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# STUDIES IN ECONOMICS AND POLITICAL SCIENCE

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THE BRITISH TRADE BOARDS SYSTEM

# THE BRITISH TRADE BOARDS SYSTEM

**15 SEP 1928** 

DOROTHY SELLS, Ph.D.

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# PREFACE

THREE monographs, published previous to 1916 by the Ratan Tata Foundation of the London School of Economics, give detailed accounts of the economic effects of Trade Board legislation in the Tailoring, Chain, and Paper Box-making trades under pre-war conditions. During those years the economic situation in Great Britain remained relatively stable and industry was generally prosperous. Since that time the world has undergone vicissitudes of a political, economic and social nature. Within the last four years one of the questions most frequently asked by persons concerned with reconstruction problems in the field of labour has been: "How has the Trade Boards System developed in Great Britain, and how has it worked under the test of time and economic chaos?" This very economic confusion itself has made the collection of facts extremely difficult. The following pages, however, have been written in an attempt to answer the question in so far as it is possible to do so from available information. The main sources from which information has been obtained are the minutes and papers of the various Trade Boards themselves, the documents and papers of the Trade Boards Division of the Ministry of Labour, the records of numerous Employers' Associations and Trade Unions, and the personal experience of individual employers, workers, and other persons conversant with Trade Board activity in different parts of the country. The study, altogether, has covered a period of about two years, but most of the personal enquiry was carried on during the months of September, October and November, 1922, and the

opinions of employers and workers which have been quoted were given during those months. December 1st, 1922, therefore, may be taken as the date for which information is given unless another date is specified. For the opinions which are not quoted, I alone am responsible. In estimating the value of the Trade Boards System, whether by presentation of facts, by interpretation, or by judgments, my object has been to consider it rather as a part of an existing economic and social organisation than as one of the instruments for building up a new industrial or social order. It would have been impossible in dealing with thirty-nine different trades to prepare even this incomplete sketch of Trade Board activity had it not been for the generous assistance of Trades Union officials, particularly those of the Women's Section, National Union of General Workers, officers of Employers' Associations, and individual workers and employers too numerous to name here. Especially do I wish to acknowledge my thanks to the Trade Boards which have kindly given me access to their papers; to Mr. R. H. Tawney, Mr. C. M. Lloyd and Miss Lela Brown, who have read my manuscript and advised me regarding its preparation, and to Miss A. M. Richards, who has assisted me in preparing the graphs and tables.

DOROTHY SELLS.

London, 6th February, 1923.

# **CONTENTS**

# PART I

4	An Interpretation o	F THE	TRA	DE B	DARDS	Syst	EM	
CHAP.	=	_						PĀGI
I.	The Acts of 1909 and	-	•	•	•	•	•	3
II.	The Trade Boards Sys	tem as	it W	orks	•	•	•	7
	1	PART	II					
	Speci	AL PR	OBLE	MS				
L	Enforcement .	•						32
II.	District Trade Commi	ttees a	nd Di	strict	Rates			46
III.	Demarcation and Scor	æ.			•	•		53
IV.	Permits of Exemption			•	•			62
V.	Apprenticeship and Le	earners	hip	•	•	•	•	66
	p	ART	TIT		-			
		оміс І		TC				
•		OMIC 1	SFFEQ	113				
I.	On Wages		•	•	*	•	•	77
II.	On Wages (continued)		•	• '		•	•	121
III.		•	-	•	•	•	•	178
	On Organisation .		•	•	*	•	•	184
V.	* · ·	•	•	•	•	•	•	192
VI.	On Costs of Production	n, Out	put, a	nd P	rices	•	•	224
	P	ART	IV					
	Co	nclus	ONS					
I.	Recent Developments	•		¥	•			243
II.	General Conclusions							258
	Appendices	•	•		•		**	268
	Index	•				. '		201

# PART I

# AN INTERPRETATION OF THE TRADE BOARDS ACTS

### CHAPTER I

# THE ACTS OF 1909 AND 1918

THE idea of State regulation of wages is by no means a new one. Babylon undertook to prescribe the exact amount to be paid to workers in various occupations in the time of King Hammurabi, who lived about the year 2200 B.C. The fixing of a maximum wage was one of the functions of local bodies in the first half of the fourteenth century in England, and as early as 1351, by the Statute of Labourers, maximum wages for certain industries and crafts were established by Parliament. But it was the Australian legislation of 1804 and 1896 that gave the impetus to the modern minimum wage legislation movement in which the British Trade Boards Acts stand out as of particular importance. The original Act of 1909 was modelled after the minimum wage provisions in the Factory and Shops Act of Victoria, Australia, passed in 1896. It was proposed as a method of reducing the amount of "sweating," and terminated a vigorous campaign against low wages which had been carried on for several years previous to 1909, and had centred largely around the working conditions of the women chainmakers in Cradley Heath, and of the workers in the Clothing trades of London and the great towns. The application of the wages board system to the highly industrial country of Great Britain as opposed to the agricultural Commonwealth of Australia marked an important stage in

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the development of State wage regulation. And it is to the operation of the Trade Boards Acts in this country, therefore, that other industrial nations have looked for the testing of the principle and of the method.

The Trade Boards Act of 1909 applied only to the four trades set out in the Act, namely, Ready-made and Wholesale Bespoke Tailoring; Paper Box-making; Machine-made Lace and Net Finishing, and Chain-making. The Board of Trade was, however, empowered to make Provisional Orders, which, subject to confirmation by Parliament, might apply the law to any other trades not specifically named in the Act, "if they are satisfied that the rate of wages prevailing in any branch of the trade is exceptionally low as compared with that in other employments, and that the other circumstances of the trade are such as to render the application of this Act to the trade expedient." Accordingly, in 1913, Trade Boards were established in five new trades, viz.: Linen and Cotton Embroidery; Hollow-ware making; Tin Boxmaking; Sugar Confectionery and Food Preserving; and Shirt-making. Thus, thirteen Trade Boards, four of which were Irish, covering nine different trades, had been set up previous to 1918.

Between 1912 and the signing of the Armistice in November, 1918, the principle of State regulation of wages became thoroughly recognised in law through five other statutes, the last of which to come into operation was the Trade Boards Act of 1918. In 1912 the Coal Mines (Minimum Wage) Act was passed. This provided for the fixation of minimum wages for underground workers by district boards, the latter to be composed of representatives of workers and of employers, with an independent chairman. By the terms of the Munitions of War Acts, 1915, 1916 and 1917, four kinds of tribunals were set up, each having power to make binding awards relating to wages in "controlled" establishments. Under the Act of 1916 the Minister of Munitions was authorised to give direction by Order regarding wages of women in establishments where they were employed on or

<sup>&</sup>lt;sup>1</sup> 2 Geo. V., ch. 2. <sup>8</sup> 5 & 6 Geo. V., ch. 54; 5 & 6 Geo. V., ch. 99; 7 & 8 Geo. V., ch. 45.

in connection with munition work, and of unskilled and semiskilled men in controlled establishments. The Amending Act of 1917 provided that an award of a tribunal applying to the majority of workers engaged in or in connection with munitions work in a trade could be made binding "on all or any other employers and persons so engaged." In 1917 the Corn Production Act, was passed, 1 and by its terms provision was made for the establishment of an Agricultural Wages Board similar to a Trade Board. The Act prescribed a flat minimum of 25s, per week for able-bodied, male, agricultural workers, pending fixation of minimum rates by the Board. The Wages (Temporary Regulation) Act, 1918, made it an offence to pay wages at less than the time rates, plus War bonuses, that were recognised or generally payable in a trade on November 11th, 1918; or any that might be substituted for them by an award of an Interim Court of Arbitration set up by the Act; or, as in the case of certain classes of women and girls, any rates that might be prescribed by the Minister of Labour, on the advice of the Interim Court of Arbitration. The object of this latter piece of legislation was to prevent wages from falling unduly before such time as the new Trade Boards, to be set up under the Act of 1918, should fix minimum rates for their respective trades.

In the early months of 1914, the tendency of employers had been to favour the suspension of Trade Board machinery until after the cessation of hostilities, but that position was soon abandoned, and the War experience with temporary State control of wages served, on the whole, to strengthen the Trade Boards idea.<sup>3</sup> It is not surprising, therefore, that the second Whitley Report recommended an extension of the field for Trade Boards to unorganised and spasmodically organised trades as a complement to the Whitley Council scheme of self-government within an industry. In essence, the Whitley idea was that ultimately every industry should be voluntarily governed by a council composed of repre-

<sup>&</sup>lt;sup>1</sup> 7 & 8 Geo. V., ch. 46.
<sup>2</sup> Second Report of the Committee of the Minister of Reconstruction on the Relation of Employers and Employed on Joint Standing Industrial Councils, 1918 (Cd. 9002).

sentatives of organised employers and of organised workers who, in co-operation, should work out all problems for the good of the trade as a whole, and whose decisions should be binding upon all the members of the organisations represented. Such a scheme pre-supposed complete organisation on both sides, and this obviously did not then exist. In the interim it was proposed to establish Whitley Councils in well-organised trades only, and to apply the Trade Boards system to those other trades which it was recognised were not yet sufficiently well organised to admit of a Whitley Council. Eventually it was expected that Trade Board trades would become better organised and would then pass into the voluntary council stage. The Whitley Reports embodying this scheme formed the basis for the proposal of the 1918 Amendment to the Trade Boards Act, and, in consequence, the Act provided for the establishment of a Board in any trade, which, in the opinion of the Minister of Labour. has "no adequate machinery for the effective regulation of wages," and if, having regard to the prevailing rates of wages, he considers the application of the Act to that trade expedient. It also gave Boards the authority to take the initiative in making reports and recommendations on certain subjects cognate to wages and hours, in addition to wagefixing powers.

That the aftermath of war would be economic chaos was at that time apparent. During the discussion in the House of Commons, which preceded the passage of the Bill, Mr. Roberts, then Minister of Labour, said: "After the War grave dislocation is bound to ensue, and wages may slump with most undesirable social consequences, unless machinery is established to adjust matters on a just and humane basis. I feel that the state of affairs after the War may produce most lamentable results, unless machinery is in existence to take up the cause of women and to adjust wages on a fair basis, and not simply on the old method of paying them just what they are able to command." This was the spirit in which the Trade Boards Act, 1918, was passed. Its objects were evidently three: (1) To create an instrument of self-govern-

ment for poorly organised trades, with legal enforcement of rates in order to offset the disadvantages of lack of organisation among both workers and employers; (2) to prevent a sudden fall in wages immediately after the War; (3) to adjust wages upon a fair basis in future. It cannot be said that the law of 1918 is a piece of war legislation devised in a moment of great pressure. It was, rather, an extension of a well-tested experiment, invoked as a part of a scheme, which, it was believed, would aid in solving the great problems of industrial readjustment and unrest.

The Trade Boards Act, 1918, became effective on October 1st of that year. It made three changes of special importance in the Act of 1909. First, the conditions upon which the establishment of a Trade Board depended were altered, emphasis being thrown upon the degree of organisation in a trade instead of the rate of wages being paid; secondly, the rate-fixing powers of the Board were enlarged; thirdly, the responsibility of the Minister of Labour, who in January, 1917, had been designated to act in place of the President of the Board of Trade, was increased, and the extension of Trade Boards was facilitated by laying the onus of setting up new Boards upon him, rather than upon Parliament. Thus we have, after 1918, the basis of a system capable of wide application and unlimited value as an instrument for negotiation in matters pertaining to wages and conditions of work. The main provisions of the Acts of 1909 and 1918, indicating the more important changes effected by the enactment of the latter, are set out in the Appendix. Within six weeks after the Act came into force, the Armistice had been signed, and Great Britain, along with the rest of the world, was plunged into a period of economic transition from war to peace. No time was lost in setting the new wage adjustment machinery into motion. During 1919 fifteen new Boards were set up, in the year 1920 thirty-four more came into existence, and three more were added in 1921. making a total of sixty-three Boards, covering thirty-nine trades, governing the wages of approximately three million

<sup>&</sup>lt;sup>1</sup> Twelve Boards were established before 1918 in nine different trades, but one of these was re-organised in 1929 under a new name.

# 6 BRITISH TRADE BOARDS SYSTEM

workers 1 in the United Kingdom, at the end of 1922.2 These Boards vary in size from that for the Chain trade with fifteen members, to the Grocery and Provisions Board which is composed of eighty-three persons, including five appointed members, the size of the Board depending largely, though not proportionally, upon the number of workpeople engaged in the trade. Most of the Boards cover the whole of Great Britain. In some cases it seemed necessary to establish separate Boards for Ireland, and in five trades, where it could be shown that conditions were materially different in Scotland, the Minister has consented to the establishment of separate Boards for that country also.

No exact figures are available at the moment (December, 1922).
 The nineteen Irish Boards fall outside the authority of the Minister of Labour since the establishment of the Irish Free State, thus reducing the total to forty-four Boards in Great Britain.

### CHAPTER II

### THE TRADE BOARDS SYSTEM AS IT WORKS

THE Trade Boards system, as it has developed, is bipartite. Legislative power is vested in the Trade Boards. Administrative and executive functions rest with the Ministry of Labour and have in practice involved four distinct features: (1) setting up of Boards; (2) confirmation of rates; (3) enforcement of legal rates; (4) decision on questions of demarcation and scope. First, the question of establishing a Board in a particular trade is usually brought to the Minister's attention by a Trade Union or a group of workers conversant with the conditions of that trade. There have been instances, e.g., the Boot and Floor Polish trade, in which employers and workers have asked jointly for a Trade Board. In several cases employers have been known to accept a Trade Board without objecting, since the stigma of being a "sweated industry" was removed by the passing of the 1918 law. In one or two trades, such as that of Drugs and Fine Chemicals, the employers have even taken the initiative in trying to obtain a Trade Board, so that the same rates might become obligatory upon the entire trade. The first step in the setting up of a Board is the investigation by the Minister into the conditions of the trade, the chief purpose being to ascertain the degree of organisation on both sides and the extremes of wages. Various employers and workers in different branches of the industry are ordinarily consulted regarding the expediency of bringing the trade under the Act, and often conferences have been held between representatives from each side and the Minister, at which any objections to the constitution of a Trade Board may be stated, and at which the advisability of including and excluding certain branches of the Trade are discussed. Some investigations have been very thorough,

and others only cursory, depending chiefly upon the weight of the opposition and the amount of work awaiting the Minister's investigating officers. If it is decided to bring a trade under the Act, and a satisfactory definition has been drafted, the Minister of Labour, after giving notice of intention, issues a special order by which the Act is applied to the trade in question. Under the provisions of the Act of 1909, it was necessary for the Board of Trade (or the Minister of Labour after 1016, when the Ministry of Labour was established) to submit a Provisional Order to Parliament for confirmation applying the Act to new trades or withdrawing a trade from the Act. By the terms of the Amending Act of 1918, the part of Parliament becomes more negative than positive, since it is required only that every "special order shall be laid before each House of Parliament, and if an address is presented to His Majesty by either House within the next subsequent forty days" during which Parliament sits, the order may be annulled. It is by removal of the latter condition that the centre of responsibility is shifted.

The Act provides that a Board shall consist of an equal number of employer and worker members plus several independent persons known as "appointed members." The underlying theory is clearly that of representation; and it falls to the Minister of Labour to resolve each trade into its component parts, to assign an appropriate weight to each one, and to select suitable persons to represent each separate interest, so that when the whole becomes synthesised as a Board, it will represent the trade in its entirety and be able to work in harmony. Before appointing members it is customary for the Minister to invite the different trade organisations on both sides to nominate a stated number of representatives who shall sit upon the Board, and these nominees are usually appointed. He also appoints other persons who will express the point of view of such unorganised sections of the trade as there may be, and several "appointed members." If there is a considerable body of women engaged in the trade, one of the appointed members must be a woman. The Act also provides that if there are many homeworkers engaged in the trade, they must be

represented upon the workers' side. When the trade under consideration is one like Machine-made Lace and Net-finishing, which is comparatively easy of definition, involves only a few simple processes, is localised in one vicinity, and has members in only a few organisations, the problem of personnel is relatively simple, and becomes one of selecting a small number of employers in establishments of different sizes who are doing different grades of work, and of workers engaged in various processes, working under diverse conditions. But it becomes immensely complex and more than ever important in such trades as Dressmaking and Women's Light Clothing, where the trade is carried on in towns and hamlets of every size, where there is a large number of organisations interested, as well as many unorganised workers, and where there is a constantly shifting group of small employers doing widely different grades and kinds of work, ranging from that of the country dressmaker who has one girl helping her, to the dressmaking department of a large store like Peter Robinson's and the court dressmaker of In this and similar cases the Minister has to Bond Street. decide what groups are to be considered, what is the proportionate importance of each organisation, either to the total number of workers or employers, and how many seats shall be allocated to each group, taking numbers and relative influence into account. These are matters of great moment. No underlying principle is evident in the decisions which have been made, nor, indeed, can one see how any precise rules could be successfully applied to all trades which it might be desired to bring under a Board.

The Board of Trade (since 1916 the Minister of Labour) is empowered by the terms of the Act to make regulations with respect to the constitution and the proceedings of the meetings of Trade Boards, including the method of voting. Aside from the provisions of the Act and such regulations as the Minister chooses to make, Boards may regulate their proceedings as they see fit. Generally speaking, each member of a Board has one vote, but when more members of one side than of the other are present at a meeting it is provided in the regulations that there may be equalisation of sides,

that is, enough members of the side in the majority may abstain from voting to make the total number of votes cast by each side the same. Three Boards, viz., Shirt-making, Lace Finishing, and Tailoring, were granted side voting at the outset, because there were sub-contractors sitting upon those Boards whose interests might be decidedly opposed to those of the factory employers. This means that instead of each individual casting his own vote, one vote each is cast by the employers' side, the workers' side and the body of appointed members, according to the majority vote of that side. When the old Tailoring Board was reconstituted in 1920, under the name of the Ready-made and Wholesale Bespoke Tailoring Board, the privilege of voting by sides was granted to it because the old Tailoring Board had possessed that privilege, but it has been the general policy of the Minister to refrain from granting such requests in all but exceptional circumstances. In fact, the Chain Trade Board, which is the oldest of all Boards and has a sub-contractor as a member, has never for some obscure reason had side voting, and apparently gets on well without it. When one side or the other of any Board wishes to register a protest against some action which it is evident the majority of the Board favours, it sometimes, as a side, abstains from voting. In other cases when feeling was stronger, one or other of the sides has withdrawn temporarily from the meeting entirely. Such action may be the cause of stopping the proceedings of the Board, since the Act provides that a quorum shall consist of one-third of the total number of representative members of the Board and one appointed member. Or, the remainder of the Board may continue its business without the side which has withdrawn. The Minister of Labour has on one or two occasions. however, refused to confirm rates which were fixed in the absence of one side of a Board because of its withdrawal.

In the beginning it was customary to appoint all the members for a term of one year after the expiration of which the entire Board was reconstituted. But latterly, members are appointed for a term of two or three years each, so that either one-half or one-third of the members retires (unless reappointed) at the end of each year and continuity in the

personnel of each Board is ensured. Once a Trade Board has been established, it continues to function until the Minister of Labour decides to withdraw a trade from the purview of the Acts and dissolves its Board. Up to January 1st, 1923, no Boards had been dissolved, though in several cases employers had requested that they should be.

Notwithstanding the diverse interests existing within each trade, they have seldom proved sufficiently unlike to prevent all of the representatives of each side from standing together on a vote, even though, as is customary, votes are cast by individuals rather than as sides. The arrangement for sidevoting in Boards where the presence of sub-contractors gives rise to the possibility of a cleavage in the employers' side, of course, tends to hinder the expression of individual opinion by vote, and strikes at the root of the representative theory. All members have an equal opportunity of influencing the final decisions in side meetings, but once the vote is taken, the will of the majority is forced upon the minority, because they are restrained from voting with the members of the opposing side in order to defeat the resolution to which they object. When side-voting is refused, cross-voting may occur. Then other difficulties are likely to arise, as in the case of a certain industry which is probably controlled to the extent of at least 60 per cent. by a single company. On one occasion the representatives of this company, who were greater in number than the appointed members, chose to cast their votes with the workers' side, thus annulling the votes of the three appointed members had they desired to vote with the other employers, and forcing upon the other employers a minimum rate considerably in excess of what they had declared themselves able to pay. Only recently a motion to reduce rates in a certain trade was defeated by the opposition of the representative of one of the large companies, and the general minimum time rate for women of eighteen years of age, therefore, remains 2d, per hour more than that in most other trades, and ad. per hour more than the next highest rate. In a similar way, the learners' rates

<sup>&</sup>lt;sup>1</sup> Except the Boot and Shoe Repairing, in which the rate is higher, but hardly any women are employed.

and the 10%. rate for fully qualified skirt, gown and blouse hands of twenty-one years or over, which were the source of considerable complaint from country dressmaking employers because they applied to rural districts as well as to towns, were alleged to be largely due to a disproportionate representation of large town employers upon the Dressmaking Trade Board. A somewhat similar position might develop in the Grocery and Provisions Trade Board, on each side of which sit representatives of Co-operative societies. If the employer members should choose to cast their votes with the workers, as they well might do, since Co-operative Society wages tend to outstrip other wages, a rate might be forced upon the multiple shop and independent employers which they think they cannot afford to pay. Likewise a Trade Union might compel the payment of rates which the bulk of workers' representatives did not want. In actual practice, however, cross-voting has occurred from the workers' side on matters relating to rates of wages on only two or three occasions at most. Cross-voting on less important questions frequently occurs from either side, with no resultant ill feeling whatever. A worker on one Trade Board, for example, once voted with the employers on a resolution requesting a protective tariff for the trade. Any group larger than half the number of appointed members may thus control the situation. For that reason the relative weights assigned to each interest are decidedly important. Had the number of appointed members been larger or had fewer seats been granted to the Company referred to in the case noted above, the entire situation might have been changed, and it is difficult to say exactly why that particular number of representatives was assigned to this company, and no more. Fortunately there has been little friction of this nature, for in most trades both employers and workers consider it to their advantage to stand together as sides, even at the cost of a compromise to some individuals. Such schisms as have occurred reveal a weakness which is apparently difficult to remedy, and which, for the time being at least, will upset the equilibrium of a Trade Board.

Not only is the apportionment of seats to the different

groups of employers and workers a matter of fundamental importance, but so also is the selection of suitable persons to fill the seats. More than one Board launched upon stormy waters has ultimately reached smooth sailing, due in large part to the understanding and tact of the chairman or of the leader of one side. It is equally true that in other instances the usefulness of a Trade Board has been seriously impaired by an intolerant member. The common practice is for organised workers and employers to nominate the secretaries of their organisations for membership upon Trade Owing to the fact that both workpeople and employers in the smaller trades covered by Trade Boards are organised in "general" Labour Unions or "federated" Employers' Associations, rather than upon strictly craft lines, it has not infrequently happened that the one individual who acted as secretary to such an organisation with members from many Trade Board trades has been appointed to sit upon a number of different Boards. One workers' representative belonged to sixteen different Boards, and an employers' representative served upon as many as eight Boards at one time. On this ground the criticism has been made that "Trade Board membership has become a profession." At the same time it has been said that such persons, being members of many Boards, were not conversant with the intricacies of each specific trade, and as a corollary, they have been held responsible in many instances for forcing wages up to a figure which brings hardship upon many employers, and is above that which the workers actually engaged in the trade would have been willing to accept. There seems to be little, if any, basis for such criticism. As a matter of fact, it is the Boards with members on both sides who are well versed, not only in the tactics of collective bargaining, but in Trade Board method, which have ordinarily worked most smoothly. These members may not have been engaged in all or any of the trades which they represent, nevertheless they are often intimate with many industries, and by virtue of that very fact prove themselves best able to see the point of view of the opposing side. The difficulty is to find persons of such broad experience who can spare sufficient time to take up Trade Board work.

Particularly is this true with appointed members, the selection of whom is a matter of great moment, for the chairman and the appointed members are often in a position to dominate the Board by their personalities. Some one once said to the writer that the formula for appointed members appeared to be "one lawyer, one professor of economics or sociology, and one lady distinguished for benevolent works," and it is true that the list of appointed members is largely composed of the names of distinguished barristers, professors and social workers. The following table, taken from evidence presented to Lord Cave's Committee of Enquiry by the Ministry of Labour, 1 gives the occupation of appointed members in September, 1921, together with the number of appointed members who belong to each occupational group and the number of Boards upon which they sit :-

Occupation of appointed members.	Number of appointed members.	Number of Boards.	
University Professors or Lecturers:  1. Economics 2. Law 3. Sociology and Social Organisation 4. Miscellaneous Members of Legal Profession: Active Retired Social Welfare, Settlement, and Educa-	8 3 2 4 14 2	19 8 6 7 33 3	
tional Work  Ex-Civil Servants  Members of the Medical Profession  Persons engaged in Public Work  Miscellaneous	10 6 1 2 3	21 21 3 8 5	

Altogether there are fifty-five different appointed members for forty-four Boards, forty of whom are men and fifteen women.

<sup>1</sup> Page 68.

The appointed members are intended to be independent, and it has therefore been incumbent upon the Minister to select persons, who, though often not familiar with the trade in detail, seem best capable of taking a broad view. Various suggestions regarding the appointment of the independent members have been offered by critics of the Trade Boards Some employers complain that appointed members know nothing about the technique of the trades upon the Boards for which they sit, and intimate that men of business experience would prove more satisfactory. Workers, on the other hand, sometimes think that appointed members, because they do not belong to the working class, favour employers too often, and suggest that an assessor for each side should be selected from a panel to sit with an independent chairman, who should preside over the Board. Neither of these schemes, however, offers an improvement. The first would obviously mean a prejudiced group of appointed members, and the second means little, if anything, more than adding one member to each side of the Board. The present method of selecting the independent members appears to be the most satisfactory one, though it would be an improvement to give each side an opportunity of rejecting the names of individuals if it could be shown why such persons should not be appointed. Just as it has been found in most fields of activity that the practitioner is seldom able to perceive the wider aspects of a situation. though his technical knowledge is invaluable; so has it proved true in industry that those who understand economics and sociology as a whole are best fitted to grasp the ultimate significance of a decision. It is doubtful, therefore, if the "formula" for appointed members could be improved upon.

Until the death of Mr. Ernest Aves, in the summer of 1917, one chairman served for all Trade Boards. After the death of Mr. Aves, who had held the position of chairman of all Boards, and largely on account of the increase in the bulk of Trade Board business, the Ministry of Labour determined to appoint a separate chairman for each Trade Board. Such is the position at present, though several persons act in the

capacity of chairman for more than one Board. In one or two cases, both employers and workers have requested that some of the same appointed members should sit upon each of the Boards for a group of allied trades in order to facilitate co-ordination of rates between these trades. A case in point is that of Jute, Flax and Hemp, and Rope, Twine and Net, in which the materials used and the processes are sufficiently similar to be held to warrant a close relation between rates of wages.

After a Trade Board has been duly established, the next important function of the Minister is the confirmation of rates, but he does not exercise the function until after the rates have been both proposed and fixed by the Board. Only the Board itself can legislate upon wages, but no rates can become binding upon employers until the Minister has given his official sanction. By the terms of the Act, the Minister is required either to confirm a rate or to refer it back to the Board for reconsideration within one month's time after he has received the notice of fixation, unless for a special reason he sees fit to consider it for a longer period. This provision seems to have been originally intended to act as a safeguard for the Minister, because of his ultimate responsibility to Parliament. Within the last two years, the Minister has made use on several occasions of his legal right to refer rates back to various Boards for reconsideration, either because of legal complications in the wording of a proposal, or because representations made to him from the trade have led him to believe, rightly or wrongly, that the imposition of rates set by certain Boards would cause unemployment or prove unwise from an economic point of view. The Trade Boards, in several instances, re-fixed the rates returned to them by the Minister, without the suggested alteration, and in other cases accepted suggested revisions of drafting. Recourse to the Minister by the dissatisfied side of a Board became so common at one time that he virtually acted as a Court of Appeal from the Trade Board determinations. Enforcement of legal rates and decisions on questions involving demarcation and scope require separate treatment, and we therefore turn from adminisstrative and executive functions to those of legislation or rate fixing.

The chief business of a Trade Board is to determine what the minimum rates of remuneration shall be in its trade. Rates may be fixed for men as well as for women, since there is no constitutional complication as there is in the United States. Certain stipulations are set out in the law as to the method by which this work shall be done, and the Minister of Labour prescribes the regulations of procedure at the time when the Board is set up, but, generally speaking, a Board is free to arrive at these minima by whatever method seems to it most suitable. Practice, therefore, varies somewhat as between Board and Board, although in general it is very similar in all. It is required by the law that a Board must first give notice of proposal to fix a rate or series of rates, and at the expiration of two months must consider all objections lodged with it during this period before actually fixing the rates. It was characteristic of the early Boards before 1914 to feel their way carefully, and to proceed with extreme caution in the fixation of rates. At that time the Trade Boards system was on an experimental basis. Boards were setting precedents. Furthermore, price and wage movements were gradual, so that wage changes were not so often desired. Not infrequently a period of one or even two years elapsed before the initial rates became operative. After the beginning of the War, it became necessary to vary rates more often. The Act of 1918 provided for a reduction from three to two months in the period for lodging objections, and, in order to speed up the machinery, it also provided for the abolition of the six months' period of limited operation before a rate became obligatory.1 Employers objected at that time to further reduction in the period required for varying a rate, because of the difficulty in making long time contracts upon an uncertain wage basis. Recently, however, speeding up has been urged in order to meet the vagaries of wage and price levels. The average time taken by Trade Boards for

<sup>1</sup> Rates fixed by Trade Boards under the Act of 1909 were not obligatory upon any employers except those who voluntarily agreed to pay them until six months from the date when they were fixed by a Board. This period was called "limited operation."

fixing initial rates since 1914 is from three to four months. The Grocery and Provisions Trade Board, which has had a troubled existence of more than two years without getting any rates confirmed, and the General Waste Board, which was unable to fix rates for a year and a half, are exceptions. Because of the rapid fluctuations in prices and the relatively long period required for variations of rates, it has not been an unusual occurrence during the past two years for a Board even to propose to vary its rates at the same meeting at which those rates were fixed.

At a first meeting of a present-day Trade Board it is customary for the chairman to make an opening statement outlining the duties of the members in broad terms, but no detailed instructions regarding the duties of the Board are given. Each member is supplied with a brief printed statement of the rate-fixing powers and a copy of the law. The appointed members are also usually supplied by the Ministry of Labour with information relating to the trade generally which may be in the possession of the Department. This is the extent of the instructions which Board members receive. The Board then proceeds to the business of proposing minimum rates, and, not infrequently, material headway is made at the first meeting. How quickly the initial rates are decided upon depends largely upon the complexity of the trade, the degree of wage standardisation already existing, and the ability of the leader of each side in the art of bargaining. Under the terms of the Act, it is the duty of a Trade Board to fix a minimum rate or rates of wages for time work. If no other rate is fixed, piece workers must be paid at rates sufficient to yield to an "ordinary worker" at least as much money as the minimum time rate. It is also within the domain of a Board to fix several other kinds of rates, which are discussed in detail in the chapters on wages.

The method of procedure varies somewhat with the Board. Usually each side selects a spokesman or chairman and a secretary from among its members, one of whom makes the proposals and expresses the wishes of his side to the Board. The appointed chairman, of course, presides over the meet-

ings, which may be formal and somewhat judicial in their procedure, or, like the Boot and Shoe Repairing Trade Board meetings, may resolve themselves into prolonged informal conversations between the members, accompanied by smoking and the munching of apples and nuts, all of which is periodically interrupted by "yarns" gleaned from the bootmaker's bench. Incidentally, the last-named Board has been characterised by an exceptionally good feeling and remarkable unanimity of opinion. In general, the trend is more and more towards informal and friendly relations. Recently several Boards have followed the example of the Milk Trade Board by giving dinners to their members.

Rates are arrived at by a process similar to bargaining, assisted by the appointed members in the capacity of conciliators. A preliminary conference between representatives of the two sides is usually held previous to the meeting, and almost certainly both employers and workers have met separately to outline their respective plans of action. If the industry is fairly well organised on both sides, and if the leaders are accustomed to negotiating, even the first rate or a series of rates may be arranged before the meeting. Such an occurrence is more frequent when it comes to varying rates, and when it does happen, the formal Trade Board sanction is merely perfunctory, as has been the case in the Wholesale Mantle, the Perambulator, and other Trade Boards. Most Trade Board trades are not sufficiently organised, however, to admit of many satisfactory preliminary negotiations. After the meeting is assembled, therefore, the spokesman for the workers, perhaps, will suggest a figure, probably far in excess of the rate to which his side will eventually agree, and the employers' chairman follows suit with a proposal, usually considerably below what his members can honestly afford to pay. How far different they are in each case depends very often upon the temper and judgment of the leader. The one argues vehemently that he cannot live on less, the other gives equally cogent reasons why his business or that of his fellow employer will be forced to close its doors immediately if such rates are imposed. If the chairman is an "old hand." he will probably listen attentively until the effusion is over and will then suggest that one or the other side shall withdraw while the appointed members confer with the remaining side in private. At this point the serious work of the Trade Board begins, for the actual negotiation is carried on behind the scenes. There are conferences between appointed members and each side separately, conferences between members of each side alone, and conferences among the appointed members. It is then that either side may divulge private information which will aid the appointed members in discovering just how far each side is willing to go in the way of compromise, and in making up their minds as to what the rates should be. The arguments presented by each side are, strangely enough, very similar in all trades, to say nothing of the fact that they correspond closely to those given in other countries before minimum wage tribunals. Those most commonly offered by employers since the trade depression began are that (I) it is impossible to continue paying the present wages without closing down the works; (2) on account of the slump in trade they are forced to cut costs to the lowest possible limit; (3) the competition in a neutral or even the home market due to the depreciated exchanges makes reduction of wages necessary; (4) the workers themselves are willing to accept less rather than to starve. On the other hand, the workers argue that wages should not be reduced because (I) they are already on short time and the employers cannot give them full employment even if wages are reduced; (2) they cannot live in reasonable comfort on less than they are now receiving, owing to the fact that wages have always been increased on the 1914 basis, which was below the subsistence level; (3) wages lagged behind prices on the rise, and it is only fair that they should also lag behind in a time of falling prices; (4) any possible reductions would not be sufficient to offset the effect of the depreciated exchanges upon foreign wages. On one or two occasions individual employers have even offered their balance sheets to the appointed members in support of their statements, but for the most part none of the claims made are substantiated, except in so far as it is possible to do from general knowledge and experience. Trade Boards have not been granted

the power of discovery, as is done in some Australian States, nor are the published balance sheets available in most cases, because the firms are usually private companies.

These side meetings at which such evidence is adduced may be continued for several days, but as a rule a vote is reached by the end of a day, or perhaps before. The object to be attained is agreement between the two sides, and the functions of appointed members in bringing it about is clearly that of conciliation. Attempts are continually being made to bring the workers and employers together. If it proves impossible to bring about agreement or a close approach to it by means of argument, it may be effected when an appointed member suggests a compromise figure which he and his colleagues consider fair. In one case, viz., General Waste Reclamation. a rate moved by an appointed member was accepted by the Board. Should there be no agreement after a reasonable time, it becomes necessary for the appointed members to cast the deciding votes, provided, of course, that there is no cross-voting, in which case, as has been already explained, the votes of appointed members may not prove decisive. Throughout the entire procedure, it is not only the good offices of the appointed members which aid in securing agreement and compromise, but also the well-known fact that if an agreement is not reached, the appointed members possess the power to cast the deciding vote for one figure or the other. Both sides may, therefore, consider it less objectionable to accept a figure between the two. Even if the two sides fail to come to an agreement after a long process of negotiation and compromise, the proposed rates of the employers and of the workers almost invariably show a very small margin of difference, so that if the appointed members are called upon to settle the final rate by voting for one rate or the other, there is little possibility of making a serious mistake.

The appointed members, as a rule, take less part in the fixation of piece rates and rates for workers engaged in skilled or semi-skilled occupations than in that of basic minima. Very often when the proposal of elaborate piece or time rate schedules is under consideration, a committee of representatives from both sides, and perhaps one appointed

member, is charged with the task of arranging a scale of rates for the Board's consideration. In case the committee does not agree, it may devolve upon the appointed members either to cast the deciding vote or to let the motion fall. The appointed members generally consider themselves insufficiently acquainted with the intricacies of the trade to cast an intelligent vote on such matters. However, the vote of the appointed members may save the situation in the fixing of special rates as well as of basic minima. Sometimes representatives are instructed by their organisations to vote for a certain rate, and no other. Of course a compromise is impossible in such circumstances, no matter how desirable it may seem to the individuals present, for they are in honour bound to stand by the original offer. In that event, adjournment or a telephone conference with the executive may ensue, but in one instance of this sort a rate was fixed by the vote of appointed members alone, to the satisfaction and relief of all.

In such a case the appointed members act in a capacity more similar to that of arbitrators than of conciliators. Careful analysis shows that the function of appointed members is a hybrid one. The word conciliation alone does not adequately describe it, because the appointed members have the power of casting a deciding vote. Neither can it be called arbitration, since there is no provision for the making of an award. One writer has likened the appointed members to a jury, but here again the analogy is not true, for the jury hears a case, and presents a verdict without attempting to reconcile the two parties before the Court. Furthermore, it does not always lie in the power of appointed members to make the decision. The function is a combination of conciliation, arbitration, and collective bargaining. It is peculiar to the Trade Boards system, and can be likened to no other.

There are at least two distinct points of view from which an appointed member may regard his function. The one clings to the principle of laisser faire. He believes that the employer should manage his own business, and should deal individually with his workpeople. He considers that he has

done his work best if he has done as little as possible, and confines his efforts to conciliation, voting only with reluctance. The other believes that he has a positive social function to perform. He is not satisfied with maintaining the status quo in matters of apprenticeship, women's rates. etc., or with preventing deadlocks. He hopes that his work of conciliation and his vote may have some positive effect for social good. This does not imply that he necessarily favours the workers, for he may see as much harm in crippling an industry as in the starvation of women workers. It does mean that he considers himself and his colleagues active members of the Board and not outsiders, although in practice appointed members have very rarely taken the initiative in rate fixing. He recognises a two-fold duty of appointed members, one of which consists in assisting badly organised trades to settle their differences to the interests of the trade as a whole, and the other of which is a duty as a representative of the community to work towards social betterment. Nor are these two duties incompatible, for in the long run the interests of the public and of an industry are usually the same. There are many appointed members between these two types, who either construe their duties differently or see less clearly, yet they may be successful. Impartiality, understanding of human beings, and the ability to see all around a point, at any rate, are essential here, as in any other work of a judicial or legislative nature. Without the appointed members the Trade Boards system would collapse, because there is no other satisfactory way of protecting the consumer from collusion between the representatives of workers and employers or of breaking a It has been suggested that an independent chairman would serve as well, but there are several objections to such a plan. In the first place, no one person should bear the responsibility of casting the deciding vote in important wage matters. Several of the chairmen of Boards have themselves expressed the opinion that the advice of two colleagues is invaluable. Furthermore, were a single chairman substituted for the three appointed members, the chances are that he would in time come to

act more as an arbitrator than as a member of the Board.

Trade Boards are also largely dependent for their smooth working upon the secretary of the Trade Boards and his staff. Since the Minister adopted the plan of appointing separate chairmen for each Board, the secretary, who acts in this capacity for all Boards, became the organ of co-ordination in the place of the old chairman. Not only does he, or one of his assistants, attend all the meetings of both Boards and committees, and so carry out the routine business of minute-taking, sending out of notices, correspondence, etc., but he also coaches the Boards and their chairmen in Trade Board methods, in a sense, guides them in their deliberations. and may to some extent influence the form in which their policy is embodied. The position of the secretary is a dual one. It is he who holds the two parts of the system together. On the one hand, it is his duty to follow the wishes of the Boards, and at the same time he is directly responsible to the Minister of Labour, whose staff until very recently was housed in a different part of London. By no means the least difficult of the secretary's tasks has been to act as a mediator between the Boards and the Ministry. Within the last few years more or less friction has arisen, and at times a vast amount of tact and a well-developed sense of humour have been necessary to maintain the equilibrium of the system.

A part of the work of the Trade Boards is done through committees. Each Board has its administrative committee, composed usually of the leaders of each of the two sides, one of the appointed members, and from one to five or six other representatives of both workers and employers. To this body are referred the granting of exemptions, questions of scope, and various other matters which the Board wishes to defer to it. Questions relating to rate schedules or special problems of a trade are often handed over to rate committees to work up for the Board. Other committees may deal with apprenticeship schemes, training of ex-soldiers, learners, hours, etc. One of the most unusual committees is the so-called "one thread in a split" committee of the Jute Trade Board, which has to do with setting

piece rates for a special process. Some Boards have also appointed district trade committees, which are discussed in detail in a later chapter. Quite outside the pale of official action, but nevertheless bearing upon their work, are the Employers' Trade Boards Consultative Committee and the Trade Boards Advisory Council of the Trade Union Congress. These bodies are composed of representatives of employers or of workers in Trade Board trades, including many members of different Trade Boards themselves. They serve as co-ordinating bodies for the workers or employers on all Trade Boards and mould the general policies followed by each side in Board meetings.

Ordinarily a Trade Board makes little use of hearings. interviews, or scientific investigations in the process of rate fixing. Unfortunately, a great part of the evidence presented to all Boards belongs to the category of pure "hearsay evidence." On several occasions, however, it has been requested that a Board should be furnished with definite information regarding current rates of wages or the state of the trade, before it proceeded to the business of rate fixing. The Pin, Hook and Eye and Snap Fastener Trade Board, for example, adjourned almost immediately after the beginning of the first meeting until a report should be presented concerning the existing level of wages. Before fixing general minimum piece rates, the Hair, Bass and Fibre Board requested the Minister of Labour to furnish it with data regarding the previous level of piece rates in the trade, in order that the Board might have a basis upon which to prescribe such rates. A committee was appointed by the Lace Trade Board to collect information as to the advisability of fixing a general minimum time rate for piece workers: and for several months a questionnaire was sent out regularly to certain flax and hemp manufacturers, so that the Board might obtain particulars relating to the position of the trade in 1921, as compared with 1914. Other inquiries have also been made from time to time in order to ascertain exactly what has been the effect of certain rates fixed by Trade Boards. The result of extensive investigations of this kind in the Sugar Confectionery, Tin Box, and Hollow-ware trades disclosed some very interesting facts which have been quoted in another connection. Various other studies relating to the yield of prescribed piece rates were also made. In all, some fifteen or sixteen inquiries, of which the above are examples, have been undertaken by the Inspectorate, and in every case valuable assistance has been rendered to the Trade Boards. It is to be regretted that reports of a similar nature have not been more often called for.

It is provided in the Act that a Trade Board shall consider any objections filed with it, during a period of two months after the rates are proposed, and shall not fix the rates before the expiration of such period. The purpose of this stipulation was probably three-fold. In the first place, it acts as a check upon hasty and ill-considered legislation, by giving the trade an opportunity to correct errors which might be made by a Board; it also makes it possible for that side, or for those individual members whose opinions were overruled, to appeal to the trade from the decisions of the Board; and in addition. it furnishes a means whereby individual employers and workers, or other members of the community, who are perhaps not represented in any way upon a Board, may put before that body their reasons for opposition to the proposed rates. In the beginning the results were satisfactory. But as time goes on it has more and more become the practice for organisations of both workers and employers, even those having representatives upon the Trade Board in question, to use that means of giving weight to the objections which they have already expressed upon the Board. In some cases hundreds of letters of objections have been received, a large number of which are stereotyped in their phrasing and are obviously instigated by the leaders of one or two organisations, instead of being the expression of individual opinions throughout the trade. They are often very general in their content and extremely lacking in conviction. In view of the bulk, source and nature of the objections, it is not surprising that Boards have in recent years been inclined to give less weight to them than their face value might seem to demand. Another reason why Boards are not disposed to alter rates which have been proposed after consideration of objections, is that it would

then by the terms of the Act become necessary to issue a fresh proposal, and so to delay fixation for another two months. Without the provisions for objections, there is a great danger that Trade Boards might work in ignorance of the attitude of the trade, but an almost equal risk is involved if the opinion of the trade as a whole is likely to be in any way misrepresented. It is regrettable that a measure capable of acting as a safeguard should be thus misused.

