attain to a more perfect realisation of the co-operative ideal than the societies in Class B, in which a considerable portion of the governing power is vested in outside shareholders, but it is very difficult to apply the co-operative principle in its completeness to a complex industry, at any rate in the case of a newly opened establishment, or an industry requiring a large capital (1959-60, 1000-10, 1031-40).

Among the various societies that fulfil the conditions of Class B. is included the Hebden Bridge Fustian Manufacturing Society, of which the witness is manager. It originated in 1870, when about 30 fustian cutters agreed to put by 3d. a week each towards establishing a fustian cutting and dyeing works. No one was to be a member unless actually employed in the trade. The rules were registered on September 1st, 1870, under the Industrial and Provident Societies Act, 1867, and, by resolution of the members, the objects of the society were set forth to be—"To find employment for its members in the manufacture and sale of fustian; and it shall, by contributions (of money, labour, and profits), accumulate 1,000*l.* for that purpose. The society will aim at the regulation of wages and labour in this branch of trade, but it will not enter arbitrarily into any dispute between masters and workmen. Still, it will practically educate its members in the causes which operate for and against them in their daily employment, and in the principles that will tend to their elevation and improvement" (961-2). By the end of 1870, the society had 95 members, 83*l.* capital, 55*l.* sales, and 3*l.* profit. In December, 1871, the first bonus to labour was declared at 1*s.* in the pound on wages. In July, 1873, the rate of interest payable on share capital was limited to 7½ per cent. per annum. In 1877, the society found that, owing to the habit of members selling their shares to outsiders on leaving its service, a large proportion of its share capital was in the hands of the public. To counteract this tendency to obliterate the co-operative idea, it refused to allow its ordinary share capital to be held outside its organisation except by co-operative societies, and began to issue withdrawable shares which it could repay and cancel when the holders left its service. In 1885, the society decided to issue no more shares bearing 7½ per cent. interest, and bought out B. shares at 5 per cent., and finally, in January 1890, it reduced to that rate the interest on all shares alike. In December, 1891, the share capital amounted to 22,899*l.*, of which 9,644*l.* was held by 266 co-operative societies, 5,593*l.* by 274 workers, and 7,662*l.* by others, including ex-workers, the last item being a decreasing quantity in consequence of the rule made in 1877. The loan capital amounted to 8,979*l.*, of which 873*l.* was subscribed by the workers, and the interest paid on it was at the rate of 3½ per cent. The profits, after paying interest on the loan capital, and allowing 840*l.* for depreciation, amounted to 3,723*l.*, of which 1,111*l.* was appropriated to interest on the share capital, 1,277*l.* to bonuses to purchasers, 571*l.* to bonuses to workers, 60*l.* to education, 400*l.* to reserve, and 300*l.* to insurance, while 97*l.* was carried forward. Since its foundation, the society has done a total trade of 44,926*l.* at a total profit, including interest on share capital, of 27,930*l.* Its employes are 290 in number. Neither purchasers nor workers are allowed to withdraw the share in the profits allotted to them until they have accumulated enough to buy 30*l.* worth of the share capital. No employe of the society can be elected on the committee. The reason of this rule is that difficulties have arisen in other societies where the workmen have been on the committee, and have had in their own hands the appointment and dismissal of their superintendents. These difficulties, however, have arisen only where the society's employes have constituted the whole or nearly the whole of the committee, and when the society itself is young, as is the case with the Hebden Society, the rule might safely be repealed, and probably would be, if the workers so demanded, for it is after all an infringement of the co-operative principle of vesting the control of industry in the workers. At present, the committee is composed chiefly of such workmen employed by other firms as are shareholders of the society (952-75, 979, 986-99, 1011-30, 1043-51, 1068-78). The Hebden Society—indeed, with all the

productive societies the case is the same—pays better wages and gets in return better work than private firms engaged in the same lines of business. Two years ago, it obtained, in open competition with private dealers, a contract for 1,000*l.* worth of fustian garments from the Manchester Corporation and made a good profit. The regularity of the demand for goods among the various co-operative societies that are its chief customers enables it to afford corresponding regularity of work to its employes, many of whom are members of Trades Unions. Its relations with its workers and their various organisations are good, and there have been no strikes or disputes. It does not provide old age pensions or perform any of the functions of a friendly society, because the condition of its workpeople is not such as to demand any assistance of the kind. If old age pensions were to be required, it would be better for the society than for the State to provide them (960, 976, 982-4, 1052-7, 1093-1107).

Both the Leicester and the Kettering Boot and Shoe Co-operative Societies promise to be as successful as the Hebden Society (960).

There are four societies formed specially for the production of flour. Their membership consists of both individuals and co-operative societies, but they are practically governed by the representatives of the latter. They are situated at Halifax, Sowerby Bridge, Rochdale, and Oldham respectively. The profits, after interest has been paid in capital, are all divided among purchasers in proportion to their purchases (981).

Some of the productive societies connected with distributive organisations pay their managers fairly high salaries, e.g., 300*l.* a year, but never so much as 500*l.* a year. Cases have occurred of able men leaving the service of the societies, because they were underpaid, and because obstacles were placed in the way of capable persons rising from the ranks to positions that would pay The Wholesale Society, indeed, has servants at 1,000*l.* a year, but it stands in a different position from that of the societies mentioned above, inasmuch as it is governed by a committee elected by outside shareholders, and composed of members of other societies in membership with itself (1079-93).

Profit sharing under private employers is to be encouraged as being closely related to co-operation. It would be a great advantage to the workers (956-8, 1041-2).

Mr. F. HARDERN.

Chairman and Director of the Industrial Co-operative Society, Limited, Oldham, and Chairman of the Parliamentary Committee of the Co-operative Union, supplemented the evidence of the three preceding witnesses by giving an account of the progress of the co-operative movement in the town of Oldham (1108-9).

This town is the most thoroughly co-operative in the United Kingdom, and the witness put in a statement of the five principal societies contained in it, their members and their finances. It is a fixed rule among them that every member must belong to a different household; and fully 50 per cent. of the householders in Oldham are members of one or other of these societies, and 75 per cent. of the industrial population of the town are employed in connexion with them. All their capital is withdrawable at call (1109-17).

Of these societies, the Industrial, of which the witness is chairman, and the Equitable are the two largest. They were both established in 1850, and the three others subsequently. The aggregate sales of all five societies during the past 20 years have amounted to 11,735,589*l.*, of which 1,871,138*l.* has gone as interest on share capital and in dividends to members; 44,213*l.* to education grants, and 3,077*l.* for charitable purposes (1120). The total amount lent by the three societies that have building departments for erecting cottages is 165,103*l.*, of which 125,018*l.* has been repaid and 40,085*l.* is still owing. The number of cottages so built is 1,026. No member is allowed to borrow for building purposes more than 300*l.* at a time, the object being to avoid assisting persons to become owners of houses they do not themselves intend to occupy (1132-7).

The amount of share capital held per member is limited by the Industrial and Provident Societies Act to 200*l.*; but the societies themselves have imposed

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

The Leicester and Kettering Boot and Shoe Making Societies. Flour-making Societies.

Wages of management.

(c) Where labourers and capitalists are not fused but allied. Profit-sharing.

The witness.

Co-operative societies in the town of Oldham, Lancashire.

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

further limitations, in the case of the Industrial to 25%, in that of the Equitable to 30%, and in that of the Crampton Society to 30%. The reason of these limitations was that the amount of share capital so far exceeded the requirements of the trade that the societies preferred to throw the responsibility of re-investment upon their individual members instead of undertaking it themselves, for they feared that, by performing the functions of bankers, they would jeopardise their chances of success as traders. The ground of this fear was that they were bound by their rules to restrict the area of their investments to the town of Oldham, and it was found impossible to find within that area safe securities yielding 5 per cent in sufficient number to absorb their surplus capital. The shareholders insisted on their 5 per cent even at the cost of entailing loss upon their societies, and so the latter were compelled in self-defence to protect their finances against the self-interest of the former by restricting the amount of shares per member. Personally, the witness thought it would have been a better policy to reduce the rate of interest than to limit the amount of capital, and he considered that the societies generally, while exceeding the strictness of the law in the case of their own rules, would yet have no objection to the extension or removal of the legal limit. The Industrial Society returned 131,500*l.* to investors in consequence of the introduction of the 25*l.* limitation. The aggregate amount added, during the last 21 years, to share capital, whether repaid or not, is 2,022,638*l.* (1121-9, 1165-75, 1207-9). In the Industrial Society, the average annual purchases per member are worth 30*l.* The working expenses amount to 4.59 per cent, and the net profit to 16.28 per cent on the sales. The educational grant is 2½ per cent. of the net profits, and consists of considerably over 3,000*l.*, while depreciation is estimated at nearly 14 per cent. of the value of the fixed stock (1118).

The fact of members of the working classes becoming customers of the stores in increasing numbers has not caused wages to fall. The co-operative managers, however, belong to the same association as the private employers in the district, and so had to combat a strike which occurred in 1885 against a 10 per cent. reduction, lasted 13 weeks and ended by a compromise involving a fall of 5 per cent. only (1151-4, 1197-9).

Co-operative managers hold the same views as private employers about the eight hours' day. That is to say, they are opposed to it unless it be made universal throughout the cotton trade both at home and abroad. The men, until quite lately, held the same opinion, but their views on the point are now undergoing a change, partly, perhaps, because it has been reported that a curtailment of the hours is, under the present circumstances, the only possible alternative to a reduction in wages (1155-64, 1210-20).

At present, the average hours of employees of co-operative societies throughout the United Kingdom are 57 per cent per week, and it is the rule to keep one day in every week as a half-holiday (1118-9).

The fact that the industrial population of Oldham is specially well paid, well fed, well clothed and well housed is mainly to be attributed to the vitality of the co-operative movement in their midst (1148-50).

11,777*l.* has been invested by the Oldham co-operative societies in the joint stock cotton spinning concerns established in the town. In fact, it was by the leading co-operators that the joint stock movement was chiefly promoted. On inquiry of officials connected with 12 of the 76 joint stock concerns in Oldham, the witness found that those 12 had an aggregate share capital of 629,096*l.*, of which 49.66 per cent. was held by workers. Their withdrawable loans amounted to 405,472*l.*, or 78.73 per cent. of the total loans of 514,984*l.*, including mortgages. The proportion of the total loan capital held by members of the industrial population was 49.57 per cent., and of the withdrawable loan capital, 62.96 per cent., but only about 7½ per cent. of the persons, other than members of the official staff, employed actually by the joint stock companies, are shareholders. Good relations exist between the joint stock companies and their work-people. The latter, indeed, have their wages regulated according to their Trade Union lists, and are said to be the best paid of the cotton operatives in Lancashire. The employment is much more regular than is the case with private firms, for the mills are kept running whatever may be the exigencies of the trade. Even in 1891, when a most exceptional fall

of 50 per cent in the price of raw cotton caused 41 of the companies to show a total loss of 105,624*l.* as against a total profit of 86,946*l.* made by 34, the workpeople were not allowed to experience a lack of employment. Originally, the joint stock companies were worked on the profit-sharing principle, but it was felt that profits should be shared only by those who shared losses, and the workers themselves disliked the fluctuations in their earnings which the system entailed, and fancied that their ordinary wages were adversely affected by it. The system was accordingly abandoned. The comparative want of financial success which the joint stock companies have experienced during the last few years may be attributed, first, to a somewhat reckless policy of mill building; secondly, to unfortunate speculation, and, lastly, to an unprecedented fall in the price of the raw material (1130-47, 1176-96).

The Parliamentary Committee of the Co-operative Union was started for much the same purpose as the Parliamentary Committee of the 'Trades' Unions, with this difference, that, whereas the latter pays exclusive attention to Bills directly affecting the interests of the workers, the former would, in many instances, work also for the promotion of Bills affecting the interests of the whole body of the trade. At the present time, it has under consideration the following measures.—(a.) The amendment of the Factory and Workshops Acts so as to do away with the cursed system known as "sweating." (b.) A Bill relating to the purchase of leasehold enfranchisement. (c.) A Bill to abolish property qualifications in the election of public bodies. (d.) The amendment of the law relating to the sale of patent medicines. (e.) The amendment of the Food and Drugs Act. (f.) The amendment of the Industrial and Provident Societies' Act and various other measures having for object the betterment of the condition of the working classes. The present committee consists of representatives of all sections of the Union, and is working in harmony with the corresponding Committee of the 'Trades' Unions. Indeed, it is hoped that the relations between the two bodies will be more intimate in the future than they have been in the past (1221).

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

The Parliamentary Committee of the Co-operative Union.

Mr H. VIVIAN.

Represented the Labour Association for promoting Co-operative Production of which he is secretary (7523-5).

The witness.

The Labour Association for promoting Co-operative Production is the representative of that party in the co-operative movement which seeks to establish workshops where the workers, as well as the consumers and the capitalists, share in the profits and participate in the management, as opposed to the workshops, called co-operative, which are governed solely by small capitalists hiring wage-paid labour at ordinary competitive terms. It is composed of about 30 productive societies, which subscribe to its funds *pro rata* per annum. It has also about 200 individual subscribing members (7527).

The Labour Association for promoting Co-operative Production.

Great conflict of opinion exists inside the co-operative movement as to the *status* of the workers, and the Central Co-operative Board, being naturally desirous of minimising that conflict, omits to show separately in its returns the results of these "co-partnership" workshops, as they may be called, as distinguished from those of joint stock or consumers' workshops on the one hand and of profit-sharing firms on the other (7528-32).

"Co-partnership" or consumers' co-operative societies.

In 1883, just before the association was formed, the English Wholesale Society published in its annual a list of 224 alleged failures of co-operative production societies, registered between 1850 and 1880; whereupon Mr. Greening, the present treasurer of the association, obtained from the then Registrar of Friendly Societies—Mr. Ludlow—permission to examine the rules and constitutions of the societies that were reported as having failed, and the result of his analysis was as follows:—Only 24 of these so-called failures had been "co-partnership" workshops, giving a definite share of profits to labour, 44 had been consumers' workshops, employing labour for more wages, and all the rest were really joint stock companies, registered as industrial societies for reasons of economy (7536).

The successes of recent years, moreover, are quite sufficient to disprove deductions drawn from previous failures. In 1883, the number of co-partnership productive societies was only 15, with an aggregate mem-

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

he solicitor out and the Co-partnership works.

Other co-partnership societies.

Strikes.

Attitude of the workers towards the co-partnership system.

Relations between co-partnership societies and Trades' Unions.

Co-partnership societies and the cost of production.

Co-partnership societies and the character of their employes.

Relations between co-partnership societies and Government and municipalities.

Trade guilds and their funds.

Trades' Unions, funds, and co-operative production.

Co-partnership societies and official returns.

Association of co-partnership societies.

Association of co-partnership societies.

bership of 2,557. Their annual business amounted to about 160,000*l.*, their capital to 103,000*l.*, and their profits to 9,000*l.* But, at the present day, the number of such societies is 47, with an aggregate membership of 11,000, an annual business of 666,000*l.*, a capital of 326,000*l.*, and a profit of 37,000*l.* The aggregate number of workmen now employed by such societies is 3,653 (7533-5, 7537-46).

A typical example of "co-partnership" societies is the Leicester Boot and Shoe Co-partnership Works. This Society is registered under the Industrial and Provident Societies Act, with limited liability. Its shares are 1*l.* each. The total profit since 1887 is 5,300*l.* Of this, 1,870*l.* has been appropriated to the workers; 937*l.*, to purchasers; 562*l.*, to the official staff; 468*l.*, to the Provident Fund; 468*l.*, to capital, in addition to the five per cent reserved to it before the division of profits is effected; 348*l.*, to the reserve fund; 234*l.*, to education; 140*l.*, to the special service fund. 132*l.*, to charitable agencies; and 67*l.*, to "other purposes" Every worker is also a shareholder, because he is not allowed to draw his share of the profits until it has accumulated sufficiently to enable 5*l.* to be added to the capital. The general meeting of shareholders elects the committee of management, consisting of a president, a secretary, and twelve others, and three sub-committees to deal with minor matters of detail. The committee of management appoints departmental managers, who have power to suspend a worker, but not to discharge him (7547-53)

Of the other societies, 11 are engaged in textile, 10 in leather, 12 in metal, and 12 in miscellaneous industries, such as building, farming, cabinet-making, tailoring, &c (7554).

The co-partnership system affords an almost complete solution of the existing conflict between capital and labour. Only two strikes have occurred in connexion with co-partnership societies during the last 25 years. The first was due to the objection of the male workers employed by the Faisley Manufacturing Society to the employment of women, and the second took place in connexion with the Eccles Manufacturing Society, in April 1890, a society that did not practise the principle of paying bonuses to labour which it possessed (7555-60).

In consumers' societies, on the other hand, strikes have been both frequent and extensive (7561-5).

That the workers appreciate the co-partnership system is proved by the fact that about 200 men have left the service of the English Wholesale Society's Boot and Shoe Works at Leicester in order to work in the Leicester Co-operative Boot and Shoe Co-partnership Works (7566-7).

No friction exists between co-partnership societies and the Trades' Unions; on the contrary, most of these societies have Trades' Unionists on their committees of management (7568-9).

The co-partnership system promotes economy in the workshops. The secretary of the Leicester Works, for example, reports that "a careless workman is reprimanded by his shopmates when not cutting strictly "to best advantage." The high rate of the profits, moreover, is evidence of economy in production (7570-3)

All the societies are agreed that the system has a very remarkable effect in developing temperate, provident, and other good habits (7574-6)

Co-partnership in profits, and eventually in management, by the workers, whether as wage-earners or shareholders, might fairly be insisted upon in all cases where Government or a municipality grants monopolies or exclusive privileges to joint stock companies, e.g., to gas, railway, canal, or tramway companies, or to dock trusts (7581-5).

The large funds of the ancient guilds, which were intended to advance the interests of the crafts, might be to some extent used to assist societies of working men in developing technical instruction (7586).

Restrictions tending to deter Trades' Union from investing their funds in co-operative production enterprises should be relaxed (7586-7).

A distinction should be drawn in the Government returns between societies that do and societies that do not recognise the workers as partners in profits and management (7588-92).

The more general establishment of co-partnership workshops, and the association for common purposes of societies engaged in the same industries, so as to prevent and to defeat injurious competition is

earnestly desired. Many of the failures are traced to the difficulty of securing a market for the goods produced. The co-operative market is largely monopolised by the English Co-operative Wholesale Society, and the outside market is often deliberately closed to co-operative societies generally (7593).

In bad times, co-partnership societies generally prefer to reduce the hours rather than the staff, whereas with consumers' societies and private firms the contrary rule holds good. In good times, however, they prefer to take on extra hands to working overtime, except so far as their policy in regard to bad times is likely to be interfered with thereby (7635-8)

Mr. R. WALKER.

Organising Agent of the Traders' Defence Association of Scotland, criticised certain portions of the evidence given by Messrs Mitchell and Maxwell (5142-6).

The witness's association is composed of wholesale and retail merchants and of manufacturers in every trade. It was called into existence about four or five years ago, and has members in over 120 towns in Scotland. Its headquarters are at 67, West Regent Street, Glasgow. Its objects are to inform the public by means of lectures, pamphlets, &c., in regard to the injurious effects of co-operative and civil service stores on the trade of the country, to use every legitimate means of bringing before the Legislature the unjust burden which traders have to bear in comparison with these stores in the payment of income tax, &c., and to encourage traders to abolish credit and adopt the cash system (5147-51).

Mr. Mitchell, in answer to question 144, characterised the co-operative movement as a public benefit. This is the reverse of the truth, for its aim, as avowed by the same witness in answer to questions 46, 299, 307, 309, and 370, is the total extermination of private enterprise, upon which most, even of its own adherents, depend for their employment and wages. Such being the case, co-operative societies should receive no special powers from Parliament in regard to the acquisition of land, &c. (5172-95, 5228-35).

Again, the statement made by the same witness in answer to question 422, to the effect that from 10 to 15 per cent is saved by dealing at the stores, is misleading. For the dividend returned to members represents much more than what would otherwise be a private trader's profit, since neither in quality nor in price do the goods sold by co-operative societies compare favourably with those sold by cash shopkeepers, and in their large dividends members of the stores are only receiving back what is, in some cases, but a very small portion of the extra price originally charged. This is proved by the complaints repeatedly addressed to the "Co-operative News" by members of the co-operative societies themselves, and by the failure of the general public, which is not subject to undue influences, to join the movement. To quote a specific instance, the proposal to start a co-operative store at Wishaw was rejected at a public meeting, on the ground that the branch of the Clelland Store, which it was proposed to take over, had been selling for 2*s.* or 2*s.* 6*d.* what could be bought in private shops for 20*s.*, and had been repaying in the form of dividend only 2*s.* or 2*s.* 6*d.* of this price (5196-213, 5296-306).

Members of the Traders' Defence Association would heartily welcome the abolition by co-operative societies of their system of paying dividends to purchasers, and the substitution of the system of selling the goods at cost price, plus the expenses of distribution. Then it would be possible to institute a fair comparison between the relative advantages of dealing with the stores and with private traders, and the result would be in favour of the latter (5236-9, 5283-91).

The statement made in answer to question 60, to the effect that the benefits of co-operation were brought within the reach of the poorest members of the artisan class, is, therefore, incorrect, and was admitted to be incorrect by Mr. Maxwell in answer to question 558. The really poor cannot afford to pay the high prices charged by co-operative societies, and this is the reason why they do not join the movement—not the fact that private traders will give credit, for to members of this class, as Mr. Maxwell rightly stated in answer to question 823, no credit is given by private traders. It may be mentioned, moreover, that private traders that declare their terms to be cash, stick to

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

Co-partnership societies and hours of labour.

The witness.

The Traders' Defence Association of Scotland.

Mr Mitchell's evidence criticised.

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.
—
Mr Maxwell's evidence criticised

Co-operative societies and the income tax.

their word, whereas co-operative societies frequently break their rule in regard to this matter (5213-4, 5228, 5323-5).

Mr Maxwell, in answer to question 449, asserted that co-operative productive enterprises furnished continuous employment. But he admitted that there were exceptions to the rule, and it was the fact that the regularity of their work, where it existed at all, was based upon the possession of a tied market (5214-6).

Although Government already has the legal right to collect income tax from co-operative societies, it does not use it, because the large majority of mem-

bers, not being liable to the tax, would claim to have returned to them individually what had been taken from them in this way collectively. The incidence of the income tax, which now presses unfairly on the private traders, should be made more equitable by making every society a unit for the purpose of its collection without allowing rebate to individual members (5152-71, 5254-82).

The way in which the accounts of co-operative societies are audited is not so excellent as it was represented to be by Mr. Maxwell in answer to question 421. The auditing should be performed by public officials (5222-7).

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

Co-operative societies and their auditors.

REPRESENTATIVES OF VARIOUS MOVEMENTS.

REPRESENTATIVES OF VARIOUS MOVEMENTS.

Witnesses examined:—

Mr. T. MANN,	} State and Municipal Socialism.
Mr. S. WEBB,	
Mr. H. M. HYNDMAN,	
Sir THOMAS FARRER, Bart,	} The London County Council
Mr. C. BOOTH, Labour in the East End of London.	
Mr. O. FENWICK, M.P.,	} The Parliamentary Committee of the Trades' Unions Congress.
Mr. J. ANDERSON,	
Mr. E. HARFORD,	
Mr. W. H. GARDENER, The Egham Free Labour Registry.	
Mr. T. SMYTH, The Chelsea Labour Bureau.	
The Rev. W. TOZER, The Ipswich Labour Bureau.	
Mr. E. T. SCAMMELL, The Exeter Chamber of Commerce	
Mr. C. S. LOCH, The Charity Organisation Society.	
Mr. S. B. BOULTON, The London Labour Conciliation Board.	
The Rev. J. GRITTON, D.D., The Lord's Day Observance Society of London.	
Mr. W. ALLAN, The Prevention and Settlement of Strikes.	
Mr. T. W. BUSHILL, Profit-sharing.	

Mr. TOM MANN.

The witness. A member of the Commission, gave evidence as to the lines upon which the principle of collectivism ought to be applied to the solution of social problems (2072-5).

Evils which public control would cure
(a) Waste of the forces of production
(b) Misdirection of the forces of production
(c) Disproportionate distribution of the rewards of production.

Waste of the forces of production to be remedied.
(a) by Labour Department and Bureau

(b) By regulation of the hours of labour

Most of the evils at present discernible in the industrial world, the waste and mis-direction of the forces of production, and the disproportionate distribution of its rewards among its various agents, are attributable to the survival of an over-sectionalised system of control. A public authority would be able to organise the various sections of every trade in such a manner as to remove the anomaly whereby the over-worked and the unemployed are existing side by side, and, by so doing, to make effective the latent demand for goods among those who now cannot afford to purchase what they need. Of the two possible alternative methods of dealing with this cardinal difficulty, the system of paying high enough wages during good times to enable the workers to maintain themselves in idleness during bad, involves a frightful waste of human energy, while the remedy of emigration would do nothing to prevent fluctuations of trade throwing men out of work, depriving their demand for goods of its effectiveness and so intensifying the evils out of which they arose. But a public authority would be able to deal with the matter in a thoroughly effective manner, by establishing labour bureaux and a Labour Department to collect and publish information forecasting fluctuations in trade, —and, it may be mentioned in passing, that the Blue Book form is not the best that such publication should take—by regulating the hours of labour, and by itself undertaking the conduct of industrial enterprises in fulfilment of its obligation to provide the workless, not only with food, but also with a fair outlet for their energies (2076, 2304-8, 2342-54, 2613-26, 2758-66, 2782-95, 3190-245).

The regulation of the hours of labour should take the form of an Act of Parliament, compelling municipal and county authorities to limit the hours of labour to 48 per week, or less, in any trade within their jurisdiction where a three-fourths majority of the adult workers of either sex demanded it. To meet the case of breakdowns and periods of pressure, local councils, composed of representatives of employers and employers, should be appointed to grant exemption from the rule, for it is better to allow overtime to be worked upon occasion than to take on fresh

hands, whose subsequent dismissal would swell the ranks of the unemployed. The definition of the limits of each trade should be stated in the Act of Parliament. It should include all the workers, whether skilled or unskilled, whose services are essential to the prosecution of the trade in question. Labourers employed in more industries than one should have a vote in connexion with each. Provision should be also made for the registration of those entitled to vote for each trade. But the determination of the districts should be left to the workers themselves. That is to say, if the workers employed within the jurisdiction of one local authority considered that it would not be safe for them to reduce their hours of labour until their fellows in a neighbouring jurisdiction did the same, they should wait until concerted action could be arranged. A universal eight hours rule would be inexpedient, nor should any attempt be made to interfere with persons working as their own employers and not for wages. In the application of the Act to agriculture, an exception should be made for harvest time. By the operation of such a measure, it is hoped to secure the absorption of the unemployed, higher wages for less work, and an improved standard of life concomitantly with greater leisure. The first object would be attained in trades where the reduction of hours diminished the daily production per man, provided that it did not raise the prices and so check the public demand. Prices, however, would rise and prevent the desired absorption, unless the reduction of hours were supplemented by a re-organisation of industry in the hands of the State, for, unless the wages for the additional hands required came out of the pocket of the public in the form of higher prices, they must be provided out of the fund appropriated to interest and profits, and private employers would rather leave a demand unsupplied than supply it on these terms. At the same time, if employers were to voluntarily raise their wages bills by employing more hands to produce the same output at the same price, the stimulus given to industry by the increase in the workers' purchasing power would cause an improvement in the mechanical arts of production, which would be more than sufficient to recoup them for their loss. In trades where the reduction of hours so far improved the efficiency of the workers as to positively increase the daily output per man, an absorption of the unemployed would take effect, provided that organised effort proved sufficiently

REPRESENTATIVES OF VARIOUS MOVEMENTS.

PRESEN-
TATION OF
ARIOUS
MOVEMENTS.

powerful to raise the wages and increase the purchasing power of the workers, thereby creating a new demand which additional hands would be wanted to supply. The assumption, on which the argument here given is based in both cases, is that a transfer of purchasing power from capitalists to workers would result in an increased total consumption, for it is unlikely that the former would reduce their expenditure to the same extent as the latter would increase theirs. Besides the direct transfer to labour of a portion of the reward of industry now appropriated to capital, the absorption of the unemployed would indirectly cause wages to rise by diminishing the competition for work in the labour market. The trade option method is a guarantee that the increased leisure would not be abused, for it would be granted only to those who have sufficient intelligence to demand it. A reduction of hours, indeed, would have a more beneficial effect upon the workers' standard of life than the spread of teetotalism. Excess of drinking is the effect rather than the cause of the bad conditions which it intensifies, and the economic advantages enjoyed by teetotalers are made possible only by the demand for drink among their fellows, which fixes the minimum of their wages at the sum needed to supply it. In the absence of that demand, wages would fall, unless there arose an equivalent demand for something else. Our efforts should, therefore, be directed, not towards eliminating the wants of the workers, but towards extending them and directing them into higher and nobler channels. It is to the development of the latent purchasing power of British workmen that employers should look for compensation for the possible loss of foreign custom, in consequence of a reduction of hours. Important as our foreign trade is, it is the fact that it absorbs a disproportionately large amount of the products of our industry. Too much, both of our goods and of our capital goes abroad, when there are plenty of persons at home to be supplied with the former and employed by the latter. The depression of English trade is due to the falling credit of the foreign countries for which we cater. The trade we might do at home would not be liable to depression from causes external to ourselves, and it would, therefore, be desirable to be rather more self-sufficient. It is unlikely, moreover, that a reduction of hours would, as a matter of fact, injure us, even in respect of our trade with other nations, inasmuch as our competitors are moving along the same course of social legislation as ourselves, and it is not in spite, but because of the relatively shorter hours worked by British labourers that British commerce has occupied for so long a time its leading position. The textile operatives of Yorkshire do not fear, and have no cause to fear, a reduction of their hours to 48 per week, although their French competitors are working 68. The existence of a legal standard, finally, would not make voluntary improvements of that standard less likely than is the case at present, when employers never grant such concessions unless actually or virtually compelled to do so by the men's organisations. The use of Trade Union instead of Parliamentary power to secure the desired reduction of hours would not preserve the liberty of the individual in respect of his hours of labour, for the simple reason that such liberty is already irrevocably lost. Modern business establishments can be conducted only on the basis of uniformity in this respect. Parliamentary power is preferred because it is much more effective (2423-61, 2564-82, 2597-8, 2601-12, 2627-39, 2653-84, 2691-6, 2709-16, 2726-45, 2796-857, 2875-3003, 3036-319, 3327-440, 3501-23, 3556-64).

For the more effective administration of a law regulating the hours of labour, employers should be compelled to provide factories for their workpeople instead of giving out work to be done in domestic workshops (3365-71).

Besides making better provision for the regulation of the industrial operations of private firms, the public authority should extend its own functions as an employer of labour. The present tendency is set in the direction of substituting centralised for sectional control, and is one to be encouraged. It must, indeed, be remembered that a limit is placed upon the expediency of extending the functions of any public authority by the mental and moral make-up of its constituents. The only kind of public authority, in fact, that can be trusted to realise the collectivist ideal in its completeness is one that is properly representative of a perfectly educated and

enlightened community, and the true essence of that ideal is the development of the perfected individualism which is its necessary environment. Rapid, moreover, as has been the progress of popular education, it has not yet advanced far enough to make advisable an immediate wholesale application of the collectivist principle to the entire trade of the country. At the same time, it is not premature to make an immediate move towards its application to certain branches of industry. In the first place, it is expedient, in the interests of the workers and the public who control the Government, for negotiations to be opened without delay by the Board of Trade or some other Department of State with the view of taking over the management of railways. Instead of consulting the interests of a body of shareholders, the public authority should aim both at making travelling as cheap and as easy as possible and also at releasing railway employes from the long hours and other hardships which they are at present called upon to endure. The fact that the State railways in foreign countries compare, in some respects, unfavourably with those managed by private companies in this country does not weaken the case in favour of public control, because, in those countries, public opinion is not sufficiently sound or sufficiently powerful to keep the industrial policy of the various Governments on the right lines. Secondly, measures should be immediately taken towards securing the nationalisation of the land. The first step in this direction should be to empower county councils to obtain land from owners at a fair price to be let out at fair terms as small holdings to labourers. Municipalities should also develop still further the policy, already pursued in some cases, of supplying their own lighting, water, and gas, and undertaking their own building, furnishing, and the manufacture of clothes for their servants. They should not be compelled to undertake more of these functions than they desire; but they should apply to Parliament for the necessary powers when they want to extend the sphere of their operations, and these powers Parliament should show no reluctance to grant. The municipalities and county councils should aim at the ultimate elimination of the private capitalist by saving enough in their corporate capacities to pay off all debts. They would thus become both managers and proprietors of all industrial undertakings. The change would not involve any of the evils usually predicted to result, and would enable much good to be done in preventing fluctuations of trade, irregularity of employment, and other attendant evils. It is true that the industrial experience of municipalities has hitherto been mainly confined to monopolies; but the fact that they have managed monopolies successfully does not prove that when engaged in competition they will fail. The elimination of mercenary motives would not check the progress of science and the performance of good work. Public spirit has always been at least as powerful a stimulant as self-interest to the production of the best work. Mr. J. S. Mill wrote:—"Education, habit, and the cultivation of the sentiments will make a common man dig or weave for his country as readily as fight for his country." No harm is likely to result from the undue exercise of their political power on the part of employes of public bodies, for difficulties of this sort are not increasing but decreasing concomitantly with the extension of municipal and State management of industries. The disappearance of the personal relationship between employers and employed, which is the inevitable result of the substitution of corporate for individual management, is, no doubt, a distinct loss; but it is a means of transition towards something which is much better. The same may be said of the existing tendency towards the formation of syndicates, trusts, and rings. In many cases, these combinations have been productive of great evil, but they are a means of transition towards municipal or State employment, for the very evils they exhibit will act as an incentive to the workers to hasten the decay of the system under which their existence is possible. Productive co-operative societies will rise up to compete with syndicates that trade unfairly and workmen will boycott them (2067-111, 2157-74, 2243-50, 2265, 2325-42, 2355-420, 2481-513, 2697-701, 3568-77).

An extension of the industrial functions of public bodies would cause the forces of production, not only to be applied economically, but also to be applied to the right objects. Some industries are at present

REPRESENTATION OF
ARIOUS
MOVEMENTS.

By sending direct material motions of this kind.

Redirection of the forces of production to be needed.

REPRESENTATIVES OF VARIOUS MOVEMENTS.

(a) By prohibiting mischievous industries.

(b) By facilitating transfer of capital and labour from falling to rising trades.

Disproportionate distribution of rewards of production to be remedied by public authority.

Reorganisation of the London Docks.

devoted to the production of articles that are useless, and, in some cases, positively mischievous. Under a reformed organisation of trade, the more enlightened portion of the community would be able to use the State machinery to give effect to their opinions in the industrial, as they already do in the political, sphere, and so to prevent the worst portion of the community being catered for. Pernicious literature is a conspicuous example of the misdirected enterprise which State control could prohibit. Again, the State would turn into more profitable channels the energy now expended in fighting against nature and bolstering up decaying industries. The state of agriculture is a conspicuous example of the failure of sectional control in this particular. As foreign nations increase their own production of the goods we sell them, our labour and capital should be gradually transferred to the production of the food we buy from them. While new methods of agriculture are improving the absolute productivity of English soil, the action of the public authority in facilitating the acquisition of small holdings by the labourers may be trusted to improve its relative productivity compared with the land of other countries (2077-8, 2241-3, 2302-3, 2310-24, 2465-80, 3478-500, 3524-39).

The third main result to be expected from a further application of the collectivist principle to the organisation of industry, is a better proportionate distribution of the rewards of production among its several agents. *Less than half of the annual value of commodities produced in this country is appropriated to the workers, both mental and manual, and though the rate of interest is lower than it was, yet, owing to re-investment and other causes, a larger proportion of the annual income of the country is devoted to the payment of this charge than ever (2343-7, 2640-50, 3004-35, 3540-50).

Perhaps the most important case demanding the substitution of centralised for sectional control, is that of the Port of London. At present, the port is in the hands of several companies, of whom the most important are —The London and St Katherine's, the East and West India, the Surrey and Commercial, and the Millwall Dock Companies; but, for ordinary business purposes, the London and St Katherine's and the East and West India Companies are amalgamated under one administrative body, called the London and India Docks Joint Committee. This committee controls the St. Katherine's, the London, the West India, the East India, the Victoria, the Albert, and the Tilbury Docks. The Surrey and Commercial Company controls the Surrey and Commercial Docks at Rotherhithe, and the Millwall Company, the Millwall Docks at the Isle of Dogs, Poplar. In addition to these docks, there is a small one at Limehouse under the control of the Regent's Canal and Dock Company, the Poplar Dock at Blackwall, which is the property of the North London Railway Company, and another, small in itself but with large warehouses, belonging to the Midland Railway Company. There are 141 wharves and 44 granaries between Blackfriars Bridge and Greenwich Ferry. Excluding the coal trade, which accounts for 5,000,000 tons, the tonnage that enters the Port of London per annum amounts to 13,000,000, and the tonnage that leaves it to 8,000,000, making a total traffic of 21,000,000 tons. The total number of persons engaged at waterside or dock labour is about 48,000, excluding the mechanics, engine fitters, boiler-makers, ship carpenters and other mechanics, as well as the sailors and firemen employed on board ships in port, but including 25,000 dock and wharf labourers with their foremen, &c., 4,000 lightermen, 1,500 non-freemen, who manœuvre the lighters in the docks as distinct from the river, 3,500 stevedores, 2,500 coolies, 7,000 carmen, 1,500 ship painters and scrapers, 500 barge builders, and 500 general labourers. In addition to these 48,000, it is a common thing to have 500 sailors and firemen in the port at once, and a strike or lock-out at the docks would, in the course of a few weeks, cause their number to rise up to 10,000. The work at the various docks fluctuates very much, but, taking the port as a whole, not so seriously as is generally supposed.

*As was pointed out by Mr. Gerald Balfour in putting Questions 8070-5 this statement is at variance with the statistics furnished by Mr. Giffen in a paper read by him in 1884, where he said that of a total national income of £270,000,000, £40,000,000 goes to rent and interest, £20,000,000 to wages of management and professional incomes, and £50,000,000 to manual labour.—G. D.

Under normal conditions, the months of November and December are about the busiest in the year. At this period, fruit is being imported in large quantities from the Continent, the Baltic is still open for the export of timber and grain to this country, and the Canadian ports are not yet closed, while the tea trade is at its height. But, immediately after Christmas, a decline sets in. The largest tonnage enters the port in June, but the cargoes imported during the winter cause a larger employment of labour than those imported during the summer. The average weekly wage of the 25,000 dock labourers for the whole year is 17s. The difference in the average weekly earnings as between one man and another is determined, not by different rates of payment for different degrees of skill, but by different degrees of regularity in their employment. Thus, 8,000 men earn an average weekly wage of 34s.; 5,000, 22s.; 5,000, 14s.; 5,000, 10s.; and 5,000, only 5s. In spite of the irregularity proved by these figures, it would be impossible to carry on the work of the port by present methods unless all these men were available, since every dock demands the presence of enough men to meet its maximum individual requirements. Mr. Booth's proposal that information as to vacancies and facility of transit from dock to dock should be afforded, is of doubtful practicability. For it requires —First, an agreement to be made on the point among the various employers, of whom some are individuals, some are companies, some sub-contractors, and some co-operative groups of men, but no one of these poses as a philanthropic body, or is likely to countenance any concerted action. Secondly, it requires a fund for the payment of the cost of transit. Thirdly, it requires an obliteration of the feelings of resentment with which a workman from a strange dock is regarded by both employers and employed. Regularity of employment can be guaranteed only by substituting a common authority for sectional control, and by making the dock accommodation more compact. The employers themselves are favourable to the settlement of some common control; but they want it to take the form of a Dock Trust, such as has been formed in the cases of the Clyde, the Tyne, the Wear, and the Mersey, whereas the witness advocated the taking over of the management by the London County Council, as more representative of the workers. The Bristol Corporation has formed a precedent for this departure in municipalisation. The first step should be to hold a public inquiry into the present administration of the Port of London and the relations of that port with its competitors both at home and abroad. The County Council would then probably petition Parliament for powers to borrow money to take over the docks by compulsory purchase. Having obtained possession of the property, the County Council should at once proceed to the work of making the dock accommodation more compact. The distance of the docks from the centre of distribution necessitates a great deal of re-loading into lighters or trucks, parts of which might be made unnecessary. It is in connexion with this superfluous work that the irregular employment is furnished, which had better not be furnished at all, inasmuch as it calls into existence a class of workers whom it cannot enable to live decent lives. The witness put in and explained a map showing the details of his proposed scheme of centralisation. It had been submitted to Mr. Cheeswright, an engineer well known in connexion with dock work, who estimated the cost of the proposed alteration at 6,684,000l., excluding the purchase of land. Dredging on an extensive scale would enable the large ships to approach the new docks. The same difficulty has been met in this way by every other important port in the kingdom. The Clyde, for example, has been transformed from a mere ditch into a channel for the admission of the largest ships afloat. The scheme would secure permanent employment for those that continued to get work, but would displace a large number of "casuals." The work of the port, indeed, would be performed with 7,000 fewer men than are now required, and 11,000 fewer than are at present hanging about the docks. Men would no longer crowd to the docks on the chance of work if there were no chance at all. Under the new scheme, all the men employed should be registered, and should have a complete monopoly of the work. The construction of the new docks, however, would furnish employment for seven years to the "casuals," and at

REPRESENTATIVES OF VARIOUS MOVEMENTS.

REPRESENTATIVES OF VARIOUS MOVEMENTS.

Profit sharing and industrial partnership.

Conciliation, arbitration, and mediation.

Wages should not be fixed by Parliament.

The witness.

Growth of collectivism.

Marked by (a) Legislation requiring private enterprise.

the end of that time, they could be absorbed into other industries, where a regulation of the working hours would create vacancies for them, unless the trade of the Port of London increased sufficiently to provide them with places on the regular staff of the docks (2129-240, 2253-9, 2275-82, 2286-301, 2360-2, 2421-50)

In principle, the witness approved most heartily of profit sharing under private firms and more heartily still of industrial partnerships, where the workers share in the management and in the risk as well as in the profits. The process of the introduction of both these methods, however, incidentally involves a tendency to lift the section of men to whom they are applied out of the general army of labour, and so to hinder the progress of the general movement which the witness desired to accelerate (2625-90, 2858-70)

Joint committees of employers and employed should be established. If they failed to agree, appeal should be made to voluntary boards of conciliation established in connexion with various trades and districts. Inasmuch, moreover, as these boards either fail to effect a settlement or are not formed at all, there should be in the background a central board of mediation established for the whole country in connexion with the Labour Department. This board should be composed of six persons elected by the 'Trades' Unions and six by the associations of employers with a Government official to act as umpire. In order to encourage settlement between the parties as much as possible, this board should not be authorised to interfere, even if appealed to by the parties, until an outbreak actually took place. Then, on receipt of an invitation from either side, it should arbitrate, but there are practical difficulties in the way of giving it power to enforce awards. If no appeal was made, it should wait for a fortnight, and then should investigate the matter on its own responsibility, publish the facts, and issue, as mediator, a recommendation as to the lines on which the quarrel should be composed, trusting to public opinion to secure the recommendation being carried out. The board should act as arbitrator only when appealed to, and only on condition of work being resumed on the original terms pending settlement (2752-7, 2767-81, 3320-6, 3441-75, 3551-5, 3565)

Wages should not be fixed by Parliament. The establishment of a legal minimum might enable employers to meet the immediate effects of a legal day by reducing their rates of payment, and the arbitrary fixing of the actual rates of wages, even at a high figure, and with the direct intention of transferring a portion of the employers' profits to the pockets of the workers, is not desired by the large, though diminishing, majority of workers that think it unfair to deprive employers of their profits altogether. The witness, however, considered that a complete elimination of profit and interest would not have a bad effect upon the prosperity of national industry generally, except in so far as capital might find other markets where it would be better paid. It might, that is to say, affect the destination, but not the accumulation of capital (2717-25, 2934-48).

MR. S. WEBB.

Member of the London County Council, public lecturer on political economy, and the author of some essays and books on social subjects, detailed his views on some of the more important problems of modern industrial politics (3578-81).

For the last 70 or 80 years, the course of legislation has been guided by the principle, repudiated by the earlier economists, that industrial relations ought to be subjected to the deliberate and conscious control of the community. The tendency towards a fuller recognition of this principle is marked by a stricter regulation of private enterprise, by shifting the burden of taxation more and more upon rent and interest, by the assumption of industrial functions on the part of the State and municipal bodies, and by the extension of collective philanthropy, i.e., the deliberate use of the public resources of the community for the benefit of its less fortunate members (3582-633, 3556-9).

Legislation having for its object the regulation of private enterprise is best exemplified by the Factory Acts. Although nominally enacted with sole reference to female workers and to youths under 18 years of age, this code has also had a practical bearing upon the condition of adult males (3588-611).

The shifting of the burden of taxation more and more upon rent and interest has followed as the natural result of a more accurate translation into practice of the principle of basing the incidence of taxation upon equality of sacrifice which has been universally admitted since the days of Adam Smith. Nowadays, indeed, almost every tax on land is a tax on rent. Schedule A. of the Income Tax, for example, is really a tax on rent (3960-74, 4201-6).

The assumption of increased industrial functions on the part of public bodies is very strongly marked. The London County Council employs about twice as many persons as the Metropolitan Board of Works did only four years ago, and London is only following in the wake of other large municipalities. It is computed by Mr. Giffen that the provincial municipalities control an aggregate capital of about three or four hundred millions sterling. Many of them have undertaken their own water and gas supply, and the construction and, in some cases, also the working of their own tramways, although it may be true that much of the plant of these enterprises which passes as municipal property has been obtained by capital borrowed from individuals. They are also rapidly acquiring land, not only by purchase, but also by using their power of imposing rates to tax rents, and so to reduce them, and the rates thus swollen would then be devoted to meet the increased expenditure now demanded in the direction of collective philanthropy (3624-31, 3697-726, 4153-68).

Concomitantly with the growth of collectivism, there has been observable a marked improvement in the condition of the labouring classes. The marvellous progress of the Lancashire operatives during the past 50 years is to be attributed primarily to the Factory Acts, then to the rise of municipal socialism and of Trade Unionism, then to the co-operative enterprises made possible under such conditions, and, finally, to the action and reaction of all these forms of collectivism upon one another. The great increase in the efficiency of production is to be accounted for in the same way. The pressure brought to bear upon the managers of industries by the Factory Acts, by municipal bye laws, and by Trade Union demands have had in the past a very stimulating effect, and will cause still greater improvement in the future. The application of the collectivist principle is being daily extended. Were it not so, the present condition of a large portion of the workers of this country would appear as hopeless as was that of the Lancashire operatives before the beneficent tendency set in (4061-7).

That the movement towards collective socialism will continue indefinitely, is guaranteed by its association with democracy. At the beginning of the century, the Government was not really in the hands of the people, and economists had some reason in opposing the extension of the sphere of State action on the ground that such action was likely to be directed in favour of a class and against the community as a whole. Collectivism unaccompanied by democracy cannot be regarded as superior to individualism, as is proved by comparing the unprogressive communism of the Bengali and Russian peasants with the enterprising individualism of the New Englanders, who are ethnologically of the same race. Combined with democracy, however, collectivism has a highly stimulating effect upon the health of the body politic, and generates a better type of character than an individualistic and competitive organisation. Socialism, indeed, may be described as the "economic obverse" of democracy. That is to say, the advent to political power of the industrial classes naturally results in directing the action of the State to the solution of social and industrial problems (3933-55, 4135-41, 4215-23, 4253).

A more complete application of the collectivist principle will be marked by the management or direction of all industrial undertakings passing into the hands of governmental establishments both national and local, and by the absorption by the community of rent and interest. In the first event, every position of authority in the industrial world would be a political appointment; but this would involve no great extension of the sphere of political patronage, already reduced to a minimum in the case of the Civil Service. The appointments would be made just as other Civil Service appointments are made now; they would not and ought not to depend upon popular election. Bureaucracy under a democratic régime would be a very different thing from bureaucracy uncontrolled,

REPRESENTATIVES OF VARIOUS MOVEMENTS.

(b) Shifting the burden of taxation upon rent and interest.

(c) The assumption of industrial functions by the State and municipal bodies.

(d) The extension of "collective" philanthropy.

Beneficial effect of the growth of collectivism upon the condition of the labouring classes.

Success of collectivism depends upon its association with democracy.

Future developments. (a) Extension of industrial functions of political bodies.

REPRESENTATIVES OF VARIOUS MOVEMENTS.

(b) Absorption by the community of rent and interest.

Collectivism not equally applicable to all stages of national development.

Change of opinion among politicians in regard to collectivism.

Government as an employer of labour.

and there is reason to expect very great intelligence to be developed among the members of the industrial hierarchy of the future (4033-51, 4256, 4536-8).

The absorption by the community of all rent and interest would not deprive enterprise of its reward and stimulus. Enterprise and claim to rent and interest do not necessarily go together. The best work has never been done for money, and the profits of so many inventions have been gathered by persons other than the inventors that self-interest cannot be said to have had a greater stimulative effect in this direction than the mere desire to invent. Whilst the standard of life among some classes of wage-earners is higher than it was 50 years ago, it is not so among others, and, on the whole, the working classes have not absorbed a fair proportion of the increased products of the national industry. Too much has gone to rent and interest (4052-60, 4378-84, 4532-5).

Sound as the principle of collectivism is as a guide for political action, it is not applicable in the same degree to every stage in a nation's evolution. It is only to the highest stage in that evolution that the collective administration of all productive industrial effort can be applied. The witness, however, looked forward without anxiety to the continued extension of industrial action by the State, and utterly discarded the old-fashioned notions of which Mr. Cobden was the exponent when he wrote against the Government providing even its own Army and Navy supplies. The speech, delivered at the Eighty Club by Mr. Morley in December, 1889, is a remarkable example of the changed attitude of politicians towards socialistic developments, for the speaker, while opposing an Eight Hours' Bill, expressed himself very emphatically as to the duty of the State to find honourable work for the workless (3655-67, 4533).

One great advantage of placing industrial establishments under Government is that public criticism can secure the remedy of evils in their administration. It is much easier to urge the Government to pay proper wages than to urge a private contractor to do so. The importance of maintaining this greater power of criticism is proved by the very existence of defects. Such defects are the disregard displayed by the Admiralty to the resolution of the House of Commons, in 1891, to the effect that all Government employes should be paid the wages current in the district, and the non-recognition by Government officials of the men's Trade Unions. The labourers employed in the Deptford Victualling Yard are paid only from 17s. to 19s a week, that is to say, exactly the same as the same class of labourers at Gosport and Devonport, where the cost of living is much less. Mr. Charles Booth classed all Londoners receiving less than 21s. per week with families dependent on them as being in poverty, and all those receiving less than 18s. regularly as being in chronic want, and the London County Council has fixed 24s. as the minimum wage for its adult workers, on the ground that it would be adding to the destitution and poverty of London by paying less. The House of Commons ought to emphatically prohibit any Government Department from paying less than the wages authorised by the local Trade Union, and, in London, less than 24s. (3779-93, 4477-9).

Political pressure is even now constantly being brought to bear upon the Government by civil servants. This is not by any means to be deplored, but rather encouraged. If that pressure were to be increased, dockyard labourers would be underpaid and Post Office servants ill-treated no longer. The fullest possible recognition of the right of public servants to combine to secure their common advantage ought to be accepted as an essential principle, at any rate of Liberalism. The present refusal of the Admiralty to recognise any person not employed in the yard as the representative of the Deptford labourers is a reversion to the policy which Trade Unions have been so long occupied in breaking down among private employers (4045-6, 4505).

Another great advantage of the Government employment of labour is that it can be made much more regular than with private firms. Government ought to deliberately aim at getting as much of its work as possible done during slack seasons, with a view to securing regularity. There is an excellent economic reason for this policy, inasmuch as, in slack seasons, the work can be done much cheaper (4385, 4393).

In point of efficiency, moreover, Government work compares not unfavourably with that of private firms. Exactly the same class of work is being done

for the Government by Messrs Armstrong, Mitchell, & Co. at Elswick, and by the Government itself at Woolwich, and all inquiries show that the latter is the more efficient. A desirable extension of the State's industrial functions would be the acquisition of railways which are already subjected to a great deal of State regulation. They should be taken over by purchase under the Lands Clauses Consolidation Act. Considerable portions of the German railway system have lately been taken over by the State, and both Government and nation are satisfied with the result. One great advantage of such a change being adopted in this country would be the opportunity of reducing the excessive and criminal hours now worked by railway employes. Where such hours are now worked, the State might fairly demand an abatement in the purchase price, just as if it was taking over a house in a bad sanitary condition (3794-801, 4181-200, 4640-55).

No harm would result from the substitution of a single public monopoly for a number of competing companies. A monopoly in private hands is, no doubt, not so efficiently conducted as an undertaking that has competitors to face, as is proved by the comparative inferiority of the southern railways, where competition is slight, to the northern railways, where it is severe; but the case of a monopoly in the hands of the public authority is different (4181-200).

Still more is to be hoped for from the extension of the industrial functions of municipalities. The funds required for the purpose of such extension would be derived, as heretofore, from rates levied on real property. These rates should fall more directly on the owner than they do at present, but the occupier should not be altogether exempted. From what source such funds should be drawn in the event of the land ultimately becoming the property of the municipality itself, is a question for a future so remote as to be safely left unanswered at the present time. Although it would probably pay to purchase the land of London at present prices in view of a probable rise in its value, it would be better to tax the ground landlords before buying them out. The proposal of Mr. Haldane, Q.C., to the effect that the land of London should be valued, and the London County Council empowered to take it over at any future time at its value to-day plus compensation to the owners for improvement, is a good one. It is a just proposal, because any rise in the unearned increment would be caused by the community, and the community has, therefore, a perfect right to intercept it. Provided, then, with the requisite funds by the rates, either directly or indirectly, in the form of a loan raised on their security, the municipalities should proceed to assume the direction of a large variety of concerns, such as water and gas supplies, tramways, artisans' dwellings, hospitals, and docks. These enterprises should be carried on for the benefit primarily of the public, and afterwards of the employes. Whether the consuming should be considered before the non-consuming portion of the public, or *vice versa*, is a matter of corporation policy, as is also the question of monopolising these enterprises (3630-54, 3667-96, 3832-62, 3886-900, 4019-32).

Water should certainly be supplied free. Even at the present time, there is communism with regard to water, just as there is with regard to roads, bridges, and schools, that is to say, every man uses water according to his pleasure, and pays for it according to his means (3863).

Gas should be supplied free to streets, &c., but whether individuals could at present be advantageously allowed to use as much as they pleased irrespective of their payments is doubtful, although the gain resulting from the abolition of the present costly system of measuring would certainly be great. In no single case where gasworks have passed under the management of municipalities in England has it ever been seriously proposed to follow the example of Philadelphia, U.S.A. and hand them over to a private company (3864, 4539-91).

Tramways, too, should run free of charge under certain circumstances. Indeed, it seems probable that the difficult problem of housing the poor of our big cities will never be solved without a very liberal service of free public tramways between the centre and the suburbs. Artisans' and labourers' dwellings should be provided at an improved quality rather than at reduced rents, inasmuch as the benefit of any such reduction would probably be intercepted

REPRESENTATIVES OF VARIOUS MOVEMENTS.

Municipalisation of industry.

REPRESENTATIVES OF VARIOUS MOVEMENTS.

in the form of lower wages by the employers (3865-8).

Hospitals are already supported mainly by the rates, and, inasmuch as private subscription is a very objectionable mode of maintaining public services, they should be supported out of the public funds entirely (3872-4, 3882-5).

Docks should certainly be managed by a public authority in the public interest. The Corporation of Bristol considered it worth while to purchase the Portsmouth and Avonmouth Docks, even at a sum that has caused an annual deficit to occur in the actual dock accounts, as being the only means of saving the city from falling as Bruges has fallen. And the same policy will soon have to be pursued with respect to the docks of London. It will probably be found better to entrust the management of those docks to a body like the Mersey Docks and Harbour Trust than to a committee of the London County Council, because bodies outside the county of London are concerned, such as the municipality of West Ham. The Mersey Docks and Harbour Trust is elected by the payers of 10l. a year in dock dues. This is certainly a very restricted electorate; but the body elected is, at all events, a responsible public authority formed for the purpose of carrying on its work with a view to the interests of the public rather than of a number of shareholders (3872-81, 4002-18, 4342-5).

In addition to these and similar undertakings, municipalities should purchase land when it appears desirable for them to do so, and it generally does appear desirable when it is practicable. Whether a municipality should farm its land by a bailiff or let it out to tenants, is a mere question of policy and business capacity (4207-14).

While conducting all their industrial enterprises in the interests of the public, the municipalities should never lose sight of the welfare of the persons in their employ. They should set a good example to private employers by keeping their rates of wages, if possible, slightly in advance of those paid by the best paying firm in the same line of business in the town. Thus they would be enabled to do by being relieved from the necessity of making profits. It is true that the steam-tram drivers employed by the Corporation of Huddersfield receive only 26s. a week, which is about 100 per cent. less than the London omnibus drivers who serve private companies; but wages are in all cases much higher in London than in a town like Huddersfield, and the occupations of a steam-tram driver and an omnibus driver cannot be compared (3869-71, 4315-41).

Not only can the municipality pay greater regard to the interest of their employes in the matter of wages, but the experience of the London County Council has proved that they can ensure greater regularity of employment, and they should endeavour always to arrange their work in such a way as to dovetail with the experienced irregularity of employment under private firms. It is also desirable that the local authority should actually anticipate future work in order to provide employment for those out of work at the present. The predicament where the municipalities will no longer have any work to give the unemployed is very remote, because their sphere of industrial action can be extended indefinitely. Boards of Guardians, moreover, should no longer confine themselves to granting charitable relief, but should make some kind of reasonable and honourable provision for exceptional cases of temporary distress, inasmuch as public charity is only one degree less demoralising than private, and should be resorted to only in the very last extremity (4392-7).

Private employers might, and in some cases do, much good in the directions here indicated. But, even if they all did as much as could be desired, the municipalisation of industry would still be advisable, for whatever reforms are effected by a municipality in the condition of its employes are really effected by the employes themselves, inasmuch as they form the majority of the electorate constituting the municipal authority. The workers are thus virtually their own employers, and, as such, have responsibilities which tend greatly to elevate their character. As their own employers, moreover, they can guarantee that the advantages in the matter of wages and hours, &c., which they have gained in good times, will not be taken away from them in bad without their consent. Such, at any rate, is the experience of municipal employes at the present time (4593).

No industrial enterprise would ever be taken over by a municipality until the citizens were assured that it could be so taken over with advantage; but the advantage would not necessarily be pecuniary. In taking over any business, the municipality would presumably take over also the administrative staff connected with it. Besides taking over existing businesses, the municipalities might start fresh ones. If the London County Council, for example, were to decide to make clothes for its servants, it would probably start a new clothing factory for the purpose (4617-39).

A Labour Department of Government should be formed by an amalgamation of the existing Labour Bureau in connexion with the Board of Trade with the Factory and Mining Section of the Home Office. The head of the new Department might or might not be a new minister. It could be started, after the example of the Bureau of Industries in New Zealand, simply on the authority of a vote in the Civil Service estimates. Its functions, in addition to those already belonging to the two bodies that would form its nucleus, should be threefold. First, to collect and publish more complete information than has hitherto been done concerning the conditions of labour in all parts of the country; secondly, to issue forecasts of coming depressions in trade; and, thirdly, to organise inquiries into strikes (3840-1).

There is no reason why we should not have an absolutely complete register of all industrial establishments of every kind, even including all home workshops where anyone is employed for wages. The effective administration even of the existing Factory Acts demands a complete system of registration. Every person, moreover, employing more than three wage servants should be requested, or even required, to furnish returns of the wages he is paying, and, for discovering such facts as these, greater use should be made of the enormous amount of information in the possession of both the General Registry Office and the Inland Revenue Department. The secrecy in which employers at present keep their wage books can only be due to a desire to conceal the unfair advantages they are trying to take of their rivals by paying too low wages.

It would have been quite possible for a Labour Department to have predicted the depression of trade which is now imminent. Such forecasts could be prepared with as least as much precision as those of the Meteorological Office in regard to changes in the weather.

Public inquiries should certainly be made into strikes, for they are matters of as much public concern as a fire or a death. The Department should employ a skilled expert to inquire into and report upon every serious strike and every important industrial change (4399-412, 4483).

Both parties in the State recognise the expediency of extending the Factory Acts. In any future amendment, it is a matter of the highest importance that the interests of the well-organised trades should not be considered to the entire exclusion of the more degraded industries which the Acts can now scarcely be said to reach. The condition of those industries that are carried on in domestic workshops is the worst. They come under the Factory Acts in so far as persons outside the occupier's family are employed in them for wages; but, owing to the paucity of the inspectorial staff, they are not inspected and generally not even registered. It is in these domestic workshops, especially in the clothing and furniture trades in the East End of London, that the evils of what is known as the sweating system prevail, and it may be mentioned, in passing, that it is not only on the question of sub-contracting that sweating can arise; on the contrary, some of the worst cases are those where the home work is done directly for the export merchants. What is wanted is not so much a very large increase in the present highly trained and fairly well paid staff of inspectors as the appointment of additional officials of a subordinate class, who could be, as it were, "the eyes of the inspectors." Mr. Sidney Buxton's proposal to make the owner of the houses where the work is done responsible for their sanitary condition under the Factory Acts, just as he is already to a less degree under the Public Health Acts, should be adopted, and, as an additional precaution, every foreman or giver-out of work also should be responsible for the observance of the Factory Acts in whatever place he allows his work to be done. The effect of this last provision would be either to make the giver-out of work a vigilant inspector of

REPRESENTATIVES OF VARIOUS MOVEMENTS.

A Labour Department

The Factory and Workshops Acts.

EXPRESSES
TATIVES OF
VARIOUS
MOVEMENTS.

these domestic workshops and so to help to supply the deficiency in the Government staff, or to induce him to keep a larger proportion of his work in the factory, and so to diminish the number of domestic workshops needing inspection. The adoption of these proposals would be the means of providing East London with a Factory Act as well adapted to its own peculiar circumstances as the Factory Acts of the first period were to the peculiar circumstances of Lancashire (3784-45, 3805-7, 4441-4, 4473-4, 4656-77).

Desirable as it is to assist the transition from home work to a universal factory system, it would be inexpedient to abolish domestic workshops in direct terms by Act of Parliament. Nor should the employment of married women be definitely prohibited, although it is in many respects an evil, and nearly always has a very prejudicial effect upon the wages of adult male workers. The proper aim is to hasten the advent of a social development in which mothers of families should be released from their present necessity of working for their living. On the other hand, it is highly expedient to raise the age at which children are allowed to enter the factories, and to extend the period of their school career, whether by means of the half-time system or otherwise (4251, 4445-52).

Eight hours' day.

A shortening and regulation of the hours of labour is expedient and practicable. The result would be to create vacancies in permanent and well-organised industries for persons now employed in casual and irregular ones, and so to raise the standard of life among the workers, to the great improvement both in their efficiency as workers, and in their character as citizens. Economists have hitherto been loth to commit themselves to any definite expression of opinion with regard to what is popularly known as the eight hours' movement, doubtless owing to the extreme difficulty of prophesying its economic effects. And it must be admitted that there is no *prima facie* evidence in favour of the economic advantages of the double-shift system, especially in those industries where the value of the fixed capital is large in proportion to the amount of labour employed. Indeed, it may even be admitted that a general reduction of hours might probably cause a general increase in the cost of production. Such an increase in cost, however, would not necessarily be followed by either a fall in wages, or a reduction in the public demand, causing a diminution in the amount of commodities produced. Unless the price were raised, demand, production, and wages would remain the same, and the loss would fall exclusively upon interests and profits. And that price would not necessarily be raised is proved by the fact that the increased cost of working railways caused by a shortening of hours has not been followed by a rise of fares. A reduction of profits and interest, moreover, would not necessarily either check the accumulation, or cause the emigration, of capital. The rate of interest is only one of the many potent influences that cause capital to be accumulated, and there is no danger of a larger proportion of English capital going abroad, so long as the gap between the rates of interest paid in foreign countries and those paid at home continues to become narrower instead of wider. And as a guarantee that it will not become wider, there is the fact that other countries are rapidly following in our footsteps along the path of labour legislation (3746, 4119-20, 4179-80, 4324-50, 4352-314, 4678-874).

As to the method by which this desired regulation of the hours is to be applied, it may be submitted that legislation is far preferable to Trade Union effort. The latter is inferior on three grounds:— First, because it is more effective among well-organised workers than among the less fortunate ones who need help the most; secondly, because it generally involves an expensive struggle, which, even if successful, leaves no guarantee that the advantages gained in good times will not be taken away in periods of depression; and, thirdly, because it deprives an important party to the transaction, viz., the public, of a voice in the matter. It is quite possible for the Trade Unions and the employers to mutually agree upon a shortening of hours for the express purpose of taxing the public, and an Act of Parliament is the only medium by which the public consent be so taxed can be expressed (4346-77).

Granting the expediency of dealing with the matter by means of a law, the next point to be considered is what the provisions of that law should be. It should not be an enactment limiting the hours of labour to

eight or to any specific number throughout the country indiscriminately, and without regarding the peculiar circumstances of trade and district. Such a law would not be workable. But it should take the form of an amendment to the Factory Acts, empowering the Secretary of State responsible for the administration of those Acts to make an order regulating the hours of any trade that seemed to require it. Before making such an order, he should ascertain the views of the majority of those concerned in the trade in question, for the acquiescence of the people in a law is an important element in its practicability. In order to ascertain these views, he might adopt the same machinery that is now constantly applied by the Local Government Board for similar purposes. The order once made, however, should be rigidly enforced. While making due provision for cases of emergency, overtime, a costly and inefficient expedient, should be absolutely forbidden, and no district or portion of a trade should be suffered to claim exemption. If a particular district were to be exempted from the rule to which the rest of the trade was subject, a minority would be given an unfair advantage in competing with the majority, and trade would consequently be driven to the district exempted from the rule and working long hours, that is to say, the interests of the best and largest would be sacrificed to the interests of the worst and smallest portion of the trade (3747-8, 4413-7, 4437-40, 4453-67, 4507-27).

The objection to district option applies only to trades where the several districts serve the same market. The case of local industries, which do not come into competition with the same industries elsewhere, is different and demands different treatment. Such industries are tramways, shops, &c. In their case the proposed amendment to the Factory Acts might empower the municipalities and other local authorities instead of the Secretary of State to make the order regulating the hours of labour. This order would thus take the form of a corporation byelaw, and would be subject, like other byelaws, to the veto of the Home Secretary (4418-36).

It would be a grave error to limit the power of the Secretary of State or of local authorities in regulating hours to the case of day workmen, leaving pieceworkers exempt. Piecework is apt to be very prejudicial, unless there is some standard price list to enable the principle of collective bargaining, which is the essence of Trade Unionism, to be maintained. It is true that a large number of well-organised trades are ardent supporters of the piecework system; but it would nevertheless be highly inexpedient for the legislature to encourage it at the expense of the alternative system of payment by time. It is noticeable, moreover, that the miners, who are the most ardent supporters of the eight hours' movement, are almost all pieceworkers (4484-502, 4875-77).

The regulation of the working day ought to be accompanied by the recognition of a standard minimum wage. Such a minimum, however, should not be fixed by law, for the workers do not seem to desire it. The value of the relief given under the Poor Law practically fixes the minimum at the present time, inasmuch as a man will not long continue to work at a smaller wage than the State would give him without working at all. The London County Council has fixed its minimum at 24s. a week. It would be well if public opinion would permit this limit to be raised still higher, for it must be very difficult for a family to live in London on so small a sum (3779, 3782-3, 4468-71, 4480-2).

Employers might easily make their work more regular than they do. All industrial undertakings ought to be organised in such a way as to enable the workers to be kept on all through the year, irrespective of fluctuations, as is the case with railways and the Civil Service. In connexion with industries, like shipbuilding, that are necessarily of a fluctuating character, it is hoped that the workers will become so well organised and so far-seeing that they will manage to procure for themselves sufficient wages during good times to enable them to have enough for their support during periods of depression (4365-91, 4398).

Strong organisation of both employers and employed, though a preparation for war, is the best guarantee of peace, so long as the interests of the two parties are divided. Unity of interest can be promoted only by completing the industrial evolution, and making

EXPRESSES
TATIVES OF
VARIOUS
MOVEMENTS.

Minimum wage.

Regularity of employment.

Strike prevention.

EXPRESSES
TALKERS OF
VARIOUS
MOVES
MONEY.

both masters and workmen the employés of the community. Meantime, full recognition should be given by each party to the organisation and representatives of the other. This would prevent many disputes, but not all, for between labour and capital, as between nation and nation, some questions can be decided only by a trial of strength (4503-7, 4608-16).

The witness.

Mr. H. M. HYNDMAN.

Writer on social subjects, supplemented the evidence of the two preceding witnesses (8382-3).

The present industrial system is based upon a series of antagonisms.

The whole system of relations between the various parties in the industrial world is based upon a series of antagonisms, a state of affairs which is little short of anarchical. First, there is an antagonism between the wage-earners and the owners of the instruments of production, the former desiring to increase wages, and the latter to keep them down. Secondly, there is an antagonism among employers competing for profit. Thirdly, there is an antagonism between the over-organisation of the armies of production and the entire absence of regulation in regard to distribution. Fourthly, there is an antagonism between the consumers, who modify themselves and the money which forms the medium of exchange, the means of payment and the standard of value. Fifthly, there is an antagonism between producers and middlemen. And, lastly, there is an antagonism between town and country (8886-90).

ages.

Of late years, wages have certainly risen, but not nearly in the same proportion as the property of the non-productive classes and the productive power of human labour. Deducing the sum paid to non-productive wage-earners, such as domestic servants, the aggregate wages of the productive manual labourers is considerably less than 500,000,000*l.*, and between one-fifth and one-third of this sum is paid back to the non-productive classes in the form of rent (8801-2, 8406, 8691-717).

Working class budgets.

A thrifty working man's wife, living in London, furnished the witness with the following budget of the weekly household expenditure for the family, consisting of husband, wife, and two children:—Rent, 5*s.* 3*d.*; firing, 2*s.* 9*d.*; light, 8*s.*; soap, soda, &c., 10*s.*; bread, 1*s.* 8*d.*; oatmeal, 4*d.*; grocery, 2*s.* 6*d.*; butter, cheese, &c., 2*s.*; flour, 4*d.*; meat, 3*s.*; clubs, Trades' Union, and sick and death funds, 3*s.* 3*d.*; vegetables and fruit, 2*s.* 6*d.*; total, 25*s.* 2*d.* In addition to this, 5*s.* was paid for one child not living at home (8437-46).

Thrift is valuable.

So far from being of value to the workers, thrift is positively injurious to them, inasmuch as it can be practised only at the expense of a self-denial impairing either their own or their children's vitality. To put money into savings' banks, moreover, is merely to accumulate orders on other men's labour, and is no benefit to the workers as a class; and, in any case, it is objectionable to convert the workers into small capitalists and so to fortify the class it is desirable to eliminate (8406, 8718-9).

Strikes and lock-outs.

It is in consequence of the constant struggle for better conditions of life on the part of the workers, and for keeping down their wage bills on the part of the employers, that strikes and lock-outs arise. Strikes are the unconscious manifestations of the revolt of the wage-earners against their conditions of life. So, too, the periodical depressions of trade—we are now suffering from the ninth that has set in during the present century—are the unconscious manifestations of the incapacity of the capitalist and employing class to handle the vast machinery of modern production to the advantage of the community. Both strikes and periodical depressions of trade must continue to recur until the community adopts co-operation instead of competition as the basis of production (8893-6, 8406-9).

Depressions in trade.

Before this desirable state of affairs can be brought about, however, the following palliatives may be recommended for immediate application. In the first place, the State should extend its functions as an employer of labour to a very large extent. Workshops might also be established by the various municipal authorities, provided always that they did not compete with one another. The first industry that the State should take over is the railways. They are the great highways of the country, but they have been converted by a capitalist House of Commons in the past from being worked in the interests of the community to being worked in those of shareholders and directors. The cost of the acquisition by the State

The true remedy is to substitute a co-operative for a competitive system.

Palliatives. (e.) Nationalisation of certain industries.

of this vast property would probably amount to about 1,100,000,000*l.*, but the money would be well spent. On becoming possessed of the means of transport, the State should at once proceed to reduce its cost. The State should also acquire the canals, and should establish a connexion between all the industrial enterprises and the co-operative societies (8428-32, 8437, 8446-62).

EXPRESSES
TALKERS OF
VARIOUS
MOVES
MONEY.

In the second place, all child labour for wages under the age of 14 should be prohibited. There is plenty of evidence, especially in the famous report of 1875, to show that the half-time system had a very bad effect upon the physique of the future generation (8421, 8433).

(b.) Prohibition of child labour.

Thirdly, all children in board schools should be provided with free meals, free clothes, and free maintenance. In Paris something has already been done in this direction at the expense, partly of the Société de Bienfaisance, and partly of the Conseil Municipal, for in France, as in England, the compulsory filling of children's heads, while their stomachs remain empty, has proved to be the means of crowding the pauper asylums with young persons suffering from nervous diseases (8453-5).

(c.) Free meals, &c.

Fourthly, the schools should be, as far as possible, removed into the country, and they should provide technical instruction in agriculture and other trades (8437).

(d.) Technical instruction.

In the fifth place, the law should enforce the payment of equal wages to both men and women for the same or equivalent work (8421, 8433).

(e.) Equal payment of men and women.

Sixthly, a minimum wage of at least 30*s.* a week should be made the rule for all Government and municipal employés, and for all persons employed in concerns that have been raised by the public authority to the position of monopolies or quasi-monopolies, such as railways, omnibuses, tramways, &c. (8418-27).

(f.) Minimum rate of wages.

And finally, the hours of labour should be strictly limited by law to eight per day, or 48 per week, for the members of every trade and every profession. Great advantage would result, both physical, intellectual, and moral. Although such a law might not ensure a permanent absorption of the unemployed, on account of the improved machinery that it would induce manufacturers to adopt, it would probably raise rather than reduce wages, since rises in wages and reductions in hours have always been concomitant. Further, it would give the workers greater leisure and greater scope for combination, and would raise their ideal as to their proper standard of life, besides arousing their latent purchasing power, and so increasing the demand for goods in the home market. No trade is worth retaining at the cost of the physical deterioration of the workers. Overtime should in no case be permitted, nor should the principles of trade exemption and trade option be entertained (8409-17, 8314-40, 8563-8, 8576, 8687-601).

(g.) Eight hours' day.

SIR THOMAS FARRER, BART.

Alderman of the London County Council and formerly Permanent Secretary to the Board of Trade, criticised portions of the evidence given by Messrs. Tom Mann and Sydney Webb, and the policy of the London County Council (7689-90).

The witness.

Mr. Mann was wrong in attributing the fluctuations in employment to the disorganising influence of individualism. As a matter of fact, individualism has caused to grow up unconsciously an organisation more complete than could ever be created by a system of conscious control. No communist despatchment could hope to compete with the wonderfully perfect mechanism that has grown up under individualism for providing London with its daily bread. The prevailing fluctuations of employment—and it cannot be denied that they are a great evil—are mainly due to unsound speculation, and no punishment would be too severe for the fraudulent bankrupts and prospectus-mongers that tempt small capitalists to part with their savings under false pretences. Anybody allowing his name to appear in a lying prospectus, without taking proper pains to verify the statements contained therein, should be liable to prosecution (7890-911, 7946-8, 8026-30).

Mr. Mann's evidence criticised.

(a.) That individualism disorganises industry, and causes fluctuations of employment.

Again, Mr. Mann's medicine is as bad as his diagnosis is false. The Eight Hours' Act, which he prescribes, would be simply out of the question for certain classes of the community, such as sailors, farm labourers, and domestic servants, and he has failed to show

(b.) That an eight hours' law would solve the difficulty.

REPRESENTATION OF VARIOUS MOVEMENTS

(c.) That a public authority could usefully readjust the distribution of wealth

(d.) That the loss of our foreign trade could be met by growing our own food

(e.) That a public authority can control the supply of labour without controlling the demand.

(f.) That a municipal body could with advantage manage the London Docks.

how the proposed law could cause an absorption of the unemployed, without trenching either on the wages of those employed already, or on the profits of employers to an extent sufficient to drive capital out of the country (7890-911)

Mr Mann also looks to the public authority to readjust the distribution of the reward of production amongst its various agents, in such a way as to increase the earnings of wages at the expense of capital. But anything that tends to make industries less profitable must cause a rise in prices, which will operate with special hardship upon the poorest class of purchasers, and anything that tends to raise the wages of artisans must accelerate the speed of migration from country to town, and so intensify the evil resulting from the presence of unemployed labourers, which Mr Mann feels so keenly. There is a desire among Trades' Unions to acquire complete control of production so as to enable them to dictate the rates of wages. But the only effect of such dictation would be to raise the price of British manufactures, and cause consumers to transfer their custom to foreign markets. The wider, therefore, our foreign trade extends, the more difficult is it for Trades' Unions to make their control of the rates of wages effective. This is the reason why they are disposed to underrate the value of our foreign trade, and Mr Mann himself, though not desiring to check that trade, yet seems to regard its possible future decline with equanimity, and urges us to produce a larger proportion of our own food instead of fighting to preserve our foreign markets. But, considering that we are importing two-thirds of our food from abroad, and that other countries can produce that food more easily than we can, to suppose that we can ever become self-supporting is an idle dream. We should rather determine to repair the loss of our old industries by inventing new ones to supply the new foreign demands. It is not expedient that labour should have less than its share of the product of industry, but the amount of that share is limited, first, by the danger of frightening the capitalist, and so killing the goose with the golden eggs; and, secondly, by the equally grave danger of allowing one industry to impoverish others. Too high wages for coal miners, for example, causes the impoverishment of the workers in industries that use coal. In fact, the struggle between labour and capital is often a struggle between producers and consumers. The Trades' Unions have hitherto looked upon themselves too much in the light of producers; but there are signs, such as the repudiation by the men of the action of their leaders in approving of the Sugar Convention, that they are learning from the Co-operative Societies to look upon themselves as consumers as well (7912-27).

All Mr Mann's proposals are aimed at regulating the supply of labour. But it is impossible to control supply until you can control demand, and no public authority could ever undertake the colossal task of perpetually and rapidly shifting capital and labour towards the supply of each demand that successively arises. A public authority, moreover, can never afford to speculate with the funds entrusted to it by the nation, and so is less likely to promote new inventions than an individual. It is unfair to compare an individualism, accompanied by the imperfections which realisation has revealed, with a socialism which appears perfect, only because it is an untried and an impracticable ideal (7894-903).

The proposal for consolidating the docks about the Isle of Dogs and managing them by a municipal authority is open to several objections. Apart from the engineering and financial difficulties of the scheme, which appear to be very great, its adoption would, according to Mr Mann's own admission, involve the discharge of about 1,200 men. Furthermore, whether compensation be paid for the displacement of the existing docks or not, the capital invested in them would in either case be wasted. Again, the scheme would increase the local congestion of traffic, and would necessitate the making of new thoroughfares to relieve it. The dangers of navigation, moreover, would be intensified by bringing the large steamers up so high. And, finally, it is very doubtful whether the County Council would manage the docks so well as the existing authorities. For years, there has been a constant struggle to transfer docks, harbours, &c., from the hands of municipalities to those of dock and harbour trusts or other bodies representing the trade, because the former used to make use of their control of the highways of commerce to tax the trade of the

country for the benefit of their own ratepayers. It is true that the London Docks do need reorganising under one control, but it should be a control by a body representing the trade, perhaps including the workers, and not by a municipal council (7904-8).

Mr Sydney Webb's evidence is open to much the same criticism. His collectivist ideal is a dream, and a bad dream. To eliminate individualism, whether in politics or in other relations of life, is to reject one of the deepest and most important factors of human nature. At the same time he is right in considering that each separate step in the direction of collective management deserves to be taken by itself and judged upon its merits, and the witness himself has for some time been struck with the inapplicability of the individualistic economy to such things as the control of gas, water, railways and tramways (7922-35).

In answer to question 3793, he says that one advantage of Government employment is that it is easy for the men to use their political power to obtain high wages. The fact can hardly be disputed, but it is generally looked upon as the very reverse of advantageous (7936-7).

His statement in answer to question 3890 to the effect that rates might be raised to 20s in the £, and that there would be no objection to the London County Council taking over the reversion of the land of the metropolis on these terms, is a startling one. Lord Hobhouse, who is chairman of the Committee entrusted with the administration of the landed property of the council, has already stated, as the result of his experience, that the less of this kind of property the council has to manage the better (7939).

Again, in answer to questions 4012 and 4013, he attributes the evils of the former state of affairs at the Liverpool Docks to the system of indirect election. This was not the case. The complaint at Liverpool was not of indirect election, but of the town taxing the trade of the country for its own purposes (7939).

The Trades Unions manifest a tendency towards protection, not only nationally, but locally. The action of their party on the London County Council furnishes instances in point. Thus, the Bridges' Committee recommended the Council to accept a London tender for a ferryboat in preference to a tender, financially more worthy of acceptance, made by a Glasgow firm, on the ground that it was "the first duty of the Council, having regard to the depressed condition of labour in London at the present time, to give to London firms what work can reasonably be so given in preference to sending it to be done outside." In this instance, however, the Council disregarded the recommendation of its committee and the order went to the Clyde (8001-3, 8034-7).

Again, on the 13th of December 1892, Mr Burns moved the following resolution, amending a former resolution passed in 1889—"That all contractors be compelled to sign a declaration that they pay the London Trades' Union rates of wages, and observe the hours and conditions of labour recognised by the London Trades' Unions." As was pointed out at the time, the effect of this resolution would be to exclude all country contractors from competition, and an amendment was carried omitting the word "London" and substituting for the words after the word "recognised," the words "and in practice obtained by the Trades Unions in the place or places where the contract is executed." Even in its amended form, the resolution has the effect of obliging the ratepayers of London to pay a larger price for their work than they need (7729-33, 7756-66).

While there is no doubt that a public body is placed at a disadvantage as compared with a private individual in dealing with its contractors, inasmuch as any subsequent modification of the contract is made the subject of criticism and suspicion, yet the dangers and difficulties surrounding the alternative plan of the public body undertaking the direct conduct of its own work are far greater and more numerous. In cases where machine work is a large element of the cost, all the conditions that make the intervention of a contractor beneficial are present. There must be an adequate superintending staff and a sufficient body of permanent foremen, and on their efficiency the success of the application of the machine labour and the satisfactory execution of the work must depend. There must be an adequate plant and suitable buildings suitably employed so as to be up to date and in the highest efficiency, and it must be renewed and replaced so as to be in line with every

REPRESENTATION OF VARIOUS MOVEMENTS

Mr Webb's evidence criticised. (a.) That individualism can with advantage be eliminated

(b.) That the use by Government servants of their political power against their employer is an advantage. (c.) That the municipalisation of the land of London is expedient

(d.) That the system of indirect election was the cause of complaint at the Liverpool Docks. The policy of the London County Council criticised.

SPLEEN-
TIVES OF
VARIOUS
MOVEMENTS.

improvement and every fresh substitution of machine for hand labour which is the chief characteristic of modern production. Now, if we assume that a public body excludes the contractor and takes his place, then it must adopt these special conditions. There will be small room for saving the contractor's profits; for adequate industrial prizes in the shape of high reward and remuneration must be given to the staff if the best stamp of men are to be secured in competition with analogous private enterprise. Regular employment must be provided. If work does not come naturally, work must be made. A public body cannot undertake private work as a stop-gap, and workshops that stand still are quickly out of gear. The benefits of competition will be sacrificed. There is no kind of work which can long stand the loss of the spur of competition. There is scarcely an industry which does not depend from one day to another upon competition for life and progress. In a few, the stages of rest may be of some duration, but the general tendency of all is to recast the methods of production more or less radically from year to year. A varied demand and vigorous competition can alone create and maintain that wholesome state of progress, which, in a purely industrial community, struggling with rivals in all quarters of the globe, is the sole condition of existence. Public and municipal production means the reduction and extinction of all the conditions that make for competition. Probably in 10 years, the most modern and costly plant, and the most advanced and enthusiastic staff, if limited to employment by public bodies and upon public work, would have dropped hopelessly behind in the industrial struggle (7770).

Again, in cases where hand labour is the leading element of cost, the system of contracting is especially advantageous because of the extra need of the master's eye. Hand labour, unlike machine labour, furnishes wide room for misapplication and waste of labour, and for variations in the quality of labour. It is, therefore, universally found to require exceptional care in organisation and supervision, and such care cannot be reasonably looked for where no adequate interest in its exercise is involved. The contractor stands to lose as well as to win, and the workman knows that this is the contractor's position, and he knows further that the contractor is his unfettered employer and is free, and resolved to get full work for full wages under penalty of discharge. If the case were one of a public body, employing directly a more or less permanent body of workmen supervised by salaried officials, the conditions would rather favour the "nursing of the job" than its prompt and economical execution, and the stimulants and checks of the contract system would be wanting. The public body cannot lose. The officials and the workmen know this, and, while prolongation of the business will often have attractions, there is little or no inducement to get it done (7770-4).

By a series of resolutions passed between October 1890 and November 1892, the London County Council has abolished overtime and limited the workingweek of its employees in the parks, gardens, and open spaces to six days, except in cases of absolute necessity, and, since the natural effect of this would be to reduce the sums earned, it has also increased the rates of wages to an extent sufficient to cause an addition to the wage bill of between 5,000l. and 6,000l. a year. In so doing, the Council has adopted the principle of a minimum rate of 6d per hour without reference to the value of the work performed (7891-792).

It is the ambition of the Council to take over the management of a great many large undertakings in which a vast amount of labour is employed, as, for example, the supply of water and gas, the ownership and control of tramways, &c. But if, in taking over these concerns, the Council is to increase its wage-bill in respect of them to the same extent as it has increased it in respect of the parks, the additional expense will more than counterbalance whatever economies will be effected by the amalgamation of staffs, and the suppression of official salaries and directors' fees (7734-54).

Desiring by its example to raise wages throughout the industrial world, the London County Council has adopted a policy that would involve a private firm in bankruptcy, in defiance of the fact that both wages and profits must ultimately be paid out of the produce, and that it is only by increasing production that wages can be permanently and universally

e 76710.

raised. It is impossible to divide a shilling amongst 12 men in such a way as to give 2d. to each (7775-83)

Not being able to make its high wages universal, the Council must necessarily pursue a policy of favouritism in taking workmen into its service (7851-69). The tendency of the Council to overpay manual labour is accompanied by a scarcely less pernicious tendency to underpay brain labour (7755-6).

Nobody would defend the "sweating" system, i.e. the principle of squeezing the utmost pennyworth of work out of the poor and helpless. But it is very difficult to state a formula for suppressing it. To refuse to buy "sweated" goods would oblige us to precisely define what "sweated" goods are, and, while raising our own expenses, would leave the persons engaged in their production to starve altogether. Suppose, for example, we were to refuse to purchase Indian corn because the Indian ryot was insufficiently paid, the only result would be to starve the ryot as well as ourselves (7924-7, 7940-5).

Whatever objection is urged against the policy of setting up by the public authority of workshops to do its necessary work, would apply still more strongly to the policy of setting up workshops for the performance of work for which there is no demand (7886-9).

MR. C. BOUTH.

Made certain suggestions as a result of a close study of the industries carried on in the East end of London since 1889 (5404-6).

"Sweating" and sub-contracting are very far from being synonymous. The latter does not prevail to so large an extent as is generally supposed, and, where it does prevail, it is usually in respect of special processes and is comparatively well remunerated. The middleman's profits are a charge upon the work, not upon the workmen's wages. He is paid for organising labour otherwise very difficult to organise, and his elimination would not, as a rule, improve the condition of the workers. "Sweating" must therefore be defined, not as equivalent to sub-contracting, but as the driving of labour in such a way as to obtain a maximum of work for a minimum of pay. Its prevalence was abundantly proved in the evidence taken before the House of Lords' Committee that sat on the subject, and it was in every instance found to be accompanied by long hours, bad sanitary conditions, and the unskilful workmanship which always prevails—partly as cause and partly as effect—in a crowded labour market. The problem, therefore, is to get rid of the surplus workers, and to improve their efficiency without boycotting "sweated" goods in such a way as to immediately extinguish the industries that produce them. Legislation prohibiting or regulating the immigration of foreigners would not have much effect, and a legal limitation of the hours of labour cannot be expected to solve the problem by itself, although it is desirable as part of a general scheme of reform (5409-16, 5627-59, 5735-64).

The reforms immediately practicable are as follows—
First, any room or place in which any person employs any other person in manufacture should be brought within the legal definition of a workshop under the Factory Acts and the relation of employer and employed should be deemed to exist between any persons working in company or in partnership, except between a man and his wife. Secondly, all workshops should be registered. The registration should be simple and without charge, and should not necessarily be preceded by inspection. The certificate should set forth, on the landlord's authority, the amount of space occupied, the number of persons employed, the nature of their occupation, and such other particulars as the Act required. It should be in triplicate—one copy being for the landlord, one for the occupier, and one for the Factory Department of the Home Office, and it should be periodically renewed. Thirdly, the staff of inspectors should be increased and be better organised, and that every inspector should be given an office and assistants to take all his clerical work off his hands. And, lastly, that the landlord, or person to whom the worker pays rent, should share a portion of the responsibility which is divided, under the existing Factory Acts, between the employer, the employed and the State. He should, for example, be responsible for the registration of all his houses

REFRESH-
TIVES OF
VARIOUS
MOVEMENTS.

The
"sweating"
system.

Municipal
workshops.

The witness.

"Sweating"
defined.

Remedies
immediately
practicable.
Factory and
Workshops'
Acts,
amendment
of.

D

REPRESENTATIVES OF VARIOUS MOVEMENTS.

that are used for industrial purposes, and, if he does not desire them to be so used, he should put a special clause into the leases to that effect. He should also be responsible for the payment of fines imposed upon his tenants for breaches of the Factory Acts, and should add the amount of such fines to his rent. The proposal contained in Mr Sydney Buxton's Bill for making the responsibility for the observance of the Act rest upon the giver-out of work would have the effect of stopping home work altogether, and this is not altogether desirable (5417-5443, 5553-82, 5592-614, 5660-734, 5765-801).

Wages and rents.

Wages in the sweating trades vary from good wages down to the no wages, but mere keep, paid to the "greeners" or young hands. Women employed at tailoring are paid at a piece rate that varies from 1d. to about 3d. an hour. Rent in East London is generally about 6s. or 6s. a week for two, and 7s. 6d. for three rooms (5544-52, 5583-9).

Mr C. FENWICK, M.P.

The witness.

Represented the Parliamentary Committee of the Trades' Union Congress, of which he has been secretary since 1890 (7166-8).

The Trades' Union Congress.

The Trades' Union Congress was first convened at Manchester in 1868, and has met every year since, except 1870. The assembling of the congress was occasioned by two circumstances. The first was the appointment, in 1867, of a Royal Commission "to inquire into the organisation and rules of Trades' Unions and other associations, whether of workmen or of employers, and into the effects produced by such unions and associations on workmen and employers respectively, and on their mutual relations, and on the trade and industry of the country." The second was the awkward position in which Trades' Unions found themselves placed by certain judicial decisions, pronounced during the same year, to the effect that all combinations of trade that were in restraint of trade were criminal, and that societies having rules enabling them to act in restraint of trade could hold no property, even for benevolent and charitable purposes. The first congress was attended by 34 delegates, representing 118,367 members, and its success encouraged its promoters to convene a second at Birmingham in the following year, which was attended by 48 delegates, representing an aggregate membership of 250,000. Among the chief subjects considered by this congress was the unprotected state of Trades' Unions funds. Such questions as piecework, overtime protection of miners, conciliation and arbitration, and the necessity for a system of national education were also discussed, and the question of labour representation in Parliament was first declared at this congress as a distinctive policy of the Unions. In 1874, the miners of Northumberland gave practical shape to this policy by electing Mr Thomas Burt member for Morpeth. No congress was held in 1870, but, in 1871, the third meeting took place in London, when 50 delegates were present, representing a membership of 289,450. It was at this meeting that a parliamentary committee of five persons (afterwards increased to 11, including the secretary, was first appointed to prepare legislation, and take such action as the congress might from time to time determine. The fourth congress was held in the town of Nottingham in January 1872. The three previous meetings had been held in the months of March, June, and August, but it was deemed advisable, on the occasion referred to, for the congress to meet in January, so as to be ready with a programme of work for the ensuing session of Parliament. The committee elected at Nottingham were instructed to prepare standing orders for the government of future congresses, and thereby permanency was given to an institution which has been not inappropriately termed the Parliament of Labour. The next meeting took place at Leeds, in 1873, and the questions considered were compensation for injuries to workmen and the Mines Regulation and Arbitration Acts of the previous year. The Sheffield Congress, in 1874, dealt chiefly with the Criminal Law Amendment Act of 1871, the Masters and Servants Act of 1867, the Conspiracy and Protection of Property Act, the Trade Union Act of 1871, and the necessity for an amendment of the Factory Acts. The questions considered by each succeeding congress, since the meeting in Glasgow in 1875, have been very similar, with the exception of

REPRESENTATIVES OF VARIOUS MOVEMENTS.

that held, in 1888, at Bradford, where an important debate took place on the subject of a legal eight hours' day for all workers, and since then this question has continued to excite more interest in the Congress debates than any other subject it has had to consider. The Parliamentary Committee elected that year were instructed to take a vote of the members on this question in the following order:—(a) Are you in favour of an eight hours' working day? (b) Are you in favour of it being obtained by Act of Parliament? Only those who voted "aye" in the first case were supposed to be entitled to vote on No 2. In answer to the first question, the number of persons sending replies was 107,046 voting as follows:—"Ayes," 39,656, "noes," 67,390. In answer to the second, 40,794 replies were returned, of which 28,511 were "ayes" and 12,283 were "noes." At the congress held at Dundee, however, in 1889, a motion to reject the result of the plebiscite on account of the unsatisfactory nature of the returns was carried, after a protracted debate, by a large majority of the delegates; but, in the following year, the delegates assembled at Liverpool were induced for the first time to pass a resolution in favour of a legal eight hours' day. The number of delegates was 457. There were 193 "ayes," 155 "noes" and 109 abstentions. At Newcastle, in the following year, the same motion was put, and there was a proportional gain of 52 for the "ayes;" but, at Glasgow, in 1892, the motion was modified by the introduction of the principle of trade exemption and was carried with a proportional loss for the "ayes" of 50. The different results of the voting by delegates and by plebiscite respectively is due, partly to the different sizes of the constituencies, but chiefly to the different majorities by which the delegates are elected (7160-77, 7312, 7382-92, 7482-9).

At the Glasgow Congress, however, the following standing order was made, which will have the effect of altering the basis of representation for the future:—"Trade societies, by whatever name they shall be known, shall be entitled to one delegate for every 2,000 members, or fraction thereof, provided always that they have paid 1l. for every 1,000, or fraction thereof, and 1l. for every additional 1,000, or fraction thereof, towards the expenses of the Parliamentary Committee for the past year, and 10s. for their delegates' fees. Trades' Councils, or like organisations, made up of a number of branches or trades, shall only send representatives and be called upon to subscribe as aforesaid, for those members that are not directly represented through their own respective trades or associations." It is further enacted that delegates must be members of the trades they represent (7411-9).

The duties of the Parliamentary Committee are to watch all legislative measures directly affecting the interests of labour, to initiate, whenever necessary, such legislative action as the Congress may direct, or as the exigencies of the time and circumstances may demand, and to discharge special functions, such as the conduct of the plebiscites, &c., which the Congress may from time to time determine. The principal measures that the Committee is, at the present moment, principally engaged in promoting are the amendment of the Employers' Liability and the Conspiracy and Protection of Property Acts, and the limitation of the hours of labour (7178-81).

Its Parliamentary Committee.

In regard to the Employers' Liability Act, the Parliamentary Committee has received instructions to endeavour to secure the abolition of the Doctrine of Common Employment, and of contracting out of the Act, and the extension of the Act to seamen (7182-7, 7236-40).

The Employers' Liability Act.

In regard to the Conspiracy and Protection of Property Act, the Committee has been instructed to secure verbal definition of the term "intimidation," which shall include only such intimidation as would justify a justice of the peace, on complaint being made to him, in binding over the person so intimidating to keep the peace (7188-20, 7224-35).

The Conspiracy and Protection of Property Act.

In regard to the limitation of the hours of labour, the instructions are as follows:—"That the Parliamentary Committee promote a Bill regulating the hours of labour to eight per day, or 48 per week, in all trades and occupations, except mining, which Bill shall contain a clause enabling the organised members of any trade or occupation, protesting by ballot against the same, to be exempted from its provisions." The exception as to miners was intro-

Eight hours' day.

REPRESENTATIVES OF VARIOUS MOVEMENTS.

Relations of the Parliamentary Committee of the Trades' Union Congress with the Parliamentary Committee of the Co-operative Union.
Election of delegates.

Arbitration and conciliation.