Such, in brief, are the methods by which Trade Boards do their work. Now let us inquire what are the principles which they follow in the determination of minimum rates. Australian and American minimum wage laws, as well as the British Corn Production Act, 1917, now repealed, attempt to give some idea, however sketchy, as to what is meant by a minimum wage, but no guidance whatever is offered on this matter in either of the Trade Boards Acts. It is evident, from answers given to the writer in response to the question "What is a minimum wage?" that not only do the two sides and the appointed members often hold divergent opinions as to what the term implies, but that even upon one side there may be disagreement regarding its meaning. Employers have perhaps most frequently accepted the "wage payable to the lowest grade of worker in the least well equipped factory in the least expensive part of the country" as a proper definition. More liberal employers would call it a bare subsistence wage, and still others would agree that it should be a sum which was sufficient to maintain a worker and his family in health and efficiency. The workers' side ordinarily hopes to obtain the current Trade Union rate in that or an allied trade for the minimum. Where there is no organisation in a trade, or such a weak one that agreed rates are exceptionally low, something more may be desired. One Labour representative expressed the view that "A minimum wage is the highest wage we can get out of a Trade Board." Another person, connected with a Board, has defined it as "a wage consistent with the cost of living, what the trade can bear. and the work done," and still another, as "that wage which causes a minimum of dissatisfaction on a Trade Board." There is both strength and weakness in the failure of the Act to express a definite guiding principle. On the one hand, it admits of a wide construction of the purpose of the Act and makes it possible for each trade to determine for itself upon what basis it prefers to fix rates. At the same time, there is always a possibility that confusion will result because Boards in allied trades have construed the Act differently, or because some of the members of one Board hold dissimilar ideas of what a minimum rate should be. Such differences of opinion have led to wide divergence in the rates fixed by different Boards for similar grades of workers. On December 1st, 1922, for example, the range of hourly rates effective under the determinations of all Trade Boards was as follows:—

•	Mules.	Females.			
I. For "other workers" or the lowest grades of unskilled adult workers in each grade.  Highest rate fixed by any Board .  Lowest rate fixed by any Board .  5. For workers engaged in special occupations, commonly called "skilled"	zs. 9[d. (Tobacco), zod. (Jute).	9fd. (Tobacco).2 6fd. (Lace, and Plax and Hemp).			
workers. Highest rate fixed by any Board .	zs. &d. (Boot and Shoe Repairing).	zs. &d. (Boot and Shoe); next highest, zs. zd. in Brush and			
Lowest rate fixed by any Board .	1144. (Milk, B. & W.).	Broom), 7s. (Rope, Twine and Net).			

It will be seen that the differences are greater in the socalled "skilled rates" than in the "unskilled rates." This can be explained to some extent on the ground that a very wide range of occupations is represented, and also by the fact that the state of trade was not the same in all trades. This latter fact also furnishes a partial explanation of the divergencies in the unskilled rates, but certainly some weight in both cases must be given to the fact that in different Boards different conceptions of the object of a minimum wage prevailed.

Though it was granted in the beginning that the object of the Trade Board action was to prohibit gross underpayment, the preponderant consideration in the fixing of rates previous

<sup>&</sup>lt;sup>1</sup> Males are considered adults at 21 years of age, females at 18 years.
<sup>2</sup> For 21 years and over. The Boot and Shoe Repairing Trade fixes told, but very few women are employed.

to IQIA seems to have been "What can the trade bear?" Both the records of the discussions in the Board meetings and Diagrams III. and IV., on pp. 164, 166, showing the level of Trade Board wages, as compared with Mr. B. S. Rowntree's estimate of a "Poverty Line" wage, tend to substantiate the opinion that it was the economic position of the industry rather than that of the worker that proved of most concern to the early Trade Boards. With the rapid increase in prices and the relative scarcity of labour during the War, many other matters entered into the fixing of minimum rates. Both the value and the nature of the work. and the degree of skill required for doing a job begin to receive more consideration, and that has led to differentiation of rates on the basis of sex, age, occupation, and experience. Relative strength of organisation on each side, supply and demand for certain kinds of labour, or rates paid in an allied trade, have come also to have great weight in the final determination of rates. But it is the "cost of living" argument (which had played a very slight part in the deliberations of the early Boards) that came to be more and more vehemently pressed by the workers' side, as the Cost of Living Index Number soared and other wage bodies took cognisance of it. In April, 1917, after having seen deputations from both sides of five Boards, the Minister of Labour sent a letter to each of those Boards, recommending "immediate revision of rates to meet the high cost of living, subject to review when reduction of prices shall have substantially modified the present cost of living." The workers, through their representative, Mr. Mallon, agreed that any increases which might be awarded to the workers would be accepted by them subject to the understanding that as soon as a substantial fall in the cost of living had occurred, they would consent to such "reasonable modification" as seemed to be required.

Increases in rates were granted continually in all trades up to June, 1921, but it is difficult to say to what extent the rise was influenced by the cost of living principle. Certainly that was the point around which the Trade Board discussion centred. During the greater part of this period, however, trade flourished and the percentage of profits was excep-

tionally great. Labour, therefore, was relatively scarce, and particularly high wages were being paid in industries directly affected by the War, especially in those firms where minimum rates of remuneration were prescribed under the War wage regulation machinery. Generosity towards every one but one's enemy was in the air, and what employers could be niggardly, and so seem unpatriotic at such a time. Besides. there was the possibility that what was not paid out in wages might go as excess profits tax. Probably some impression. at least, was made upon appointed members by the cost of living argument. At any rate, no decreases were suggested by employers until after the Cost of Living Index Number had reached its zenith in November, 1920, though the trade depression had set in about the previous June. Employers then began to use both the arguments of bad trade and falling cost of living as reasons for reductions. Long drawn out negotiations and vigorous protests from workpeople in all trades against lowering rates until a really substantial fall in the cost of living had taken place prevented reductions before June, 1921. Since that time rates have been reduced periodically in every trade, except that of Tobacco, and the rates now effective in that trade were fixed in July. 1920. Other evidence that consideration of the cost of living is a real force in the making of Trade Board determinations is to be found in the fact that eight Trade Boards have recently adopted sliding scales of wages based upon the Ministry of Labour's Cost of Living Index Number. In pleading for lower rates in special districts, too, as for example in the Laundry trade in Cornwall, the two reasons given by employers were the lower cost of living and an unprecedented inactivity in trade, owing in that particular case to the closing down of the tin mines. But the idea that a minimum wage is a living wage as in New South Wales, where the minimum rates slide up and down upon the basis of an index figure arrived at by the Government, or in the sense that most of the sixteen American States having minimum wage legislation have interpreted it, has no basis in the Trade Boards Acts. These observations apply chiefly to the fixation of the basic general minimum time rates over which the greatest

## THE TRADE BOARDS SYSTEM AS IT WORKS 31

struggle ordinarily occurs. When it comes to fixing rates for special classes or workers, more emphasis is laid upon the degree of skill involved in the job, or the amount of danger or unpleasantness attaching to its performance. The basic minima, which are almost invariably settled before any discussion relating to rates for skilled workers begins, serve "to put a bottom into the rates of wages," as one Trade Board member expresses it, and the rates for special classes of workers are built up on that basis, after due consideration of such questions as those suggested above.

# PART II SPECIAL PROBLEMS

#### CHAPTER I

#### ENFORCEMENT

THE success of the Trade Boards system depends to a very large extent upon satisfactory inspection and enforcement of legal rates. Unless all, or practically all, employers pay not less than the prescribed minimum rates, the most forceful of all arguments put forth by employers in favour of such legislation, viz., that it tends to eliminate unfair competition of unscrupulous employers, breaks down, and the good employers are penalised for complying with the law, while the workers at the same time suffer under-payment. The Inspectorate also serves as the instrument through which Trade Boards can readily discover what has been the effect of the rates which they have sanctioned. Too much stress, therefore, can hardly be laid upon the necessity of an adequate and efficient corps of inspecting officers and upon a close co-ordination between their work and that of the Boards. It was a general recognition of this necessity that led the Board of Trade in the beginning to delegate its power of enforcement to the Trade Boards. When enforcement was delegated to the Boards, the condition was made that all orders should emanate from Mr. Aves, who acted as the chairman for all Trade Boards. At Mr. Aves' death, the Secretary for Trade Boards was designated to direct the Inspectorate, and acted in that capacity until 1920, when the Minister of Labour decided to withdraw the inspection work from the surveillance of the Trade Boards, and to set up a department of inspection in his own office, which until

recently was located some distance away from the place where the Trade Board meetings are held. In consequence, there has not been as close a connection between the Boards and the Inspectorate during the past two years and a half as there should have been. A brief and formal annual report has been presented to each of the Boards, recounting the number of inspections made in the trade during the year, the amount of arrears secured in each case, and other data of a similar nature. When a Board has desired investigation of an alleged case of infraction a written request has been sent to the Inspection Division, and such cases have been given precedence over all others. In several exceptional cases a verbal report of a special inquiry has also been given directly by an inspector to a Board.

By the terms of the Acts an employer is required to pay his employees at not less than the prescribed minimum rate applicable, to post all effective Trade Board notices in his works, and to keep proper wage records. In general terms, it is the business of an inspector to see that such notices are affixed in a conspicuous place so that they may be seen by the workers, and to discover whether or not workers are being remunerated on the basis of the legal minimum rates. If an employer is paying his workers on a piece basis and the Board had fixed a general minimum time rate, or a piece work basis time rate but no general minimum piece rates, he is deemed to be paying less than the minimum rates "unless he shows. that the piece rate of wages paid would yield, in the circumstances of the case, to an ordinary worker, at least the same amount of money as the basis rate." The onus of proof, in all cases, rests with the employer, and if he fails to give satisfactory evidence that he has complied with the orders of a Board, he is liable on summary conviction to a fine not exceeding \$20 for each offence, and to a fine not exceeding \$5 for each day on which the offence is continued after conviction. He is also subject to a fine for failure to post notices or to keep wage records. Power is given to the Court to require payment of arrears, that is, the difference between what an employer has paid to the worker and what was due to the worker as a minimum wage, and they may be collected for a

period up to two years previous to the time when the information was laid, if notice has been served with the summons, etc., that evidence showing failure to pay wages at the legal rate at some date within the two years limit will be placed before the Court.

For the most part employers who pay the Trade Board rates display the orders in accordance with the law, while those who evade the rates are remiss about posting notices. But there has been some complaint regarding the size and number of the wage placards which they are required to post. even from those employers who readily comply with the terms of the Act. In times past, these posters measured as much as 20 by 35 inches, but latterly they have been reduced to the smallest size compatible with the printed matter which they must contain and the purpose for which they are intended. Ordinarily, not more than two or three notices (perhaps four. if there is a proposal pending) need be displayed at one time. The number of current notices in a trade varies from time to time. On December 1st, 1922, the largest number in any one trade was five, two and three being the usual number which had to be posted under the determinations of a single Board. When a firm falls within the scope of several Boards, the number of notices will of necessity be greater, but the whole matter is one of only minor importance, with which inspectors have little difficulty on the whole. The matter has been greatly exaggerated by a few employers who failed to pay the rates, or who sought an excuse for objection to the system.

Of far more importance than the size of the orders is their complexity. Previous to 1919, two Boards, viz., Machinemade Lace and Net Finishing, and Chain Making, had set piece rates and had established rates for different grades of work. In other words, Trade Board rates were chiefly flat minimum time rates based upon age and sex. The task of the inspector, therefore, was a relatively simple one. Besides the discovery of non-compliance, it was also a part of the work of an inspector to explain and interpret the Trade Boards Acts to employers and workers. Infirm workers who had applied for permits were interviewed by inspectors, and the

questions of scope which arose were often referred to them for investigation. Some of the early investigations which preceded formation of a new Board were also done by the inspectors, and they took charge of most of the prosecution cases, With the setting up of many new Boards after 1918, and the extension of rate-fixing powers, the work of inspection became greatly complicated. Instead of questioning approximately 20 per cent, of the workers in a firm in order to be sure that there was no evasion of the Trade Board rates, it became necessary to question some 90 per cent. of the workers employed in an average firm. The reasons for the increased amount of work are, first, that a much greater variety of rates is set by Boards since 1918 than previous to that time, so that the wages of more workers have to be examined, and secondly. that the applicability of a rate to a worker is now contingent upon a greater number of different qualifications, such as sex, age, experience, occupation, etc. Under the determinations of the Retail Bespoke Tailoring Trade Board, for instance, the following kinds of rates were operative on December 1st, 1022 :---

I. General Minimum Time Rates and Piece Work Basis Time Rates for male workers, based on (a) experience in the trade as an apprentice or improver or training in a trade school, (b) experience in the retail section of the Tailoring trade, and (c) occupation (nine rates).

II. General Minimum Time Rates and Piece Work Basis Time Rates for female workers based on (a) age, (b) length of experience on certain operations in the trade, (c) length of experience as an apprentice or learner in the retail section of the trade (four rates).

III. Overtime Rates for male and female workers, (a) when employed on time, (b) when employed on piece work.

IV. General Minimum Time Rates for male learners based upon year of learnership (five rates).

V. General Minimum Time Rates for female learners based

on year of learnership (four rates).
VI. General Minimum Time Rates for male and female apprentices, based upon (a) years of apprenticeship, (b) amount of meals or lodging furnished by employer, (c) kind of garment which they are being taught to make (twenty rates).

VII. Overtime Rates for male and female apprentices.

The application of a little imagination on the part of the

reader will give him an idea of the nature of the task before an inspector when he enters a Retail Tailoring shop for the purpose of ascertaining whether the minimum rates are being complied with. Let him consider, for instance, the number of questions that an inspector would need to ask in order to discover to which wage rate each employee in the shop was entitled. To obtain an adequate impression of the complexity of Trade Board determinations, it is necessary only to scan the orders of the Retail Tailoring, the Wholesale Tailoring, Dressmaking, Boot and Shoe Repairing, Fur, Perambulator, or Brush and Broom Trade Boards. The lay person will quickly become lost in the maze of rates which it is the duty of a Trade Board inspector to enforce. Moreover, the necessary information all too frequently has to be gleaned from badly-kept books or tiny scraps of paper. It is not to be expected that Trade Boards can fix such a variety of rates as is required if their purpose is to be fulfilled, and at the same time be able to make their schedules simple. Nevertheless, such Boards as have recognised the importance of keeping their schedules as uninvolved as possible (e.g., the Retail Tailoring Board, whose orders in November, 1921, were far more complicated than the one quoted above) have proved that wage regulation can be successfully carried on without the use of schedules that are lacking in clearness and reasonable brevity. The general tendency is towards simplification of wage orders.

Notwithstanding all the difficulties of the complex schedule which have been described, a well-trained inspector has relatively little trouble so long as employers pay on a time basis. He makes sufficient enquiries to ascertain to what rate each worker is legally entitled, examines the books to see how many hours each person has worked, and what amount of money he has received, and calculates the average rate per hour or per week. If this corresponds with the prescribed minimum time rate or exceeds it, all is well. If not, he has a basis upon which to compute the arrears when a case comes up for settlement or prosecution. When workers are paid on a piece basis and piece rates are prescribed by the Board which covers that trade, inspection

again consists in checking up, to find whether the rates paid correspond with the Trade Board rates. As a matter of fact, the fixation of general minimum piece rates, even though running up into the hundreds like those of the Brush and Broom Trade Board, somewhat simplifies the situation, since no tests are then necessary in order to discover whether or not the piece rates are "in the circumstances of the case" yielding as much as the piece work basis time rate to the "ordinary worker."

When no specific piece rates are fixed by a Board. all piece workers except those to whom permits of exemption have been granted are entitled to receive at least as much per piece as will yield the amount of the general minimum time rate or the piece work basis time rate (if one has been fixed) to the ordinary worker. The "ordinary worker" is usually interpreted to mean a worker of ordinary skill in the class of work in question, but neither the term "ordinary worker" nor "circumstances of the case" has a hard and fast meaning. It is the duty of the inspector to discover, by a process of elimination, who is the "ordinary worker" in a given establishment. In making the tests, the workers are first divided into groups according to occupation. Enquiry is then made from the workers. and from the foreman or forewoman, regarding the age, experience, capacity and health of all workers whose earnings fall below the piece work basis time rate. It may be that one worker has bad eyesight, another, perhaps, is obviously somewhat feeble-minded, the third may be a learner, and the fourth, upon enquiry, may be generally recognised to be "just slow." All these workers, and any others who, because of bad health, age, inexperience or slowness, are unable to earn the basis rate, are called "sub-ordinary." A similar piece of work is then given to each of the ordinary workers. and the time taken for completing it is registered. The worker who proves next above the sub-ordinary workers in earning power is considered the "ordinary" worker for that class of work, and the inspector makes the necessary computation in order to ascertain whether or not the piece rates will yield the piece work basis rate to that worker

tests are usually made in conjunction with the employer, and upon workers who are agreed to be "ordinary." Where it is possible, they are so arranged as to cover a long period of time in order that such factors as fatigue, change of work. etc., may have their proper effect. It may happen that the ordinary worker in one plant is not as valuable a worker as in another, and also that in one establishment a worker will be earning an amount equivalent to the general minimum time rate or piece work basis time rate, while in another a worker of the same ability, doing the same job, working the same number of hours, and being paid the same piece price. will fail to earn as much as the general minimum time rate. The inspector, in such a case, looks about for the cause. The discrepancy may be directly traceable to a single maladjustment, as, for example, bad gearing of machinery; or there may be a combination of reasons or simply bad management at the bottom of it. Perhaps the work is not distributed properly: one plant may have an automatic conveyor. while the workers have to carry their work in the other; the morale may be better in one shop than another. Any of a myriad of circumstances might be the cause, and these are termed the "circumstances of the case."

When such a test has been applied and the piece rate fails to meet the requirements, one of two courses is open to the employer. He may either so alter his piece rates that the yield will be sufficient, or he may reorganise his plant in such respects as will enable his piece workers to earn the required amount, i.e., alter "the circumstances of the case." From the employers' point of view there are both advantages and disadvantages in the arrangements just described. The great difficulty is that an employer can never be quite sure whether his piece rates are adequate until a test has been made. If he makes a test himself, it is entirely possible that his results will not be the same as those of an inspector, and. in any event, smaller employers cannot easily make arrangements for testing their own rates. A number of employers, therefore, who are scrupulous about the observance of the Acts, have requested the assistance of an inspector in this regard outside the routine of regular inspection. It is also

possible that a firm may have a generally inefficient type of worker in its employ, so that there is no group of "ordinary workers" compared with the standard of another establishment. Still, the piece rate must yield as much as the piece work basis time rate to the marginal worker, as is described in the preceding paragraphs, even if he is not as good a worker as the "ordinary" worker in another firm. Fixation of general minimum piece rates by a Board is the only solution in both of these cases, and in trades which are essentially piece work trades that has frequently been accomplished. The Boot and Shoe Repairing and the Brush and Broom trades might both be mentioned as trades in which most of the work is on a piece basis, and in which there are numerous small shops, and the Trade Boards in both cases have fixed elaborate piece work rate schedules.

If there were no provision for the "ordinary worker" and no piece rates were fixed, the alternatives would be: either that all able-bodied workers must earn as much as the appropriate general minimum or piece work basis time rate, or that a specific percentage of workers, e.g., 66 per cent. or 75 per cent., must earn that amount. The former offers no elasticity whatever, and takes no cognisance of very slow workers, to whom the employers would be obliged to give a sufficient sum at the end of each week to make up the specified amount. This is the requirement of most American minimum wage laws.1 The second method has been used in the Canning industry of California. It is purely arbitrary and does not make full allowance for the employer, the majority of whose workers may be minors or sub-ordinary workers. The application of such a rate may also mean that a certain percentage of workers, that is the 331 per cent. or 25 per cent., will always be paid at lower rates than will yield the minimum, and those usually. too, who by reason of economic pressure are forced to work for whatever they can get. Some of the older Boards, like Sugar Confectionery and Food Preserving, in the beginning passed resolutions recommending that "where no less than

Provision is usually made for permits of exemption to incapacitated workers.

85 per cent. of the workers employed on any piece rate earn on an average, for four consecutive weeks, wages at not less than the respective minimum time rates, the employers shall not be deemed to have paid wages at less than such rate," but if less than 85 per cent. received as much as the minimum, the rate would be considered not to yield "in the circumstances of the case at least as much money as the minimum time rate to an ordinary worker." The practice of making such resolutions, however, was abandoned during the War, chiefly because they became inapplicable to firms working under war conditions, and settlement of the question is now entirely dependent upon tests.

Although both the bulk and complexity of inspection work increased enormously between 1909 and 1922, the staff of inspectors, which was considered all too small even in 1915, has not been enlarged proportionately. In July, 1915, there were six Trade Boards covering approximately 500,000 workers and 12,000 firms, while the staff of inspectors numbered twelve. By December, 1922, the number of Boards had been multiplied by seven, the number of workers by approximately six, the number of firms by fifteen, and the number of inspectors by three. When the Ministry of Labour took over the Inspectorate in 1920, a special section was established for the investigation of trades for which it was proposed to set up a Trade Board, and also one to deal with special enquiries received by Trade Boards, so that the regular inspectors were relieved of a part of the numerous duties which had previously devolved upon them. Some new recruits, who had been partly trained in other Government departments during the War, were also added to the staff, but at no time has the staff been commensurate with the work which it is called upon to perform. Owing to the rigorous policy of economy which is being pursued by the Government, it is a reduction, rather than an increase, in the staff of inspectors which is now being projected and which will take place in the near future. The reduction in the number of inspectors is to be accompanied by decentralisation of the staff to six district offices, so as to make those who remain cover as much ground as possible, and to save

travelling expenses. Certainly such a plan should make inspection more effective, and it is strange that this step has not been taken before, but no possible reorganisation scheme can make even the present corps of inspectors adequate, although they, as a whole, are an extremely capable body of experts.

One hundred per cent. inspection has never been the criterion. It is both impossible and unnecessary. A representative of the Ministry of Labour, in his evidence before Lord Cave's Committee, intimated that 2 per cent, of the firms was all that could be covered with the existing staff of thirty-six persons. A certain amount of routine inspection is always done by means of surprise visits and occasional "drives" in certain trades. Cases of evasion, brought to the notice of the Ministry by complaints, have also been dealt with in course of time, but a very long period has sometimes elapsed before such matters have been settled. the whole the degree of compliance in the "old" Trade Board trades, such as Sugar Confectionery, Shirt-making, Tin Box-making, and Machine-made Lace-finishing, was said to be good up to within the last two years. When a new trade has come under the Act, it has always taken a short period of time for it to become accustomed to Trade Board procedure and to get settled down, after which the task of enforcement has become very much less difficult. Therefore the rapidity with which new Boards were constituted in 1919 contributed greatly to the difficulty of enforcement. Certain trades, of course, because they were made up of large numbers of small shops, had particularly complicated rate schedules, furnished employment to many homeworkers, or were, perhaps, naturally recalcitrant, have always given trouble.

During the present period of trade depression the amount of evasion is said to have increased materially in all trades, including most of those which have been under a Board from the very beginning. Evasion seems to be most flagrant in homework trades, because it is particularly difficult to detect. In the Retail Tailoring and Dressmaking trades, for instance, where there are many small shops employing homeworkers, wholesale evasion is reported in every part of

the country. Several employers in drapery shops admitted that they were aware that many small retail dressmakers were not paying Trade Board rates, but thought it was to their advantage not to report them because they bought materials. Reports of collusion between workers and employers in the Chain trade at Cradley Heath, whereby the worker gives overweight in chain, i.e., more than a hundredweight for the rate of a hundredweight, or returns part of his earnings in the form of a rebate, are also rife. Some employers have even offered to give evidence of cases in which workers have offered to sell them chain at less than the legal rate, but since it is the person who buys rather than he who sells the chain who is subject to prosecution, and since under section 9 of the Act of 1909 it must be proved that some arrangement "express or implied" has been made with a worker before he is eligible for the minimum rate, such evidence is of little use. Neither is it unlawful per se to give or receive a rebate unless a false receipt is given. One employer stated that a hundredweight of chain had been offered to him that very morning at 6s. od. less than the Trade Board rate would allow. A Tin Box employer stated. in one case, that he had recently employed six girls who came from another firm in the same trade, and not one of them. according to their statements, had been in receipt of the Trade Board rate. Again, in the metal trades, it is said that employers can easily escape payment of the rates by denying the fact that they make any of the products named in the definition. A great deal of evasion is also reported in the Hat, Cap and Millinery trade, and among hand-laundries. Recent investigations of the Inspection Division indicate that the situation in the last-named trades has been overstated. Nevertheless, subterfuge is apparently frequently resorted to, and even inspectors are not always able to discover the actual facts. The workers themselves are often so afraid of victimisation if they give evidence of underpayment that in a period of unemployment it is sometimes difficult to prove a case even when an inspector is aware that the proper rates are not being paid. A favourite method of evading payment of the minimum rates in small retail

millinery shops is to do away with the workroom entirely, but during the time when the shop assistants are not serving to keep them busy behind the counter with trimming readymade shapes. An inspector coming in, and discovering that there is no workroom, would assume that no milliners were employed, and since the assistants who do no trimming are not included within the scope of the Act, the chances are that the ruse would not be detected. Loyal employers and workpeople alike in many trades are complaining bitterly of the lack of enforcement of Trade Board rates. In fact, the number of formal complaints has in the past been so great that practically no routine inspection could be undertaken. At present the position is said to be somewhat improved.

It is quite plain that there has been a sudden increase in the volume of work, with an entirely inadequate staff to do it, but this is not the sole cause of the general dissatisfaction with regard to enforcement. The Minister, instead of considering it his duty to enforce whatever rates have been fixed by a Trade Board and confirmed by himself, has in one or two cases, without consulting or informing the appropriate Trade Board, taken it upon himself to decide whether or not any attempt shall be made to enforce the rates as they stand on the orders of his Department. In the Dressmaking trade. for example, certain special rates have not been enforced in rural areas. Evidence to this effect was given by a witness for the Ministry before Lord Cave's Committee of Enquiry. In yet another trade, a section of the order relating to hours is admittedly not being enforced, because there is a great difficulty in doing so. Such facts are not unknown to the trades concerned, and the result has in some cases become serious, as is evidenced in the Dressmaking trade by the notorious Portsmouth case, in which the Ministry prosecuted a firm for failure to pay the legal rates, and the magistrates dismissed the case under the Probation of Offenders Act. 1907, which virtually meant open defiance of Trade Board rates by the Courts. Latterly, there is an apparent unwillingness on the part of the Ministry to prosecute at all, although loyal employers have urged it as being the most effective, and, in the long run, the cheapest method of enforcement. Two of the reasons for taking such a position are the attitude of the Courts, which are noticeably less willing to impose fines and order payment of arrears than they were two or three years ago, and the difficulty in obtaining satisfactory evidence from workers owing to the fear of victimisation. Nevertheless, it is during a period like the present, on account of part-time employment, that it becomes most necessary to protect both the loyal employers and the workers by enforcement of the legal rates.

Since the beginning of the operation of the Acts a total of 121 prosecution cases have been undertaken. Of these, seven cases were heard in 1922, as compared with thirteen during 1921, which was the first year after most of the new Boards had fixed rates. A total of III out of I2I cases have been successful, resulting in fines or even imprisonment in one instance, and in payment of arrears amounting to £5,609 12s. 21d. to 638 workers. The chief offences for which employers have been prosecuted are underpayment, failure to post notices, failure to keep records, failure to produce records, hindering and molesting an officer, and rendering false information. The greater part of the arrears which have been obtained, however, were not got by prosecution. It frequently occurs that an employer agrees to pay the arrears before the case is heard, or, particularly of late, it is often possible to make some kind of settlement and to collect at least part of the arrears without taking the matter to Court. In fact, the largest amount of arrears ever collected from a single firm, viz., between £3,000 and £4,000, was got by negotiation. As much as £1,800 and £1,500 has been paid by two other firms, and, in several instances, £1,000 or more has been returned to workers by an order of the Court or without it. The arrears obtained as a result of negotiation are not included in the figure quoted.

In general, there is a great deal of dissatisfaction on both sides with the present policy of enforcement. Some Trade Boards may have made mistakes in the rates which they have fixed, but at any rate they were all sanctioned by the Minister. Failure on his part to enforce them is calculated not only to widen a breach between himself and the Boards

which has already been opened, but will, if pursued as a policy, eventually destroy the efficacy of the system. A strict enforcement of rates which are too high might elicit such violent opposition from both workers and employers that repeal of the Act would be demanded. The remedy for such a predicament would seem to lie, not with the administrative officers, but with the Trade Boards, which should be furnished with evidence that rates are too high, if that is actually the case, and should alter them accordingly. The unsatisfactory situation regarding enforcement is in large part the outcome of too wide a separation between the legislative and administrative branches of the Trade Board system, and a closer relation between the Boards and the Inspectorate would help to solve the problem. Another solution suggested by the Trade Boards Advisory Committee of the Trade Union Congress is that less expensive machinery than that of the regular Court procedure should be inaugurated. If such tribunals as those set up under the Munitions Act, for example, were instituted, it would then be possible for a Trade Union or for a worker himself to present his own case, and to secure arrears where underpayment had occurred. At present, it is practically impossible for any one but the Minister of Labour to bring a case to Court, because of the large costs involved. The United Garment Workers, however, have recently undertaken three Scotch cases in the Clothing trades, which the Ministry of Labour had rejected because of lack of evidence. This is the first time in the history of Trade Boards that a Trade Union has attempted to start proceedings against an employer for failure to pay Trade Board rates, and whether the cases are won or not it is an interesting experiment, for the suggestion that Trade Unions assist in enforcing the Act is a promising one. provide less expensive machinery would involve a relatively small outlay of money, would make it possible for other Trade Unions to take cases to Court, and would relieve the Ministry of the entire burden of preparing the cases. Certainly anything which would improve the observance of the Trade Board orders would be advantageous to the majority of employers as well as of workers.

#### CHAPTER II

#### DISTRICT TRADE COMMITTEES AND DISTRICT RATES

UNDER Section 12 of the principal Act discretional power is given to trade Boards to establish district trade committees. The object of this provision is to give Trade Boards an opportunity of consulting local people regarding local questions. According to the terms of the Act, such committees must be composed of an equal number of Trade Board representatives from each side, of representatives of local workers and employers, and at least one appointed member Homeworkers are also to be represented if there is a substantial number of homeworkers in the trade. Trade Board decides to establish district committees it sends information on the following points to the Ministry of Labour, and the committees are organised accordingly: (I) the areas for which committees should be established. (2) the number and names of representatives of the Trade Board to be appointed as members of each committee, (3) the number of members other than those who are members of a Trade Board, and (4) the method of selection of members other than those from the Trade Board.

One of the greatest problems attendant upon the establishment of these committees is that of dividing the country into suitable areas, so that each will be sufficiently homogeneous and also sufficiently different from other districts to warrant the organisation of a separate committee, without at the same time drawing an arbitrary line which may be the source of gross inequalities and future disputes, and without providing for so large a number of districts that administration is seriously hampered and trade dislocated. The number of districts for which committees have actually been established varies from fourteen in the Boot and Shoe Repairing industry to one (Scotland) under the Cotton Waste Reclamation Board, and the number of members

from each area varies from eight on the committee last named, and fourteen on two of the Paper Box trade committees, to fifty-three in the Northern Counties district of the Sugar Confectionery trade.

Most of the early Boards immediately took advantage of their power to establish district committees, the exceptions being highly localised trades like Chain-making and Lace-finishing. Of the Boards set up since 1919, all but three have rejected them. The Wholesale Tailoring Board, which up to January, 1920, was the old Tailoring Board, and had set up district committees, rejected them after its reorganisation in 1920. In all, six 1 of the fortyfour British Boards had, previous to December 1st, 1922, decided in favour of establishing district committees. Although the workers' representatives in written statements have declared themselves to be neither for nor against district committees in principle, but rather to believe that each individual case should be considered on its own merits by a Board, they have in practice systematically opposed the organisation of these committees from the beginning. On the other hand, the majority of employers, while expressing themselves as being strongly in favour of differential rates, have by no means always approved of this specific method of applying the principle.

Any matters whatever may be referred by a Board to its district trade committees for consideration and report, and any powers, if the Board deems it expedient, may be delegated to them except those regarding fixation of rates. Once established, it becomes the duty of a district trade committee to recommend rates to a Trade Board which should be applicable to the trade in that area, and no rates can be fixed, varied or cancelled for an area until the Board has consulted the appropriate district committee. Besides questions of rates, which a Board is required to lay before its district committees, very few matters except the granting of exemptions have ever been delegated to them. In

<sup>&</sup>lt;sup>1</sup> Paper Box-making, Shirt-making, Sugar Confectionery and Food Preserving, Boot and Shoe Repairing, Made-up Textiles, Cotton Waste Reclamation.

practice, the committees do not take the initiative in the recommendations of rates. After a Board has proposed rates, meetings of each of its district committees are called and the rates submitted to them. Latterly, even these discussions have become purely perfunctory in the majority of cases. The leaders of each side upon a Trade Board have usually been made members of the district committees, and when rate proposals are presented to the committees, practically the same arguments are advanced as at the Board meeting, and the proposed rates are in the end readily acceded to by the committee, it being understood that details have already been thrashed out in a Board meeting, and that rejection might mean re-proposal and a further delay of several months. In some cases the meetings do not consume more than half an hour. Only recently an assistant secretary who was sent from London to attend the meeting of a district committee in Birmingham, and was delayed some thirty minutes by the late arrival of his train, found upon reaching the appointed place that the committee were dispersing, having duly concluded its business by approving the proposed rates.

Actual experience with district trade committees, on the whole, seems to point to the conclusion, that, as they are at present organised, their results are in no wise proportionate to their cost both in time and in money. Since no power to dissolve trade committees is vested either in a Board or in the Ministry of Labour, their term of office is co-terminous with that of the Trade Board, and they must continue to be consulted regarding rates, even though it be known beforehand that the rates will be approved. The net result of their operation is to increase running expenses. Probably their one advantage has been to bring the Trade Boards system more to the notice of workers and employers in outlying districts and to interpret it for them. In the early stages of its development this was no mean service to perform, but as time has gone on and the application of the Acts has been extended, the need for such a process of education has grown less. At any rate, the general opinion of Trade Boards is that a cheaper and equally effective method might be found.

Condemnation of district trade committees as they have operated does not, however, mean rejection of the principle of differential rates, for district trade committees and district rates do not necessarily go hand in hand. Theoretically, there are two bases for the fixation of differential rates. One is the theory that living costs vary in different sections of the country, and the other is that the economic position of different firms in an industry varies according to the place where it is located. Since no really comprehensive cost of living study, such, for instance, as was made in the United States during the years 1918 to 1919, has ever been made in Great Britain, it is doubtful whether much about the relative costs of living in different districts is actually known. A cost of living study made in 1912 by the Board of Trade, however, tended to show that this factor varied more by size of town than by locality, and that even thus no hard and fast line could be drawn. If this is true, and experience in other countries seems to bear it out, it is doubtful whether differentiation of rates on the basis of geographical areas will ever prove a satisfactory method. In that case, the use of district trade committees would be precluded. probably some foundation for the belief that living costs are less in country districts and small towns than in the larger cities, but the degree of difference has apparently been greatly exaggerated. Rents are lower outside cities than in them, and there is no expenditure for travelling to and from work. On the other hand, many articles of food and clothing are much dearer in small than in large towns. If differential rates are to be fixed on such a basis, it should be done only after a thorough investigation has taken place, which will reveal the exact amount of the net increase or decrease. Furthermore, an enquiry into the costs of operating factories or businesses should also be made, for if the cost of living is less for the worker, it is also probable that operating expenses are less for the employer, and there is no valid reason why employers should reap all of the gain from a rural location. On the whole, in the manufacturing trades, where the market is national or foreign, it seems reasonable to make the same rate applicable to one trade in all parts

of the country, the lower cost of living to the worker in rural areas, if this is lower, being offset by lower rents and other costs to the employer. Otherwise a dangerous tendency for industries to localise in the lowest rate districts might develop. Evidence regarding the Boot and Shoe Repairing trade given to the Cave Committee of Enquiry was to the effect that district rates in that industry would mean the sending of repair work from different parts of the country to repair factories, which would be located in the cheapest wage areas. Another danger which might arise from the fixation of district rates, though a remote one, indeed, is the pernicious form of compromise between districts, known as "log rolling," whereby a representative from one district agrees with a representative of another district that if the one will cast his vote for a measure that is advantageous to the other, the other will, in return, yote on another matter to the advantage of the former.

The case for differential rates is stronger in trades having a local market, such as the distributive or so-called making-up trades. Or some special condition may exist in a district rate which makes for an unusual depression in trade, and warrants a special rate, as has the closing of the tin mines in Cornwall. The case for the differentiation of rates in the making-up trades rests upon the theory that because the market is local as opposed to national, the selling price, profit. and turnover depend to a greater extent upon the spending capacity of the community in which a given firm is located than in the productive trades, and so some employers can afford to pay much higher wages than others. This is said to be particularly true of the distributive trades. though it applies as well in the Laundry trade, Boot and Shoe Repairing, and to some extent in such trades as Dressmaking, Millinery, and Tailoring. In the making-up trades, however, there is as much ground for differentiation of rates between shops of different types, which cater for different classes of trade and turn out different grades of goods in the same locality, as there is between shops in different districts.

As a matter of fact, all of the Trade Boards which have established district committees, except Boot and Shoe

Repairing, belong to the manufacturing rather than to the making-up trades. Moreover, no Trade Board having district committees, except Cotton Waste Reclamation, has established differential rates, and in that particular case the whole of Scotland is the district for which a different rate has been fixed. Four other Trade Boards which have no district committees have, nevertheless, established differential rates. In each case the basis is that of population as opposed to geographical area. The Milk Distributive Trade Board rates, which were the first of the kind to be fixed. comprise three scales, one of which applies to the City of London and the Metropolitan Police District, another to the areas which are administered by Rural District Councils and have a population of less than 10,000, and a third applies to all the areas not otherwise specified. The rates prescribed for female workers in the retail trade have been fixed on similar lines by the two Dressmaking Boards (for England and Wales, and for Scotland), and by the Hat, Cap and Millinery Board for Scotland. Two other Boards, viz. General Waste Reclamation and Laundry, have also fixed rates which are, in effect, differential rates. The former prescribes a special wage rate for workers engaged in sorting woollen rags, etc. In the beginning, this Board proposed a differential rate for women engaged in woollen-rag sorting in the West Riding of Yorkshire, but such strong objections were raised by employers in that district, because they were required to pay higher rates than employers in the remainder of the country, that the rate was eventually withdrawn. Since woollen-rag sorting is confined almost entirely to one district, the present regulation acts in much the same way as it would if the district was specified by name. Laundry Trade Board set out in the beginning to fix special rates for the area contained within a radius of thirty miles from Charing Cross. When a proposal to this effect was issued, numerous objections from employers in various sections of the country were received, complaining that they had to pay a higher rate than the laundry across the way. perhaps, which stood on the other side of the area line, but which drew its patronage from the same neighbourhood.

and in the end the plan was abandoned. Nevertheless. when the trade situation in Cornwall became acute, that district and the Shetland and Orkney Islands, where the cost of living is said to be materially lower than in other parts of Great Britain, were exempted from paying the increased laundry rates. Later that idea also was given up, and the laundry rates were made to apply to the whole of Great Britain. Within the last month, however, workers and employers on the Boards have agreed to propose a decrease of \$d. per hour in the rates applicable to Cornwall and the North of Scotland, while the rates for the remainder of the country remain the same. It is estimated that only a few hundred workers will be affected by this change. The Laundry Board also provides for a slightly higher rate for emergency or casual workers, which is, in effect, a differential rate applying to seaport towns. Under one of the Rope, Twine and Net Trade Board determinations Dorset was excluded from certain rates because a rather special kind of work was said to be done there, but in that case also the differentiation has been abandoned.

Those Boards which have given differential rates a trial and have abolished them have followed the general tendency evinced during the War to level up wages as between districts, and can find a precedent for their action in the Consolidated Order 546 of 1918, by which the Minister of Munitions cancelled the lower rates which had obtained in rural areas for women on munitions work. Although some of the older and well-established trades, like Engineering and Building, appear to have found differentiation of wages on a geographical basis successful, the Trade Board industries do not seem to have agreed with their experience. In course of time the Boards themselves are gradually working out methods whereby rates are adjusted to fit special situations without the encumbrance of district trade committees, for which the Act provides. For ordinary trades, the mean rate between that of London and of the country districts, which properly constituted Boards naturally tend to establish by a process akin to collective bargaining, has proved satisfactory.

#### CHAPTER III

#### DEMARCATION AND SCOPE

THE problem of marking the boundaries of a trade so clearly that no misunderstanding or overlapping shall arise is one which has proved troublesome in practically every phase of industrial activity, be it a matter of Trade Union authority, of unemployment insurance payments, or minimum wage administration. This problem, like many others which have arisen since 1918, was of only minor importance in the early days of the Trade Boards. first four trades brought under the Act, namely, Chainmaking, Machine-made Lace and Net Finishing, Paper Boxmaking, and Tailoring, were so widely different in character that no need arose for drafting elaborate definitions or for drawing a careful line of separation. Except for Tailoring, which owing to its complexity required somewhat more, one line of print served to define each trade sufficiently well for practical purposes. But since the extension of the Trade Boards system and its application to a number of closely allied trades, the matters of definition and scope have assumed new importance and have, in fact, become two of the foremost administrative problems.

The responsibility for defining a Trade Board has always rested with the Ministry of Labour (or Board of Trade) as a part of setting up a Trade Board. Although no single method has been followed arbitrarily, it may be said that, in general, lines of demarcation have been drawn on the basis of product rather than of process, of trade in the sense of industry as opposed to craft, and of exclusion instead of inclusion. It has been customary before drafting a definition to make careful enquiries and to consult members of the trade, but no matter how much care is exercised in drafting the original

definition, experience is bound to bring up fresh questions for decision. The official definition of the Grocery and Provisions Trade Board consumes the space of three printed pages, and that of the Dressmaking and Women's Light Clothing trade covers one entire printed page, yet it is continually being discovered that even more words are required to describe these trades adequately for Trade Board purposes. The importance of a clear definition and. indeed, the difficulty of making one as well, is greatest when each of a group of several allied trades or one section of a large industry is to be brought under the Act. An example may be drawn from the group of trades which is covered by the Jute, the Flax and Hemp, the Rope. Twine and Net. and the Made-up Textiles Trade Boards. Among these trades there is much overlapping of processes and products. In the making of ropes or twines, and also of made-up textiles, the raw materials are chiefly jute, hemp, flax, and cotton. Some of the establishments that manufacture made-up textile goods also spin the jute or hemp or flax which they use, and that, of course, is exactly what the jute, hemp, and flax mills do. Again, the made-up textiles firms manufacture such things as nosebags, sails, tarpaulins, and the like, but some of these firms also make from spun jute or flax the materials from which their products are manufactured. The same materials are also produced by certain jute or hemp spinning mills, and are bought from them by other made-up textile firms. The result is that an individual firm may come under one Board or under several Boards, and the problem of the employer is to find out from the Trade Board definition to what rates his different employees are entitled. The Ministry of Labour is responsible for stating the definition in such clear and accurate terms that an employer can readily understand exactly what his position is. A muddled definition may make considerable difference in actual pounds and shillings, either to a worker or to an employer. On December 1st, 1922, for example, the lowest general minimum time rates in the four allied trades mentioned above were as follows:

<sup>&</sup>lt;sup>2</sup> See definition in Appendix.