Co-operative production and profit-sharing.

Domestic workshops.

The witness.

The Amalgamated Society of Engineers.

duced, because they did not want the provisions of the separate Bill that they were promoting on their own account to be tacked on to a Bill relating to other industries (7204-20).

For several years past, the Parliamentary Committee has appointed four of its members to act conjointly with a similar number appointed by the Parliamentary Committee of the Co-operative Union, for the purpose of acting as mediators in disputes between co-operative societies affiliated with the said Union and their workmen, being members of Trades' Unions (7221-3).

Steps have recently been taken to insure the resolutions about to be submitted to the Congress coming before the Parliamentary Committee six weeks before the meeting, thus making it possible to place such resolutions before the branches previously to the election of delegates (7373-81).

The success of arbitration and conciliation depends upon freedom. The compulsory enforcement either of references or of awards would cause repudiation (7469-74, 7477-81).

Co-operative production is supported by a larger number of working men than profit-sharing. Their feelings on this subject, however, vary according to the circumstances of trade and district. In fluctuating trades, the men are hostile to profit-sharing, because they think that they must allow a higher rate of interest to capital in order to cover the loss, incurred during times of depression, which they themselves are not prepared to share, and that to raise interest is to reduce wages. They may also be influenced by the idea that they will be able, during good times, to make a better bargain in securing advances of wages than they would be able to make under a profit-sharing scheme (7475-6).

The Trades' Union Congress has condemned the system of domestic workshops, because these places are often unhealthy and cause the rates of wages to fall (7428-30, 7509-10).

Mr. J. ANDERSON.

Member of the Amalgamated Society of Engineers, represented the Parliamentary Committee of the Trades' Union Congress, and corroborated and supplemented the evidence of Mr. Fenwick (7235, 7498-500).

The secretary of every branch of the Amalgamated Society of Engineers sends in to headquarters a monthly return of members out of work, the branch of the trade they belong to, and the state of the trade generally. These returns are compiled and tabulated, and sent out to the branches. The unemployed members of the trade often travel in search of work. On such occasions, they are given "travelling cards,"

presentation of which at other branches entitles them to relief in the form of out-of-work benefit. Men going to fill posts at a distance are given their railway fares as a benefit (7501-8).

Mr. E. HARFORD.

Secretary of the Amalgamated Society of Railway Servants, represented the Parliamentary Committee of the Trades' Union Congress, and corroborated and supplemented the evidence of the two preceding witnesses (7235-7, 7511).

The Amalgamated Society of Railway Servants desires the recommendations of the Select Committee of the House of Commons on the hours of labour of railway servants to be carried out. These recommendations are:—First, that schedules of working time should be given to the Board of Trade; secondly, that, if these schedules show a continuation of systematic overtime, revised schedules should be asked for; and, thirdly, that, if the demand is not complied with, penalties should be enforced (7512-5).

Ten hours' work per day should be the maximum for most classes of railway workers, and eight hours for signalmen and other specially busy classes (7516-20).

The ultimate object of Trades' Unionism should be to obtain good conditions of labour, reasonable hours and fair remuneration (7521 2).

Mr. W. H. GARDENER.

Gave evidence as to the working of the Egham Free Labour Registry, of which he is the registrar (1937-8).

"This registry," so runs the opening paragraph of the first report, "was opened in February 1885 to afford easy means of communication between unemployed labourers and artisans residing in the parish of Egham and employers requiring workmen, with the hope of avoiding or diminishing the waste of time and energy, and the hardships involved in 'tramping for work.' The need for such a registry was suggested by the case of a local workman who found work by chance near his home after walking vainly some 50 miles, through incorrect hearsay reports of available work. The Egham Registry is limited to those who have resided six months in the parish. It is hoped that in time similar free registries may be established in adjacent parishes, and that their scope may be extended to include a record of vacancies for boys and apprentices" (1938).

By means of this organisation, between 1,500 and 1,600 out of 2,033 applicants have been furnished with employment during the past seven years, and the witness put in the subjoined table giving the annual figures:—

Classes of Workers obtaining Employment through the Registry.	1885.	1886.	1887.	1888.	1889.	1890.	1891.
Gardeners - - -	10	34	32	28	58	50	40
Carpenters - - -	36	50	40	29	27	21	52
General labourers - - -	46	99	101	61	73	103	49
Painters - - -	53	49	29	39	26	28	26
Draughtsmen - - -	1	—	—	—	—	—	—
Stonemasons - - -	5	3	4	2	2	1	2
Bricklayers - - -	15	35	22	14	14	8	37
Grooms - - -	1	13	20	20	19	23	13
Plumbers - - -	14	4	7	8	5	1	1
Gasfitters and whitesmiths - - -	—	11	14	6	3	1	—
Boys - - -	—	18	29	18	14	9	11
Married couples - - -	—	—	—	—	3	1	—
Laundress - - -	—	—	—	—	—	1	—
Charwomen - - -	—	—	—	—	—	—	5
Cooks - - -	—	—	—	—	—	—	2
Total - - -	181	325	291	220	244	247	244
Total of separate cases - - -	—	—	223	153	201	205	214
Total of applicants - - -	223	374	369	284	280	264	280
Expenses - - -	7l. 9s. 2d. (8 months.)	7l. 18s. 4d. (1 year.)	9l. 9s. 6d. (1 year.)	9l. 13s. 0d. (1 year.)	10l. 11s. 6d. (15 months.)	11l. 13s. 0d. (1 year.)	10l. 4s. 0d. (1 year.)

* The title "Free Labour Registry" is, perhaps, somewhat liable to misapprehension. It means a free registry for labourers, not a registry for free labourers as opposed to one for members of a Trade Union.—(G. D.)

REPRESENTATIVES OF VARIOUS MOVEMENTS — Its organization and finances	The practical management is vested with the registrar, subject to the general inspectorial powers of honorary supervisors. Some employers of labour pay small contributions to the funds. Applicants for employment pay no fee; but, after they get places, they are asked to subscribe a few pence per week. One of the honorary supervisors, Mr N. L. Cohen, provides a loan fund, out of which money is advanced to men travelling to distant places of employment or desiring to redeem the tools placed in pawn during the winter when work cannot be obtained (1963-94).	employed would enable statesmen, philanthropists and others to gauge the amount of distress or prosperity prevailing among the people better than any other means within their reach (2031-9, 2041, 2050)	REPRESENTATIVES OF VARIOUS MOVEMENTS. The relations of the bureau with employers and Trades Unions.
Other registries.	One of the registry's reports contains the following statement — "A committee was formed in London, in February, 1886 to promote the establishment of similar registries in other suitable country districts, as suggested in our last report. Under the auspices of this committee, seventeen registries have now been established on the same plan as at Egham, but it would seem that the suggested plan of affiliating these registries to central offices, with a view to inducing migration of labour from overstocked districts, has not yet been found practicable." The witness, however, considered the said scheme of affiliation to be very desirable (1955-9).	The Chelsea bureau is appreciated and used by both employers and employed. That the Trades Unions are not hostile to it, is proved by the fact that it was they that secured the appointment of the witness to the office of superintendent. On one occasion since the office has been opened, the witness was asked to supply men to a certain stoneworks during a strike, but he refused to do so (2042-8).	Its finance
Affiliation of registries advocated.	Similar registries, or public labour agencies, ought to be established in every country district, and they ought to be managed by representative local bodies rather than by private philanthropists, as is the case at Egham. For, otherwise, it is idle to ignore the fact that they might be so worked as to excite the distrust of the Trades Unions. The witness was not aware of any jealousy on the part of Trades Unions towards the registry, but the greatest care is exercised not to send any labourers to a district where there is a trade dispute lest such jealousy should arise (1955-62).	The Rev. W. TOZER.	The witness
Relations of the Egham Registry with Trade Unions	Similar registries, or public labour agencies, ought to be established in every country district, and they ought to be managed by representative local bodies rather than by private philanthropists, as is the case at Egham. For, otherwise, it is idle to ignore the fact that they might be so worked as to excite the distrust of the Trades Unions. The witness was not aware of any jealousy on the part of Trades Unions towards the registry, but the greatest care is exercised not to send any labourers to a district where there is a trade dispute lest such jealousy should arise (1955-62).	Gave evidence with regard to the working of the Labour Bureau established by himself at Ipswich, in 1855 (6173-80).	The Ipswich Labour Bureau
Mr T. SMYTHE.	Explained the working of the Chelsea Labour Bureau, of which he has been superintendent since its establishment in September, 1891 (2000-1).	The lowest number of persons for whom employment has been found per annum is 250, the highest 531, and the average between 300 and 400. The operations of the bureau extended all over the country. Applicants for work are required to fill up a form, a specimen of which the witness handed in. Documents are also forwarded to employers, together with descriptions of the men wanting places whose names are registered (6181-93, 6372-86).	The Ipswich Labour Bureau
The witness.	Explained the working of the Chelsea Labour Bureau, of which he has been superintendent since its establishment in September, 1891 (2000-1).	During the present year, the bureau has received 138 applications for men, which it was unable to satisfy, but it has managed to find places for all the men on its books capable of performing marketable work. The demand for agricultural labourers has been markedly persistent up to the last six months; but now it falls short of the supply (6194-8).	The Ipswich Labour Bureau
The Chelsea Labour Bureau.	This institution was opened by the Chelsea Vestry, and is the first example of municipal action in this direction. Its operations are limited to the parish of Chelsea. Its object is to bring men wanting employment into communication with employers wanting workmen. The witness put in the various forms issued to employers and employed (2002-22, 2031-5, 2051-6).	Unless an applicant can produce a written character of not less than six months from his last employer, the bureau does not undertake the responsibility of recommending him, but, short of this, it does all it can for him. It has telephonic communication with all the large firms in Ipswich, and, by this means, it is constantly enabled to put such men on to odd jobs (6199-200).	The Ipswich Labour Bureau
Its work	Of a grand total of 1987 adult males, registered between the 5th of October, 1891, and the 31st of August, 1892, 567 obtained employment. Of 388 artisans who registered, 126 got work, of 459 boys, 178 secured posts; of 182 carmen, coachmen &c, 24 were successful, of 76 clerks, 12 were provided for; of 68 handy men, 49 obtained employment; of 362 labourers, 127 were given situations, of 337 porters, 19 received engagements, of 16 shop assistants, 19 procured places, while, of 13 waiters, 7, and of 56 watchmen, 6 found a market for their services. The class for which it is most difficult to find work are ex-servants and soldiers, who have no special aptitude for any special trade, and, not being accustomed to hard work, usually apply for light employment as porters, &c. Sailors, on the other hand, being handy and used to hard work, find it exceptionally easy to get situations (2021-30, 2057-71).	No fees are charged. The expenses, amounting to about 100l a year, are met by friends of the witness and by the witness himself (6201-4).	The Ipswich Labour Bureau
The bureau and the employment of women.	The number of women that obtain places through the bureau is larger than that of the men, and the Vestry feels that the establishment of similar agencies in other parts of London will help many to get work whom private persons would not otherwise care to employ (2049).	The proportion of the different classes of men that applied to the bureau during one representative year is as follows — 36 coachmen and carmen, 36 errand boys, 34 gardeners, 429 unskilled labourers, including agriculturists, 54 porters and warehousemen, and six engine drivers (6232-49).	The Ipswich Labour Bureau
The system should be attended.	Such agencies will, it is hoped, soon be started all over London, and then it would be a good thing to have a central bureau opened by the London County Council or by a Government Department. By this means, it would be possible to arrange a system of reciprocity between one bureau and another. Mr. Gardener's Bureau at Egham is not much use for the purpose of exchange with a registry in the midst of a self-contained district like London. The Egham bureau, that is to say, does not want Chelsea artisans, and the Chelsea bureau does not require Egham agricultural labourers. A universal registration of the unem-	The idea that registration at a labour bureau makes the men less zealous in prosecuting independent search for work, is most erroneous (6259-60).	Proposed extension of the system of labour bureaus.
		Men are never sent by the witness' bureau to firms where a strike is proceeding, except by accident (6275-6).	Function of the Labour Department.
		The witness sometimes advances the railway fares to men going to the places found for them through the medium of the bureau, and gets the foreman in charge of their department to stop the necessary sum out of their wages at the rate of 2s 6d. per week till the whole is repaid (6358-66).	
		The establishment of similar bureaux in every industrial centre would be an enormous public advantage. It would enable the public to ascertain the actual state of the labour market, and would be an invaluable means of communication between employers and employed.	
		The various bureaux should be affiliated so as to make them mutually helpful. With this view, they should all be connected with a central Government Department of Labour, which should be placed under the control of a permanent secretary, independent of the changes of Ministry, but subject to the general supervision of a ministerial chief (6205-26).	
		This department should act as a sort of clearing-house of labour (6343-57).	
		The expenses of every local bureau ought to be defrayed out of the rates, and the concern put under the control of the local public authority. Working men will not put confidence in institutions governed by capitalists or employers, and employers will not	

* The witness explained the apparent inconsistency by saying that some of the persons who obtained places as shop assistants had registered under other headings.

REPRESENTATIVES OF VARIOUS MOVEMENTS.

put confidence in institutions governed by Trade Unions
The Bureau ought, therefore, to be entirely removed from the area of both influences, and to be placed upon a public basis (6227-31).

MR. E. T. SCAMMELL.

Honorary Secretary of the Exeter and District Chamber of Commerce, gave evidence with regard to a suggested scheme for the establishment of a National Labour Bureau (6387-8).

Proposed scheme for the organisation of a National Labour Bureau.

The scheme in question was formulated by the witness himself, and a resolution was passed in favour of its general principle at one of the meetings of the Associated Chambers of Commerce on the motion of Sir Stafford Northcote, the president of the Exeter Chamber. Since then, the witness has consulted the authorities of the Young Men's Christian Association, the Regent Street Polytechnic Institution, and the Salvation Army, all of whom have established labour registries, and the result has been to modify in some particulars his original plan. The scheme is as follows:—That a National Central Labour Bureau be created by extending the functions of the Labour Department of the Board of Trade, and affixing it with the Emigrants' Information Department, and with the Factory Inspectors' Department. This Central Bureau should obtain and disseminate information on labour questions, and should register unemployed labour, dealing for this purpose with local registries established in connexion with every county and borough. It should, also, issue periodically an official journal, containing current information on labour questions and general statistics of employment. And it should act as a clearing-house, or means of mutual exchange between the various district registries. These latter should endeavour to bring persons wanting work into touch with persons wanting workmen. They should be supported by the rates, and should take no fee from the applicants, whether they be employers or employed. They should not interfere in any way with wage questions, but should leave the parties to make their own bargains and fight their own battles, and they should never accept the registration, whether of employers wanting men or of men wanting employment, if the want is occasioned by a strike, save and except when such registration is accompanied by a notification of the fact. Furthermore, they should never require applicants for registration to produce credentials of character, although they should receive such credentials, if voluntarily offered. And, finally, they should perform the same functions in regard to their several districts, as the Central Bureau in regard to the whole country, by collecting and publishing information (6388-427).

MR. C. S. LOCH

The witness.

Secretary of the Charity Organisation Society, criticised certain schemes, practised or proposed, for dealing with the unemployed (5802-3).

"Issue of persona comprehendit in the term "the unemployed."

The term "the unemployed" covers all these out of work through their own laziness or unsteadiness as well as those out of work through scarcity of employment. In seasonal trades, moreover, there is a periodic want of work during certain months of the year which reasonable thrift and foresight would enable the workers to guard against (5304-9, 5853-61).

Artificial employment.

Artificial employment, or employment outside the market demand, is of various kinds. First, that provided under the Poor Law; secondly, that provided by vestries and other public bodies; and, thirdly, that provided by voluntary associations. Such employment should never be made more than a temporary expedient, for it enables the worst class of labourers to compete at an advantage with the class immediately above them. For this reason, the establishment of artificial workshops is to be deprecated. The control of the men employed in them would be difficult, their work would be badly done, and the cost to the community would be great. All such schemes appeal to the lazier and weaker elements of human nature, and weaken the men's power of organisation for mutual benefit among themselves by causing them to depend upon outside aid. Members of Trades' Unions naturally desire to see the unemployed provided for by the public authority, but to comply with this desire would be to

REPRESENTATIVES OF VARIOUS MOVEMENTS. — The Dutch Labour Colonies.

increase the pauperised class which it is desirable to eliminate (5810-35, 5987-92).
The Dutch Labour Colonies are quite the most remarkable experiment that has yet been made in the direction of artificial employment. Their chief originator was General Van der Bosch. His idea was that able-bodied indigent persons of good character might be enabled to support themselves by reclaiming waste land, provided that a sufficient amount of capital were devoted to their maintenance during the progress of the work, and he anticipated that, under the training and discipline of a well-regulated establishment, the moral character and the habits of that class of persons might be greatly improved, and that they would give employment to industry in supplying their wants, instead of being, as they then were, a burden upon the community. The system was established in 1818, and the greatest enthusiasm prevailed about it; it created quite a national interest. A society was organised with a central committee and allied districts, and each was entitled to send to the colonies as many colonists as it had subscribed the sum of 140*l.* for. The 140*l.* was an endowment for the settlement of each colonist family. It was reckoned in accordance with the actual expenses to be incurred. The ground taken for the first colony consisted of more than 1,200 acres, a small part of which had been cultivated; but, in general, it was covered with short heather growing on flat, dry, sandy soil, covered with a layer of moss a few inches thick. In some parts there was a good supply of peat. Neither wheat nor barley grew well, especially the former, nor have turnips or swedes proved a success. For trees, there were oak, beech, and pine, and oak and birch copse; in fact, it is what one sees in many places in Holland. The plan of the free colonies was this: they started in August, 1818, with 52 houses completed, each with about 7½ acres of land, a family in each house, 356 souls in all; a school-house, warehouse, and spinning-house were built, and a little river that came by was made navigable. On this plan other colonies were founded. In all there were seven. A director and assistant directors managed the whole. Each colony was divided into districts of 25 farms, each district with two sections with a supervisor who should instruct the colonists in agriculture. Into these were admitted the families of "labourers" or "free farmers." The "free farmer" was a labourer considered to be entitled to a farm. Boarders and orphans were also received on payment. For three years the labourers cultivated the land in common, having the produce of their gardens, but not of the farms, the latter being stored in the colony granary. When a farm was brought under cultivation, the head of the family was debited 5*l.* as interest on the remainder of his capital (cost of furniture deducted) and he had to pay rent. As long as a family could not provide its own subsistence, it received food daily from the society; but when it could provide for itself (as it could when it earned 2*s.* 8*d.* a week) it was allowed to prepare the food at home. Then it was found that instead of the strong, able-bodied people whom Van den Bosch wanted, the districts sent those they were most anxious to get rid of. These were found to be awkward men, with town habits, and quite unsuitable for agricultural work. A school for agriculture was started, but abandoned. Then mat-making, rope-making, spinning and weaving were begun (5840-6). Soon after the first colony was established there were also added certain beggar colonies on the same plan. Their history is very similar. In their case the Government intervened more completely (5841-5846). In 1827 there were as many as 2,233 persons in the free colonies and over 4,500 in the beggar colonies. The Dutch experiment is interesting because it has been reported upon by celebrated Englishmen from time to time. Mr. Nassau Senior wrote about these colonies in their earlier stage. His opinion of them was very unfavourable. He says the land was of little value, and that "the employing of persons taken indiscriminately from other occupations and trades, almost all of them the victims of idleness or misconduct, and little urged by the stimulus of individual interest in farming the worst land of the country (land so worthless that the fee simple is only worth 2*s.* an acre) at an expense of outfit, exclusive of the value of the land, of more than 130*l.* per family, and under the management of a joint stock company of more than 20,000 mem-

EXPRESSES
TATIVES OF
VARIOUS
MOVEMENTS.

bers, cannot but be a ruinous speculation. Nor does the institution appear to have repressed pauperism by the disagreeableness of the terms on which it offers relief; we have seen on the contrary that it has not prevented its steady increase." Sir John McNeill, moreover, reported upon these colonies in 1853. He found that the number of free farmers was 16, as against 25 in 1848, and that non-colonist farmers in the neighbourhood, who were paying a higher rent without the advantages bestowed by the society, were yet supporting themselves in comfort. This, he said, was accounted for by one of the officials speaking as follows—"Considered as an attempt to make these families maintain themselves, the free colonies were after an extensive period of 34 years not only a complete failure, but there was no reason to believe that the scheme could possibly have succeeded, and this even if the colonists selected were from classes well suited for the occupation. The condition of the colonist is little affected by the greater or less amount of work he performs, and, however small it may be, he is assured of a comfortable habitation, clothing, and fuel, with food enough to keep him and his family in health. There is, in consequence, a great desire among the able-bodied indigent persons in the colonies to come to the colony. There are always more applications than can be accepted, and the children, though carefully educated and accustomed to see their parents and everyone about them rely upon this for their means of subsistence, had not learned to trust to their own exertions for a livelihood, and therefore few of them were able to maintain themselves." As to the beggar colonies, the case was even worse. The social results, moreover, were not more satisfactory than the financial. It took 15 colonists to do the field work of one good day labourer. Supervision was impossible; a low standard of work was accepted, and there was a constant return to the colonies. Those who had served their time there after a year or two always came back. He said that a Dutchman would become a colonist and be kept a pauper at the rate of 6l. 10s. a year, and a Scotchman, if the difference of living in the two countries were taken into account, would be made a colonist and kept a pauper at the rate of 8l. 10s. a year. As to financial failure, in spite of the Government purchasing produce of industrial workshops at special rates, by 1859 the debt owed by the society to the State and others amounted to 461,000l. The Government remitted the debt and took the whole concern over. Then, on the reconstruction, in 1859 the free farmers increased in number, while labourers decreased. In 1859 the free farmers numbered only 176; in 1870 there were 1,313, while the labourers in the same period were reduced from 2,471 to 530. Six model farms were established, there was a change in manufactures, and a forestry department was opened. Colonists were allowed to keep all they earned, and no balance, as before, was carried to the credit of the society. coinage took the place of the token currency, and piecework took the place of timework. There was more judicious management, and something of an improvement in the spirit of the colonists, and great care was taken in selecting them, and the results were these: the colonists felt they were pensioned, they did not save, and they had the following advantages—low rent and no interest charged on arrears, outfit, cows, manure, &c. on easy terms, work to be had in the society's workshops in bad times, cheap doctoring and education, instruction and superintendence gratis, and other general indulgences granted by a friendly landlord; yet they did not succeed in maintaining themselves, and could not pay their rents in full, and did not lay by. Socially considered, large as the colonies were, they took in less than half a dozen new families every year, and there was increasing difficulty in filling places, as the selection was careful. There were thus about 40 vacant farms and farmer's houses. This is about three or four years ago. Townsmen were unsuitable and did not like the new conditions, yet it was in the towns that the cases which it was desired to set on their feet were found—19 out of 20 cases came from the towns. Many families would, it was thought, be able to work now outside, but the society never turns out anyone. Subject to the foregoing criticisms, the colonists are described as, if not self-supporting, industrious and contented. With regard to the beggar colonies, they too were reformed; financially, it cannot be said that they are a success,

though no doubt they are better managed now than they used to be. It is noticeable that there are fewer beggars in the street. This system would lead to that more or less, but it does not prevent or cure begging; the paupers have no dread of the place, they rather like it; it is too comfortable, and their dinner is always ready. Smoking is allowed out of doors, and there is social intercourse. The food and clothing is satisfactory. Consequently there is a constant return to the colonies; 425 out of 3,353 were there for the first time, all the rest more than once, very many for the fifth, sixth, or seventh time, and some much oftener. The people are not pushed into self-support by this artificial interference. Paupers, or beggars, or persons unemployed, or *secundaries*, they all rely upon others. Their constant return to the colonies shows that the scheme has really failed. The colonies do not, indeed, reform the colonists, whereas their sole function should be to bring men up to a certain standard of efficiency, not to employ them permanently for charity (5846-8, 5872-88).

The Irish labour colony was started on similar lines. It was under good supervision. The men were carefully selected for it, and for a short time it seemed to be succeeding, but later the cost was found to be 90l. 13s. 5d. per head, less 27l., which was to be the average value of the produce of a man's labour, so that it can hardly be said to be other than a failure, and many persons experienced in such matters say that Prisoners' Aid Societies are a better method of dealing with the unemployed than the method of providing work (5849).

The Salvation Army, also, is conducting an experiment on the lines of artificial employment. In connexion with this experiment, it sends out travellers and makes contracts just like an ordinary business firm. The London School Board has accepted the tender of the Salvation Army for the supply of firewood for use in the board schools of London during the next 12 months. The tender was 2s. 8d. per 100 bundles; and, to show how the charities compete amongst each other, there was the Church Army tender of 3s., Dr Barnardo's Home tenders of 2s. 10d. and 2s. 11d., and, the Boys' Home of Regent's Park tender of 3s. The Salvation Army tender was accepted, and, of course, that is a case in which no actual wage is paid at all. All that is paid is a certain small sum from day to day, which is given in lieu of the payment that would be made by persons, who, if they had money, would pay for admission to the shelters, and, of course, so far it is distinctly a form of injury to the markets. It would be much better not to interfere in these cases, because the work done by these charitable agencies would be done under ordinary circumstances by people who are just above the need of charity, and who are very much dependent upon these smaller occupations to keep themselves. All interference really ends in helping one person to the detriment of another, and that other is often a person who may be in difficulties, and who really ought not to be either tempted to give up his independence or deprived of a single support which he would naturally have. Of course, this charity work is being done on a very large scale, if the large number of persons who are reported to be doing various kinds of work of this type are taken into account (5850-2).

The experience of the Charity Organisation in the working of labour bureaux has not been in their favour, and there was a strong body of opinion among the witnesses examined by a special committee of the said society that sat to inquire into homeless cases, to the effect that they have tended to demoralise the men by causing them to relax their efforts both in seeking work for themselves and in sticking to the work found for them. The Egham bureau, it is true, has met with a certain measure of success, but such has not been the case with similar bureaux established elsewhere. The criticisms made by the chairman of the Finance Committee of the Chelsea Vestry upon the working of the bureau opened by that borough are very much to the point. He said that it had, in his opinion, failed to perform the services expected of it, and that it was too costly in proportion to the number of persons for whom it found employment. He pointed out that the largest class of engagements was that of charwomen and domestic servants who could obtain free registration at the ordinary servants' registry office, and he contended that the bureau offered no proof that the

EXPRESSES
TATIVES OF
VARIOUS
MOVEMENTS.

The Irish
Colony.

Employ-
ment arti-
ficially
furnished
by the
Salvation
Army.

Labour
bureaux
registered.

REPRESENTATIVES OF VARIOUS MOVEMENTS.

larger proportion of persons whom it sent to places really engaged themselves or that their engagements were permanent, while the number of *bonâ fide* male workers for whom employment of any kind had been found was only 25 per diem. He also criticised the various figures with the object of showing that every person sent after a place had cost the vestry over 2s. Of course, if the Trades' Unions and the employers were to come to some understanding as to the use of labour bureaux, there would be a new element in the case which it would be worth while to consider; but, at present, such institutions are generally formed when employment is scarce, and it is precisely during such times that they are useless, for employment cannot be organised by a bureau when there is no employment to be had (5836, 5862-71)

Mr S. B. BOULTON.

The witness. Senior partner in the firm of Birt, Boulton, and Hlaywood, chemical manufacturers, and member of the council and executive committee of the London Chamber of Commerce, gave evidence as to the origin and working of the London Labour Conciliation Board established by that body (4878-80).

The London Labour Conciliation Board. (a) Its origin and constitution. During the great dock strike of 1889, the Council of the Chamber of Commerce received a vast number of applications to arbitrate, and was induced in consequence to appoint a committee to consider the practicability of establishing a permanent court to deal with such cases. As the result of 18 months' inquiry, the London Labour Conciliation Board was formed on the following lines—There is absolute equality of representation between employers and employed, and at any meeting of the Board the number of representatives of each party voting must be the same. For the election of the men's representatives, all the Metropolitan Trades' Unions in membership, some 60 in number, are classified in 12 groups. Each union in each group appoints a delegate, and the delegates elect a representative for the group. The 12 persons thus chosen serve on the Board in conjunction with 12 employers' representatives nominated by the Chamber of Commerce. Two extra members, one appointed by the London County Council, and the other by the labour representatives already elected, make up the full board of 26. The large number of Trades' Unions that support a board established by the employers is a most striking and encouraging fact (4881-8, 4910-4, 5032).

(b.) Its functions.

The functions of the Board are defined as follows—
 "To promote amicable methods of settling labour disputes and the prevention of strikes and lock-outs generally, and also especially in the following methods.—They shall in the first instance invite both parties to the dispute to a friendly conference with each other." "In the event of the disputants not being able to arrive at a settlement between themselves they shall be invited to lay their respective cases before the Board." "Or should the disputants prefer it, the Board would assist them in selecting arbitrators." "The utmost efforts of the Board shall in the meantime, and in all cases, be exerted to prevent, if possible, the occurrence or continuance of a strike or lock-out." "The London Conciliation Board shall not constitute itself a body of arbitrators except at the express desire of both parties to a dispute, to be signified in writing, but shall in preference, should other methods of conciliation fail, offer to assist the disputants in the selection of arbitrators chosen either from its own body or otherwise. Any dispute coming before the Board shall, in the first instance, be referred to a conciliation committee of the particular trade to which the disputants belong." "To collect information as to the wages paid and other conditions of labour prevailing in other places where trades or industries similar to those of London are carried on, and especially as regards localities either in the United Kingdom or abroad, where there is competition with the trade of London. Such information shall be especially placed at the disposal of any disputants who may seek the assistance of the London Conciliation Board" (4886-8).

(c.) Its methods.

At first, the Board decided never to interfere in a dispute unless application were made to it; but, after some experience, it was found expedient to issue invitations, couched in identical terms, to both parties. The Board adopts both the method of conciliation, which

REPRESENTATIVES OF VARIOUS MOVEMENTS.

includes all cases where its functions stop short of the actual issue of an award, and the method of arbitration, whereby an award is issued. In the latter case, it expects the contending parties to sign an agreement promising to abide by its decision (4889, 4979-95).

Of cases where the former method has sufficed, a good example is furnished by the dispute that took place at Oliver's Wharf, in consequence of the refusal of the men to handle goods destined for Hay's Wharf where a strike was proceeding. A large number of men were locked out in consequence, and their leaders, Messrs Mann and Tillet, applied to the Board to secure their restoration to work. After some difficulty, the proprietors of Oliver's Wharf were persuaded to meet the men's representatives at the Chamber of Commerce, where the whole matter was discussed. From the first, it was evident that the men were in the wrong, because a large number of them, being weekly servants, had broken an existing contract, a fact which Messrs Mann and Tillet were willing to admit. Under the influence of the Board, however, an agreement was signed by both parties, whereby the men undertook that their refusal to deal with goods on the ground of their connexion with boycotted wharves should not be repeated, and the employers that they would reinstatement as many men as they still had vacancies for (4890).

Conciliation.

Another example of a dispute settled by conciliation through the agency of the Board was one in which the parties concerned were the United Bargemen's and Watermen's Protection Society of the Medway and the Cement Manufacturers' Association of the Medway. Trade had improved, and the men applied for an advance in wages. Some advance the masters were willing to concede; but no agreement could be made as to its amount, and a strike of considerable magnitude seemed imminent, which would have thrown out of work, not only all the cement bargemen on the Medway, but also a large number of the men employed at the cement works. In this case, it was the employers who made application to the Board. Formal invitation was, accordingly, issued both to the Union Officials and to the Committee of the Masters' Association, and a meeting took place at the Chamber of Commerce. First of all, it seemed impossible to make any progress; but, after a while, and by dint of a little mutual good humour and passing over some of the more contentious points, about half the list of articles in dispute was got through before 11.0 p.m., when an adjournment took place. At the next meeting, the whole list was disposed of, and an agreement was signed by both parties, containing a clause to the effect that no alteration should take place in the rates then fixed without three months' notice. After a year had elapsed, however, trade got a good deal worse again, and the employers wished to have a reduction. So they called the men together, and the list was revised and a fresh agreement drawn up. Unfortunately, the employers refused, on this occasion, to sanction the insertion of a clause requiring three months' notice, and the result was that, upon the next decline of trade, the agreement was broken (4890-2).

Arbitration.

Of the action of the Board in the direction of arbitration, two examples may be given. The first is furnished by the dispute that took place about 18 months ago between the Amalgamated Society of French Polishers and Messrs. Brinsmead, the pianoforte manufacturers, concerning wages, and as to whether payment should be made by the day or by the piece. The Board suggested the method of conciliation; but, as both the parties wished for arbitration, it appointed three persons to arbitrate. Of course, it would have been open to the disputants to have made the appointment themselves; but they preferred to leave the task to the organising committee. The arbitrators decided "that the system of piecework be continued at Messrs. Brinsmead's manufactory, provided that the payment for the same be fixed upon the new and increased scale of prices agreed upon on the 14th of October 1890." This award was accepted by both parties and has been in operation ever since (4898-9).

Another case of arbitration arose out of a dispute between the Amalgamated Society of Watermen and Lightermen of the River Thames and the firm of Messrs. Francis and Co., Limited, cement manufacturers. A number of questions were involved as to freights, "lay-by" money, &c., and the Board, on having its invitation to intervene accepted, recog-

REPRESENTATIVES OF VARIOUS MOVEMENTS.

mised the necessity of referring the matter to persons possessed of technical knowledge. It accordingly appointed as arbitrators three working men and three employers connected with the industry, but not concerned in the dispute. The award they issued was accepted by both parties and has ever since continued in operation (4899-905)

Hitherto, the arbitrators appointed by the board from time to time have always come to unanimous agreements as to the terms of their awards, but, if they ever fail to do so, some provision will have to be made for the appointment of an umpire. No such provision, however, at present exists, and the chairman has no casting vote (4906, 4910-4, 5036-8).

The persons appointed to arbitrate should, as far as possible, be connected with the trade which the dispute concerns. It is sometimes difficult to find persons exactly answering to this description who are at the same time disinterested, but it is generally possible to obtain men possessing a sufficient technical knowledge, even though not immediately connected with the trade in question. Cardinal Manning and Lord Brassey, both of whom have had considerable experience as arbitrators in trade disputes, have expressed a preference for the appointment of persons acquainted with the trade in question rather than of absolute outsiders (4930-3).

It would not be possible to give third parties, even when directly interested in the issue of the struggle, any actual *locus standi* on boards of conciliation or arbitration; but the mere existence of such a board serves to protect their interests by marking a party to the dispute refusing to submit to a decision as their enemy (5020-3).

Scarcely a week passes without some application being made to the Board. In some cases, it does not succeed in bringing parties together; in others, it succeeds in bringing them together, but cannot make them agree; but only in a few cases does it fail to secure a settlement either by conciliation or by arbitration (4907-8).

Extent of the scheme of the Board.

In addition to the Central Board, it is part of the scheme to eventually set up separate committees in connexion with each of the metropolitan trades; but, at present, very little progress has been made in this direction, because disputants show a marked preference for the Central Board (4914)

Example of the London Chamber of Commerce followed by other chambers in instituting similar boards.

Last summer, there was a Congress of the Chambers of Commerce of the whole empire which passed the following resolution in favour of the establishment of boards of conciliation — "Resolved, that the frequent recurrence of labour disputes has caused and is causing great damage to the commercial and manufacturing interests of the empire. That it is extremely desirable in the best interests both of employers and employed that the re-adjustment of the rates and conditions of labour, which from time to time is inevitable, should be brought about without the wasteful and calamitous results proceeding from strikes and lock-outs. And that this congress strongly recommends the formation of properly constituted boards of labour, conciliation, and arbitration in all important centres of industry and commerce throughout the empire" (4934).

Similar resolutions have been passed at the half-yearly meetings of the Associated Chambers of Commerce of Great Britain, and boards on the lines of the one established by the London Chamber have been formed, or are in process of formation, in the following towns—Aberdeen, Bradford, Bristol, Cardiff, Croydon, Derby, Dublin, Dudley, Dundee, Edinburgh, Exeter, Glasgow, Gloucester, Greenwich, Grimsby, Halifax, Hull, Keighley, Leeds, Liverpool, Manchester, Morley, Newport (Monmouthshire), Nottingham, Plymouth, Rochdale, Wakefield, Walsall, Wolverhampton, Worcester and Wrexham (4927-9).

In the case of trades spreading over large areas, e.g., railways, mines, &c., there should be special boards for each (5027).

The Arbitration Act, 1897.

The London Labour Conciliation Board desires the attention of the Commission to be called to two among the many Acts of Parliament that have been passed for the purpose of facilitating the settlement of labour disputes. These are the Acts of 1867 and 1872. The first is called "An Act to establish councils of conciliation." It does not deal in any way with questions relating to future rates of wages and conditions of employment, but merely with disputes arising out of agreements already existing. It

has never been appealed to, and its failure may probably be attributed to the inelasticity of its provisions. For example, it specifies too minutely the composition of the boards, and details certain residential qualifications, which would, in many cases, exclude the men's most trusted leaders (4935).

In the Act of 1872, no reference is made to the Act of 1867. The two Acts, indeed, refer to different objects. That of 1867 refers to arbitrations concerning agreements already made, and that of 1872 to those concerning the terms of future agreements. The latter has failed like the former, doubtless because it ignores, instead of utilising and strengthening, the boards already established by voluntary effort (4935-8, 4966-70)

Legislation in regard to labour arbitration should aim at strengthening the hands of voluntary boards by giving each of them in express terms the power of summoning witnesses and examining them on oath and of inflicting money penalties for breach of contract, such as now belongs to the *Conseils de Prud'hommes* in France. A great advantage would result from the transfer of cases of this kind to the boards from the law courts, where the process of justice is comparatively slow and expensive, and where workmen are not represented on the bench. The power to enforce awards by penalties should be restricted to questions concerning past agreements, for the experience of the past 500 years proves the invariable failure of attempts of outside authorities to settle the terms of such contract in advance, except, of course, in cases where the acceptance of an award as to a future contract has itself been the subject of a contract made precedent to the arbitration. The proposed methods of securing the observance of awards as to future agreements by a law forbidding picketing, even if unaccompanied by intimidation, against men proceeding to work under the terms drawn up by an arbitrator, would be strongly opposed by working men, (4906, 4915-24, 4939-65, 4977-8, 4996-519)

REPRESENTATIVES OF VARIOUS MOVEMENTS.

and 1872.

Legislation should aim at strengthening the hands of voluntary boards.

A Central Arbitration Board established by Government would do no good. In fact, it would do positive harm; for it would discourage the formation of the voluntary boards, which, in view of the failure that has invariably attended its past efforts, Government would act much more wisely by supporting than by attempting to supersede (5028-35).

State Board of Arbitration disapproved of.

The Rev. J. GRITTON, D.D.

Vice-president of the Lord's Day Observance Society of London, put in certain tables, which he had prepared specially for the information of the Commission, exhibiting the variations in the amount of Sunday labour performed in different branches of industry (5039-40).

The witness.

It appears from the tables that such variations are considerable. In some cases, the number of the workers employed on Sunday is only 1 per cent., while, in others, it is as large as 18 or 19 per cent. The prevalence of Sunday work is due, sometimes to the men's desire to get the higher wages paid for it, sometimes to their preference to take their holiday on a day when public houses are more freely accessible, and sometimes to want of energy on the part of employers in adopting the best means to diminish it. In the case of gas-works, it is pleaded that Sunday work enables the public to be supplied at a lower rate than would otherwise be the case; but the economy effected in this way is infinitesimal, amounting, according to the high authority of Mr Livesey, to less than three farthings per 1,000 feet on the whole of the gas (5041-8)

Sunday work.

Of the 10,000 forms of inquiry issued by the witness, 7,000 failed to elicit replies, and, as these probably represent the worst cases, the average number of workmen, given in 2,200 returns as amounting to 259 per cent., is probably considerably below the actual average for the whole country. The large firm of Messrs. Hawthorne, shipbuilders and engineers, Newcastle, employing more than 3,000 men, has managed to abolish Sunday work altogether (5048-135).

The witness considered all Sunday work above the minimum arrived at by the best firms to be unnecessary, and he desired the Commission to express the same opinion. He had, however, no hope that further legislation in regard to the observance of Sunday would be more effective than the legislation which already existed, but was broken and despised (5138-41).

REPRESENTATIVES OF VARIOUS MOVEMENTS.

The witness.

Arbitration.

Conciliation.

Both systems are unsatisfactory.

Strikes should be prevented rather than remedied.

Causes of strikes (a) Overtime.

(b) Piece-work.

MR. W. ALLAN

Of the firm of Messrs. Allan and Company, marine engine builders, Sunderland, gave evidence as to the settlement and prevention of strikes and the results of the introduction of the 48 hours' week in his works (6828-31).

There is great confidence in some quarters that arbitration and conciliation will effectually deal with all labour differences. So far, however, neither method has completely won the favour of the workmen. Arbitration, indeed, they invariably mistrust, for they imagine, and often rightly, that the arbitrator is seldom sufficiently practical to enter into all the bearings of a question, and that, being chosen from the educated and professional class, he is more likely to be biased, consciously or unconsciously, against them than in their favour, and the result is that they seldom accept an adverse decision contentedly (6832).

With Conciliation Boards the same objection holds good, though to a less degree. While it would doubtless be very difficult to suggest a better method of settling disputes than by means of a Board whose members possessed power to bind their constituents, yet it is very problematical whether any momentous difference would be entrusted to a body of delegates, or, whether, if it were so entrusted to it, an adverse decision would be acquiesced in. The men are very reluctant to leave the issue of a far-reaching dispute in the hands of a few delegates, who may be overruled owing to a certain want of skill in argument and in the deep ways of bargaining (6832).

Not only are conciliation and arbitration in but scant favour with workmen generally, but they are also impossible to work properly as things are at present constituted, owing to the absence of any means of furnishing arbitrators or Boards with adequate data on which to found their decisions. To be of any service, such data must include a knowledge of the average profits of the employers in the trade, and this is precisely the information which employers object to furnish, even to their own associations—associations lacking the essential element of identity of interest which the organisations of the men possess (6832-9).

On failing, therefore, to discover a thoroughly satisfactory method of settling strikes, it would be more profitable to turn one's attention to the quest of a satisfactory method of preventing them, to the cause of the evil rather than to its remedy (6839).

Two of the most copious sources of disputes are the systems of overtime and piecework. The former is an economic absurdity, for it is ridiculous to define the number of hours worked per day when that number is being systematically exceeded. It is responsible for the idleness or only partial employment of a large number of workmen, and it fosters a spirit of discontent in the breasts of those who do not get the extra work. The overtime system should be discouraged by all Trades' Unions, if only because irregularity of employment is its inevitable result. No man can work overtime without physical degeneration, physical degeneration produces discontent, and discontent causes strikes (6839).

Piecework is equally objectionable. It is true that, on purely economic grounds the system is quite justifiable, for it secures a fixed ratio between the wages and the work. But, in practice, it operates very injuriously. Like overtime, it is unfavourable to that steady and regular employment which is so essential to the general well-being of the workers, and is a copious source of friction, where, as is often found necessary, it obtains side by side with the time system. The comparatively large earnings of the piece-workers cannot but produce discontent in the minds of those, who, from the nature of their employment, are debarred from working on the same system, while the operations of the two sections of workers being in many cases interdependent, the arbitrary and intermittent time-keeping on the part of those working at piece-work wages constitutes a real grievance and hardship to the time-workers. In slack times, moreover, a few of the piece-workers are enabled to monopolise whatever work is going, and so to continue to earn as good wages as before, while their fellows are left entirely without employment. It is plain, therefore, that all Trades' Unions should forbid their members to work at piece wages, and should do all they can to discourage a system fraught with so much possible injury to themselves (6839).

o 7671a.

A 48 hours' week has been introduced for the last 12 months at the witness' works. The daily hours are 8½ on five days of the week and 44 on Saturday. No overtime is worked except in cases of emergency between 300 and 400 men are employed. They are all paid by the day. When the shorter hours were introduced, the witness made an arrangement with the men whereby they should accept a 5 per cent reduction in wages, to be restored if no loss of production proved to be the result. At the end of six months, the 5 per cent. was restored, there being no loss of production, so that the men now receive as much for the 48 as they did formerly for the 53 hours per week. In fact, the men did not really do more than 48 hours work per week under the old system. They are now much more punctual, and the improvement in this and in other respects, visible at the time of the change, is being steadily maintained (6840-72).

MR. T. W. BUSHILL.

Partner in the firm of Thomas Bushill and Sons, printers and bookbinders, Coventry, gave evidence as to the operation of the profit-sharing system, especially in connexion with his own firm (5893-5).

The definition of profit-sharing by the Paris Congress, that met in 1889 to consider the subject, as "a voluntary agreement under which the employes receive a share, fixed beforehand, in the profits of the business," is not sufficiently comprehensive. The previous settlement of a basis is not an essential feature of the system. The main point is rather the payment of bonuses bearing a ratio to profits that has been determined, or is capable of being determined, independently of the volition of the employer (5973-6).

Mr. Schloss, in his book on "Methods of Industrial Remuneration," has divided profit-sharing schemes under five heads. First, what he calls surrender participation; secondly, stimulus participation; thirdly, non-practical participation; fourthly, deferred participation; and, fifthly, bribe participation. The first is where a firm surrenders such a portion of its present profits as it cannot reasonably expect the increased zeal of its employes to make good. The second is where a firm surrenders only such a portion as it can reasonably expect to be so made good. The third is where the system is introduced by a firm that does not understand how to work it properly. The fourth prevails where a firm, desiring to prevent its servants leaving its service, joining rival firms or starting opposition businesses, allots to them, year by year, a certain amount, withdrawable only after a certain lapse of time, and then only if they have not left its service. The term "bribe participation" is applicable where the system is introduced with the object of detaching the men from their Trades' Unions. The last three classes are in varying degrees open to censure; but against the first two no objection can reasonably be urged. To these classes the witness himself desired to add two more. First, minus participation, or a scheme whereby a firm pays low ordinary wages in consideration of the bonuses. Secondly, stockbroking or advertising participation, or a scheme of profit-sharing introduced for the purpose of rigging the market. A firm, for example, is converting its business and, perhaps, watering its stock very considerably, and, accordingly, it advertises that all its profits above 10 per cent. are to be distributed among the workers, knowing that the profits will never reach the specified per-centage (5977-88, 5997).

Profit sharing is being worked successfully at the present time in the following trades amongst others:—Chemical, confectionery, gas, grocery, oil-cake, printing and woollen manufacturing. The present total of profit-sharing firms is 77, with over 16,000 employes. Of these firms, four are colonial, including the firm of Messrs. W. Walker of Ceylon and Glasgow, which admits natives as well as Europeans to the benefits of the scheme. The largest profit-sharing concern is the South Metropolitan Gas Company. (5889-97).

In Mr. Schloss' book, 15 cases of failure to work the system are recorded; but, of these, three belong to the "unpractical" class; three, to the "bribe" class, and two, to the "stockbroking" or "advertising" class; and, of the remaining six, none has given the scheme a sufficiently long trial. Where a fair trial had been given, the witness did not know of a single failure (5997).

Under a profit-sharing scheme, there are two alternative methods of calculating the division. First, the method of the reserved limit, and, secondly, the

REPRESENTATIVES OF VARIOUS MOVEMENTS.

Eight hours' day.

The witness.

Profit-sharing (a) Its definition.

(b) Its forms.

(c) Its extent.

(d) Its so-called failures.

(e) Methods of effecting the division of profits.

EXPRESS-
FACTORS OF
VARIOUS
MOVES
MENTS.

Profit shar-
ing in the
firm of
Messrs.
Thomas
Bushill and
Sons.

method of per-centage. The former is where a firm divides with its *employés* all the profits over and above a certain fixed sum which it reserves to itself, and the latter is where the *employés* receive a certain fixed per-centage on the entire nett profits. This latter is generally found preferable to the former in fluctuating trades (5998)

In the witness's firm, the reserved limit method has been adopted. In this instance, the profit-sharing system has prevailed since 1888. 185 persons are employed, 79 of whom are paid by time, 47 at progressive wages, and 59 by the piece. In order to qualify for participation in the scheme, every *employé* is required, first, to definitely express a desire to participate, and, secondly, to belong to the provident fund established in connexion with the works. The men are given neither the rights nor the liabilities of partnership. They have a committee, but its duties are purely consultative. The basis of the division of profits is *pro ratâ* to the normal weekly wage. Of each man's share, one third is paid in cash, and two thirds are paid in to the man's credit account on the books of the provident fund. This fund is invested in the business, but is secured by a mortgage on the premises, and thus made independent of the vicissitudes of the trade. The firm pays 4 per cent. interest on the sums so invested. A workman leaving the service of the firm gets his bonus credited for the portion of the year he has worked, not reckoning fractions of a month, and retains his full claim on the provident fund. Under ordinary circumstances, such claims are payable on the man attaining the age of 65 or on completing 20 years continuous service, whichever date first transpires, and, in the event of death, or, in the case of a female *employée*, of marriage, payment is made immediately. An *employé* guilty of embezzlement or felony forfeits the whole of his claim on the fund, such claim reverting, in the first instance to the firm as indemnity for loss sustained, and the balance to the men's committee to dispose of as they think best in the interests of the other workers. The rules contain no clause depriving persons going out on strike of their claims on the fund. With a view to the encouragement of thrift, the cash portion of the men's share in the profits is paid into their individual accounts at the Savings' Bank. At present, the Post Office regulations forbid a man having more than one account in his own name. He should be enabled to have a second account in respect of the money for which his employer is trustee. There seems to be a doubt as to whether the bonuses under a definite profit-sharing scheme are legally recoverable. It is important that this point should be settled, and perhaps the further point should be weighed as to the expediency of giving such bonuses the same priority of claim as ordinary wages (5896-919, 5943-51, 5956-7, 6029-34, 6172)

The scheme
from the
point of
view of the
men.

With a view to testing the real opinion of the men as to the working of the scheme, the men's committee, at the suggestion of the firm's manager, passed the following resolution—

"The *Employés* Consulting Committee hears with satisfaction that the Royal Commission on Labour now sitting is seeking evidence as to the success or nonsuccess of the profit-sharing system, and, with a view to securing a free and independent expression of opinion from each adult *employé* they propose: That a paper be given out, on Saturday, November 12th, to each *employé* above the age of 21, on which he may write briefly (in ink) his opinion from his own point of view: 1st, of the principle of profit sharing; 2nd, of the results here (no figures to be mentioned); 3rd, of the details of our system. Own handwriting not necessary, and no name to be signed. A free expression is invited. If anyone wishes to express an opinion on the shortened hours, the space on the back of the paper should be used."

Nearly all the men to whom circulars were sent furnished replies, of which the following are representative specimens:—

"Principle of profit-sharing is a form of co-operation between employer and employed, the latter partaking of a certain part of the profits gained year by year, if successful, after interest has been deducted for use of capital. Results: After working under the system of profit-sharing for some years, I find it has been the means of making me work more economically trying to get out the most possible work in the least possible time. It has also been an incentive to save, fostering in me ideas of things

"which perhaps I never should have had. The details. According to profits made and bonuses declared, depending upon my weekly wage, part of which is paid in cash, the rest detained at interest till I am 65 years of age or 25 years' continual service. A proviso is made that an earlier payment can be made in case of leaving earlier than this. In case of death the balance would be paid to my representatives." This is another paper. "I cordially approve of the principle of profit-sharing, and I consider the results of the first four years, working in this establishment to have been most satisfactory. (2) The results have been good, not only financially but also for creating a feeling of brotherhood and mutual helpfulness throughout nearly the whole of the staff and for adding a new and pleasant zest to all our duties. We understand better now than we did at first the meaning of the scheme, how and where we can economise and where we can suggest. I like to think that my provident fund cannot be drawn upon for immediate use, but is safely locked up for the future. It is a great stimulus to see the balance steadily growing, and at the same time to know that it is a perfectly safe investment, under the security given by the firm. Severe personal losses in the late building societies smashes have rudely shaken any thriftiness of character I ever possessed, and consequently increased my appreciation of this provident fund. I trust the firm will be willing to assist me to find an equally secure investment when it comes to my turn to withdraw it. I consider the annual audit and general details to be thoroughly satisfactory." Just one more. "The principle is very good, and undoubtedly more beneficial to the workman than the employer. I look upon it as a free gift, for I should have had to work had nothing of the kind ever been started. I wish it had been started twenty years ago. Results have been simply grand, and might be kept up and made even better if all the foremen would take the lead and set the example. (3) The details are all right" (5920-34, 6038-43).

The men are a fair sample of the class employed in similar establishments and are not specially selected on account of their superior education or for any other cause (5935-42).

Unionists and non-Unionists are treated alike. There has been no whisper of a strike. The minimum weekly wages of the letterpress printers are 28s., with 7d. per hour overtime (5898-8, 5956-7).

Viewed from the employers' standpoint, it must be admitted that, in spite of the men's greater industry, &c., the profit-sharing system has not, in this instance, effected a saving equal to the sums expended in bonuses. Still, it has proved to possess certain economical advantages. First, there has been less need of supervision in other words, profit-sharing has introduced a system of mutual foremanship. Secondly, the men have become more economical both in time and in material, and have shown a greater readiness to devise cheaper methods of production. Thirdly, the existence of the system has tended to secure and to retain in the service of the firm the best workers. On the other hand, it has involved a certain increase in clerical work, though not to so great an extent as might be supposed. It has had a very beneficial effect on the *morale* of the workers. Since its introduction there has been practically no loss of time through intemperance, and no applications have been made for charity recommendations (5959-72, 6069).

The scheme
from the
point of
view of the
employers.

Mr. Schloss, in his book on "Methods of Industrial Remuneration," referred to above, meets the allegation that profit-sharing firms under-pay their men in respect of their ordinary wages by quoting extracts from Trades' Union reports, proving that every firm that has adopted the system is paying the ordinary wages at or above the Trade Union minimum. There is one exception; but, in this case, the bonus on the wages amounts to 26 per cent. (5952-5).

Profit-sharing and rates of ordinary wages.

Profit-sharing is not necessarily hostile to Trades' Unionism, and gives certain advantages which Trades' Unionism does not. Additions to wages obtained by Trade Union effort are paid and generally spent every week, whereas those obtained by profit-sharing are deferred and allowed to accumulate. Again, the higher the wages rise under the auspices of a Trade Union, the lazier do the men become, whereas the profit-sharing system is a great stimulus to industry (5956-7, 6000-14).

Profit-sharing and Trades' Unionism.

EXPRESS-
TATIONS OF
VARIOUS
MOVEMENTS.

Profit-sharing v. gain-sharing

Profit-sharing v. co-operative production.

Profit-sharing v. industrial partnership.

Gain-sharing is distinguished from profit-sharing proper, in that, in the case of the former, the employer puts down in the estimate, on which he bases his tender, so much money as the probable cost of the labour involved in the work, and then offers the men a certain proportion of the sum saved, if they do it in less time and, therefore, at a smaller cost. The draw-backs to this system are—1st, that the payments must be made at very short intervals, thereby entailing a great deal of clerical work; 2nd, that it occasions frequent disputes as to the basis of participation; 3rd, it sectionalises the men too much into separate departments (6020-1).

As compared with co-operative production, profit-sharing has the advantage of retaining the *entrepreneur* class, with all its traditional knowledge of business management (6015-9).

Personally, the witness did not think the time was ripe for the introduction of a system of industrial partnership, such as prevails in the firm of Mr. G. Thompson, woollen manufacturers, Huddersfield. The advantages do not seem to be proportionate to the loss

resulting from the hampering of the management which the scheme entails (6022, 6088-90).

A short time ago, the hours of labour in the witness's firm were reduced from 54 to 50 per week, the Trade Union limit being 55. So far, no diminution of the production has taken place in consequence, and no such diminution would result from a general reduction of hours throughout the manufacturing trades. No absorption of the unemployed would, therefore, take place in consequence of such general reduction (5896-8, 6078).

The most urgent need as regards the working class is provision for the study of economics. Workmen should learn that, if it is desired to increase their remuneration, it is foolish to lessen the produce, that is to say, the fund from which both wages and profits are drawn. They should also learn that profits are not infinite (6025).

A well-organised Labour Department should have a sufficient staff to register the statistics of such developments as profit-sharing and to inform British workmen from time to time of the cost of production in foreign countries (6035-7).

EXPRESS-
TATIONS OF
VARIOUS
MOVEMENTS.

Effect of production of hours of labour on production.

General proposals (a) Prov. sion for the study of economics.

(b) A labour department.

PUBLIC OFFICIALS.

PUBLIC OFFICIALS.

PUBLIC OFFICIALS.

Witnesses examined:—

- Mr. E. W. BRABROOK, Chief Registrar of Friendly Societies.
- Mr. J. M. LUDLOW, ex-Chief Registrar of Friendly Societies.
- Dr. W. OGLE, Superintendent of Statistics in the General Register Office.
- Dr. ELGIN R. L. GOULD, The United States Labour Department.
- Mr. R. GIFFEN, C.B., LL.D., Assistant Secretary of the Board of Trade in charge of the Commercial Department.

The witness.

Mr. E. W. BRABROOK, Chief Registrar of Friendly Societies, stated that the scope of his duties in this capacity included friendly, benevolent, cattle insurance, co-operative, benefit building, loan and scientific and literary societies, and working men's clubs, trade unions, and trustee, railway and post office savings' banks, the aggregate property of which represents approximately the sum total of the accumulated capital of the working classes (1222-6).

The classes of societies within his jurisdiction.

In 1890, the sum total of funds remaining in the possession of all these bodies in England and Wales amounted to 218,374,046l. The funds of the non-collecting friendly societies were 21,410,000l., and of the collecting societies 2,289,000l. Those of other societies under the Friendly Societies Act were 4,510,000l., of industrial and provident, i.e., co-operative societies, 13,003,000l. and of building societies 50,582,000l. Those of Trade Unions, including some unregistered organisations, amounted to 1,288,000l.; of loan societies, to 207,000l.; of railway savings' banks, to 1,044,000l.; of waste savings' banks, to 43,685,000l., and of Post Office savings' banks, to 78,838,000l.; the two last-mentioned items including the figures from Scotland and Ireland. The addition of the 5,532,000l., which are the estimated funds of the Birkbeck Building Society, brings the total to 218,374,046l. mentioned above (1227-59, 1347-63, 1381-4, 1433-4, 1639-48).

Friendly Societies: (a) Independent societies.

Friendly societies are various in number and constitution. First, there are the independent societies. These are purely local and devoted solely to raising, by subscription, funds, for subsequent distribution in mutual relief and maintenance during old age and sickness. The average contribution per member is about 20s per annum. Their aggregate income for 1890 was 2,117,000l. and expenditure 1,791,000l., leaving a balance of 326,000l. They are to a certain extent self-supporting, but are sometimes aided by the contributions of honorary members, such as the employers and the clergy. They are not increasing in number, inasmuch as the new registrations do not keep pace with the dissolutions, and they are, generally speaking, giving way in point of popularity to the branches of affiliated orders (1260-1, 1318-9).

(b) Affiliated orders.

Secondly, there are the affiliated orders, which may be defined as societies having branches. Of these, the two most important are the Ancient Order of Foresters, which has 830,720 members, and the Independent Order of Oddfellows, Manchester Unity, which has 769,503. The total membership of all the affiliated orders making returns was 1,737,809,

representing 16,400 branches; but both these figures require considerable additions in consequence of the transfer of societies, previously independent, to the associations. The average contribution per member is 31s per annum, i.e., 27s for benefit and 4s. for management, and the aggregate receipts for 1890 amounted to 3,055,000l. Both a central fund and branch funds are essential to the legal existence of a society with branches. But the law requires nothing further, and there is observable in the constitutions of the various societies every degree of centralisation within the prescribed limits. Thus, there are some societies in which the central body provides all the benefits and the branches are only allowed to reserve to themselves a fund sufficient to defray the expenses of the local management, and there are other societies where the branches provide all the benefits and only contribute to the central a sum that barely suffices to keep the central office open. The legal requirement as to a central fund has caused a great advance in the direction of centralisation; but, at present, every branch remains as financially independent in respect of its liabilities as if it were an independent society. A distressed branch has no sort of legal claim on the funds either of other branches or of the central body. The popularity of affiliated orders is largely due to the fact that members moving from place to place can get their accounts transferred from one branch to another (1261-7, 1321-7, 1435-7, 1476-8).

Thirdly, there are the dividing societies, i.e., those in which the funds are, with the exception of a small sum, divided periodically. Their object is to provide sick pay and death allowances in consideration of a weekly subscription. They are also called "benefit societies," "alms clubs," and "tontines," the last title being derived from the fact that the sum, remaining at the end of the year after all claims for sick pay and death allowances have been met, is divided among the survivors (1268-72).

(c) Dividing societies.

Fourthly, there are the societies in connexion with employers. A large number of these are debarred from registration because they have among their rules one providing that "a member ceasing to be employed at — works shall cease to be a member of "Society." By means of such a rule, an employer can enforce restrictive conditions on the conduct of his business by the workmen. A rule, however, to the effect that "a member ceasing to be employed at — works shall cease to participate in the funds arising from the contributions of employers as "honorary members," does not prevent registration, although a practical difficulty arises in cases where

(d) Societies in connexion with employers.

REFERENCES
TABLES OF
VARIOUS
MOVES
MENTS.

nised the necessity of referring the matter to persons possessed of technical knowledge. It accordingly appointed as arbitrators three working men and three employers connected with the industry, but not concerned in the dispute. The award they issued was accepted by both parties and has ever since continued in operation (4899-905).

Hitherto, the arbitrators appointed by the board from time to time have always come to unanimous agreements as to the terms of their awards; but, if they ever fail to do so, some provision will have to be made for the appointment of an umpire. No such provision, however, at present exists, and the chairman has no casting vote (4906, 4910-4, 5036-8).

The persons appointed to arbitrate should, as far as possible, be connected with the trade which the dispute concerns. It is sometimes difficult to find persons exactly answering to this description who are at the same time disinterested, but it is generally possible to obtain men possessing a sufficient technical knowledge, even though not immediately connected with the trade in question. Cardinal Manning and Lord Brassey, both of whom have had considerable experience as arbitrators in trade disputes, have expressed a preference for the appointment of persons acquainted with the trade in question rather than of absolute outsiders (4930-3).

It would not be possible to give third parties, even when directly interested in the issue of the struggle, any actual *locus standi* on boards of conciliation or arbitration, but the mere existence of such a board serves to protect their interests by marking a party to the dispute refusing to submit to a decision as their enemy (5020-3).

Scarcely a week passes without some application being made to the Board. In some cases, it does not succeed in bringing parties together; in others, it succeeds in bringing them together, but cannot make them agree; but only in a few cases does it fail to secure a settlement either by conciliation or by arbitration (4907-8).

Extends on
of the
of the Board.

In addition to the Central Board, it is part of the scheme to eventually set up separate committees in connexion with each of the metropolitan trades; but, at present, very little progress has been made in this direction, because disputants show a marked preference for the Central Board (4914).

Example of
the London
Chamber of
Commerce
followed by
other cham-
bers in
instituting
similar
boards.

Last summer, there was a Congress of the Chambers of Commerce of the whole empire which passed the following resolution in favour of the establishment of boards of conciliation:—"Resolved, that the frequent recurrence of labour disputes has caused and is causing great damage to the commercial and manufacturing interests of the empire. That it is extremely desirable in the best interests both of employers and employed that the re-adjustment of the rates and conditions of labour, which from time to time is inevitable, should be brought about without the wasteful and calamitous results proceeding from strikes and lock-outs. And that this congress strongly recommends the formation of properly constituted boards of labour, conciliation, and arbitration in all important centres of industry and commerce throughout the empire" (4934).

Similar resolutions have been passed at the half-yearly meetings of the Associated Chambers of Commerce of Great Britain, and boards on the lines of the one established by the London Chamber have been formed, or are in process of formation, in the following towns—Aberdeen, Bradford, Bristol, Cardiff, Croydon, Dorby, Dublin, Dudley, Dundee, Edinburgh, Exeter, Glasgow, Gloucester, Greenwich, Grimsby, Halifax, Hull, Keighley, Leeds, Liverpool, Manchester, Morley, Newport (Monmouthshire), Nottingham, Plymouth, Rochdale, Wakefield, Walsall, Wolverhampton, Worcester and Wrexham (4927-9).

In the case of trades spreading over large areas, e.g., railways, mines, &c., there should be special boards for each (5027).

The Arbitration Act, 1897.

The London Labour Conciliation Board desires the attention of the Commission to be called to two among the many Acts of Parliament that have been passed for the purpose of facilitating the settlement of labour disputes. These are the Acts of 1867 and 1872. The first is called "An Act to establish councils of conciliation." It does not deal in any way with questions relating to future rates of wages and conditions of employment, but merely with disputes arising out of agreements already existing. It

has never been appealed to, and its failure may probably be attributed to the inelasticity of its provisions. For example, it specifies too minutely the composition of the boards, and details certain residential qualifications, which would, in many cases, exclude the men's most trusted leaders (4935).

REFERENCES
TABLES OF
VARIOUS
MOVES
MENTS.

In the Act of 1872, no reference is made to the Act of 1867. The two Acts, indeed, refer to different objects. That of 1867 refers to arbitrations concerning agreements already made, and that of 1872 to those concerning the terms of future agreements. The latter has failed like the former, doubtless because it ignores, instead of utilising and strengthening, the boards already established by voluntary effort (4935-8, 4966-70.)

Legislation in regard to labour arbitration should aim at strengthening the hands of voluntary boards by giving each of them in express terms the power of summoning witnesses and examining them on oath and of inflicting money penalties for breach of contract, such as now belongs to the *Councils de Prud'hommes* in France. A great advantage would result from the transfer of cases of this kind to the boards from the law courts, where the process of justice is comparatively slow and expensive, and where workmen are not represented on the bench. The power to enforce awards by penalties should be restricted to questions concerning past agreements, for the experience of the past 500 years proves the invariable failure of attempts of outside authorities to settle the terms of such contracts in advance, except, of course, in cases where the acceptance of an award as to a future contract has itself been the subject of a contract made precedent to the arbitration. The proposed methods of securing the observance of awards as to future agreements by a law forbidding picketing, even if unaccompanied by intimidation, against men proceeding to work under the terms drawn up by an arbitrator, would be strongly opposed by working men, (4906, 4915-26, 4939-65, 4977-8, 4996-519).

Legislation should aim at strengthening the hands of empowered voluntary boards.

A Central Arbitration Board established by Government would do no good. In fact, it would do positive harm; for it would discourage the formation of the voluntary boards, which, in view of the failure that has invariably attended its past efforts, Government would act much more wisely by supporting than by attempting to supersede (5028-35).

State Board of Arbitration disapproved of.

The Rev. J. GRITTON, D.D.

Vice-president of the Lord's Day Observance Society of London, put in certain tables, which he had prepared specially for the information of the Commission, exhibiting the variations in the amount of Sunday labour performed in different branches of industry (5039-40).

The witness.

It appears from the tables that such variations are considerable. In some cases, the number of the workers employed on Sunday is only 1 per cent., while, in others, it is as large as 18 or 19 per cent. The prevalence of Sunday work is due, sometimes to the men's desire to get the higher wages paid for it, sometimes to their preference to take their holiday on a day when public houses are more freely accessible, and sometimes to want of energy on the part of employers in adopting the best means to diminish it. In the case of gas-works, it is pleaded that Sunday work enables the public to be supplied at a lower rate than would otherwise be the case; but the economy effected in this way is infinitesimal, amounting, according to the high authority of Mr. Livesey, to less than three farthings per 1,000 feet on the whole of the gas (5041-8).

Sunday work.

Of the 10,000 forms of inquiry issued by the witness, 7,000 failed to elicit replies, and, as these probably represent the worst cases, the average number of workmen, given in 2,200 returns as amounting to 2.59 per cent., is probably considerably below the actual average for the whole country. The large firm of Messrs. Hawthorne, shipbuilders and engineers, Newcastle, employing more than 3,000 men, has managed to abolish Sunday work altogether (5048-135).

The witness considered all Sunday work above the minimum arrived at by the best firms to be unnecessary, and he desired the Commission to express the same opinion. He had, however, no hope that further legislation in regard to the observance of Sunday would be more effective than the legislation which already existed, but was broken and despised (5136-41).

EXPERI-
MENTAL
EVIDENCE

MR. W. ALLAN

Of the firm of Messrs. Allan and Company, marine engine builders, Sunderland, gave evidence as to the settlement and prevention of strikes and the results of the introduction of the 48 hours' week in his works (6828-31).

The wit-
ness.

Arbitration. There is great confidence in some quarters that arbitration and conciliation will effectually deal with all labour differences. So far, however, neither method has completely won the favour of the workmen. Arbitration, indeed, they invariably mistrust, for they imagine, and often rightly, that the arbitrator is seldom sufficiently practical to enter into all the bearings of a question, and that, being chosen from the educated and professional class, he is more likely to be biased, consciously or unconsciously, against them than in their favour, and the result is that they seldom accept an adverse decision contentedly (6832).

Concilia-
tion.

With Conciliation Boards the same objection holds good, though to a less degree. While it would doubtless be very difficult to suggest a better method of settling disputes than by means of a Board whose members possessed power to bind their constituents, yet it is very problematical whether any momentous difference would be entrusted to a body of delegates, or, whether, if it were so entrusted to it, an adverse decision would be acquiesced in. The men are very reluctant to leave the issue of a far-reaching dispute in the hands of a few delegates, who may be overruled owing to a certain want of skill in argument and in the deep ways of bargaining (6832).

Both sys-
tems are
unsatisfac-
tory.

Not only are conciliation and arbitration in but scant favour with workmen generally, but they are also impossible to work properly as things are at present constituted, owing to the absence of any means of furnishing arbitrators or Boards with adequate data on which to found their decisions. To be of any service, such data must include a knowledge of the average profits of the employers in the trade, and this is precisely the information which employers object to furnish, even to their own associations—associations lacking the essential element of identity of interest which the organisations of the men possess (6832-9).

Strikes
should be
prevented
rather than
remedied.

On failing, therefore, to discover a thoroughly satisfactory method of settling strikes, it would be more profitable to turn one's attention to the quest of a satisfactory method of preventing them, to the cause of the evil rather than to its remedy (6839).

Causes of
strikes (a)
Overtime.

Two of the most copious sources of disputes are the systems of overtime and piecework. The former is an economic absurdity, for it is ridiculous to define the number of hours worked per day when that number is being systematically exceeded. It is responsible for the idleness or only partial employment of a large number of workmen, and it fosters a spirit of discontent in the breasts of those who do not get the extra work. The overtime system should be discouraged by all Trades' Unions, if only because irregularity of employment is its inevitable result. No man can work overtime without physical degeneration, physical degeneration produces discontent, and discontent causes strikes (6839).

(b) Piece-
work.

Piecework is equally objectionable. It is true that, on purely economic grounds, the system is quite justifiable, for it secures a fixed ratio between the wages and the work. But, in practice, it operates very injuriously. Like overtime, it is unfavourable to that steady and regular employment which is so essential to the general well-being of the workers, and is a copious source of friction, where, as is often found necessary, it obtains side by side with the time system. The comparatively large earnings of the piece-workers cannot but produce discontent in the minds of those, who, from the nature of their employment, are debarred from working on the same system, while, the operations of the two sections of workers being in many cases interdependent, the arbitrary and intermittent time-keeping on the part of those working at piece-work wages constitutes a real grievance and hardship to the time-workers. In slack times, moreover, a few of the piece-workers are enabled to monopolise whatever work is going, and so to continue to earn as good wages as before, while their fellows are left entirely without employment. It is plain, therefore, that all Trades' Unions should forbid their members to work at piece wages, and should do all they can to discourage a system fraught with so much possible injury to themselves (6839).

o 76710.

A 48 hours' week has been introduced for the last 12 months at the witness' works. The daily hours are 8½ on five days of the week and 4½ on Saturday. No overtime is worked except in cases of emergency. Between 300 and 400 men are employed. They are all paid by the day. When the shorter hours were introduced, the witness made an arrangement with the men whereby they should accept a 5 per cent. reduction in wages, to be restored if no loss of production proved to be the result. At the end of six months, the 5 per cent. was restored, there being no loss of production, so that the men now receive as much for the 48 as they did formerly for the 53 hours per week. In fact, the men did not really do more than 48 hours work per week under the old system. They are now much more punctual, and the improvement in this and in other respects, visible at the time of the change, is being steadily maintained (6840-72).

EXPERI-
MENTAL
EVIDENCE
Eight hours'
day.

MR. T. W. BUSHILL.

Partner in the firm of Thomas Bushill and Sons, printers and bookbinders, Coventry, gave evidence as to the operation of the profit-sharing system, especially in connexion with his own firm (5893-5).

The wit-
ness.

The definition of profit-sharing by the Paris Congress, that met in 1889 to consider the subject, as "a voluntary agreement under which the employes receive a share, fixed beforehand, in the profits of the business," is not sufficiently comprehensive. The previous settlement of a basis is not an essential feature of the system. The main point is rather the payment of bonuses bearing a ratio to profits that has been determined, or is capable of being determined, independently of the volition of the employer (5973-6).

Profit-
sharing
(a.) Its
definition.

Mr. Schloss, in his book on "Methods of Industrial Remuneration," has divided profit-sharing schemes under five heads. First, what he calls surrender participation; secondly, stimulus participation; thirdly, non-practical participation; fourthly, deferred participation; and, fifthly, bribe participation. The first is where a firm surrenders such a portion of its present profits as it cannot reasonably expect the increased zeal of its employes to make good. The second is where a firm surrenders only such a portion as it can reasonably expect to be so made good. The third is where the system is introduced by a firm that does not understand how to work it properly. The fourth prevails where a firm, desiring to prevent its servants leaving its service, joining rival firms or starting opposition businesses, allots to them, year by year, a certain amount, withdrawable only after a certain lapse of time, and then only if they have not left its service. The term "bribe participation" is applicable where the system is introduced with the object of detaching the men from their Trades' Unions. The last three classes are in varying degrees open to censure; but against the first two no objection can reasonably be urged. To these classes the witness himself desired to add two more. First, minus participation, or a scheme whereby a firm pays low ordinary wages in consideration of the bonuses. Secondly, stockbroking or advertising participation, or a scheme of profit-sharing introduced for the purpose of rigging the market. A firm, for example, is converting its business and, perhaps, watering its stock very considerably, and, accordingly, it advertises that all its profits above 10 per cent. are to be distributed among the workers, knowing that the profits will never reach the specified per-centage (5977-88, 5997).

(b.) Its
forms.

Profit sharing is being worked successfully at the present time in the following trades amongst others:—Chemical, confectionery, gas, grocery, oil-cake, printing and woollen manufacturing. The present total of profit-sharing firms is 77, with over 16,000 employes. Of these firms, four are colonial, including the firm of Messrs. W. Walker of Ceylon and Glasgow, which admits natives as well as Europeans to the benefits of the scheme. The largest profit-sharing concern is the South Metropolitan Gas Company. (5989-97).

(c.) Its
extent.

In Mr. Schloss' book, 15 cases of failure to work the system are recorded; but, of these, three belong to the "unpractical" class; three, to the "bribe" class; and two, to the "stockbroking" or "advertising" class; and, of the remaining six, none has given the scheme a sufficiently long trial. Where a fair trial had been given, the witness did not know of a single failure (5997).

(d.) Its
so-called
failures.

Under a profit-sharing scheme, there are two alternative methods of calculating the division. First, the method of the reserved limit, and, secondly, the

(e.) Methods
of effecting
the division
of profits.

REPRESENTATIVES OF VARIOUS MOVEMENTS.

Profit sharing in the firm of Messrs. Thomas Bushill and Sons.

method of per-centage. The former is where a firm divides with its *employées* all the profits over and above a certain fixed sum which it reserves to itself, and the latter is where the *employées* receive a certain fixed per-centage on the entire nett profits. This latter is generally found preferable to the former in fluctuating trades (5998)

In the witness's firm, the reserved limit method has been adopted. In this instance, the profit-sharing system has prevailed since 1888. 185 persons are employed, 79 of whom are paid by time, 47 at progressive wages, and 59 by the piece. In order to qualify for participation in the scheme, every *employé* is required, first, to definitely express a desire to participate, and, secondly, to belong to the provident fund established in connexion with the works. The men are given neither the rights nor the liabilities of partnership. They have a committee, but its duties are purely consultative. The basis of the division of profits is *pro rata* to the normal weekly wage. Of each man's share, one third is paid in cash, and two thirds are paid in to the man's credit account on the books of the provident fund. This fund is invested in the business, but is secured by a mortgage on the premises, and thus made independent of the vicissitudes of the trade. The firm pays 4 per cent. interest on the sums so invested. A workman leaving the service of the firm gets his bonus credited for the portion of the year he has worked, not reckoning fractions of a month, and retains his full claim on the provident fund. Under ordinary circumstances, such claims are payable on the man attaining the age of 65 or on completing 20 years continuous service, whichever date first transpires; and, in the event of death, or, in the case of a female *employée*, of marriage, payment is made immediately. An *employé* guilty of embezzlement or felony forfeits the whole of his claim on the fund, such claim reverting, in the first instance to the firm as indemnity for loss sustained, and the balance to the men's committee to dispose of as they think best in the interests of the other workers. The rules contain no clause depriving persons going out on strike of their claims on the fund. With a view to the encouragement of thrift, the cash portion of the men's share in the profits is paid into their individual accounts at the Savings' Bank. At present, the Post Office regulations forbid a man having more than one account in his own name. He should be enabled to have a second account in respect of the money for which his employer is trustee. There seems to be a doubt as to whether the bonuses under a definite profit-sharing scheme are legally recoverable. It is important that this point should be settled, and perhaps the further point should be weighed as to the expediency of giving such bonuses the same priority of claim as ordinary wages (5896-919, 5943-51, 5956-7, 6029-34, 6172).

The scheme from the point of view of the men.

With a view to testing the real opinion of the men as to the working of the scheme, the men's committee, at the suggestion of the firm's manager, passed the following resolution:—

"The *Employés* Consulting Committee hears with satisfaction that the Royal Commission on Labour now sitting is seeking evidence as to the success or non-success of the profit-sharing system, and, with a view to securing a free and independent expression of opinion from each adult *employé* they propose that a paper be given out, on Saturday, November 12th, to each *employé* above the age of 21, on which he may write briefly (in ink) his opinion from his own point of view: 1st, of the principle of profit sharing; 2nd, of the results here (no figures to be mentioned); 3rd, of the details of our system. Own handwriting not necessary, and no name to be signed. A free expression is invited. If anyone wishes to express an opinion on the shortened hours, the space on the back of the paper should be used."

Nearly all the men to whom circulars were sent furnished replies, of which the following are representative specimens.—

"Principle of profit-sharing is a form of co-operation between employer and employed, the latter partaking of a certain part of the profits gained year by year, if successful, after interest has been deducted for use of capital. Results: After working under the system of profit-sharing for some years, I find it has been the means of making me work more economically trying to get out the most possible work in the least possible time. It has also been an incentive to save, fostering in me ideas of things

"which perhaps I never should have had. The details. According to profits made and bonuses declared, depending upon my weekly wage, part of which is paid in cash, the rest detained at interest till I am 65 years of age or 25 years' continual service. A proviso is made that an earlier payment can be made in case of leaving earlier than this. In case of death the balance would be paid to my representatives." This is another paper. "I cordially approve of the principle of profit-sharing, and I consider the results of the first four years, working in this establishment to have been most satisfactory (2) The results have been good, not only financially but also for creating a feeling of brotherhood and mutual helpfulness throughout nearly the whole of the staff and for adding a new and pleasant zest to all our duties. We understand better now than we did at first the meaning of the scheme, how and where we can economise and where we can suggest. I like to think that my provident fund cannot be drawn upon for immediate use, but is safely locked up for the future. It is a great stimulus to see the balance steadily growing, and at the same time to know that it is a perfectly safe investment, under the security given by the firm. Severe personal losses in the late building societies smashes have rudely shaken any thriftiness of character I ever possessed, and consequently increased my appreciation of this provident fund. I trust the firm will be willing to assist me to find an equally secure investment when it comes to my turn to withdraw it. I consider the annual audit and general details to be thoroughly satisfactory." Just one more. "The principle is very good, and undoubtedly more beneficial to the workman than the employer. I look upon it as a free gift, for I should have had to work had nothing of the kind ever been started. I wish it had been started twenty years ago. Results have been simply grand, and might be kept up and made even better if all the foremen would take the lead and set the example (3) The details are all right" (5920-34, 6038-43).

The men are a fair sample of the class employed in similar establishments and are not specially selected on account of their superior education or for any other cause (5935-42)

Unionists and non-Unionists are treated alike. There has been no whisper of a strike. The minimum weekly wages of the letterpress printers are 28s., with 7d. per hour overtime (5896-8, 5956-7).

Viewed from the employers' standpoint, it must be admitted that, in spite of the men's greater industry, &c., the profit-sharing system has not, in this instance, effected a saving equal to the sums expended in bonuses. Still, it has proved to possess certain economical advantages. First, there has been less need of supervision in other words, profit-sharing has introduced a system of mutual foremanship. Secondly, the men have become more economical both in time and in material, and have shown a greater readiness to devise cheaper methods of production. Thirdly, the existence of the system has tended to secure and to retain in the service of the firm the best workers. On the other hand, it has involved a certain increase in clerical work, though not to so great an extent as might be supposed. It has had a very beneficial effect on the *morale* of the workers. Since its introduction there has been practically no loss of time through intemperance, and no applications have been made for charity recommendations (5959-72, 6069).

The scheme from the point of view of the employers.

Mr. Schloss, in his book on "Methods of Industrial Remuneration," referred to above, meets the allegation that profit-sharing firms under-pay their men in respect of their ordinary wages by quoting extracts from Trades' Union reports, proving that every firm that has adopted the system is paying the ordinary wages at or above the Trade Union minimum. There is one exception; but, in this case, the bonus on the wages amounts to 26 per cent. (5952-5).

Profit-sharing and rate of ordinary wages

Profit-sharing is not necessarily hostile to Trades' Unionism, and gives certain advantages which Trades' Unionism does not. Additions to wages obtained by Trade Union effort are paid and generally spent every week, whereas those obtained by profit-sharing are deferred and allowed to accumulate. Again, the higher the wages rise under the auspices of a Trade Union, the lazier do the men become, whereas the profit-sharing system is a great stimulus to industry (5956-7, 6000-14).

Profit-sharing and Trade Unionism.

REPRESENTATIVES OF VARIOUS MOVEMENTS.

Profit-sharing v. gain-sharing.

Profit-sharing v. co-operative production.

Profit-sharing v. industrial partnership.

Gain-sharing is distinguished from profit-sharing proper, in that, in the case of the former, the employer puts down in the estimate, on which he bases his tender, so much money as the probable cost of the labour involved in the work, and then offers the man a certain proportion of the sum saved, if they do it in less time and, therefore, at a smaller cost. The draw-backs to this system are.—1st, that the payments must be made at very short intervals, thereby entailing a great deal of clerical work, 2nd, that it occasions frequent disputes as to the basis of participation; 3rd, it sectionalises the men too much into separate departments (6020-1).

As compared with co-operative production, profit-sharing has the advantage of retaining the *entrepreneur* class, with all its traditional knowledge of business management (6015-9).

Personally, the witness did not think the time was ripe for the introduction of a system of industrial partnership, such as prevails in the firm of Mr. G Thompson, woollen manufacturers, Huddersfield. The advantages do not seem to be proportionate to the loss

resulting from the hampering of the management which the scheme entails (6022, 6088-90).

A short time ago, the hours of labour in the witness's firm were reduced from 54 to 50 per week, the Trade Union limit being 55. So far, no diminution of the production has taken place in consequence, and no such diminution would result from a general reduction of hours throughout the manufacturing trades. No absorption of the unemployed would, therefore, take place in consequence of such general reduction (5896-8, 6078).

The most urgent need as regards the working class is provision for the study of economics. Workmen should learn that, if it is desired to increase their remuneration, it is foolish to lessen the produce, that is to say, the fund from which both wages and profits are drawn. They should also learn that profits are not infinite (6025).

A well-organised Labour Department should have a sufficient staff to register the statistics of such developments as profit-sharing and to inform British workmen from time to time of the cost of production in foreign countries (6035-7).

REPRESENTATIVES OF VARIOUS MOVEMENTS.

Effect of reduction of hours of labour on production.

General proposals (a.) Provision for the study of economics.

(b.) A labour department.

PUBLIC OFFICIALS.

PUBLIC OFFICIALS.

PUBLIC OFFICIALS.

Witnesses examined:—

- Mr. E. W. BRABROOK, Chief Registrar of Friendly Societies.
- Mr. J. M. LUDLOW, ex-Chief Registrar of Friendly Societies.
- Dr. W. OGLE, Superintendent of Statistics in the General Register Office.
- Dr. ELGIN R. L. GOULD, The United States Labour Department.
- Mr. R. GIFFEN, C.B., LL.D., Assistant Secretary of the Board of Trade in charge of the Commercial Department.

Mr. E. W. BRABROOK.

The witness.

The classes of societies within his jurisdiction.

Friendly Societies: (a.) Independent societies.

(b.) Affiliated orders.

Chief Registrar of Friendly Societies, stated that the scope of his duties in this capacity included friendly, benevolent, cattle insurance, co-operative, benefit building, loan and scientific and literary societies, and working men's clubs, trade unions, and trustee, railway and post office savings' banks, the aggregate property of which represents approximately the sum total of the accumulated capital of the working classes (1222-6).

In 1890, the sum total of funds remaining in the possession of all these bodies in England and Wales amounted to 218,374,046l. The funds of the non-collecting friendly societies were 21,410,000l., and of the collecting societies 2,289,000l. Those of other societies under the Friendly Societies Act were 4,510,000l., of industrial and provident, i.e., co-operative societies, 13,003,000l. and of building societies 50,582,000l. Those of Trade Unions, including some unregistered organisations, amounted to 1,288,000l.; of loan societies, to 267,000l.; of railway savings' banks, to 1,044,000l.; of trustee savings' banks, to 43,685,000l., and of Post Office savings' banks, to 78,838,000l.; the two last-mentioned items including the figures from Scotland and Ireland. The addition of the 5,532,000l., which are the estimated funds of the Birkbeck Building Society, brings the total to 218,374,046l. mentioned above (1227-59, 1347-63, 1381-4, 1433-4, 1639-40).

Friendly societies are various in number and constitution. First, there are the independent societies. These are purely local and devoted solely to raising, by subscription, funds, for subsequent distribution in mutual relief and maintenance during old age and sickness. The average contribution per member is about 20s. per annum. Their aggregate income for 1890 was 2,117,000l. and expenditure 1,791,000l., leaving a balance of 326,000l. They are to a certain extent self-supporting, but are sometimes aided by the contributions of honorary members, such as the employers and the clergy. They are not increasing in number, inasmuch as the few registrations do not keep pace with the dissolutions, and they are, generally speaking, giving way in point of popularity to the branches of affiliated orders (1230-1, 1318-9).

Secondly, there are the affiliated orders, which may be defined as societies having branches. Of these, the two most important are the Ancient Order of Foresters, which has 830,730 members, and the Independent Order of Oddfellows, Manchester Unity, which has 769,503. The total membership of all the affiliated orders making returns was 1,727,809,

representing 16,400 branches; but both these figures require considerable additions in consequence of the transfer of societies, previously independent, to the associations. The average contribution per member is 31s. per annum, i.e., 27s. for benefit and 4s. for management, and the aggregate receipts for 1890 amounted to 3,055,000l. Both a central fund and branch funds are essential to the legal existence of a society with branches. But the law requires nothing further, and there is observable in the constitutions of the various societies every degree of centralisation within the prescribed limits. Thus, there are some societies in which the central body provides all the benefits and the branches are only allowed to reserve to themselves a fund sufficient to defray the expenses of the local management, and there are other societies where the branches provide all the benefits and only contribute to the central a sum that barely suffices to keep the central office open. The legal requirement as to a central fund has caused a great advance in the direction of centralisation; but, at present, every branch remains as financially independent in respect of its liabilities as if it were an independent society. A distressed branch has no sort of legal claim on the funds either of other branches or of the central body. The popularity of affiliated orders is largely due to the fact that members moving from place to place can get their accounts transferred from one branch to another (1261-7, 1321-7, 1435-7, 1476-8).

Thirdly, there are the dividing societies, i.e., those in which the funds are, with the exception of a small sum, divided periodically. Their object is to provide sick pay and death allowances in consideration of a weekly subscription. They are also called "benefit societies," "alate clubs," and "tontines," the last title being derived from the fact that the sum, remaining at the end of the year after all claims for sick pay and death allowances have been met, is divided among the survivors (1268-72).

Fourthly, there are the societies in connexion with employers. A large number of these are debarred from registration because they have among their rules one providing that "a member ceasing to be employed at — works shall cease to be a member of "Society." By means of such a rule, an employer can enforce restrictive conditions on the conduct of his business by the workmen. A rule, however, to the effect that "a member ceasing to be employed at " — works shall cease to participate in the funds arising from the contributions of employers as "honorary members," does not prevent registration, although a practical difficulty arises in cases where

(c.) Dividing societies.

(d.) Societies in connexion with employers.

PUBLIC
OFFICIALS.

the funds derived from the contributions of employers and employed respectively cannot be distinguished. Another arrangement inconsistent with registration is one whereby the funds of the society are deposited with the employer, inasmuch as the Friendly Societies' Act requires them to be invested only in concerns giving such security as trustees can accept. The policy of the Act in this respect is a sound one, for the prohibited arrangement has the mischievous effect of putting all the workmen's eggs into one basket, so that, if their employer fails, they lose not only their employment but their past savings also, and it places them, in addition, into a position of undue dependence upon the employer. At the same time, the societies often prefer to forfeit registration by investing their funds with an employer, either because they get an exceptionally high rate of interest, or because they like to have a stake in the employer's business, or because much trouble is saved in the matter of buying and selling stock and in the keeping of accounts. Where the employer in question is a public company, and, as such, able to give, by debenture or otherwise, security of the type which trustees are authorised by statute to accept, the difficulty as to registration is removed. A third bar to registration if where membership of the society is made a condition of employment. But registration has not hitherto been refused to societies having among their rules one providing that members may direct the amount of their subscriptions to be deducted from their wages, provided always that the sum deducted be actually handed over to the society's treasurer and paid by him to the credit of the trustees. The general result of the legal requirements as to registration has been to cause many societies to forego its benefits. Those benefits are conferred rather upon the individual members than upon the society as a whole. They relate to the right of members to inspect the books of their society, to apply to the Chief Registrar for an official inspection, to call upon the treasurer and trustees to render accounts, &c., &c. (1273-301, 1364-80, 1385-99).

(e) Societies in connection with particular firms, but not supported by employers

Fifthly, there are societies or shop clubs, in connexion with particular firms, but not supported by the employers. These are, for the most part, of the nature of dividing societies, and are to a very large extent unregistered, owing to the expense and trouble entailed by the requirements of the Act with regard to the printing of rules and the making of periodical returns by registered bodies. When the Act comes to be reconsidered, it would be advisable to curtail these formalities as much as possible (1301).

(f) Societies in connection with particular trades.

Sixthly, there are societies in connection with particular trades—e.g. the stationers', the gardeners', and the farmers' societies. They are partly supported by donations from outsiders. They are distinguished from Trades Unions in that their object is not connected with the relations between employers and employed (1301-2).

(g) "Collecting" societies

Lastly, there are the collecting societies, i.e. societies that are concerned almost exclusively with providing funeral benefits out of subscriptions collected from members. The 3,318,942 members, which 35 of them contain, were for the most part admitted in infancy. The fact that the accumulated funds of the societies are only 2,289,858l or 13s 11d per member, whereas those of other friendly societies amount to 5l. 10s 11d per member shows that they stand on quite a separate footing. They should, therefore, be dealt with in a separate Act of Parliament. It is to them that sect 30 of the Friendly Societies' Act directly applies (1268, 1303-8).

Friendly societies generally

This concludes the enumeration of the various types of friendly societies properly so called. It is provided in the Friendly Societies' Act, 1875, Section 11, subsection 5, that "no society assenting to any member a certain annuity shall be entitled to registration, unless the tables of contributions for such assurance, certified by some actuary of five years' standing, be sent to the registrar with the application for registration." The Chief Registrar, however, takes no responsibility for the adequacy of the contribution. There would be no objection to an enactment prohibiting registered societies from taking contributions in consideration of sick pay for life, which is virtually an old age pension or annuity, without getting an actuarial certificate. The societies should levy one extra subscription in order to create a special fund for the payment of old age pensions. The recommendations of the Royal Commission on Friendly Societies in 1874 were not fully carried out

in the Act of 1875, as, for example, the recommendation as to district registries, which was dropped mainly because it would be too cumbersome and expensive (1338-40, 1564-32, 1602-5, 1615-27).

PUBLIC
OFFICIALS.

Benevolent societies form the second group admitted to registration under the Friendly Societies Act. They include all societies that do not limit the benefits they offer to such persons as have subscribed to their funds (1309).

Benevolent societies

Working men's clubs "for the purpose of social intercourse, mutual helpfulness, mental and moral improvement and rational recreation" are permitted by section 8, subsection 4, of the Act of 1875 to be registered; but such ought not to be the case, inasmuch as they provide no sort of insurance—the essential function of a friendly society—and often have a strongly defined political bias. Clubs avowedly political in their aims cannot be registered. The working men's clubs like to be registered in order to get security for their funds and power to hold land and houses through trustees acting in their name (1310-2).

Working men's mutual improvement societies

Societies specially authorised by the Secretary of State under section 8 subsection 5 of the Friendly Societies' Act to become registered are those formed for the purpose of providing relief to members out of employment. Several of the societies in this group provide, in addition, the benefits of a Friendly Society proper, but they do so at a disadvantage because they have to fulfil all the responsibilities without possessing any of the privileges which ordinary friendly societies possess in respect of exemption from stamp duty and a preferential claim on the estates of their officers in the event of death or bankruptcy. It appears from the latest published returns of these societies that the Liverpool Clerks Association has 3,067 members and 24,680l., the Manchester Warehousemen's and Clerks Provident Association, 2,186 members and 15,701l., the London Suburban Railway Officials Association, 150 members and 1,380l., the Metropolitan Foremen Tailors', 303 members and 3,020l., the Northampton Artisans and Labourers, 2,706 members and 15,677l., and the Birmingham and District Clerks 225 members and 230l. Another special authority under subsection 5 of section 8 grants registration to societies formed for the purpose of "protecting and defending members of any lawful trade or calling against frivolous, vexatious, or malicious prosecutions, and in cases of robbery and other crimes affecting them, affording them legal or other assistance for the detection and prosecution of the offenders." Societies of this kind exist among calmen and omnibus and tramcar men, and among dairymen, licensed victuallers, and other similar tradesmen. Their number is very small. Some societies, as, for example, the South Side of the Thames Foremen's Society, are registered under both the above special authorisations (1313-4).

Societies specially authorised for registration under the Friendly Societies' Act, 1875.

Co-operative societies under the Industrial and Provident Societies' Act, 1867, have the same advantages as societies under the Friendly Societies' Act with the additional privilege of incorporation (1314-7).

Societies registering under other Acts of Parliament

(a) Co-operative societies. Building societies are registered under the Act of 1874. It appears from the returns that the total membership of 233 societies was 605,000, and the total funds 50,582,000l. Of this sum, 35,892,000l. represents the amount of members' investments, i.e. 60l per member, and 14,689,000 is borrowed capital. A short time ago, a return was presented to Parliament on the motion of Mr Gerald Balfour showing the number of building societies that had ceased to exist between the passing of the Act of 1874 and June 2nd, 1892. From this it appeared that, of a total number of 1,237 societies, 26 had terminated in the ordinary course, 181 had been stopped by notice, 410 had executed instruments of dissolution, 38 had been wound up by the court, 84 had been amalgamated with other societies, 32 had transferred their engagements to other societies and 466 had been dissolved irregularly. The many recent failures among building societies have been largely due to the receipt of deposits withdrawable at call or short notice when the funds were lent on securities that could not be quickly realised. It would not be possible to absolutely prohibit the receipt of deposits at less than three months' notice. The only thing would be to make building societies, in holding out promises to pay on demand, state that those promises were qualified by the provisions of the existing Act limiting their power to borrow to the amount of two-thirds of their mortgages and the liability of their members to

(b) Building societies

PUBLIC OFFICIALS.

the amount of their deposits and arrears. Unfortunately, the recommendation of the Royal Commission of 1874 as to the inclusion of building societies in the Friendly Societies' Act was not carried out. The desired result, however, might practically be attained by the adoption of the following amendments in the Act of 1874. First, that the words "if any" be omitted after "within what limits" in section 16, sub-section 2, in order that it should no longer be in the power of the directors of a building society to defeat the claims of existing ordinary members by the unlimited issue of preference shares. Secondly, that the right of members to ascertain the condition of a society's affairs by inspecting its books be secured by the insertion of provisions similar to those of section 14 of the Friendly Societies' Act of 1875. Thirdly, that provision be made for control by the members over the trustees appointed for the purpose of dissolving a society under section 32. Fourthly, that the provision contained in section 43 as to penalties for wilfully making false returns be made more stringent and that provision be made also for recovering penalties from a society or its responsible officers, without requiring the prosecutor to prove the offence in the case of an individual. Fifthly, that a form of annual return be prescribed, with provisions as to dates, &c. Sixthly, that power be given to the Registrar, upon a proper requisition, to appoint persons to inquire into the affairs of a society or to call a special meeting of the society, as is provided in section 23 of the Friendly Societies' Act. It would not, however, be expedient to give the persons so appointed precisely the same functions as are discharged by the committees of inspection under the Trustee Savings Banks Act (1426-32, 1445-75, 1479-91, 1609-14).