	Males. Per hour.	Females. Per hour.	
	s. d.	s. d.	
Jute	. O IO	o 6‡	
Flax and Hemp .	. O II	o 6 <del>]</del>	
Made-up Textiles .	. o 11}	o 6 <u>₹</u>	
Rope, Twine and Net	. I 0	0 7	

It will be seen that there is a difference of 2d. per hour between the highest and lowest rates for males, and a difference of \$\frac{1}{4}d\$, per hour in the case of females. Which rate an employer would be required to pay, of course, depends entirely upon the construction of the trade definition. There is also danger of confusion between the two Tailoring Boards. Where, for instance, is the exact line of demarcation between the Ready-made and Wholesale Bespoke Tailoring trade and the Retail Bespoke Tailoring Trade? According to the definition, the former includes what is generally known as men's and boy's ready-made, and wholesale bespoke tailoring, and "all men's and boy's retail bespoke tailoring carried on in a factory where garments are made up for three or more retail establishments." etc. The three or more establishments is a purely arbitrary ruling, but some such statement is necessary to make the line of demarcation clear. By the original definition of the Aerated Waters trade, the ordinary operations of bottling and all subsidiary processes preparatory to the sale in bottles, etc., of cider, ale, stout, porter, and other alcoholic beers are excluded from surveillance of the Board when not carried on in association or conjunction with the manufacture of bottling of mineral or aerated waters. In effect, this means that an Aerated Waters manufacturer who carries on beer bottling on the same premises as aerated waters bottling must pay Trade Board rates to workers engaged in both processes, while if his beer bottling department is located across the street or at any other place not adjacent to the mineral water establishment, he would not need to pay these rates to beer bottlers, nor would a person carrying on beer bottling only be obliged to pay them, since such firms are not covered by the Trade Board. Thus if happens that

the cost of labour may be considerably less for one firm than another, yet all are competing in the same general market. This anomaly forms the basis for the only important objection of English employers in the Aerated Waters trade to the Trade Board.

Probably the greatest difficulty arising out of the definition has occurred in connection with the Stamped or Pressed Metal Wares Trade Board. 1 In reality, there is no Stamped or Pressed Metal Wares trade. It is only one section of the Brass trade described by process, and that probably explains the difficulty which has been experienced in defining it satisfactorily. The present official definition is based both upon process and upon product, and, as it stands, only a relatively small number of the firms which it was intended to bring under the Act are actually included, because of the wide variety of products which can be made by this process, and the constant change in the nature of the products demanded. The point is also made that in this trade the same article may be used for different purposes, but that since it is not always known what the ultimate use of the article is going to be when it is made, the employer does not know what rate of wages he is obliged to pay. Brass handles. for example, may be used for furniture, in which case the rate of wages fixed by the Stamped or Pressed Metal Wares Trade Board would apply, or they may be used for coffins, in which case the Coffin Furniture Board rates would apply. In actual practice this argument is not as important as it may sound, because both of the Trade Boards mentioned usually base their rates upon those of the Brass Workers Trade Union, and are therefore not far apart. Another complaint of the Stamped Metal Wares employers is that since a number of different products, some of which fall within the scope of the Trade Board, and some of which do not, have exactly the same foundation, and only become separate articles after the final processes, it is impossible to know when to pay the Trade Board rates and when not to. They illustrate this point with a small brass tube, called a " cupped blank," which may, when cut into pieces, form a ferrule or

<sup>&</sup>lt;sup>1</sup> See Appendix II., for definition.

an umbrella cap, or a number of other articles. The ferrule falls within the scope of the Trade Board but the umbrella cap does not, and since neither the employer nor the worker knows the destination of the "cupped blank" when it is being made and, in fact, since part of it may eventually become one article and part of it another, it is impossible to say to what rate the man who makes it is entitled. An unscrupulous employer who prefers not to pay the Trade Board rates can escape with comparative ease by denying that he manufactures the article named in the definition. Loyal employers maintain that the definition is now quite unworkable, and that unless it is altered the Trade Board cannot be successful. They suggest definition by process rather than by product as a solution, but the Ministry of Labour has not yet seen its way clear to adopt that suggestion, presumably because of the fear of invading sections of big organised trades like Engineering and Electrical Engineering.

The definition of a trade, besides including all workers in occupations peculiar to that trade, ordinarily covers such workers as warehousemen, porters, general labourers and clerks, when they are employed in the trade. If a trade, therefore, falls under two or more Trade Boards which have set different rates, it is possible that an entirely unskilled worker, like a porter, engaged in one department will be entitled to a wage that is Id. or 2d. per hour in excess of that to which a porter doing the same work in another department is entitled. A case in point is that of a sugar confectionery firm which makes its own paper boxes. Under the existing rates, a girl of fifteen years, whose work is to carry trays of chocolates from the dipper to the cooling room, would, if paid at the minimum rate, receive Id. per hour less than the girl who carries paper boxes from the finisher to the packer, though the work is practically the same. Some employers complain that this method of defining a trade causes ill-feeling among the workers. enquiries, however, lead the writer to believe that it is only in rare cases that serious dissatisfaction has occurred, and this is perhaps not so much true because there were relatively few cases of discrepancy between the rates, as because ingenious employers have managed to overcome it in one way or another.

Scope questions were of more importance than those of demarcation before 1919, and they were settled provisionally by the Boards themselves, subject always to decisions by the Courts. When there was doubt as to whether the making of attaché cases or of carboard tubes fell within the scope of the Paper Box Trade Board, for example, the matter was referred to the scope committee of that Board for consideration, and in like manner similar questions were decided. The scope determinations of this particular Board. in fact, furnish an excellent example of the satisfactory results that can be secured from trade experts without legal advice. With the increase in the number of Boards after 1918, scope problems have become more numerous and more intricate, and are usually combined with demarcation and definition. Thus it happens that two or more Boards are not infrequently involved, so that the matter requires settlement by an impartial body. The ultimate decision in all scope questions must necessarily rest with the Courts. but in order to avoid legal action and to insure the smooth working of Boards a special scope section with ready access to legal experts was established in 1920 by the Ministry of Labour, and to this section all scope questions have since been referred. In the beginning such matters were sent first to the legal advisers, and after a decision had been reached were then referred to the Trade Board or Boards concerned. with a request for expression of opinion, but this arrangement did not prove satisfactory. Here again, in consideration of matters relating to scope, the weakness of the bipartite structure of the Trade Boards system becomes apparent. On a Trade Board there sit both workers and employers who are thoroughly familiar in every respect with the details of the trade in question, but they are without legal knowledge. The latter is to be found at the Ministry of Labour; there, however, is no trade expert. Who but a member of the Clothing trades would be expected to understand the technique of the trade sufficiently well to

decide whether or not a given worker is engaged in the making of "a non-tailored garment" or "the constructional part of a coat"? Decisions in scope problems ordinarily involve consideration both of trade custom and of law, and no satisfactory solution should be expected on the basis of either alone. The two sets of experts must work in conjunction. An attempt at bringing them together has been made recently by referring scope questions to the appropriate Board in the first instance, in order to obtain the benefit of its technical knowledge, before the matter is sent to the scope section for legal opinion. The Boards themselves, however, desire that they should be given power to make the decisions and be furnished with the necessary legal advisers to assist them in couching their decisions in legal language.

A number of scope cases might be cited as examples. One relates to "beatsters" in the Net-making trade. "Beatsters" are women employed by boat-owners, chiefly to repair nets which have been "fishing" for a season. It has been the contention of the Board from the beginning that such workers are included under the definition of the trade. while the Ministry of Labour holds the opposing view. Since it is the Minister who is responsible for administration. "beatsters" remain excluded, but employers upon the Board are not in the least satisfied by the decision. Another question which seems never to have been satisfactorily answered is "When is a dress tailored?" A conflict on this point has arisen between the Dressmaking and the Retail Bespoke Tailoring Board, and as it happens that the Tailoring rates for certain grades of workers are in excess of those set by the other Board, it becomes a matter of major importance to an employer to know whether his work is technically Dressmaking or Tailoring. Still another example might be drawn from the Milk Trade. This Board covers only the distribution of milk, and neither workers engaged in the production nor those engaged in the transportation of milk are included, though on farms those three branches of work are often carried on in conjunction by one person. The definition of the trade as printed in the Order expressly states that any operations in the transport of goods by

common carriers in any industry or trade, concerned exclusively with Carting or with Agriculture, are excluded. The question, nevertheless, arises in inspection when a worker spends part of his time in Agriculture and part in Milk Distribution, and it is then necessary to determine to which kind of work the major part of a worker's time is devoted. This is anything but an easy task in some cases. When the sale of milk is combined with another business the same variety of question comes up again. According to the definition, the Milk Distribution trade includes "(a) The Wholesale or Retail sale of fresh milk when carried on as a main or distinct business or as a distinct branch or department of a business. (b) the sale of food or drink for consumption on the premises or of other goods when any such sale is carried on in association with and as a subsidiary part of such business, branch or department as aforesaid. if such sale involves the employment of workers who are principally employed in the sale specified in (a) above."1 The difficulty here is to determine when Milk Distribution is a main and when a subsidiary branch of the business.

Even if a definition has been satisfactorily drafted and all possible scope questions settled, a change in style or process may call for a readjustment. It is to be hoped that the designer who invented the "coat frock" will remain in blissful ignorance of the consternation which he has caused two British Trade Boards. Is the coat-frock tailored or not? That is the question. If so, its maker must be paid at Tailoring Trade Board rates; if not, at those set by the Dressmaking Board. The manufacture of metal girdles, which were for a time so fashionable, has likewise given rise to a small problem for the Stamped or Pressed Metal Wares Board. In fact, any new metal ornament which fashion may prescribe only adds to the tribulations of that already overburdened Board.

It is not within reason to hope that all problems of demarcation and scope can ever be settled to the satisfaction of every one concerned. But neither should difficulties of this nature, with which Trade Boards have been confronted,

<sup>&</sup>lt;sup>1</sup> Italics are mine.

be considered insurmountable. Time and experience are contributing to such readjustments as are needed. For more than a year the Ministry of Labour has been engaged in re-defining those trades, the definitions of which have given rise to the most serious confusion. Very recently a new definition has been drafted for the Stamped or Pressed Metal Wares trade, which it is hoped will settle some of the old difficulties. The Clothing trades are attempting to solve their peculiar problems of demarcation and scope through a co-ordinating committee of representatives from each of the Clothing trades under a Trade Board. A similar committee has been working toward that same end in the textile group, viz., Jute, Flax and Hemp, and Made-up Textiles. A proposal to unite the Stamped or Pressed Metal; Pin, Hook, Eye and Snap Fastener; Coffin Furniture and Cerement making; and Button-making Boards, failed, owing to the objection of one of the group. But it is probable that the recommendation of the Cave Committee in favour of combining Boards will bear some fruit in the direction of more satisfactory arrangements regarding the scope of Boards and their lines of separation. At any rate, the problems involved here are no more serious than those which arise between Trade Unions, although they may cause considerable inconvenience and exasperation at times.

#### CHAPTER IV

#### PERMITS OF EXEMPTION

SPECIAL provisions are made under the Acts for exempting employers from paying the general minimum time rates to time workers who are incapable of earning them by reason of infirmity or physical injury, and who for a valid reason cannot be employed at piece rates, and this provision also applies to the payment of a guaranteed time rate to piece workers who for like reasons are unable to earn that amount. The object of such a provision is to prevent the discharge of workers who are actually unable to earn the prescribed rate, but who, nevertheless, desire employment and can be of some value to an employer. Applications for exemption must state: (1) that the worker desires to be employed at less than the minimum rate, (2) the nature of the infirmity or injury, (3) the reason why he cannot be employed at piece rates, (4) the conditions of the proposed employment, including number of hours, amount of wages, and kind of work, and (5) must bear the signature of both employer and worker.1 All such cases are thoroughly investigated before the exemption is granted, unless the application bears upon the face of it sufficient proof of the validity of the claim, and that rarely occurs. It is customary for a Board to refer such matters to its Administrative Committee, which in its turn deputes one of its own members or a member of the Board who lives near to the applicant, a district trade committee, or a regular investigating officer to look into the facts and to report. The only grounds for granting an exemption are physical or mental incapacity, and a doctor's certificate is usually demanded in support of the claim. Workers who are said to be " just slow " may not be considered for exemp-

For copy of forms used see Appendix.

tion. But if a worker is of advanced age and proves unable to earn the minimum, it is probable that he will be considered infirm owing to age, and will be granted an exemption upon application. After investigation, the committee either refuses the exemption or grants it, usually specifying the occupation, the exact wage to be paid, the maximum number of hours per week to be worked, the length of time for which the permit is available, and often whether overtime work is permissible. At the end of the period the case may be reinvestigated or extended without further enquiry, depending chiefly upon the kind of infirmity and the nature of the work. The general policy followed by Boards is to make the period as long as possible, in order to give stability to the relation between employer and worker.

An employer is not held liable under the Act for failure to pay the prescribed rate of wages during the period for which a permit is granted if he complies with the condition of the permit. The exemption does not extend to the period between the application for a permit and the granting of it by a Board, which may prove to be of considerable length. If a worker is actually incapable of doing as much work as his fellows, and yet the employer is required to pay himat the same rate during a protracted investigation period, the employer may suffer a real money loss or he may discharge the worker in the interim in order to avoid it. For this reason temporary permits have at times been granted, on condition that the wage stipulated by the Board will be paid in the meantime. It is not the practice of the Ministry, however, to take action against an employer for failure to pay the legal rate during investigation following a bond fide application for a permit, though the employer is technically liable to such action.

The number of permits granted by the Board is contingent upon the total number of workers in the trade, the nature of the work, the relative amount of piece and time work in the trade, and the policy of the Board. The total number of workers to whom permits of exemption have been issued during the entire period of Trade Board operation is 3,341. The total number of exemptions in force on

### 64 BRITISH TRADE BOARDS SYSTEM

August 7th, 1922, was 2,100, giving an average of fifty-two per Board. The five Boards which had the largest number of operative permits on that date were as follows:—

Laundry					340
Boot and Shoe Repairin	g.				231
Retail Tailoring .	•				16a
Rope, Twine and Net	•	•			143
Milk Distributive .			•		109
Those having the lowest nur	nber v	vere :	_		
Hat, Cap, and Millinery	(Scotla	and)			0
Hollow-ware			•		I
Lace Finishing Coffin Furniture	•	•	•		2 each.
Boot and Floor Polish					4
Made-up Textiles .	•		•	•	5

The proportion of exemptions granted in several trades has greatly increased since the War, owing to the employment of partially disabled soldiers in some Trade Board industries. Certain trades, like that of Boot and Shoe Repairing, have always lent themselves particularly well to the employment of cripples and physically infirm workers, because so much of the work is done in a sitting posture, so that they would in any event be called upon for a large number of permits of exemption. Taken literally, the wording of the Act makes the grounds quite clear upon which permits may be granted. Some Boards, however, have chosen to interpret the Act much more widely than others. A loose interpretation falls in with the opinion of many employers that the latitude for granting exemptions is not now sufficiently wide, and that the Act should be so amended as to include workers who are abnormally slow, even though they have no apparent mental or physical defect. A much larger number of workers could, as a matter of fact, be brought under the present regulations regarding exemptions. The difficulty seems to be that the terms upon which they may be granted are not properly understood. It is not at all an uncommon experience in investigation to hear an employer complain at great length about the rate of wages which he is required to pay to a deaf, blind, or otherwise incapacitated worker, not knowing that he could easily obtain a permit to pay less.

At the same time a great number of employers consider that it is not worth their while to bother about exemptions for infirm workers and prefer to pay them at the minimum rate, regardless of physical incapacity. The higher the minimum rates are in proportion to what the trade has been accustomed to, and the more labour there is upon the market, the greater is the pressure which will be brought to bear for "easy exemptions."

The matter of granting permits is a very important one, and the Trade Boards seem thus far to have handled it wisely. Unemployment, great suffering and injustice may be the results of a rigid system which allows of no exceptions to the rule. On the other hand, there is no better means for ultimately undermining the Trade Boards system than abuse of the power to agree to rates lower than the legal It gives an opportunity for unfair discrimination against certain employers; it may mean that rates set at a reasonably high figure for a trade are in practice much lower; it may become a means whereby the employer can evade the Trade Board rates; or it may result in reversion to individual bargaining and the reduction of the wage of the physically fit to the standard of the physically unfit. In theory, the permit of exemption is a valuable instrument for insuring elasticity, if kept in check, and an opening wedge which will bring ruin in its wake if used too freely. On the whole, an unusually fine spirit of co-operation and harmony has been displayed between employers and workers in the handling of exemption cases. In practice, there seems to be little danger of its abuse, chiefly because the requirement that permits shall be sanctioned by representatives of both workers and employers acts as a safeguard, and because the granting of exemptions is confined to the physically defective. Should the Cave Committee recommendation that physically sound, but slow, workers be made eligible for exemption from the minimum rates be accepted, the number of applicants would probably be so greatly increased that careful investigation would be made difficult or impossible, and the danger of abuse would then become ominous indeed.

### CHAPTER V

### APPRENTICESHIP AND LEARNERSHIP

THE regulation of wages for young workers offers one of the largest fields for constructive work open to Trade Boards. Thus far, every Board which has fixed rates has made special provision for the payment and employment of young workers in one or more of the three following ways: (1) by fixing rates for juveniles and attaching no conditions thereto (thirty-seven Boards for males and twenty-eight for females); (2) by fixing rates for learners and prescribing certain conditions for their employment at those rates (eight Boards for males and twenty-one for females); (3) by fixing rates for apprentices as a part of an apprenticeship scheme (seven Boards for males and four for females). The age at which a worker is recognised as an adult varies with different Boards, and has been the subject of considerable discussion, employers usually contending that the age should be high, and the workers demanding a low age limit. Generally speaking, girls between fourteen and eighteen years, and boys between fourteen and twenty-one years, have been classed as juveniles. Thus, twenty-one years has been generally accepted as the adult age for males, and eighteen years for females, and the adult wage becomes payable at those ages. This is in accordance with the practice of War wage-regulating bodies. During the last two years of unemployment and receding wages, considerable effort has been exerted by employers to force a return to the pre-War custom of twenty-one years or over for both males and females. The age standards gained during the War, however, have been maintained by Trade Boards, with the exception of eight trades in the case of females and nine in the case of males. And this has been done in spite of greatly reduced Trade Union strength.

### APPRENTICESHIP AND LEARNERSHIP

Most Trade Boards define the term "learner" in & Order which prescribes the rates. A female learner for the purpose of the Retail Bespoke Branch of the Dressmaking and Women's Light Clothing trade (England and Wales) is a worker who is "employed by an employer who provides her with reasonable facilities for practically and efficiently learning one of the branches of the Retail Bespoke Dressmaking Branch of the trade, or the various processes involved in the making of any of the articles specified in the definition of that Branch of the trade," and is duly certified according to the rules laid down by the Board. The Rope, Twine, and Net Trade Board, though fixing rates for learners in some of its obsolete Orders, failed to define them, and still other Boards, although they prescribe rates for juveniles, do not call them learners, nor fix any conditions for their employment as such. But most of the Boards which lay down learners' rates specify that adequate facilities for learning the trade must be offered by the employer, as in the definition which has been quoted. Premiums, which previous to 1914 were commonly paid to employers in some trades by the parents of learners or apprentices, are declared unlawful under the Trade Boards Act, 1918, unless such payment is made before the first four weeks of the apprentice's employment have elapsed. Registration of such workers with the Office of Trade Boards is usually required. in order to insure that workers receiving learners' or apprentices' rates are bond fide learners or apprentices, that a worker who changes his employment shall receive the benefit of his learnership period with another firm, and to assist the inspector in determining what rate is applicable to a given learner.1

Age is specified by most Trade Boards as, at least, one of the qualifications for receiving a given rate. The simplest method used is to make age the sole basis of differentiation, e.g., in the Button-making trade the rates for juvenile girls are fixed thus:—<sup>2</sup>

<sup>1</sup> For copy of certificate see Appendix.

<sup>2</sup> Operative on December 1st, 1922.

### BRITISH TRADE BOARDS SYSTEM

					bour. d.
				0	3
			•	0	4
16 and under 17 years of age		•		0	5
17 and under 18 years of age	•	•	•	0	6
18 years of age and over (adults)	)	•		0	7

Not infrequently wages for younger male workers are graded in the same fashion up to the age of twenty-one years. This, of course, is in line with Trade Union practice, particularly in agreements for the less skilled trades. Employers on Trade Boards evince a strong tendency to oppose gradation of rates by age, and argue in favour of experience in the trade as a sounder basis. In accordance with this view, several Trade Boards, e.g., Dressmaking, and Hat, Cap and Millinery, have recently altered the principle upon which learners' rates are graded. A combination of the two methods has been adopted by a larger number of Boards. In the Paper Bag Trade Board determinations, both the age of entering the trade and the length of period of employment since fourteen years of age serve as determinants, thus:—1

		Fema	le Learn	ers commencing at			
Period of Employment after 14 years.	under 15 years		under 20 years	20 years of age and over			
zst six months  2nd	Per hour. 2. 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2 2	Per hour. d. 1-18 330004004004	Per hour.	Ist three months 2nd ,, 3rd ,, 4th ,, — —	Per hour. d. 3mm 44 see see see see see see see see see		

<sup>1</sup> Operative on December 1st, 1922, in Paper Bag trade.

### APPRENTICESHIP AND LEARNERSHIP

Rates fixed for juveniles and adults of both sexes in the June, 1922, determinations of the Rope, Twine and N<sub>ch</sub> and of the Hair, Bass and Fibre Boards are prescribed on the basis of both occupation and age, but it is very uncommon to find the qualification of occupation entering into the fixation of juniors' wages.

So-called late entrants, that is, adult workers who enter the trade at a later age than the average, have been allowed by special provision of twenty-eight out of forty-four Boards to be paid at a rate somewhat lower than that to which they would otherwise be entitled by age. Unless some such arrangement were made, there is the possibility that the situation would arise in which a worker who had been in the trade only a short time would receive more than one who had served, perhaps, a year or more as a learner. Where a good deal of judgment is involved an older and better worker may be of more value to an employer than a younger one, even though she has not had as much experience in the trade. But this is not usually true, and when employers are required to pay strictly on the basis of age, it means that the trade is practically closed to workers of over fourteen years who desire to enter the trade as learners. The tendency is for more Boards to recognise the necessity for making allowances for late entrants. Employers throughout the country have complained more bitterly concerning the lack of such arrangements than about anything else in connection with the Trade Board system, and in so far as there is a fair degree of skill in the trade and no such arrangements have been made, there seems to be just reason for dissatisfaction.

Seven Trade Boards, besides setting learners' rates, have also worked out elaborate apprenticeship schemes.<sup>1</sup> The apprentice, in the technical sense of the word, differs from the learner in that he is bound to service for a term of years by an indenture in writing, while the learner enters the trade under the ordinary verbal contract, with the implicit understanding that he is to be given an opportunity

<sup>&</sup>lt;sup>1</sup> Boot and Shoe Repairing, Brush and Broom, Flax and Hemp, Fur, Perambulator, Retail Tailoring, Tobacco.

### BRITISH TRADE BOARDS SYSTEM

earn some branch of the trade, and that either he or his loyer is free to terminate the contract with the usual the. Both apprentices and learners receive lower wages the ordinary juvenile worker, who is employed solely for what he is able to do, on the grounds that the two former groups have the privilege of being taught the trade, the apprentice, perhaps, being paid the least of all in order to encourage employers to undertake the greater responsibility of employing apprentices.

Neither apprenticeship nor a period of learnership seems to be generally suited to the modern factory system, and the introduction of every new machine makes it even less so. Trade Board trades, in particular, are likely to require an insufficient degree of skill in the worker to make an apprenticeship system workable. Seven trades at least remain. however, in which hand work is still done and in which it seems worth while to encourage good craftsmanship. The Boards covering these trades, therefore, have evolved elaborate apprenticeship schemes and model forms of indenture. During the War, on account of their desire to obtain a large output in preference to good quality, as well as because of the extraordinary demands for all kinds of labour, and since the War, owing to the slump in trade and the expense of keeping apprentices when it is not always possible to give them steady work, employers have been universally disinclined to take on apprentices. quently, there is a real danger in some trades that the craft skill will die out with the present generation, unless the matter is taken in hand immediately. Such is said to be the situation in the Brush-making industry. It is also reported that a dearth of expert tailors may be expected within a few years. Those Boards which have established apprenticeship schemes are assisting in averting this form of industrial disaster and are doing an admirable piece of constructive work.

The first Board to establish an apprenticeship scheme was that for Brush and Broom making, and the Chairman of the Board, Mr. E. H. C. Wethered, who had been instrumental in working out similar schemes for other trades in

Bristol, was largely responsible for its inception. Under this scheme provision is made for the payment to male apprentices of lower time or piece rates than those to which a juvenile worker would otherwise be entitled by age. This applies in four different sections of the trade, according to the year of apprenticeship. These lower rates are expressed as percentages of the rates otherwise applicable to the worker. And it is also expressly stated in each case that the apprentice rates are payable only (a) where a journeyman instructor has responsibility for the work of the apprentice during a certain period of the term in the journeyman's own section of the trade, and (b) where, during a specified number of months of the apprentice's employment in any branch of the trade, a journeyman is paid by the employer, in respect of the instruction of and responsibility for the apprentices, a weekly sum equivalent to the difference between the piece work earnings of the apprentice and the amount which the apprentice would have earned if he had been employed at the full appropriate piece rates otherwise applicable (or a specified part thereof). Guaranteed time rates are fixed for apprentices in three or four of the sections of the trade, and overtime rates and normal hours are specified in each section. The term of years is five in all but one branch of the trade, where it is four years. There are also provisions regarding the proportions of apprentices to journeymen. One of the most interesting clauses in the prescribed form of indenture is that which releases an employer from the obligation to provide full-time instruction or employment, or to pay full-time wages to an apprentice. where, on account of slackness of trade or any other cause beyond the control of an employer, the majority of journeymen in that branch of the trade are not fully employed. The apprentice under such circumstances is also freed from his obligation to serve the employer, and after four successive weeks of less than half-time employment and instruction the apprentice and his guardian may, with seven days' notice, terminate the contract. This provision is a new one. which was introduced to meet the circumstances of the present trade depression.

Another elaborate scheme is that prescribed for male apprentices by the Boot and Shoe Repairing Board. General minimum time rates are prescribed on a sliding scale, based on the cost of living, according to the occupation to which workers are apprenticed, the age at which they commence apprenticeship and, in some occupations, their age at the time of payment and the year of apprenticeship. Overtime rates are also fixed. The period of apprenticeship (four of five years) is prescribed, and also the proportion of apprentices to journeymen. The two distinctive features of the indenture are (1) a provision that the employer may dismiss an apprentice if he is wilfully disobedient, slothful or negligent, or in any way grossly misbehaves himself towards. the employer or his fellow workers, or is found unsuitable for continuance as an apprentice; (2) a provision that in the event of a dispute involving allegations of misconduct on the part of the apprentice or failure to instruct on the part of the employer, the matter shall be referred in the first instance to the Boot and Shoe Repairing Trade Board, and their recommendations shall be considered by the parties, with a view to effecting a settlement.

The Retail Bespoke section of the Tailoring trade has established two sets of special general minimum time rates for male and female apprentices. One scale applies to both males and females, and depends upon the year of apprenticeship, and whether or not the employer provides the apprentice with dinner and tea or with full board and lodging. The other scale is different for the two sexes and depends upon the year of apprenticeship, it being understood that no meals, lodging or clothing is to be supplied. The period of indenture varies from three to five years, according to the branch of the trade to which the apprentice is indentured. The indenture provides that during the first three years of his service an apprentice shall not be required to work more than the number of hours per week declared to be normal by the Trade Board. Allowance is also made that hours spent by apprentices at technical classes during ordinary working hours, by agreement of the two parties, shall be reckoned as hours of employment under the indenture, and

that an apprentice who has received continuous instruction in Retail Bespoke Tailoring at an approved institution or school, previous to becoming an apprentice, shall be allowed under certain conditions to count it as a part of his period of apprenticeship.

A unique feature of the indenture for male tenters or dressers in the Flax and Hemp trade is the provision that in the event of the apprentice being absent from work through ill-health and in receipt of sickness benefit under the National Insurance Act, or through unemployment within the meaning of the Unemployment Insurance Act, the employer shall not be bound to pay the rates fixed by the Board. The Tobacco Trade Board has fixed rates for male and female apprentices in the cigar-making section of the trade. A period of five years' service is required, and minimum piece and time rates are prescribed according to the district in which an apprentice works, the year of his apprenticeship, the kind of work to which he is apprenticed, and in some cases according to the age and sex of the appren-Both the Fur and the Perambulator and Invalid Carriage Trade Boards have established apprenticeship schemes which follow the lines of those already discussed.1 In all cases the rates of wages fixed for apprentices are lower than those prescribed for juvenile workers. A tabular statement of the principal features of the apprenticeship schemes is given on the following page. The apprenticeship schemes which have been adopted have not been in operation for a sufficiently long period to admit of any judgment regarding their effects. Certainly, any thorough course of trade training ought to have far-reaching effects for good, if it is not abused. The outstanding danger is that they may prove to be only the beginnings of a pernicious "sweating" system. It is to be hoped that the Trade Boards will be on their guard in this matter, and will refrain from sanctioning any scheme likely to result in reviving a condition of affairs which they were originally intended to relieve.

<sup>&</sup>lt;sup>1</sup> For a specimen indenture see Appendix.

## Analysis of Trade Board Apprenticeship Schemes. (December 1st, 1922.)

Trade.	Sex of Appren- tices,	Kinds of Rates.	Basis of Rates.	Is Proportion of Apprentices to Journeymen fixed?	Length of Service.	Special Features.
Brush and Broom	Males only.	G.M.T.R. G.M.P.R. P.B.T.R. G.T.R. O.T.R.	Branch of trade. Year of appren- ticeship.	Yes.	4 to 5 years.	Payment of wages not required during slack employment. Rates stated as percentages of rate otherwise applicable.  Payment of journeymen instructors.
Boot and Shoe .	Males only.	G.M.T.R. On sliding scale. O.T.R.	Branch of trade. Year of commenc- ing apprentice- ship. Age of apprentice. Year of appren- ticeship.	Yes.	4 to \$ years.	Dismissal for bad behaviour. Arbitration of dis- puts.
Retail Tailozing .	Males and females.	G.M.T.R. O.T.R.	Year of appren- ticeship. Board and lodg- ing. Sex of apprentice. Branch of trade.	No.	3 to 5 years.	Hours of apprentice. Technical training. Rate differentiation on basis of board and lodging.
Tobacco (Cigar- making).	Males and females.	G.M.T.R. O.T.R. G.M.P.R. G.T.R.	Branch of trade, Kind of work, Year of appren- ticeship, District. Sex of apprentice. Age of apprentice.	Yes.	5 years.	Unsatisfactory work to be returned to apprentice for alteration, and payment of rate not required for such work.
Flax and Hemp.	Males.	G.M.P.R. O.T.R.	Branch of trade. Year of appren- ticeship.	No.	3 to 4	Health Insurance and Unemploy- ment Insurance payments.
Fur,	Males, and semales,	G.M.T.R.	Branch of trade. Year of appren- tionship.	Yes.	5 yours.	Rates the same for males and females,
Perambulator .	Males and females,	G.M.T.R. P.B.T.R. O.T.R.	Branch of trade. Age. Year of appren- ticeship. Sex of apprentice.	Yea.	s or 4 years.	Discharged apprentices may appeal to Trade Board.

G.M.T.R. — General minimum time rates,
G.M.P.R. — General minimum piece rates,
P.B.T.R. — Piece work basis time rates,
G.T.R. — Guaranteed time rates,
G.T.R. — Overtime rates,

Another feature of Trade Board activity in this field which has grown out of the War experience, and which, though not identical with either learnership or apprentice-ship schemes, is closely akin to both, has been developed in connection with the Department of Training of the Ministry of Labour, and relates to the training of unemployed disabled soldiers for suitable work. Probably the most elaborate of these plans is one adopted by the Boot and Shoe Repairing Trade Board.

It would naturally be expected that one of the results of prescribed wages would be attempts on the part of employers to make both their juvenile and adult workers "worth their wages," by the institution of industrial training schemes within their own establishments, but, strangely enough, there is practically no evidence to show that any such efforts have been made to increase the personal efficiency of adult workers. Indeed, it is only in rare instances that any systematic training has been undertaken, even for young workers. The practical experience of numerous Juvenile Employment Exchanges, which have to do with all trades in which young persons are employed in different parts of Great Britain, substantiates the opinion expressed by other persons interested in industrial education that the Trade Board regulations regarding learners have, nevertheless, had a great effect in improving the facilities for teaching the trade to learners. An exact definition of what a learner is, as set out by many Trade Boards, has in itself proved of enormous advantage in securing systematic instruction in a trade. Before the Trade Board regulations were made, it was a common thing for employers to use boys and girls. who were supposed to be learning the trade, for doing errands or carrying messages or for odd jobs. The fact that the wages of young workers have to be increased every six months or every year, according to age, seems to give the employer an incentive to make these workers as valuable as possible, and so to provide competent instruction for them, in order that in each case a worker shall be doing the most difficult job of which he is capable at a certain age. Thus, young workers are prevented from falling into blind alley

### BRITISH TRADE BOARDS SYSTEM

76

occupations. It is said by some persons acquainted with the employment of juveniles that the better training and better wages are responsible for bringing more secondary school children into industry; others deny that more children of this type are entering industry permanently, and attribute whatever movement there may be in this direction to the particularly low purchasing power of many lower middle class families. Nearly all persons agree, at least, that the younger workers make better learners despite lack of education, except in special occupations where the use of judgment is involved.

# PART III ECONOMIC EFFECTS

### CHAPTER I

#### ON WAGES

### GENERAL MINIMUM TIME RATES

THE primary function of any Trade Board, whether it was set up under the Act of 1909 or under the Act of 1918. is obviously the fixation of legal minimum rates of wages: and, as might be expected, it is this subject which has in every case proved to be the most contentious one arising before a Trade Board. Both the history and the wording of the Act of 1000 make it clear that the object which it was desired to attain through Trade Board legislation at that time was the amelioration, if not the abolition, of what is popularly called "sweated wages," but which is described in the Act as a wage "exceptionally low as compared with that in other employments." Trade Boards were given two powers under the Act for this purpose. The first took the form of a mandatory power to fix minimum rates of wages for time workers in the trade specified. The other was a discretionary power to fix general minimum rates of wages for piece workers in a trade.

Because the system was a new one in Great Britain, and in order to avoid upsetting the equilibrium of those industries which had been brought under the Act, the first Boards adopted rates only after prolonged deliberation and exhaustive discussion. Even after the rates had been formally accepted by a Board and confirmed by the proper authority they still had, by the terms of the Act, to undergo the test of

a six months' limited operation before they became obligatory upon all employers. The outbreak of the War, which occurred while several Boards still had their first rates under consideration, served to prevent them from fixing rates, even as soon as might otherwise have been done. Furthermore, before launching out upon the fixation of a series of wage rates, the early Boards apparently preferred to watch the effects of the basis time rates which they had already fixed. The Chain and the Lace Finishing Boards stand out as exceptions. Both of these trades are highly localised, so that fixation of a reasonable rate entailed less difficulty. Moreover, homeworkers were those chiefly included in the scope of each of these Boards, and public opinion, which had been aroused to a high pitch by the revelations of conditions in these trades made by the Sweated Industries Exhibition of 1906, rather demanded an attempt at speedy remedy. Therefore, general minimum time rates of wages were fixed by the Chain Board within eight months of the time it was established, and by the Lace Finishing Board within eleven months. Besides fixing a flat, general minimum time rate for making hand-hammered chain, the Chain Board in its initial determination also fixed special rates based upon skill, which in that trade can be measured largely by the size of the chain made. The same criterion. viz., size of chain, served also to distinguish between men's and women's wages, since the smaller sizes of chain (handhammered) are made almost exclusively by women, and the larger and heavier by men. Although the Lace Board set general minimum time rates, it also at an early date took occasion to prescribe piece rates, because the women homeworkers to whom it applied were customarily paid by the piece, and also to assist in the enforcement of the rates among homeworkers. The Tailoring, Paper Box-making, Shirt-making, Sugar Confectionery, Tin Box and Hollowware Boards, which comprise those set up in Great Britain prior to 1919, for the most part consumed a rather longer period of time before suitable rates were decided upon.

Before attempting to see what the pre-Trade Board level of wages was, it is perhaps best to sketch the general wage

movements between 1906 and 1922. In 1906 the Board of Trade made an extensive study of the wages of workers in various trades, the results of which were subsequently incorporated in the well-known Earnings and Hours Enquiry.1 This study is in reality the only reliable source of wage information for industry as a whole which is available, even up to the present day. Between 1906 and 1914 very slight, if any, changes in wage rates seem to have occurred, so that the 1006 data may be used to indicate the position regarding wages just preceding the War in 1914. The period from July, 1914, to November, 1918, was characterised by gradual and steady increases in the money wages of both men and women. Except in the case of those engaged in War work no great advance occurred before 1917. The phenomenal boom in trade during 1919 and 1920 brought with it still greater increases in wages and earnings, and at the same time reductions in hours. With the collapse of trade, which assumed serious proportions from about June, 1920, a tendency towards wage reductions became evident, and it resulted in drastic wage cuts during the years 1921 and 1922. These have brought wages down in some trades to less than the IQI4 standard.

A comparison of the initial Trade Board rates with the average wage reported to be paid in corresponding trades in 1906 shows that the general effect of the fixation of minimum rates was to raise the earnings of women in each of the eight trades then under the Act. On the contrary, minimum rates fixed for men workers fell in every case slightly below the average amount being earned by them before the Trade Board rates became effective, but not below the average for unskilled male workers, which was between 21s, and 25s. per week of fifty to sixty hours in 1914. In the Chain and Lace Finishing trades the great majority of female workers

(Cmd. 135), 1919, gives some information regarding wages of women during the War.

Exact title is "Report on an Enquiry by the Board of Trade into the Earnings and Hours of Labour of Workpeople of the United Kingdom" in 1906. Part I.—Textile Trades, 1909 (Cd. 4545); Part II.—Clothing Trades, 1909 (Cd. 4844); Part VI.—Metal Trades, 1912-13 (Cd. 6053); Part VII.—Miscellaneous, 1912-13 (Cd. 6556).

The Report of the War Cabinet Committee on Women in Industry

were the recipients of a wage increment when the minimum rates became obligatory, while in other trades the result was to increase earnings in certain districts only. following table, most of the data for which has been taken from the Earnings and Hours Enquiry, gives a brief statement of the effect of the fixation of minimum rates in the first eight trades to come under the Act.

	Weekly hours in			Ini	iel Tr	ide Board	Rates.
Trade.	trade used by Trade Board for besis.	Full average per week	time earnings (B. & H. y, 1905).	Per l	wir.	basis of	eck on normal of hours.
	-	М.	F.	M. d.	F.	М.	F.
Chain Lace Finishing (Home-	54*	s. d. 35 4	s. d. 9. 6	5†	đ. 2½	s. d. 22 6	s. d. 11 3
workers)	52*	l —	8 6*		2		II II
Paper Box	52	28 10	12 3	6	3	26 O	13 0
Shirt	50	31 I	13 10	<b>—</b> ‡	31	<u> </u>	14 7
Sugar Confectionery .	52	30 9	11 9	6	3	26 Q	13 0
Tin Box	52		II O*		3₺	26 0	14 I
Hollow-ware	54	Į.	IO OŞ	5 ₺	3₹ 3_	24 9	13 6
Ready-made Tailoring	50	32 4	12 10	6	3 <b>1</b>	25 0	13 6

Estimated from diverse material.

An analysis of the average wages of women in the Readymade Tailoring trade, as set out in the Earnings and Hours Enquiry, shows that the average weekly earnings of women in Yorkshire, Lancashire and Cheshire for the last pay week in September, 1906, were almost identical with the rate fixed by the Trade Board, viz., 13s. 61d., on the basis of a fifty-hour week. Of the ten districts for which averages are given, four districts averaged 13s. 6d. or more, and five, including London, averaged less than that amount.1 The average weekly wage paid to women for making shirts,

<sup>† 5</sup>d. to 7d., according to size of chain. ‡ Rates for males were not fixed until 1919.

<sup>§</sup> By agreement as result of a strike in Cradley Heath.

<sup>&</sup>lt;sup>1</sup> For an exhaustive discussion of wages in the Tailoring trade, see R. H. Tawney, "The Establishment of Minimum Rates in the Tailoring Industry.'

blouses and underclothing in Great Britain in 1906 was approximately 13s. 10d., while the minimum time rate fixed in July, 1915, by the Shirt-making Trade Board was 14s. 7d. for a fifty-hour week. Only the London district showed a higher average than 14s. 7d. in 1006. Approximately, 67 per cent. of the women in the Paper Box trade were earning less than 13s. per week in 1906, so that the establishment of 3d. per hour by the Board meant an increase to about 52 per cent. of the women in the trade. Here, again, the Trade Board rate was higher than the average earnings for women as given by the Earnings and Hours Enquiry, but 23 per cent. of the women were already being paid more than the 3d. per hour. There are no statistics dealing separately with the Tin Box and Hollow-ware trades in the Earnings and Hours Enquiry. The latter of these trades is centralised in and near Cradley Heath and Lye, so that the wages have been standardised to a greater extent than in the Tin Box trade, which is scattered throughout the country. Previous to 1012, when a strike occurred in the Hollow-ware trade, adult women were receiving about 11d. per hour. As a result of the strike, 10s. per week of fifty-four hours (roughly, 2d. per hour) was granted, and in 1914, when the Trade Board came into being, Ios. may be fairly called the average wage paid to this class of worker. The employers on the Board, in fact, favoured fixing 10s. as the adult minimum rate, but 13s. 6d. or 3d. per hour was finally decided upon, thus giving an increase of, approximately, 33 per cent. to the women wrought bollow-ware makers.

The pre-Trade Board level of wages in the Tin Box trade is more difficult to discover. It seems, however, to have stood in a slightly better position in this regard. An agreement made between the National Federation of Women Workers and an important firm manufacturing tin boxes in London in May, 1914, provided for the payment of 9s. per week of fifty-two hours to general hands at eighteen years of age and 12s. at twenty-one years. Power press hands were

<sup>&</sup>lt;sup>1</sup> M. E. Buckley, "The Establishment of Minimum Rates in the Box-making Industry."

to receive 12s. at eighteen years and 15s. at the age of twenty-one years. Two grades of workers received wages varying between the above amounts. It is credibly stated that when the Board first met, the discovery was made that the firm party to the above agreement and one other firm located in Scotland paid the highest wages of any firms represented upon the Trade Board. Generally speaking, adult women outside this agreement, and particularly unorganised workers, of whom there were a great majority, were being paid much less, averaging on the whole not more than 11s. per week. The Trade Board rate of 3½d. per hour or 14s. 1d. per week, therefore, raised the general level of women's wages by approximately 25 per cent., but did not affect the best paid women workers in several Tin Box firms.

The Sugar Confectionery and Food Preserving trade first became subject to Trade Board authority in February, 1914. The Board's first rates were proposed late in June, 1914, but had not yet been fixed at the beginning of the Great War. After serious consideration, employers and workpeople agreed that the rate as proposed should be made effective, despite the state of war and the resultant Government restrictions upon sugar importation. Certain large firms in this trade were already remunerating their women employees at rates as high or higher than those first set by the Trade Board. Yet it is now freely admitted by employers that other firms paid entirely inadequate wages in 1914, running in some cases of women workers as low as 8s. or 9s. per week of fifty-two or more hours. The average woman's wage in Cocoa, Chocolate, and Sugar Confectionery manufacture was considerably less in 1906 than the wage prescribed by the Trade Board, as will be seen from the table on page 83.

During the autumn and winter of 1915 the Office of Trade Boards undertook an investigation for the purpose of ascertaining what rates of wages were actually being paid to women at that time, and the extent to which rates of wages paid before June 7th, 1915, had been altered since the Trade Board minima had come into force. The legal minimum rate for women of eighteen years and over was 13s, when the study was made. Following are the results in comparison with the nearest corresponding figures derived from the Earnings and Hours Enquiry, which gives a picture of pre-Trade Board wage range.

Results of Trade Board Study in Sugar	Results of Barnings and Hours Enquiry in
Confectionery and Food Preserving Trade,	Cocca, Chocolate and Sugar Confectionery
1915.	Manufacture, 1906.
Percentage of adult women receiving per week:  Under 13s	Percentage of adult women receiving per week:  Under ros

Since the two sets of figures do not exactly correspond. it is not permissible to draw any rigid conclusions from the comparison of these figures. Nevertheless, it may be observed that within the period from 1906 to 1915, during which the Trade Board rates became effective, the percentage of women receiving under 15s. appears to have dropped by about 23 per cent., and the percentage receiving less than 13s. was in 1915 nearly 30 per cent, less than the number earning Ios. in Igo6. At the same time, the percentage of those earning between 15s. and 20s. had greatly increased in 1915, and so also had the percentage receiving over 20s. If any deductions may be made regarding the effect of the Trade Board, it appears to be a general upward wage movement, with emphasis on the lowest paid workers With regard to young workers, the Trade Board study showed that a rate equal to more than the established minimum for the appropriate age group was being paid to the majority of workers in each wage group, except that of late entrants, 81 per cent. of whom received the xis., which satisfied the Trade Board requirements. Furthermore, this enquiry establishes the fact that out of a total of 8,320 time and piece workers in all branches of the trade, whose

wage rates were examined, 65 per cent. had received increases averaging 22 per cent. in amount. In one individual firm employing eight persons the percentage increase was 103 per cent., and in another case 264 workers received an advance in wages averaging 44 per cent. The general conclusion to be made from this study is that more than one-half of the female workers in the trade received increases in their wages soon after the minimum rate became effective, equal to rather less than one-fourth of their wages previous to that time.