(c) Trade unions.

Trade Unions are registered under the special Acts applying to them. Employers' Associations fall within the definition of a Trade Union contained in the Act of 1874 and can claim registration accordingly. Wherever branches are registered separately, they are treated as separate unions. The total number of registered unions is 493. The number making returns is 320. Of the rest, 66 are not yet liable to make returns, and steps are being taken to recover penalties from the remaining 107. The witness put in Mr. Burnett's last Blue Book, giving returns from 25 of the principal trade unions, which shows a total membership of 550,926, and a total annual contribution of 853,533*l.* or 3*l.* 6*s.* per member, of which 2*l.* goes to benefits, 6*s.* 6*d.* to expenses and 4*s.* 3*d.* to balance. During the past two years, 201 trade unions have been registered, whereas the total registration for the 19 preceding years was only 533 or an average of 28 per annum. The witness also put in an abstract of the trade union returns for 1892 (1333-7, 1400-25). Mr. Ludlow expressed an opinion in 1874 to the effect that it would be advisable to include all the above-mentioned societies, including Trade Unions, under the general enactment that afterwards became the Friendly Societies' Act, 1875. This opinion was well grounded, for, at present, an individual member of a Trade Union is forbidden by section 4 of the Trade Union Act of 1876 to sue his society for breach of contract if a majority of the members agree to expend funds originally destined for benefits in strikes (1492-563, 1583-601, 1628-38).

The inclusion of all the above societies under one Act advocated.

(Women's societies.

It is more advantageous for women to form societies of their own than to join those of the men, because they are more liable to illness (1440-4).

Mr. J. M. LUDLOW

The witness, Friendly societies. (a) generally.

Ex-Chief Registrar of Friendly Societies, supplemented the evidence of Mr. Brabrook (1740-4). Membership of friendly societies affects the attitude of workmen towards their employers in two contrary directions. Involving, as it does, an obligation to pay a regular subscription, it both increases their interest in securing high wages, and, at the same time, makes them careful not to engage in conflicts likely to compel them to fall into arrears (1745-8).

(b) In connection with particular employments.

Judging from the condition of the mining industry, the existence of a friendly society in exclusive connexion with a particular employment does not appear to prevent trade disputes. Many railway companies have obtained special Acts of Parliament compelling the men to subscribe to the sick and benefit funds established by their employers. The men object to such enactments, because they are obliged to choose both between giving up their own societies and supporting two, and also between continuing in the

PUBLIC OFFICIALS.

Company's service longer than they may perhaps desire to do, and forfeiting the benefits towards which they have been subscribing. The Court of Appeal, however, decided in *Hewlett v. Allen and Sons* that deductions from wages for the purposes of benefit funds were illegal, unless expressly sanctioned by Act of Parliament. Except where absolute confidence already exists between employers and employed, the existence of funds supported by both parties tends not to improve but to injure the relations between them. Such funds, moreover, are in many cases actuarially unsound, because they depend upon the employers' contributions, which, in their turn, depend upon the vote of a body of shareholders, and because the employers' contributions remain fixed irrespective of fluctuations in the membership. Where the employers' contributions vary with the membership, the funds are financially sounder. Personally, the witness was adverse to the practice of contracting out of the Employers' Liability Act, which usually accompanied the establishment of these funds. If the Act be good, it should be relied on (1748, 1753-74, 1816-28, 1834-43).

Societies, formed for the purpose of granting relief to members out of employment, should be registered under the Friendly Societies' Act without special authorisation (1748-57).

(c) Societies specially sanctioned for registration. Co-operative societies.

Co-operative societies have made wonderful progress during the last 40 years; but, unfortunately, they have tended to become representative of the middle class rather than of the workers. *Employés* of the societies and all persons concerned in their working, whether in the direction of production or distribution, ought to have a share in the profits, as well as the purchasers or consumers. It is urged that *employés* can share the profits *quod* purchasers which they cannot share *quod* workers; but, in many cases, they are expressly excluded from the committees of management, and, in some cases, even from membership. Co-operative production still remains a problem. At present, the tendency is rather towards profit-sharing between employers and employed. This system demands, for its success, perfect mutual confidence. Where an employer introduces it on the morrow of a strike in order to get more out of his men, it is bound to fail. A very remarkable example of profit-sharing is furnished in the case of "Brownfield's Guild Pottery, Limited," which has been established by Mr. Brownfield in Staffordshire. A record of 70 years free from strikes proves the existence of the essential condition of mutual confidence. 350 men, women and children share profits and have subscribed 2,000*l.* towards the capital (1800-8, 1829-33).

A Building Society is an association for the purpose of advancing money on real property (1894). The Building Societies' Act of 1874 should be amended so as to give members the same rights in regard to inspection of accounts, &c., as are given under the Friendly Societies' Act of 1875. The provision, contained in the Industrial and Provident Societies Act of 1867, to the effect that no deposits repayable at less than two days' notice may be received, should be applied to building societies, and a stricter limitation of the amount of deposits withdrawable at short notice that may be received might also be effected, although it would not touch the main cause of failures, for they arise, not so much from the large amount of the deposits, as from the absence of control over the committees of management, especially with regard to taking repeated valuations of the assets so as to keep pace with depreciations (1789-99, 1844-9).

Building societies.

Trades' Unions, unlike friendly societies, do not make the provision of sick, old age, and other benefits their primary function. Their principal object is to maintain and advance the condition of the labourer, as such, in a particular employment. The use of that portion of their funds, originally set aside for benefits, for ordinary Trade Union purposes, may sometimes cause great hardships; but it should not be prohibited. The funds for management, benefits, and trade purposes cannot be kept entirely distinct, because, in case of a trade dispute, failure to amalgamate them may cause a defeat sufficiently overwhelming to ruin the Union. Of course, if a Union explicitly states in its rules that it will appropriate a certain portion of its funds to benefits, the undertaking must be carried out, but the enactment of such a rule is a very dangerous step for a Trade Union to take. Members should recognise the fact that there must always be a certain element of uncertainty about the friendly society benefits granted by

Trades' Unions.

PUBLIC OFFICIALS.

Trades Unions, although their secondary function of paying those benefits does serve the useful end of moderating their action in the pursuit of their primary object. The fact of registration is not equivalent to a Government guarantee that a Union is solvent and will appropriate its funds in a particular manner. Many labourers, no doubt, think it is; but it would be unadvisable to deny the Unions the benefits resulting from registration, simply in order to prevent such misunderstanding. The time may come when members of Trade Unions will express a desire for power being given to the public authority to interfere with the appropriation of their funds; but it would be dangerous to give such power at the present moment when Trade Unions are dearer to the heart of the working class than any other form of association. In any case, it must be borne in mind that Trade Union officials can utilise the funds entrusted to them only in accordance with the rules, and the rules represent very fairly the views of the members (1875-88, 1876-93, 1895-936).

Present and past condition of the working class compared.

During the past 50 years, the condition of the working class has improved very fast, though not so fast as public opinion as to the proper standard of that condition. In former times, the artisan was opposed to both employers and unskilled labourers alike; but now members of what may be called the aristocracy of industry, represented by such men as Mr. John Burns and Mr. Tom Mann, are manfully fighting the battle of unskilled labour. Petty jealousies are dying out. Thus, whereas Mr. Applegarth, the first working man ever appointed to sit on a Royal Commission, was worried into resigning his position as secretary to the Amalgamated Society of Carpenters and Joiners through sheer jealousy, the composition of the present Commission is a mark of the total disappearance of that feeling. The improvement of the condition of the working class both intellectual, material and moral, has been very marked. The Staffordshire Potteries and the Cradley Heath chainmaking district are examples of the few black spots that still exist (1850-76).

Dr. W. OGLE.

Superintendent of statistics in the General Register Office, gave evidence on the vital statistics of the industrial classes in England and Wales (1647-57).

The witness.

The marriage statistics are as follows. Of 1,000 miners who marry, 704 are under the age of 25 and 169 under 21. The ages at marriage of textile hands, shoemakers and tailors are very much the same, those of artisans and labourers are a little older; those of clerks are still more advanced; those of shopkeepers and shopmen are more advanced than those of the clerks, and those of farmers and their sons are more advanced than those of the shopkeepers and shopmen, while most advanced of all are those of the professional and independent classes, of whom only 151 per 1,000 marry under the age of 25, and only 7, but of their wives 127, under the age of 21, there being a difference of 7 years among males and 4 years among females between the average ages at marriage of the miners and the professional and independent classes respectively (1658-9).

(b.) Comparative

The proportion of persons that remain permanently unmarried is smallest in the case of shopkeepers, larger

in the case of artisans and labourers and largest in the case of the professional class. For England and Wales, the proportion of unmarried males is 266 per 1,000, but for the working men in several selected districts of London, it is only 107. In these same districts, every married man has, on an average, 2.97 children living at home. This implies very large families, since there are excluded all children that have died, or have set up establishments of their own, and no regard is taken of the prospects of future additions to the families. The average number of children living or dead per marriage in England and Wales is only just a fraction over four (1660-5).

PUBLIC OFFICIALS.

proportion of births and deaths in different classes
(c.) Comparative fruitfulness of marriages in different classes

The marriage rate is affected very considerably by fluctuations in wages. It varies concomitantly (a) with the value of exports per head of the population and (b) with the relative proportion of persons in and out of employment as shown by the returns furnished by the Trades' Unions to the Labour Department of the Board of Trade (1704).

(d.) Effect of economic conditions on the marriage rate.

In those areas and counties where the proportion of the industrial to the other classes is highest, the infantile mortality is far above the average, and, in some places, e.g., in Preston, it is so high that insurance societies refuse to take infants lives at all. This is specially the case in the towns. It is to be attributed, partly to overcrowding in unhealthy quarters, partly to the ignorance and carelessness of young parents, partly to the employment of mothers in factories, which often causes premature confinement, and partly to the alcoholic habits of a certain proportion of the artisans. Of the 2,000 deaths from suffocation in bed that occur annually, 283 per 1,000 take place on Saturday nights (1668-70, 1736-9).

Death statistics

(a.) Among infants.

On passing, however, beyond the period of childhood, members of the artisan class have about as good prospects of surviving to the age of 35 as members of the classes above them, but, after that age, the relative proportion of their mortality increases (1671-2).

(b.) Among adults.

The witness put in the following tables* showing the comparative mortality of males between the ages of 25 and 65 engaged in different occupations from all and several causes, 1880-1-2. These tables, he admitted, might to a certain extent be vitiated by the fact that in occupations requiring a large expenditure of strength, the weaklings would pass into other trades and thus cause the death rate in those occupations to be somewhat too favourably estimated. The comparative liability of miners to accidents is counterbalanced by their superior natural physique, and healthfulness. Another difficulty in regard to the statistics is the inaccurate nature of the data from which they are compiled. No improved or additional machinery for dealing with industrial statistics could guarantee a really successful result until householders learn to fill up their census returns more accurately (1673-703, 1705-35, 5338-403).

(c.) In different occupations.

* The witness subsequently forwarded to the Secretary a written statement to the effect that the figures in Tables I, II, III, and V gave the number of deaths that occurred annually in 1880-1-2 among 116,281 males in each occupation of whom 76,806 were between 25 and 45, and 40,806 between 45 and 65 years of age. This population was selected as being that in which 1,000 deaths of clerks had occurred annually. The figures can be converted into death-rates per 1,000 by multiplying them by 0.08401.

PUBLIC OFFICIALS.

TABLE I.—COMPARATIVE MORTALITY OF MALES, 25-65 YEARS OF AGE, IN DIFFERENT OCCUPATIONS; from all and Several Causes, 1880-1-2.

PUBLIC OFFICIALS.

Profession or Trade.	Males from 25 to 65 Years of Age.													
	Comparative Mortality from all Causes.	Diseases of Nervous System.	Suicide.	Diseases of the Circulatory System.	Fetich.	Diseases of the Respiratory Organs.	Diseases of the Urinary System.	Liver Diseases.	Other Diseases of the Digestive System.	Alcoholism.	Gout.	Plumbum.	Accident.	All other Causes.
Clergyman, priest, minister	1,000	180	18	178	116	116	93	28	40	4	9	—	11	207
Barrister, solicitor	1,514	231	33	173	208	180	139	123	46	23	8	—	60	284
Physician, surgeon, general practitioner	2,018	354	43	295	223	250	166	183	74	25	29	—	84	320
Farmer, grazier	1,135	146	31	161	185	178	56	74	54	11	4	—	54	191
Labourer in 10 agricultural counties	1,361	144	16	174	219	231	40	36	77	3	2	—	59	211
Gardener, nurseryman	1,077	113	20	147	218	200	70	32	40	4	2	—	43	188
Fisherman	1,433	146	23	275	194	163	25	66	68	7	—	—	273	208
Cab, omnibus service	2,325	241	29	238	346	313	117	97	56	59	20	—	151	343
Commercial traveller	1,705	230	53	180	432	284	79	110	47	41	11	—	65	170
Brewer	2,448	259	20	297	601	424	99	173	83	45	16	—	116	316
Innkeeper, publican, spirit, wine, beer dealer	2,736	300	47	233	631	305	146	452	67	90	23	—	81	305
Grocer	1,387	193	31	192	300	209	86	94	56	18	4	—	25	180
Draper, Manchester warehouseman	1,338	196	9	135	541	232	67	63	68	14	4	—	41	218
Butcher	2,104	260	41	237	470	375	99	173	59	41	9	—	63	297
Baker, confectioner	1,723	245	47	236	381	334	73	63	47	27	4	—	38	209
Tailor	1,390	259	29	223	313	336	31	86	70	20	7	—	33	234
Shoemaker	1,668	219	31	205	467	283	79	68	54	7	2	—	31	233
Printer	1,926	193	14	167	329	299	54	50	68	5	—	9	43	236
Barthenware manufacture	3,133	253	*	233	351	1,160	88	98	61	14	—	13	43	270
Cotton, linen manufacture (Lancashire)	1,357	225	*	201	439	437	58	77	53	5	—	—	54	273
Wool manufacture (Yorkshire)	1,356	222	37	225	462	369	65	65	72	7	—	—	49	227
Hosiery manufacture (Leicestershire and Nottinghamshire).	1,200	205	40	187	302	207	76	39	41	3	—	—	29	172
All Males (ditto)	1,461	180	31	192	396	254	67	63	60	13	2	—	22	223
Builder, mason, bricklayer	1,743	153	25	205	453	323	33	54	61	9	5	—	81	242
Plumber, painter, glazier	2,103	300	33	223	443	333	130	96	68	22	18	—	38	131
Carpenter, joiner	1,475	180	31	187	397	239	70	65	54	7	4	—	63	233
Outlet, scissors maker	2,354	343	*	200	607	700	63	54	56	5	—	—	31	236
File maker	2,926	471	*	324	779	623	221	74	63	5	—	74	11	323
Blacksmith	1,700	171	20	212	388	367	79	56	63	14	—	—	38	236
Miner (Durham and Northumberland)	1,370	158	9	139	243	313	47	59	61	7	—	—	363	223
All Males (ditto)	1,723	205	23	243	320	279	54	65	74	23	—	—	176	261
Miner (Lancashire)	1,671	149	*	173	226	413	43	33	53	5	—	—	356	313
All Males (ditto)	2,346	253	37	234	430	623	77	76	31	31	3	—	147	309
Miner (West Riding)	1,333	166	9	153	200	309	41	38	56	3	—	—	290	177
All Males (ditto)	1,354	212	29	227	423	333	65	67	70	13	2	—	113	250
Miner (Derbyshire and Nottinghamshire)	1,330	115	9	106	312	248	32	31	61	7	—	—	293	206
All Males (ditto)	1,522	173	27	138	299	263	54	74	59	16	2	—	118	244
Miner (Staffordshire)	1,671	145	5	127	183	463	68	36	30	2	—	—	309	217
All Males (ditto)	1,311	210	23	214	313	406	67	77	70	16	4	—	133	276
Miner (South Wales and Monmouthshire)	1,344	108	7	116	229	327	61	43	63	9	—	—	413	199
All Males (ditto)	1,509	174	14	203	363	376	71	67	70	13	3	—	231	233
Mean for coal miners	1,303	135	3	175	227	353	30	46	53	5	—	—	333	212
Miner (North Riding and other Ironstone Districts)	1,300	92	20	115	254	371	41	25	25	14	—	—	371	172
Miner (Cornwall)	3,203	310	7	300	1,341	834	63	72	101	4	—	—	210	371
All Males (ditto)	1,526	173	23	160	363	297	32	49	66	7	3	—	106	231
Stone, slate quarrier	2,018	140	20	164	534	463	43	45	63	9	—	—	266	207
Costermonger, hawk, street seller	3,379	373	79	403	554	733	124	35	119	34	5	—	35	449
All Males (England and Wales)	1,790	214	25	216	396	327	74	70	63	15	3	—	131	233

* The deaths from suicide were not separated in this case from the deaths Nervous Diseases.

ROYAL COMMISSION ON LABOUR:

PUBLIC OFFICIALS.

TABLE II.—COMPARATIVE MORTALITY OF MALES WORKING IN AIR of different degrees of PURITY, from PHTHISIS and DISEASES of the RESPIRATORY ORGANS.

	Phtthisis.	Diseases of Respiratory System.	The Two together.
Fishermen - -	194	162	356
Agriculturists - -	207	219	426
Grocers - -	300	209	509
Drapers - -	541	232	773
Tailors - -	513	335	848
Printers - -	829	299	1,128

TABLE III.—COMPARATIVE MORTALITY OF MALES in certain DUST-INALING OCCUPATIONS from PHTHISIS and DISEASES of the RESPIRATORY ORGANS.

	Phtthisis.	Diseases of Respiratory System.	The Two together.
Coal miner - - -	227	353	580
Carpenter, joiner - -	367	239	606
Baker, confectioner - -	381	334	715
Mason, builder, bricklayer	453	362	815
Wool manufacture - -	462	369	831
Cotton manufacture - -	489	487	976
Quarryman - - -	554	493	1,047
Cutler - - -	667	700	1,367
File maker - - -	779	629	1,408
Earthenware manufacture	851	1,160	2,011
Cornish miner - - -	1,241	824	2,065
Fisherman - - -	194	162	356

PUBLIC OFFICIALS.

TABLE IV.—DEATHS REGISTERED as caused by ACCIDENTS in Coal Mines, 1871-90.

	Under 15	15-	20-	25-	35-	45-	55-	65 and over.	All Ages.	Per 1,000 Accidental Deaths.
Crushing, fall of coal, stone, &c. - -	491	1,007	1,199	2,154	1,828	1,364	747	199	9,079	489
Fall in shaft pit - - -	92	148	144	305	248	188	103	44	1,272	69
Machinery, explosion of boiler - -	51	61	24	42	44	35	16	10	283	15
Waggon, tram, tub - - -	731	721	270	812	267	255	200	106	2,862	154
Drowning - - -	14	18	18	43	20	22	11	3	149	8
Hasting - - -	5	30	52	133	92	49	23	4	353	21
Fire damp - - -	209	531	541	937	606	380	141	40	3,405	184
Choke-damp, suffocation - - -	37	101	3	158	103	61	40	12	595	32
Otherwise, or not stated - - -	52	106	48	86	79	69	54	22	516	28
	1,682	2,814	2,379	4,189	3,287	2,423	1,335	440	18,549	1,000
Numbers enumerated as living at the Census of 1881.	23,301	65,085	61,779	159,965		60,945	7,589	378,564		
Mean annual death-rate from accidents in coal mines per 1,000 living	8.61	2.16	1.98	2.34		3.08	2.90	2.45		

TABLE V.—OCCUPATIONS with HIGHEST MORTALITIES from certain Selected Causes.

Alcoholism.		Liver Disease.		Gout.		Diseases of the Nervous System.	
Inkeeper - -	99	Inkeeper - -	482	Inkeeper - -	23	File-maker - -	471
Cab, omnibus service - -	59	Physician, surgeon - -	183	Physician, surgeon - -	22	Costermonger - -	372
Brewer - -	45	Brewer - -	173	Cab, omnibus service - -	20	Inkeeper - -	360
Butcher - -	41	Butcher - -	173	Plumber, painter, glazier.	18	Cutler - -	342
Commercial traveller - -	41	Barrister, solicitor - -	123	Brewer - -	16	Physician, surgeon - -	334
Costermonger - -	34	Commercial traveller - -	110	Commercial traveller - -	11	Plumber, painter, glazier.	300
Baker - -	27	Cab, omnibus service - -	97	Clergyman, priest, minister.	9	Brewer - -	259
Physician, surgeon - -	25	Grocer - -	94	Butcher - -	9	Tailor - -	259
Barrister, solicitor - -	23	Earthenware manufacture	88	Barrister, solicitor - -	8	Cotton manufacture - -	255
Plumber, painter, glazier.	22	Plumber, painter, glazier.	86	Tailor - -	7	Earthenware manufacture.	252
Tailor - -	20	Tailor - -	86	Costermonger - -	5	Butcher - -	250
Grocer - -	18	Costermonger - -	85	Builder, mason, &c. - -	5	Commercial traveller - -	250
		Baker - -	83			Baker - -	246
		Cotton manufacture - -	77			Cab, omnibus service - -	241
		Farmer - -	74			Barrister, solicitor - -	231
		File-maker - -	74			Woolen manufacture - -	228
		Cornish miner - -	72			Shoemaker - -	219
All males - -	18	All males - -	70	All males - -	5	All males - -	214

PUBLIC OFFICIALS.

PUBLIC OFFICIALS.

Suicide.		Diseases of the Urinary System.		Diseases of the Circulatory System.	
Costermonger	79	File-maker	221	Costermonger	408
Commercial traveller	56	Plumber, painter, glazier	180	File-maker	224
Innkeeper, &c.	47	Physician, surgeon	166	Brewer	297
Baker	47	Innkeeper	149	Physician, surgeon	295
Physician, surgeon	43	Barrister, solicitor	139	Cab, omnibus service	288
Butcher	41	Costermonger	134	Barthenware manufacture	288
Hosiery manufacture	40	Cab, omnibus service	117	Fisherman	275
Plumber, painter, glazier	38	Brewer	99	Woolen manufacture	255
Barrister, solicitor	38	Butcher	99	Innkeeper	259
Farmer	31	Clergyman, priest, minister	92	Plumber, painter, glazier	258
Carpenter	31	Builder	88	Butcher	237
Shoemaker	31	Earthenware manufacture	88	Baker	236
Grocer	31	Grocer	86	Taylor	228
Cab, omnibus service	29	Tailor	81	Blacksmith	218
Tailor	29	Commercial traveller	79	Miner (S. Wales)	216
Woolen manufacture	27	Shoemaker	79		
Builder, mason, &c.	25	Blacksmith	79		
		Hosiery manufacture	76		
All males	25	All males	74	All males	216

Dr. ELGIN R. L. GOULD.

The witness.

Gave evidence as to the working of the various labour bureaux in the United States of America and especially of the United States Department of Labour, in connexion with which he has been working as statistical expert for the last 5½ years (6428-30).

The United States' Labour Department, its constitution and functions.

In connexion with the Federal Government of the United States, there are six Cabinet offices, or Departments, and under each Department there are grouped different Bureaux, having different functions. The Department of Labour was originally created in 1885 as a Bureau under the Department of the Interior; but, in 1888, it was placed into an independent position, though without being raised to the dignity of a cabinet office. By this arrangement, the Commissioner of Labour, as the chief of the Department is called, has the double advantage of being responsible directly to the President of the United States and of being at the same time independent of the vicissitudes of party warfare or continuing in office. By the law of 1885, the functions of the Department were set forth as follows:—"There shall be at the seat of Government a Department of Labour. The general duties of the Commissioner of Labour are to acquire and diffuse amongst the people of the United States useful information on subjects connected with labour, in the most general and comprehensive sense of that word, and especially upon its relation to capital, the hours of labour, the earnings of labouring men and women and the means of promoting their material, social, intellectual, and moral prosperity" (6431-6, 6766-7).

The same law goes on to specifically oblige the Commissioner to issue a report every year, but leaves him to choose its subject. He is also permitted to issue additional reports on his own responsibility, such as the report on the Scandinavian liquor legislation, upon which the witness is at present engaged; but, with this exception, the only special reports yet issued have been drawn up at the invitation of Congress (6705).

its principles of working.

In conducting its inquiries, the Department keeps in view the following principles:—First, to collect all information at first hand, through the personal investigation of one of its own accredited agents. Secondly, to procure for this purpose the services of skilled experts, who, previously to conducting their inquiries, shall have set themselves to study the subjects which they are about to investigate, with a view to ascertaining what information is required and what information it is possible to obtain. Thirdly, to avoid making specific recommendations, but simply to publish the facts and leave the public and the persons interested to draw their own conclusions (6446, 6457-65).

its work.

The first annual report, issued by the Department, was on the subject of industrial depressions. It was a study of the various commercial and industrial crises from 1815 to 1885. The second annual report was on convict labour. It was the result of an inquiry into the efficacy of the different systems of employing prisoners practised in different States. The third report was on strikes and lock-outs for the five years 1881-6. The fourth was on the social condition of working women in the larger cities. The fifth was

on railway labour, and the sixth, published nine or ten months ago, was on the cost of production in the iron and steel industries (6451-6, 6476-7).

In addition to these annual reports on subjects chosen by the Commissioner of Labour, Congress has twice ordered the Department to conduct special investigations, the first on marriage and divorce statistics in the United States for the 20 years ending in 1887, and the second, the result of which is shortly to be published, on the progress of manual training and trade organisation in the United States and Europe (6477-82).

Its staff and finances.

For the financial year 1891-1892, the permanent staff of the Department consisted of 75 persons, 55 of whom formed what may be called the interior and 20 what may be called the exterior staff, the latter consisting of special agents employed outside the office in the investigation of certain subjects. The total appropriation for the same year, exclusive of that for printing the annual reports, for which a special appropriation is made in proportion to the bulk of the volumes issued, was 188,720 dollars, or about \$3,800. Of this sum, 101,020 dollars were expended in salaries to the permanent staff, 47,500 dollars in travelling and subsistence allowances and in the salaries of temporary employes, 5,000 dollars in rent, 1,000 in stationery, 250 in postage to foreign countries, 8,000 in extra printing, bookbinding, &c., 1,000 on the library, and 4,000 in miscellaneous items, such as furniture, advertising, telegraphs and telephones, expressage, fuel, lighting, &c. When Congress orders the Department to conduct special inquiries, it makes special appropriations to meet the expenses connected with them. 22,500 dollars have been so appropriated in connexion with the two special inquiries already made by order of Congress (6437-44, 6614-41).

The United States Department has been the means of substituting inquiry by a skilled permanent body for inquiry by committees of the legislature, much to the general advantage. It has provided the country with a body of trustworthy statistical information, in the absence of which the people would be certain to use statistics that were not trustworthy (6511-2, 6743-7).

Its results.

In addition to the Labour Department of the Federal Government, Labour Bureaux have been established in 27 of the States. Of these, the oldest is that constituted in the State of Massachusetts in 1869. In 16 States, viz., California, Connecticut, Indiana, Iowa, Kansas, Maryland, Massachusetts, Michigan, Nebraska, New Jersey, New York, North Carolina, Ohio, Pennsylvania, South Dakota and Utah, the functions of the Labour Bureau, like those of the United States Department, are purely statistical. In seven, viz., Illinois, Maine, Minnesota, Missouri, Rhode Island, Tennessee and Wisconsin, the control of mine and factory inspection is added. In two, viz., Idaho and Mexico, certain duties in regard to emigrants are assigned, and in two, viz., Colorado and North Dakota, the Commissioner of Labour is obliged to intervene on the petition of 15 of the workmen in the event of a strike taking place at a firm employing 25 or more hands. The State Bureaux follow the same principles of conducting their inquiries as the United States' Department, as

The Labour Bureau of individual states.

PUBLIC OFFICIALS.

fair as their means allow; but, in many cases, they cannot afford to send out agents to collect information at first hand. Unfortunately, too, the Labour Commissioner's tenure of office depends, in many of the States, upon the continuance of a particular political party in power (6483-99).

Their relations with the United States Department and with one another.

Attitude of the Trades Unions towards

Difference of functions of United States' and States' Departments accounted for.

Labour Departments and arbitration.

Separate State arbitration boards.

The witness.

The Labour Department of the Board of Trade.

Wages statistics.

There is absolutely no organic relation between the State Bureaux *inter se*, or between them and the United States Department, and, owing to the strength of the sentiment of State autonomy, it would be impossible to institute any such relation. Up to the present time, the United States Department has not called upon the State Bureaux to supply it with information; but the State Bureaux have made such communications to each other, and every year a convention is held of the various Labour Commissioners of the various States in order to discuss matters of common interest (6501-8, 6513-4).

All the State Bureaux originated in response to the directly expressed wishes of the principal labour organisations, each of which has a legislative committee formed for the purpose of urging the passage through the State Legislature of enactments in which it is interested. These committees have always bestowed part of their efforts upon securing liberal appropriations for the Labour Bureaux (6685-96).

The United States Department, reporting to the Federal Government, does not make recommendations as to labour legislation &c, because to do so would be considered an infringement of the prerogatives of the separate States, to whom the formation and administration of industrial codes, except in relation to *employés* of the Federal Government, solely belong. But it is clearly within the province of the State Bureaux, reporting to the State Government to do so, and they frequently do exercise this function (6612, 6803-27, 6651-72).

It would, in all cases, be better to confine the functions of a Labour Department or Bureau, wherever established, to the compilation of statistics. In exceptional cases, indeed, it is advisable for the head of such a Department to intervene in a dispute, but he should always be allowed to use his own discretion in so doing, and should not be fettered with any legal obligation in the matter. Under no circumstances, moreover, should he be empowered to issue an award. His interference should be limited, as is the case in Colorado and North Dakota, to the task of mediation, that is to say, to the work of a peacemaker without power of adjudication. A parliamentary head of a Labour Department might be tempted to utilise his power, as arbitrator, if such power were conferred on him, for the benefit of the class that possessed the greatest influence in the political party for the time being in power (6517, 6525-8, 6566, 6749-82).

Although there are only two of the State Labour Bureaux that are charged with the duty of mediation, there are, in several of the States, boards of arbitration established as separate Departments. The witness, however, had no experience of their working (6642-50).

Mr. R. GIFFEN, C.B., LL.D.

Assistant Secretary of the Board of Trade, in charge of the Commercial Department, furnished statistics as to the condition of the industrial population of the United Kingdom (6873).

The Board of Trade was charged with the duty of collecting and publishing labour statistics in consequence of a resolution passed by the House of Commons in 1836. The work it has done in this direction may be classified under three principal heads. First, the compilation and publication of the wages statistics of the leading industries of the country, secondly, the compilation and publication of annual and periodical returns relating to trades unions, strikes and lock-outs, and alien immigration, and, thirdly, the compilation and publication of special reports on various topics, such as sweating in the east end of London, profit-sharing, the cost of living, &c (6874-80).

From figures duly collected and tested by the Department, it appears that the normal rates of wages, plus the estimated value of allowances, such as free houses, &c., paid to the workers in 38 selected occupations during the year 1886 were 24s 7d per week, or 64s per annum in the case of men, 12s 2d per week or 31l 10s per annum in the case of women, 9s 2d per week or 23l 8s per annum in the case of lads and boys, and 7s per week, or 18l 4s per annum in the case of girls. Of the men employed in these occupa-

tions, 0.2 per cent are receiving less than 10s. per week; 2.5 per cent from 10s to 15s, 20.9 per cent from 15s to 20s; 35.4 per cent from 20s to 25s; 23.6 per cent from 25s to 30s, 11.2 per cent from 30s to 35s, 4.4 per cent from 35s. to 40s, and 1.8 per cent above 40s. That is to say, nearly 60 per cent are receiving from 20s to 30s per week, or about the average rate, and of the remainder, about 25 per cent are receiving less than 20s, and 17 per cent more than 30s. If to these 38 occupations there be added the other important industries, such as railways, the building trades, &c., which, for various reasons, it was either not possible or not expedient to treat in the same way, the average annual earnings of adult males may be approximately estimated as 60l, of women at 40l, of lads and boys at 23l 8s, and of girls at 23l (6881-912). In round numbers, the total adult male working population, excluding the residuum, chiefly to be found in the large towns, of persons whose employment is permanently irregular, is 7,300,000, of adult female workers, there are 2,900,000, of lads and boys 1,700,000, and of girls, 1,260,000; making a total working population of 13,200,000. The aggregate earnings of the men are 439,000,000l, of the women, 118,000,000l; of the lads and boys, 46,000,000l; and, of the girls, 29,000,000l, making a total annual income for the manual labourers of 633,000,000l out of a total income for all classes in the United Kingdom of 1,400,000,000l, or 1,500,000,000l, or an annual average per wage-earner of 48l (6913-44, 6951).

Before drawing deductions from the above figures, the following facts must be duly weighed—First, that a comparison of the 633,000,000l, which forms the aggregate income of the manual labourers with the 867,000,000l, which forms the aggregate income of the rest of the population, is not a comparison of the income of labour with the income of capital, for a very large portion of the 867,000,000l. is derived from labour, though not from manual labour. Secondly, that the above figures of income are not equivalent to figures of production, for they do not include the value of work performed, but they do include the subject of exchange. Thirdly, that the said figures are not equivalent to figures of consumption, for a large portion of the income is not consumed but re-invested. Fourthly, that a very large portion, amounting to about 80,000,000l or 100,000,000l of the national income is derived from investments outside the country, and so could not be transferred to the pockets of British labourers in the form of wages in the event of an absorption by the community of the means of production at home (6945-55).

During the last 50 years, the average annual income per adult male manual labourer has almost doubled, and prices are, generally speaking, rather lower at the end than they were at the beginning of the period. Until 1872, the improvement was effected mainly by advances in the rates of payment; but, since that date, it has been mainly by the substitution of well-paid for badly-paid industries. 50 years ago, more than half the adult male workers were in receipt of less than 20s per week, whereas now only about a quarter fall within that category. Less than one-fifth of the adult male workers of Great Britain and Ireland are agricultural labourers, most of whom are to be classed among those receiving less than 20s. per week (6956-73, 8125-56, 8173-88).

The statistics for foreign countries are but little used for the purpose of comparison with those given above, owing to the different principle on which they are compiled (6974-81).

In 1884, Mr. Carroll D. Wright, who has since been appointed Commissioner of the United States Labour Department, issued a report comparing the wages paid in the State of Massachusetts with those paid in Great Britain, from which it appeared that the former were about 60 or 70 per cent. higher than the latter. The figures, however, cannot be used for the purpose of instituting a general comparison between the wages of Great Britain and those of the United States, or even between the wages of Great Britain and those of Massachusetts, for no account is taken of the agricultural population which amounts almost to 50 per cent of the whole in the American States (6974-81).

Taking all British trades collectively, the aggregate direct loss in wages due to strikes does not amount to one-fifth of one per cent. of the wages paid annually; but the indirect loss, arising from the effect of strikes on foreign competition, &c., is much more serious

PUBLIC OFFICIALS.

Strikes and lock-outs.

PUBLIC OFFICIALS	The average duration of strikes, moreover, is about three weeks, and the wages lost for so short a time can, in most cases, be made up for by the end of the year (6982-7)	PUBLIC OFFICIALS.		
Trades' Unions.	According to the latest returns, the aggregate membership of the Trades' Unions is 871,000 out of a total working population of 13,200,000. Their aggregate annual income is nearly 1,200,000 <i>l.</i> , or 27 <i>s.</i> 6 <i>d.</i> per member, and the average individual income of each member is about 70 <i>l.</i> per annum. (6987-92).	and of effecting the necessary registration of members. The Legislature might, perhaps, be usefully invited to consider the advisability of limiting the hours of labour in certain specified trades by direct enactment. But, in so doing, it should be guided by social and humanitarian rather than by economic considerations. Economically, indeed, a legislative interference with the hours of labour is either unnecessary or injurious. It is unnecessary in trades where additional leisure is an economic advantage, for, in such cases, the hours are being reduced spontaneously, and in trades where additional leisure would involve economic loss it is a mere tautology to say that it would be economically injurious. To throw the burden of such loss upon capital would be impossible, for an attempt to do so could only result in the withdrawal of the capital which it is only just worth while to utilise for the purpose of employing labour at the present rates of interest, and in a consequent increase of competition in the labour market. The history of strikes, moreover, shows that a diminution of the output per worker, so far from causing an absorption of the unemployed, has the effect of throwing out of work members of other trades that are dependent for their employment upon the work of the trade whose members have struck. It is true that, during the last 20 years, reductions in hours have been accompanied by rises in wages, but such reductions of hours have been made in consequence, not in defiance, of economic conditions, and have really been only another form that rises in wages have assumed (7011-3, 7020-42, 8336-48).	Nationalisation and municipalisation of industry.	
Effect of thrift on wages.	A sensible increase in the rate of saving by the labouring class would have an enormous effect in improving their condition, for it would bring down the rate of interest on home securities, in which their investments would chiefly be made, and so would cause a larger portion of the reward of British industries to be appropriated to labour in the form of wages. Improvement in the general condition of the community is to be looked for in the progress of invention and education, and, above all, in the virtue of thrift (6993-4, 7056-7).	Much as the industrial functions of the State and of municipalities have been actually extended of late years, their expenditure in this respect has not increased relatively to the growth of the population. In considering any future extension of such functions, it must be borne in mind that, in all public offices, there is necessarily a great waste of energy over the task of registering everything that comes in, and in consequence of the friction produced by the inevitable policy of studying economy rather than profit (7043-55).	Functions of the new Labour Department.	
Foreign competition in the labour market.	It is a proved fact that the maximum number of foreigners that can possibly have settled in the country in 1891 was 12,000, and it is probable that the figure for 1892 will be proved not to have exceeded 8,000, partly, no doubt, owing to the quarantine regulations. It would be dangerous for this country to place restrictions on immigration, for it would furnish our colonies and foreign countries with an excuse, of which they would be only too ready to take advantage, for placing similar restrictions upon the admission into their territories of the emigrants that leave this country in such large numbers (7001-10).	A scheme of State insurance, either against accidents or for old age pensions, would involve a very large extension of State officialism and expenditure, in pursuit of an object less useful than many others, towards which they have hitherto been directed, such as national education, or towards which they might be directed, such as the control and endowment of the public hospitals (7014-28).	Some witnesses have proposed for the new Labour Department the function of publishing forecasts of the probable condition of trade. To publish statistics from which such forecasts might be made would be both practicable and useful, but to go beyond this would be impossible, for a man capable of forming even tolerably accurate forecasts of the kind would be found—not serving at a salary in a Government Office—but on the Stock Exchange making a large fortune for himself (7058-70).	
Profit-sharing	Profit-sharing is at a very early stage of experiment. Whatever its advantages may be, it will not solve the whole problem of industrial remuneration, because employers, whose profits are small or non-existent, are obliged to raise the ordinary wages of their men up to the level of the total earnings of the men employed by competing profit-sharing firms that have profits to share (6995-6).	To be of any value for statistical purposes, the collection of working class budgets must be made on a large scale and on more systematic lines than has hitherto been the case (7000).		
How far statistics can prove the relation between wages and profits.	What working men would like statistics to prove is the exact relation between wages and profits, and, as that relation varies very considerably in different trades, the only really effective method of discovering it is to compare the aggregate income derived from wages with the aggregate income derived from capital, and, unfortunately, these data cannot be completely ascertained, because, in the case of a great deal of income, it is impossible to determine what portion of it is of the nature of wages and what is of the nature of interest or profit (6997-7000).	A legal eight hours' day, generally enforced, would be injurious to the working class, and trade and local option would be unworkable, owing to the extreme difficulty both of defining the limits of each trade		
Eight hours' day.				

STRIKES AND LOCK-OUTS.

TABLE OF CONTENTS.

	Page
I.—CAUSES OF STRIKES.	
A. WAGES :—	
(a.) For advance in wages	45
(b.) Against reduction in wages	45
(c.) Concerning the fixing of rates of wages	45
(d.) For a uniform rate of wages	45
(e.) Payment by the piece	45
B. HOURS	45
C. OTHER CONDITIONS :—	
(a.) Against obnoxious officials	45
(b.) Against the employment of women	45
(c.) Antagonism of interest between employers and employed	45
(d.) "Sympathy"	45
II.—DEVELOPMENT, ORGANISATION, AND CONDUCT OF STRIKES.	
A. INDIVIDUAL STRIKES :—	
(a.) The Eccles Manufacturing Society, 1890	46
(b.) Oliver's Wharf	46
(c.) Bargemen on the Medway	46
(d.) French polishers	46
(e.) Watermen and lightermen of the Thames	46
B. PICKETING AND INTIMIDATION IN CONNEXION WITH STRIKES	46
III.—COST OF STRIKES	46
IV.—PREVENTION AND SETTLEMENT OF STRIKES.	
A. ARBITRATION AND CONCILIATION	46
B. CONFERENCE	46
C. CO-OPERATION	46
D. LEGAL LIMITATION OF THE HOURS OF LABOUR	46
E. NATIONALISATION OF INDUSTRY	46
F. ORGANISATION OF EMPLOYERS AND EMPLOYED	47
G. PROFIT-SHARING	47
H. STRIKE INQUESTS	47
I. STUDY OF ECONOMICS	47

LIST OF WITNESSES.

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

Mr. J. W. MITCHELL, } The Co-operative Union.
 Mr. W. MAXWELL, }
 Mr. F. HARDERN, } The Labour Association for promoting Co-operative Production.
 Mr. H. VIVIAN, }

REPRESENTATIVES OF VARIOUS MOVEMENTS.

Mr. H. M. HYNDMAN, } State and Municipal Socialism.
 Mr. S. WEBB, }
 Mr. C. FENWICK, M.P., The Parliamentary Committee of the Trades' Union Congress.
 Mr. S. B. BOULTON, the London Labour Conciliation Board.
 Mr. W. ALLAN, Marine Engine Builder
 Mr. T. W. BUSHILL, Profit-sharing

PUBLIC OFFICIALS.

Mr. R. GIFFEN, C.B., LL.D., Assistant Secretary to the Board of Trade, in charge of the Commercial Department.

STRIKES
AND
LOCK-OUTS.STRIKES AND LOCK-OUTS.
SERVANTS OF INDIA SOCIETY'SSTRIKES
AND
LOCK-OUTS.

BRANCH LIBRARY

BOMBAY

I.—CAUSES OF STRIKES.

A. WAGES.

(a.) For Advance in Wages.

Boulton,
4890-2. A dispute lately broke out between the United Bargemen's and Watermen's Protection Society of the Medway and the Cement Manufacturers' Association of the Medway Trade had improved, and the men applied for an advance in wages. Some advance the masters were willing to concede; but no agreement could be made as to its amount, and a strike of considerable magnitude seemed imminent, which would have thrown out of work, not only all the cement bargemen on the Medway, but also a large number of the men employed at the cement works. The affair was settled, however, by the intervention of the London Labour Conciliation Board.

(b.) Against Reduction in Wages.

Hardern,
1151-4, 1197-9. The managers of the Oldham Co-operative societies belong to the same Association as the private employers in the district, and so had to combat the strike that occurred in 1885 against a 10 per cent. reduction, lasted 13 weeks and ended by a compromise involving a fall of 5 per cent. only.

(c.) Concerning the fixing of Rates of Wages.

Maxwell,
440-53, 591-3. During the past seven years, the only disputes that the Scottish Co-operative Wholesale Society has had with its workpeople are as follows:—In 1885, one arose in connexion with the boot factory. The society intended to make certain classes of boots and shoes that were not enumerated in the Glasgow statement of prices, and the manager, having no precedent to guide him, fixed a price which the men refused to accept. The matter was soon arranged, however, by conference between the manager and a Trades' Union official.

Again, in 1888, a small dispute, lasting less than a week, took place in the cabinet-making factory. The men were dissatisfied with the adjustment of the prices of certain articles, formerly made by hand, but now by a new machine. The men demed that the said machine did so much work as was claimed for it by the management.

(d.) For a uniform Rate of Wages.

440-53,
591-3. In 1890, nine men employed by the Scottish Co-operative Wholesale Society struck without notice for a uniform day rate of wages instead of the payment according to merit offered by the Society. The management was eventually convinced of the justice of the men's claim and conceded it.

(e.) Payment by the Piece.

Boulton,
4892-4. A dispute took place about 18 months ago between the Amalgamated Society of French Polishers and Messrs. Brimsmead, the pianoforte manufacturers, concerning wages, and whether payments should be made by the day or by the piece. The case was referred to arbitrators appointed by the London Labour Conciliation Board, and they decided "that the system of piece-work be continued at Messrs. Brimsmead's manufactory, provided that the payment for the same be fixed upon the new and increased scale of prices agreed upon on the 14th of October 1890."

Allan, 6330. Piecework is a copious source of strikes. On purely economic grounds, indeed, it is quite defensible, for it secures a fixed ratio between the wages and the work. But, in practice, it operates very injuriously. Like overtime, it is unfavourable to that steady and regular employment which is so essential to the well-being of the workers, and is a copious source of friction, where, as is often found necessary, it obtains side by side with the time system. The comparatively large earnings of the pieceworkers cannot but produce discontent in the minds of those who, from the nature of their employment, are debarred from working on the same system, while the operations of the two sections of workers, being in many cases interdependent, the arbitrary and intermittent time-keeping on the part of those working

at piece wages constitutes a real grievance and hardship to the time-workers. In slack times, moreover, a few of the piece-workers are enabled to monopolise whatever work is going, and so continue to earn as good wages as before, while their fellows are left entirely without employment. It is plain, therefore, that all Trades' Unions should forbid their members to work at piece wages, and should do all they can to discourage a system fraught with so much possible injury to themselves.

B. HOURS.

Overtime is a copious source of disputes. It is an economic absurdity, for it is ridiculous to define the number of hours worked per day when that number is being systematically exceeded. It is responsible for the idleness or only partial employment of a large number of workmen, and fosters a spirit of discontent in the breasts of those who do not get the extra work. The overtime system should be discouraged by all Trades' Unions, if only because irregularity of employment is its inevitable result. No man can work overtime without physical degeneration, physical degeneration produces discontent, and discontent causes strikes.

C. OTHER CONDITIONS

(a.) Against obnoxious Foremen.

A strike took place at the Leicester Co-operative Boot and Shoe Works against an obnoxious foreman; but it was soon ended under an arrangement involving a modification of the said foreman's position.

(b.) Against the Employment of Women.

Only two strikes have occurred in connexion with copartnership societies during the last 25 years. The first was due to the objection of the male workers in the service of the Paisley Manufacturing Society to the employment of women.

(c.) Antagonism of Interest between Employer and Employed.

Strikes and lock-outs arise in consequence of the antagonism of interest between employers and employed—one party desiring to raise wages, the other to keep them down. Strikes may be defined as "the unconscious manifestations of the revolt of the wage-earners against their conditions of life." They must continue to recur until the community adopts co-operation instead of competition as the basis of production.

(d.) "Sympathy."

A dispute took place at Oliver's Wharf in consequence of the refusal of the men to handle goods destined for Hay's Wharf where a strike was proceeding. A large number of men were locked out in consequence, and their leaders, Messrs. Mann and Tillett, applied to the London Labour Conciliation Board, which used its influence to procure the signing of an agreement by both parties, whereby the men undertook that their refusal to deal with goods on the ground of their connexion with boycotted wharves should not be repeated, and the employers that they would reinstate as many men as they still had vacancies for.

II.—DEVELOPMENT, ORGANISATION, AND CONDUCT OF STRIKES

A. INDIVIDUAL STRIKES.

(a.) The Eccles Manufacturing Society, 1890.

Of the two strikes that have occurred in connexion with copartnership societies during the last 25 years, the second took place among the workers employed by the Eccles Manufacturing Society, in April, 1890, a society which did not practise the principle it professed of giving bonuses to labour.

STRIKES
AND
LOCK-OUTS.
Boulton,
4390.

(b) *Oliver's Wharf.*

A dispute took place at Oliver's Wharf in consequence of the refusal of the men to handle goods destined for Hay's Wharf where a strike was proceeding. A large number of men were locked out in consequence, and their leaders Messrs. Mann and Tillet, applied to the London Labour Conciliation Board to secure their restoration to work. After some difficulty the proprietors of Oliver's Wharf were persuaded to meet the men's representatives at the Chamber of Commerce, where the whole matter was discussed. From the first, it was evident that the men were in the wrong, because a large number of them, being weekly servants, had broken an existing contract, a fact which Messrs. Mann and Tillet were willing to admit. Under the influence of the Board, however, an agreement was signed by both parties, whereby the men undertook that their refusal to deal with goods on the ground of their connexion with boycotted wharves should not be repeated, and the employers that they would reinstatement as many men as they still had vacancies for.

(c) *Bargemen on the Medway.*

4390-2.

Another example of a dispute settled by conciliation through the agency of the London Labour Conciliation Board was one in which the parties concerned were the United Bargemen and Watermen's Protection Society of the Medway and the Cement Manufacturers' Association of the Medway. The trade had improved, and the men applied for an advance in wages. Some advance the masters were willing to concede, but no agreement could be made as to its amount, and a strike of considerable magnitude seemed imminent, which would have thrown out of work, not only all the cement bargemen on the Medway, but also a large number of the men employed at the cement works. In this case it was the employers who made application to the Board. Formal invitation was, accordingly, issued both to the officials and to the Committee of the Masters' Association, and a meeting took place at the Chamber of Commerce. First of all, it seemed impossible to make any progress; but, after a while, by a dint of a little mutual good humour and by passing over some of the more contentious points, about half the list of articles in dispute was got through before 11 p.m., when an adjournment took place. At the next meeting, the whole list was disposed of, and an agreement was signed by both parties containing a clause to the effect that no alteration should take place in the rates then fixed without three months' notice. After a year had elapsed, however, trade got a good deal worse again, and the employers wished to have a reduction. So they called the men together, and the list was revised, and a fresh agreement drawn up. Unfortunately the employers refused, on this occasion, to sanction the insertion of a clause requiring three months' notice, and the result was that, upon the next decline of trade, the agreement was broken.

(d) *French Polishers.*

4393-9.

A dispute took place about 18 months ago between the Amalgamated Society of French Polishers and Messrs. Brinsmead, the pianoforte manufacturers, concerning wages, and whether payment should be made by day or by the piece. The Board suggested the method of conciliation; but, as both the parties wished for arbitration, it appointed three persons to arbitrate. Of course it would have been open to the disputants to have made the appointment themselves, but they preferred to leave the task to the organising committee. The arbitrators decided "that the system of piecework" be continued at Messrs. Brinsmead's manufactory, "provided that the payment for the same be fixed upon the new and increased scale of prices agreed upon on the 14th of October 1890." This award was accepted by both parties and has been in operation ever since.

(e) *Watermen and Lightermen of the River Thames*

4399-905.

Another case of arbitration arose out of a dispute between the Amalgamated Society of Watermen and Lightermen of the River Thames and the firm of Messrs. Francis & Co., Limited, cement manufacturers. A number of questions were involved as to freights, "lay-by" money, &c., and the Board, on having its invitation to intervene accepted, recognised the necessity of referring the matter to persons possessed of technical knowledge. It, accordingly, appointed as arbitrators three working men and three employers connected with the industry, but not concerned in the

dispute. The award they issued was accepted by both parties, and has ever since continued in operation.

STRIKES
AND
LOCK-OUTS.

B PICKETING AND INTIMIDATION IN CONNECTION WITH STRIKES

In regard to the 'Conspiracy and Protection of Property Act, the Parliamentary Committee of the Trades' Union Congress has been instructed to secure a verbal definition of the term "intimidation," which shall include such intimidation only as would justify a Justice of the Peace, on complaint being made to him, in binding over the persons so intimidating to keep the peace.

Fenwick,
7186-850,
7284-35.

The proposed method of securing the observance of arbitrators' awards as to future agreements by a law forbidding picketing, even if unaccompanied by intimidation, against men proceeding to work under the terms of the said award, would be highly unpopular with working men.

Boulton,
4390-519.

III.—COST OF STRIKES

Taking all British trades collectively, the aggregate indirect loss in wages due to strikes does not amount to one-fifth of the wages paid annually; but the indirect loss, arising from the effect of strikes on foreign competition, &c., is much more serious. The average duration of a strike is about three weeks, and the wages lost for so short a time can, in most cases, be made up for by the end of the year.

Giffen,
6952

IV.—PREVENTION AND SETTLEMENT OF STRIKES.

A. ARBITRATION AND CONCILIATION.

(See special Abstract, page 52.)

B.—CONFERENCE BETWEEN EMPLOYERS AND EMPLOYED.

Like other employers of labour, the English Co-operative Wholesale Society has occasionally had disputes with its workmen; but they have always been settled in the most amicable manner by conference between the management and the Trades' Union officials. The latter have assisted the society against their own members when they seemed in the wrong. Mutual conference is the best solvent of disputes. Striking is a barbarous system which might be done without.

Mitchell,
76,238-44.

In 1885, a dispute arose in connexion with the Scottish Wholesale Society's boot factory. The matter, however, was soon arranged by conference between the manager and a Trades' Union official.

Maxwell,
446-53.

C. CO-OPERATION.

"Strikes have been more in the productive than in the distributive department. Indeed, I am not aware that there has ever been any dissatisfaction that went so far as a strike among distributors pure and simple."

Mitchell,
322-30.

The co-partnership system, where the workers as well as the purchasers share in the profits of a co-operative society, affords an almost complete solution of the existing conflict between capital and labour. Only two strikes have occurred in connexion with co-partnership societies during the last 25 years. The first was due to the objection of the male workers employed by the Paisley Manufacturing Society to the employment of women, and the second took place in connexion with the Eccles Manufacturing Society, in April, 1890, a society which did not practice the principle it professed of paying bonuses to labour.

Vivian,
7565-60.

In consumers' societies, on the other hand, strikes have been both frequent and extensive.

7501-5.

D. LEGAL LIMITATION OF THE HOURS OF LABOUR.

(See Abstract on the Eight Hours' Day, page 48.)

E. NATIONALISATION OF INDUSTRY.

Unity of interest between employers and employed can only be attained by completing the industrial evolution, and making both masters and workmen the employés of the community.

Webb,
4513-7,
4608-16.

Strikes must continue to recur until the community interferes and secures the adoption of co-operation instead of competition as the basis of production.

Hryndman,
8238-4,
8400-9.

STRIKES
AND
LOCK-OUTS

F ORGANISATION OF EMPLOYERS AND EMPLOYED.

As long as the interests of employers and employed remain divided, strong organisation of both parties is the best guarantee of peace, though a preparation for war. Full recognition should be given by each party to the organisation and representatives of the other. This would prevent many disputes, but not all, for between capital and labour, as between nation and nation, some questions can be decided only by a trial of strength.

Webb, 4203-7, 4208-16.

G. PROFIT-SHARING.

Since the firm of Messrs Thomas Bushill and Sons, printers and bookbinders, Coventry, adopted the profit-sharing system, in 1888, "there has been no whisper of a strike" among the men.

Bushill, 2893-5, 2900-7.

H. STRIKE INQUESTS.

Public inquiries should certainly be made into strikes, for they are matters of quite as much public concern as a fire or a death. The Labour Department should employ a skilled expert to inquire into and report upon every serious strike and every important industrial change.

STRIKES
AND
LOCK-OUTS

Webb, 4399-413, 4483.

I. STUDY OF ECONOMICS.

The most urgent need as regards the working classes is provision for the study of economics. Workmen should learn that, if it is desired to increase their remuneration, it is foolish to lessen the produce, that is to say, the fund from which both wages and profits are drawn. They should also learn that profits are not infinite.

Bushill, 6025.

ABSTRACT No. II.

THE EIGHT HOURS' DAY.

LIST OF WITNESSES.

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

MR. F. HARDERN, The Co-operative Union

REPRESENTATIVES OF VARIOUS MOVEMENTS.

MR. TOM MANN,
MR. S. WEBB,
MR. H. M. HYNDMAN, } State and Municipal Socialism.
SIR THOMAS FARRER, BARR, The London County Council.
MR. C. BOOTH, Labour in the East End of London.
MR. C. FENWICK, M.P., } The Parliamentary Committee of the Trades' Union Congress
MR. E. HARFORD,
MR. W. ALLAN, Messrs Allan & Co, Marine Engine Builders, Sunderland
MR. W. BUSHILL, Profit-sharing.

PUBLIC OFFICIALS.

MR. R. GIFFEN, C.B., LL.D., Assistant Secretary to the Board of Trade.

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

MR. F. HARDERN (The Co-operative Union)

The Oldham co-operative managers hold the same views as private employers about the eight hours' day. That is to say, they are opposed to it unless it be made universal throughout the cotton trade both at home and abroad. The men, until quite lately, held the same opinion, but their views on the point are now undergoing a change, partly, perhaps, because it has been reported that a curtailment of the hours is, under the present circumstances, the only possible alternative to a reduction in wages (1155-64, 1210-20).

At present, the average hours of *employés* of co-operative societies throughout the United Kingdom are 57 per week, and it is the rule to keep one day in every week as a half holiday (1118-9).

Present hours.

Co-operative managers and the eight hours' day.

REPRESENTATIVES OF VARIOUS MOVEMENTS.

MR. TOM MANN (State and Municipal Socialism).

A public authority should deal with the anomaly, whereby the overworked and the unemployed are existing side by side, by regulating the hours of labour. This resolution should take the form of an Act of Parliament, compelling municipal and county authorities to limit the hours to 48 per week or less in any trade within their jurisdiction where a three-fourths majority of the adult workers of either sex demanded it. To meet the case of breakdowns and periods of pressure, local councils composed of representatives of employers and employed should be appointed to grant exemption from the rule, for it is better to allow overtime to be worked upon occasion than to take on fresh hands, whose subsequent dismissal would swell the ranks of the unemployed. The definition of the limits of each trade should be made in the Act of Parliament. It should include all workers, whether skilled or unskilled, whose services are essential to the prosecution of the trade in question. Labourers employed in more industries than one should have a vote in connexion with each. Provision should also be made for the registration of those entitled to vote for each trade. But the determination of the districts should be left to the workers themselves. That is to say, if the workers employed within the jurisdiction of one local authority considered that it would not be safe for them to reduce their hours of labour until their fellows in a neighbouring jurisdiction did the same, they should wait until concerted action could be arranged. A universal eight hours' rule would be inexpedient, nor should any attempt be made to interfere with persons working as their own employers and not for wages.

Trade and district exemption.

THE
EIGHT
HOURS'
DAY.

In the application of the Act to agriculture, an exception should be made for harvest time. By the operation of such a measure, it is hoped to secure the absorption of the unemployed, higher wages for less work, and an improved standard of life concomitantly with greater leisure. The first object would be attained in trades where the reduction of hours diminished the daily production per man, provided that it did not raise prices and so check the public demand. Prices, however, would rise and prevent the desired absorption, unless the reduction of hours were supplemented by a re-organisation of industry in the hands of the State, for, unless the wages for the additional hands required came out of the pocket of the public in the form of higher prices, they must be provided out of the fund appropriated to interest and profits, and private employers would rather leave a demand unsupplied than supply it on these terms. At the same time, if employers were to voluntarily raise their wage bills by employing more hands to produce the same output at the same price, the stimulus given to industry by the increase in the workers' purchasing power would cause an improvement in the mechanical arts of production which would be more than sufficient to recoup them for their loss. In trades where the reduction of hours so far improved the efficiency of the workers as to positively increase the daily output per man, an absorption of the unemployed would take effect, provided that organised effort proved sufficiently powerful to raise the wages and increase the purchasing power of the workers, thereby creating a new demand which additional hands would be wanted to supply. The assumption on which the argument here given is based in both cases, is that a transfer of purchasing power from capitalists to workers would result in an increased total consumption, for it is unlikely that the former would reduce their expenditure to the same extent as the latter would increase theirs. Besides the direct transfer to labour of a portion of the reward of industry now appropriated to capital, the absorption of the unemployed would indirectly cause wages to rise by diminishing the competition for work in the labour market. The trade option method is a guarantee that the increased leisure will not be abused, for it would be granted only to those who have sufficient intelligence to demand it. A reduction of hours, indeed, would have a more beneficial effect upon the workers' standard of life than the spread of teetotalism. Excess of drinking is the effect rather than the cause of the bad conditions which it intensifies, and the economic advantages enjoyed by teetotalers are made possible only by the demand for drink among their fellows, which fixes the minimum of their wages at the sum needed to supply it. In the absence of that demand, wages would fall unless it was replaced by an equivalent demand for something else. Our efforts should, therefore, be directed, not towards eliminating the vices of the workers, but towards extending them and directing them into higher and nobler channels. It is to the development of the latent purchasing power of the British workman that employers should look for compensation for the possible loss of foreign custom in consequence of a reduction of hours. Important as our foreign trade is, it is the fact that it absorbs a disproportionately large amount of the products of our industry. Too much both of our goods and of our capital goes abroad, when there are plenty of persons at home to be supplied with the former and employed by the latter. The depression of English trade is due to the falling credit of the foreign countries for which we cater. The trade we might do at home would not be liable to depression from causes external to ourselves, and it would therefore be desirable to be rather more self-sufficient. It is unlikely, moreover, that a reduction of hours would, as a matter of fact, injure us even in respect of our trade with other nations, inasmuch as our competitors are moving along the same course of social legislation as ourselves, and it is not in spite, but because of the relatively shorter hours worked by British labourers, that British commerce has occupied for so long a time its leading position. The textile operatives of Yorkshire do not fear, and have no reason to fear, a reduction of their hours to 48 per week while their French competitors are working 66. The existence of a legal standard, finally, would not make voluntary improvements of that standard less likely than is the case at present, when employers never grant such concessions unless actually or

o 76710.

THE
EIGHT
HOURS'
DAY.

virtually compelled to do so by the men's organisations. The use of Trade Union instead of Parliamentary power to secure the desired reduction of hours would not preserve the liberty of the individual in respect of his hours of labour, for the simple reason that such liberty is already irrevocably lost. Modern business establishments can only be conducted on the basis of uniformity in this respect. Parliamentary power is preferred because it is much more effective (2423-61, 2564-82, 2597-8, 2601-12, 2627-39, 2653-84, 2691-6, 2702-16, 2726-45, 2796-857, 2875-3003, 3036-319, 3327-440, 3501-23, 3556-64).

For the more effective administration of a law regulating the hours of labour, employers should be compelled to provide factories for their workpeople instead of giving out work to be done in domestic workshops (3365-71).

Mr. S. WEBB (State and Municipal Socialism).

A shortening and regulation of the hours of labour is expedient and practicable. The result would be to create vacancies in permanent and well-organised industries for persons now employed in casual and irregular ones, and so to raise the standard of life among the workers to the great improvement both in their efficiency as workers and in their character as citizens. Economists have hitherto been loth to commit themselves to any definite expression of opinion with regard to what is popularly known as the eight hours' movement, doubtless owing to the extreme difficulty of prophesying its economic effect. And it must be admitted that there is no *prima facie* evidence in favour of the economic advantages of the double-shift system, especially in those industries where the value of the fixed capital is large in proportion to the amount of labour employed. Indeed, it may even be admitted that a general reduction of hours might probably cause a general increase in the cost of production. Such an increase in cost, however, would not necessarily be followed by either a fall in wages or a reduction in the public demand, causing a diminution in the amount of commodities produced. Unless the price were raised, demand, production and wages would remain the same, and the loss would fall exclusively upon interest and profits. And that prices would not necessarily be raised is proved by the fact that the increased cost of working railways, caused by a shortening of hours, has not been followed by a rise of fares. A reduction of profits and interest, moreover, would not necessarily either check the accumulation, or cause the emigration, of capital. The rate of interest is only one of the many potent influences that cause capital to be accumulated, and there is no danger of a larger proportion of English capital going abroad so long as the gap between the rates of interest paid in foreign countries and those paid at home continues to become narrower instead of wider. And, as a guarantee that it will not become wider, there is the fact that other countries are rapidly following in our footsteps along the path of labour legislation (3746, 4119-20, 4179-8, 4324-50, 4252-314, 4678-874).

As to the method by which this desired regulation of the hours is to be applied, it may be submitted that legislation is far preferable to Trade Union effort. The latter is inferior on three grounds:—First, because it is more effective among well-organised workers than among the less fortunate ones who need help the most. Secondly, because it generally involves an expensive struggle, which, even if successful, leaves no guarantee that the advantages gained in good times will not be taken away in periods of depression. And, thirdly, because it deprives an important party to the transaction, viz., the public, of a voice in the matter. It is quite possible for the Trade Unions and the employers to mutually agree upon a shortening of hours for the express purpose of taxing the public, and an Act of Parliament is the only medium through which the public consent to be so taxed can be expressed (4346-77).

Granting the expediency of dealing with the matter by means of a law, the next point to be considered is what the provisions of that law should be. It should not be an enactment limiting the hours of labour throughout the country to eight or to any specific number indiscriminately, and without regarding the peculiar circumstances of trade and district. Such a law would not be workable. But it should take the form of an amendment to the Factory Acts empowering the Secretary of State responsible for the administration of those Acts to make an order regu-

Why an
eight hours'
day is re-
quired.Why legis-
lation is
preferable
to Trade
Union
effort.Provisions
of the pro-
posed law.

G

THE EIGHT HOURS DAY

District exemption is not expected.

except in certain cases

The law should apply to piecework as well as to day-work

An Eight Hours Act should be passed.

but without trade exemption or trade option.

An eight hours' law inapplicable to certain occupations. Its probable evil results

An eight hours' law desirable as part of a

listing the hours of any trade that seemed to require it. Before making such an order, he should ascertain the views of the majority of those concerned in the trade in question, for the acquiescence of the people in a law is an important element in its practicability. In order to ascertain these views he might adopt the same machinery that is now constantly applied by the Local Government Board for similar purposes. The order once made, however, should be rigidly enforced. While making due provision for cases of emergency, overtime, a costly and inefficient expedient, should be absolutely forbidden, and no district or portion of a trade should be suffered to claim exemption. If a particular district were to be exempted from the rule to which the rest of the trade was subject, a minority would be given an unfair advantage in competing with the majority, and trade would consequently be driven to the district exempted from the rule and working long hours, that is to say, the interests of the best and largest would be sacrificed to the interests of the worst and smallest portion of the trade (3747-8, 4413-7, 4437-40, 4453-87, 4507-27).

The objection to district option applies only to trades where the several districts serve the same market. The case of local industries which do not come into competition with the same industries elsewhere is different and demands different treatment. Such industries are tramways, shops, &c. In their case, the proposed amendment to the Factory Acts might empower the municipalities and other local authority, instead of the Secretary of State, to make the order regulating the hours of labour. This order would thus take the form of a corporation byelaw, and would be subject, like other byelaws, to the veto of the Home Secretary (4418-36).

It would be a grave error to limit the power of the Secretary of State or of local authorities in regulating hours to the case of day workmen, leaving pieceworkers exempt. Piecework is apt to be very prejudicial, unless there is some standard price list to enable the principle of collective bargaining, which is the essence of Trade Unionism, to be maintained. It is true that a large number of well-organised trades are ardent supporters of the piecework system; but it would nevertheless be highly inexpedient for the legislature to encourage it at the expense of the alternative system of payment by time. It is noticeable, moreover, that the miners, who are the most ardent supporters of the eight hours' movement, are almost all pieceworkers (4484-502, 4875-77).

Mr. H. M. HYNDMAN (State and Municipal Socialism).

The hours of labour should be strictly limited by law to eight per day, or 48 per week, for the members of every trade and every profession. Great advantage would result, both physical, intellectual and moral. Although such a law might not cause a permanent absorption of the unemployed, on account of the improved machinery that it would induce manufacturers to adopt, it would probably raise rather than reduce wages, since rises in wages and reductions in hours have always been concomitant. Further, it would give greater leisure and greater scope for combination, and would raise the ideal of the workers as to their proper standard of life, besides arousing their latent purchasing power, and so increasing the demand for goods in the home market. No trade is worth retaining at the cost of the physical deterioration of the workers. Overtime should in no case be permitted, nor should the principles of trade exemption and trade option be entertained (8409-17, 8514-40, 8563-8, 8576, 8587-601).

SIR THOMAS FARRER, BARR. (Member of the London County Council).

An Eight Hours' Act would be simply out of the question for certain classes of the community, such as sailors, farm labourers, and domestic servants. Mr. Mann has failed to show how the proposed law could cause an absorption of the unemployed without trenching either on the wages of those employed already or on the profits of employers to an extent sufficient to drive capital out of the country (7890-911).

MR. C. BOOTH (Labourers in the East End of London).

The problem is to get rid of the surplus workers and to improve their efficiency without boycotting "sweated" goods in such a way as to immediately

extinguish the industries that produce them. A legal limitation of the hours of labour cannot be expected to solve the problem by itself, although it is desirable as part of a general scheme of reform (5409-16, 5627-59, 5735-64).

Mr. C. FENWICK, M.P. (the Parliamentary Committee of the Trades' Union Congress).

At the Congress held at Bradford, in 1888, an important debate took place on the subject of a legal eight hours' day for all workers, and since then this question has continued to excite more interest in the congress' debates than any other subject it has had to consider. The Parliamentary Committee, elected that year, was instructed to take a vote of the members on this question, in the following order:—

(a.) Are you in favour of an eight hours' working day?

(b.) Are you in favour of it being obtained by Act of Parliament?

Only those that voted "Aye" in the first case were supposed to be entitled to vote in the second. In answer to the first question, the number of persons sending replies was 107,046, voting as follows— "Ayes," 39,656, "Noes," 67,390. In answer to the second, 40,794 replies were returned, of which 28,511 were "Ayes" and 12,283 were "Noes." At the Congress held at Dundee, however, in 1889, a motion to reject the result of the *plébiscite* on account of the unsatisfactory nature of the returns was carried, after a protracted debate, by a large majority of the delegates, but, in the following year, the delegates assembled at Liverpool were in favour of the first time to pass a resolution in favour of a legal eight hours' day. The number of delegates was 457. There were 193 "Ayes," 155 "Noes," and 109 abstentions. At Newcastle, in the following year, the same motion was put, and there was a proportional gain of 52 for the "Ayes"; but, at Glasgow, in 1892, the motion was modified by the introduction of the principle of trade exemption and was carried with a proportional loss for the "Ayes" of 50. The different results of the voting by delegates and by *plébiscite* respectively is due, partly to the different sizes of the constituencies, but chiefly to the different majorities by which the delegates are elected (7189-77, 7312, 7382-92, 7482-97).

In regard to the limitation of the hours of labour, the present instructions to the Parliamentary Committee are as follows:—"That the Parliamentary Committee promote a Bill regulating the hours of labour to eight per day, or 48 per week, in all trades and occupations, except mining, which Bill shall contain a clause enabling the organised members of any trade or occupation, protesting by ballot against the same, to be exempted from its provisions." The exception as to miners was introduced because they did not want the provisions of the separate Bill that they were promoting on their own account to be tacked on to a Bill relating to other industries (7204-20).

Mr. E. HARFORD (Parliamentary Committee of the Trades' Union Congress)

Ten hours' work per day should be the maximum for most classes of railway workers, and eight for signalmen and other specially busy classes (7516-20).

Mr. W. ALLAN (Messrs. Allan and Co., Marine Engine Builders, Sunderland).

Two of the most copious sources of disputes are the systems of overtime and piecework. The former is an economic absurdity, for it is ridiculous to define the number of hours worked *per diem* when that number is being systematically exceeded. It is responsible for the idleness or only partial employment of a large number of workmen, and fosters a spirit of discontent in the breasts of those who do not get the extra work. The overtime system should be discouraged by all Trades' Unions, if only because irregularity of employment is its inevitable result. No man can work overtime without physical degeneration, physical degeneration produces discontent, and discontent causes strikes (6839).

A 48 hours' week has been introduced for the last 12 months at the witness' works. The daily hours are eight and three-fourths on five days of the week and four and a quarter on Saturday. No overtime is worked except in cases of emergency. Between 300 and 400 men are employed. They are all paid by the day. When the shorter hours were introduced the witness made an arrangement with the men whereby they should accept a five per cent reduction in

THE EIGHT HOURS DAY

general schemes of reform.

The Trades Union Congress and the eight hours movement.

The eight hours' day and railway workers.

Overtime an economic absurdity and a source of disputes.

An experiment in enforcing an eight hours' rule.

THE
EIGHT
HOURS'
DAY.

MS

wages, to be restored if no loss of production proved to be the result. At the end of six months, the five per cent. was restored, there being no loss of production, so that the men now receive as much for the 48 as they did formerly for the 55 hours per week. In fact, the men did not really do more than 48 hours' work per week under the old system. They are now much more punctual, and the improvement in this and other respects, visible at the time of the change, is being steadily maintained (6840-72).

Mr. T. W. BUSHILL (Profit-sharing).

A short time ago the hours of labour in the witness' firm were reduced from 54 to 50 per week, the Trades' Union limit being 55. So far no diminution of the production has taken place in consequence, and no such diminution would result from a general reduction of hours throughout the manufacturing trades. No absorption of the unemployed, therefore, would take place in consequence of such general reduction (5896-8, 6078).

THE
EIGHT
HOURS'
DAY.

No absorption
of the
unemployed
would re-
sult from an
eight hours'
law.

PUBLIC OFFICIALS.

Mr. R. GIFFEN, C.B., LL.D. (Assistant Secretary of the Board of Trade).

an
hours'
would
work.

A legal eight hours' day, generally enforced, would be injurious to the working class, and trade and local option would be unworkable, owing to the extreme difficulty both of defining the limits of each trade and of effecting the necessary registration of members. The legislature might, perhaps, be usefully invited to consider the advisability of limiting the hours of labour in certain specified trades by direct enactment. But, in so doing, it should be guided by social and humanitarian rather than by economic considerations. Economically, indeed, a legislative interference with the hours of labour is either unnecessary or injurious. It is unnecessary in trades where additional leisure is an economic advantage, for, in such cases, the hours are being reduced spontaneously, and in trades where additional leisure would involve economic loss, it is a mere tautology to say that it

would be economically injurious. To throw the burden of such loss upon profits and interest would be impossible, for an attempt to do so could only result in the withdrawal of the capital, which it is only just worth while to utilise for the purpose of employing labour at the present rates of interest, and in the consequent increase of competition in the labour market of workers thrown out of employment. The experience of strikes, moreover, teaches us that a diminution of the output per worker, so far from causing an absorption of the unemployed, has the effect of throwing out of work members of other trades that are dependent for their employment upon the work of the trade whose members have struck. It is true that, during the last 20 years, reductions in hours have been accompanied by rises in wages; but such reductions of hours have been made in consequence, not in defiance, of economic conditions, and have been really only another form that rises in wages have assumed (7011-3, 7020-42, 8336-48).

ARBITRATION AND CONCILIATION.

LIST OF WITNESSES.

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

Mr. J. T. W. MITCHELL, } The Co-operative Union.
Mr. W. MAXWELL, }

REPRESENTATIVES OF VARIOUS MOVEMENTS.

Mr. TOM MANN, State and Municipal Socialism.
Mr. C. FENWICK, M.P., The Parliamentary Committee of the Trades' Union Congress
Mr. S. B. BOULTON, The London Labour Conciliation Board.
Mr. W. ALLAN, Messrs Allan & Co., Marine Engine Builders, Sunderland.

PUBLIC OFFICIALS.

Dr. ELGIN R. L. GOULD, The United States' Labour Department.

REPRESENTATIVES OF CO-OPERATIVE SOCIETIES.

Mr. J. T. W. MITCHELL (The Co-operative Union).

Mr. W. MAXWELL (The Co-operative Union).

Conciliation
as prac-
tised by
co-operative
societies.

CONCILIATION — Co-operative societies, like other employers of labour, have occasionally had disputes with the workmen they employ in their productive work, but settlements have almost always been effected by conference with the Trades' Union officials. This method of conciliation is the best possible substitute for the barbarous remedy of strikes and lock-outs (56-9, 79, 238-44, 329-30).

CONCILIATION — In 1885, a dispute arose in the boot factory of the Scottish Wholesale Society. Certain class of boot and shoes were put in hand which were not enumerated in the Glasgow statement of prices, and the manager, having no precedent to guide him, fixed a price that the men refused to accept. The matter was soon arranged, however, by conference between the manager and a Trades' Union official (449-53).

REPRESENTATIVES OF VARIOUS MOVEMENTS.

Mr. TOM MANN (State and Municipal Socialism)

Conciliation
advocated
by Mr. Tom
Mann.

CONCILIATION — Joint committees of employers and employed should be established. If they failed to agree, appeal should be made to voluntary boards of conciliation established in connexion with various trades and districts (2752-7, 2767-81, 3320-6, 3441-75, 3551-5, 3565).

A central
State Board
of Media-
tion.

MEDIATION — Inasmuch as voluntary Boards of Conciliation sometimes fail to effect a settlement or even to become constituted at all, there should be in the background a central Board of Mediation established for the whole country in connexion with the new Labour Department. This Board should be composed of six persons elected by the Trades' Unions and six by the Associations of Employers, with a Government official to act as umpire. In order to encourage settlement between the parties as much as possible,

this Board should not be authorised to interfere until an outbreak actually took place. Then, if no appeal was made for a fortnight, it should investigate the matter on its own responsibility, publish the facts, and issue, as mediator, a recommendation as to the lines on which the quarrel should be composed, trusting to public opinion to secure the recommendation being carried into effect (2752-7, 2767-81, 3320-6, 3441-75, 3551-5, 3565).

ARBITRATION — The Board of Mediation should act as arbitrator and issue a definite award only upon being appealed to, and then only after work had actually ceased for a fortnight, all other means of settlement having been tried and having failed. In so acting, it should make a stipulation to the effect that work should be resumed on the original terms pending settlement (2752-7, 2767-81, 3320-6, 3441-75, 3551-5, 3565).

When it
should act
as arbitra-
tor

ARBITRATION AND CONCILIATION.—
Under what condition arbitration can be successful.
The London Labour Conciliation Board.

Mr. C. FENWICK, M.P. (The Parliamentary Committee of the Trades Union Congress).
ARBITRATION.—The success of Arbitration depends upon freedom. The compulsory enforcement either of references or of awards would lead to repudiation (7469-74, 7477-81).

Mr. L. R. BOULTON.—(London Labour Conciliation Board).

CONCILIATION.—During the great dock strike of 1889, the Council of the London Chamber of Commerce received a vast number of applications to intervene in disputes, and was induced, in consequence, to appoint a committee to consider the practicability of establishing a permanent court to deal with such cases. As the result of 18 months' inquiry, the London Labour Conciliation Board was formed on the following lines.—There is absolute equality of representation between employers and employed, and, at any meeting of the Board, the number of representatives of each party voting must be equal. For the election of the men's representatives, all the Metropolitan Trades' Unions in membership, some 60 in number, are classified in 12 groups. Each Union in each group appoints a delegate, and the delegates choose a representative for the group. The 12 persons, thus chosen, serve on the Board in conjunction with twelve employers' representatives, nominated by the Chamber of Commerce. Two extra members—one appointed by the London County Council and the other by the labour representatives already elected—make up the full Board of 26. The large number of Trade Unions that support a Board established by the employers is a most striking and encouraging fact (4881-6, 4910-4, 5032).

Its functions.

The functions of the Board are defined as follows:—
"To promote amicable methods of settling labour disputes and the prevention of strikes and lock-outs generally, and also especially in the following methods.—They shall in the first instance invite both parties to the dispute to a friendly conference with each other." "In the event of the disputants not being able to arrive at a settlement between themselves, they shall be invited to lay their respective cases before the Board." "Or should the disputants prefer it, the Board would assist them in selecting arbitrators." "The utmost efforts of the Board shall in the meantime, and in all cases, be exerted to prevent, if possible, the occurrence or continuance of a strike or lock-out." "The London Conciliation Board shall not constitute itself a body of arbitrators except at the express desire of both parties to a dispute, to be signified in writing, but shall in preference, should other methods of conciliation fail, offer to assist the disputants in the selection of arbitrators chosen either from its own body or otherwise. Any dispute coming before the Board shall in the first instance be referred to a conciliation committee of the particular trade to which the disputants belong. To collect information as to the wages paid and other conditions of labour prevailing in other places where trades or industries, similar to those of London, are carried on, and especially as regards localities either in the United Kingdom or abroad, where there is competition with the trade of London." "Such information shall be especially placed at the disposal of any disputants who may seek the assistance of the London Conciliation Board." (4847).

At first, the Board decided never to interfere in a dispute unless application were made to it; but, after some experience, it was found expedient to issue invitations, couched in identical terms, to both parties. The Board adopts both the method of conciliation, which includes all cases where its functions stop short of the actual issue of an award, and the method of arbitration whereby an award is issued (4889, 4979-95).

Its work in the direction of conciliation or mediation.

Of cases where the former method has sufficed, a good example is furnished by the dispute that took place at Oliver's Wharf in consequence of the refusal of the men to handle goods destined for Hay's Wharf where a strike was proceeding. A large number of men were locked out in consequence, and their leaders, Messrs. Mann and Tillet, applied to the Board to secure their restoration to work. After some difficulty, the proprietors of Oliver's Wharf were persuaded to meet the men's representatives at the Chamber of Commerce, where the whole matter was discussed. From the first, it was evident that the men were in the wrong, because a large number of them, being weekly servants, had broken an

existing contract—a fact which Messrs. Mann and Tillet were willing to admit. Under the influence of the Board, however, an agreement was signed by both parties, whereby the men undertook that their refusal to deal with goods on the ground of their connexion with boycotted wharves should not be repeated, and the employers that they would reinstate as many men as they shall had vacancies for (4890).

Another example of a dispute settled by conciliation through the agency of the Board, was one in which the parties concerned were the United Bargemen's and Watermen's Protection Society of the Medway and the Cement Manufacturers' Association of the Medway. The trade had improved, and the men applied for an advance in wages. Some advance the masters were willing to concede; but no agreement could be made as to its amount, and a strike of considerable magnitude seemed imminent, which would have thrown out of work, not only all the cement bargemen on the Medway, but also a large number of the men employed at the cement works. In this case, it was the employers who made application to the Board. Formal invitation was, accordingly, issued both to the Union officials and to the Committee of the Masters' Association, and a meeting took place at the Chamber of Commerce. First of all, it seemed impossible to make any progress, but, after a while, by dint of a little mutual good humour, and by passing over some of the more contentious points, about half the list of articles in dispute was got through before 11 0 p.m., when an adjournment took place. At the next meeting, the whole list was disposed of, and an agreement was signed by both parties containing a clause to the effect that no alteration should take place in the rates then fixed without three months' notice. After a year had elapsed, however, trade got a good deal worse again, and the employers wished to have a reduction. So they called the men together, and the list was revised and a fresh agreement drawn up. Unfortunately, the employers refused, on this occasion, to sanction the insertion of a clause requiring three months' notice, and the result was that, upon the next decline of trade, the agreement was broken (4890-2).

In addition to the central Board, it is part of the scheme to eventually set up separate committees in connexion with each of the metropolitan trades; but, at present, very little progress has been made in this direction, because disputants show a marked preference for the central Board (4914).

Last summer, there was a congress of the Chambers of Commerce of the whole empire which passed the following resolution in favour of the establishment of boards of conciliation:—"Resolved, that the frequent recurrence of labour disputes has caused and is causing great damage to the commercial and manufacturing interests of the empire. That it is extremely desirable in the best interests both of employers and employed that the re-adjustment of the rates and conditions of labour, which from time to time is inevitable, should be brought about without the wasteful and calamitous results proceeding from strikes and lock-outs. And that this congress strongly recommends the formation of properly constituted boards of labour conciliation and arbitration in all important centres of industry and commerce throughout the empire" (4934).

Similar resolutions have been passed at the half-yearly meetings of the Associated Chambers of Commerce of Great Britain, and boards on the lines of the one established by the London Chamber have been formed, or are in process of formation, in the following towns.—Aberdeen, Bradford, Bristol, Cardiff, Croydon, Derby, Dublin, Dudley, Dundee, Edinburgh, Exeter, Glasgow, Gloucester, Greenwich, Grimsby, Halifax, Hull, Keighley, Leeds, Liverpool, Manchester, Morley, Newport (Monmouthshire), Nottingham, Plymouth, Rochdale, Wakefield, Walsall, Wolverhampton, Worcester, and Wrexham (4927-9). In the case of trades spreading over large areas, e.g., railways, mines, &c., there should be special boards for each (5027).

ARBITRATION.—It is provided in the rules that "the London Conciliation Board shall not constitute itself a body of arbitrators except at the express desire of both parties to a dispute, to be signified in writing, but shall in preference, should other methods fail, offer to assist the disputants in the selection of arbitrators chosen from its own body or otherwise." Where the parties do express a desire for it to arbitrate, however, it consents to do

ARBITRATION AND CONCILIATION.—

Chambers of Commerce Conciliation.

Action of the London Labour Conciliation Board in the direction of arbitration.

ARBITRATION AND CONCILIATION

so, but expects the parties to sign an agreement promising to abide by its decision (4887, 4889, 4979-95).

Of the action of the Board in the direction of arbitration, two examples may be given. The first is furnished by the dispute that took place about 18 months ago between the Amalgamated Society of French Polishers, and Messrs Brinsmead, the pianoforte manufacturers, concerning wages, and whether payment should be made by day or by the piece. The Board suggested the method of conciliation; but, as both the parties wished for arbitration, it appointed three persons to arbitrate. Of course, it would have to be open to the disputants to have made the appointment themselves, but they preferred to leave the task to the organising committee. The arbitrators decided "that the system of piecework be continued" at Messrs. Brinsmead's manufactory, provided that "the payment for the same be fixed upon the new" and increased scale of prices agreed upon on the "14th of October 1890." This award was accepted by both parties, and has been in operation ever since (4893-9).

Another case of arbitration arose out of a dispute between the Amalgamated Society of Watermen and Lightermen of the River Thames, and the firm of Messrs. Francis & Co, Limited, cement manufacturers. A number of questions were involved, as to freights, "lay-by" money, &c, and the Board, on having its invitation to intervene accepted, recognised the necessity of referring the matter to persons possessed of technical knowledge. It, accordingly, appointed as arbitrators three working men and employers connected with the industry, but not concerned in the dispute. The award they issued was accepted by both parties, and has ever since continued in operation (4899-905). Hitherto, the arbitrators appointed by the Board from time to time have always come to unanimous agreements as to the terms of their awards, but, if they ever fail to do so, some provision will have to be made for the appointment of an umpire. No such provision, however, at present exists, and the chairman has no casting vote (4906, 4910-4, 5036-8).

The persons appointed to arbitrate should, as far as possible, be connected with the trade which the dispute concerns. It is sometimes difficult to find persons exactly answering to this description who are at the same time disinterested, but it is generally possible to obtain men possessing a sufficient technical knowledge, even though not immediately connected with the trade in question. Cardinal Manning and Lord Brassey, both of whom have had considerable experience as arbitrators in trade disputes, have expressed a preference for the appointment of persons acquainted with the trade in question rather than of absolute outsiders (4930-3).

Arbitration boards and third parties.

It would not be possible to give third parties, even when directly interested in the issue of the struggle, any actual *locus standi* on boards of conciliation or arbitration, but the mere existence of such a board serves to protect their interests by marking the party to the dispute refusing to submit to its decision as their enemy (5020-3).

Scarcely a week passes without some application being made to the Board. In some cases, it does not succeed in bringing the parties together, in others it succeeds in bringing them together, but cannot make them agree; but only in a few cases does it fail to secure a settlement either by conciliation or by arbitration (4907-8).

The Arbitration Acts, 1867

The London Labour Conciliation Board desires the attention of the Commission to be called to two among the many Acts of Parliament that have been passed for the purpose of facilitating the settlement of labour disputes. These are the Acts of 1867 and 1872. The first is called "An Act to establish Equitable Councils of Conciliation." It does not deal in any way with questions relating to future rates of wages and conditions of employment, but merely with disputes arising out of agreements already existing. It has never been appealed to, and this failure may probably be attributed to the inelasticity of its provisions. For example, it specifies too minutely the composition of the boards, and details certain residential qualifications which would, in many cases, exclude the men's most trusted leaders (4935).

and 1872

In the Act of 1872, no reference is made to the Act of 1867. The two Acts, indeed, refer to different

objects. That of 1867 refers to arbitrations concerning agreements already made, that of 1872 to those concerning the terms of future agreements. The latter has failed like the former, doubtless because it ignores, instead of utilizing and strengthening, the boards already established by voluntary effort (4935-8, 4966-70).

Legislation in regard to labour arbitration should aim at strengthening the hands of voluntary boards by giving each of them, in express terms, the power of summoning witnesses and examining them on oath and of inflicting money penalties for breach of contracts, such as now belongs to the *Conseils de Prud'hommes*, in France. A great advantage would result from the transfer of cases of this kind to the Boards from the law courts, where the process of justice is comparatively slow and expensive and where workmen are not represented on the bench. The power to enforce awards by penalties should be restricted to questions concerning past agreements, for the experience of the past 500 years proves the invariable failure of attempts of outside authorities to settle the terms of such contracts in advance, except, of course, in cases where the acceptance of an award as to a future contract has itself been the subject of a contract made precedent to the arbitration. The proposed methods of securing the observance of awards as to future agreements by a law forbidding picketing, even if unaccompanied by intimidation, against men proceeding to work under the terms drawn up by an arbitrator, would be strongly opposed by working men (4906, 4915-26, 4939-65, 4971-8, 4996-519).

A central Arbitration Board established by Government would do no good. In fact, it would do positive harm, for it would discourage the formation of the voluntary boards, which, in view of the failure that has invariably attended its past efforts, Government would act much more wisely by supporting than it would by constituting other boards itself (5028-35).

ARBITRATION AND CONCILIATION

Their want of success accounted for. Principles on which further legislation should be adopted.

State arbitration disapproved of.

Mr. W. ALLAN (Messrs. Allan & Co., Marine Engine Builders, Sunderland)

CONCILIATION.—There is great confidence in some quarters that arbitration and conciliation will effectually deal with all labour differences. So far, however, neither method has completely won the favour of the workmen. While it would, doubtless, be very difficult to suggest a better method of settling disputes than by means of a Board of Conciliation, whose members possessed power to bind their constituents, yet it is very problematical whether any momentous difference would be entrusted to a body of delegates, or whether, if it were so entrusted to it, an adverse decision would be acquiesced in. The men are very reluctant to leave the issue of a far-reaching dispute in the hands of a few delegates, who may be overruled owing to a certain want of skill in argument and in the deep ways of bargaining (6832).

Conciliation, why unpopular with the workmen.

Not only are boards of conciliation in but scant favour with workmen generally, but they are also impossible to work properly, as things are at present constituted, owing to the absence of any means of furnishing such boards with adequate *data* on which to found their decisions. To be of any service, such *data* must include a knowledge of the average profits of the employers in the trade, and this is precisely the information that employers object to furnish, even to their own associations—associations lacking the essential element of identity of interest which the men's organisations possess (6832-9).

and why difficult to work.

ARBITRATION.—Arbitration the men invariably mistrust, for they are apt to imagine, and often rightly, that the arbitrator is not sufficiently practical to enter into all the bearings of a question, and that, being chosen from the educated and professional class, he is more likely to be biased, consciously or unconsciously, against them than in their favour, and the result is that they seldom accept an adverse decision contentedly (6832).

Arbitration mistrusted by workmen.

Not only is arbitration viewed with general mistrust by the workmen, but it is also impossible to work properly owing to the same difficulty of procuring adequate *data* as to profits, which impairs the usefulness of conciliation boards. Failing, therefore, to discover a thoroughly satisfactory method of settling strikes, it would be better to turn one's attention to the question of a satisfactory method of preventing them, to the cause of the evil rather than to its cure (6832-9).

and unworkable.

PUBLIC OFFICIALS.

ARBITRATION AND CONCILIATION.

ARBITRATION AND CONCILIATION.

DR ELGIN R. L. GOULD (The Labour Department of the United States)

State Departments and mediation.

MEDIATION.—It would, in most cases, be better to confine the functions of a Labour Department or Bureau, wherever established, to the compilation of statistics. In exceptional cases, indeed, it is advisable for the head of such a Department to intervene in a dispute; but he should always be allowed to use his own discretion in so doing, and should not be fettered with any legal obligation in the matter. Under no circumstances, moreover, should he be empowered to issue an award. His interference should be limited, as is the case in Colorado and North Dakota, to the task of

mediation, that is to say, to the work of a peacemaker without power of adjudication. A Parliamentary head of a Labour Department might be tempted to utilise his power, as arbitrator, if such power were conferred on him, for the benefit of the class that possessed the greatest influence in the political party for the time being in power (6517, 6525-6, 6566, 6749-82).

ARBITRATION.—Although there are only two of the State Labour Bureaus that are charged with the duty of mediation, there are, in several States, boards of arbitration established as separate Departments. The witness, however, had no knowledge of their working (6642-50).

State boards of arbitration.

ACTS OF PARLIAMENT.

TABLE OF CONTENTS.

	Page
The Arbitration Acts, 1867 and 1872 - - - - -	56
The Building Societies' Acts, 1874 - - - - -	56
The Companies (Winding-up) Act, 1891 - - - - -	57
The Conspiracy and Protection of Property Act, 1875 - - - - -	57
The Elementary Education Acts, 1876-1892 - - - - -	57
The Employers' Liability Act, 1880 - - - - -	57
The Factory and Workshops' Acts, 1878-91 - - - - -	58
The Friendly Societies' Acts, 1875 - - - - -	59
The Industrial and Provident Societies' Act, 1867 - - - - -	60
The Limited Liability and Joint Stock Companies' Act - - - - -	61
The Lords' Day Observance Act - - - - -	61
The Trades' Union Acts, 1871 and 1876 - - - - -	61
The Truck Acts, 1831 and 1887 - - - - -	62

THE ARBITRATION ACTS, 1867 AND 1872.

Evidence of Representatives of the Various Movements

Mr S. B. BOULTON (The London Labour Conciliation Board).

The failure of the Acts.

The London Labour Conciliation Board desires the attention of the Commission to be called to two among the many Acts of Parliament that have been passed for the purpose of facilitating the settlement of labour disputes. These are the Acts of 1867 and 1872. The first is called "An Act to establish Equitable Councils of Conciliation." It does not deal in any way with questions relating to future rates of wages and conditions of employment, but merely with disputes arising out of agreements already existing. It has never been appealed to, and this failure may probably be attributed to the inelasticity of its provisions. For example, it specifies too minutely the composition of the boards and details certain essential qualifications that would, in many cases, exclude the men's most trusted leaders. In the Act of 1872, no reference is made to the Act of 1867. The two Acts, indeed, refer to different objects. That of 1867 refers to arbitrations concerning agreements already made, that of 1872 to those concerning the terms of future agreements. The latter has failed like the former, doubtless because it ignores, instead of utilising and strengthening, the boards already established by voluntary effort (4935-8, 4966-70).

Principle on which further legislation should be adopted.

Legislation in regard to labour arbitration should aim at strengthening the hands of voluntary boards by giving each of them in express terms the power of summoning witnesses and examining them on oath and of inflicting money penalties for breach of contracts, such as now belong to the Conseils de Prud'hommes in France. A great advantage would result from the transfer of cases of this kind to the boards from the law-courts, where the process of justice is comparatively slow and expensive and where workmen are not represented on the bench. The power to enforce awards by penalties should be restricted to questions concerning past agreements, for the experience of the last 500 years proves the invariable failure of attempts of outside authorities to settle the terms of such contracts in advance, except, of course, in cases where the acceptance of an award as to a future contract has itself been the subject of a contract made precedent to the arbitration (4906-78).

THE BUILDING SOCIETIES' ACT, 1874.

Evidence of Public Officials.

Mr E. W. BRABROOK (Chief Registrar of Friendly Societies).

Building societies are registered under the Building Societies' Act of 1874. It appears from the returns that the total membership of 233 societies was 695,000, and the total funds 50,582,000. Of this sum, 35,892,000 represents the amount of members' investments—i.e., 60l. per member—and 14,689,000l. is borrowed capital, owing to creditors. A short time ago, a return was presented to Parliament on the motion of Mr. Gerald Ballour showing the number of building societies that had ceased to exist between the passing of the Act of 1874 and June 2nd, 1892. From this it appeared that of a total number of 1,237 societies, 26 had terminated in the ordinary course, 181 had been stopped by notice, 410 had executed instruments of dissolution, 38 had been wound up by the court, 84 had been amalgamated with other societies, 32 had transferred their engagements to other societies, and 466 had been dissolved irregularly. The many recent failures among building societies have been largely due to the receipt of deposits withdrawable at call or at short notice, when the funds were lent on securities that could not be quickly realised. It would not be possible to absolutely prohibit the receipt of deposits at less than three months' notice. The only thing would be to make building societies, in holding out promises to pay on demand, state that those promises were qualified by the provisions of the existing Act limiting their power to borrow to the amount of two-thirds of their mortgages and the liability of their members to the amount of their deposits and arrears. Unfortunately, the recommendation of the Royal Commission of 1874 as to the inclusion of building societies in the Friendly Societies' Act was not carried out. The desired result, however, might practically be attained by the adoption of the following amendments in the Building Societies' Act of 1874. First, that the words "if any" be omitted after "within what limits" in section 16, subsection 2, in order that it should no longer be in the power of the directors of a building society to defeat the claims of existing ordinary members by the unlimited issue of preference shares. Secondly, that the right of members to ascertain the condition of the society's affairs by inspecting its books be secured by the insertion of provisions similar to those of section 14 of the Friendly Societies' Act of 1875.