In considering the wage levels attendant upon the setting up of Trade Boards under the Act of 1918, it should be recalled that the primary idea of these new Boards was not so much to prevent sweating as to impose upon the entire trade a wage standard which seemed reasonable to the representatives of the trade sitting upon the Board. this account there is perhaps less agreement between initial rates fixed by later Boards and the pre-Trade Board level than there was formerly. That level has been determined by each Board for itself in the light of its peculiar trade situation. Limited space makes it impossible to set out in detail all the available information pertaining to pre-Trade Board rates of wages. For the purposes of this study it will suffice to show how the rates set by one or more Trade Boards in each of the six groups into which Trade Board trades naturally fall compare with the rates of wages already being paid in those trades, and also how the fixation of legal minimum rates has affected wages and earnings in each group.

I. Tobacco.—The Tobacco industry requires separate treatment, not because it is representative of a group of similar trades, but rather because it is unlike all other Trade Board trades, in that it is controlled to the extent of approximately three-fourths by two large concerns, the Imperial Tobacco Co., Ltd., and the British American Tobacco Company, which, though operating independently of each other, have some relationship of capital, and a working agreement whereby the latter company shall deal in export trade only.

Investigations made by a Government Department in a number of representative tobacco firms, subsequent to the 1906 study, indicate that some increase in wages had occurred between 1906 and 1914, and material advances over the 1906 and 1914 wage averages for adult men and women had taken place before the Trade Board was established in 1919. In the matter of hours, forty-nine was found to be the average number worked per week in both 1914 and 1918. Below is a brief tabular statement of the history of wages in the Tobacco industry from 1906 to 1922.

	Earnings for Were.			yean	les, sr sand er.
	-	s	ā.		
1006 E	arnings and Hours Enquiry, average	-		•	10.
-,	full-time earnings per week	30	6	12	0.0
1918 C	December.) Imperial Tobacco Co.,	-			-
	agreed scale	5I	0	23	0
IQIQ (M	Iay.) Ditto	51 63	6	33 38	0
1919 (]	uly.) Scale agreed between twelve independent companies and a Trade	- 5	Ī		_
	Union	59	0	37	0
1919 (A	ugust.) First Trade Board minimum				
	rates	55	0	35	0
	farch.) Imperial Tobacco Co., agreed		- 1		
	scale	70	0	42	0
- •	fay.) Scale agreed between twelve independent companies and Trade			•	
	Union†	65 61	0	40	0
	uly.) Trade Board, minimum rates†.	61	6	40 38	6
	lovember.) Imperial Tobacco Co.,			_	
	agreed scale	74	0	44	6
1922 (J	anuary.) Trade Board minimum			· _	
ì	rates (unchanged since July, 1920)	ÓΙ	6	38	6

<sup>\*</sup> For adult women.

Average earnings in 1914 appeared to be about 32s. 2d per week for adult men and 14s. 3d. for adult women. In December, 1918, the Imperial Tobacco Company was paying its workers on a minimum scale which ranged from 12s. 6d. for females at fourteen years of age to 33s. at twenty-one years, and from 15s. 6d. for males at fourteen

<sup>†</sup> Still in force December, 1922.

years of age to 51s. at twenty-one years of age, and 58s. at twenty-six years of age. A representative of one of the Imperial Tobacco Company firms also stated, in a wage enquiry at that time, that during the War it was possible for women piece workers to earn as much as 45s, per week on machine cigarette-making, and from 30s. to 60s. on cigarmaking, while men could make as much as 84s, at machine cigarette manufacture, and from 40s. to 70s. on cigarmaking. The first rates fixed by the Tobacco Board for male workers in Great Britain ranged from 15s. 6d. per week, payable to a worker under fourteen and a half years of age, to 55s. for a worker of twenty-one years or over, an additional amount being allowed for each six months' increase in age from fourteen and a half to twenty-one years. The scale for females began at 12s. 6d. for a girl under fourteen and a half years, and gradually rose in a like fashion by halfyear periods in age, to 35s. at twenty-one years. The time rates fixed by Trade Boards for adult men and women were considerably higher than what is believed to be the average rates of wages that were being paid to adults by representative firms in 1918, viz. 49s. 6d. per week for adult males and 26s. 3d. for adult females. Prescribed rates for young workers of 15 years very nearly coincided with the average wages for boys and for girls of those ages. and were exactly the same as the wages being paid by the Imperial Tobacco Company. In the case of adults the Trade Board rates, viz., 55s. per 48-hour week for males and 35s. for females of 21 years and over, were a few shillings per week higher than the corresponding rates for adult men and women which were being paid by the Imperial Tobacco Company. Immediately the Trade Board schedule was fixed, however, the Imperial Tobacco Company agreed to pay still higher wages to its employees, and has twice since then increased its rates by agreement through the good offices of the Chairman of the Trade Board, Professor L. T. Hobhouse. By the schedule of February, 1922, females received 12s. per week, as compared with 14s. by the Trade Board rate, at the age of fourteen years, and 44s, 6d, as against 38s, 6d, at twenty-one years. Males

were to be paid 20s. at fourteen years in place of 17s. 6d. set by the Board, and 74s. as opposed to 61s. 6d. at twenty-one years.

There were also at that time live agreements between a number of independent firms and various Trade Unions which, though providing for wages higher than the minimum prescribed rates, were approximately is, per week lower than the Imperial Tobacco Company scale, and more than is. less in the case of the older workers. Probably it is true that the great majority of workers in this trade were, and still are, receiving a higher rate of wages than is prescribed. and yet the general minimum time rates for unskilled workers operative under the determinations of the Tobacco Trade Board were, on December 1st, \$d. per hour higher for both men and women than those of any other Board.1 Since there has been relatively little short time in the Tobacco trade, the earnings of time workers, except perhaps in the cigar section, have been very nearly equal to the rate of wages, and those of piece workers in most cases have been more than the piece work basis time rates. The Trade Board cannot be said to have had any substantial effect upon the earnings of workers in the trade as a whole, because the majority of workers were already receiving as much as the Board prescribed, but in the smaller firms it has made some difference. Under the existing schedule, a girl of fourteen and a half years of age is entitled to be paid at the rate of 14s. per week of forty-eight hours, and a woman of twenty-one years or over at the rate of 38s. 6d. per week. The lowest wage rate for males is 17s. 6d., and the highest is 61s. 6d., payable at twenty-one years or over. No rates for special classes of workers have ever been fixed, nor have the general minimum time rates been varied since July, 1920.

II. Laundry.—No other Trade Board industry is in exactly the same position as that of Laundry. It belongs to that group of hybrid trades the nature of which is

<sup>&</sup>lt;sup>1</sup> The rates for the lowest class of adult male and female Chain-makers are higher, but they are not true general minimum time rates. The rates for female workers in Boot and Shoe Repairing are also higher, but cover only a very few women.

neither purely distributive nor yet productive. Unlike the productive trades, the Laundry trade has a service for sale rather than articles for the manufacture of which it is responsible, or goods purchased for disposal, like the grocery store, the dairy, or the draper's shop. The market for this service is local, as opposed to foreign or national, and owing to the nature of the industry it is inevitable that laundries should be found in most of the villages and towns of the country. as well as in the outlying sections of the larger cities. Because the laundry employer has a service to vend, which is capable of being performed by individuals for themselves, it becomes more than ordinarily necessary for him to fit the charge for his service to the purses of the members of the community in which his business is located. The increased use of motor vans within the last few years has served in many cases to modify the local character of the trade. Nevertheless. when the Trade Board came into operation in 1919, the prices charged by laundries varied greatly between one district and another, as did the wages which were paid.

That the Laundry industry as a whole might justly have been classed as sweated in 1913-14 seems to be an undisputed fact. Records of local Trade Union agreements made at that time show that women of twenty-one years of age were being paid 12s. and 13s. per week of sixty hours, and learners of fifteen years 5s. or 6s. per week. A recent issue of the Laundry Journal confirms these facts. Reports from smaller provincial towns indicate that unorganised adult women workers were receiving as little as 7s. or 8s. per week in some cases. Towards the end of 1914, after a strike in York, a laundry agreement was consummated between the National Federation of Laundry Associations and the National Federation of Women Workers, by the terms of which 13s, per week became the minimum rate payable to women of eighteen years and over in that city. says the Woman Worker, in a comment upon what had been achieved, "meant an increase of from 6d, to 6s, per week for our members." Even London laundries were not paying more at that time.

Wages rose by a considerable degree in some districts

during the period of the War, largely due to the indirect effect of the Munitions Act, which, though not governing the rates to be paid for laundry work itself, did increase the price for which women workers were willing to sell their labour in the open market. The result was that wages varied greatly between districts, according to the degree of organisation, the kind of employer, the size of the firm and the supply of workers, even in 1918 and 1919, previous to the setting up of the Trade Board. It was possible for the Amalgamated Union of Co-operative and Commercial Employees and Allied Workers to effect an agreement with the Bradford laundries, which provided for the payment of 25s, per week of fifty-four hours to women of eighteen years of age or over, and 12s. 6d. for girls under fifteen years, in February, 1918. No doubt the relatively high wages and steady work offered by mills and munitions works in close proximity helped to make such an arrangement possible. In the same month an agreement was made with the Joint Co-operative Laundry Board fixing a fifty-one-hour maximum week, with IIs. payable at fourteen years of age to girls, and 27s. to women of twenty-one years and more. Higher rates were specified for certain classes of workers. Later in the year several agreements were reached, which provided that women eighteen years of age were to receive 28s. per week. An award of the Court of Arbitration in April, 1918. granted IIs. per week of forty-eight hours to girls under fifteen years of age, and 28s. to women of eighteen years or over employed in London laundries, and subsequently similar judgments were made for Northumberland and for Bristol, Brighton, Hull, Durham, and other provincial towns. Independent agreements between Trade Unions and groups of employers also tended to follow the awards of the Court. Thus, at the time when the young Laundry Trade Board was holding its first deliberations during May to September, 1919, it may fairly be said that the majority of adult female laundry workers in Great Britain were receiving as much as 28s. per week, though in villages and unorganised districts the rates fell as low as 18s. to 23s, for a fifty-four or sixtyhour week. Only in isolated instances was more than 28s, per

week being paid for time work, but individual piece workers in many cases earned more. Hand ironers, for example, earned 25s. to 35s., and some callender girls earned as much as 30s. on piece work.<sup>1</sup>

The first general minimum time rates of wages established by the Laundry Trade Board for women in Great Britain became effective on November 24th, 1919, and followed very closely upon the lines of the Court of Arbitration awards for London and other cities. The minimum fixed for women

<b>å</b>	Trade Board Rates.	Court of Arbitration Awards.		
Age.	Per 48-hour week.	Per 48-hour week.		
Females under 15 years Females 15 and under 16 years . Females 16 and under 17 years . Females 17 and under 18 years . Females 18 and over	s. d. 12 0 15 0 19 0 23 0 28 0	s. d. 11 0 16 0 19 0 24 0 28 0		

by the Board was thus set at the level of the highest time rates already being paid. It is possible that the differences were incidental to the higgling which took place rather than due to a premeditated desire on the part of the Board to alter the scale.

General minimum time rates of wages for males were not fixed until July, 1920. At that time the rate established for males under fifteen years of age was 15s., and the scale gradually increased by years of age to 6os. at twenty-one years or over. Relatively few men are normally employed in the Laundry industry, and information regarding the wages which they received previous to the fixation of a legal rate is meagre. By an agreement of July, 1920, between the Amalgamated Union of Co-operative and Commercial Employees and Allied Workers and the National

<sup>&</sup>lt;sup>1</sup> War Cabinet Committee Report on Women in Industry, p. 137.

Federation of Co-operative Employers, 75s. per week of forty-eight hours was the minimum rate for males of twenty-one years or over, and 35s. for boys under eighteen years. Since rates of wages paid by Co-operative Societies nearly always exceed those paid by other firms in a trade, it is safe to assume that such also was the case in this particular instance. The first rates fixed by the Trade Board, which became effective in July, 1920, ranged from 15s. at fifteen years to 6os. at twenty-one years. These rates represent about the average wage which was being paid to male workers of these ages. The schedule for males, as varied by the Board and made effective in March, 1922, is still operative. It begins with 13s. at fifteen years of age and rises to 54s. at twenty-one years or over.

General minimum time rates for women have been varied three times since November, 1919, as is shown in the following table. It will be noticed that while the weekly rate for adult

Trade Board General Minimum Time Rates of Wages for Female Laundry Workers, Normal Number of Hours per Week, and Cost of Living Index Number on a given date.

Date effective.	Normal hours per week.	Amount of wage per week at 15 years or under.	Amount of wage per week at 18 years or over.	Labour Gazette Cost of Living Index Number. †
Nov., 1919 Nov., 1920 May, 1921 . Dec., 1921 . July, 1922*	48 48 48 48 48	s. d. 12 0 12 0 13 0 12 0 10 0	s. d. 28 o 30 o 32 o 30 o 28 o	225 276 228 199 184

<sup>\*</sup> Still operative on December 1st, 1922.
† July, 1914, equals 100.

women was reduced in July, 1922, to what it was in November, 1919, the fifteen-year-old girls' rate was reduced by 2s. per week below what it was in November, 1919. It is

<sup>&</sup>lt;sup>1</sup> December 1st, 1922.

interesting to connect this point with the fact that since November, 1919, a great deal of new American machinery has been installed in the laundries throughout the country, and employers have stated to the writer that young girls can in most cases operate these machines as well as adult women. There is, therefore, a distinct tendency towards the substitution of girl labour for woman labour in that trade.

If IIs. be taken as the average wage received by females of twenty-one years in the early months of 1914, and certainly it was not more, it becomes evident from the preceding table that besides reducing the adult age to eighteen years, the Trade Board wage on December 1st, 1922, stood 155 per cent. in advance of the IIs. prevailing in 1914, while the cost of living stood at only 80 per cent. above July, 1914. This means that the real wages of adult women had in December, 1922, been increased by approximately 75 per cent. since 1914.

In the Laundry trade, particularly, the general result of fixing minimum rates has been to lessen the range of laundry rates throughout the country. In other words, it has brought about a certain degree of wage standardisation in the country as a whole. This does not mean that all laundries in Great Britain are paying the same wages. Presumably. all laundries covered by the Act are paying at least the minimum rate of 28s., and many employers are voluntarily paying higher than Trade Board wages. In some instances the entire time rate scale is higher, and in others only those who are on piece work or who are especially good workers. even though on a time basis, are in receipt of higher wages. The Co-operative laundries, while paying 32s, at eighteen years of age, which was the Trade Board rate for adult women in 1921, agreed to specific rates for ages between eighteen and twenty-one years on a gradually ascending schedule, ending at 44s., thus keeping somewhat in advance of the legal rates. On January 1st, 1922, after the Trade Board rates had been reduced, the Co-operative Society rate stood at 30s. per week for women of eighteen years, and 30s, for those of twenty-one years or over.

An enquiry made in January, 1922, by the National Federation of Launderers shows the following results regarding the percentages of female workers being paid at or over the Trade Board rate.

Age.	Percentage being paid at Trade Board Rate.	Percentage being paid more than Trade Board Rate.
Under 15 years	3·1 4·8 4·6 3·4 34·1 51·0%	2·0 1·9 1·5 1·5 42·1 49·0%

The conclusion to be drawn is that nearly 50 per cent. of the 5,234 female workers in steam laundries for whom returns are made were receiving more than Trade Board rates. These figures represent the position in 157 laundries averaging thirty-three workers each, located in "industrial, semi-industrial and rural districts in Great Britain." In the smaller steam laundries the percentage would on the whole be much lower, while in the hand laundries investigations indicate that even the Trade Board rates are being evaded to some extent.

The actual earnings of laundry workers ordinarily fluctuate greatly from week to week. In a normal period, time workers would seldom make a full week's pay because of the slackness of work at the end of the week, were it not that many employers since the early days of the Trade Board have continued to pay a guaranteed wage per week, irrespective of the time actually worked. In other cases the difference might be made up by overtime work during the early part of the week, but it has been the custom for Laundry

employers to take on extra women (casual workers) for those few days rather than to give much overtime work to the others. Piece workers, as in most trades, frequently earn more than the schedule rate. The Laundry Trade Board has had a marked effect upon the earnings of the workpeople in the trade by the temporary establishment of a guaranteed weekly wage, and especially in rural areas by increasing the rates of wages. It is also probable that it has helped to prevent wages from falling to an unduly low level.

III. Textile Trades.—A high degree of organisation in the Cotton and Woollen industries has made the application of a Trade Board unnecessary in those trades. It is the lute. Flax and Hemp, Rope, Twine and Net, and Made-up Textile trades which are the Trade Board Textile industries, and they are closely allied by similarity of processes and raw materials. Four Boards have been set up to cover these trades in accordance with the preceding grouping. With the exception of the so-called "Made-up Textile" trade, which includes the manufacture of tents, tarpaulins, sails, etc., and which is carried on to some extent in most of the ports and large cities of great Britain, though in its totality it comprises only a few thousand workers, each of the industries named above is localised to a fairly high degree. All but about 5,000 of the normal 47,000 jute workers in Great Britain are employed in Dundee. Net-making is centred in and around Bridport and Lowestoft, though there are other firms scattered about England and Scotland. The bulk of Flax spinning and manufacture is done in the two Scottish counties of Forfarshire and Fifeshire.

Notwithstanding the fact that both workers and employers were fairly well organised in the Jute trade before a Board was established, wages and conditions had been far from good. Repeated attempts at agreement between the two sides had availed nothing, and several disputes of some magnitude had occurred. The wage history of the Flax trade has been comparable to that of Jute. Negotiations between employers and employed have for the most part proved fruitless, despite a fair degree of organisation on either side. In the Rope,

Twine, and Net trades the wage situation is complicated by the presence of a large number of homeworkers engaged in net-making. Employers estimate that some 1,500 outworkers are normally employed thus.

The following table gives a summary of the returns for these three trades in the Earnings and Hours Enquiry of 1906.

Trade.	Normal hours	Aw	erage	earn		er fu	ll tin	e wee	ķ,	
		per week.	· Me	n.	Wor	nen.	Во	ys.	Gir	ls.
Jute (G.B.) Flax (G.B.) Hemp (U.K.) <sup>1</sup>	*	55 55 55	s. 21 23 25	d. 7 5 4	s. 11 8	d. 4 7 6	s. 13 11 10	6	s. 10 7 7	d. 0 3 I

In 1914, and even up to 1919, women homeworkers on certain kinds of nets were reported to be earning between 11d. and 21d. per hour, when working at top speed without interruption. By a decision of the Industrial Court in February, 1920, 81d. per hour was awarded to women of eighteen years and over engaged in fish net repairing in Great Yarmouth, and 4d. to girls under fifteen years, the rates for girls between those ages ranging from 41d. to 71d. per hour. Adult women engaged in rope and twine making alone appear, in 1914, to have been earning 10s. and 12s. per week. In December, 1919, the position was considerably improved as regards both men's and women's wages. War bonuses amounting to 20 per cent. or more of 1917 wages had been granted to the men in most cases, and adult women in certain hemp, rope and twine making establishments were granted a minimum time rate of 38s. to 42s. per week of forty-eight hours under the provisions of the Munitions

<sup>&</sup>lt;sup>1</sup> Includes Rope and Twine manufacture, also Sail and Tarpaulin makers.

Acts. 1 Complaints made before the Munitions Tribunals by those employers whose establishments were controlled tend to show that women's wages, which in the Textile trades means the wages of some two-thirds of the workers, were substantially lower than 101d. per hour in firms that were not controlled, some of which had been exempted because they were located in country districts. In Manchester and the vicinity, where the rate of wages in this as in other industries is largely controlled by those of the Cotton trade, women's and men's wages are usually somewhat higher than they are in the Southern and Eastern firms. Women piece workers often earned as much as £3 per week. By the provisions of the Wages (Temporary Regulation) Act the 101d. rate was in 1918 extended to cover women in the trade generally, but was actually paid in only about 50 per cent, of the firms. The first Rope, Twine and Net Trade Board rate for adult women, viz., 34s. per week of forty-eight hours, was set considerably lower than the level of the minimum rate 2 of wages payable to women in the Rope-making industry under the Munitions Acts, but very much higher than the average rates being paid to Women in the Net-making trade. This rate, however, corresponds exactly with the award of the Industrial Court for fishing net menders in Yarmouth.

Wages in the Jute industry showed great variations previous to the fixing of Trade Board rates, even between firms in Dundee. It is said that in Dundee it was the custom for workers, and particularly boys, to move about from one firm to another, according to where the largest wage could be obtained at the moment. There were also variations in women's rates between different firms, but because of their home duties they were less mobile as workers and were forced to accept what the near-by mills A dependable investigation made in the offered them. Jute industry subsequently to the Earnings and Hours

<sup>1</sup> By the Interim Court of Arbitration Award (1919) an advance of 5s. was given to women eighteen years and over, making the total 6st. per hour on heavy work plus 11s. plus 5s. per week.

According to the award no firm was obliged to pay the last 5s. increment if it meant a total advance over 1914 of more than 20s.

Enquiry, but before the War, showed that the average wage paid to adult men in the Dundee district was approximately 20s. 10d. per week of fifty-five hours, while that for women stood at 15s. 4d. Outside districts paid slightly smaller amounts to both men and women. By the award of an Arbitration Tribunal (1605) in June, 1918, the following advances were granted to workers in Dundee and district:—

						F	er v	reek.
							S.	d.
To men 21 years ar			•	•	•	•	7	0
To men 18 years	and c	ver a	and t	o boy	rs doi:	og	-	
men's work.		•	•	•		•	4	0
To other boys	•	•	•	•	•		2	0
To women 18 year	s and	over	and	to gir	ls doi:	og		
full women's wor	k	•	•	•			4	0
To other girls	•	•	•	•	•		2	0

Fresh enquiries made in 1919, shortly before a Trade Board was established, gave the following results, which should not be taken as absolute, but merely indicative of the general position regarding wages.

Dundee:					Aver	age e of 4 \$.	arnings per 8 hours. d.
Adult men .		•	-	•		46	4
Adult women Other Districts:	•	•	•	•	•	3 <b>I</b>	5
Adult men.	•			•	-	42	Q
Adult women						27	IÓ

From another reliable source the following have been given as the prevalent rates for women at the beginning of the year 1919:—

				Per week.					
				S.	d. s.	đ.			
Single spinners.				22	o to 23	0			
Double spinners				28	c -	_			
Double weavers				40	o to 45	0			
Single broad weaver	2		•	35	0 to 40	0			
Shifters		• .		18	o to 20				

The wage data obtainable for the Jute trade, therefore, tends to show that the first Trade Board rates were perhaps a trifle higher than the average wages being paid in Dundee at the time, both in the case of men and of women, although

both men and women in certain occupations were earning more than the Trade Board rates (see table, p. 99, bottom).

A very exhaustive Government enquiry made in 1918 revealed the fact that 42 per cent. of the men employed in Scotland as flax spinners and weavers (including preparers) were being paid at the rate of less than 8d. per hour or 32s, per forty-eight hour week, and 29 per cent. were receiving less than 7d. per hour or 28s. per week. Of women doing the same class of work, 38 per cent, were in receipt of less than 5d. per hour or 20s. for forty-eight hours, and 36 per cent. of 4d. per hour or 16s. per week. Approximately, 50 per cent. of women preparers earned under 4d. per hour in Scotland at this time. By the Award No. 1606 of an Arbitration Tribunal in 1918, the same increases that were allowed to Dundee jute workers by Award 1605 were granted to certain flax workers as well. And in a later award of the Interim Court of Arbitration (113) the following advances were granted, and it was stated that these were to be substituted for purposes of the Wages (Temporary Regulation) Act :-

F	er week.				
	S.	ä.			
To men 18 years and over and to boys doing men's work.	7	0			
To women 18 years and over and to girls doing men's work.	7	0			
To other women and girls doing full women's	-				
work	5	0			
To other boys and girls	2	6			

An award of the Industrial Court made for flax spinners (female) in a firm in Cumberland in December, 1919, gave women of eighteen years and over 26s. per forty-eight hour week, and girls of fourteen and under sixteen years 15s. per week. These rates became the substituted rates for purposes of the Wages (Temporary Regulation) Act. Flax manufacture in Scotland is carried on chiefly in country districts, and that may be an explanation of the fact that the average fell slightly below that of Jute, but the chief reason probably is that much less War work could be done in this industry than in the Jute industry, and so there was

a less strong driving power toward increase in wages. Trade Board rates in the Flax trade were set at a point somewhat further above what seems to have been the highest rates paid in the trade than were those in Jute. It is also probable that a smaller number of Flax employers were already paying top rates than did so in jute or rope making, since Flax firms did not come directly under the Munitions Acts, as did the Rope industry. In the Jute and Flax and Hemp trades the time rates for females were fixed at a point somewhat lower than the 33s. which the Report of the War Cabinet Committee on Women in Industry suggested was the approximate post-War average rate of wages for females, while those for males were the same, or higher, than the 50s. average for male workers.<sup>1</sup>

The following table gives details regarding Trade Board rates in the above trades. The Rope, Twine, and Net rates having been fixed first, and having become effective before the general trade depression became imminent, stand somewhat higher than the rates of the other two trades. The deter-

Trade Board General Minimum Time Rates.

	Juta,			Flax and Hemp.				Rope, Twins and Net.				
Rates.	of	ies 21	Fem of you	18	of	les 27 178.	Pen of yes		8 of	iles 41 ars.	Fem of yes	18
Initial rates set between April and August,	s.	ď.	s.	å.	s,	đ.	s.	d.	s.	đ.	s.	đ.
1920 Highest Trade Board	50	0	32	٥	54	0	32	0	54	0*	34	0
rates fixed . Trade Board rates operative December 1st,	50		32		54						34	
1922	40	71	26	0	43	8†	25	٥	48	ot	28	0

<sup>\*</sup> Rate rose to 60s. on April 2nd, 1921. † Higher rate for skilled workers.

<sup>&</sup>lt;sup>1</sup> The Report of the War Cabinet Committee, pp. 150, 151, says that in November, 1918, the average wage for women was nearer 35s. than 30s. per week, and that this represented about two-thirds of the average wage for men at the end of the War. These are rough averages calculated upon that basis.

minations of the Flax and Jute industries are the lowest at present sanctioned by any Trade Boards.

The Jute Board has also fixed a very elaborate schedule of time rates for special processes, including rates for spinners based on the number of looms and spindles attended. Another ambitious schedule of this type is in operation under the Rope, Twine and Net Board determinations. Each of the three Boards, besides providing for minimum time rates for specified jobs, has also set minimum piece rates for certain kinds of work.

At the moment the rates of wages fixed by the Trade Boards are those generally paid in each of these industries. Only one or two instances of firms which pay more than the general minimum time rates set by the Board have been discovered. General minimum piece rates set by the Board have also become the standard rates. Practically all Jute and Flax mills have for two years or more been operating only three or four days per week, so that the actual earnings of all workers have been greatly reduced. The individual instances in which wages in any of these trades exceed the Trade Board standard are so few that they do not affect the general conclusion that Trade Board rates of wages have become the maxima in the Textile group of trades.

IV. Metal Trades.—Three separate Trade Boards have been established to cover what is commonly known as the Metal Small Wares trades. The divisions which have been made for Trade Board purposes are as follows:—

(1) Stamped or Pressed Metal Wares.

(2) Pin, Hook and Eye and Snap Fastener.

(3) Button-making.

Closely allied with these, and likewise centred in Birmingham and vicinity, are three other trades for which Boards have been set up, namely (1) Chain-making, (2) Hollow-ware, (3) Coffin Furniture and Cerement-making. Tin Box-making, which is carried on in nearly all sections of Great Britain, has also a certain kinship with this group through processes and raw materials. It is only with great care and difficulty that lines of demarcation can be drawn

between these sections of the Metal trade, because there is a great number of employers and because each branch of the trade produces a variety of articles, some of which fall within the scope of one Board and some within that of another. For the same reasons there is difficulty in ascertaining the pre-Trade Board wage standards.

The Earnings and Hours Enquiry of 1906 gives the following averages for different branches of the Metal trade. Most of the Trade Board industries are included within the latter group.

Average Earnings per Week (last in September, 1906), for those Working more or less than a Full-time Week,

Trade,	Men.	Lads and Boys.	Women.	Girls.	
Brass and Allied Metal Wares	s. d.	s. d. 10 2	s. d.	s. d. 6 10	
Chains, Anchors, etc Other Metals (including	33 11	11 9	7 6	6 o	
Small Metal Wares) .	31 2	10 2	11 3	6 11	

Below is a comparative statement of wages of adult workers in 1914 and 1920 (before the Trade Board rates had been prescribed) for each of the three groups of trades. These must be taken to be *indicative only and not absolute*.

I. PIN, HOOK AND EYE AND SNAP FASTENER. (Trade Board established February, 1920.) First rates effective November 10th, 1920.

1914. Males.—Time wages ranged from 31d. per hour to 10d., which was earned by only a very few skilled machinists.

Females.—Time wages ranged from 13d. per hour to 33d., received only by a few of the most skilled workers.

1920. Males.—Time wages ranged from 1s.1 to 2s. per hour,

<sup>&</sup>lt;sup>1</sup> One shilling was fixed by agreement between the Workers' Union and five large firms in April, 1920, as minimum rate for males twenty-one years or over on time rates, and rates up to 1s. 3d. per hour were agreed to for special classes of workers.

according to kind of work. More than 75 per cent. of the adult male workers in Birmingham and Gloucestershire appeared to be earning more than 1s. 3d. per hour. Boys fourteen to sixteen

years of age were getting 4d. to 6d. per hour.

Females.—More than 60 per cent. of adults (eighteen years or over) were receiving under 9d. per hour. About 50 per cent. of the workers between fourteen and sixteen years of age were receiving under 4d. per hour. More than 75 per cent. of female piece workers earned under 10d. per hour. An agreement between the Workers' Union and five large firms, effective in April, 1920, provided for about 9d. per hour as a minimum for women of twenty years or over. Official enquiries estimated that the average wage for women was about 7½d. per hour.

February 26th, 1919. By order of the Court of Arbitration under the Wages (Temporary Regulation) Act. The Munitions rates, viz., 40s. per week, were extended to cover the entire Pin, Hook and Eye trade, but only one firm is said to have paid those

rates.

Homeworkers carding safety pins appeared to be earning between  $1\frac{3}{4}d$ . and  $5\frac{1}{2}d$ . per hour, depending upon the size and colour of pin, size of card and kind of work. About 60 per cent. of carders in one factory were found to be receiving under 4d. per hour. Hook and eye carders earned  $1\frac{1}{4}d$ . to 3d. per hour.

II. BUTTON-MAKING. (Trade Board established February, 1920.) First rates became effective July 7th, 1920.

1914. Males.—Time rates were as low as 20s. per week in

some cases.

Females.—Time rates were 8s. to 10s. per week. Piece work earnings averaged 11s. per week.

1020. Males.—Time rates ranged from 1s. to 1s. 8d. per hour,

according to occupation.

Females.—Time rates ranged from 4d. to 8d. per hour, the average in Birmingham being about  $7\frac{1}{2}d$ .; in London as low as 4d. or 5d. per hour, and in the northern counties as low as 4d. in some places. Skilled stampers earned as much as 1s. 3d. per hour, and homeworkers averaged  $3\frac{1}{2}d$ . per hour.

III. STAMPED OR PRESSED METAL WARE. (Trade Board established February, 1920.) First rates became effective September, 1920.

1914. Males.—Engineers' rates for labourers averaging approximately 22s. 10d. per week were received by most male workers.

Females.—Time rates ranged from 2d. to 2½d. per hour; 3d. per hour (15s. per week) was paid under an agreement between the Workers' Union and the National Employers' Federation.

In July, 1913, the following agreement, which covered female workers in some of the small Metal Wares trades, was made

between the Midland Employers' Federation and the Workers' Union.

A	ge.						igo. week.	
						s.	d.	
14 y	rears		•		•	6	0	
15	**	•		•		6	6	
15 16	23	•	•			7	0	
17	23		•			8	0	
17 18	**		•			Q	0	
19	22		•		•	ΙÓ	0	
2Ó	<b>33</b>		•			II	0	
21	17		•	•		12	0	

1930. Males.—Time rates ranged from 10 per hour to 1s. 8d., according to grade of work. Rates are largely controlled by the Bras Workers' agreed rates.

Finales.—Average time rate paid was 7d. or  $7\frac{1}{2}d$ . per hour. The statutory rate of  $10\frac{1}{2}d$ . per hour (40s. per week) was operative n the majority of firms in 1919 and 1920. A few very skilled women were entitled to 46s. per week and 16s. War bonus after January, 1919. Arbitration tribunals usually granted 7d. or 8d. pr hour, plus 11s. or 16s. War bonus, to semi-skilled women or these on specially laborious work. In firms where these rates did not apply wages as low as 6d. per hour were sometimes paid;  $8\frac{1}{2}d$ . er hour was fixed by agreement to cover a small section of the tade;  $7\frac{3}{2}d$ . per hour was fixed by award of the Court of Arbiration in one firm.

Stimpers earned as much as iod, and is, per hour, and in some smal firms as little as 5d, or 6d, per hour. Polishers, as a rule, earnfrom iod, to is, 3d, per hour. Press workers 7td, per hour.

The key to the entire War-wage situation is to be found i the Metal trades. During the period of the War the wages of both men and women in the Metal trades were directly affected by the awards of the Committee on Production in the Engineering trade, and the Orders of the Minister of hunitions issued under the Munitions Acts. Although the pyment of prescribed rates became obligatory for employers i controlled establishments only, yet they influenced the rend of wages in all other trades to some extent, and articularly in the lesser Metal trades. The awards for men iven by the Committee on Production were based on the

War Cabinet Report on Women in Industry, p. 123.

<sup>&</sup>lt;sup>2</sup> Between National Federation of Women Workers and British Fittings lanufacturing Association.

agreed district rate for engineers, and were issued in the form of flat increases. Relatively few of the men now included within the scope of any of the above Trade Boards were at that time eligible for the engineers' increase. Below is a table showing how the awards affected engineers' rates. These indicate what were the highest rates paid in 1914 or 1918 to male workers now under Trade Board protection. The unprecedented demand for labour served to force wages of the most skilled workmen up to a higher point, but a very small number of the most skilled engineers are engaged in any Trade Board industry.

Wages of Male Engineering Workers on Time Work.

Occupation.	P	rgr re-War i District	of h		ar 2863.	Total. December, 1918 Males under 1928			for	
Skilled Fitters and Turners, Smiths, etc. Labourers	s. 30 18	d. o to	s. 40 27	d. 0	s. 23 23	đ. 6 6	s. 53 41	d. 6 to 6 to	5. 5.	₫. 6* 6*

<sup>\*</sup> If over twenty-one years, 12} per cent. added to gross earning

Wage rates for women working on munitions during the War were governed by the orders of the Minister of Minitions. The first rates at which women were employed of munitions work were based upon the wage rates fixed to women by the Trade Boards. At the end of the War, how ever, it was the Statutory Rules and Orders and the award of the Court of Arbitration which set a standard from which wages for women were fixed by the new Trade Boards The last rates prescribed for women on men's work in muni tions plants were 40s, for a forty-eight hour week, 1 and 38s for women on women's work. Many women in the Meta Small Wares trade were included under these Orders although no uniformity can be said to have existed between firms of all kinds and sizes in these trades. These wages were stabilised by the Wages (Temporary Regulation) Acts until approximately the time when the Metal Trade Boards

<sup>&</sup>lt;sup>2</sup> Report of the War Cabinet Committee on Women in Industry, 1919 (Cmd. 135), 241.

came into being. Actual piece work earnings, or even time work, including overtime earnings in the Metal trades, were. of course, often much greater, running as high as £3 or £4 per week in some cases.

During the period intervening between the signing of the Armistice and the fixing of the first Trade Board rates, the Cost of Living Index Number moved steadily upward. The following table shows the initial and current rates set by each of the three most important Metal Wares Trade Boards for adults:-

Trade Board General Minimum Time Rates per Week of Forty-seven hours, for Adults.\*

Data.	Button- making.				Stamped or Pressed Metal Wares.				Pin, Hook and Rys and Snap Fastener.				
	Male.		Per	Female.		Male.		Female.		Male,		Female.	
Initial rates, July to November.	s.	đ.	s.	đ.	s.	d.	s.	đ.	s.	đ.	5.	å.	
1920	60	81	33	31	64	71	35	3	60	81	35	3	
December 1st, 1922	54	oţ	28	oţ	47	o	27	5	44	야	26	51	

Males twenty-one years or over, females eighteen years or over.
 Rates are based on a forty-eight-hour normal week.

It will be readily seen that the initial rates set for women by these three Trade Boards were considerably below the rates to which women had been entitled under the Munitions Acts and subsequent Government regulations, but closely approached the amount, viz., 33s. per week, which is said to have been the approximate average of all women's wages in 1918. By fixing rates at this level the Trade Board only guaranteed to all women workers in the Small Metals trades that wage which had been enjoyed by the average woman worker in 1918. Men's rates, on the other hand, coincide very closely with those awards to engineering labourers made by the Committee on Production during the War. As regards some of those firms which were not paying the wages

obligatory under the Wages (Temporary Regulation) Acts, the Trade Board rates, of course, meant a considerable increase in wages, as will be seen from the data on pp. 41 and 42.

In the initial determinations of each of the Boards, general minimum time rates, piece work basis time rates, and overtime rates were prescribed for males and females by age The last rates were based on a forty-seven-hour week, which had been generally adopted by the Metal trades during the War. Only the Button-making Board attempted to fix differential rates for male workers in specified occupations, grading them by age and years of experience. (Later determinations issued by the other two Boards likewise made some distinctions in the rates, according to the occupation and experience of both male and female workers.) Because of the inability of the two sides to agree upon the piece work basis time rates to be payable to pin, hook and eye and snap fastener carders, this particular group of workers. which was probably more in need of legal protection than any other in the trade, has been left entirely without a prescribed minimum wage.1

A comparison of the preceding statement of pre-War wages with the table of Trade Board rates tends to show that in the Pin, Hook and Eye and Snap Fastener industry, the Trade Board rates correspond very closely with the best rates being paid in the trade except for the one firm that paid Munitions rates. It is possible that the Button-making Trade Board rates slightly exceeded the highest rates being paid to the average worker, both male and female, at the time when the Board was established. Rates of pay in this trade, however, were substantially below those being paid in either of the other trades, except in pearl button-making, where there were agreements. In order, therefore, to co-ordinate wages in these three allied trades, the percentage of increase in the Button-making trade was greater than in the other two.

The Stamped or Pressed Metal Wares trade stood in a

<sup>&</sup>lt;sup>1</sup> In April, 1922, a proposal was issued prescribing rates for carders of this class. The rates proposed represent a compromise, but one with a strong bias in favour of employers.

somewhat different position, because a large number of firms in the trade were subject to payment of wages under Statutory Rules and Orders. The rate of od. set by the Board for adult women was obviously less than the prescribed rates under the Munitions Orders for women, on both men's and women's work, but was somewhat more than had been paid by some firms previous to the extension of the prescribed 101d, rate to the entire trade. Rates fixed for the more skilled male workers correspond very closely with those agreed to by the Birmingham Brass Founders Employers' Association and the National Society of Brass Workers and Metal Mechanics. They are, however, roughly 10 per cent. lower than the rates agreed upon by the Midland Lock and Latch Trade Wages Board, which became effective on the same date: viz., December 31st, 1920. The Trade Board fixed no special rates for adult skilled or semi-skilled women, but the highest rate prescribed for females by age 1 is almost the same as the lowest rate for women, agreed to by the Midland Lock and Latch Trade Wage Board, in December, 1920.

With regard to the status of wage rates in the Chain. Hollow-ware (wrought) and Tin Box trades, for which Boards had been set up previous to the War, it should be mentioned that up to April, 1918, when it was decided that no future Munitions Orders should be applied to any firm in a Trade Board trade, the Munitions Orders superseded those of the Trade Board in firms where they required payment of a higher rate than that of the Trade Board. In other firms and in cases in which the Trade Boards wages exceeded that applicable under the Munitions Acts, the former remained the legal minima. Women in the Chain trade were not affected directly by the Munitions Orders, because the small link chain which they make is used chiefly for agricultural rather than for manufacturing purposes. Wages were, however, indirectly affected because of the competition of Birmingham for the labour of the district. In April, 1918, Chain manufacturers stated to the War Cabinet Committee that women were earning 25s. to 35s. per week. Most of the large Tin Box firms were covered by the Munitions Orders.

<sup>&</sup>lt;sup>1</sup> September, 1920.

as were also those making wrought hollow-ware. For a time, rates higher than those fixed by the Trade Board were paid in certain Hollow-ware firms under a Joint Industrial Council agreement, which has now lapsed. Verbal agreements were also made between the two sides, so that the Trade Board became temporarily dormant between January, 1918, and October, 1919, and did not vary the rates. As a matter of fact, the Munitions rates, which were supposed to be standard rates, were always higher than the Trade Board minimum rates, so that in controlled establishments the former were operative. The Trade Board served to maintain a reasonable standard in those smaller firms to which the Munitions Orders did not apply. During the War, and even up to the beginning of the period of trade depression in 1920, higher rates than those fixed by the Trade Board were being paid by employers in a number of firms.

Recent personal investigations in Birmingham, though not exhaustive, lead to the belief that more than Trade Board rates is being paid only in isolated cases, to groups of skilled workers or to individual workers of superior ability. One firm in Birmingham, for example, is paying 10 per cent. above the obligatory rate to its male pin makers, and in another firm the more skilled men have not yet been reduced in accordance with the latest Trade Board variations. A number of women on piece work are able in a full week, with steady work, to exceed the prescribed wage rates, but earnings on the whole do not equal the weekly rates owing to short time. An employer who makes metal buttons and cold stamped articles stated that he had to pay more than the Trade Board time rates to get a woman suitable for operating one particular machine in his factory. Another employer frankly stated that he did not pay as much as the Trade Board rates and did not care what they were. These seem to be exceptional cases, however, and do not alter the general conclusion that in the Small Metal Wares and allied trades the Trade Board rates for both men and women are at present the rates which are being generally paid.

V. Clothing Trades.—Trade Boards have been established for the following nine divisions of the Clothing trades:—

(1) Shirt-making, (2) Ready-made and Wholesale Bespoke Tailoring, (3) Retail Bespoke Tailoring, (4) Corset, (5) Fur, (6) Wholesale Mantle and Costume, (7) Dressmaking and

# Percentage of Adults working Full Time during last Pay Week in September, 1906, who earned—

#### MALES.

Trade.	Under 304.	රිගෑ. කැල් over,	Average weekly full time earnings in U.K.
Dress and Millinery (Retail). Dress and Millinery (Wholesale) Shirt and Blouse Tailoring, R.M. Tailoring, R.B. Silk and Felt Hat Straw Hat and Bonnet Corset (Factory). Fur	 Per cent. 21·4* 42·7 52·3 44·3 46·1 28·5 34·2 53·7 42·5	Per cent.  26·5  1·8  2·5  3·2  6·4  1·6  7·2  1·0  11·9	s. d. 50 II 31 8 29 10 31 II 33 6 34 3 36 7 28 II 35 7

<sup>•</sup> Very few men in the trade.