Societies registered under the Act

Proposed amendment of the Act.

ACTS OF PARLIAMENT.

Thirdly, that provision be made for control by the members over the trustees appointed for the purpose of dissolving a society under section 32. Fourthly, that the provision contained in section 43 as to penalties for wilfully making false returns be made more stringent, and that provision be made also for receiving penalties from a society, or its responsible officers, without requiring the prosecutor to prove the offence in the case of an individual. Fifthly, that a form of annual return be prescribed, with provisions as to dates, &c. Sixthly, that power be given to the Registrar, upon a proper requisition, to appoint persons to inquire into the affairs of a society or to call a special meeting of the society, as is provided in section 23 of the Friendly Societies' Act. It would not, however, be expedient to give the persons so appointed precisely the same functions as are discharged by the committee of inspection under the Trustee Savings' Bank Act (1426-32, 1445-75, 1479-91, 1609-14).

Mr. J. M. LUDLOW (ex-Chief Registrar of Friendly Societies).

Proposed amendment of the Act.

The Building Societies' Act of 1874 should be amended so as to give private members the same rights in regard to inspection of accounts, &c. as are given under the Friendly Societies' Act of 1875. The provision contained in the Industrial and Provident Societies' Act of 1867, to the effect that no deposits repayable at less than two days' notice may be received, should be applied to building societies, and a stricter limitation of the amount of deposits withdrawable at short notice that may be received might also be effected, although it would not touch the main cause of failures, for they arise not so much from the large amount of deposits as from the absence of control over the committees of management, especially with regard to taking repeated valuations of the assets so as to keep pace with the depreciations (1789-99, 1844-9).

THE COMPANIES (WINDING-UP) ACT, 1891.

Evidence of an ex-Permanent Secretary to the Board of Trade

Sir THOMAS FARRER, BART. (Member of the London County Council, and formerly Permanent Secretary to the Board of Trade).

Amendment of the Act as to return fluctuations in employment.

Fluctuations in employment are a very large and serious question. It is extremely difficult to interfere with private enterprise without discouraging what is sound. My opinion is that you must go very far afield, and that something has been done and something more may be done. I think that Mr. Chamberlain's Bankruptcy Bill was a great step in the right direction; that is to say, taking care that when a great disaster occurs there is an effort made to punish those who brought it about. It is that sort of thing which causes great fluctuations of labour and a great misery to these millions from time to time, and anything that you can do to promote honest and solvent trade will do a great deal towards preventing these fluctuations. The leading feature in Mr. Chamberlain's Bankruptcy Bill was the investigation of each case, and in the case of fraudulent bankruptcies to punish, and in cases where there was great negligence and misconduct to give powers of suspending the certificate, and so on. Something of the same kind has since been done in the case of joint stock companies, and I do not think you can treat too severely anything in the nature of fraud that leads to that kind of insolvency. It is one of the things that creates more misery than anything else. I think that something (here I am on very much disputed ground) might possibly be done by the punishment of persons who put forward false prospectuses. I can speak of my own experience since I left the Board of Trade in that matter, from the number of things I have been asked to join, and I know how easily people put their names down as directors of a company without ascertaining the truth of the statements that are put forward in the prospectus, and I believe that the law is still, although it was amended a year or two ago, very imperfect. I regard unsound and unjustifiable speculation as one of the chief causes of the fluctuations of employment, and I look rather to the imposing of legal checks upon the excesses of the individualist principle than to the adoption of any Government or municipal regulations of employment.

Some prospectuses.

I do not see how any powers of this sort could possibly be placed in the hands of a public authority, whether local or national (7909-11).

ACTS OF PARLIAMENT.

I think it is exceedingly probable, judging from the number of papers which I get and which I throw into the waste-paper basket, that there is a vast cloud of lying prospectuses spread broadcast over the country to induce people with limited capital to trust it to the prospectus-mongers. I will not go so far as to say that we could supplement the law punishing fraudulent company managers by having a censorship of those prospectuses—indeed, I should have looked with a great deal of consternation on the proposal if I had been at the Board of Trade and had to work it; but I would not only make everybody liable for making a false statement, but I also think that everybody who puts his name to one of these prospectuses should be liable for every statement in the prospectus which he could not show that he had taken proper means to verify (8036-8).

THE CONSPIRACY AND PROTECTION OF PROPERTY ACT, 1875.

Evidence of Representatives of Various Movements.

Mr. C. FENWICK, M.P. (the Parliamentary Committee of the Trades' Union Congress).

Definition of "intimidation."

In regard to the Conspiracy and Protection of Property Act, the Parliamentary Committee of the Trades' Union Congress has been instructed to secure a verbal definition of the term "intimidation," which shall include only such intimidation as would justify a justice of the peace, complaint being made to him, in binding over the person so complained of to keep the peace.

Mr. S. B. BOULTON (the London Labour Conciliation Board).

The proposed method of securing the observance of arbitrators' awards as to future agreements by a law forbidding picketing, even if unaccompanied by intimidation, against men proceeding to work under the terms drawn up by an arbitrator would be highly unpopular with working men (4996-519).

THE ELEMENTARY EDUCATION ACTS, 1876 TO 1892.

Evidence of Representatives of Various Movements.

Mr. H. M. HYNDMAN (State and Municipal Socialism).

Free meals and clothes.

All children in board schools should be provided with free meals, free clothes, and free maintenance. In Paris, something is already being done in this direction, at the expense, partly of the Société de Bienfaisance, and partly of the Conseil Municipal, for, in France, just as in England, the compulsory filling of children's heads, while their stomachs remain empty, has proved to be the means of filling the pauper asylums with young persons suffering from nervous diseases. The schools should also be removed, as far as is possible, into the country, and they should provide technical instruction in agriculture and other trades (8433-7).

THE EMPLOYERS' LIABILITY ACT, 1880.

Evidence of Representatives of Various Movements.

Mr. C. FENWICK, M.P. (the Parliamentary Committee of the Trades' Union Congress).

Doctrine of common employment. Contracting out of the Act.

In regard to the Employers' Liability Act, the Parliamentary Committee of the Trades' Union Congress has received instructions to endeavour to secure the abolition of the doctrine of common employment and of contracting out of the Act, and the extension of the Act to seamen (7182-7, 7236-40).

Evidence of Public Officials.

Mr. J. M. LUDLOW (ex-Chief Registrar of Friendly Societies).

Personally, I am opposed to the practice of contracting out of the Employers' Liability Act, which usually accompanies the establishment of benefit funds in connexion with particular employments. If the Act

ACTS OF
PARLIA-
MENT.

be good, it should be relied upon (1748, 1758-74, 1816-28, 1834-43)

THE FACTORY AND WORKSHOPS' ACT,
1878-91.

Evidence of Representatives of Co-operative Societies.

Mr F. HARDERN (the Co-operative Union)

Sweating

The Parliamentary Committee of the Co-operative Union has under consideration, at the present time, a measure for the improvement of the Factory and Workshops' Act, so as to do away with the cursed system known as sweating (1221).

Evidence of Representatives of Various Movements.

Mr S WEBB (State and Municipal Socialism).

How the
Acts should
be amended
in the
interests of
London
trades

A Labour Department of Government should be formed by an amalgamation of the existing Labour Bureau in connexion with the Board of Trade with the factory and mining section of the Home Office. The head of the new department might or might not be a new minister. In addition to other functions, it should be charged with the administration of the Factory Acts. There is no reason why there should not be an absolutely complete register of all industrial establishments of every kind where anyone is employed for wages. The effective administration, even of the existing Factory Acts, demands a complete system of registration.

Every person, moreover, employing more than three wage servants should be requested or even required to furnish returns of the wages he is paying.

Both parties in the State recognise the expediency of extending the Factory Acts. In any future amendment it is a matter of the highest importance that the interests of the well-organised trades should not be considered to the entire exclusion of the more degraded industries that the Acts can now scarcely be said to reach. The condition of those industries that are carried on in domestic workshops is the worst. They come under the Factory Acts in so far as persons outside the occupiers' family are employed in them for wages; but, owing to the paucity of the inspectorial staff, they are not inspected, and generally not even registered. It is in domestic workshops, especially in the clothing and furniture trades in the East End of London, that the evils of what is known as the "sweating" system prevail, and it may be mentioned in passing that it is not only on the question of sub-contracting that "sweating" can arise; on the contrary, some of the worst cases are those where the home work is done directly for the export merchants. What is wanted is not so much a very large increase in the present highly-trained and fairly well-paid staff of inspectors as the appointment of additional officials of a subordinate class who could be, as it were, the eyes of the inspectors.

Mr Sydney Buxton's proposal to make the owner of the houses where the work is done responsible for their sanitary condition under the Factory Acts as he is already, to a less degree, under the Public Health Acts, should be adopted, and, as an additional precaution, every foreman or giver-out of work also should be responsible for the observance of the Factory Acts in whatever place he allows his work to be done. The effect of this last provision would be either to make the giver out of work a vigilant inspector of these domestic workshops, and so to help to supply the deficiency in the Government staff, or to induce him to keep a larger proportion of his work in the factory, and so to diminish the number of domestic workshops needing inspection. The adoption of these proposals would be the means of providing East London with a Factory Act as well adapted to its own peculiar circumstances as the Factory Acts of the first period were to the peculiar circumstances of Lancashire. Desirable as it is to assist the transition from home work to a universal factory system, it would be inexpedient to abolish domestic workshops in direct terms by Act of Parliament. Nor should the employment of married women be definitely prohibited, although it is, in many respects, an evil, and nearly always has a very prejudicial effect upon the wages of adult male workers. The proper aim is to hasten the advent of such a social development in which mothers of families should be released from their present necessity of working for their living. On the other hand,

it is highly expedient to raise the age at which children are allowed to enter the factories and to extend the period of their school career, whether by means of the half-time system or otherwise.

ACTS
PART
NEW

The eight hours' law should take the form of an amendment to the Factory Acts, empowering the Secretary of State responsible for the administration of those Acts, to make an order regulating the hours of any trade that seemed to require it. Before making such an order, he should ascertain the views of the majority of those concerned in the trade in question, for the acquiescence of the people in a law is an important element in its practicability. In order to ascertain those views, he might adopt the same machinery that is now constantly applied by the Local Government Board for similar purposes. The order, once made, however, should be rigidly enforced. While making due provision for cases of emergency, overtime, a costly and inefficient expedient, should be absolutely forbidden, and no district, or portion of a trade, should be suffered to claim exemption. If a particular district were to be exempted from the rule to which the rest of the trade was subject, a minority would thereby be given an unfair advantage in competing with the majority, and trade would consequently be driven to the district exempted from the rule and working long hours; that is to say, the interests of the best and largest would be sacrificed to those of the worst and smallest portions of the trade (3747-8, 4413-7, 4437-40, 4453-67, 4507-27).

The Bill
should
the fact
an order
ment to
Factory
Acts, not
be admin-
tered by
the same
authorities

Mr H. M. HYNDMAN (State and Municipal Socialism).

All child labour for wages under the age of 14 should be prohibited. There is plenty of evidence, especially in the famous report of 1875, to show that the half-time system has a very bad effect upon the physique of the future generation (8421, 8433)

Half time

Mr C. BOOTH (Labour in the East End of London).

The reforms immediately practicable are as follows — First, any room or place in which any person employs any other person or persons in manufacture should be placed within the legal definition of a workshop under the Factory Acts, and the relation of employer and employed should be deemed to exist between any persons working in company or in partnership, except between a man and his wife. Secondly, that all workshops should be registered. The registration should be simple and without charge, and should not necessarily be preceded by an inspection. The certificate should set forth, on the landlord's authority, the amount of space occupied, the number of persons employed, the nature of their occupation, and such other particulars as the Act required. It should be in triplicate, one copy being for the landlord, one for the occupier, and one for the Factory Department of the Home Office, and it should be periodically renewed. Thirdly, that the staff of inspectors should be increased and be better organised, and that every inspector should be given an office, and assistants to take all his clerical work off his hands. And, lastly, that the landlord, or person to whom the worker pays rent, should share a portion of the responsibility which is divided under the existing Factory Acts, between the employer, the employed, and the State. He should, for example, be responsible for the registration of all his houses that are used for industrial purposes, and, if he does not desire them to be so used, he should put a special clause into the leases to that effect. He should also be responsible for the payment of fines imposed upon his tenants for breaches of the Factory Acts, and should add the amount of such fines to his rent. The proposal contained in Mr. Sydney Buxton's Bill for making the responsibility for the observance of the Act rest upon the giver-out of work would have the effect of stopping home work altogether, and this is not desirable (5417-543, 5553-82, 5592-614, 5660-734, 5765-801)

Proposed
amend-
ments of
the Act in
the interests
of London
trades

Mr. C. FENWICK, M.P. (the Parliamentary Committee of the Trades' Union Congress).

The Trades' Union Congress has condemned the system of domestic workshops, because these places are often unhealthy, and cause the rate of wages to fall (7428-30, 7509-10).

Domestic
workshops

THE FRIENDLY SOCIETIES' ACT, 1875

Evidence of Public Officials

Mr. E. W. BRABROOK (Chief Registrar of Friendly Societies).

ACTS OF PARLIAMENT.

ACTS OF PARLIAMENT.

friendly societies, independent societies.

Friendly societies are various in number and constitution. First, there are the independent societies. These are purely local and devoted solely to raising by subscription funds for subsequent distribution in mutual relief and maintenance during old age and sickness. The average contribution per member is about 20s. per annum. Their aggregate income for 1890 was 2,117,000*l.*, and expenditure 1,791,000*l.*, leaving a balance of 326,000*l.* They are, to a certain extent, self-supporting, but are sometimes aided by the contributions of honorary members, such as the employers and the clergy. They are not increasing in number, inasmuch as the new registries do not keep pace with the dissolutions, and they are, generally speaking, giving way in point of popularity to the branches of affiliated orders (1260-1318-9).

Affiliated orders.

Secondly, there are the affiliated orders, which may be defined as societies having branches. Of these, the two most important are the Ancient Order of Foresters, which has 830,720 members, and the Independent Order of Oddfellows, Manchester Unity, which has 769,503. The total membership of all the affiliated orders making returns was 1,727,809, representing 16,400 branches, but both these figures require considerable additions in consequence of the transfer of societies previously independent to these associations. The average contribution per member is 31s. per annum, *i.e.*, 27s. for benefit, and 4s. for management, and the aggregate receipts for 1890 amounted to 3,055,000*l.* Both a central fund and branch funds are essential to the legal existence of a society with branches. But the law requires nothing further, and there is observable in the constitution of the various societies every degree of centralisation within the prescribed limits. Thus, there are some societies where the central body provides all the benefits, and the branches are only allowed to reserve to themselves a fund sufficient to defray the expenses of the local management, and there are other societies where the branches provide all the benefits, and contribute to the central sum that barely suffices to keep the central office open. The legal requirement as to a central fund has caused a great advance in the direction of centralisation; but, at present, every branch remains as financially independent in respect of its liabilities as if it were an independent society. A distressed branch has no sort of legal claim on the funds, either of other branches, or of the central body. The popularity of affiliated orders is largely due to the fact that members moving from place to place can get their accounts transferred from one branch to another (1261-7, 1321-7, 1435-7, 1476-8).

(c) Dividing societies.

Thirdly, there are the dividing societies, *i.e.*, those in which the funds are, with the exception of a small sum, divided periodically. Their object is to provide sick pay and death allowances in consideration of a weekly subscription. They are also called "benefit societies," "slate clubs" and "tontines," the last title being derived from the fact that the sum remaining at the end of the year after all-claims for sick pay and death allowances have been met is divided among the survivors (1268-72).

(d) Societies in connexion with employers.

Fourthly, there are the societies in connexion with employers. A large number of these are debarred from registration because they have among their rules one providing that "a member ceasing to be employed at — works shall cease to be a member of the society." By means of such a rule, an employer can enforce restrictive conditions on the conduct of his business by the workmen. A rule, however, to the effect that "a member ceasing to be employed at — works shall cease to participate in the funds arising from the contributions of employers as honorary members" does not prevent registration, although a practical difficulty arises in cases where the funds derived from the contributions of employer and employed respectively cannot be distinguished. Another arrangement inconsistent with registration is one whereby the funds of the society are deposited with the employer, inasmuch as the Friendly Societies' Act requires them to be invested only in concerns giving security that can be held by trustees of the society. The policy of the

Act in this respect is a sound one, for the prohibited arrangement has the mischievous effect of putting all the workmen's eggs into one basket, so that, if their employer fails, they lose not only their employment, but their past savings also, and it places them, in addition, into a position of undue dependence upon the employer. At the same time, the societies often prefer to forfeit registration by investing their funds with an employer either because they get an exceptionally high rate of interest, or because they like to have a stake in the employer's business, or because much trouble is saved in the matter of buying and selling stock and in the keeping of accounts. Where the employer in question is a public company and, as such, able to give by debenture or otherwise security of the type which trustees are authorised by statute to accept, the difficulty as to registration is removed. A third bar to registration is where membership of the society is made a condition of employment. But registration has not hitherto been refused to societies having among their rules one providing that members may direct the amount of their subscriptions to be deducted from their wages, provided always that the sum deducted be actually handed over to the society's treasurer and paid by him to the credit of the trustees. The general result of the legal requirements as to registration has been to cause many societies to forego its benefits. These benefits are conferred rather upon the individual members than upon the society as a whole. They relate to the right of members to inspect the books of their society, to apply to the Chief Registrar for an official inspection, to call upon the treasurer and trustees to render accounts, &c., &c. (1273-301, 1364-80, 1385-99).

Fifthly, there are societies or shop clubs in connexion with particular firms but not supported by the employers. These are for the most part of the nature of dividing societies, and are, to a very large extent, unregistered, owing to the expense and trouble entailed by the requirements of the Act with regard to the printing of rules and the making of periodical returns by registered bodies. When the Act comes to be reconsidered it would be advisable to curtail these formalities as much as possible (1301).

(e) Societies in connexion with particular firms, but not supported by employers.

Sixthly, there are societies in connexion with particular trades, *e.g.*, the Stationers', the Gardeners', and the Farmers' Societies. They are partly supported by donations from outsiders. They are distinguished from Trade Unions in that their object is not connected with the relations between employers and employed (1301-2).

(f) Societies in connexion with particular trades.

Lastly, there are the collecting societies, *i.e.*, societies that are concerned almost exclusively with providing funeral benefits out of subscriptions collected from members. The 3,318,942 members, which 35 of them contain, were for the most part admitted in infancy. The fact that their accumulated funds are only 2,269,658*l.*, or 13s. 11*d.* per member, whereas those of other friendly societies amount to 5*l.* 10s 11*d.* per member shows that they stand on quite a separate footing. They should, therefore, be dealt with in a separate Act of Parliament. It is to them that section 30 of the Friendly Societies' Act directly applies (1268, 1308-9).

(g) Collecting societies.

This concludes the enumeration of the various types of friendly societies properly so called. It is provided by the Friendly Societies' Act, 1875, section 11, sub-section 5, that "no society assuring to any member a certain annuity shall be entitled to registration unless the tables of contributions for such assurance, certified by some actuary of five years' standing, be sent to the registrar with the application for registration." The Chief Registrar, however, takes no responsibility for the inadequacy of the contribution. There would be no objection to an enactment prohibiting registered societies from taking contributions in consideration of sick pay for life, which is virtually an old age pension or annuity, without getting an actuarial certificate. The societies should levy an extra subscription in order to create a special fund for the payment of old age pensions. The recommendations of the Royal Commission on Friendly Societies in 1874 were not fully carried out in the Act of 1875, as, for example, the recommendations as to distinct registries, which was dropped mainly because it would be too cumbersome and expensive (1338-40, 1564-82, 1602-5, 1615-27).

Friendly societies generally.

Benevolent societies form the second group admitted to registration under the Friendly Societies' Act. They include all societies that do not limit the benefits they

Benevolent societies.

Acts of
Parliament.

Working
men's
mutual
improvement
societies.

Societies
specially
authorised
for registration
under
the Friendly
Societies'
Act, 1875.

offer to such persons as have subscribed to their funds (1899).

Working men's clubs "for the purpose of social inter-
course, mutual helpfulness, mental and moral im-
provement and rational recreation" are permitted
by section 8, subsection 4, of the Act of 1875 to be
registered; but such ought not to be the case, inas-
much as they provide no sort of insurance—the
essential function of a friendly society—and often
have a strongly defined political bias. Clubs avowedly
political in their aims cannot be registered. The
working men's clubs like to be registered in order to
get security for their funds and power to hold land
and houses through trustees acting in their name
(1310-2).

Societies specially authorised by the Secretary of State
under section 8, subsection 5, of the Friendly Socie-
ties' Act to become registered are those formed for
the purpose of providing relief to members out of
employment. Several of the societies in this group
provide in addition the benefits of friendly society
proper, but they do so at a disadvantage, because
they have to fulfil all the responsibilities without
possessing any of the privileges which ordinary
friendly societies possess in respect of exemption
from stamp duty and a preferential claim on the
estates of their officers in the event of death or bank-
ruptcy. It appears from the latest published returns
of these societies that the Liverpool Clerks' Associa-
tion has 3,067 members and 24,680*l.*; the Manchester
Warehousemen's and Clerks' Provident Association,
2,186 members and 15,701*l.*; the London Suburban
Railway Officials' Association, 150 members and
3,180*l.*; the Metropolitan Foremen and Tailors', 303
members and 3,020*l.*; the Northampton Artisans'
and Labourers', 2,706 members and 15,677*l.*; and the
Birmingham and District Clerks', 225 members and
230*l.* Another special authority under subsection 5
of section 8 grants registration to societies formed
for the purpose of "protecting and defending mem-
bers of any lawful trade or calling against frivolous,
"vexatious, or malicious prosecutions, and, in cases
"of robbery and other crimes affecting them, affording
"them legal or other assistance for the detection and
"prosecution of the offenders." Societies of this
kind exist among cabmen and omnibus and tramcar
men, and among dairymen, licensed victuallers, and
other similar tradesmen. Their number is very small.
Some societies, as, for example, the South Side of the
Thames Foremen's Society, are registered under both
the above special authorisations (1313-4).

Mr. Ludlow expressed an opinion in 1874 to the effect
that it would be advisable to include all the societies
falling within the jurisdiction of the Chief Registrar
of Friendly Societies under the general enactment
that afterwards became the Friendly Societies' Act of
1875. This opinion was well grounded (1492-563,
1583-601, 1628-38).

Mr. J. M. LUDLOW (ex-Chief Registrar of Friendly
Societies).

Societies formed for the purpose of granting relief to
members out of employment should be eligible for
registration under the Friendly Societies' Act without
special authorisation (1743-87).

THE INDUSTRIAL AND PROVIDENT SOCIETIES' ACT, 1887.

Evidence of Representatives of Co-operative Societies.

Mr. J. T. W. MITCHELL (English Co-operative
Wholesale Society and Co-operative Union).

Limit of
shares per
members.

By the Provident Act, under which co-operative societies
are registered, individual shareholders are restricted
to having 200*l.* worth of stock. Personally, I think
that this Commission would be justified in recom-
mending Parliament to remove the restriction as to
anything beyond 200*l.* The removal would not do
the societies any harm, and it might do that section
good which requires a larger means of investment.
But, speaking in my representative capacity, I must
say that the disposition of a great many members is to
allow only 200*l.*, and there are many societies that
will not allow their members to put in more than 25*l.*
or 30*l.* Some persons, however, have been sorry
when they have been compelled to withdraw their
money from us, and some would put in very much
more than 200*l.* Indeed, as members see their society
growing stronger and stronger every year, their

desire and disposition for the removal of the legal
limit will grow in proportion (176-80).

Co-operative societies do not pay income tax on their
profits. It would be unjust to make them do so, for
those profits are appropriated to division among the
members, many of whom are not liable to pay the tax.
The imposition of the said tax on the profits before
distribution would cause either the reduction of the
dividends on which the success of the co-operative
movement largely depends, or the raising of prices
to the disadvantage of the societies in fighting private
competitors (113-7, 227-37).

Acts of
Parliament.
—
Co-operative
societies'
and the
income tax.

Mr. W. MAXWELL (Scottish Co-operative Wholesale
Society and Co-operative Union)

Many working men have 200*l.* the limit allowed by the
Act, to their credit saved from dividends, which is
giving them a spirit of independence hitherto un-
known in our class. It would be interesting to know
what danger would arise if the limit of 200*l.* were
abolished and each society allowed to fix its own limit.
It is a hardship to a co-operator who has reached
the limit the Act allows to be compelled to withdraw
his profits and find another investment. The limit
applies only to the shares not to the loan. After
having 200*l.* in the share capital, members can go on
subscribing to the loan capital; but, in that case their
investments are withdrawable at call. That is our
difficulty (422-7).

Limit of
shares per
member.

We have not a penny invested outside co-operation.
Whereas the English societies seem to have some
difficulty as to how to dispose of their accumulating
capital, in some cases even limiting the amount
which members may hold to a smaller figure than
the Act of Parliament, and one or two Scotch
societies have followed their example, the Scotch
co-operators generally are rather inclined to remove the
limit at present imposed by law, and I am of opinion
that the legal limit should be removed. It seems to me
that the moment we have to seek investment outside
co-operative movements, we confess to the world our
inability to carry the movement further (515-8).

Investment
of funds of
co-operative
societies.

In expressing an opinion in favour of the removal of
the legal limit, I am representing the co-operators
of Scotland. I do not pretend to know anything of
the opinion of English co-operators. Inasmuch as
each shareholder has simply one vote whatever the
number of his shares, there would be no danger of a
particular society getting under the control of a few
large shareholders (753-8).

Mr. F. HARDERN (the Co-operative Union, and the
Industrial Co-operation Society, Oldham).

The power given us by Act of Parliament limits us to
200*l.*, but the limit now in the Oldham Societies
stands thus.—Industrial Co-operative Society, Limited,
25*l.* per member; Equitable Co-operative Society,
Limited, 30*l.* per member; Crompton Co-operative
Society, Limited, 30*l.* per member; Royton Co-
operative Society, Limited, 200*l.* per member; Lees
Co-operative Society, Limited, 200*l.* per member.
The reason of the additional limitations beyond the
requirements of the Act was that the amount of share
capital so far exceeded the requirements of the
trade that the societies preferred to throw the responsi-
bility of re-investment upon their individual members
instead of undertaking it themselves, for they
feared that by undertaking the functions of bankers
they would jeopardise their chance of success as
traders. The ground of this fear was that they
were bound by their rules to restrict the area of
their investments to the town of Oldham, and it
was found impossible to find within that area safe
securities yielding five per cent in sufficient num-
ber to absorb their surplus capital. The shareholders
insisted on their five per cent, even at the cost of
entailing loss upon their societies, and so the latter
were compelled in self-defence to protect their
finances against the self-interest of their own mem-
bers by restricting the amount of shares each member
might hold. Personally, the witness thought it would
have been a better policy to reduce the rate of in-
terest than to limit the amount of capital, and he
considered that the societies generally, while exceed-
ing the strictness of the law in the case of their own
rules, would yet have no objection to the extension of
or removal of the legal limit. The Industrial Society
returned 131,500*l.* to investors in consequence of the
introduction of the 25*l.* limitation. The aggregate
amount added during the last 21 years to share

Limit of
shares per
member.

ACTS OF PARLIAMENT.
The Parliamentary Committee of the Co-operative Union and its Act.

capital whether repaid, or not is 2,023,638*l.* (1121-9, 1165-75, 1207-9).
The Parliamentary Committee of the Co-operative Union has under its consideration at the present time a measure for the amendment of the Industrial and Provident Societies' Act (1221).

Evidence of Public Officials.

Mr. E. W. BRABROOK (Chief Registrar of Friendly Societies).

Proposed inclusion of industrial and Provident or Co-operative Societies under Friendly Societies' Act.

Co-operative societies under the Industrial and Provident Societies' Act of 1867, have the same advantages as societies under the Friendly Societies' Act of 1875, with the additional privilege of incorporation. Mr. Ludlow expressed an opinion, in 1874, to the effect that it would be advisable to include as well as all other societies within the jurisdiction of the Chief Registrar of Friendly Societies under the general enactment that afterwards became the Friendly Societies' Act of 1875 (1314-7, 1492-563, 1583-601, 1628-39).

THE LIMITED LIABILITY AND JOINT STOCK COMPANIES' ACTS.

Evidence of Representatives of Co-operative Societies.

Mr. J. T. W. MITCHELL (the Co-operative Union and the English Co-operative Wholesale Society).

The Co-operative Union registered as a limited liability company.

The Co-operative Union was lately formed into a limited company under the Limited Liability Companies' Act, chiefly in order to secure the permanency of a body corporate. The fact was that, previous to its being registered under that Act, the whole of the property was in the hands of trustees. Having so registered, it has gained the security and permanency that other people have (168-71).

Mr. F. HARDEEN (the Co-operative Union).

Joint stock societies in the town of Oldham.

11,777*l.* has been invested by the Oldham Co-operative Societies in the joint stock cotton spinning concerns established in the town. In fact, it was by the leading co-operators that the joint stock movement was chiefly promoted. On inquiry of officials connected with 12 of the 76 joint stock concerns in Oldham, the witness found that those 12 had an aggregate share capital of 628,096*l.*, of which 49.66 per cent. was held by workers. Their withdrawable loans amounted to 405,472*l.* or 73.73 per cent. of the whole loans of 544,984*l.*, including mortgages. The proportion of the total loan capital held by members of the industrial population was 49.57 per cent. and of the withdrawable loan capital, 62.96 per cent.; but only about 7.4 per cent. of the persons, other than members of the official staff employed actually by the joint stock companies, are shareholders. Good relations exist between the joint stock companies and their workpeople. The latter, indeed, have their wages regulated according to their Trade Union lists, and are said to be the best paid of the cotton operatives in Lancashire. The employment is much more regular than is the case with private firms, for the mills are kept running whatever may be the exigencies of the trade. Even in 1891, when a most exceptional fall of 50 per cent. in the price of raw cotton caused 41 of the companies to show a total loss of 105,624*l.* as against a total profit of 86,946*l.* made by 34, the workpeople were not allowed to experience a lack of employment. Originally, the joint stock companies were worked on the profit-sharing principle, but it was felt that profits should be shared only by those who shared losses, and the workers themselves disliked the fluctuations in their earnings which the system entailed, and fancied that their ordinary wages were adversely affected by it. The system was accordingly abandoned. The comparative want of financial success which the joint stock companies have experienced during the last few years may be attributed, first, to a somewhat reckless policy of mill building; secondly, to unfortunate speculation; and lastly, to an unprecedented fall in the price of raw material (1138-47, 1176-93).

THE LORD'S DAY OBSERVANCE ACT.

Evidence of Representatives of Various Movements.

THE REV. J. GRITTON, D.D. (the Lord's Day Observance Society of London).

The Act is practically obsolete.

All Sunday work above the minimum arrived at by the best firms is unnecessary, and the Commission

should express the same opinion. There is, however, no hope that further legislation in regard to the observance of Sunday would be more effective than the legislation that already exists, but is broken and ignored (5136-41).

ACTS OF PARLIAMENT.

THE TRADES' UNION ACTS, 1871 AND 1876.

Evidence of Representatives of Co-operative Societies.

Mr. J. T. W. MITCHELL.

Use of Trades' Union funds.

In the present state of society, money raised for Trade Union purposes never could, in my opinion, be used for industrial or manufacturing purposes. I do not know, however, that I should disapprove of the money which now lies at the disposal of Trade Unions being invested in co-operative production, if it could be guaranteed that there should be perfect security and perfect safety. The money which is subscribed by working men should not be used in businesses which may be risky. Personally, I should take no objection whatever to the law being altered in such a way as to admit of the money being in co-operative production; but great care should be exercised in taking advantage of the permission, because individual members change, and one person might have a large interest in the finances, and another only a very small interest, and the latter would be less careful not to vote against investing the common fund in risky enterprises than the former. If persons will exercise judicious care to make the money safe, instead of wasting it in satisfaction of a mere whim or caprice, then I should say by all means let it be invested in productive enterprises (181-90).

Mr. H. VIVIAN (the Labour Association for promoting Co-operative Production).

Restrictions tending to deter Trades' Unions from investing their funds in co-operative production enterprises should be relaxed (7586-7).

Evidence of Public Officials.

Mr. E. W. BRABROOK (Chief Registrar of Friendly Societies).

Trade union statistics.

Trade Unions are registered under the special Acts applying to them. Employers' associations fall within the definition of a Trade Union contained in the Act of 1876, and can claim registration accordingly. Wherever branches are registered separately, they are treated as separate Unions. The total number of registered Unions is 493. The number making returns is 320. Of this rest, 66 are not yet liable to make returns, and steps are being taken to recover penalties from the remaining 107. The witness put in Mr. Burnett's last Blue Book, giving returns from 25 of the principal Trade Unions, which shows a total membership of 550,926, and a total annual contribution of 853,535*l.* or 3*l.* per member, of which 2*l.* goes in benefits, 6*s.* 6*d.* to expenses, and 4*s.* 3*d.* to balance. During the past two years, 201 Trade Unions have been registered, whereas the total registration for the 19 preceding years was only 533 or an average of 23 per annum. The witness also put in an abstract of the Trade Union returns for 1892 (1335-7, 1400-25).

Mr. Ludlow expressed an opinion, in 1874, to the effect that it would be advisable to include all the societies under the jurisdiction of the Chief Registrar of Friendly Societies, including Trade Unions, under the general enactment that afterwards became the Friendly Societies' Act, 1875. This opinion was well grounded, for at present an individual member of a Trade Union is forbidden by section 4 of the Trade Union Act of 1876 to sue his society for breach of contract, if a majority of the members agree to expend funds, originally destined for benefits, in strikes (1492-563, 1583-601, 1628-38).

Proposed inclusion of Trades' Union under the Friendly Societies' Act.

Mr. J. M. LUDLOW (ex-Chief Registrar of Friendly Societies).

Trades' Unions, unlike friendly societies, do not make the provision of the sick, old age, and other benefits their primary function. Their principal object is to maintain and advance the condition of the labourer, as such, in a particular employment. The use of that portion of their funds, originally set aside for benefits, for ordinary Trade Unions' purposes may

Application of Trades' Union funds.

ACTS OF
PARLIA-
MENT.

sometimes cause great hardships; but it should not be prohibited. The funds for management, benefits, and trade purposes cannot be kept entirely distinct, because, in case of a trade dispute, failure to amalgamate them may cause a defeat sufficiently overwhelming to ruin the Union. Of course, if a Union explicitly states in its rules that it will appropriate a certain portion of its funds to benefits, the undertaking must be carried out, but the enactment of such a rule is a very dangerous step for a Trade Union to take. Members should recognise the fact that there must always be a certain element of uncertainty about the friendly society benefits granted by Trades' Unions, although their secondary function of paying those benefits does serve the useful end of moderating their action in the pursuit of their primary objects. The fact of registration is not equivalent to a Government guarantee that a Union is solvent, and will appropriate its funds in a particular manner. Many labourers, no doubt, think it is, but it would be unadvisable to deny the Unions the benefits resulting from registration simply in order to prevent such misunderstanding. The time may come when members of Trades' Unions will express a desire for power being given to the public authority to interfere with the appropriation of their funds; but it would be dangerous to give such power at the present moment when Trade Unions are dearer to the heart of the working class than any other form of association. In any case, it must be borne in mind

that the Trade Unions' officials can utilise the funds entrusted to them only in accordance with the rules, and the rules represent very fairly the views of the members (1775-88, 1876-93, 1895-938).

ACTS OF
PARLIA-
MENT.

THE TRUCK ACTS, 1831 AND 1887.

Evidence of Public Officials.

Mr. J. M. LUDLOW (ex-Chief Registrar of Friendly Societies).

Judging from the condition of the mining industry, the existence of a friendly or benefit society in exclusive connexion with a particular employment does not appear to prevent trade disputes. Many railway companies have obtained special Acts of Parliament compelling their men to subscribe to the sick and benefit funds established by the companies. The men object to such enactments, because they are thereby obliged to choose both between giving up their own societies and supporting two, and also between continuing in the companies' service longer than they may perhaps desire to do, and forfeiting the benefits towards which they have been subscribing. The Court of Appeal, however, decided in *Hewlett, Allen, and Sons*, that deductions from wages for the purposes of benefit funds were illegal, unless expressly sanctioned by Act of Parliament (1748, 1758-74).

Deductions
from wages
for benefit
funds
illegal,
except
where
expressly
sanctioned
by special
Acts of
Parliament.

INDEX TO PRÉCIS AND ABSTRACTS.

INDEX TO
PRÉCIS AND
ABSTRACTS.

INDEX TO
PRÉCIS AND
ABSTRACTS.

TABLE OF CONTENTS.

	Page
INDEX I.—TO WITNESSES	63
INDEX II.—TO SUBJECTS	65
INDEX III.—TO TRADES	69

INDEX I.—TO WITNESSES.

	Page	Page
Mr. W. ALLAN:—The witness. Arbitration. Conciliation. Both systems are unsatisfactory. Strikes should be prevented rather than remedied. Causes of strikes—(a) Overtime; (b) Piecework. Eight hours' day	33	
Mr. J. ANDERSON:—The witness. The Amalgamated Society of Engineers	27	
Mr. C. BOOTH:—The witness. "Sweating" defined. Remedies immediately practicable. Wages and rents	25	
Mr. S. B. BOULTON:—The witness. The London Labour Conciliation Board:—(a) Its origin and constitution; (b) Its functions; (c) Its methods. Conciliation. Arbitration. Extension of the sphere of the Board. Example of the London Chamber of Commerce followed by other Chambers instituting similar boards. The Arbitration Acts, 1867 and 1872. Legislature should aim at strengthening instead of superseding voluntary boards. State Board of Arbitration disapproved of	31	
Mr. R. W. BRABROOK:—The witness. The classes of societies within his jurisdiction. Friendly societies:—(a) Independent societies, (b) Affiliated orders, (c) Dividing societies; (d) Societies in connexion with employers, (e) Societies in connexion with particular firms, but not supported by employers, (f) Societies in connexion with particular trades, (g) Collecting societies. Friendly societies generally. Benevolent societies. Working men's mutual improvement societies. Societies specially authorised for registration under the Friendly Societies Act, 1875. Societies registering under other Acts of Parliament; (a) Co-operative societies; (b) Building societies; (c) Trades' Unions. The inclusion of all the above societies under one Act advocated. Women's societies	35	
Mr. T. W. BUSHILL:—The witness. Profit-sharing.—(a) Its definition; (b) Its forms; (c) Its extent; (d) Its so-called failures; (e) Methods of effecting the division of profits. Profit-sharing in the firm of Messrs. Thomas Bushill and Sons. The scheme from the point of view of the men. The scheme from the point of view of the employers. Profit-sharing and rates of ordinary wages. Profit-sharing and Trades' Unionism. Profit-sharing v. Gain-sharing. Profit-sharing v. Co-operative production. Profit-sharing v. Industrial partnership. Effect of reduction of hours of labour on the production. General proposals:—(a) Provision for the study of economics; (b) A Labour Department	33	
Mr. THOMAS FARRER, BART.:—The witness. Mr. Mann's evidence criticised:—(a) That individualism disorganises industry, and causes fluctuations of employment; (b) That an eight hours' law would solve the difficulty; (c) That a public authority could usefully re-adjust the distribution of wealth; (d) That the loss of our foreign trade could be met by growing our own food; (e) That a public authority can control the supply of labour without controlling the demand;		
(f) That a municipal body could with advantage manage the London Docks. Mr. Webb's evidence criticised:—(a) That individualism can with advantage be eliminated, (b) That the use by Government servants of their political power against their employer is an advantage; (c) That the municipalisation of the land of London is expedient; (d) That the system of indirect election was the cause of complaint at the Liverpool Docks. The policy of the London County Council criticised. The "sweating" system. Municipal workshops		23
Mr. C. FENWICK, M.P.:—The witness. The Trades' Union Congress. Its Parliamentary Committee. The Employers' Liability Act. The Conspiracy and Protection of Property Act. Eight hours' day. Relations of the Parliamentary Committee of the Trades' Union Congress with the Parliamentary Committee of the Co-operative Union. Election of delegates. Arbitration and conciliation. Co-operative production and profit-sharing. Domestic workshops		26
Mr. W. H. GARDENER:—The witness. The Egham Free Labour Registry. Its work. Its organisation and finances. Other Registries. Affiliation of Registries advocated. Relations of the Egham Registry with Trades' Unions		27
Mr. E. GIFFEN, C.B., LL.D.:—The witness. The Labour Department of the Board of Trade. Wages statistics. Strikes and lock-outs. Trades' Unions. Effect of thrift on wages. Foreign competition in the labour market. Profit-sharing. How far statistics can prove the relation between wages and profits. Eight hours' day. Nationalisation and municipalisation of industry. Functions of the new Labour Department		42
Dr. ELGIN E. L. GOULD:—The witness. The United States' Labour Department. Its constitution and functions. Its principles of working. Its work. Its staff and finances. Its results. The Labour Bureau of individual States. Their relations with the United States Department, and with one another. Attitude of the Trades' Unions towards them. Differences of functions of the United States' and States' Departments accounted for. Labour Departments and arbitration. Separate State Arbitration Boards		41
Mr. J. GREENWOOD:—The witness. Co-operative production defined. Its history and development. Its present condition. Productive societies are of three kinds:—(a) Those where labourers and capitalists are completely fused; (b) Those where labourers and capitalists are incompletely fused. The Hebden Bridge Fustian Manufacturing Society. The Leicester and Kettering Boot and Shoe-making Society. Flour-making Societies. Wages of management; (c) Where labourers and capitalists are not fused but allied. Profit-sharing		12
The Rev. J. GRITTON, D.D.:—The witness. Sunday work		32

	Page
Mr. F. HARDERN.—The witness. Co-operative societies in the town of Oldham, Lancashire. Eight hours' day. Beneficial effect of co-operation on the townspeople. Connexion of the co-operative societies with the joint stock companies. The Parliamentary Committee of the Co-operative Union - - - - -	13
Mr. E. HARTFORD.—The witness. The Amalgamated Society of Railway Servants. Hours of labour. Objects of Trades' Unionism - - - - -	27
Mr. H. M. HYNDMAN.—The witness. The present industrial system is based upon a series of antagonisms. Wages. Working-class budgets. Thrift is valueless. Strikes and lock-outs. Depressions in trade. The true remedy is to substitute a co-operative for a competitive system. Palliatives:—(a) Nationalisation of certain industries; (b) Prohibition of child labour; (c) Free meals, &c.; (d) Technical education; (e) Equal payment of men and women, (f) Minimum rate of wages; (g) Eight hours' day - - - - -	23
Mr. C. S. LOCH.—The witness. Classes of persons comprehended in the term "The unemployed." Artificial employment. The Dutch Labour Colonies. The Irish Colony. Employment artificially furnished by the Salvation Army. Labour Bureaux or Registries - - - - -	29
Mr. J. M. LUDLOW.—The witness. Friendly societies—(a) Generally; (b) In connexion with particular employments, (c) Societies specially authorised for registration, co-operative societies, building societies, Trades' Unions, present and past condition of the working class compared - - - - -	37
Mr. TOM MANN.—The witness. Evils which public control would cure—(a) Waste of forces of production, (b) Misdirection of forces of production; (c) Disproportionate distribution or rewards of production. Waste of forces of production to be remedied:—(a) By a Labour Department and Bureaux, (b) By regulation of the hours of labour; (c) By extending the direct industrial functions of public bodies. Misdirection of the forces of production to be remedied—(a) By prohibiting mischievous industries, (b) By facilitating the transfer of capital and labour from falling to rising trades. Disproportionate distribution of the rewards of production to be remedied by public authority. Re-organisation of the London docks. Profit-sharing and industrial partnerships. Conciliation, Arbitration and Mediation. Wages should not be fixed by Parliament - - - - -	16
Mr. W. MAXWELL.—The witness. Co-operation in Scotland—(a) Before 1846; (b) After 1846. Retail distributive societies. Their productive work. Productive societies—(a) The Paisley Manufacturing Society; (b) The Co-operative Farming Association; (c) The United Co-operative Baking Society. The Scottish Co-operative Wholesale Society. Its productive work. Its relations with its employes—(a) Profit-sharing; (b) Wages and hours; (c) Allowances; (d) General relations. Its relations with other employers. English and Scotch co-operative societies compared and entrusted. Future of co-operation—(a) Extension of co-operative production; (b) Amalgamation with Trades' Unionism; (c) Increase of profit-sharing outside the movement. Municipalisation should supplement but not supplant cooperation - - - - -	9
Mr. J. T. W. MITCHELL.—The witness. Retail distributive co-operation—(a) The communistic system; (b) The Rochdale system. The Rochdale Pioneer Society. Its objects. Its constitution. Its development. Other retail distributive societies—(a) At Bolton; (b) At Lincoln. General development of retail distributive co-operation. Wholesale distributive co-operation. The English Co-operative Wholesale Society. Its develop-	

	Page
ment. Its constitution. Its relations with the Scottish Wholesale Society. Productive co-operation:—(a) By retail distributive societies, (b) By groups of retail distributive societies, (c) By the English Co-operative Wholesale Society; (d) Proposed investment of Trades' Union funds in co-operative production. Productive co-operation and its employes. Conciliation. Strikes. Production is the aim of co-operation generally. The Co-operative Union. The present condition of the movement generally. Payment of income tax on profit is to be deprecated. Universal co-operation is the ultimate aim of the movement - - - - -	6
Dr. W. OGLE.—The witness. Marriage statistics—(a) Comparative ages at marriage in different classes; (b) Comparative proportion of bachelors and spinners in different classes, (c) Comparative fruitfulness of marriage in different classes; (d) Effect of economic conditions on the marriage rate. Death statistics—(a) Among infants; (b) Among adults, (c) In different occupations - - - - -	38
Mr. E. T. SCAMMELL.—The witness. Proposed scheme for the organisation of a National Labour Bureau - - - - -	29
Mr. T. SMYTH.—The witness. The Chelsea Labour Bureau. Its work. The bureau and the employment of women. The system should be extended. The relations of the bureau with employers and Trades' Unions. Its finances - - - - -	28
The Rev. W. TOZER.—The witness. The Ipswich Labour Bureau. Proposed extension of the system of Labour Bureaux. Functions of the Labour Department - - - - -	23
Mr. H. VIVIAN.—The witness. The labour association for promoting co-operative production. "Co-partnership" v. "consumers" co-operative societies. The Leicester Boot and Shoe Co-partnership Works. Other "co-partnership" societies. Strikes. Attitude of the workers towards the "co-partnership" system. Relations between "co-partnership" societies and Trades' Unions. "Co-partnership" societies and the cost of production. "Co-partnership" societies and the character of their employes. Relations between "co-partnership" societies and Government and municipalities. Craft guilds and their funds. Trades' Union funds and co-operative production. "Co-partnership" societies and official returns. Association of "co-partnership" societies advocated. "Co-partnership" societies and hours of labour - - - - -	14
Mr. R. WALKER.—The witness. The Trades' Defence Association of Scotland. Mr. Mitchell's evidence criticised. Mr. Maxwell's evidence criticised. Co-operative societies and the income tax. Co-operative societies and their auditors - - - - -	15
Mr. S. WEBB.—The witness. Growth of collectivism, marked by (a) Legislation regulating private enterprise; (b) Shifting the burden of taxation upon rent and interest, (c) The assumption of industrial functions by the State and municipal bodies; (d) The extension of "collective philanthropy." Beneficial effect of the growth of collectivism upon the condition of the labouring classes. Success of collectivism depends upon its association with democracy. Future developments—(a) The extension of the industrial functions of political bodies; (b) The absorption by the community of rent and interest. Collectivism is not equally applicable to all stages of national development. Change of opinion among politicians in regard to collectivism. Government as an employer of labour. Municipalisation of industry. A Labour Department. The Factory and Workshops Acts. Eight hours' day. Minimum wage. Regularity of employment. Strikes, prevention of - - - - -	19

INDEX II.—TO SUBJECTS.