#### FEMALES.

Trade.		Under 152.	30s. and ovex.	Average workly full time earnings in U.K.
Dress and Millinery (Retail). Dress and Millinery (Wholesale) Shirt and Blouse Tailoring, R.M. Tailoring, R.B. Silk and Felt Hat Straw Hat and Bonnet Corset (Factory). Fur	•	Per cent. 64.2 52.1 68.2 70.6 57.8 43.1 27.9 77.1 38.4	Per cent. 3.7 2.5 0.8 0.3 1.0 1.7 10.6 — 2.9	s. d. 13 10 15 5 13 4 12 11 14 2 16 4 19 10 12 2 16 7

Women's Light Clothing,<sup>1</sup> (8) Hat, Cap and Millinery, (9) Ostrich and Fancy Feather and Artificial Flowers. It is obvious that the widest possible variations as to size of

<sup>1</sup> There is a separate Board for Scotland.

shop, class of trade, conditions of work, degree of skill and methods must obtain in this group. Dressmakers who are subject to Trade Board orders, for example, range from the woman in a remote village employing one learner, who helps her to make dresses for her neighbours, to the large London wholesale establishment equipped with the latest machinery, which not only supplies garments to retail shops at home, but also sells them abroad. Almost equal diversity exists in the other sections of the Clothing trades. The larger cities of Great Britain, and especially London and Leeds, are the centres for factory production in the Clothing trades. Smaller shops which do a retail business are, from the very nature of the trade, located in villages and hamlets throughout the country as well as in the cities and towns.

For a number of reasons, among which are those just stated, together with lack of organisation on the part of both workers and employers, which is a corollary thereof, wages also showed a great diversity before the establishment of the Trade Boards. Averages, consequently, mean relatively little. It is rather the range of rates that gives an idea of the pre-Trade Board wage level. Below is a table compiled from the Earnings and Hours Enquiry of 1906, which is always the most reliable source from which data relative to pre-War wages can be drawn.

The following are the average rates being paid in the different districts of Great Britain in the Retail Bespoke Tailoring Trade in 1906 1:—

District.	Men.	Lads and Boys.	Women.	Girle.
Northern Counties and	. s. d.	s. d.	s. <i>i</i> .	s. d.
Cleveland Yorkshire, Lancashire	32 4	7 I	12 11	5 4
and Cheshire North and West Midland	34 7	8 0	14 11	5 5
Counties	34 I	7 7	14 3 16 2	5 6 7 2
London	<del>42</del> 9	10 0	16 2	7 2
Wales	30 <b>7</b>	5 I 6 7	11 10	4 0
Scotland	3I 4	6' 7	14 2	5 11

<sup>1</sup> Earnings and Hours Enquiry.

The outstanding feature of the table on page 109 is that more than 40 per cent. of the workers earned less than 30s. per week in the case of men and 15s. in the case of women. In both the Retail Dressmaking and Millinery trades, which are exceptions, very few men are employed. These are also highly seasonal trades, and in consequence relatively high wages are paid during the busy season.

According to this Enquiry, 29 per cent. of all women and girls in the Retail Dressmaking trade in 1906, 43 per cent. in Millinery, and 17 per cent. in Mantle-making were young apprentices and learners under eighteen years of age. In the Retail Dressmaking trade, 8.7 per cent. of the learners and apprentices received no remuneration at all. The wages of paid learners varied from 2s. 6d. per week to 5s. per week. It is doubtful if wages increased much in this group of trades between 1906 and 1914, except in the Wholesale Tailoring trade, for which a Trade Board had meanwhile been established and in which there was some War work. The general level of wages in the Shirt industry in 1914 have been discussed at the beginning of this chapter in connection with the setting up of the early Boards. Personal investigations based upon enquiry from employers and examination of the wages of workers as entered upon applications for Trade Union membership indicate that 2s. 6d. to 5s. per week was the most common wage paid to learners outside the larger towns in 1914. Improvers were paid from 8s. in country districts to 15s. in Co-operative Societies, while fully qualified workers received between 17s. and 35s. per week, depending upon the district and the class of work. One woman, who is now the head of the dressmaking department in one of the best Glasgow drapers' shops, stated that as a fully qualified worker in another shop, in 1914, she was receiving 17s. per week of fifty hours. The manager of a very high-class ladies' outfitting shop in Manchester, which catered for the best class trade in Dressmaking, stated that he paid as much as 30s. to 35s. per week to fully qualified workers. Other firms in the same city paid 18s. to 25s. per week. The rates in a

<sup>&</sup>lt;sup>1</sup> Fur is also an exception for women, but very few of them are engaged in the trade.

Co-operative Society in a town near Manchester were 17s. to 21s. for fully qualified workers at that time. According to the Report of the War Cabinet Committee on Women in Industry, women engaged in Dressmaking and Millinery work were paid very little more at the end of the War than they were in 1914, because there had been no Government regulation in these trades. The Committee on Production had granted total increases of 11d, per hour to all men over twenty-two years in the Shirt-making trade, 1d. per hour to males of eighteen to twenty-two years of age and to all adult women, and of \$\frac{1}{4}\$, to youths and girls under eighteen years of age. In the Wholesale Clothing trade, a total increase of 3d. per hour had been granted to men over twenty-two years, of 2d. per hour to men between eighteen and twentytwo years and to all women over eighteen years, and of 1d. to youths and girls. These rates were to be paid over and above piece earnings. It was stated before the Industrial Court at a hearing held on July 1st, 1920, that tailoresses on time work in coat-repairing shops earned 35s. to 38s. per week. Women piece workers on garments for War use received, during the War, increases of 25 to 40 per cent. over pre-War rates plus 11s. War bonus.

A number of agreements between Employers' Associations and Trade Unions, which meant increases in wages, had also been made in the various Clothing trades during the War, especially in the larger cities. The wage provisions of several typical agreements follow.

I. Agreement between Glasgow and West of Scotland Retail Drapers, Outfitters and Garment-makers' and Milliners' Association and the National Amalgamated Union of Shop Assistants with regard to Dressmakers' and Milliners' wages—effective March 28th, 1919, on basis of forty-four hour week.

										Per w	reek.	
										5.	d.	
Ist y	ear	(15	years	of	age),	Ist si	x mor	iths		8	0	
-		, -	-		• ,	2nd s	ix mo	nths	•	IO	0	
2nd	33						•	•	•	12	_	
3rd	38				•	•	4 <b>4</b> . p	er how	r ot	14	8	

								Per v	veek.
4th	year (	15 <b>ye</b> a	ırs of	age)		5 <b>d</b> . per l	hour or	s. 18	d. 4
5th	` 11 `	•	•	•	•	6d. "	43	22	Ŏ
6th		•		•		7d. "	))	25	8
7th	**	•	•	•	•	$8\frac{1}{4}$ .,,	20	30	3

On April 19th, 1919, the following additional rates were agreed to:—

	_				Per :	hour.
					s.	d.
19 years of age	-	•	•	•	0	7ŧ
20 years of age	•	•	•	•	0	7 <del>1</del>
21 years and over	•	•	•	•	0	8‡

II. Agreement between the London Employers' Association, Ltd., and the Metropolitan Dressmakers' Section (Shop Assistants' Union), May, 1919.

## MINIMUM RATES OF PAY FOR DRESSMAKERS, MANTLE HANDS, BLOUSE HANDS, ETC.

1. Learners, Improvers, Assistants, Finishers, etc.:

				1	er d	OUT.
					s.	a.
	Under 15 years of age, 1st six months		•		0	2
	2nd six months		<b>-</b> '		0	2}
	Over 15 years of age but under 16 year	S			0	4
	Over 16 years of age but under 17 year	S			0	48
	Over 17 years of age but under 18 year	S			0	6
	Over 18 years of age				0	7
2.	Junior Hands				0	8
3.	Senior Hands				Ð	Qå
4.	Dressmaking Alteration Hands, Power)					-
•	Machinists, Treadle Machinists, Corn- ley Beading and other Power and Treadle Embroidery Machinists, Hand and Frame Embroidresses and Art Needle Workers.	8	to 11d. according perience	ıg	to	ex-

Under an agreement between the London Employers' Association, Ltd. and the Amalgamated Society of Tailors and Tailoresses, dated May, 1919, minimum rates for learners, improvers, finishers, etc., ranged from 2d. to 7d. per hour, and for skilled workers from 8d. for junior tailoring alteration hands to 10d. for senior tailoresses. Still another agreement between the same Association and the Metropolitan Making-up Section (Shop Assistants' Union) provided

# BRITISH TRADE BOARDS SYSTEM

II4

for a range of rates from 2d. at fifteen years of age (first six months) to 7d. at eighteen years and over, for women in the wholesale section of the underclothing, blouse, baby linen, children's outfitting, etc., trades, all of which now fall under the jurisdiction of the Dressmaking and Women's Light Clothing Trade Board. In April, 1919, an agreement was made between the same two parties relative to minimum rates of wages for cutters, layers-on, sorters, and markers-in in the wholesale section of these trades. Rates of wages ranged from 2d. per hour for fifteen-year-old girls to 7d. at eighteen years or over. Special rates of  $7\frac{1}{2}d$ . per hour,  $7\frac{1}{2}d$ . and  $8\frac{3}{4}d$ . were agreed to for cutters with five years' experience, for junior and senior band knife cutters and for machine cutters respectively.

These agreements were in operation up to January, 1920, which was about the time when the Trade Board was established. With the exception of the rates for skilled workers, which are higher, and of the Scotch agreement, most of the rates in which are higher, the agreed rates closely correspond to the prescribed rates under Order 357, April, 1919, of the Wages (Temporary Regulation) Act, which applied to women and girls engaged in the manufacture of women's and children's clothing, including tailored and non-tailored garments, mantles, blouses, under-clothing, corsets and practically all of the articles and processes now falling within the scope of the Dressmaking, the Corset, and the Wholesale Mantle Trade Boards. The rates follow:—

Class of Workpeople.	Time r			ar ince.	ribed te.
Women of 18 years or over Girls of 17 years and under 18 Girls of 16 years and under 17 Girls of 15 years and under 16 Girls under 15 years after 6 months Girls under 15 year during first 6 months	0	₫. 6 5 3 1	0	d. I I I I	 d. 76 41 4 22 2

During the year following the issue of this Order all the Clothing Trade Boards <sup>1</sup> either fixed their general minimum time rates or varied those which they had already fixed. On the strength of the constantly increasing cost of living and of wages agreements which were being voluntarily consummated between various groups of employers and workpeople, the general minimum time rates for adult women which were fixed by the Clothing Boards were advanced in most cases by 1½d. per hour over what had been prescribed up to the expiration of the Wages (Temporary Regulation) Act, making 8½d. per hour or 34s. per forty-eight-hour week. The rates prescribed for males exceeded the 50s., or 1s. 0½d. per hour, which was the rough average weekly male wage in 1918, by considerable amounts, as is shown by the table below. The workers engaged in the

General Minimum Time Rates fixed by the Clothing Trade Boards for Adults, 1919 and 1920.<sup>2</sup>

Trade,	ро	iei— urly ite.	Date.	Females— hourly rate,		Date.
Corset Fur Dressmaking and Women's Light Clothing Hat, Cap and Millinery Retail Bespoke Tailoring Shirt-making Wholesale Tailoring Wholesale Mantle and Costume	s, 1 1 1 1 1	d. 1414 2 2 2 2 14 1	Dec., 1919 April, 1920 May, 1920 June, 1920 June 1920 Nov., 1919 Dec., 1919	s. 00 00000 D	4. 1914 8 8 1914 8 9 9 1914 8 9 9 191	Dec., 1919 April, 1920 May, 1920 June, 1920 Oct., 1920 Nov., 1919 Dec., 1919

Clothing trade are among the most skilled of the workers to which Trade Board rates apply, so that it is to be expected that their rates of wages would be relatively higher than those in other Trade Board trades.

<sup>2</sup> When rates have been fixed for several classes of workers, the lowest rate has been entered here.

<sup>&</sup>lt;sup>1</sup> Except the Ostrich and Fancy Feather Board, which was not established until February, 1921.

# 116 BRITISH TRADE BOARDS SYSTEM

Each of the Boards has also fixed scales of rates for special classes of workers. The tendency in the Clothing Trade Boards as a whole, and especially in Wholesale Mantle-making and in Wholesale Tailoring, has been to adopt the scales of wages already agreed to by the appropriate Employers' Associations and Trade Unions. In those trades for which there were relatively few or no agreements the rates fixed by other similar trades have been taken as the criteria. result in some cases, viz., the Wholesale Mantle and Costume and the Wholesale Tailoring trades, was to legalise the agreements between certain groups of employers and of workers. thus making them obligatory upon all employers in the trade. Payment of higher wages is not precluded, however, and so this does not mean that such rates have, perforce, become standard rates. A prominent employer in Leeds stated that the rates fixed by the Wholesale Tailoring Trade Board were only minima in practice. He gave instances in his own factory of a number of workers who were being paid at higher rates, as did many other employers in the trade. Small and less well organised firms, however, probably never exceed the minima. Enquiry seems to show that in the retail sections of the Corset-making, Dressmaking, Tailoring and Millinery trades where work is carried on in very small shops or in homes, the Trade Board rates are being grossly evaded.

VI. Distributive Trades.—Previous to February, 1920, no Trade Board had been constituted for a distributive trade. On this date a departure from the custom of the Ministry was made, by the establishment of the Milk Distributive Trade Board (England and Wales), which was set up for the purpose of prescribing minimum time wage rates for workers engaged in distributing milk, the productive side of the industry having been already brought under the jurisdiction of the Agricultural Wages Boards by the provisions of the Corn Production Act, 1917. In June of the same year a Board was set up for the Grocery and Provisions trade

<sup>&</sup>lt;sup>1</sup> With the repeal of the Corn Production Act, 1917, the productive section of the trade was left without protection, and this has been a source of great difficulty in administering the Milk Trade Board Orders.

(England and Wales), and subsequently separate Boards were established for Scotland in both these trades.

By the initial Milk Trade Board determinations an effort was for the first time made to establish a relation between wages and the cost of living in different areas. England and Wales were divided into three areas, A, B, and C, representing supposed variations in the cost of living, and different wage scales were agreed upon for each of the districts, as described in Part II., Chapter II. Representatives of both workers and employers agree that the Trade Board was responsible for an increase of 5s. per week to most of the male milk workers in London. In the provinces it is probable that the increase may have been greater still. During 1918 and 1919 the wage of most inside workers and roundsmen hovered around 45s, and 5os, per week. Immediately before the Board fixed its rate of 65s, per week for male shop assistants and other workers in the London area, a verbal agreement had been reached between the Association of Dairymen's Assistants and the United Dairies Company, which controls a large part of the milk trade in London, whereby the rate for these workers was set at 60s, per week, This rate represents the highest wage which was then being paid in the trade. Directly the Trade Board proposed 65s. as the rate, the United Dairies Company consented to pay the 65s, without waiting for it to become obligatory. The result was, therefore, that the effective Trade Board rate for male shop assistants in London became the same as the maximum rate voluntarily payable to workers of this grade in that district, and that the maximum was being paid to the majority of such male workers in the district.

By November, 1920, when the milk rates became operative, a great many of the women who had gone into the trade during the War had been forced to leave such employment because of the return of the soldiers from abroad. Of those who remained, very few were employed as roundswomen. It is interesting to note that the London rate for "all other female workers," which does not include the more skilled women such as shop assistants, clerks and roundswomen.

<sup>&</sup>lt;sup>3</sup> This rate covers the majority of workers in the trade.

corresponded exactly to that granted by the various War tribunals to women on men's work, viz., 40s., and the rate for rural districts, viz., 32s. 6d., closely approximated the average rate being paid to women in 1918, the wage for small towns falling about midway between. See the following table:—

General Minimum Time Rates fixed by the Milk Distributive Trade Board for Adults, November, 1920.

			Scale A.		Scale B.		Scale C.	
Males.				đ.	s.	ã.	s.	d.
Foremen		•	65	0	75	6	80	0
Sterilisers (not assistar	its)		бо	0	67	6	70	0
Clerks	•		65 60 60	0	75 67 67	6	70	0
Roundsmen			40	0	45	0	52	6
Shop Assistants and workers	l oth	er	55	0	62	6	65	0
Females.								
Clerks			38	O	42	0	48 42	0
Shop Assistants .		.	33	0	37	0	42	0
Roundswomen .			<b>40</b>	0	45	0	52	6
Other workers .			32	6	37 45 36	0	40	Q

Scale A applies to areas administered by rural district councils, but not to any town or village having a population exceeding 10,000 within any rural district council area.

Scale B rates apply to all areas other than those specified above and below.

Scale C rates are applicable to London, i.e., the City of London and the Metropolitan Police Districts, except such parts as are administered by a rural district council.

It will also be remembered, in this connection, that in the "Consolidated Order" it was stated that the War wages were minima, and that women workers had a claim to higher rates on the grounds of skill or dangerous work, etc. The Milk Board seems either consciously or unconsciously to have fallen in with these suggestions.

The Grocery Trade Board (England and Wales) has had a stormy existence. After issuing three sets of proposals during

the two and a half years of its existence, it has found itself unable to attain a sufficient degree of accord to warrant rate fixing, and for the past year its activities have been virtually suspended by the Minister of Labour. Like the Milk Trade Board, it built its first rate schedule upon the foundation of cost of living as expressed in the basic areas, A, B and C, and issued a notice of proposal on this basis on November 3rd, 1920. Within the following two months, while the rates were in process of examination by employers and workers at large, the Cost of Living Index Number reached its pinnacle and a distinct downward trend in retail prices became manifest. Wholesale prices had reached their height eight months before.1 Grocers and Provision Merchants pictured themselves in the predicament of being forced to sell commodities which had been purchased in a dear market at greatly reduced prices, thus incurring a loss. As a result, the Board was deluged with objections, and a psychological situation was created which has prevented the Board from functioning properly. It is useless to attempt to analyse the pre-Trade Board wage situation, since no rates have ever been prescribed by the Grocery Trade Boards, either for England and Wales or for Scotland.

It is held by some employers that distributive trades are not suitable for the application of Trade Board methods, and certainly it istrue that the economic position of the distributive trades is not precisely the same as that of the productive trades. The very descriptive word applied to them indicates that at the outet. The function of one group is the distribution of consumable articles, while that of the other is the creation of such articles. By nature, businesses engaged in the retail distribution, like those in the Laundry industry, and to some extent those in the making-up trades, require to be located in different parts of the country, roughly in proportion to the population. Wholesale establishments, on the other hand, are concentrated in the larger cities. It is argued further by those who desire to deflect the tide of Trade Boards from the distributive trades that because there is little possbility that employers may recoup them-

<sup>&</sup>lt;sup>1</sup> See Diagram I., p. 158.

# BRITISH TRADE BOARDS SYSTEM

120

selves for increased wages bills by augmentation of output, and since, with the already high level of prices, it is also impossible to shift the entire burden on to the consumer, the result of wage regulation by a Trade Board must mean a reduction in the margin of profit, and therefore the Trades Boards Acts should not be applied to that group of trades. The fact that the Acts have been already applied to the Laundry trade, to a number of the making-up trades, and to the Milk distributive trade in Great Britain with relative success, as well as to saleswomen in the Drapery trade in both America and Australia, indicates that even though the distributive trades are in a somewhat unique economic position, they are none the less capable of successful wage regulation by a Trade Board. The inability of the Grocely Trade Board to arrive at suitable wage rates is due rather to the disparity between wholesale and retail prices ind other temporary circumstances than to the fact that it belonged to the distributive group of trades.

## CHAPTER II

## ON WAGES-continued

# RATES FOR SPECIAL CLASSES OF WORKERS

A SOMEWHAT broader scope for activity in the field of wages was given by the amending Act of 1918, but the extension of power which was granted in no wise seems to warrant the rash generalisation, now so frequently made, that the original Act confined fixing of rates to the lowest grade of workers in a trade, while the Act of 1918 provided for minimum rates of wages for skilled workers as well. In point of fact, the law of 1909 specifies that either time work or piece work rates may be fixed "so as to apply universally to the trade or so as to apply to any special process in the work of the trade or to any special class of workers or to any special area." The Act of 1918 employs these identical words and adds, "to any class of workers in any special process or in any area," for the sake of making the meaning clearer. There can be no doubt, therefore, that the fixing of rates of wages for different grades of workers lav as much within the power of the Boards established before ror8 as of those set up since then, but it so happened that little use was made of that power previous to the end of the War. What the amending Act of 1918 actually did was to make it possible for Trade Boards to fix three new kinds of wage rates, viz., (1) an overtime rate, i.e., a rate of wages to be paid for work done during hours in excess of a number declared by a Board to be the normal number per week for that trade: (2) a piece work basis time rate, to serve as a gauge for the yield of the piece rates to the "ordinary" worker. which may be more or less than the general minimum time rate. Previously, piece workers for whom no specific piece rates had been prescribed were required to be paid at such

a piece rate as would yield to the ordinary worker at least the general minimum time rate; (3) a guaranteed time rate, to insure to workers employed on piece work a minimum rate of remuneration, irrespective of their earnings on piece work.

The additional powers are, however, relatively unimportant as regards wage fixing, when compared with the radical change in conception of function which Trade Boards underwent at the time of the passage of the 1918 Act. The idea that the Trade Board was acting in the capacity of a trade council, and that its function was to establish such wage standards for the trade as would prove beneficial to it and to society as a whole, as opposed to the old conception that the rate of wages was a matter to be settled by individual workers and employers, except in cases where it was necessary for the State to intervene in order to prevent that helpless heap of women at the bottom of the industrial system from becoming a social menace, had an immense indirect effect in matters pertaining to wage determination. Since then the Minister of Labour has applied the Acts not to small, localised or sweated trades employing large numbers of women outworkers only, but to a great variety of poorly organised industries presenting diverse problems for solution. Two general minimum time rates, one for males and one for females, were usually found to cover the bulk of adult workers under the old Trade Boards, and rates for young workers were prescribed as well. After 1918 and the application of the Act to many new trades, it often happened that only a small percentage of those engaged in a trade were sufficiently unskilled to fall within the group which a flat minimum could protect, and yet some of the grossest forms of under-payment occurred among workers outside the pale of the unskilled class. When it was decided to include clerks and warehousemen within the scope of certain Boards, another complication arose, because it was considered unsuitable to apply the same rates to these workers as to the bulk of workers in the trade. The natural solution was for Boards to resort more often to the use of all the tools at hand in order to carry out their ideas and in order to obviate inequalities and obstacles.

consequence, we find Trade Boards fixing a variety of rates instead of just one or two, according as the situation requires it.

## GENERAL MINIMUM PIECE RATES

Before 1919 the Chain-making and Lace Finishing Trade Boards alone had set general minimum piece rates. Not only was piece work the custom of these trades, but also a preponderance of out-workers, and the consequent irregular hours of work made the enforcement of time rates almost impossible, and piece rates seemed to offer a satisfactory solution. Within recent years eight more trades, making a total of ten out of the forty-four British Boards, have adopted piece rate schedules varying greatly in the degree of intricacy. One other Board, viz., Jute, has issued a proposal containing a piece rate schedule, and the Laundry Board has a piece price list under consideration. The trend of the Trade Board opinion appears to be gradually becoming more favourable to this method of wage regulation. Probably the chief reason why piece price lists have not previously been more readily accepted is that the preparation of a comprehensive scheme entails a vast amount of investigation and spade work on the part of some members of the Board. The most elaborate schedules now in operation have been constructed, part by part, over a period of several years. by committees of workers and employers deputed by the Boards to present lists of rates for their criticism. In some cases the Ministry of Labour, at the suggestion of a Board. has undertaken investigations for the purpose of ascertaining the range of piece rates in a trade so that a basis upon which to build up the lists might be found. Such a study formed the basis of the piece rates fixed for homeworkers engaged in carding safety pins, snap fasteners, hooks and eyes, etc., under the Pin, Hook and Eye Trade Board determinations. An expert of the Ministry of Labour has recently been engaged for some months in studying the Laundry trade and in assisting the members of the Board in working out a piece rate schedule which was once considered impossible. In other more standardised trades, like

those of Brush and Broom-making and Boot and Shoe Repairing, both of which have worked out elaborate piece price lists, sufficient evidence in the form of the extant piece price lists of individual firms and of trade custom has made the preparation of such scales possible.

By a stipulation of the Act of 1909 a Board is also empowered, upon application of an employer, to fix special minimum piece rates to apply to workers employed by him, if a general minimum time rate but no general minimum piece rates are applicable. Four such sets of rates (three in Paper Box-making and one in Tailoring) were fixed in the early years of Trade Board activity and are still periodically revised, but latterly no new requests of this kind have been received. If many employers were to take advantage of such a provision, the result would be that Boards would become overwhelmed with the consideration of special cases.

Various objections to the fixation of elaborate piece price lists have been raised. Among them is the statement that piece rates set by a Board are standard rather than minimum rates. Another is an expression of the fear that by standardising rates for processes, improvements in methods and inventions will be prevented. There is, of course, nothing inherent in the fixing of piece rates which should preclude the payment of rates higher than those prescribed if an employer so desires, and so piece rates are not necessarily standard rates. Still, it is true that piece rates thus far fixed by Trade Boards have become the standard rates, if that term is taken to mean rates generally paid throughout the trade. The fixation of piece rates has had the immediate effect, therefore, of bringing the level of piece rates of all employers up to the standard of the average. Whether or not such a result forms a valid objection is a question, and its answer depends entirely upon one's conception of Trade Board functions. Since any job, process, or article for which there is no appropriate piece rate fixed automatically falls outside the piece lists and comes under the piece work basis or general minimum time rate, whichever the case may be, no weight whatever can be ascribed to the objection that improvement of methods and inventions will be stopped.

It appears rather that employers would vie with each other in inventing new processes and methods whereby they could increase output and escape the payment of the prescribed piece rates.

On the contrary, there are two great advantages accruing from prescribed minimum piece rates. In the first place, they avert any dissatisfaction which might arise among the workers from the fear of rate cutting that has in the past been known to follow increased output, and in the second place piece rates assist in administration. In fact, there is no other way to avoid the cumbrous process of finding whether the "ordinary" piece worker in "the circumstances of the case" is earning the proper rate but to fix specific rates for each piece of work done.

Following is a brief description of the general minimum piece rates fixed by each of ten Trade Boards:—

I. Boot and Shoe Repairing.1-Piece rates are fixed for (a) handsewn work, riveting, benching, handsewing and hand finishing, according to size of shoe and part sewed, viz., sole and heel, cross pieces, etc.; (b) extras, consisting of a long list of prices for odd repairing jobs; (c) making, bespoke handsewn, pegged and riveted work, according to kind of work, viz., ladies' short work, surgical work, etc.; (d) handsewn work of the sectional system according to kind of work, viz., men's strong work, etc.; (e) extras for bespoke and sectional handsewn work. Altogether this list contains nearly 800 separate piece prices, no less than which shall be paid, without distinction of sex, to workers who are engaged upon any of the work mentioned. The entire schedule of rates is founded upon a sliding scale. Certain percentage reductions in the piece prices are allowed when the Ministry of Labour Cost of Living Index Number reaches specified figures.

II. Brush and Broom. This schedule also provides for a sliding scale on the basis of the Cost of Living Index Number. It contains some 2,000 piece rates, fixed according to (a) kind of work, viz., pan work, hand finishing, etc.; (b) kind of

Details in Trade Board Order D. (19), (20), (21).
 Details in Trade Board Order M. (37).

brush, viz., deck scrubs, brooms, etc.; (c) kind of bristles. viz., hair, fibre, etc.; (d) length of bristles; (e) kind of wood: (f) shape of brush, etc., etc. Women who do pan work, including setting, boring and trimming, just as the men do, are allowed the same piece rates as the men. Those who set, but neither bore nor trim, get 25 per cent, less than the prescribed rate for men; those who set and trim, but do not bore, are entitled to 15 per cent. less; and those who set and bore, but do not trim, to ro per cent. less.

III. Button-making.1—The only piece rates set for the Button-making trade apply to female homeworkers engaged in carding linen buttons and metal trouser buttons. They do not apply to middlemen or to middlewomen employed in the trade. Prices are based on the number of dozen buttons contained on a card, and whether or not the buttons have open or closed backs. Workers who do not receive their work from a middleman or a middlewoman are allowed a somewhat higher piece rate in order to offset the loss of time spent in fetching work. The list is a very simple one, including only six piece rates.

IV. Chain-making. The Chain Trade Board was the first of all Boards to set piece prices. The operative schedule is a sliding scale based on the cost of living. Piece rates vary according to: (a) process, viz., hand hammered or dollied or tommied; (b) size of iron; (c) grade of chain, viz., commonest, common, extra, best; (d) number of links per foot; (e) kind of chain, viz., cart traces, coil chain, etc. The piece rates are usually quoted per cwt. of chain made. For most kinds of work two piece rates are set, one being applicable where the employer provides (in addition to iron) workshop, fuel, and tools (journeyman's rate), and the other, which is higher, being applicable where the worker supplies all or any one of these three (master-man's rate). There is no distinction on the basis of sex, because women make hand hammered chain almost exclusively.

V. Flax and Hemb. General minimum piece rates are

Details in Trade Board Order V. (10).

Details in Trade Board Order C. (15).
 Details in Trade Board Order F.W. (15).

fixed for male weavers employed on weaving canvas, only. They comprise fourteen piece prices and depend upon the width and quality of canvas, and are set at so many shillings per piece of 42 or 44 yards.

VI. Fur. 1—Some 270 odd rates have been fixed for piece workers in the fur trade. The rates apply to men and women alike, and are based upon (a) process, and (b) kind, quality and size of skins. The unit of measurement is the number of skins done.

VII. Hair, Bass and Fibre. For workers employed on hand loom weaving (other than damask seating hand loom weaving), thirty piece prices are operative. Here the bases for rate differentiation are: (a) kind of cloth, (b) width of cloth. (c) number of hairs per inch.

VIII. Machine-made Lace and Net Finishing.8—Only women are engaged in Lace Finishing, so that the forty odd different piece rates based on (a) kind of lace, viz., warp lace, or other than warp lace; (b) process; (c) width, etc., apply to that class of workers only. Fifteen per cent. in addition to the prices set out in the schedule is allowed to workers who do not receive their work through a middlewoman.

IX. Pin, Hook and Eye and Snap Fastener Trade. General minimum piece rates apply to homeworkers for carding safety pins, snap fasteners, hooks and eyes and bunching safety pins. The rate depends upon the size and colour of the pins or hooks, etc., the number per card, etc.

X. Rope, Twine and Net Trade. 5—Sixteen piece rates are fixed for male hand backlers, based on kind of hemp and weight of yarn. About 500 other piece rates apply to men or women workers engaged in net braiding by machine, and to women homeworkers who make nets by hand. Piece prices for hand net braiding are differentiated according to kind of net, size of mesh and size of twine.

Details in Trade Board Order Z. (9).
 Details in Trade Board Order H.B. (10).

<sup>Details in Trade Board Order H.B. (10).
Details in Trade Board Order O. (13).
Details in Trade Board Order R. (25), (26) and (27).</sup> 

# GUARANTEED TIME RATES AND PIECE WORK BASIS TIME RATES.

Both of these varieties of rates belong to the time rate species; in fact, only a very subtle difference exists between the two. The object of the former is to guarantee a specific amount of money per hour or per week to all piece workers. regardless of whether or not they are "ordinary" workers, and irrespective of their earnings and of whether or not they are working at piece rates set by an individual employer or general minimum piece rate fixed by a Trade Board; the object of the latter is to set a standard for the piece rate yield to the "ordinary" worker. Thus it might happen in the Laundry trade, to which both kinds of rates apply, that even though the yield of the piece rates to the ordinary piece worker in a given firm was equal to the piece work basis time rate, certain sub-ordinary piece workers would fail to earn the guaranteed time rate, and would, therefore, become entitled to an amount equal to more than they actually earned. It is also possible that a worker might prove to be "sub-ordinary," in the earning sense, in one week, owing to some circumstance of her employment, such as badly prepared linen in the Laundry industry, while in the next week she would earn more than the guaranteed time rate. The employer in that case would be required to pay her the difference between what she earned and the guaranteed amount for the week only in which she failed to earn it. A piece work basis time rate operates differently. If, for example, it had been found that an ordinary worker could, under the usual conditions of her work, attain the piece work basis time rate by her piece work earnings and should then, for some reason or other, fail to make that amount in a given week, the employer would not be obliged to make up that difference to her, provided, of course, that there was no operative guaranteed time rate below which her earnings fell.

Guaranteed time rates have not been popular with British Trade Boards. On December 1st, 1922, such rates were operative only under the determinations of the Brush and

Broom, the Boot and Shoe Repairing and the Laundry Trade Boards, and in the first two of these they applied to very special classes of workers. Female workers employed as forewomen or managers in the Boot and Shoe Repairing trade have a guaranteed time rate of 70s. per week of forty-eight hours, as compared with a general minimum time rate of 74s. The guaranteed time rate and the general minimum time rate are the same in the case of male workers employed thus, viz., 74s. The reason for guaranteeing a certain amount per week to these workers is that in small shops foremen and managers often spend part of their time on the bench at piece work. Only the male apprentices in the Brush and Broom trade are protected by the guaranteed time rate. For the first twelve months of apprenticeship the rate which is prescribed is the general minimum time rate fixed by the Board for a male worker under fourteen and a half years of age (not an apprentice), and during the first six months of employment in a section of the trade other than that in which the apprentice commences his apprenticeship, it is the general minimum time rate applicable to a worker of his age (other than an apprentice). Both the Linen and Cotton Handkerchief, Household Goods and Linen Piece Goods Trade Board and the General Waste Materials Reclamation Trade Board have recently cancelled guaranteed time rates which they had previously fixed because they considered them useless. In one of these trades the rates applied only to female juvenile workers, and in the other to all women, but they were identical with the general minimum time rate in both cases. The Laundry Trade Board has set guaranteed time rates for piece workers on the basis of age The guaranteed rates for workers of fourteen to sixteen years are the same as the general minimum time rates, but those for workers between sixteen and eighteen years or over are less.

In the early days of its existence this Board made an innovation by prescribing a "guaranteed wage" which differed from the guaranteed time rate in that it was an amount to be paid to workers regardless of the number of hours per week which they worked. The proposal was actuated by a

desire to discourage employment of casual workers, which is common in the trade on account of the uncertainty regarding the amount of business which will be done in a week, and the customary rush at the beginning of the week followed by slackness towards the end. After the rate had been in operation for nearly a year, the Minister of Labour declared that the fixation of a wage rather than of a rate of wages was ultra vires, and the order was consequently cancelled. Among the better class laundries, however, it is still the practice to pay a certain sum per week, irrespective of hours, although it is no longer required under the Trade Board determinations.

There has hardly been sufficient experience with guaranteed time rates to say what effect they have upon wages and earnings in the long run. Obviously, their tendency is to enlarge the amount in the weekly pay envelope of the least effective piece workers, and to equalise the weekly wages of all piece workers over a period of months. Since the Act provides that a guaranteed time rate shall not be higher than the general minimum time rate, its effect could not be very far-reaching, for in a well-managed firm there would presumably be a very small number of workers who could not earn the general minimum time rate. Another result which it might have would be to increase output, and thus earnings, by improving the standard of living of the marginal workers. It is quite clear that in such a case as that of the Brush and Broom Trade male apprentices, where piece rates are prescribed and the workers are inexperienced, the effect of the guaranteed rate would be to increase the wages of some apprentices considerably and to insure to them a reasonable wage.

Piece work basis time rates are in operation for all but one of the trades having guaranteed time rates and for thirty other trades. Such rates apply to women in every case, and frequently men are also covered, the rates being different for the two sexes. Piece work basis time rates may be either higher or lower than the general minimum time rates, but in practice they have always been made higher, on the theory that piece workers may be thus encouraged to give greater output, and that hitches in the work, bad materials, etc.,

may be compensated for. The usual way of arriving at the piece work basis time rate is to add a penny to the women's minimum time rate and 11 or 2d. to the men's rate. percentages by which the general minimum time rate is increased, however, vary from 5 per cent. (Paper Bag trade) to 50 per cent (Aerated Waters, England and Wales), the most common percentages being 13 to 15 per cent. for women and between 10 and 15 per cent. for men. 1 These percentages on the whole are considerably less than the 25 per cent. by which piece rate earnings were customarily required to exceed the time rate during and immediately after the War. Generally one piece work basis time rate alone has been set for all ages of workers.2 When there are general minimum time rates for special classes of workers, piece work basis time rates have sometimes been prescribed for each class, and sometimes for certain of these classes only. Other Boards confine the fixing of these rates to the class called "all other workers," which excludes the more skilled but covers the mass of workers in the trade. Those trades which regulate their general minimum time rates by a sliding scale have either fixed separate scales for piece work basis rates on a sliding scale, or have stated a definite percentage by which they shall exceed whatever minimum time rate is operative.

When no piece work basis time rate is fixed, the general minimum time rate automatically takes the place of it. Since the former is customarily higher than the latter, one should, on the face of it, expect an increase in weekly earnings as a result of the piece work basis time rate. In practice, however, the majority of employers were in the habit of setting the piece rates at such a level as to yield more than the time rates before the Trade Boards had power to fix piece work basis rates. Nevertheless, instances have come to the writer's notice in which an employer has transferred

<sup>&</sup>lt;sup>1</sup> These percentages express a relation between the general minimum time rate for "all other workers" and the corresponding piece work basis time rate.

It makes no difference if the same piece work basis time rate applies to both young and to experienced workers, because when a test is made in order to find out if the rates yield the piece work basis time wage, younger workers would be excluded as being inexperienced and, therefore, "sub-ordinary."

his work from a piece to a time basis in order to avoid paying the extra penny per hour or whatever it may be. But the great majority of employers find that their output is more than proportionately greater when the workers are on a piece basis, and consequently have no objection to the piece work basis rate.

### OVERTIME RATES

All but two Trade Boards, viz., Chain-making and Lace Finishing, have fixed special rates of wages for overtime. Such rates are generally expressed in proportions of the general minimum time rate for time workers of each sex and as proportions of the piece work basis time rate for piece workers. In no case do the overtime rates apply to homeworkers, since their enforcement would obviously be impossible. Ordinarily overtime rates are prescribed both for time worked in excess of a specific number of hours per day and also for those exceeding a stated number per week. Most Boards have accepted the following method of fixing overtime rates for males and females alike.1

Normal number of hours of work :-

In any week	•	• ,	•	•	48
On any day (o	ther	than	Saturd	lay)	9
On Saturday				•	5

## Minimum rates for overtime:-

- (a) For workers employed on time work.
  - For the first two hours' overtime on all days except Saturdays, Sundays and Customary Public and Statutory Holidays, one and a quarter times the general minimum time rate otherwise applicable.

2. For overtime after the first two hours of overtime on any other days than above, and for all overtime on Saturdays, one and a half times the general minimum time rate otherwise applicable.

3. For all time worked on Sundays and Customary Public and Statutory Holidays, twice the general minimum time rate otherwise applicable.

As fixed by the Paper Box Trade Board Determinations B. (10) and others.

- 4. For all hours in any week worked in excess of forty-eight, one and a quarter times the general minimum time rate applicable, except in so far as higher rates apply under paragraphs 2 and 3.
- (b) For workers (other than learners) employed on piece work.

In addition to piece rates, each of which would yield to the ordinary worker in the circumstances of the case not less than the piece work basis time rate applicable, an amount equal to the appropriate piece work basis time rate or to one-half of the appropriate piece work basis time rate or one-quarter, according as the overtime rate under section (a) would be double time, time and a half or time and a quarter respectively.

In cases where no piece work basis time rate has been fixed, the general minimum time rate is substituted. Learners' overtime rates are calculated on the basis of the general minimum time rate applicable to them.

Such an arrangement for overtime falls in with the generally accepted practice of the more skilled and better organised trades. Other Boards have, either from choice or from necessity, adopted variations of this formula, only the most striking of which will be noted here. It is necessary in most of the Clothing trades, because of the large numbers of Jewish people employed, to make special provisions for persons who work five instead of six days per week and more than nine hours per day, or for those who work on Sunday rather than. on Saturday. On account of the necessity of keeping some dairy shops open and delivering milk on Sundays and holidays as well as regularly throughout the week, the Milk Distributive Trade Board for England and Wales has fixed the normal number of hours per week at forty-eight, on ordinary days seven, and on Sundays six. It also makes an allowance for one hour of overtime without extra pay in respect of all workers but shop assistants and clerks, and for six hours per week of overtime in respect of the latter. Instead of designating a proportionate amount of the piece work basis time rate which is to be added to the earnings of piece workers, the Button-making Board has determined that a flat amount of Id. per hour shall constitute the overtime rate for piece workers, and the Boot and Shoe Repairing Board has used a similar method, though it is more elaborate and imposes different amounts for different kinds of work. For some obscure reason, the Coffin Furniture Board prefers one and a fifth times the general minimum time rate for ordinary overtime to the usual one and a fourth times. The Hair, Bass and Fibre Board specifies no ordinary daily overtime rate, but requires that time and a quarter shall be paid for the first four hours of overtime in any week, and time and a half thereafter, while the Perambulator Board draws the line of differentiation at ten instead of four hours per week. Numerous other examples of such deviations could be given. but these are sufficient to emphasise the fact that though forty of the forty-two British Boards which have fixed rates of wages have chosen to take account of overtime, each has met the problem in the way which seemed most suitable to the peculiarities of the trade.

To a large extent the effect which fixation of overtime rates has upon earnings depends upon general economic conditions. In a period of trade depression such as the present. when almost no overtime is being worked, the minimum overtime rates set by Trade Boards are responsible for only slight increases in weekly wages. Even the chocolate and sugar confectionery establishments, which usually operate at top speed for several months immediately preceding Christmas. had little or no overtime in 1922. On the contrary, during a trade boom like that which followed the War, when there was a great rush of orders and employees worked much more than eight hours per day, overtime rates were responsible for greatly increasing the amounts contained in almost every workman's pay envelope. It is a well-known fact that in some organised trades overtime rates similar to those most commonly accepted by Trade Boards had been incorporated in agreements made before the War. The unprecedented demand for labour during the War gave rise to numerous fresh arrangements of this sort. But even though many of the employers in Trade Board trades customarily made some special wage payments for what they called overtime, it was not until action was taken by Trade Boards that a certain

number of hours per week was recognised throughout the trade as normal, and that there was an established standard of payment for overtime. Very often the normal hours per week in a firm were so many that the necessity for paying for overtime rarely occurred. In so far as the fixation of overtime rates has influenced the reduction of the normal hours per week, it has also increased the normal hourly rate. In the Jute and Flax trades, for example, the normal week until shortly before the Trade Board was established was fifty-five hours. Owing to causes quite outside the authority of Trade Boards, the hours were temporarily reduced to forty in Jute, the same weekly wage rates being retained. Under the Trade Board determinations, the normal week became forty-eight hours with approximately the same weekly wages. The net result was an increase of approximately 12 per cent, in hourly rates.

## GENERAL MINIMUM TIME RATES FOR "SKILLED WORKERS"

On December 1st, 1922, the operative determinations of thirty out of a total of forty-four British Trade Boards contained special provisions for certain classes of male or female workers based upon occupation and sometimes upon age. experience, area, or cost of living. Since occupation has in every case been made a basis of differentiation, we shall for convenience call such persons "skilled workers," but it should be remembered that only a small degree of skill is demanded of many of the workers so termed. It has already been said that although Trade Boards had power to fix rates for skilled workers previous to 1918, only the Chain and the Lace Trade Boards had made use of that power. The Boards which were set up under the new Act found it easier and more necessary to fix comprehensive wage schedules, both because precedents had been set during the War, and because employers generally were becoming accustomed to participation in the work of wage tribunals and to having wages in their establishments governed by tribunals of this or a similar character.

The question as to whether age or experience should be

made the basis of wage differentiation is one around which many Trade Boards controversies have centred, and is one of which a number of compromises have been effected. Every Board but the Chain-making Board has, in one way or another, accepted age as a basis. Both Trade Union practice in the past and the decisions of various Munitions Tribunals during the War serve as precedents for such action. Unless one wage for all male or female workers in a trade is prescribed (and that would of necessity be so low as to prove useless for adult workers'), there seems to be no feasible basis. other than age, for general wage differentiation in the least skilled trades. It has, therefore, been customary, for those Boards which prescribe general minimum time rates only, to fix a rate for workers under fourteen years of age and to increase it gradually by yearly periods of age to twenty-one years or eighteen years, as the case may be, after which the adult rate is payable indefinitely. The same method has also been adopted by some of the more skilled trades. But as time goes on, the tendency seems to be in the direction of distinguishing rates upon the basis of experience, or at least upon a combination of age and experience, as has been done recently by the Dressmaking and Women's Light Clothing and other Trade Boards in the scales for juveniles and in learners' rates.

The general trend toward sliding scales of wages has also found expression in Trade Board schedules. In fact, by specifying that Trade Boards may fix "a series of minimum rates to come into operation successively on the expiration of specified periods," the Act of 1918 makes it quite clear that sliding scales are within the powers of a Board. The Minister of Labour, in a letter to the Trade Boards, dated September, 1921, advises them of their powers and states that it is competent for a Trade Board to fix rates on a sliding scale by specifying the periods during which a rate is to remain operative, either by reference to calendar dates or to variation in the cost of living, as shown by variations in the Labour Gazette Index Number, or to some other factor intimately affecting an industry, such as variations in the market price of essential raw materials; but it is not possible

to define a period by reference both to calendar periods and to variation in the cost of living. In accordance with these rulings, eight Boards have instituted sliding scales, the first to come into operation being that of the Coffin Furniture and Cerement Making Trade Board, which became effective on June 6th, 1922. No two of the schedules are alike, but each (except the Chain schedule) follows the general plan of setting out specific time rates of wages for different grades or ages of workers, to be applicable for unspecified periods of time depending upon the movement of the Labour Gazette Cost of Living Index Number.

Perhaps the scales constructed by the Paper Bag and Paper Box Boards are most ingenious and complete. By those schedules, which are not the same though they are similar. each reduction of ten points (or less towards the bottom of the scale) in the cost of living is accompanied by approximately a 5 per cent, reduction in wages, the result being that as the cost of living goes down, real wages go up. Thus when the cost of living reaches zero, which represents the 1914 standard, the wage standard for the bulk of male workers is approximately 33 per cent, more than it actually was in 1914. and that for women is 66 per cent. more, the percentage which the women's rate bears to the men's being about 62 per cent, as compared with 50 per cent, before the War. Both the Brush and Broom and the Stamped or Pressed Metal Wares Trade Board sliding scales result in rates which are also much in advance of what the pre-War rates actually were. The scales fixed by the Boot and Shoe, Coffin Furniture, and PerambulatorBoards end at some point between seventy and eighty-seven points in the cost of living. It is presumed that when the Index Number has dropped to that level these wage schedules will be completed. The lastnamed of these three Boards, indeed, has already proposed a new scale for points below eighty-seven in the cost of living. In a period of rapidly fluctuating prices there is much to be said in favour of a sliding scale of wages. It makes frequent

<sup>&</sup>lt;sup>1</sup> The others are Boot and Shoe Repairing, Brush and Broom, Chainmaking, Paper Box, Paper Bag, Perambulator and Invalid Carriage, Stamped or Pressed Metal Wares.

meetings of Boards unnecessary, it adjusts wages automatically and instantaneously, thus avoiding the long delay otherwise involved in variation of rates, and it equalises wage payments. However, there is a good deal of opposition to sliding scales on the part of the workers, and one Board has already proposed to abolish its scale.

The other basis of wage differentiation which has been mentioned is that of area. In so far as it has been adopted, it is an outgrowth of the supposed difference in cost of living between districts, and has been discussed in the chapter on District Trade Committees.

As to occupation, the greatest possible variety of rates exists; one Board, viz., Boot and Shoe Repairing, has gone so far as to fix minimum wages for managers of shops, because of the peculiar position of the working manager of a small shop in that trade. Rates are also fixed for foremen by both the Boot and Shoe Repairing and the Milk Distributive Trade Boards. Most of the adult rates other than general minimum time rates are based upon the kind of work done, and that usually involves a question of skill. The Laundry Trade Board fixes special rates for emergency workers, who, though not following a separate occupation, present a special wage problem for solution. A special rate somewhat higher than the general minimum time rate was fixed by the Tin Box Trade for females who operate power presses, because the work is particularly dangerous and heavy.

Following is a table for those trades which have fixed socalled skilled rates, showing, in Column I., the general minimum time rate for men, which, in cases where there was no one rate applying generally to all males or females, has been taken as that fixed for "all other workers," because that group includes the least skilled workers, and in most cases the bulk of the workers; in Columns II. and III. the range of rates for skilled workers; in Column IV., the bases of differentiation; and in the remaining columns, the same data for women. The Chain Trade Board, it will be recalled, is the only Board which makes no distinction in rates on the basis of sex. It will be seen from the table that the highest hourly rate fixed for any occupation in any trade is Is. &d. per hour, for

## Trade Board Rates Operating on December 1st, 1922.

#*##**********************************	МА	LES.		*			PEMA	LES.	
	General minimum		S			General minimum		Skilled rates.	
Trade.	time rates.	Highest. Lowest.		Bases of differentiation.	time rate.	Highest.	Lowest,	Bases of differentiation.	
	Col. I.	Col. II.	Col. III.	Col. IV.	Col. V.	Col. VI.	Col. VII.	Col VIII.	
Aerated Waters (England and Wales)	2. d. 2 14	s. d.	#d.	10000A	s. d. 0 72	sd.	s. d.		
Aerated Water (Soutland)	z oj	j	<b>]</b>	****	o 64			****	
Boot and Floor Polish	z s	_		***	08		<b>-</b> ,	_	
Boot and Shoe Repairing	2 3	x 8	2 5%	Occupation, age, experience, C. of L.	o zo <u>ł</u> 1	х 8	x 3	Occupation, age, experience, C. of L.	
Brush and Broom	0 11	х #	_	Occupation, age, experience, C. of L.	o 6§1	x a	o 6}	Occupation, age, experience, C. of L.	
Button-making	I 1	2 3 <del>2</del>	x 4	Occupation, age, experience.	07	;			
Chain-making 2	2 5	# 7 t t	x 5	Occupation and findings .	o 6				
Coffin Furniture	r 244	≖ 7±	1 3 <del>1</del>	Occupation, age, experience, C. of L.	0 724	o toł	0 78	Occupation, age, experience.	
Cerement-making		PO		*****	0 741	09	08	Occupation, age, experience.	
Corset	д д6	x 415	x x	Occupation, age, experience.	07	_	-		
Cotton Waste	x o		_		0 77	_		*****	
Dressmaking (England and Wales)— (s) Wholesale	z 05	x 58	,	Occupation, age, exparience.	0 7}	o 9£9	o 8½ 10	Occupation, age, experience, area.	

<sup>1</sup> At 2x years and over.
2 No sex differentiation in schedule; hand-hammered chain is made by women, dollied or tornmied by men.

Worker furnishes his own shop, fuel and light.

<sup>4</sup> Males, 5 years' experience; females, 3 years experience.

Not less than 3 years' experience after 19.
 At 22 years and over.
 In Scotland, 63d.

<sup>8</sup> At 22 years and over, with 5 years' experience.
9 London, 84d. in rural areas.
10 At 20 years and over, after 4 years' apprenticeship and 2 after.

# Trade Board Rates Operating on December 1st, 1922—continued.

:	MA	Les.					FEMAL	ES.	
Trade.	General minimum	um			General minimum	Skilled rates.			
Aleno,	time. rate.	Highest.	Lowest.	Bases of differentiation.	tims rate.	Highest.	Lowest.	Besse of differentiation.	
	Col. I.	Col. II.	Col. 111.	Col. IV.	Col. V.	Col. VI.	Col. VII.	Col. VIII.	
Oresemaking (England and Walce)— (b) Retail	z. d.	1d.	zd.	_	s. d. 0 7	sd.	s, _d.		
Oresemaking (Scotland) (a) Wholesale	1 A	<b>_</b>		_	0 74			Occupation, age, experience,	
(6) Retail					0 711	a 91	o 81	Area.	
Tax and Hemp	0 22	I 2	0 92	Occupation, age, experience.	o 6 <del>1</del>	0 71		Occupation, age.	
Pur	2 3	x 8	3 3	Occupation, age, experience.	o 81	z 8	o xo	Occupation, age, experience.	
General Waste	0 114	10	_	Occupation, age	0 64	0 71	l. <b>_</b>	Occupation, age.	
isir, Bass and Fibre	10	1 5	x 23	Occupation, age, experience.	0 74	72	0 74	Occupation, age, experience.	
Het, Cap and Millinery (England and Walce).	I, I 19	z 5		Occupation, age, experience.	0 7	£	_		
Hat, Cap and Millipery (Scotland)-	[				"				
(a) Wholesale (b) Retail	I 4	_	=	=	0 71	_	l =	_	
iollow-ware	z 0#			****	0 72	_	[ _	i	
lute	0 101		_	-	0 61	z oł	0 74	Occupation, age.	
ace finishing	-			<u></u>	0 61	*	"_"		
Leundry	2 24	_	_		1 7				
Linen and Cotton Handkerchief, etc	2 04				0 7				

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Made-up Textiles	orrigate	Occupation, age (	0 6	0 71 1		Cocupation, age.
Milk Distributive (England and Wales)	0 12 14 x 6  0 22	Occupation, age, area	0 78	x ol	0 71	Occupation, age, area
Milk Distributive (Scotland)	1 01 2 41 2 E	Occupation, age	o 63,18	1 0	0 7ž	Occupation, age.
Ostrich and Fancy Feather, etc.	1 2 15	-	0.8	••••		*****
Paper Bag	x x2 x 52.16 x 12	Occupation, age, experience, C. of L.	0 78	_	<u> </u>	_
Paper Box	1 01 I 51 17	Occupation, age, experience, C. of L.	o 7#			
Personbulator and Invalid Carriage .	2 x   x 7   x 2	Occupation, age, experience.	0 8	0 10k	0 8	Occupation, age, experience,
Piu, Hook and Eye, etc	0 11	Occupation, age	o 6 <u>}</u>	o 7¥		Occupation, age.
Retail Bespoke Tailoring	2 2   2 7   2 8	Occupation, experience .	0 7	0 9 <u>1</u> 18		Age, experience.
Rope, Twine and Net	ro rit rot	Occupation, age	07	0 7%	0 7	Occupation, age.
Sack and Bag	x ož   x sž	Occupation, age	0 64	0 71		Occupation, age.
Shirt-making	I 2   I 7 19,90 I 5 19,90	Occupation, age, experience.	0 71		_	_
Stamped or Pressed Metals	10 17 13	Occupation, age, experience.	07	o ro	o 8	Occupation, age, experience.
Sugar Confectionery and Food Pre- serving	z z 20		07	I I 20	<del></del>	Occupation, age.
Tin Box	r	Occupation age. , ,	0 7±			,
Tobacco	z 38	******	0 9 21	1		******
Toy	z s		0 7}21			
Wholesale Mantle and Costume	1 0 2 1 7 1 0	Occupation, age, experience.	0 7\$	0 84		Occupation, age.
Wholesale Tailoring	x ol	Occupation, experience, age, area.	0 71	a 84	_	Occupation, age.

<sup>11</sup> Rural areas.
12 At 22 years and over.
13 Rural areas, others yid.
14 Rural areas, London, 1s. 2id. and 8id.; 7d.
for females 21 years and over.
15 At 21 years and over.

<sup>16</sup> At 22 years and over.
17 At 23 years and over.
18 At 20 years and over,
19 At 24 years and over, for Pattern Cutters; at 22 years and over, for other cutters.

<sup>20</sup> At 24 years and over. 21 At 21 years and over. 22 At 22 years and over. 22 In London, 12. 924.

both men and women.¹ This rate applies to two very specialised and skilled occupations, viz., fur-cutters who have had four years' experience, and surgical boot makers. The rate applies without distinction of sex, but the number of women engaged in either of these kinds of work is exceedingly small. The next highest wage for women is 1s. 2d. per hour, fixed by the Brush and Broom Board for "pan hands." Here again the work is very skilled, and the rate for men and women is the same for the same work. Other rates for skilled women workers range from 1s. 1d. per hour to 6½d., which is lower than the general minimum time rate in many cases. For male workers other rates range from 1s. 7d. to 0½d. per hour.

There has been a great deal of discussion within the last two years regarding the advisability of prescribing rates for so-called skilled workers. A considerable number of the employers who presented evidence before Lord Cave's Committee of Enquiry left the impression that they were not in favour of the fixation of minima for any but the lowest grade of workers in a trade. In some cases, at least, it is probable that their dissatisfaction with skilled rates is due to the fact that, because of the cumbrous machinery for wage variations under the Trade Boards Acts, reductions did not keep pace with reductions of wages in some other trades or with general reductions in wholesale prices. It is a significant fact that many of the employers who have been most vehement in expressing their disapproval have had little or no personal experience of the Trade Boards system. Enquiries made by the writer indicate that, on the whole, the amount of opposition to the principle of fixing rates for special classes of workers has been greatly exaggerated. In the small metal wares and allied trades the dissatisfaction has been aggravated because the rates for engineers, which were forced upon the workers after the lock-out, are in some cases lower than those prescribed by the Trade Boards for similar grades of labour. Even here the opposition is by no means universal. Several metal wares employers, on the

<sup>&</sup>lt;sup>1</sup> Except in Chain-making, where the worker furnishes the workshop, fuel and tools, and so the rule is therefore not comparable with the other rates.

contrary, have not only expressed their agreement with the Trade Board rates, but also their belief that the engineers' rates are "entirely too low." It was stated by one or two jute employers that they were against the fixation of Trade Board rates for spinners, because these rates act as a gauge by which all other rates in the trade have to be measured, regardless of what the Trade Board prescribes for other occupations. The reasons most frequently given by those employers in other trades who wished to confine the fixation of rates to the basic minima is that employers desire to manage their own businesses and are tired of Government intervention. They also claim that workers are willing to take less than Trade Board rates.

Other employers in numerous cases stated that the skilled workers were well worth the Trade Board rates of wages, that they had no criticisms to make of the "skilled" rates, and that they even paid more than was prescribed to some of their skilled workers. The general expression of opinion in the more highly skilled trades, such as the Clothing trades, the Boot and Shoe Repairing, the Brush and Broom, and the Perambulator trades, in other words those trades which have already become somewhat accustomed to collective bargaining, favoured the fixation of rates for skilled workers. Indeed, the employer in an efficiently managed factory or shop seldom failed to approve generally of the present rate-fixing policy of Trade Boards, though he often saw some defects in the system. The proprietor of one of the few small metal wares firms that can boast of a careful method of cost accounting, for example, stated that although he thought the rates were perhaps a trifle too high, he saw no objection to the fixing of rates for skilled workers, and strongly approved of the Trade Boards system. manager of another metal wares firm, one of the oldest in the vicinity of Birmingham, also stated that he approved of rates for experienced workers and did not think that they were too high, although he considered that rates for inexperienced workers were, perhaps, rather higher than they should be. Two Wholesale Clothing employers, in particular, expressed the view that it had proved advantageous in that

trade to fix rates for different grades of workers. They thought that these rates should always be low enough so that higher rates could be paid for merit, and said that their Board had fixed rates in accordance with that principle. Innumerable examples of employers in different trades who support such views might be mentioned.

#### RATES FOR YOUNG WORKERS

Methods of fixing wages of young workers 1 have already been described in a special chapter on Apprenticeship and Learnership, so that it is necessary here to consider only the effects of Trade Boards legislation upon their wages. From the very beginning Trade Boards have fixed special rates for young workers. Probably the most far-reaching result is that a definite scale of gradually ascending rates has been established in the different trades, as opposed to the old "hit and miss" method of "giving rises on merit," which too often meant that young workers were kept for several years on the same wage, and often on work which offered them no opportunity for learning the trade so that they could increase their earning capacity. It is a peculiarly difficult matter to say, with even a fair degree of accuracy, how the initial Trade Board rates compare with what young workers were receiving at the time when they were set, because there were great variations between different places and firms, and because few records of those wage rates are now obtainable. The general outcome of the fixation of legal minimum rates for young workers, previous to 1918, seems to be that girls' wages were considerably increased and boys' but little, if at all, the most marked increase in the case of girls being at the lower end of the age scale, i.e., at fourteen years, while with boys the increases usually came after eighteen years. The explanation of this tendency lies in the arrangement of the Trade Board wage scales, by which rates for boys and girls were very nearly or quite the same between the ages of fourteen and eighteen years, after which the female rates became stationary and male rates continued to increase up

<sup>&</sup>lt;sup>1</sup> By "young workers" is meant boys and lads under twenty-one years of age and girls under eighteen years.

to the age of twenty-one years or more. Following are figures indicating what wages were being paid in 1906 to young workers engaged in the first Trade Board trades, together with the initial Trade Board rates. Most of the data has been taken from the Earnings and Hours Enquiry of 1906.

	Males (14 up	to 21 years).	Females (14 u)	p to 18 years).
Trade.	Average or Range of Weekly Wages, 1906 to 1914.	Range of Trade Board Rates.	Average or Range of Weekly Wages, 1906 to 1914.	Range of Trade Board Rates.
Hollow-ware	s. d. 6 6 to 20 01	s. d. 6 9 to 18 o	s. d. 5 9 to 10 01	s. d. 6 c to 11 c
Paper Box	10 3	4 6 to 17 6	6 I	4 0 to 10 6
Shirt-making	8 11	*	6 9	3 0 , to 12 6
Sugar, Confectionery, etc.	98	6 0 to 21 0	6-7	6 o to
Tailoring, Ready-made .	9 9	4 2 to 17 8	6 6	3 0 to 12 6.
Tin Box		6 o to 18 6	5 0 to 14 01	6 0 to 12 0

Since 1918 the same tendencies seem to predominate, although girls' wages being relatively higher than in pre-War years, the result is that the fixation of a minimum wage means less of an increase to them than it did in 1914. Generally speaking, the time rates, fixed by Trade Boards for girls and boys on the age basis, are very nearly alike for the same ages; but in trades where there is a fair degree of skill

<sup>&</sup>lt;sup>1</sup> Information obtained from agreements and miscellaneous material.

Not fixed until 1919.

#### 146 BRITISH TRADE BOARDS SYSTEM

involved, the divergence may begin at an earlier age. following table, giving data for trades from several different groups for which Boards were established in 1919 and 1920, indicates a tendency in these directions.

,	Males (14 up	to ar years).	Females (14 up to 18 years).		
Trade.	Range of Hourly Wages Pre- Trade Board.	Initial Trade Board Hourly Rates.		Initial Trade Board Hourly Rates.	
Hair, Brass and Fibre .	s. d. o 2½ to o 7¹	s. d. o 3 to I 2	s. d. o 14 to o 3 <sup>1</sup>	s. d. o 3 to o 81	
Dressmaking (England and Wales).		-	0 2 to 0 7 <sup>2</sup>	0 2½ to 0 7½	
Laundry . , .			0 2 to 0 7 to	o 3 to	
Pin, Hook and Eye, etc.	0 41 to 0 61	0 4½ to I 3½	Under 4d.1	0 3½ to 0 9	
Tobacco	0 3½ to 1 0½4.	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	o 3½ to o 8¼4	o 84*	

With a few exceptions, notably those of Sugar Confectionery and Food Preserving, where Interim Industrial Reconstruction Committee schedules provide for higher than Trade Board rates for juveniles, and of the Imperial Tobacco Company Agreement, which also allows for the payment of more than Trade Board rates to young workers, it may be said emphatically that the minimum rates for juveniles are also the maximum wages, except in such cases as they are employed on piece work, when their earnings may exceed

<sup>&</sup>lt;sup>1</sup> For workers fourteen to sixteen years.

Under Wages (Temporary Regulation) Act.
Award of Court of Arbitration.
Imperial Tobacco Company scale, 1918.

At twenty-one years,

the prescribed rate. In fact, young workers are hardly ever put on to a piece basis unless they have shown that they can earn more than the general minimum time rate. The studies of wages in the Sugar Confectionery and Hollowware trades made by the Office of Trade Boards during the War show that a fair percentage of young workers, other than late entrants, were earning more than Trade Board rates. In time of war or exceptionally good business, when there is an unusual demand for workers, it is probable that such would be the case, but in a time like the present only a very few unskilled workers will be receiving more than the legal minima. Recent investigations show beyond a doubt that such is the present situation. Most of the wage complaints of employers made to the writer, in fact, have been directed at juvenile rates, including those for learners, but seldom those for apprentices. Such complaints relate particularly to the fact that workers who enter a trade at fifteen, sixteen or more years of age are required to be paid at the rate appropriate to the age of the worker, even though he has had no experience whatever in the trade, and thus it may occur that a worker of seventeen years, with no experience, receives more than a worker of sixteen years, with a full two years' experience. Provisions for "late entrants," which are made by twenty-eight of the Boards, obviate this difficulty to a great extent. The plea for low wages for young workers is, of course, as old as industry itself, and by no means signifies that wages are actually too high. The fact that in every trade some employers are to be found who run their business more efficiently than others, and that these employers for the most part have no complaints to make, rather points to the conclusion that lower wages for young people would mean that inefficient businesses were being subsidised by juvenile workers. The situation as regards learners and apprentices is somewhat different, and has been fully discussed in another section.

#### HOMEWORKERS

Since Trade Boards were inaugurated largely for the purpose of ameliorating the conditions of women homeworkers,

an answer to the question: "What has been the economic effect of minimum wage legislation upon homeworkers?" is of great importance. As defined by Trade Boards, "a homeworker is a worker who works in her own home or in any place not under the control or management of the employer." A clear distinction exists between the homeworker proper and the outworker. The latter may be a sub-contractor doing no actual work at all, a middlewoman who distributes and collects work from homeworkers and remunerates them from the sum paid to her by the employer to whom she is responsible for all the work she takes out, or she may do some homework herself in her spare time, thus becoming an actual homeworker. The Act provides for the fixing of wages for homeworkers. but middle-women and sub-contractors are excluded. Consequently it sometimes occurs that the middle-woman has a smaller net income at the end of the week than the homeworkers who are virtually in her employ.

Altogether there are eighteen Trade Board trades in which homework is customary. These are:—

Brush and Broom.
Button-making.
Chain.
Corset.
Dressmaking (England and Scotland).
Hat, Cap and Millinery (England and Scotland.)
Lace Finishing.
Ostrich and Fancy Feather, and Artificial Flower.

Paper Bag.
Paper Box.
Pin, Hook and Eye, and Snap
Fastener.
Ready-made Tailoring.
Retail Bespoke Tailoring.
Rope, Twine and Net.
Shirt-making.
Wholesale Mantle and Costume.

Each of these trades, except Chain-making, Retail Tailoring, and Lace Finishing, has fixed a separate general minimum time rate and piece work basis rate for homeworkers, for the sake of clearness, though the rates for "homeworkers" and "other than homeworkers" are in each case the same. There was no need for the Lace Board to make a distinction between the two classes, since practically all the workers who come within the scope of the Board are women homeworkers. For the Chain trade, the distinction is made by allowing a

higher rate of pay for workers who furnish their own workshop, tools and fuel, which in this trade virtually means homeworkers. It is presumed that all workers, including homeworkers, will be paid the rates set out by the Board, though they are not especially designated as such. Since practically all the work given out in any trade is on a piec basis, it is the piece work basis rate which applies to homeworkers when there are no general minimum piece rates fixed. The general minimum time rate applies in case no piece basis rate has been fixed. Overtime rates do not affect homeworkers, since insufficient time records would make it impossible to enforce them. The question has arisen as to whether indoor workers who take work home to do in the evenings are entitled to an overtime rate. On the face of it, this is a contravention of the Factory and Workshop Acts. The ruling of the Ministry of Labour, in so far as administration of the Trade Boards Acts is concerned, is that homework is a separate contract, and therefore no overtime rates are obtainable.

Unfortunately, the abnormal trade conditions of the last eight years make any available figures relating to the number of homeworkers employed in these trades quite unsatisfactory for the purpose of measuring the effect of Trade Board legislation upon numbers. Because the streets of Nottingham no longer teem with women wheeling home barrows and perambulators loaded with lace, to be finished beside the kitchen fire, or because the forges do not now flame in the low brick buildings at the back of every cottage in Cradley Heath, it does not mean that homework has ceased for ever to exist. In all probability, it is in just such trades as Lace Finishing, Chain-making and Net-braiding, where there is a long-established tradition of homework and where a small amount of supervision is required, that little diminution will occur for some time to come. The general effect of the War and the consequent desire for increased output, together with the constantly growing movement towards installation of new machinery, and since 1920 a period of bad trade, when homework is always the first to be dropped have doubtless been responsible for an abnormal

decrease in the amount of work sent outside the shop or factory. Probably the safest guide to any reliable conclusions regarding the present position of homeworkers is the experience and impressions of persons who have been continually associated with industry over a period of years, and it is upon the statements of factory inspectors, Trade Board officers, employers and workers in these trades, therefore, that the subsequent observations are founded.

As to whether or not the earnings of the bulk of homeworkers in Trade Board trades have been increased, there can be but one answer. At least there can be no doubt, in so far as the legal rates have been observed, that homeworkers' hourly earnings have been increased, but evasion in the case of homeworkers is relatively easy and enforcement is extraordinarily difficult. Slack work during the last year has also diminished earnings. The pre-Trade Board level of homeworkers' wages in the Lace Finishing, Chain-making. Paper Box, and Tailoring trades have been discussed earlier in this chapter, when it was shown that almost all of the women workers were benefited by the establishment of a legal rate. Among the trades which came under the Act in 1919 and 1920, net-braiding, and button, hook and eye. and snap fastener carding are, perhaps, the most common of homework processes. An unusually quick net braider, living in the south of England, said to the writer regarding the pre-Trade Board wages in the Net-making trade: "Even up to 1018, most of the women I know made about 2d. per hour, not more, on small fish nets. I made more because I am a smart worker, but my sister, who is better than many of the others. couldn't make over 2d. on small nets, though she did a little better on large mesh nets." Information from other sources seems to corroborate this statement. The first rate fixed for homeworkers by the Rope, Twine, and Net Trade Board was 71d. per hour, and it has been stated by employers in the trade that it represented an increase of at least 100 per cent. in piece rates. At present there is relatively little work being given out among net braiders, but that may be ascribed generally to the economic conditions affecting the trade rather than to the minimum wage specifically. As yet no

machine has been invented which can make pointed nets, and since net-braiding seems to be particularly well adapted to homework, it is probable that there will be little change in the nornal numbers thus employed for some time to come. There seems to be a growing tendency towards bringing the making of large nets into the factory, but here again figures are lacking, and, in any case, experience with prescribed rates for homeworkers in this occupation has not been sufficiently long to warrant any generalisations regarding their effect upon the amount of homework. Improvements in machinery have also made it impossible to manufacture more chain indoors, so that even in that trade there would be perceptible reduction of homework in normal times.

Previous to the operation of legal minimum wages, which were fixed at 71d. in the Button-making trade, carders of buttons who work at home are said to have earned between 2d. and 3d. per hour, while hook and eye and snap fastener carders earned between 13d. and 3d. per hour, depending upon the size, colour, etc., of the article. The invention of machines for carding certain of these articles has had a wide effect in diminishing home carding. A director of one large button firm stated in this connection that whereas his firm had used three button-carding machines before the War, they now used fourteen, and had twenty more on order. The cost per gross for carding buttons by machinery, he said. amounted to about one-third of the cost when the work was done by homeworkers. He prophesied that in the future there would be very few homeworkers needed in the trade. and mentioned the higher rates of wages as being one factor which hastened the diminution of homework, though the greater output of the machines was, in his opinion, most important.

That the amount of homework in Paper Box-making and also in Paper Bag-making has been greatly reduced during the last ten years is the opinion of a well-known woman who is thoroughly conversant with women's trades. This she attributes chiefly to the installation of machinery, but she believes that it has been hastened because it was no longer profitable to send work out when more than sweated wages

must be paid. The increased use of paper boxes and bags for food containers, and a strong public opinion against the use of bags or boxes made in homes of questionable cleanliness, has also influenced the movement towards the factory. Several paper bag employers stated that they no longer employed homeworkers, and that there were normally fewer homeworkers in the trade now than before 1918. It is also credibly asserted that a number of small firms in Paper Box and Bag-making, which were in the habit of sending all of their work out and paid extremely low rates of wages for it, were forced to go out of business when Trade Board rates for homeworkers became operative.

In the Clothing trades, it has been chiefly the hand-finishing work which was done by homeworkers in the past, and since practically all of these processes can now be done by machinery, it would seem that, apart from Trade Board rates, the tendency should be towards a reduction in the amount of homework in those trades. Statements of persons acquainted with the trade are quite inconclusive, the usual answer to the question as to whether the total amount of homework has increased or decreased within the last ten years being, "Well, it certainly has not increased." It was stated by a number of employers individually, however, that they no longer sent work out, or that they employed homeworkers only when there was a great rush of orders. One employer, for instance, who owned a very efficiently managed shirt factory, said, "We do all our own work inside the factory now, the girls work hard, and there is not so much wasted time and spoiled work as under the homework system." Nevertheless, in some parts of England. particularly in the south-west, many shirt firms continue to maintain the country depôts, from which they distribute bundles of work to the women in rural districts. Homework has never been general throughout the country in the Clothing trades, but has been prevalent in certain districts only, and the situation does not appear to have altered very much since 1914. In conclusion, it may be said that in general the proportion of homeworkers to indoor workers seems to be decreasing, owing to a number of causes, among which are

(1) the increasing use of machinery. (2) the experience of the War and the desire for a greater output per man-hour, which means closer supervision, (3) the influence of public opinion, which is largely opposed to it, and (4) the fact that it ceases for the most part to be profitable when more than sweated wages have to be paid. Consequently, in most trades, homework is confined to small and badly managed This statement does not apply, however, to certain trades which are peculiarly adapted to hand work, either by reason of trade custom or by lack of suitable machinery. In normal times it is probable that as much homework would be done in such trades now as in pre-War years. The fixation of Trade Board rates, which in every trade would mean increased earnings, if observed, is but one of many factors contributing to the general diminution of homework, and then only in so far as the rates are actually being paid. From the reports of employers, workers and others, it appears that there is a great deal of evasion with respect to the payment of the legal rates to homeworkers. This is particularly true of the Clothing and Chain trades.

### MEN'S AND WOMEN'S RATES

One of the fundamental problems which issues from attempts at rate fixing is the relation between the prescribed rates of wages for men and for women. No underlying principle is evident in the determinations of the Boards as a whole. Although it cannot be said that in either case wages have always been prescribed which actually meet the money requirements of a living wage for a man with a family to support, or of a single woman living alone, it is these two ideas which Trade Boards, since 1918, seem to have had in mind as a foundation upon which to fix men's and women's wages, respectively. However, the compromise which is incident to collective bargaining in the Board meetings, the economic conditions of a particular trade or other circumstances, may so alter the original wage scheme that some of the rates are thrown entirely out of plumb with these ideas. In several trades where men's and women's work is clearly

differentiated, for instance, it appears that the men workers have compromised by allowing the women's rates to be set at a low figure in order to keep their own wages up. Employers in a number of trades where women workers are predominant are willing to agree to such an arrangement, because it reduces their total wages bill. The principles of equal pay for the job and equal pay for equal work have been brought up again and again, but for the most part it has seemed an impractical basis for wage adjustment for the reason that women seldom do exactly the same work as men. In the case of four trades, viz., Boot and Shoe Repairing, Brush and Broom-making, Fur-dressing, and Sugar Confectionery manufacture, the same time rates of wages have been prescribed for both men and women who are engaged upon certain jobs where the work is the same. In two of these trades the object in fixing the same rates for both men and women is generally believed to have been to protect the male workers, and thus far the operation of the rates in one trade, at least, appears to have led to a readjustment of the work in the trade as between men and women. object of the Sugar Confectionery Board in prescribing the same rates of wages for women as for men who are engaged in such occupations as cocoa-making, sugarboiling, etc., which are ordinarily known as men's occupations, but upon which a considerable number of women were engaged during the War, was honestly to apply the principle of equal pay for the job. The principle of equal pay for equal output is recognised by those Boards, mentioned in a previous section, which have fixed the same piece rates for women as for men. Relatively speaking, there are fewer men than women engaged upon a piece basis, and even piece tasks are usually different for the two sexes, so that it is not often feasible even to prescribe like piece prices for men and women. Equal pay for equal value, which is the principle incorporated in the recommendations regarding International Labour Standards of the Treaty of Versailles, is sometimes stated by persons connected with Trade Boards to be the general principle upon which Trade Boards endeayour to work. If this general principle is to be applied in

fixing time rates, presuming that it means equal value in quality and quantity, it should be preceded by job analysis and tests for the purpose of discovering just what are the relative values of male and female workers on a given job. In no case known to the writer has such a scientific enquiry been undertaken by a Trade Board. When the application of any one of these principles has seemed inexpedient or has failed, it is customary for the workers' side to demand four-fifths (80 per cent.) or five-sixths (83 per cent.) of the male time rate for female workers upon the basis of the cost of living for a woman living alone, but this has not often been granted.

An analysis of the relation between the male and female general minimum time rates shows that female rates most nearly approximate to male rates in Boot and Shoe Repairing, e.g., 70 per cent. Next in order comes Hat, Cap and Millinery (England and Wales), with 68-2 per cent., and then follows Jute at 64 per cent., the lowest of all being Coffin Furniture, at 49.1 per cent. The average of these percentages is 57.6 per cent., and the average weekly wage of women is 29s. as opposed to 52s, for men. Taking the trades by groups, the average ratio of women's to men's rates in the Small Metals trades is 55.3 per cent., in the Textile trades 59-9 per cent., and in the Clothing trades 58-5 per cent. we compare these results with the average for all trades in 1914, given by the War Cabinet Committee on Women in Industry as rather less than 50 per cent., some progress seems to have been made over pre-War days, though the percentage is not so high, nor could it be expected to be, as in 1918, when the women's wage stood at rather more than 66.3 per cent. of the men's. Diagram I., and the discussion of it on pages 157-159, throw more light upon the relation between the general minimum time rates of wages for unskilled men and women as fixed by the Trade Boards.

# Use of Trade Boards for Furthering the Interests of a Group

A serious matter which may come before some of the Trade Boards, though it has not yet arisen in a recognis-

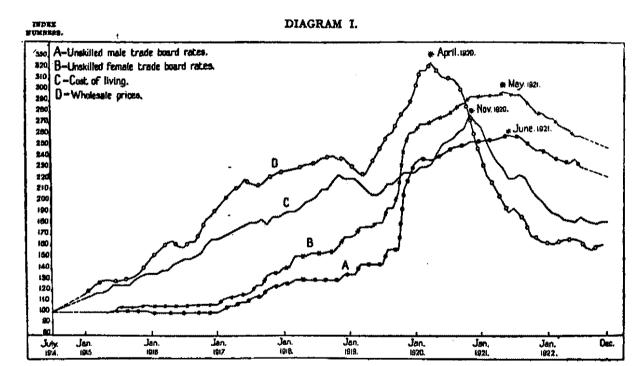
able form, is the use of the Board for furthering the interests of a combine or a group of employers in a trade, as against the interests of individual employers or of another group. The situation as regards sub-contractors and other employers in the Tailoring trade at one time seemed likely to result in a struggle of this sort, although it now appears to have been amicably adjusted. There are, however, three other trades in which a more virulent form of the same trouble may arise. It is said that a combine in one of these trades originally encouraged the establishment of a Trade Board for that trade, in order to impose upon competing firms the rates which would in any event have been forced upon the combine by a Trade Union. When those rates were adopted by the Trade Board, and became obligatory upon all firms in the trade, the combine gained a great advantage, because of the economies that, as a large business. it was able to effect, but which were impossible to the small independent firms. Under another Board there is also said to be a group of firms which, though they are not actually combined in capital, by arrangement give each other complete information regarding bids for orders, prices, costs, It is said that at times they have so used their combined voting power that they managed to obtain lower time rates for the district in which they are located than were fixed for other districts, and also that lower rates were prescribed for the kinds of work done in their factories, as opposed to those kinds of work done by other firms in the same district. other trade to which reference has been made shows no signs of attempts to use the Trade Board for illegitimate purposes, yet a situation does exist which might lead to it. There is little possibility that tendencies of this kind will ever assume large proportions, because no one group of employers or workers is sufficiently strong in more than a few Trade Board trades. Nevertheless, the danger must not be overlooked, for nothing could more seriously undermine the usefulness of the system.

#### GENERAL OBSERVATIONS

Two of the declared objects of the Trade Boards Act of 1918 were to prevent wages from falling suddenly, and from

becoming unduly low after the War. Both "falling suddenly" and "becoming unduly low" are relative terms, and are consequently indefinite in their meaning. Presumably, however, any wage would be unduly low which falls below the IQI4 standard, plus an amount great enough to offset the increased cost of living since 1914, or even more in trades where the 1914 standard was inadequate to meet the requirements of decent living, as it was in many Trade Board trades. A fall in wages which does not cover approximately as long a period in the descent from the peak as was consumed in the rise to the maximum would appear to be a "sudden fall" in wages. In this connection let us examine Diagram I. The cost of living began to rise immediately after the War commenced, and continued to ascend until November, 1920, when it reached the maximum: then it began to decline at about the same rate as the previous rise. Trade Board general minimum time rates for unskilled female workers began to increase about a year later, after which they gradually continued to rise until May, 1921, and since that date they have gently declined. Unskilled male Trade Board rates did not begin their ascent until February, 1917, after which they also gradually increased until June, 1921, and have dropped by slow degrees since then. Female rates, it will be observed, overtook the cost of living in October, 1919, and have remained above it ever since. Male rates, on the other hand, did not catch up with the cost of living until between December, 1919, and January, 1920. Within a few months the latter fell below the cost of living graph again, but since February, 1921, they have been proportionately higher than the cost of living. On December 1st, 1922, both male and female Trade Board rates stood at a greater percentage above their July, 1914, standards than did the cost of living, female rates being 150 per cent. above, male rates 120 per cent. above, and the cost of living 80 per cent. above that of the corresponding figures in July, 1014.

Diagram I. shows that rates for unskilled females, as fixed by the Boards, have followed male rates fairly closely, though the percentage of increase over 1914 has been greater,



SEGWING RATIO OF MONTHLY MOVEMENT OF WHOLESALE PRICES, COST OF LIVING, AND TRADE BOARD RATES OF WAGES FOR UNSKILLED MALES AND FEMALES.

#### EXPLANATION OF DIAGRAM I.

Graph A represents the course of hourly time rates of wages by months as fixed by Trade Boards for unskilled adult males. The base is the average of all general minimum time rates of wages for males effective under Trade Board determinations on July 1st, 1914. In those trades where no flat minimum has been fixed for all male workers, the rate applicable to " other workers " has been taken as being representative of the largest body of workers in a trade. The adult age in most cases is twenty-one years. Certain Trade Boards have fixed rates for ages above twenty-one years, and in those cases the rate for the highest age has been used in computing the index number. When rates were fixed according to areas, the lowest area rate was used. Two trades, viz., Coffin Furniture and Cerementmaking, and Boot and Shoe Repairing, have been omitted because no comparable rate was operative under these Boards for all of the required months. Rates for England and Wales and for Scotland when fixed separately have been entered separately, as have also rates for the wholesale and retail sections of a trade. No rates for skilled workers have been included except in one or two cases, like that of Chain-making, where the rate for the lowest class of skilled workers was hardly distinguishable from a general minimum time rate. The rates fixed under the determinations of Irish Trade Boards are not included.

Graph B represents the course of hourly time rates of wages, by months, as fixed by the Trade Boards for unskilled adult females. The adult age is in most cases eighteen years. The same principles have been followed as in constructing the index numbers for male workers.

Graph C represents the course of the Cost of Living Index Number by months. The figures used are those published monthly in the Labour Gazette, based upon the average percentage increase in retail prices (all items) as compared with July, 1914.

Graph D represents the course of wholesale prices, by months, as published in the Statist (general). The index numbers given there have been reduced to the basis of July, 1914.

Method for constructing Wage Graphs.—The points were found by taking an average of all of the operative Trade Board rates for unskilled workers, male or female, as described above, on the first day of each month for which a point was to be plotted, and finding the percentage relation between that average and the base rate, which is the average of all operative rates (either for males or for females) on July 1st, 1914. The base rate was equated to 100, and each of the percentages added to the base. The points thus arrived at were plotted for each month for which it was desired to fix a point in the graph. Between July, 1914, and July, 1915, and between July, 1922, and December, 1922, points are shown for six-month instead of one-month periods.

and within the last few months women's rates have been inclined to fall more rapidly than men's. The first of these tendencies is explained by the fact that the average rate of wages for women before the War fell below the subsistence level, while that for men did not. In this connection compare Mr. Rowntree's "Poverty Line" standard for a single woman living alone, viz., 16s., with the 13s. 6d. given in the War Cabinet Committee Report on Women in Industry as the average woman's wage in 1914,1 and Mr. Rowntree's "Poverty Line" figure for a man with a family in 1914, viz., 26s. 1d., with the 29s. 3d. average wage for all males given in the same report. The probable reason why women's wages have shown a tendency to fall more rapidly than men's since they reached the peak is that in a time of unemployment women, because of lack of organisation and lack of skill, are unable to maintain their wage standards as well as men. The very fact that the graph for women's rates descends more rapidly than that for men's indicates that women's wages would have dropped even more abruptly than would men's, had there been no Trade Board to protect them. In two of the oldest Trade Board trades, viz., Chainmaking and Lace Finishing, as well as in a number of other trades, it is almost certain that were the Boards abolished to-day, women's wages would quickly drop to a "sweating" level again. Examination of the diagram shows also that neither in the case of men's wages, nor in that of women's. has the period since wages overtook the cost of living been so long as the period during which they lagged behind it.

Generally speaking, Trade Board rates for unskilled workers followed the course of wages in non-Trade Board trades up to 1919. Professor Bowley, in his book *Prices and Wages in the United Kingdom*, 1914–1920, says in the chapter on General Movements of Wages: "In the first six months or year of the War, wages in many industries were not changed, and in others the increase seldom exceeded 10 per cent. By the middle of 1915, however, a general movement became evident." "During 1916, wage

<sup>&</sup>lt;sup>1</sup> Op. oit., page 68. <sup>2</sup> Page 96.

movements were general and several different methods were introduced for adjusting wages." 1 "During 1917, greater uniformity was introduced in wage bargains in which various departments of the Government took an increasingly dominant part." 2... "At the end of three years of war, in the summer of 1917, rates of wages in general had definitely advanced less than the cost of living, whatever the method by which this is measured." 2... "yet there can be little doubt that the acute rise of prices during 1917 and 1918 would in any case have led to an increase of wages. ... In fact, by the date of the Armistice, wages generally had risen considerably more than 12½ per cent. since October, 1917." 2

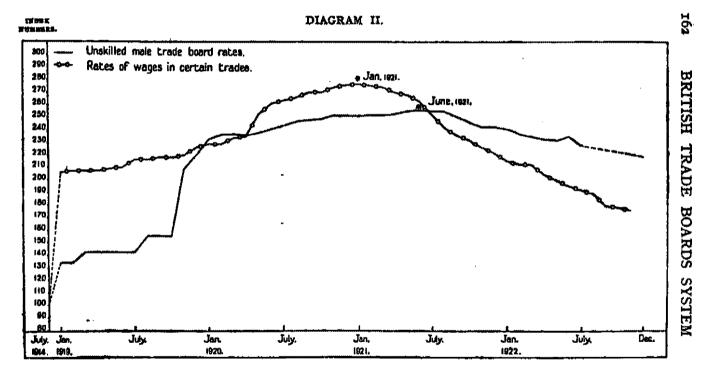
"At the date of the Armistice, the cost of living reached a temporary maximum of 125 per cent. above the pre-war level by the Labour Gazette measurements, or about 100 per cent. by the modified measurement. . . . It may be affirmed with some confidence, that in November, 1918, the time rates of unskilled men had on the whole increased at a rate between these two measurements, while those of skilled men had in general not reached the lower rate of increase." . . . 3

"Wages continued to advance in 1919, but not at once in all industries. . . . " a

While wages of unskilled males generally had in November, 1918, increased between 100 and 125 per cent. over the pre-War level according to Professor Bowley, Trade Board rates for unskilled males, as is shown by Diagram I., had increased only 29 per cent., while rates for females increased by 59 per cent. Diagram II. shows that in January, 1919, whereas Trade Board rates for unskilled male workers had increased 34 per cent., rates of wages for both skilled and unskilled males in certain trades, as worked out by Professor Bowley, had increased by 106 per cent. Because skilled workers' rates had increased proportionately less than those of unskilled workers, the figure for unskilled workers alone in non-Trade Board trades would, of course, be even higher.

Bowley: Prices and Wages in the United Kingdom, page 96.

Ibid., page 98.
Ibid., page 100.