- ACCIDENTS:** State insurance against, 43 ii.*
- ACTS OF PARLIAMENT:**
- ARBITRATION ACTS:** Their failure, 56 i. Principle on which further legislation should be adopted, 56 i.
- BUILDING SOCIETIES' ACT:** Societies registered under, 56 ii. Proposed amendment of, 56 ii, 57 i.
- COMPANIES (WINDING UP) ACT:** Amendment of, 57 i.
- CONTRACT AND PROTECTION OF PROPERTY ACT:** Definition of "Intimidation," 57 ii. "Picketing," 57 ii.
- ELEMENTARY EDUCATION ACTS:** Free meals and clothes, 57 ii.
- EMPLOYERS' LIABILITY ACT:** Doctrine of common employment, 57 ii. Contracting out of the Act, 57 ii. Extension to seamen of, 57 ii.
- FACORY AND WORKSHOPS ACTS:** Their amendment so as to do away with "sweating," 58 i. How they should be amended in the interests of London trades, 58 i, ii. The proposed Eight Hours' Act should take the form of an amendment of, 58 ii. Half-timers, 58 ii. Domestic workshops, 58 ii.
- FRIENDLY SOCIETIES' ACTS:** Societies under, 59 i, ii, 60 i. All societies falling within the jurisdiction of the Chief Registrar of Friendly Societies should be included under, 60 i. Societies formed for the purpose of granting relief to members out of employment should be eligible for registration under the Act without special authorisation, 60 i.
- INDUSTRIAL AND PROVIDENT SOCIETIES' ACT:** Limit of shares per member 60 i, ii. Co-operative societies and the income tax, 60 ii. Investment of funds of co-operative societies, 60 ii. The Parliamentary Committee of the Co-operative Union and the Act, 61 i. Proposed inclusion of industrial and provident, i.e., co-operative societies, under the Friendly Societies' Act, 61 i.
- LIMITED LIABILITY AND JOINT STOCK COMPANIES' ACTS:** The Co-operative Union registered as a Limited Liability Company, 61 i. Joint Stock Societies in the town of Oldham, 61 i.
- LORD'S DAY OBSERVANCE ACT:** Is practically obsolete, 61 i.
- TRADERS' UNION ACTS:** Use of Trades' Union funds, 61 ii, 62 i. Trades' Union statistics, 61 ii. Proposed inclusion of Trades' Unions under the Friendly Societies' Act, 61 ii.
- TRUCK ACTS,** 62 ii.
- ADMIRALTY:** Its treatment of the dockyard labourers, 20 i.
- AFFILIATED ORDERS,** 35 i.
- AGRICULTURAL LABOURERS:** Members of the Lincoln Co-operative Society, 7 i. Application of eight hours' day to, 16 ii. Proportion to population of, 42 ii.
- AGRICULTURE:** State of, 18 i. Loss of foreign trade could not be met by development of, 24 i.
- ALCOHOLISM:** Is the effect rather than the cause of the bad conditions it intensifies, 17 i. Effect on infant mortality of, 39 ii.
- ALIEN IMMIGRATION,** 25 ii, 43 i.
- ALLOWANCE,** 11 ii.
- APPRENTICESHIP,** 27 ii.
- ARBITRATION:** Under what conditions successful, 53 i. When the proposed board of mediation should act as arbitrator, 53 ii. Action of the London Labour Conciliation Board in the direction of, 53 ii. Representatives of third parties on boards of, 54 i. Mistrusted by workmen and unworkable, 54 ii. State boards of, 54 ii, 55 ii. Arbitration Acts, 1867 and 1873, 54 i. Their want of success accounted for, 54 ii. Principles on which further legislation should be adopted, 54 ii.
- ARBITRATION ACTS.** (See "Acts of Parliament" and "Arbitration.")
- ARMY AND NAVY STORES,** 6 i.
- ARTISANS' DWELLINGS,** 20 ii.
- ASSOCIATIONS.**
- Of EMPLOYERS. (See "Employers' Associations.")
- Of EMPLOYED. (See "Trades' Unions," &c.)
- BANKRUPTCY,** 36 ii.
- BANKRUPTS:** Fraudulent, 23 ii.
- BENEFIT FUNDS,** 34 i, 37 i, ii.
- BENEFITS,** 36 i.
- BENEFIT SOCIETIES,** 35 ii.
- BENEVOLENT SOCIETIES,** 36 ii.
- BENGALI:** Characteristics of, 19 ii.
- BERKEBECK BUILDING SOCIETY,** 35 i.
- BLUE BOOKS,** 16 i, 37 i.
- BOARD OF TRADE,** 42 i.
- BOARD SCHOOLS,** 23 ii.
- BOARDS OF GUARDIANS,** 21 i.
- BOGUS PROSPECTUSES,** 23 ii.
- BONUSES:** To labour, 13 i, 15 i (See also "Profit Sharing.")
- BUDGETS:** Working class, 23 i, 43 ii.
- BUILDING SOCIETIES,** 36 ii, 37 ii.
- BUILDING SOCIETIES' ACTS.** (See "Acts of Parliament.")
- BUREAUCRACY.** Enlightened character of a democratic, 19 ii.
- BUREAU OF INDUSTRIES:** New Zealand, 21 ii.
- BUREAUX OF LABOUR.** (See "Labour Departments" and "Labour Registries.")
- CAPITAL:** Migration of. (See "Migration of Capital.")
- CASH SYSTEM,** 6 ii, 15 ii.
- CASUALS:** Displacement of, 18 ii.
- CHAIN MAKERS,** 38 i.
- CHAMBERS OF COMMERCE,** 32 ii.
- CHARITY ORGANISATION SOCIETY** Its experience hostile to labour registries, 30 ii.
- CHIEF REGISTRAR OF FRIENDLY SOCIETIES.** Societies under the jurisdiction of, 35 i. Powers of, 37 i.
- CHILD LABOUR:** Prohibition of, 23 ii.
- CHRISTIAN SOCIALISTS,** 7 ii, 12 ii.
- CHURCH ARMY,** 32 ii.
- CIVIL SERVANTS:** Exercise of political power by, 20 i, 24 ii.
- CIVIL SERVICE STORES,** 6 i.
- COLLECTING SOCIETIES,** 36 i.
- COLLECTIVE PHILANTHROPY,** 19 ii.
- COLLECTIVISM.** Growth of, 19 i, ii. Depends for success upon its association with democracy, 19 ii. Future developments of, 19 ii, 20 i. Is not equally applicable to all stages of national development, 20 i. Change of opinion among politicians with regard to, 20 i. Is the true remedy, 23 i. (See also "Refutations.")
- COMMISSIONS:** On Trades' Unions, 26 i. On Friendly Societies, 36 i, 37 i.
- COMMON EMPLOYMENT:** Doctrine of, 26 ii.
- COMMUNISM,** 6 i.
- COMPENSATION:** For improvements, 20 ii.
- COMPETITION.** (See "Foreign Competition" and "Individualism.")
- CONCILIATION:** As practised by co-operative societies, 52 i, ii. Advocated by Mr. Tom Mann, 52 i. The London Labour Conciliation Board, its functions and work, 53 i. Chambers of Commerce and, 53 ii. Why unpopular with the workmen and why difficult to work, 54 ii.

* The Arabic figures denote the page, and the Roman the column.

CONTRACTORS: Policy of the London County Council with regard to, 24 ii.

CONDITION OF THE WORKING CLASS: The present and the past compared, 38 i.

CONGRESSES. Of Trades' Unions, 26 i, ii. Of Chambers of Commerce, 32 i.

CONSOLIDATION OF THE DOCKS (*See "Municipalisation"*)

CONSPIRACY AND PROTECTION OF PROPERTY ACT. (*See "Acts of Parliament."*)

CO-OPERATION:

ATTITUDE OF THE TRADERS' DEFENCE ASSOCIATION TOWARDS. Mr Mitchell's evidence criticised, 15 ii. Mr Maxwell's evidence criticised, 16 i.

IN SCOTLAND: (a) Before 1846, 9 i. (b.) After 1846, 9 ii. Retail Distributive Societies, 9 ii. Their productive work, 10 i. Productive Societies. (a) The Paisley Manufacturing Society, 10 i. (b) The Co-operative Farming Association. (c) The United Co-operative Baking Society, 10 ii. The Scottish Co-operative Wholesale Society, 10 ii. Its productive work, 11 i. Its relations with its employes: (a) Profit-sharing, 11 i. (b) Wages and hours, 11 i. (c) Allowances, 11 ii. (d.) General relations, 11 ii. (e) Disputes, 11 ii. Its relations with other employers, 11 ii. English and Scottish Co-operative Societies compared and contrasted, 11 ii.

IN THE TOWN OF OLDHAM, LANCASHIRE: Its beneficial effect on the townspeople, 13 ii, 14 i. Connexion of the Oldham Co-operative Societies with the Oldham Joint Stock Companies, 14 i.

ITS FUTURE: (a) Extension of Co-operative Production, 8 ii, 12 i, 37 ii. (b.) Amalgamation with Trades' Unions, 12 i. (c.) Increase of profit-sharing outside the movement, 12 i.

MUNICIPALISATION: Should supplement but not supplant, 12 i.

PRODUCTIVE: Still remains a problem, 37 ii. Is the aim of co-operation generally, 8 ii. Its definition, history, development, and present condition, 12 ii. How carried out by Retail Distributive Societies, by groups of Retail Distributive Societies, and by the English Co-operative Wholesale Society respectively, 8 ii. Productive Societies proper are of three kinds: (a) Those where labourers and capitalists are completely fused, 12 ii. (b) Those where labourers and capitalists are fused incompletely, e.g., the Hobden Bridge Frustian Manufacturing Society, 13 i, the Leicester Boot and Shoe Making Society, 13 ii, 15 i, and the Kettering Boot and Shoe Making Society, 13 ii. (c) Those where labourers and capitalists are not fused, but allied, 13 ii. Productive Societies may also be classed into two divisions: (a) "Co-partnership" (b) "Consumers'" Societies, 14 ii. Relations of Co-partnership Societies with their employes and with Trades' Unions, 15 i. Proper attitude of State and Municipal bodies towards Co-partnership Societies, 15 i. Relations of Productive Societies generally with their employes, 8 ii. Productive Co-operation in Scotland (*See above, "Co-operation in Scotland"*). Investment of Trades' Union funds in, 8 ii, 15 i. Is more popular than profit-sharing, 27 i. Advantages of profit-sharing as compared with, 35 i.

RETAIL DISTRIBUTIVE: The communistic system, 6 i. The Rochdale system, 6 i. The Rochdale Pioneer Society, its objects and constitution, 6 ii. Its development, 7 i. Other Retail Distributive Societies: (a) At Bolton. (b.) At Lincoln, 7 i. General development of, 7 ii. In Scotland (*See above, "Co-operation in Scotland"*). In the town of Oldham (*See above, "Co-operation in the town of Oldham"*). Retail Distributive Societies and Production (*See above, "Co-operation, Productive"*)

WHOLESALE DISTRIBUTIVE: The English Co-operative Wholesale Society, its development, 7 ii. Its constitution, 8 i. Its relations with the Scottish Wholesale Society, 8 i (*See above, "Co-operation in Scotland"*). Its productive work (*See above, "Co-operation, Productive"*). The Scottish Co-operative Wholesale Society (*See above, "Co-operation in Scotland"*).

UNIVERSAL: Is the ultimate aim of the Co-operative movement, 9 ii.

CO-OPERATIVE MOVEMENT: Its present condition and ultimate aim, 9 ii.

CO-OPERATIVE SOCIETIES: Payment of income tax by, 9 ii, 16 i. Auditors of, 16 ii. Legal position of, 36 ii. Inclusion under Friendly Societies' Act of, 37 i. Represent middle rather than working class, 37 ii.

CO-OPERATIVE UNION, 9 i. Its Parliamentary Committee, 14 ii, 27 i.

CO-PARTNERSHIP SOCIETIES, 14 ii, 15 i.

COST OF LIVING. (*See "Budgets, working class."*)

COUNCILS, Local: To be formed for the purpose of granting exemption from eight hours' law, 16 i.

CRADLEY HEATH CHAIN MAKERS, 38 i.

CRAFT GUILDS, 15 i.

CREDIT SYSTEM, 6 i, ii, 10 i, 15 ii.

DEATH STATISTICS: Among infants, 38 ii. Among adults, 38 ii. In different occupations, 38 ii, 39, 40, 41.

DEDUCTIONS, 36 i, 37 ii.

DEMOCRACY: Success of collectivism depends upon its connection with, 19 ii.

DEPRESSION OF TRADE. How to meet, 17 i. Prediction of, 21 ii.

DISTRICT EXEMPTION. (*See "Eight Hours' Day."*)

DISTRICT OPTION. (*See "Eight Hours' Day"*)

DIVIDING SOCIETIES, 35 ii.

DOCKERS, 18 i, ii.

DOCKS, 18 i, ii, 21 i, 24 i, ii.

DOCK TRUSTS, 18 ii, 21 i, 24 i, ii.

DOCKYARD LABOURERS, 20 i.

DOCTOR BARNARDO'S HOME, 30 ii.

DOMESTIC SERVANTS, 23 ii, 30 ii.

DOMESTIC WORKSHOPS, 17 i, 21 ii, 26 i, 27 i.

DOUBLE SHIFTS, 22 i.

DUDLEY NAIL MANUFACTURING SOCIETY, 12 ii.

EIGHT HOURS' DAY: Co-operative managers and, 48 i. Trade and district exemption, 48 i, ii, 49 i, ii. The latter is not expedient, except in certain cases, 50 i. Should be introduced without trade exemption or trade option, 50 i. Why required, 49 ii. Why legislation is preferable to Trade Union effort, 49 ii. Provisions of the proposed law, 49 ii. Should apply to piece-work as well as to day work, 50 i. The Trades' Union Congress and, 50 ii. Railway workers and, 50 ii. Over-time an economic absurdity and a source of disputes, 50 ii. An experiment in working, 50 ii. Its success, 51 i. Desirable as part of a general scheme of reform, 50 i. Is inapplicable to certain occupations, 50 i. Its probable evil results, 50 i. Would cause no absorption of the unemployed, 51 ii. Why it would be unworkable, 51, ii.

EMIGRATION:

OF CAPITAL: Effect of reduction of interest upon, 19 i, 22 i, 24 i.

OF LABOUR: Would not remedy the fluctuations of trade, 16 i. From England, 43 i.

EMIGRANTS' INFORMATION DEPARTMENT, 29 i.

EMPLOYERS' ASSOCIATIONS: Co-operative managers are members of, 14 i. Lack the essential element of identity of interest which the men's organisations possess, 13 i. Fall within the legal definition of a Trade Union, 37 i.

EMPLOYERS' LIABILITY ACT. (*See Acts of Parliament"*)

EMPLOYMENT:

ARTIFICIAL: Evil results of, 29 i. Furnished by the Salvation Army, 30 ii.

REGULARITY OF, 22 ii. How to be secured at the London Docks, 18 ii.

FACTORIES, 21 ii, 25 ii.

FACTORY AND WORKSHOPS ACTS. (*See "Acts of Parliament."*)

FAVOURITISM, 25 ii.

FLUCTUATIONS OF TRADE: Emigration is no remedy for, 16 i.

FOOD SUPPLY, 18 i, 24 i.

X:9-3-Mait

C4

111759

INDEX TO
PRÉCIS AND
ABSTRACTS.

FOREIGN COMPETITION
AMONG EMPLOYERS, 17 i, 22 i, 24 i.
IN THE LABOUR MARKET, 25 ii, 43 i.

FOREIGN TRADE, 18 i, 24 i

FREE CLOTHES, 23 ii.

FREE GAS, 20 i.

FREE MAINTENANCE, 23 ii.

FREE MEALS, 23 ii

FREE TRANSPORT, 20 ii

FREE WATER SUPPLY, 20 ii

FRIENDLY SOCIETIES Classes of (a.) Independent societies (b.) Affiliated orders (c.) Dividing societies. (d.) Societies in connexion with employers (f.) Societies in connexion with particular trades (g.) Collecting societies, 35 i, ii, 36 i, 37 i, ii.

FRIENDLY SOCIETIES ACT. (See "Acts of Parliament.")

GAIN SHARING, 35 i.

GAS SUPPLY, 20 ii.

GENERAL REGISTRY OFFICE, 21 ii.

GERMAN RAILWAYS, 20 ii

GIVERS-OUT OF WORK, 21 ii.

GOVERNMENT.
ADMINISTRATION OF INDUSTRY Evils which it would cure, 16 i. Waste of forces of production to be remedied. (a.) By Labour Department and Bureau. (b.) By regulation of the hours of labour. (c.) By extending the direction industrial functions of public bodies, 16 i, ii, 17 i, ii. Misdirection of the forces of production to be remedied by (a.) Prohibiting mischievous industries. (b.) By facilitating the transfer of capital and labour from falling to rising trades, 17 ii, 18 i. Disproportionate distribution of the rewards of production to be remedied by public authority, 18 i. (See also "Collectivism.")

AS AN EMPLOYER OF LABOUR, 20 i

CONTRACTS Should be divided for the benefit of co-operative Societies, 12 i

DEPARTMENTS Inherent defects of, 43 ii.

GROUND LANDLORDS, 20 ii.

HALF-TIMERS, 22 i, 23 ii.

HEBDEN BRIDGE FUSTIAN MANUFACTURING SOCIETY, 13 i.

HOME OFFICE, 2 ii.

HOME WORKSHOPS. (See "Domestic Workshops.")

HOSPITALS, 21 i, 43 ii.

HOURS OF LABOUR, 14 i. (See also "Eight Hours Day.")

HOUSING OF THE WORKING CLASS, 20 ii.

INCOME-TAX: Payment of by co-operative societies, 9 ii, 16 i.

INDIVIDUALISM. Is based upon a series of antagonisms, 23 i. (See also "Refutations.")

INDUSTRIAL AND PROVIDENT SOCIETIES. (See "Co-operative Societies.")

INDUSTRIAL AND PROVIDENT SOCIETIES' ACT. (See "Acts of Parliament.")

INDUSTRIAL PARTNERSHIPS, 19 i, 35 i.

INLAND REVENUE DEPARTMENT, 21 ii.

INQUESTS: Into strikes, 21 ii.

INSPECTION. Insufficiency of, 21 ii, 25 ii.

INSURANCE COMPANIES, 38 ii.

INSURANCE FUNDS, 8 i.

INTEREST: Absorption of, by the community, 19 ii, 20 i.

INVENTIONS: Stimulating effect of collectivism upon, 16 i.

INVESTMENTS: Of Trade Union Funds, 13 i, 15 i, Of the funds of the Oldham Co-operative Societies, 14 i.

INTIMIDATION. Definition of, 26 ii, 57 ii.

JOINT STOCK COMPANIES, 14 i.

JOINT STOCK COMPANIES' ACTS. (See "Acts of Parliament.")

JUSTICES OF THE PEACE, 26 ii.

o 76710.

INDEX TO
PRÉCIS AND
ABSTRACTS.

KETTERING BOOT AND SHOE CO-OPERATIVE SOCIETY, 13 ii.

LABOUR ASSOCIATION FOR PROMOTING CO-OPERATIVE PRODUCTION, 14 ii.

LABOUR COLONIES. Dutch, 29 ii, 30 i, Irish, 30 ii

LABOUR DEPARTMENTS. Should collect and publish information forecasting fluctuations in trade, 16 i, 21 ii. Should be formed by an amalgamation of the existing Labour Bureau in connexion with the Board of Trade with the Factory and Mining section of the Home Office, 21 ii. Should conduct inquiries into strikes, 21 ii. Should be affiliated with local Labour Bureaux and act as a clearing-house of labour, 28 i, ii. Should be supplied with a sufficient staff to deal with the statistics of such schemes as profit-sharing, 35 ii. The United States Labour Department; its constitution and functions, 41 i. Its principles of working and its work, 41 i. Its staff and finances, 41 ii. Its results, 41 ii. The Labour Bureau of individual States, 41 ii. Their relations with the United States Department and with one another, 42 i. Attitude of the Trades' Unions towards, 42 i. Difference of United States' and States' Departments accounted for, 42 i. Labour Departments and Arbitration, 42 i. The Labour Department of the Board of Trade, 42 i. Functions of the new Labour Department, 43 ii. Why it could not usefully prepare forecasts of the condition of trade, 43 ii. (See also "National Labour Bureau.")

LABOUR REGISTRIES:

AT CHELSEA. Its work, 28 i. The Bureau and the employment of women, 28 i. Relations of the Bureau with Employers and Trades' Unions, 28 ii. Its finances, 28 ii.

AT EGHAM. Its work, 27 ii. Its organisation and finances, 28 i. Its relations with Trades' Unions, 28 i.

AT IPSWICH, 28 ii.

OTHER REGISTRIES, 27 i.

AFFILIATION OF, 28 i, ii.

FUNCTIONS OF THE LABOUR DEPARTMENT WITH REGARD TO, 28 ii.

CRITICISED BY MR LOCK, 30 ii.

LEASEHOLD ENFRANCHISEMENTS, 14 ii.

LIBERALISM, 20 i.

LIMITED LIABILITY COMPANIES' ACTS. (See "Acts of Parliament.")

LIVERPOOL DOCKS, 21 i, 24 i.

LOAN SOCIETIES, 35 i.

LOCAL GOVERNMENT BOARD, 22 ii.

LOCKOUTS: At Oliver's Wharf, 45 ii

LONDON COUNTY COUNCIL. Its relations with its employes, 19 ii. Its policy criticised, 24 ii, 25 i, ii.

LONDON DOCKS, 18 i, ii, 21 i, 24 i, ii.

LONDON LABOUR CONCILIATION BOARD. (See "Conciliation.")

LONDON SCHOOL BOARD, 30 ii.

LORD'S DAY OBSERVANCE ACT. (See "Acts of Parliament.")

LORD'S DAY OBSERVANCE SOCIETY OF LONDON, 32 ii.

MACHINERY. Effect of eight hours' day upon improvements in, 16 ii, 23 ii.

MARRIAGE STATISTICS. Comparative age at marriage in different classes, 38 i. Comparative proportion of bachelors and spinsters in different classes, 38 ii. Comparative fruitfulness of marriage in different classes, 38 ii. Effect of economic conditions on the marriage rate, 38 ii.

MARRIED WOMEN, 22 i.

MEDIATION: State Boards of, 52 i, ii, 55 i. Work of London Conciliation Board in the direction of, 53 i, ii.

MIDDLEMEN: Their elimination would not improve the condition of the workers, 25 ii.

MIGRATION:

OF CAPITAL. Effect of reduction of interest upon, 19 i, 23 i, 24 i.

OF LABOUR. From country to town, 24 i. From England to other countries, 43 i. From other countries to England, 25 ii, 43 i.

K

INDEX TO
FACTS AND
ABSTRACTS.

MINERS. Support Eight Hours' Movement, 22 ii. Their high wages militate against the interests of the workers in coal-consuming industries, 24 i. Elected a labour representative to Parliament in 1874, 26 i. Are pressing on separate Eight Hours' Bill of their own apart from the other trades, 26 ii. VITAL statistics of, 38 i, ii, 39, 40, 41.

MINIMUM WAGE, 19 i, 22 ii, 25 i.

MONOPOLIES, 20 ii.

MUNICIPALISATION.
OF THE DOCKS. Advocated, 18 i, ii, 21 i. Opposed, 24 i, ii.
OF INDUSTRY. Should supplement but not supplant co-operation, 12 i. Would economise forces of production, 16 i, 17 i, ii. Tendency towards, 19 ii. Future developments of, 19 ii, 20 ii. Should be applied to water, gas, tramways, artisans' dwellings, hospitals, and docks, 20 ii, 21 i. Objections to, 43 ii. (See also "Refutations.")
OF LAND. Advocated, 20 ii. Opposed, 24 ii.
OF RENT. Advocated, 20 i, ii. Opposed, 24 ii.

MUNICIPAL WORKSHOPS, 17 ii, 21 ii, 29 i.

MUTUAL IMPROVEMENT SOCIETIES Working men's, 36 ii.

NATIONALISATION OF INDUSTRY, 23 i, 43 ii. (See also "Government Administration of Industry.")

NATIONALISATION OF LAND, 17 ii.

NATIONALISATION OF RAILWAYS. (See "Railways, State Control of.")

NATIONAL LABOUR BUREAU, 29 i.

NEW ENGLANDERS, 19 ii.

NEW ZEALAND BUREAU OF INDUSTRIES, 21 ii.

OLD AGE PENSIONS, 11 ii, 13 ii, 35 i, 36 i.

OVERTIME: Is a cause of strikes, 33 i.

PALLIATIVES. Nationalisation of certain industries, 23 i. Prohibition of child labour, 23 ii. Free meals, &c., 23 ii. Technical instruction, 23 ii. Equal payment of men and women, 23 ii. Minimum rate of wages, 23 ii. Eight hours' day, 23 ii.

PARLIAMENTARY COMMITTEES: Of the Co-operative Union, 14 ii, 27 i. Of the Trades' Union Congress, 26 ii, 27 i.

PATENT MEDICINES, 14 ii.

PERNICIOUS LITERATURE, 18 i.

PICKETING, 32 ii, 57 ii.

PIECE-WORK: Application of eight hours' rule to, 22 ii. Is a cause of strikes, 33 i.

POLITICAL ECONOMY. Better provision should be made for the study of, 35 i.

POLYTECHNIC INSTITUTION, 29 i.

POOR LAW. Its influence on wages, 22 ii.

POPULATION: Movements of. (See "Migration of Labour.")

PORTISHEAD AND AVONMOUTH DOCKS, 21 i.

POST OFFICE SAVINGS BANK, 34 i, 35 i.

POST OFFICE SERVANTS, 20 i.

PRICES. Effect of eight hours day upon, 16 ii.

PRISONERS' AID SOCIETIES, 30 ii.

PRODUCTION. Waste of forces of, 16 i. Mis-direction of forces of, 17 ii. Disproportionate distribution of rewards of, 18 i.

PROFIT-SHARING. Its definition, 33 ii. Its forms, 33 ii. Its so-called failures, 33 ii. Methods of effecting the division of profits, 33 ii. Profit-sharing in the firm of Messrs Thomas, Bushill, and Sons, 34 i. The scheme from the point of view of the men, 34 i. The scheme from the point of view of the employers, 34 ii. Profit-sharing and rates of ordinary wages, 34 ii. Ditto. and Trades Unionism, 34 ii. Profit-sharing v gain-sharing, 35 i., v co-operative production, 35 i. Is at a very early stage of experiment, and will not solve the whole problem of industrial remuneration, 43 i.

PROGRESS OF THE WORKING CLASSES, 38 i.

PROPERTY QUALIFICATIONS, 14 ii.

PROSPECTUSES, BOGUS, 23 ii.

PROTECTION, 17 i, 24 ii

PROVIDENT FUNDS, 34 i

QUARRYMEN: Profit-sharing practised by, 12 i.

RAILWAY SAVINGS BANKS, 35 i.

RAILWAY SERVANTS. Hours of, 17 ii, 20 ii.

RAILWAYS

STATE CONTROL OF.—Advocated, 17 ii, 20 ii, 23 ii.

RATES. Object of raising, 20 ii, 24 ii

REFUTATIONS.

OF MR MITCHELL'S EVIDENCE: (a) That the co-operative movement is a public benefit; (b) that from 10 to 15 per cent. is saved by dealing with co-operative stores, (c) that this sum represents the private trader's profit, 15 ii.

OF MR MAXWELL'S EVIDENCE (a) That co-operative production enterprises furnish continuous employment, 16 i; (b) that the way in which the accounts of co-operative societies are audited admits of no improvement, 16 ii

OF MR MANN'S EVIDENCE (a) That individualism disorganises industry; (b) that an eight hours' law would solve the difficulty; (c) that a public authority could usefully readjust the distribution of wealth; (d) that loss of our foreign trade could be met by growing our own food; (e) that a public authority can control the supply of labour without controlling the demand; (f) that a municipal body could with advantage manage the London Docks, 23 ii, 24 ii.

OF MR WEBB'S EVIDENCE (a) That individualism can with advantage be eliminated; (b) that the use by Government servants of their political power against their employer is an advantage, (c) that municipalisation of the land of London is expedient; (d) that the system of indirect election was the cause of complaint at the Liverpool Docks, 24 ii.

REGISTRATION of Societies under the Friendly Societies Act, 36 i, ii, 37 ii. Of dockers, 18 ii. Of factories and workshops, 21 ii, 25 ii. Of unemployed labourers, 29 i

REMEDIES, 25 ii (See also separate heads, Profit-sharing, Eight Hours' Day, Municipalisation, &c.)

RENT Of houses in the East end of London, 26 i. Taxation of, 19 ii. Absorption of, by the community, 19 ii, 20 i.

RETAIL TRADERS, 15 ii, 16 ii.

RINGS: Provisional advantages of, 17 ii

ROCHDALE PIONEER SOCIETY, 6 ii.

ROCHDALE SYSTEM, 6 i.

RUSSIAN PEASANTS, 19 ii

SAILORS: Ease of finding employment for, 23 i

SALVATION ARMY: 29 i, 30 ii.

SANITATION, 21 ii.

SAVINGS BANKS: No benefit to working class, 23 i.

SCOTTISH FARMING ASSOCIATION, 10 i, ii.

SEASONAL TRADES, 18 ii, 29 i.

SHIPBUILDING, 22 ii.

SHOP CLUBS, 36 i.

SICK BENEFITS, 35 i, ii, 36 i.

SICK FUNDS, 23 i, 35 ii.

SLATE CLUBS, 35 ii

SOCIALISM. (See "Collectivism.")

SOCIÉTÉ DE BIENFAISANCE, PARIS, 23 ii.

SOCIETY FOR PROMOTING WORKING MEN'S PRODUCTIVE ASSOCIATIONS, 12 ii.

SOLDIERS; Difficulty of finding employment for, 28 i.

STAFFORDSHIRE POTTERIES, 38 i.

STATE BOARDS OF ARBITRATION. (See "Arbitration.")

STATE BOARDS OF MEDIATION (See "Mediation.")

STATE INTERFERENCE. (See "Collectivism.")

STATE RAILWAYS. (See "Railways, State control of.")

STATISTICS: How far they can prove the relation between wages and profits, 43 i. (See also "Marriage Statistics," and "Death Statistics.")

STRIKE INQUESTS, 21 ii.

INDEX TO
FACTS AND
ABSTRACTS.

INDEX TO
PRÉCIS AND
ABSTRACTS.

STRIKES: Definition of, 23 i Causes of, 45 i, ii. Development, organisation and conduct of, 45 ii, 46 i, ii. Cost of, 46 ii. Prevention and settlement of, 46 ii, 47 i, ii.

SUB-CONTRACTING: Its connexion with sweating, 21 ii, 25 ii.

SUGAR CONVENTION, 24 i.

SUNDAY WORK, 32 ii

SWEATING, 21 ii. Difficulty of formulating a means of suppressing, 25 ii; defined, 25 ii.

SYNDICATES: Provisional advantages of, 17 ii.

TAXATION, 19 i

TECHNICAL INSTRUCTION, 15 i, 23 ii.

TEETOTALISM, 17 i.

THIRTIETH Is valueless, 23 i. Its effect on wages, 43 i.

TONTINES, 35 ii.

TRADE EXEMPTION. (See "*Eight Hours Day.*")

TRADE FLUCTUATIONS. (See "*Fluctuations of Trade.*")

TRADE OPTION. (See "*Eight Hours Day*")

TRADE'S DEFENCE ASSOCIATION OF SCOTLAND, 15 ii.

TRADE'S UNION ACTS. (See "*Acts of Parliament*")

TRADE'S UNION CONGRESS, 26 i, ii. Its Parliamentary Committee, 26 ii. Relations of its Parliamentary Committee with the Parliamentary Committee of the Co-operative Union, 27 i. Election of Delegates, 27 i.

TRADE'S UNIONISM: Objects of, 27 i.

TRADE'S UNION RATES OF WAGES, 24 ii.

TRADE'S UNIONS: Statistics and legal position of, 37 i, ii, 42 ii. Their inclusion under same Act as Friendly Societies advocated, 37 i.

TRAVELLING CARDS, 27 i.

TRUSTEE SAVINGS BANK, 35 i, 37 i.

TRUSTS Provisional advantages of, 17 ii.

UNEMPLOYED: Classes of persons included in the category, 29 i. Absorption of, 16 i, ii.

UNIONS. (See "*Trades' Unions.*")

VICTUALLING SOCIETIES, 9 i.

WAGES. Should not be fixed by Parliament, 19 i. Their rise in late years has not been proportionate with the rise in the property of the non-productive classes and the productive power of human labour, 23 i. Wages in the sweating trades, 26 i.

WAGES OF MANAGEMENT, 13 ii.

WAGES STATISTICS, 42 i.

WATER SUPPLY Should be free, 20 ii.

WOMEN'S LABOUR: Remuneration of, 28 ii.

WOMEN'S PROVIDENT AND PROTECTIVE LEAGUE, 11 i, ii.

WOMEN'S SOCIETIES, 37 i.

WORKING CLASS BUDGETS, 23 i, 43 ii.

WORKING MEN'S CLUBS, 36 ii.

WORKSHOPS: Registration of, 21 ii, 25 ii.

YOUNG MEN'S CHRISTIAN ASSOCIATION, 29 i.

YOUNG PERSONS, 19 i.

INDEX TO
PRÉCIS AND
ABSTRACTS.

INDEX III.—TO TRADES.

AGRICULTURAL LABOURERS: Their connexion with the co-operative movement, 7 i.* Application of eight hours' day to, 16 ii. Proportion to population of, 42 ii.

BAKERS: Employed by the English Wholesale Society, 8 ii.

BARGEBUILDERS: Number of in the Port of London, 18 i.

BARGEMEN: Strike of, 31 ii

BOOKBINDERS: Profit-sharing adopted by a firm of, 33 ii, 34 i, ii.

BOOT MAKERS: Employed by the English Co-operative Wholesale Society, 8 ii. Vital statistics of, 38 i, 39, 40, 41.

BRICKLAYERS: Employment found for by the Egham Free Labour Registry, 27.

BUTCHERS: Employed by the English Co-operative Wholesale Society, 8 ii.

CABMEN: Societies of, 36 ii.

CARMEN: Number of, employed about the London Docks, 18 i. Employment found for (a) by the Chelsea Labour Bureau, 28 i; (b) by the Ipswich Labour Bureau, 28 ii.

CARPENTERS: Employment found for, by the Egham Free Labour Registry, 27.

CEMENT BARGEMEN: Strike of, 31 ii.

CEMENT WORKERS: Nearly involved in bargemen's dispute, 31 ii.

CHAINMAKERS: Conditions of, 38 i.

CHARWOMEN: Clients of the Egham Free Labour Registry, 27. And of labour bureaux generally, 30 ii.

CIVIL SERVANTS: Exercise of political power by, 20 i, 24 ii.

CLOTHIERS: Connected with the co-operative movement, 6 ii.

CLERKS: Clients of the Chelsea Labour Bureau, 28 i. Vital statistics of, 38 i.

COACHMEN: Clients of the Chelsea Labour Bureau, 28 i. And of the Ipswich Labour Bureau, 21 ii.

COALIES: Number of, employed about the London Docks, 18 i.

COOKS: Clients of the Egham Free Labour Registry, 27.

COTTON OPERATIVES: Employed by the Oldham Co-operative Societies, 14 ii. Effect of Factory Acts upon condition of, in Lancashire, 19 ii.

DOCK LABOURERS: In the Port of London, 18 i, ii.

DOCKYARD LABOURERS: Treatment of, by the Admiralty, 20 i.

DOMESTIC SERVANTS: Inapplicability of eight hours' law to, 23 ii. Clients of Labour Bureaux, 30 ii.

DRAUGHTSMEN: Clients of the Egham Free Labour Registry, 27.

DRESSMAKERS: Employed by English Co-operative Wholesale Society, 8 ii.

ENGINE DRIVERS: Clients of the Ipswich Labour Bureau, 28 ii.

ENGINEERS: Amalgamated Society of, 27 i. Eight hours' day for, 33 i, ii.

ERRAND BOYS: Clients of the Ipswich Labour Bureau, 28 ii.

FARMERS: Their connexion with the co-operative movement, 10 ii. Societies of, 36 i. Vital statistics of, 38 i, 39, 40, 41.

FARM LABOURERS: Their connexion with the co-operative movement, 10 ii. Inapplicability of eight hours' law to, 23 ii.

FIREMEN: About the Port of London, 18 i.

FRENCH POLISHERS: Strike of, 31 ii.

FUSTIAN CUTTERS: Their connexion with the co-operative movement, 13 i.

GARDENERS: Clients of the Egham Free Labour Registry, 27. And of the Ipswich Labour Bureau, 28 ii.

* The Arabic figures denote the page, and the Roman the column.

INDEX TO
PRÉCIS AND
ABSTRACTS.

GAS FITTERS: Clients of the Egham Free Labour Registry, 27.

GENERAL LABOURERS: About the Port of London, 18 i. Clients of the Egham Free Labour Registry and the Chelsea and Ipswich Labour Bureaux, 27, 28 i, ii. Vital statistics of, 38 i.

GROOMS: Clients of the Egham Free Labour Registry, 27.

LAUNDESSSES: Clients of the Egham Free Labour Registry, 27.

LIGHTERMEN: About the Port of London, 18 i.

MILLERS: Their connexion with the co-operative movement, 6 i.

MINERS: Support Eight Hours' Movement, 22 ii. Their high wages militate against the interests of the workers in coal-consuming industries, 24 i. Elected a labour representative to Parliament in 1874, 26 i. Are pressing a separate Eight Hours' Bill of their own, apart from the other trades, 26 ii. Vital statistics of, 38 i, ii, 39, 40, 41.

OMNIBUS DRIVERS: Wages of, in London, 21 i: Societies of, 36 ii.

PAINTERS: Clients of the Egham Free Labour Registry, 27.

PLATELAYERS: Their connexion with the Co-operative Movement, 7 i.

PLUMBERS: Clients of the Egham Free Labour Registry, 27.

PORTERS: Clients of the Chelsea and of the Ipswich Labour Bureau, 28 i, ii.

POST OFFICE SERVANTS, 20 i.

POTTERY MAKERS: Profit-sharing among, 37 ii. Condition of, 38 i.

PRINTERS: Profit-sharing practised by a firm of, 33 ii, 34 ii.

QUARRYMEN: Profit-sharing practised by, 12 i.

RAILWAY WORKERS: Their connexion with the Co-operative Movement, 7 i. Hours of, 20 ii, 27 ii.

SAILORS: About the Port of London, 18 i. Inapplicability of Eight Hours' Law to, 23 ii. Extension of Employers' Liability Act to, 26 ii. Clients of the Chelsea Labour Bureau, 28 i.

SHIPBUILDERS: Fluctuating employment of, 22 ii.

SHIP CARPENTERS: About the Port of London, 18 i.

SHIP PAINTERS AND SCRAPERS: About the Port of London, 18 i.

SHOEMAKERS: Employed by the English Co-operative Wholesale Society, 8 ii. Vital statistics of, 38 i, 39, 40, 41.

SHOP ASSISTANTS: Local Option for, in respect of the Eight Hours' Law, 22 ii. Clients of the Chelsea Labour Bureau, 28 i. Vital statistics of, 38 i, 39, 40, 41.

SOLDIERS: Clients of the Chelsea Labour Bureau, 28 i.

STATIONERS: Societies of, 36 i.

STEAM TRAM DRIVERS: Wages of, in Huddersfield, 21 i.

STEVEDORES: About the Port of London, 18 i.

STONEMASONS: Clients of the Egham Free Labour Registry, 27.

SWEATING TRADES, 21 ii, 25 ii, 26 i.

TAILORS: Employed by the English Co-operative Wholesale Society, 8 ii. Vital statistics of, 38 i, 39, 40, 41.

TEXTILE OPERATIVES: Effect of Eight Hours' Day upon, 17 i. Vital statistics of, 38 i.

TRAMWAY WORKERS: Local Option for, in respect of an Eight Hours' Day, 22 ii. Societies of, 36 ii.

VILLAGE ARTISANS: Their connexion with the Co-operative Movement, 7 i.

WAITERS: Clients of the Chelsea Labour Bureau, 28 i.

WAREHOUSEMEN: Clients of the Ipswich Labour Bureau, 28 ii.

WATCHMEN: Clients of the Chelsea Labour Bureau, 28 i.

WATERMEN AND LIGHTERMEN OF THE RIVER THAMES: Strike of, 31 ii.

WHITESMITHS: Clients of the Egham Free Labour Registry, 27.

INDEX TO
PRÉCIS AND
ABSTRACTS.

NOTE—In addition to the trades mentioned in the text of the evidence, the following occur in the tables of vital statistics, put in by Dr. W. Ogilvie, which are printed *in extenso* on pages 38, 40, and 41:—Agriculturalists, Bakers, Barristers, Blacksmiths, Brewers, Builders, Butchers, Cabdrivers, Carpenters, Clergymen, Commercial Travellers, Costermongers, Cotton Operatives, Cutlers, Drapers, Earthenware Manufacturers, Farmers, File Makers, Fishermen, Gardeners, Grocers, Hosiery Manufacturers, Inn-keepers, Miners, Physicians, Plumbers, Printers, Quarrymen, Shoemakers, Tailors and Woollen Manufacturers.—G. D.

Challenger, H.M.S. A Report on the Scientific Results of the voyage of, during the years 1873-1876, under the command of Captain George S. Nares, R.N., F.R.S., and Captain Frank Turle Thomson, R.N., prepared under the superintendance of the late Sir C. Wyville Thomson, Knt., F.R.S.; and now of John Murray, Ph.D., V.P.R.S.E.

This Report is now nearly complete, 39 volumes having already been issued.

The most recent issues are as follows:—

PHYSICS AND CHEMISTRY. Vol. 2. Parts IV, V, VI, and VII. 614 pp. 3 plates. 64 maps. Price 52s. 6d.
ZOOLOGY. Vol. 32. Price 25s.:—Comprising Part LXXX., Antipatharia, Price 14s.; Part LXXXI., Alcyonaria, Price 4s. 6d.; and Part LXXXII., Keratosa, Price 6s. 6d. "DEEP SEA DEPOSITS." Price 42s.

Record Office Publications:—

PRIVY COUNCIL OF ENGLAND. ACTS OF THE. New series. Edited by J. R. Dazent, M.A. Vol. 6. A.D. 1556-1558. Cloth. Price 10s.

I. CALENDARS OF STATE PAPERS.—Imperial 8vo. Cloth. Price 15s. per vol.:—

COLONIAL SERIES. Vol. 8. East Indies, 1630-1634. Edited by W. Noel Sainsbury, Esq.

FOREIGN AND DOMESTIC. HENRY VIII. Vol. 13. Part I. Edited by James Gairdner, Esq.

DOMESTIC SERIES. Committee for Compounding, &c. Edited by Mary Ann Everett Green. Part V. Cases 1654-December 1659. 694 pp.

DIITTO. Charles I. Edited by W. D. Hamilton, Esq., F.S.A. Vol. 22., 1648-1649. 532 pp.

ANCIENT PETITIONS OF THE CHANCERY AND OF THE EXCHEQUER. Index of. Price 9s. 6d

II. CHRONICLES OF ENGLAND.—Royal 8vo. Half bound. Price 10s. per vol.:—

YEAR BOOKS OF THE REIGN OF EDWARD III. Year 15. Edited by Luke Owen Pike, M.A. 584 pp.

ST. EDMUND'S ABBEY. Memorials of. Edited by Thomas Arnold, Esq., M.A. Vol. II. 450 pp.

SCOTTISH:—

GREAT SEAL OF SCOTLAND. Register of the. Edited by J. M. Thomson. Vol. VII. A.D. 1609-1620. Imp. 8vo. 1,152 pp. Cloth. Price 15s.

THE HAMILTON PAPERS. Letters and Papers illustrating the Political Relations of England and Scotland in the XVIIth Century. Edited by Joseph Bain. Vol. II. A.D. 1543-1590. 904 pp. Price 15s.

Europe by Treaty. The map of. By Sir Edward Hertlet, C.B. Vol. IV. Nos. 452-625. 1875-1891. Price 12. 11s. 6d.

Military:—

AMBULANCE TRANSPORT A Manual of. Second Edition 1893. Price 6s.

ARMY. Pay, Appointment, Promotion, &c. Royal Warrant for. 1893. Price 1s.

ARTILLERY DRILL. Garrison. Vol. I. 1892. Price 1s. 6d.

CAVALRY DRILL, 1891. Vol. I. (Provisional), Vol. II, and Vol. III. Price 1s. each.

ENGINEERING. Military Instruction in. 1892. Part I. Field Defences; and Part IV, Mining. Price 2s. each.

FORTIFICATION AND MILITARY ENGINEERING. Text Book of. Part I. Price 3s.

MEDICAL STAFF CORPS. Manual for the. 1893. Price 1s. 6d.

TACTICS. MODERN. A Précis of. Revised and re-written. 1892. Price 4s. 6d.

TRANSPORT DUTIES. REGIMENTAL. Manual of Instruction in. 1892. Price 1s.

Naval:—

NAUTICAL ALMANAC. 1896. Part I. Price 1s.

SEAMANSHIP. MANUAL OF. For Boys' Training Ships of the Royal Navy. 1891. Price 1s. 6d.

Public Health (London) Act, 1891. Model Bye-laws under. As to:—Nuisances Prevention, Cleansing of Closters, and Care of Water-closets. Price 1d. each.

Electric Lighting Acts, 1882 to 1890:—

PROVISIONAL ORDER under. Forms I, II, and III. Fcap. Stitched. Price 4d. each.

REGULATIONS FOR THE PROTECTION OF THE PUBLIC SAFETY and of the Electric Lines and Works of the Postmaster-General, and of other Electric Lines and Works prescribed by the Board of Trade under the provisions of the Electric Lighting Act, 1889. Fcap. 4 pp. Price 1d.

RULES WITH RESPECT TO APPLICATIONS FOR LICENSES AND PROVISIONAL ORDERS, &c., August, 1890. Price 1d.

Land Registry. Land Transfer Act, 1875. General Instructions as to the Registration and Transfer of Land under; with the Act, Rules, and Orders, Fees and General Index. Price 1s.

EXAMPLES OF MODES OF REGISTRATION. Certificates, Registers, &c., &c., in use in the Land Registry. Price 2s. 6d.

Friendly Societies Office. Guide Book of the. 1893. Price 6d.

Geological:—

THE JURASSIC ROCKS OF BRITAIN. Vol. I, price 8s. 6d. Vol. II, price 12s.

PHOENIX DEPOSITS OF BRITAIN. The Vertebrates of. By E. T. Newton, F.G.S., F.Z.S. Price 4s.

Agriculture, Board of:—

INSECTS AND FUNGI INJURIOUS TO CROPS. Report on 1892. Price 2s.

Publications issued by the Emigrants' Information Office, 31, Broadway, Westminster, S.W., viz:—

Colonies, Handbooks for. 8vo. Wrapper.

No. 1. Canada. 2. New South Wales. 3. Victoria. 4. South Australia. 5. Queensland. 6. Western

Australia. 7. Tasmania. 8. New Zealand. 9. Cape Colony. 10. Natal. Price 1d. each.

No. 11. Professional Handbook dealing with Professions in the Colonies. 12. Emigration Statutes and General Handbook. Price 3d. each.

No. 13 (viz., Nos. 1 to 12 in cloth). Price 2s.

Summary of Consular Reports. America, North and South. December 1892. Price 2d.

South African Republic. General Information for Intending Emigrants. Price 2s.

Board of Trade Journal, of Tariff and Trade Notices and Miscellaneous Commercial Information. Published on the 15th of each Month. Price 6d.

Kew: Royal Botanic Gardens. Bulletins of Miscellaneous Information. Volume for 1892. 8vo. Boards. Price 3s. Monthly parts, 1893, price 4d.

ROYAL COMMISSION ON LABOUR.

D I G E S T

OF THE

E V I D E N C E

TAKEN BEFORE THE

ROYAL COMMISSION ON LABOUR.
(SITTING AS A WHOLE.)

One Volume.

**REPRESENTATIVES OF CO-OPERATIVE SOCIETIES AND OF
VARIOUS MOVEMENTS, AND PUBLIC OFFICIALS.**

[WITH INDEXES.]

Presented to both Houses of Parliament by Command of Her Majesty.
June 1893.



LONDON:

PRINTED FOR HER MAJESTY'S STATIONERY OFFICE,
BY EYRE AND SPOTTISWOODE,
PRINTERS TO THE QUEEN'S MOST EXCELLENT MAJESTY.

And to be purchased, either directly or through any Bookseller, from
EYRE AND SPOTTISWOODE, EAST HARDING STREET, FLEET STREET, E.C., and
32, ABINGDON STREET, WESTMINSTER, S.W.; or
JOHN MENZIES & Co, 12, HANOVER STREET, EDINBURGH, and
90, WEST NILE STREET, GLASGOW; or
HODGES, FIGGIS, & Co, LIMITED, 104, GRAFTON STREET, DUBLIN.

1893.