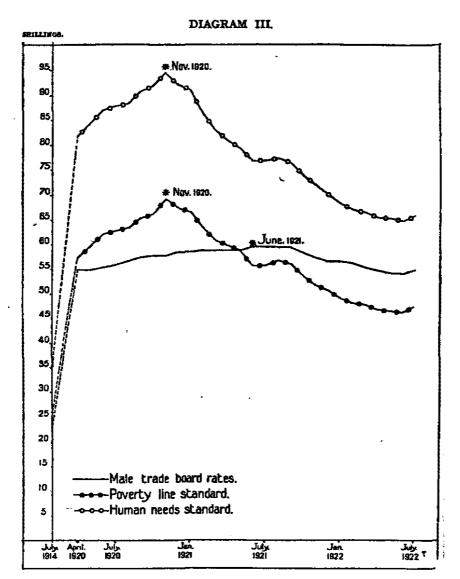


Showing Ratio of Monthly Movement of Trade Board Rates of Wages for Unskilled Males, and Bowley Index Numbers for Rates of Wages in certain Trades.

#### EXPLANATION OF DIAGRAM II.

The line ——— represents the course of hourly time rates of wages as fixed by Trade Boards for unskilled male workers for each month from January, 1919, to December, 1922. It was constructed in the same manner as was Graph A in Diagram I.

# 164 BRITISH TRADE BOARDS SYSTEM



Showing Level of Monthly Average Trade Board Rates for Unskilled Males, and of the Rowntree "Poverty Line" and "Human Needs" Wage Standards for Males.

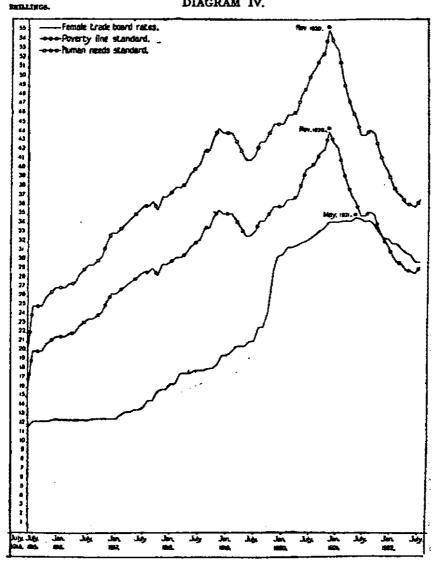
#### EXPLANATION OF DIAGRAM III.

The line———represents the course of the averages of Trade Board rates for unskilled male workers operative on the first of each month from April, 1920, to July, 1922.

The line —o—o—o is the same as line —•—•—, except that Mr. Rowntree's "Human Needs" 1914 standard, which makes allowance for a few of the comforts of life, is substituted for the "Poverty Line" figure.

Method.—For each month the "Poverty Line" and "Human Needs" figures were calculated by assigning Mr. Rowntree's weights to each item in the budget for a family in 1914, multiplying the weights by the percentage increase given in the Labour Gasette for the appropriate month, and dividing by the sum of the weights.

#### DIAGRAM IV.



Showing Level of Monthly Average Trade Board Rates for Unskilled Females, and of the Rowntree "Poverty Line" and "Human Needs" Standards for Females.

#### EXPLANATION OF DIAGRAM IV.

The line \_\_\_\_\_ represents the course of the average of Trade Board rates for unskilled female workers, operative on the first of each month from July, 1915, to July, 1922.

The line — • — • — represents the course of Mr. Rowntree's estimate of the weekly wage required in 1914 to maintain a single woman living alone at the "Poverty Line," raised for each month to the amount which the increase in the cost of living, according to the Labour Gasette index figures, would demand.

The line —o—o— is the same as line —e—e—, except that the "Human Needs" 1914 standard, which makes allowance for a few of the comforts of life, is substituted for the "Poverty Line" figure.

Method.—Because of lack of adequate information, it was necessary to calculate the amounts for both the "Poverty Line" and "Human Needs" standards for women by the rough method of increasing the 1914 standard by the percentage indicated in the Labour Gazette as being the percentage by which the cost of living for all items exceeded the July, 1914, cost of living in each month. The net result of using this method is to make the Rowntree standards slightly higher than they would be if worked out by the same method as were those for men.

The probable explanation is that the Trade Boards became temporarily dormant because of the regulation of wages by the Ministry of Munitions and by the Committee of Production, and because of the fact that they could not prescribe War bonuses. As soon as Government control was relaxed. Trade Board rates advanced abruptly, taking into consideration the length of time required by the statute for variation of wages, and after that they maintained a fairly level course, dropping gradually since 1921, but not so suddenly as have the rates of wages in non-Trade Board trades. The general effect of the Trade Boards upon the movement of men's wages has undoubtedly been to stabilise them, as is shown by the graph, and to prevent the sudden fall which the sponsors of the 1918 Act expected it to accomplish. Unfortunately no index figures for wages of women in non-Trade Board trades are available for comparison with those in Trade Board trades.

Notwithstanding these facts, it may still be argued that Trade Board wages are too high. Let us turn to Diagrams III. and IV., therefore, in order to discover how rates of wages fixed by Trade Boards compare with Mr. B. S. Rowntree's estimates of a wage which will meet the requirements of his two standards of living. Diagram III. deals with male wages, and the note at the foot of the graph explains how it was constructed. Mr. Rowntree estimated that in 1914 the sum of 26s. 1d. per week would be required to keep a man and his wife and a family of three children at the "Poverty Line," i.s., mere physical efficiency, in the city of York. If "the necessaries of a healthy life" or "human needs," as he calls them, were included, he estimated that 35s. 3d. per week would be required. On April 1st, 1920, these standards raised by the method described would have reached 57s. 7d. and 82s. respectively. The average of all Trade Board rates for unskilled males operative on that date was 55s. 2d. That is, the average of Trade Board rates fell below even the "Poverty Line" standard. From April 1st, 1920, both the "Poverty Line" and the "Human Needs" figures rise with the increase in the cost of living, but the average Trade Board wage for

unskilled males remains almost stable. In May, 1921, however, after the cost of living had fallen a number of points, and wages had risen slightly, the average Trade Board wage graph for male workers crossed the "Poverty Line" graph, and has remained above that standard, but below the "Human Needs" standard. In fact, it is slightly nearer to the "Poverty Line" than to the "Human Needs" graph. For those who have contended that Trade Board rates have been set at an unduly high level, this diagram ought to offer conclusive proof that such is not the case. Hardly a more suitable level for Trade Board rates could have been chosen. It seems to strike a compromise between the ideas of those who would fix standard rates (meaning fair rates) and those who believe that the subsistence level is the proper one. Even for those who believe that Mr. Rowntree has been rather too generous in his estimates, there need be no fear, for the margin between the level of Trade Board rates and the "Human Needs "level is so great that, with a less liberal estimate, the Trade Board average rates would still fail to assume alarming proportions. It is also interesting to note that not until Trade Board rates had almost reached their maximum, did they cross the "Poverty Line" graph.

The Labour Gazette does not give the necessary information for working out Mr. Rowntree's standards for a single woman living alone in the same way as it has been done for a man with a family. More satisfactory figures could be worked out for the woman living at home, but in view of the fact that Trade Boards have ordinarily considered the self-supporting woman without dependents as the standard, instead of the woman who may have income from other sources than her earnings, just as they have considered the pecuniary needs of a married man with a family rather than of the unmarried man with no one to support but himself, it is of little use to compare such figures with the Trade Board rates for women. Because of the lack of more exact figures, we have ventured in Diagram IV. to give a very rough picture of the relations between the average Trade-Board rates for unskilled women, the "Poverty Line," viz., 16s. in 1914, and the "Human Needs" estimates, viz., 20s.

in 1914. Instead of weighting the budgets in order to obtain the equivalent figures for each month, we have taken that percentage of Mr. Rowntree's base figure which was given in the Labour Gazette as the total increase in cost of living for a given month, and added it to the base. The general result of using this method has been to make both the "Poverty Line" and the "Human Needs" standards slightly higher than they would be by use of the other method, were it possible. For this reason Diagram III. shows that the average of female Trade Board rates crosses the "Poverty Line" graph at a rather later date than it otherwise would, so that it is better to give no great weight to the fact that they intersect each other in November, 1021. It is sufficient to notice that the female rates follow the same general trend as did those for males, though they would probably, even if the correction were made, fall somewhat further below the subsistence level in the first part of the graph than did the rates for males. They would probably also come nearer to the "Poverty Line" graph, despite the fact that female rates have increased more than male rates since 1914. The position regarding the general level of Trade Board rates for unskilled females is, therefore, much the same as that of the males. If we compare the average Trade Board hourly rates for unskilled males and females in December, 1922, viz., 1s. 1d. and 7d. respectively, with the average hourly rates for these two classes of workers in 1914. viz., 6d. and 3d., we find that whereas men's rates have increased by approximately II7 per cent., women's rates have increased by about 133 per cent.

Altogether, thirty-four out of forty-two individual Boards on-December 1st, 1922, had fixed rates for unskilled men which exceeded the "Poverty Line" standard (46s. 5d.) on that date, and only one trade, Chain-making, had fixed a rate for an unskilled male worker which was higher than the "Human Needs" standard (64s. 5d.), and that should, perhaps, be called a rate for skilled rather than unskilled workers. With regard to women, the general minimum time rates in nineteen trades exceeded the "Poverty Line" standard (28s. 10d. by a rough method of calcula-

tion), and two, Tobacco (38s. 6d.), and Boot and Shoe Repairing (42s.), exceeded the "Human Needs" figure (36s.). Of the rates fixed for special classes of workers, called

Textile Trades. Weekly Rates of Wages operative on or about December 1st, 1922.

				,	Ma	ies.	Fem	ales.
Trade.			Labourers,		Range of Skilled Workers' Rates	Labourers.	Range of Skilled Workers' Rates,	
Cotton	•	•	•	s. 43		s. d. 62 4 to 97 63	s. đ.	s. d. Slightly lower than male rates.
Woollen *	•	•		52	8	54 TO to 77 5	<b>32 3</b> .	35 0 to 39 0
Silk 4 .	•	•	•	49 to 53	0	53 II to 62 5	<del></del>	28 6 to 35 8 5
Jute • .	•	•	•	40	<b>7</b> 1 €		26 0	30 6 to 49 10 <sup>7</sup>
Flax •	•	•	. •	43	8	43 8 to 56 8	25 0	29 0
Rope, Twi	ne and	l Net	•	48	0	50 0 to 54 0	28 o	28 0 to 30 0

<sup>&</sup>quot;skilled workers," two Boards had set rates for women which were greater than the "Human Needs" standard,

<sup>&</sup>lt;sup>1</sup> General Warehousemen only.

Based on average piece work earnings, 1914, plus 95 per cent.
In Yorkshire and Lancashire.
Range includes Leek, Brighouse and Macclesfield.
Time rates. Piece rates 15 per cent. more.

Trade Board trades.

<sup>\*</sup> For tending 192 spindles.

and in the case of men, three. These standards, of course, are matters for each Board to settle for its own trade. But to attribute unreasonably high rates of wages for unskilled male workers as a whole to Trade Boards is obviously without foundation in fact.

Diagram II. shows that the percentage by which the rates of wages for male workers in certain trades has increased over 1914 is somewhat less than the percentage by which male Trade Board rates exceed the 1914 base. Let us also compare the current rates of wages in some specific trades with the Trade Board rates for similar grades of workers. On p. 171 is a table showing what rates of wages were operative for different grades of workers in the three Textile trades of Cotton, Silk, and Woollen manufacture, in comparison with Trade Board rates in the Jute, Flax and Hemp, and Rope, Twine and Net trades.

Except for the one trade of Jute, where the Trade Board rate for spinners is regulated by the number of spindles which a spinner attends, the rates for both male and female skilled workers fixed by the Trade Board trades are generally lower than in the other Textile trades. Among unskilled workers, the exceptions to the same rule are those of Rope, Twine and Net, and Flax, in which the rates exceed that for warehousemen in the Cotton trade. Figures for other grades of Cotton trade labourers, if obtainable, would very likely raise the average, so that there would be no exceptions to the rule.

Printing, Paper Box, and Paper Bag-making are almost invariably carried on in conjunction, so that a comparison of the rates set in the two latter trades with those in the Printing Trade, which are governed by Trade Union agreements, is worth making. The rates for labourers as fixed by the two Trade Board trades apply to the whole of Great Britain, and tend to strike a mean between the rates for the country and London, which are quoted for the envelope and stationery section of the Printing trade. The extremes of rates for skilled Paper Bag workers are below those for the Printing trade.

The position in the Metal trades is different. Here the rates for male labourers (or the lowest grade of workers)

fixed by the Stamped and Pressed Metal Wares Trade Board are higher than those for the Engineering and Iron and Steel trades, but are lower than those for brass founders and lock and latch makers. The rates fixed for skilled workers are, however, below those being paid to skilled workers in the trades mentioned. A peculiar combination of circumstances is responsible for the phenomenal fall in the rates of wages in the larger Metal trades, so that they should not be taken as a criterion for what rates ought to be in that group of trades.

Printing, Paper Box and Paper Bag-Making. Time Rates of Wages operative on or about December 1st, 1922.

1			Ma	ics,	Females.		
Trade.		Labourers.	Range of Skilled Workers' Rates.	Labouxers.	Range of Skilled Workers' Rates,		
Printing <sup>1</sup> .	•	•	s d. 49 0 to 71 08	s. d. 63 o to 71 o	s. d. 29 o to 38 - 0*		
Paper Box <sup>8</sup>			52 0	68 <b>6</b>	30 f	_	
Paper Bag* .	•	•	55 0	55 ° to 69 °	30 6	_	

Envelope and Manufacturing Stationery section of the trade.
 Porters. Range represents London, Hemel Hempstead, Manchester,
 Hyde, Otley, Edinburgh, Glasgow and Aberdeen.
 Trade Board trades.

Neither does the fact that they are lower than Trade Board rates prove that the latter are too high. A comparison of the rates applicable to the lowest grades of workers in each of these trades with Mr. Rowntree's "Poverty Line" figures for December, 1922, viz., 46s. 6d. males, 28s. 10d. females, shows that except in Stamped or Pressed Metal Wares, in Brass Founding, and in Lock and Latch-making for males, and in all but Lock and Latch-making for females, the rates for unskilled workers are below a subsistence level.

#### BRITISH TRADE BOARDS SYSTEM **I74**

In two other important industries, Agriculture and Coal Mining, the current rates of wages have dropped suddenly, and in many cases are below the Trade Board level of unskilled male rates. The chief explanation of the unduly

Time Rates of Wages in the Birmingham Area Metal Trades. operative on or about December 1st, 1922.

	Males.		Females.	
Trade.	Labourers.	Range of Skilled Workers' Rates.	Labourers.	Range of Skilled Workers' Rates.
Engineering	s. d. 40 6	s. d. 74 6 <sup>1</sup>	s. d. 28 01	sd.
Brass Founding Lock and Latch Making.	54 7 <sup>13</sup> 62 8 to 70 64	66 7 to 88 11	— 30 7 to 31 8	 36 e
Iron and Steel	33 0 to 40 6		-	_
Pin, Hook and Eye, and Snap Fasteners.	44 O	58 9 to 76 41	26 5 <del>1</del>	29 4 <b>1</b>
Stamped and Pressed Metal Wares. <sup>3</sup>	47 0	58 9 to 74 5	27 5	3r 4 to 39 *

low-wages in the first industry, and of their sudden fall, is the abolition of the Agricultural Wages Boards. The present position regarding wages in that industry shows clearly what is to be expected in unorganised trades if Trade Boards are abolished. On December 1st, 1922, rates of wages for male

<sup>&</sup>lt;sup>2</sup> Claimed by A.E.U.

<sup>\*</sup> At twenty-one years. Reduced to 24s. on January 1st, 1923.

\* Under Joint Conciliation Board Agreement for males of twenty years.

\* Lowest grade of workers in each class of work.

\* Trade Board trades.

agricultural labourers ranged from 25s, per week of fifty hours, in Oxfordshire, to 30s, for a fifty-four-hour week in Monmouthshire, 1 46s. 6d. per week being the "Poverty Line" standard for a city like York, according to Mr. Rowntree's estimates. In Coal Mining the rates for both underground and surface labourers are, except in a few counties, below the Trade Board average of is. id. per hour for unskilled males, and they represent a drastic reduction from the 1920 rates in that industry. Even the hourly rates for more skilled workers are below the Trade Board average in some counties. The rates of wages per hour (worked out upon the shift basis)2 for underground labourers ranged from 10d, per hour in Northumberland and some other counties to Is. 4d. in the Nottingham district. Rates for other underground workers, such as coal getters, putters, timbermen, etc., ranged from 1s. 1d. to 1s. 8d. per hour. Surface labourers, who work on an eight instead of a seven-hour shift, received od, per hour in Northumberland and some other counties, and as much as 10d, in Derby and other counties, while winding and other engine men, stokers, boilermen, mechanics, joiners, etc., ranged from rod. to 1s. 7d. per hour. The coal miners are well organised, but the failure of several recent strikes and the strength of the position of the mine owners has made it impossible for the miners to maintain their wages at a reasonable level. The foregoing comparison of Trade Board rates with wages in other trades and with the cost of living figures indicates that Trade Board rates have not been set at an unduly high level, nor have they been kept up unduly long. The facts seem rather to point to the conclusion that rates of wages in some other trades have fallen too low and too quickly, and that the Trade Boards have served on the whole to prevent wages in unorganised trades, including rates for skilled workers, from falling abruptly or to a level inconsistent with a standard of living which will maintain a worker. in "physical efficiency" at least.

Labour Gazette, November and December, 1922.
 Calculated from the percentages of increase given in

<sup>&</sup>lt;sup>2</sup> Calculated from the percentages of increase given in the Labour Gasette, September to December, 1922, and the basic wage rates per shift in the industry.

The salient points regarding the fixation of rates of wages by the Trade Boards are:—

- 1. Previous to 1918 the general effect of the fixation of rates of wages for women was to raise the general level of rates to that of the firms which were already paying the best or very nearly the best rates in a trade. The rates fixed for men fell somewhat below the average rate for all men in a trade, but were higher than the average for unskilled men.
- 2. After 1918 new Boards showed more diversity in the level at which they fixed their initial rates. The general tendency was to fix both men's and women's rates of wages at about the level of the average time wage which had been paid during the War to workers skilled and unskilled, irrespective of trade. In some trades the basic minimum rates corresponded closely with the rates fixed by the Munitions Tribunals, the Committee on Production, or the Court of Arbitration. In others they fell considerably below it, while in a few cases they appear to have been set at a figure higher than any wage which had been paid in that trade at that time.
- 3. Before 1918, Trade Board time rates, generally speaking, did not become the maximum wages in a trade. Since the trade depression began, there is a distinct tendency in that direction. This is more true of juvenile workers and of women than of male workers. General minimum piece rates are the maxima almost without exception, and were intended to be so by the Boards which have fixed them.
- 4. Female rates of wages have increased proportionately more since 1914 than male rates have, and are falling more rapidly since the unemployment crisis became acute.
- 5. The increase in unskilled women's and men's general minimum time rates did not overtake the increase in cost of living until October, 1919, and February, 1920, respectively. On December 1st, 1922, the average increase in the rates for both sexes was above the increase in the cost of living.
- 6. The average general minimum time rate for unskilled male and female workers falls between the "Poverty Line" and the "Human Needs" standards of Mr. Rowntree.
  - 7. Rates for "unskilled workers" in only two or three

cases are above the corresponding "Human Needs" standard.

8. Trade Board rates of wages are in most cases lower than those for similar grades of workers in allied non-Trade Board trades. In those trades where Trade Board rates are higher the facts seem to show that non-Trade Board rates are unduly low.

## CHAPTER III

#### ON HOURS

UNDER the Act of 1909, no specific powers relating to the fixing of hours or overtime rates of wages were granted to Trade Boards. Minimum rates for adults fixed by the Chain, Machine-made Lace Finishing, Shirt-making, and Tailoring Boards were stated as hourly rather than as weekly rates. The Sugar Confectionery and Food Preserving. Tin Box, Paper Box, and Hollow-ware Boards chose to fix minima in terms of weekly rates, with the accompanying statement that the rates were based on a week of fifty-two hours,1 and that they were subject to "a proportionate deduction or increase, according as the number of hours actually spent by the worker in the factory or workshop. under contract of employment in any week, was less or more than fifty-two hours." The only limit to the number of hours that a worker could be required to work was that imposed by the Factory and Workshop Acts, viz., sixty per week for women and young persons; with certain restrictions as to the number of hours per day. In enforcement, the preceding quotation was interpreted to mean that workers should be paid at not less than the minimum rate for all time spent in the factory or workshop, whether or not they were actually engaged in work. Even in those trades in which hourly rates were fixed, the same principle was adhered to in enforcement. In the Tailoring, and, to some extent, in the Paper Box trades at least, there is evidence to show that by thus requiring employers to pay workers for all the time which was spent on their premises, such reorganisations in method of work were effected as to admit of a reduction

Fifty-four hours in the Hollow-ware trade.
 See R. H. Tawney, "Minimum Rates in the Tailoring Industry";
 M. E. Bulkley, "Minimum Rates in the Box-making Industry."

of hours in a number of workshops. Probably none of the other original Trade Board trades were affected to the same degree as the Tailoring trade, because it was a more common thing in that trade for workers to wait for their work, but in a less degree the indirect effect of the Trade Boards system, even previous to 1918, was certainly in favour of reducing hours.

Two specific provisions regarding hours are incorporated in the Act of 1918. One of these refers particularly to the question under discussion, and states that a worker shall be deemed to have been employed during all the time that he was present on the "premises of the employer," unless it is proved that he was there without the employer's consent, express or implied, or that he was there for some purpose not connected with his work, and other than that of waiting for work to be given to him to perform. An exception is made when a worker resides upon the employer's premises or when he spends his meal hours in a room where no work is being done. Piece workers are to be considered as employed during all time when they are present and are not engaged on piece work, and are to be paid at the applicable general minimum piece rate. The Board is further empowered to fix overtime rates of wages, and for that purpose to declare the "normal number of hours of work per week or for that day" in the trade. There is no power to prohibit an employer from keeping his factory open for more than the normal number of hours per week, except indirectly, by forcing him to pay higher rates for the time that he chooses to employ his workers after the normal number of hours has elapsed. The former of these provisions is virtually the incorporation in the Act of an interpretation already made by the Trade Boards themselves, while the latter means that an entirely new power has been conferred.

In the matter of hours the majority of Trade Boards have followed the recommendation of the Provisional Joint Committee of the Industrial Conference of employers and workmen, held in February, 1919, by declaring forty-eight hours to be the normal working week. They have usually also specified nine as the normal number of hours for any day but

Saturday, for which five is the normal number. The group of Metal trades which is closely allied with the Engineering industry, viz., Stamped or Pressed Metal Wares, Pin, Hook and Eye and Snap Fastener, Hollow-ware, and Coffin Furniture and Cerement making, have followed the precedent of the Engineering trade, which in 1919 adopted the forty-sevenhour week. Two Scottish Boards, viz., Hat, Cap and Millinery, and Dressmaking and Women's Light Clothing, have accepted forty-six hours as the normal week, as a compromise between the forty-eight hours generally adopted by industry and the forty-four-hour week which formed the basis of many Trade Union agreements. Two other Boards, viz., Chain-making and Lace Finishing, have prescribed no normal hours for adults, because workers in those trades are almost exclusively on a piece basis. The latter Board has based the time rate for learners on a forty-eight-hour basis, but the former makes no mention of hours though it prescribes weekly rates for learners. One Board, viz., Button-making, has altered the normal number of hours from forty-seven to forty-eight per week. No other Board has yet increased the normal number of hours per week, but the Hat, Cap and Millinery Board (Scotland) has proposed a rate schedule based upon fortyeight in place of forty-six hours.

In endeavouring to weigh the effect of Trade Boards upon the length of the working day or week, it is necessary to take into consideration other contemporary economic conditions and tendencies. During the past ten years the general movement towards reduction of hours has been greatly accelerated by increased Trade Union strength. The pressure of War work contributed greatly towards the tendency in that direction, both by encouraging such reorganisation in plant methods as would assist in obtaining the greatest production in the shortest time, and because the workers were better able to make their demands for increased rates of wages for overtime work effective. Incorporation of the clause granting Trade Boards power to fix overtime rates was only a part of the general movement which, in its turn, served to increase its momentum. On account of the great number of contributing circumstances, it is extremely difficult to trace results

which are directly attributable to a Trade Board, although in general there can be little doubt that they have been a factor. While the large firms belonging to Employers' Associations had already accepted or would have accepted the forty-eight or forty-seven hour week, numerous small and unorganised shops would have continued to run on a fifty or fifty-two hour basis had the force of law not been applied to them by requiring that they pay an extra amount if they chose to work during the extra hours. Immediately before the Trade Board came into existence hours had varied from forty-six to fifty per week in the Tobacco trade, the average being approximately forty-eight hours. The consequence of fixing a forty-eight-hour normal week was to bring all firms up to the standard of the average firm. Almost the same result followed the fixation of a forty-eight-hour normal week in the Laundry trade. Most laundries in 1914 operated the full sixty hours allowed under the Factory Acts. By 1018 the number of hours had been reduced to between fifty and fifty-four. In 1919, when the forty-eight-hour week was adopted by the Trade Board, it had already been accepted by the most liberal employers in the trade. While the adoption of the forty-eight-hour week in most trades affected only a few individual firms, in the Textile group it meant a change for practically all the firms in a trade. In Flax, fifty-five hours was the usual number before the Trade Board was established, in Jute fifty-five hours was nominally the working week, though forty to fifty hours only was being actually worked. When the forty-eight hours was accepted by the Jute Board an Hours Committee was appointed to see that the workers lost nothing in wages by the reduction in hours. and it is also said that the employers suffered no reduction in output by the change. A great many rope-making firms were regularly working fifty-two hours per week at the time when forty-eight was made the normal number, so that a general readjustment was necessary in that trade also. It might be expected that if a Board declared a certain number of hours to be the normal number per week, no firms would ever operate less than the specified number. Although the length of the working week is most often forty-eight

hours (less, of course, when there is short time), as in non-Trade Board trades, there are firms in which a less number than was specified by the Trade Board has been adopted. In the Sugar Confectionery trade, for instance, the normal number has been declared by the Trade Board to be fortyeight hours. Under the Interim Industrial Reconstruction Committee agreement the hours are forty-seven per week, and at the same time a number of other local Trade Union agreements provide for forty-six-and-a-half or forty-four hour weeks in individual firms.

Over a period of fourteen years, Trade Boards appear to have been effective both in reducing the normal number of hours per day or per week, and the amount of overtime as such, for the majority of employers will not, at present, pay rates at one and a quarter times the normal rate if they can get the work done within the forty-eight hours by better planning, by speeding, or by employing more workers. What is the result at any given time will depend and has depended upon the general economic situation. Had this provision suddenly become effective during the War, when there was a shortage of labour, a great demand and high prices for goods, probably no perceptible diminution in the amount of overtime worked would have been seen, but in a period of trade stagnation like the present there would be practically no overtime, whether there were Trade Board regulations or not. Employers in general have found very little fault with Trade Board regulations concerning hours, the probable reason being that there has been no tremendous rush of work during the period in which overtime rates have been in operation. Relatively little violation of the regulations in matters of hours and overtime rates has been discovered. The provision regarding "waiting time" has, however, been very slackly observed since short time became prevalent. Workers often desire to wait upon the premises of an employer for hours, either between jobs or with the hope that there will eventually be some work to do. In some cases a stricter interpretation of the Act would show that it was thus being violated, but in such abnormal times it is hardly a matter over which to quibble

The Milk Distributive trade furnishes the only example of a trade in which the fixation of a normal week and overtime rates have given real difficulty. The trouble there centres about the fact that it is almost impossible to keep track of the amount of time which can be legitimately spent by a roundsman while performing the work of delivering milk to his group of customers. Some firms have proposed resort to making tests by sending an experienced man to make the round with reasonable speed and taking his time as the normal time for that round, and by refusing to pay overtime rates even though another man may consume more hours on the same ground. There are several objections to this method of regulating hours: one is that the time for making a round may vary from day to day, depending upon the number of persons who happen to buy milk on that day, and another obviously is that it offers great opportunity for underpayment. Dairy proprietors also claim that they are seriously hampered by the regulation of hours, and particularly the fixation of a normal week of forty-eight hours, because it is often necessary for them to keep their shops open seven days per week, and so in order to meet the requirements of the Board they must employ two shifts of workers.1 The Board has attempted to avoid this difficulty by making the hours variable, i.e., forty-six or forty-eight to fifty, but such an arrangement is not legal in the view of the Minister's advisers. Certainly a real problem is presented in this case, and as yet no satisfactory solution has been found.

<sup>1</sup> The provisions of the Board allow for six hours' work on Sunday.

## CHAPTER IV

## ON ORGANISATION

THERE is a wide diversity of opinion among Trade Unionists regarding the effect of the establishment of Trade Boards upon the organisation of workpeople. For the most part they agree upon the point that in a period of unemployment a Trade Board enables the workers to maintain a somewhat higher level of wages than they otherwise could, owing to their lack of complete organisation. But even the most optimistic express some disappointment that the growth of Trade Union membership over a period of years has not proved so great nor so steady as it promised to be when the system was inaugurated. Practically the entire membership of the National Federation of Women Workers in the Chain and in the Hollow-ware trades, for example, was built up around the Trade Board idea. In 1914 they had approximately 1,700 Chain-makers and 1,000 Hollow-ware workers in their organisation as compared with only a scattered few in 1908. But in both these instances, as in those of the other six trades for which Boards were formed previous to 1918. the organisation was accomplished largely through the impelling personality of one person, Mary MacArthur, and in each case also it was the nucleus organisation which brought the Trade Board into existence rather than the Trade Board which was responsible for the organisation. It cannot be truthfully claimed, however, that an organisation in a particular trade has always been responsible for forcing the institution of a Trade Board. During recent years it has more often happened that the attention of the Ministry has been called to the need for a Board in a given trade because of its lack of organisation, and the fact that wages were so low as even to prevent those in better organised trades from rising to a reasonable standard. Moreover, experience with

the early Boards showed that once a Board had been established a further increase in membership was attainable. Substantial increases in the membership of Trade Unions in the Tailoring, Sugar Confectionery, Shirt-making, Lace Finishing, Paper Box and Tin Box trades subsequent to the setting up of Trade Boards for these trades were largely attributed to the influence of the Boards.

The new Trade Boards were set up at the flood tide of organisation. Almost every trade showed a greatly increased number of Trade Union members at the time of the signing of the Armistice, and during the ensuing months of good trade and high wages a tremendous effort was made to organise women workers in particular. Just how far, if at all, the establishment of Trade Boards assisted organisation at this time it is impossible to say. The Button-making trade, for one, seems to present a clear case in which organisation was attained by the institution of a Trade Board. Before that time, at least, it had been found almost impossible to organise any but the male pearl button workers. After the first Trade Board rate came into effect, 90 per cent. of the London women workers were readily organised by the National Federation of Women Workers, and the employers also became federated. In the Birmingham Metal trades, also, there was practically no Trade Union organisation among the women prior to the War. Some progress was made just following the Armistice, and in the early days of the Trade Board, which was established in February, 1920, but whether it was the momentum of the War organisation in the munitions industry or the direct effect of setting up a Trade Board that weighed more heavily in bringing that result is not evident.

The division of opinion among Trade Unionists relates to the result of the operation of a Trade Board in the matter of recruiting and retaining Trade Union members. In answer to the question whether Trade Board legislation has facilitated organisation and the making of wage agreements, one organiser will answer "Yes," with little or no qualification, while another almost as flatly replies "No." The first says that when a worker is approached to join the union he

replies. "I don't need to join the union because the Tradé Board will fix the wages all right." Even old members, they assert, drop out upon this excuse. Again, when an employer is being pressed to make an agreement embodying higher than Trade Board rates, the answer, it is said, has not infrequently been, "The Trade Board fixed rates that are too high as it is, and I can't do more than pay those rates." Other organisers, however, state that in their experience the arguments that membership in a Trade Union means representation upon a Trade Board, and that strong organisation increases the chances of obtaining higher rates from a Trade Board, may be used with considerable effect. They also report that in firms where the Trade Board rates are being evaded, organisation of workers is often extremely easy. because the workers believe that by "joining up" they will obtain redress of their grievances. This is also said to be one of the strongest motives for continuing membership in a union. In fact, the entire workers' organisation in one trade is reported to have broken down largely on account of the failure of the Ministry to enforce the Trade Board rates in With regard to agreements, this type of that trade. organiser maintains that the fact that all of the competitors of a given firm are required to pay the Trade Board rates, and so cannot undercut the basic rates, is a forceful point in securing an agreement to pay higher wages. The Imperial Tobacco Co., for example, had an agreement with the workers in 1010 that formed the basis of the first Trade Board wage schedule in the Tobacco industry. Since the first meeting of the Board that firm has used the occasion of Trade Board meetings, and the good offices of the chairman whenever the Board has raised its rates, for making fresh agreements with its workpeople. These have, in each case, been higher than the Trade Board minima. Other agreements higher than Trade Board rates have also been made with independent tobacco companies. Had there been no Trade Board rates, it is doubtful if as satisfactory terms could possibly have been secured by the workers in either case. Another instance may be cited in the Sugar Confectionery and Food Preserving industry, where the rates of wages

agreed to voluntarily by the Interim Industrial Reconstruction Committee between 1919 and 1921 have always been considerably in excess of the prescribed minima, and they have always been gauged from the Trade Board basis. The fact that there is a Trade Board rate in one trade is frequently useful also in persuading non-Trade Board employers to make agreements, and there again it fixes a basis upon which to build the agreed rates.

The different attitudes of organisers upon these questions do not appear to depend entirely upon the peculiar conditions of the trade to which they belong, for members belonging to the same trade, but different unions, have often given opposing verdicts. The point of view which a Trade Unionist takes apparently hinges primarily upon the period of time upon which he has fixed his mind when the answer is given. He may, perchance, be thinking of the period from 1909 to 1914, when the Trade Board idea was new, and when workers hoped that this new institution called a Trade Board would be the means of bringing them fabulous increases in wages. The great strides in Trade Union membership made during the War were at that time yet unknown. and a paltry few members were received gratefully indeed; or again, recent experience may be uppermost in his mind. in which case the loss of members lately sustained, and the difficulties incident to securing fresh agreements, may seem to warrant a negative answer. In other instances there seems to be no escape from the fact that the Trade Boards have done harm to the work of Trade Unions for the simple reason that officials have not properly understood how to overcome adverse arguments, nor how to use Trade Boards to advantage in recruiting new members and negotiating agreements. Notwithstanding the alleged bad effects upon organisation, it seems to be the general opinion among organisers that even though the excitement attendant upon the setting up of the early Boards has died out, there would still be a noticeable increase in membership in any trade for which a Board was established to-day. Only two Trade Boards, viz., (1) Sack and Bag, (2) Ostrich, Fancy Feather and Artificial Flowers, have been established since the slump

in trade began, and in both of these there was a slight increase in membership despite short time, unemployment. and flat purses. The very fact that a trade like that of Pin. Hook and Eye, and Snap Fastener-making, previously somewhat amœboid in form, had been given a name, however cumbersome, and definite shape and dimensions through the formation of a Trade Board, must stimulate what may be called trade consciousness, and bring a resultant influx of members to Trade Unions. Women, perhaps, respond more readily than men to organisation appeals when Boards are first set up, because men have in almost every case been better organised before there was a Board, and because Trade Boards are in a position to do more for women than for men. On the other hand, in a time of reduced wages and irregular work, it is the women who are likely to be more seriously affected and who are less able to keep up payments of Trade Union dues.

The organisation of employers rather followed than preceded the setting up of a Trade Board in the period before the War. Their response was similar to that of the workers. although it was perhaps less marked in the beginning and less subject to relapse at a later date. Employers of all kinds at once became interested in having a voice in the deliberations of these bodies that proposed to impose the payment of minimum rates of wages upon them, and they soon recognised the Employers' Association as the most direct means of expressing their opinions and keeping Trade Board rates within reasonable limits. The result turned out to be not only an enlarged membership in associations that already existed, but even the organisation of new associations with the central idea of united action in Trade Board matters. In the Sugar Confectionery and Food Preserving trades the development of the Food Manufacturers' Federation, for example, was largely the outcome of Trade Board activity.

During the War unexampled opportunity for fraternisation between employers, between workers, and between workers and employers, was offered through the various committees, control boards, and councils established for War purposes. The Government control of raw materials and the common desire for increased output were often responsible for bringing the employers in a trade together for consultation. At the same time, precedents were constantly being set up by the Government in favour of collective bargaining in industry. In Great Britain, as in a number of other countries, a marked augmentation in Trade Union membership took place during the last part of the period from 1014 to 1018, and this had not entirely spent its force before the early spring of 1921, when the general trade depression became imminent. During this same period the new Trade Boards were set up. It was owing to this combination of circumstances that many of the Federations of employers came into existence, and associations already organised gained greatly in numbers. The formation of Trade Boards, of course, played a part, but, generally speaking, it did not form the dominating force in organising most groups of employers. There are, nevertheless, several clear-cut cases in which organisations can be traced largely to the Trade Board movement. One is that of the Rope, Twine, and Net trade, in which previous to the setting up of a Board there had been no Employers' Association, but which shortly afterwards showed something like an 85 per cent. organisation. Another example is that of the blouse manufacturers. For many years there had been sporadic attempts to bring these manufacturers together in an organisation, but not until. after the Dressmaking and Women's Light Clothing Trade Board began its work did those attempts materialise. One of the leading employers in the Aerated Waters trade made a statement at the Annual Conference of the Aerated Water industry, in November, 1921, which shows what occurred in that trade. He said: "The greatest value we have attained through the Trade Board is that instead of a number of isolated units commonly called 'pop-makers' by the public and looked upon as such, we have now become a compact body of Aerated Water manufacturers out mutually to help one another." . . . "Instead of injuring it [the trade] in any way, it has helped to stabilise matters and has consolidated the trade into a compact body, respected not only by the trade themselves but by the public in general."

Although the number of employers who are willing to attribute the origin and growth of their organisations entirely to Trade Boards is not great, the majority of them agree that in practically all trades the setting up of a Board has assisted in enhancing the numerical strength of the associa-This has even begun in some trades with an invitation from the Minister of Labour to discuss the possibility of establishing a Board. The effect of the announcement of the Trade Boards scheme in 1918, whereby it was contemplated bringing some 6,000,000 workers within its control, gave a distinct impetus to organisation among those trades which were to be investigated regarding the feasibility of a Trade Board, as well as among those that were actually scheduled. In the smaller trades particularly, the organisation of employers has thus been greatly hastened. There are exceptions to this statement, however, for in certain trades. like that of Linen and Cotton Handkerchiefs and Household Goods making, the organisation of an effective Employers' Association has been found impossible as yet, even with the encouragement of a Trade Board.

Experience on the whole has proved, moreover, that the organisation of both employers and workers in a Trade Board trade is quite as important for the smooth and successful working of a Board as the institution of a Trade Board is for the organisation of the two sides. This is particularly true of trades which are organised in craft unions or employers' associations as opposed to general unions or federal associations. A number of appointed members have testified to the fact that there is usually an entirely different atmosphere, a breadth of view, and an absence of bitterness upon Boards where both sides are well organised, and particularly in those trades where there are craft organisations. The Boot and Shoe, Brush and Broom, Paper Bag, and Perambulator Boards are examples of Boards which are organised largely upon craft lines, and have worked together most harmoniously.

During the past two years, in which unemployment and bad trade have prevailed, the general tendency has naturally been for paid-up membership to decline in both Trade Unions and Employers' Associations, and attempts at fresh organisa-

tion have nearly always proved futile. This is especially true of workers to whom the payment of Trade Union dues may mean lack of food and clothing. Many of the old members who have been forced by ill circumstances to allow their dues to lapse will rejoin their organisations when trade is better again, no doubt. But one has also to consider the fact that permanent organisation of workers in Trade Board trades is seriously hampered because a great proportion of the workers are women, which means a constantly fluctuating personnel, and because the entire body of workers in most trades has little or no skill, tradition or solidarity of any kind. Trade Boards seem at times to have proved valuable in augmenting organisation, but their effect has at other times been overridden by more powerful economic circumstances. The net gain in organisation, moreover, even if due account of the present circumstances be taken, hardly seems to offer encouragement to the hope expressed in the second Whitley Report, that Trade Board trades, by virtue of increased organisation on both sides, will soon pass into the Joint Industrial Council stage.

# CHAPTER V

## ON EMPLOYMENT

Two of the most potent arguments invariably offered by opponents of minimum wage legislation in every country where it has been considered are these: first, that a fixed minimum wage will drive the slow and old workers from industry; and secondly, that it will make foreign competition so much more effective by increasing the wages bills to those home employers in trades most subject to foreign competition, that they will be forced out of business, and in both cases unemployment will result. In the United States it happens to be the fear of competition between States rather than from foreign countries that haunts the employer, but the basis of the argument is the same. Obviously, it is true that some temporary dislocation of industry will follow any sudden change in the method of conducting it, whether by mandate of the State or from individual preference, and this is just as true when a new machine is installed in a factory. or when a change in fashion occurs, as when a new duty is imposed or a rate prescribed by a Trade Board.

Most of the original fears that wholesale unemployment would follow Trade Board legislation disappeared soon after the Act of 1909 had become law. Previous to 1918, workers were discharged in scattered instances because employers did not consider their work worth the wage which the Trade Board prescribed. In a less number of cases probably, though the exact number cannot be stated, small employers were forced to close their doors chiefly on account of the fact that they could no longer employ workers at "sweated" wages. In other words, the tendency of Trade Board legislation, in so far as any direct effect can be traced, was to eliminate both the most inefficient workers and the most inefficiently managed businesses from the field of industry. At a time

so far removed from that period as 1922, it is impossible to obtain as many statistical data in support of this statement as one would wish, but it is the distinct impression of the writer, after numerous interviews with employers in the so-called "old" Trade Board trades, that some dislocation of this kind took place in all of those trades, and the writings of persons who investigated the matter during that period serve to corroborate such an impression. That the dislocation was not unduly severe, however, is evidenced by the hearty approbation of the Act given by employers and workers in those trades when the extension of the Act was proposed in 1918, and even later, in 1921, before Lord Cave's Committee of Enquiry.

The revival of the complaint that Trade Board rates were responsible for the discharge of workers was simultaneous with the beginning of the trade depression and the worldwide phenomenon of unemployment. The first complaints were heard in the spring of 1921 and emanated from rural dressmakers, some of whom reported that they had been obliged to discharge learners because they were not able to pay them at the Trade Board rates. These statements seemed to be supported to some extent by letters from parents of girls who had been learners in dressmaking shops, protesting because their daughters had lost their work, and also from parents who wished to apprentice their daughters to the trade but had been refused. Further complaint was made by village dressmakers because they were obliged to pay 101d. per hour to fully qualified skirt, gown and bodice hands. They stated that the quality of work demanded in rural areas did not warrant the employment of a worker who was sufficiently skilled to be worth 10%d. per hour. Later complaints laid the burden of the failure of numerous dressmakers and most of the unemployment in the trade at the door of Trade Boards. Subsequently similar complaints were received by the Juvenile Employment Division of the Ministry of Labour and by the Trade Boards themselves from persons in country districts who were connected with both

<sup>&</sup>lt;sup>1</sup> The rates have been reduced since July, 1921, when these complaints were made.

the Hat, Cap, and Millinery, and the Retail Bespoke Tailoring trades. Dissatisfaction in these trades was directed both at adults' and learners' rates. An enquiry into the operation of the rates in the Dressmaking trade was instituted by the Ministry of Labour in June, 1921, and a report was made to the Dressmaking Trade Board which showed that there was evasion of the rates in approximately 70 per cent. of the firms inspected, and that in several instances workers, particularly learners, had been discharged immediately after the inspector's visit. Later in the year a representative of the Ministry of Labour, in his evidence before Lord Cave's Committee, frankly stated that the Ministry had not been enforcing the learners' rates as prescribed by the Trade Board, because it was believed that the result in rural areas would be unemployment.

The burden of dissatisfaction in both the Retail Bespoke Tailoring and the Millinery trades has likewise originated in small towns and villages. Tailors in rural districts insist that they cannot pay as much as 52s, per week to the average male worker in the shop, as is required by the Trade Board order of July, 1922, and at the same time produce suits of clothing at such a price that the old patrons among the agricultural workers can afford to buy. It is a significant point that practically no dissatisfaction with the rates set by the Trade Boards has been expressed by the workers themselves nor by those employers engaged in the wholesale sections of any of these trades. In fact, employers whose businesses fall within the scope of the Wholesale Tailoring Board testify heartily to the beneficial effects of the Trade Board, while in the retail end of the trade the disapproval of employers was at one time so strong that they petitioned the Minister of Labour to dissolve the Board altogether. Though the expression of neither approbation nor of disapprobation has been so forcible in the two sections of the Dressmaking and Women's Light Clothing, and in the Hat, Cap and Millinery trades, yet the same lines have marked a division of opinion upon the subject of the merits of Trade Boards.

To say exactly how much of the blame for unemployment in the Clothing trades can be justly attributed to the Trade Boards is quite impossible. To begin with, no one knows or ever will know what would have occurred had Trade Boards not been in existence. Apart from the general causes of unemployment, there are extenuating circumstances which seem to have been entirely overlooked by those critics who glibly state that the Trade Board is driving the country tailor and dressmaker out of business. The Retail Bespoke Tailoring, Dressmaking and Millinery trades are gradually dying a natural death in England, America, and France, and in other countries which are sufficiently industrialised to adopt machine production methods. This movement began long before there were any Trade Boards in existence, has grown most rapidly in countries like the United States. where machine production has become most highly developed and where there are no national wages boards, nor can it be arrested by the abolition of Trade Boards, nor by any kind of State legislation. The facts of the matter are that articles of clothing can be produced in factories with almost as good a cut and material as by the highly skilled craft tailor or dressmaker, and at a much less price. As the total cost of living increases, more people are forced to forego the distinction of wearing made-to-measure garments and to turn to ready-made clothing, thus giving further impetus to the wholesale manufacturer to improve his product, and so gradually bringing about the complete transfer of the volume of business from the retail bespoke tailoring, dressmaking or millinery shop to the wholesale manufacturer and his agents, the "department stores." In the long run only the very high-class trade will remain open to the skilled craftsman or craftswoman in the Tailoring. Dressmaking and Millinery trades. In rural France, and in America particularly, the retail tailor has already become almost a thing of the past. Great Britain, with her tradition of being a nation of small shopkeepers, has clung tenaciously to him, but he is rapidly losing his trade, and in the course of time competition and economy will drive him and other craftsmen of a similar kind from industry, whatever may happen to the Trade Boards system in the meantime.

One has not far to look for proof that it is the tailors, dress-

makers, and milliners catering chiefly for the middle-class trade who are complaining because their workrooms do not flourish as they once did, while those whose patronage is drawn from the so-called upper classes often manage to maintain their regular staffs and to make a profit, despite the fixation of wages by Trade Boards. An excellent illustration of this point is to be found in a small but thriving market town of Devonshire, where the writer chanced to call upon two dressmaking establishments in the same afternoon. the first of these she talked with a very intelligent head dressmaker who, when questioned concerning the prosperity of the workroom, replied: "We employ twenty-five girls. six of whom are apprentices. This is the same number that we have had for the last seven years during which I have been here. We have discharged none and keep all of them during the entire year. Our frocks are all made to order for upper class customers. There has been no slack time during the last two years, other than the usual falling off in work which occurs in the late winter and summer. The simple styles have made some difference in our trade because less good dressmakers can do them well and also because some women can make simple frocks themselves, but we have nevertheless shown a profit in our workroom, and have at the same time paid our skilled workers a shade above the Trade Board rates." The other shop catered for a good but second class trade, consisting mostly of the wives of farmers and of the higher grade of artisans. The proprietor, who was interviewed, said: "Our dressmaking staff has been reduced from twenty-five to eight persons within the last two years. Now, only 'outsize' women have their garments made. We also have a ready-made department, and there has been a great increase in the sale of such garments. We cannot make garments as cheaply as we can sell those, and besides, our customers like to see what a garment is going to look like before they buy it. It saves bothering to come for fittings, too. Most of the work done in our dressmaking department is actually the alteration of ready-made garments. We lose money on the dressmaking department, but make it up by our profits on ready-mades."

The head dressmaker in a large department store in Glasgow gave more evidence of a similar nature. have a great variety of patrons," she said, " and we can make a high-class frock as cheaply as, or even more cheaply than the factory can, but their methods of mass production make it possible for them to turn out the cheaper garments at a lower price than we can sell them." An experienced fitter in another shop said: "The thing that counts more than price in selling a ready-made garment is that the customer can see the dress on before she buys it. I don't think a 25 per cent. reduction in prices would mean many more sales of bespoke dresses." Numbers of other quotations to the same effect could be given, but these few are sufficient to emphasise the facts: (1) that the high-class shops, whether in cities or in rural areas, can maintain their patronage and customary staff, despite the Trade Board rates; (2) that the middle-class trade is passing to the ready-made garments partly owing to the inertia of purchasers, partly owing to the fact that patrons need take no chances in buying a readymade garment, because they can see it before it is bought, and partly because the wholesale manufacturer is able, by means of machine production, to offer a satisfactory mediumclass garment for sale at a much lower price than can the bespoke dressmaker. The result has been that the middleclass shops have in most cases been obliged to dismiss a part of their staffs.

The latter of the preceding statements calls for some qualification. There are five types of dressmaking establishments: (1) the dressmaking departments of a drapery shop, which may be first or second class, according to the patronage of the shop as a whole, but which always has a non-working proprietor; (2) the high-class dressmaking shop, the proprietor of which is non-working; (3) the high-class shop in which the proprietor does some work, usually cutting and fitting; (4) the second or third class shop, in which the proprietor almost always does some of the making herself; (5) the home dressmaker, who does all the work herself. The Trade Boards Act does not apply to type (5), and so whatever has happened to the home dressmaker, it cannot be charged

to the account of the minimum wage. In reality, however, the same economic forces which are eliminating the mediumsized bespoke shop have also been in some degree responsible for the extinction of certain home dressmakers, but their fate has in some instances unfortunately been attributed to the Trade Boards, either by the ignorant or by the malicious. On the other hand, it is frequently asserted that the small retail shops and dressmaking departments of middle-class drapery shops are being driven out of business by the superfluity of home dressmakers, which is co-existent with the partial or total unemployment of many single women and married men. The country dressmaker who employs one or two girls has been the recipient of much undeserved sympathy. She has been more affected by the simple styles than the better class dressmaker because her patrons would make their own garments when they could, and she has certainly in some cases become a victim of the wholesale trade, but not infrequently it has been her own inefficiency, rather than the high wages to which she has ascribed it, that is responsible for her failure. Nor is it by any means always the small dressmaker herself who has voiced the complaints regarding the high wages prescribed by the Trade Boards. In point of fact, it is often the retail drapers who do not want to lose the sale of materials over the counter, instead of the dressmakers themselves, who have insisted that the rates are too high. While the draper does not object to the loss of his dressmaking patronage if it can be transferred to the readymade section in his own shops, he does object to the transference of the profits of the sale of materials to the wholesale warehouses, which naturally follows. In the past, one of the sources for the sale of materials has been the small dressmakers, to whom it is customary to pay a commission for the materials which they buy for customers. One proprietor of a draper's shop, for example, in speaking of the disappearance of his dressmaking department, said: "But in the end it doesn't make any difference to us, because each of the girls we had has set up in business for herself and buys her materials from us. We are saved the trouble of making the dresses and get more profit this way. We know that some

are not paying Trade Board rates, but it is to our advantage not to report them because we sell them materials and trimmings." In actual fact, it is the working dressmaker who, if capable, has the best opportunity of succeeding in the workshop dressmaking business. If she shows distinction in her work she will draw patronage, and by doing the cutting, fitting and planning herself she can gain enough to sell her frocks at a lower price than the draper's shop can which retails ready-made frocks of the same grade.

No better example of what may be done by a really capable. working dressmaker can be given than that of Miss X., who lives in a town of approximately 53,000 population, in thenorth of England. She employs one dressmaker at 35s, perweek, and one girl at IIs. per week, and does her own cutting and fitting. She says that she has all the orders that she can possibly fill and makes a good profit. She buys a few readymade frocks, and sells them after she has copied them. This she can do, using better material than the original, at less than the garment cost her at wholesale prices. She then sells the bespoke made garment at the same price as the readymade one would sell for, and reaps the extra profit. One ready-made dress which she exhibited had cost her £3 ros. 6d. This she had copied in better material at a cost of £2 ros., and she was selling it at £4.7s. 6d., which was the retail price of the ready-made garment, the gross profit being £1 17s. 6d., which is very near to the 100 per cent. profit expected by the average shop in this trade. Another frock marked 81 guineas had been copied from a ready-made garment which she sold at 94 guineas, yet the 84 guineas represented more profit to Miss X. than the 91 guineas did. The position of types (1) and (2) is different again. The expense attached to employing a capable head dressmaker may be so great that it becomes more difficult to compete profitably with the wholesale trade than when the proprietor herself acts in this capacity. If such is the case it means that far more than the prescribed Trade Board rate is being paid. But the fact is that practically all independent shops which do this enjoy a very high-class trade, and therefore they can hold their custom without much difficulty. The drapery shops which

have an upper class patronage are in a similar position. In practice, however, the average drapery shop does not depend for its profit upon the dressmaking department. The writer has found numerous cases of such workrooms that did make a profit, and this was usually due to the managerial ability of the head dressmaker, but the object of the workroom is usually to act as a service department for customers who buy materials by the yard over the counter, and the profit accrues to the account of the piece goods department rather than to that of the dressmaking department. Thus a falling off in the number of bespoke garments made may mean dismissal of both dressmakers and shop assistants, but if the trade is transferred to the ready-made department, it may mean neither, for the labour will be absorbed there. Very frequently this is the true explanation of alleged unemployment said to be caused by the Trade Board rates. A case of this sort came to light when a firm in the north of England was visited, which, it was reported, had been forced to dismiss numbers of dressmakers. The manager, when asked, replied that it had been necessary to discharge a number of workers in the dressmaking department during the last two years. Upon request, he called in the manager of the dressmaking and "ready-to-wear" departments, and it was discovered in the course of conversation that those who could not be used in the one department had been set at alteration work in the other, so that it was displacement rather than unemployment that had resulted.

In considering unemployment in the Clothing trades, due account must be taken of the seasonal element. Work is usually extremely slack in the months from November to February and from July to September. Many employers temporarily suspend a number of their workers during these periods, but take them on again when the season begins. Other firms attempt to regulate employment by giving the women something to do in the slack months. Sometimes they make uniforms for the shop assistants or blouses for stock, but the majority of employers do not plan their work well, and consequently any figures taken for employment during the slack period are almost certain to show a decline

in numbers, while in reality it means nothing more than the normal seasonal fluctuation. In many cases the figures quoted to prove that the Trade Boards are to blame for unemployment in these trades have upon investigation been discovered to relate to a period when trade was normally slack.

Just as it was found that the high-class dressmaking shops could survive, whether in the country or in the city, so also is it true in the retail Tailoring and Millinery trades that it is the class of patronage which a shop has that makes the difference. One finds the proprietor of a high-class tailoring shop in a city like York, for instance, who says that "The ready-mades are making only slight inroads in the highclass trade," and that "Even if prices were reduced, we could sell no more suits." On the contrary, in a city like Glasgow, a tailor who has a high-grade working class trade said: "The ladies' bespoke trade will go over to the readymades if we pay reasonable wages at all, because we can't make cheap garments for less than twice the selling price of a garment bought from a factory, and besides the ladies like to buy them because they are less trouble and they can see them before they buy. It would take a 35 per cent. reduction in prices at least to bring the men's trade back to the tailor-made, and that would mean wages at about the pre-War level." On the whole, the preference among middleclass people for ready-made tailored garments does not appear to be so marked as it is in the dressmaking trade, and this is particularly true of men's wear, the probable explanation being that the tailored garments produced in England by factory methods have not yet reached the same degree of perfection as have non-tailored garments. Men are naturally affected more than women in this respect, and furthermore, tailors say that men cling more tenaciously to the convention of having a "made-to-measure" garment, and take price less into account than women ordinarily do.

The economic position of the retail Millinery trade is much the same. Machine production is undoubtedly at the bottom of the movement of trade towards the factory, just as it is in the other trades. Many more untrimmed

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shop in a city like York, for instance, who says that "The could survive, whether in the country or in the city, so also could sell no more suits." ready-mades are making only steph incomes in the high-class trade," and that "Even if prices were reduced, we is the class of putionage which a shop has that makes the is it true in the retail Tailoring and Villincey trades that i to buy them because they are less treatile and they can see them before they buy. Clasgow, a tailer who has a high-grade working class trade War level. On the whole, the preference among undelle-ches people for ready-made tailored garments does not tailor-made, and their would mean wages at about the pre-War level." On the whole, the preference among wideling mades if we pay reasonable wages at all, because we can't perfection as have non-tailmed garments. tion being that the tailored gammants produced in Figures by this is particularly true of mea's wear, the probable explanaappear to be so marked as it is in the dresseshing trade, and tion in prices at least to bring the men's track back to the I garment bought from a factory, and besides the latines like make cheap garments for less than twice the selling pains of balors say that men ching more tenacionally to the convention actory methods have not yet reached the same degree of es who account than women ordinarily do ffected more than women in this respect, and furthermore Just as it was found that the high-class dressmaking shape baving a "made to measure " "The belies' bespoke trade will go over to the ready-One leads the projector of a high-dass techning It would take a 35 per cent recine On the costizery, in a city like total and the lucian Men are maturally

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hats are being worn by women than was formerly the custom, and even in fairly high-grade shops the covered shapes are bought from the factory, and trimming is added in the shop to suit the customer. The net result may or may not be unemployment in a given shop, provided the amount of sales remains the same, but it does mean that a smaller number of highly skilled workers is required. Moreover, it has become the custom for many middleclass women to buy the shapes as they come from the factory and to add the trimming themselves. All this tends to rob the small shops of their patronage and to create unemployment in that section of the trade. High-class milliners, like high-class dressmakers and tailors, on the other hand, state that they are able to maintain their patronage except in so far as it is affected by depleted incomes resulting from high taxation and general trade depression.

The movement of custom from the retail to the ready-made sections of the various clothing trades began some twenty or more years ago, and has been accentuated since 1914 by the rapid rise and fluctuations in prices. H.M. Chief Inspector of Factories, in his 1919 Annual Report, says: "In the skilled dressmaking retail trades there does not appear to be any expectation of return to conditions at all similar to those before the War. 'There is complaint both of lack of supply of skilled workers and of decreased demand for production. Thus with the rise in wages there is a movement on one side for occupiers to limit the work undertaken to what they can do alone, or on the other towards going into partnership to reduce expenses. Application of electrical power is extending in the larger dressmaking establishments. Milliners' workshops in the old sense have almost disappeared, outside London and a few of the greater cities, the trade being absorbed by the wholesale producer and distributor." 1 This was written before either the Dressmaking and Women's Light Clothing or the Hat, Cap and Millinery Trade Boards had been established.

There is also another cause for unemployment in these

<sup>&</sup>lt;sup>2</sup> Annual Report of the Chief Inspector of Factories and Workshops for 1918, 1919, Cmd. 340, p. 10.

trades which is of more recent origin, and that is the low purchasing power of the community, resulting from the general trade depression and from heavy taxation. People cannot economise beyond a certain point in the matters of food and of housing, but they can ransack the garret for old clothing and turn it inside out and upside down until it becomes presentable. In fact, there is almost no limit to the economy which can be made in clothing. This, of course, means that the demand for clothing has been reduced to the lowest possible amount, and when it has been necessary to buy, the cheapest garment that would serve the purpose has been the favoured one. The fact that the amount of unemployment has been high in the Clothing trades, and particularly so in bespoke Dressmaking and Tailoring, may be largely explained on these grounds.

It is argued by some that the Trade Boards are either partially or entirely responsible for unemployment in the retail Clothing trades because they have encouraged the shifting of trade from the retail to the wholesale branch of these industries, by fixing rates which were too high for the retail section and by failure to prescribe differential rates in the retail sections for rural areas, the wholesale factories being confined largely to cities. "I couldn't pay the Trade Board rate of wages" has often been given as the reason for the dismissal of a worker, but in order to find the real cause one must probe far deeper than the reasons offered by the employer or worker concerned, even though they are honestly thought to be the actual reasons. One example which may be cited is that of a milliner in a Northern semi-industrial city, who said: "Two years ago I had nine employees, of whom four were apprentices, each of whose parents paid me 2 guineas per year as a premium, and I paid each of them 5s. per week. After inspection by a Trade Board officer I found that I was disobeying the law, and so I dismissed one apprentice and three other girls because I couldn't afford to pay them the Trade Board wages. I now have five employees, three of whom are apprentices. I do not sell as many trimmed hats as I did, though that is my speciality, but I buy more shapes and semi-trimmed shapes. I could

sell more trimmed ones if I were able to offer them at 10s. 6d... which is the price of the factory hats, instead of at 29s. 6d. That would mean that I must now pay about the same wages as in 1914." The immediate cause of dismissal was the enforcement of Trade Board rates, but the underlying causes are evidently the competition of the factory, which can produce saleable hats on a reasonable wage basis at a fairly low price, while the craft milliner cannot, and also the low purchasing power of the customers. No case has yet been discovered in which it could be proved that a given worker would not eventually have been discharged, owing either to bad management on the part of the employer or to generally slack trade, even if there had been no prescribed rate of wages. In fact, several employers of wide experience in the Dressmaking trade have stated that had Trade Board wages been reduced to one-half what they were in the autumn of 1921, it is doubtful if enough new orders would have come in to make any perceptible difference in the number of unemployed. Since a 50 per cent. reduction in wages would in many cases mean a return to pre-War wages, with a greatly increased cost of living, such remarks, instead of indicating that wages were too high, tend to show that the general world economic situation has so shrunk the market that buyers are not forthcoming at any reasonable price. One employer, who was asked if he considered the Trade Board rates too high, replied: "No, I believe in high wages. If wages aren't high, I can't sell the garments that we make." Still another employer, in answer to the same question, said: "Because of the fact that girls want to learn the Dressmaking trade for their own use, and so are willing to work several years for almost nothing, the trade has never been on an economic basis. The public has got its dresses too cheaply and has to be educated to higher prices."

The case for and against differential rates has been put in another chapter, and those same principles apply here. Theoretically it is entirely possible that the application of the same rates in a making-up trade to the whole of the country would result in the fixation of rates that were too high for rural areas, but in practice the evidence hardly seems to point in that direction. If the amount of skill required is to be taken into consideration at all, the non-factory workers are those whom one would expect to see favoured in the matter of wages. Moreover, the plea that less good workmanship is required in the making of second grade garments, which are sold in rural areas, has little weight when it is realised that the employer reaps a compensating gain in the reduced time which is required for constructing a poorly finished garment.

The Trade Board wages which were operative in the summer of 1921, when the bulk of complaints was made. show on the whole very little difference between the two sections of the trade. Under the Dressmaking Trade Board (England and Wales) determinations, the only special rates fixed were one for adult males in the wholesale trade at Is. 7d. per hour and two for women in the retail section, viz.. old, and rold, per hour for specially skilled workers. The same general minimum time rates applied to both sections of the trade. This is also true of the general minimum time rates in the Hat, Cap and Millinery trade. Rates for special classes of workers in the cloth cap and hat section of the trade (mostly wholesale), ranging from 1s. 7d. to 1s. 9d., were also operative. The general minimum time rates for adult males were identical in the two sections of the Tailoring trade, while the rates for the special classes of workers ranged from 1s. 11d. per hour to 1s. 111d. in the wholesale, and from 1s, 5d, to 1s. 0d, in the retail branch of the trade, what was gained by one section at one end of the scale being made up at the other end. Both the general minimum time rates and the special rates were higher in the retail trade for adult females, but the work which they do is much more skilled in the retail section of the trade.

The scale of rates fixed for learners was lower for the retail sections of the Dressmaking (England and Wales) and the Hat, Cap and Millinery (England and Wales) trades than for the wholesale section, but it was higher as fixed by the Scottish Boards for both these trades. In the Wholesale Tailoring trade learners' rates ranged from 8s. to 3os. per week, and in the retail section from 9s. to 29s., so that they

can be said to have been practically the same. There has been much criticism of the rates of wages for learners fixed by the Trade Boards in the Clothing trades. It has been said that in a generation there would be no qualified tailors, dressmakers, or milliners, because the rates were so high that no young workers would be employed, and Trade Boards have been blamed for the unemployment of the young people of the country, and for the fact that they were standing idly about the streets when they might have been learning something at work. There are, no doubt, far too many idle young people about the streets, and it is true that employers have frequently refused to take on new apprentices, but whether or not the rates of wages fixed by the Trade Boards are in any wise responsible for these refusals, it is exceedingly difficult to say. It is probably true that in the retail Clothing trades some employers have refused to engage learners on account of the wages which they had to pay, but this was rather because wages previous to the time of the Trade Board were too low, and so the fixation of a reasonable rate brought too sudden a change in wages, than because they were fixed too high in absolute terms. That such is the case is indicated by the fact that employers who paid reasonable wages to learners before there was a Trade Board usually do not think that learners' rates are too high, while those who gave their girls 1s. 6d. or 3s. 6d. per week state in positive terms that "the girls aren't worth so much money," and that "it is ridiculous to pay children so much." Another explanation which was given before Lord Cave's Committee by a man who is well versed in the subject of apprenticeship is that though rates fixed for learners as such were probably not too high, they seemed too high, because in some of these skilled trades no special rates were fixed for apprentices. Even if there had been no prescribed rates of wages at all, it is entirely probable that employers would still have been loath to engage young learners and apprentices in the three trades under discussion, because of the increased financial outlay in a time of trade depression. Rather is it to be expected that they would decide to get rid of some of those juveniles that they had already employed. In a period of

trade inertia, it is obvious that in skilled trades the least experienced, and therefore least valuable, workers will be the first to go, and nothing save gratuitous work can keep the boy or girl in his job. In fact, since the radical reductions have been made in learners' rates, and experience rather than age has been made the basis of differentiation, there seems to be almost as much evasion and complaint about the young people's rates of wages as there was when rates were higher.

It is stated by persons connected with juvenile employment and education that of the hundreds of complaints which have been received, alleging that the learners' rates fixed by Trade Boards were the cause of the dismissal of a boy or girl in a given shop, 99 out of every 100 had, upon further investigation, proved not to be bond fide cases. That is, it was discovered either that the real reason for dismissal was another than the Trade Board rates, or that in a shop where several learners were reported to have been discharged. there were perhaps none but learners employed. Other alleged cases of dismissal showed no foundation whatever in fact. One of the earliest complaints made concerning the ill effects of Trade Boards regulation upon the employment of young persons in the Clothing trades came from the Perth Advisory Employment Committee. Only recently one of the persons closely concerned with the juvenile employment in Perth stated to the writer that in reality it is the natural competition from the wholesale trade rather than the Trade Boards that is responsible for the unemployment situation there. Too great a reduction in the number of young persons entering a trade is to be looked upon with alarm, indeed, but an over-supply is equally harmful. In view of the rapid change in the course of trade from the retail to the wholesale sections, the ordinary number of apprentices and learners cannot in the future be absorbed, and the surplus will eventually find its way either into the factories, where the same kind of training is not required, or will swell the number of "oneman businesses." As a matter of fact, a somewhat similar situation now exists in the Dressmaking trade. The difficulty is not that there have been too few apprentices and learners.

but that because of the fact that many girls were anxious to learn the trade, even if they received no remuneration while learning, there have been too many learners. The result is poor trade training and a superabundance of bad dressmakers, who cannot earn enough to pay their employees a subsistence wage, and who by their very existence help to prevent qualified dressmakers from paying reasonable wages and making a comfortable living. If the Trade Board, by prescribing rates of wages for learners, can assist in adjusting the supply of learners to the demand for them, it will have succeeded in doing a really constructive piece of work. Whether or not that is going to be the result, and whether the present complaints about the dearth of learners are only the symptom of the result, cannot be seen until trade reaches a more normal state.

The evidence on the whole seems to show that a transference of employment from the retail to the wholesale sections of these trades is taking place. The general trade depression and the consequent falling off in the demand for clothing have been chiefly responsible for the failure of the wholesale trade to absorb all of the labour which it would need in normal times, and it has also been responsible for accelerating the disappearance of retail shops, thus resulting in some unemployment. There is a distressing amount of unemployment in the Clothing trades, but instead of its being a situation contingent upon locality and the failure of the Trade Boards to fix differential rates of wages for rural areas. as is suggested by the report of Lord Cave's Committee of Enquiry, it appears rather to be one relating to the class of patronage which individual shops cater for. Because both the wholesale factories and wealth are likely to be concentrated in the cities, it has appeared that the difficulty was geographical rather than structural. Wages may, in scattered instances, have been the cause of individual cases of dismissal, and in order to meet that possibility, the Dressmaking Trade Board has already fixed special rates for rural areas.

Outside the Clothing trades, relatively few complaints that unemployment is due to Trade Board Orders have been

expressed, except in the Laundry, the Rope, Twine and Net, the Flax and Hemp, and the Jute industries. Within the last few months the statement has been made to the writer that an inspector of the Ministry of Labour, who had enforced the Laundry rates in a moderate-sized English town, was responsible by so doing for closing the doors of all the hand laundries in that town. Probably the chief argument brought up to show that Trade Board activity has wrought havoc in the Laundry industry is that a material reduction in the number of workers in the trade has taken place since the Board began to operate. The Laundry Board was set up in May, 1919, a full year before the general period of unemployment began, and at that time this trade, like most trades, was still inflated from the pressure of War work. so that in the normal course of events a decrease in the number of persons employed was sure to occur. Moreover, because the Laundry industry sells a service which is easily capable of being performed by individuals for themselves, it naturally becomes one of the first to suffer in a time of financial stress. But the salient fact about the Laundry trade is that within the period of Trade Board activity, the great majority of British laundries have installed one, two, three or even more new pieces of laundry machinery. This is the direct outcome of an organised campaign among American laundry machinery manufacturers to sell their machinery. and of an efficiency movement on the part of the British laundry operators. It is not, therefore, surprising if a considerable reduction in the numbers of workers has occurred. nor can it be fairly attributed to the minimum wage. One laundry employer, for example, stated that he had recently installed five steam presses which required three girls to operate them, and turned out the same amount of work as sixteen women had done before the installation of the machines. Such cases as this could be multiplied many times. They fully explain why it is that the number of persons employed in the trade has declined, and partially explain why some hand laundries that are required to pay Trade Board rates or anything more than a sweated wage, cannot continue to exist. It is another instance of the struggle between the

machine industry and the hand industry. And just as it was found in the Dressmaking trade that only those shops could succeed which catered for quality or which were able to effect economies by having a working manager, so in the Laundry trade only those hand laundries can survive which either refrain from attempting to compete with the steam laundry and make a speciality of doing delicate work, charging accordingly, or save on rent and wages by carrying on business in their own residences with the aid of members of the family. In the latter case the employers usually belong to the same class as the workers, and make profits which are approximately equal to their wages. Temporary unemployment may follow the installation of machinery, but in course of time the labour will be absorbed by industry as a whole. According to the Labour Gazette figures, the total percentage of unemployment in the Laundry trade has stood almost consistently below that in any other trades except those of professional service, commercial, and clerical employment, train and omnibus service, hosiery and corset manufacture, the last of which is also a Trade Board trade.

One of the leading employers in the Net-making trade stated before Lord Cave's Committee of Enquiry that this trade had been "completely dislocated and crippled by the operation of the Trade Boards system." The Net-making trade is primarily a homework trade, and has been built up largely at the expense of the workers. In 1914, women homeworkers on piece rates were reported to be earning between 11d. and 2d. per hour, when working at high pressure. During the War, rope-makers under the munitions orders received as much as 42s. per week, but the wages of netmakers and net-menders remained at such a low level that the fixation of a reasonable wage by a Trade Board meant an increase of over 100 per cent, in some firms, and was certain to cause some dislocation. There are, however, more profound reasons why certain sections of the Net industry should be slack. Previous to the War, British fishermen supplied Russia and Germany with great quantities of herrings, which they caught, salted and shipped. The consumers of nets at home were chiefly these fisherfolk. But during and since the

War, for obvious reasons, the foreign market for fish is by no means as great as it once was. Consequently the Fishing industry, and with it the Fish Net-making industry, are suffering from loss of trade. It is a significant fact that while the firms that make fish nets are at a low ebb, those which specialise in sports nets, a section of the trade which is not affected by either bad fishing or by the closing of the Russian and German markets, are running at very nearly their normal capacity, and are employing almost the normal number of workers.

In the Flax and Hemp industry charges of the creation of unemployment have also been made. The explanation in that trade is the scarcity of raw materials and their high prices. Before 1914, Russia furnished between three and fourfifths of the raw flax which was spun into yarn in British Political and economic difficulties, as well as the recent drought in that country, have resulted in a constantly decreasing acreage of flax since 1017, so that the 1020 crop averaged roughly about 10 per cent. of the number of pounds produced in pre-War years. Attempts to relieve the: situation by growing flax in Ireland have also been foiled by the Irish political situation. The natural result has been not only a tremendous rise in the price of both, raw and manufactured flax, but so great a shortage of raw material, that at times it cannot be obtained at any price. Under such circumstances, flax products cannot be contracted for. nor even sold at the high price which would cover costs. The sale at half price of large stocks of flax materials which were bought by the Government during the War, and left on its hands, has only added to the difficulties of the flax manufacturers. The Flax industry has become so highly specialised that even though there is a great deal of flax spun in Belgium and in Ireland, their linens do not compete to any great: extent with the Scotch damasks, and so the foreign competition argument is entitled to much less attention in that trade than it might seem to deserve. The general minimum time rates for women fixed by this Board are the lowest set by any Trade Board.

The Jute industry likewise has been running only part time

for more than two years, and the rates of wages fixed by the Trade Board have been said to be to blame, in part at least. for the slow revival of trade. On December 1st, 1922, the general minimum time rates operative in the Jute trade were 61d. per hour for women and 10d. per hour for men, and except for the Flax and Hemp rates, these were the lowest fixed by any Board. If it were true that the Jute industry could not afford to pay these rates of wages, Great Britain would, indeed, be far better off if there were no jute manufacture within its borders. In reality it is not so much the present rates that disturb the employers, as the fear that if they are not able to get wages down to a lower level in a time of unemployment, the increase demanded by the workers when trade is good will make the rate a higher one than they are willing or perhaps able to pay. Other economic forces than wages are responsible for the unemployment and part time employment. The Jute industry is one which is almost entirely dependent for its prosperity upon the prosperity of other industries. The products which it offers for sale, such as gunnies, linoleum linings, inner linings for cheap clothing, floor coverings, etc., are useless unless attached to the product of some other industry, therefore a general trade depression is sure to affect the Jute industry very seriously indeed. Even would-be buyers, moreover, are holding back their large orders and purchasing only small amounts instead, because of the rapid and wild fluctuations which have occurred in the price of jute first marks, of jute yarn, and of hessians. The price of jute first marks has varied from £14 15s. per ton, in 1914, to £75 in 1919-20, while the price of hessians (40 ins., 101 ozs.) has been quoted at anything between 2,4d, and 111d, per yard. Even during 1021-22 the prices of first marks ranged from £24 10s. to £38 ros., and hessians from 61d. to 91d. In the opinion of the Manchester Guardian Commercial, it is this wide variation in prices, together with the suddenness of the changes, that is the chief factor in making the Jute trade situation what it is.

The matter of foreign competition, which has for many years been offered as an excuse for the low rates of wages in the trade, is confined to the lower class of goods, e.g., gunny sacks, and is constantly becoming less serious as the manufacture of the better class goods develops. Wages paid to Indian workers fall so far below the British level, viz., 4s. to 6s. per week, that were there no wage regulations whatever, it would still be impossible for Dundee to reduce its wages to such a standard as would meet the competition in India. British methods, output, and quality are, however, superior even on the competitive work. As times goes on, the tendency is for British firms to specialise in the fancy jute goods, leaving the cheaper grades to India. Furthermore, the stock of three of the largest jute manufacturing concerns in Calcutta is owned by Dundee men, so that there is the possibility that these companies might act as feeders to the Dundee industries rather than as competitors.

The other trades in which it is said that foreign competition, combined with the high Trade Board rates, is causing unemployment, are Lace Finishing; Flax and Hemp manufacture; Toy; Rope, Twine and Net; Pin, Hook and Eye; and Stamped or Pressed Metal Wares making. Foreign competition in the Lace trade is of long standing, though it is said to be more acute now than ever before. Wages paid in France are reported to be about a quarter of those paid in Great Britain at the present rate of exchange, but there is a somewhat greater output in England than in France. The chief reason why Nottingham lace finishers are unemployed is not that the wages are so much lower in France, but that countries like America, which used to be large consumers of British lace, are now making their own, or when it is bought abroad French lace is often given preference because it is superior to that which is now made in Nottingham. At the moment the silk jumper craze, and the resulting falling off in demand for blouses, are having a decided effect in diminishing the sale of both lace and buttons.

In the four other trades, the plea of foreign competition is of more recent origin, it having become more formidable since the War. Obviously, it is impossible for British manufacturers to pay wages which can be compared with wages 214

in Central European money. In fact, employers in the Small Metals trades have stated that certain German, Austrian and Czecho-Slovakian articles are-being sold in British markets at a price less than the cost of producing those articles at home, and that the result is lack of orders and unemployment in England. As a matter of fact, in many cases the most serious competition is being felt in the manufacture of goods which before the War had been made exclusively by Central European countries, and which British manufacturers have recently begun to make, in order to supplement the depleted sales of other articles. Practically the entire Toy trade, for example, was built up during and since the War, and it is not surprising that British manufacturers should find it difficult to compete with the experienced German makers of such goods, even at normal rates of exchange. Except in "soft" toys, makers in this country have not been particularly successful, and it is doubtful in the extreme if excessively low wages will make them sufficiently so to reduce the unemployment in that trade. Some metal manufacturers also, in order to make up for lack of sales in other lines, have undertaken the manufacture of certain small articles which, previous to 1914, were made entirely by Austria and Czecho-Slovakia, and they are finding it difficult to compete with these countries even under the existing rates of exchange. Japan has also been named as a formidable competitor in pin, hook and eye manufacture and in some other trades. but most employers who have investigated the situation agree that even though low wages are paid, and perhaps because of it, the quality of Japanese goods is so inferior that they seldom hold a market. This has been the case, so it is said, in the manufacture of pins, hooks, eyes, and snap fasteners.

Net and twine manufacturers complain bitterly that never until last year have "foreign nets been landed on British shores," and they state, besides, that they are now feeling competition from countries such as Denmark and Holland, whose exchange rates are almost at par. On the other hand, they seem to be holding most of their colonial customers, and they recognise that, though the Russian and Scandinavian markets may have been temporarily lost to German manu-

facturers, the superior quality of British goods will in time regain the markets for them. When asked the question whether or not they consider that bad trade is due rather to the low purchasing power of would-be buyers than to the actual loss of trade to specific foreign competitors, employers in these trades almost invariably answer that they do not know. One twine manufacturer who was interviewed, however, indicated that he did not believe foreign competition was very serious in this trade, and cited a case in which he was bidding for an order that a German firm was also attempting to get, the German offer being only 5 per cent. less than his, despite the difference in the rate of exchange.

Another thing which goes to show that the German competition will be only of short duration is the rumour that certain German firms have been seeking to make a working agreement with certain British hollow-ware manufacturers.

An examination of the situation leads to the conclusion that foreign competition is in reality a much less serious factor than the public has been led to believe. Trade Boards in fixing rates have, however, taken a reasonable account of it, though they have not allowed wages to sink quite to the 1914 standard. General minimum time rates fixed by Boards in trades which are subject to severe foreign competition are very low indeed as compared with other trades, and include the lowest rates set by any Trade Boards. Compare the rates given on p. 216 with the average wage of 7d. for women and 1s. 1d. for men as set by all Trade Boards.

Although the employers use the foreign competition and unemployment arguments very freely in wage discussions at Trade Board meetings, and although they make occasional complaints to the effect that the Trade Board rates are so high as to bring about unemployment in these trades, it can be truthfully said that they generally recognise that it is through an international readjustment only that trade can be brought back to life. One employer, when asked by a member of Lord Cave's Committee if his trade could withstand German competition if lower rates of wages were paid, replied: "No, if we tried to pay on the German basis at the present rate of exchange, our employees would work for us a

week and then owe us something for working for us." And obviously, it would be entirely impossible for British manufacturers to pay wages which would meet those of the competing foreign countries, even were there no minimum wage legislation in existence.

	Males.	FEMALES.			
Trade Group.		General Minimum Time Rates.	General Minimum Time Rates.		
		Per hour.	Per hour.		
Tion and II	- 1	s. d.	s. 4.		
Flax and Hemp	- [	O II	0 0\$		
Jute	• [	0 I0	0 6}		
Lace Finishing	. [	_	0 6 <del>1</del>		
Pin, Hook and Eye, etc.	.	0 II <del>1</del>	o 6 <del></del>		
Rope, Twine and Net	. 1	I O I	0 7		
Stamped or Press Metal Wares	. 1	I O	0 7		
Toys		I 21	0 711		

Displacement of labour is another phase of the unemployment problem, and it is frequently confounded with unemployment itself by critics of the Trade Boards. The former does not necessarily imply that in the end fewer persons are employed, but that those who are employed belong to a different group. Socially, displacement may be as detrimental as, or even more so, than unemployment, depending chiefly upon the nature of the group to which the employment is transferred. But in considering this matter, too, great care must be used to place the onus of whatever changes have taken place upon the right shoulders. It has been brought to the writer's attention in numerous interviews, particularly with workers, that one of the results of fixing different rates for young workers and adults has been that adults were dismissed and young persons substituted. In the Laundry trade, for instance, it is said that there is a far greater proportion of juveniles employed than there was

A proposal to reduce the rates is now pending.

only three years ago, and in the Dressmaking trade there are cases, known personally to the writer, in which girls have been discharged at the age of eighteen years, the reason given by the employer being that he could not afford to pay the adult rate and would prefer a younger girl to whom, by the Trade Board wage schedule, he need not pay so high a rate. That such a tendency would be natural in certain conditions is easily recognisable, but the extent of it must be contingent upon various other circumstances, such as the degree of skill in the trade and the adaptability of the jobs to younger workers. Two distinct tendencies are developing along the line of change suggested above. We have already noted a perceptible tendency in the Dressmaking and other Clothing trades towards the dismissal of young workers in preference to older and more skilled ones. That is explained by the fact that the Clothing trades are highly skilled. In other industries, particularly Laundry, which is rapidly introducing machinery and becoming a less and less skilled trade, the trend is in the opposite direction, that is, towards discharging older workers to the advantage of the younger ones. The explanation is that young girls can operate certain machines as successfully as experienced workers, and they cost much less in wages. The Tobacco trade presents another example of a trade where the latter tendency is noticeable. During the last few years especially, the demand in the cigar trade. which was the branch of the trade where the most skilled adult workers were employed, has materially declined. the other hand, the sale of cigarettes has jumped up by leaps and bounds. Installation of automatic cigarette-making machines has taken place, and the bulk of the work, therefore. has become so unskilled that it can be done as well by a girl of sixteen or seventeen years as by a full-grown man or woman. The Trade Board may, in some cases, have been responsible for the dismissal of young workers at the adult age, because the jump in wages provided by the schedule was rather too sudden. An ingenious method of avoiding that difficulty has been invented by the General Waste Trade Board, whereby it is provided that half-yearly increases shall be payable on either the first pay day in January or in

July, according to which immediately follows the date on which the worker attains the age when an increase is due, rather than upon the actual date at which he attains that age, as most of the other Boards require. Such an arrangement may assist in making the line of demarcation between young workers and adults less abrupt, but it will hardly eradicate the preference for young workers, for that is inherent in unskilled and semi-skilled trades which produce goods by machinery.

Probably the most positive effect for good which can beattributed to Trade Boards in the field of employment lies in the improved relations between employers and employed which has developed out of negotiations in Trade Board meetings. Almost without exception, employers and workers alike will agree upon this point. There are two strikes on record which are said to have grown directly out of the fixation of rates by a Trade Board. One is the strike of the women chain-workers in Cradlev Heath, which was organised just after the first rates were fixed by the Trade Board, in order to force the employers to pay these rates at once instead of waiting for the six months period of limited operation to elapse. The other is the strike of the Liverpool rope-makers, which began in 1919 and lasted for more than a year. It is said to have resulted from the cancellation of a temporary rate of 101d. per hour fixed by the Trade Board. In a number of other trades, such as Sack and Bag, Laundry. Sugar Confectionery, etc., unofficial strikes have occurred from time to time because of evasion of Trade Board rates or because employers failed to keep their agreements to pay more than the Trade Board rates. Since Trade Board trades are unorganised trades, in which it is not to be expected that the strike would be used as a weapon to any large extent, it cannot be said that the number of strikes has been greatly reduced by the operation of Trade Boards. Nevertheless, it has happened in a number of cases, chiefly in the Clothing trades, that when there was disagreement between workers and employers relative to wages, Trade Board inspectors have been asked to come in to examine the pay rolls, and thus serious disruption has been averted.

Nor is it so much such discussion of the questions of great moment as the little incidents that matter. An example may be drawn from the meeting of a Trade Board at which the writer happened to be in attendance. This Board had lived through a most stormy existence, and had worn out two chairmen in the process of fixing its initial rates. On this particular occasion the feeling had been running high, for the subject of discussion was reduction of rates, and it was one of the first Boards to attack that subject. The employers and appointed members had left the board room for consultation, leaving the workers' representatives, who were mostly middle-aged women, to confer with each other. One of the women workers caught sight of a large box of cigarettes which had been inadvertently left upon the table by the leader of the employers' side, who had been most vehement in his utterances that morning, and with a twinkle in her eye she reached for the box and distributed its contents among her fellow workers. The cigarettes were lighted amid much gaiety and remarks to the effect that they'd "got it back on the old man, anyhow." This was a trivial incident indeed, but there can be little doubt that it furnished an outlet for pent-up feelings and aided to some degree at least in bringing about a settlement without ill-feeling. Another small thing which has contributed to friendly relations between workers and employers has been the Trade Board dinners. In such ways as these the Trade Boards have promoted good feeling and augmented mutual understanding. Doubtless many embryo disputes have been prevented from developing because the Trade Board has offered an opportunity for collective bargaining and friendly discussion around a table, while without it the only resource would be a strike or a lock-out.

Unfortunately the groups of trades, for which unemployment figures are given in the *Labour Gazette*, do not correspond sufficiently well with the grouping of trades which has been made for Trade Board purposes to warrant the use of these figures in a careful comparison of the relative amounts of unemployment in Trade Board and non-Trade Board trades. But, since no other reliable information is available, it is perhaps permissible to give some of the figures for December, 1922 (published in the January Labour Gazette), with the caution that only very general deductions should be made because of the lack of corresponding definitions and grouping. These figures, though representing the position in one month only, bear very nearly the same relation to each other as do those given for other months since the unemployment crisis began. The average percentage of totally unemployed persons in sixty-three trades on December 18th, 1922, as shown by the number of unemployment books lodged at that date, was 12.2 per cent. Following is a table indicating which trades showed a percentage of unem-

Total Unemployment.

ABOVE 12'2 PER CENT.

Building Construction other than Building Shipbuilding Engineering and Ironfounding Construction and Repair of Vehicles Iron and Steel, Tin Plate, etc. Brass, Copper, etc., Manufacturing Hand Tools and Cutlery Wire and Wire Goods	18-5 22-6 35-6 20-6 14-1 22-1 17-3	Does a Trade Board apply? No. No. No. No. No.
Construction other than Building Shipbuilding Engineering and Ironfounding Construction and Repair of Vehicles fron and Steel, Tin Plate, etc. Brass, Copper, etc., Manufacturing Hand Tools and Cutlery Wire and Wire Goods	22·6 35·6 20·6 14·1 22·1	No. No. No. No.
Construction other than Building Shipbuilding Engineering and Ironfounding Construction and Repair of Vehicles fron and Steel, Tin Plate, etc. Brass, Copper, etc., Manufacturing Hand Tools and Cutlery Wire and Wire Goods	22·6 35·6 20·6 14·1 22·1	No. No. No.
Shipbuilding Engineering and Ironfounding Construction and Repair of Vehicles fron and Steel, Tin Plate, etc. Brass, Copper, etc., Manufacturing Hand Tools and Cutlery Wire and Wire Goods	20·6 14·1 22·1	No. No.
Engineering and Ironfounding Construction and Repair of Vehicles Iron and Steel, Tin Plate, etc. Brass, Copper, etc., Manufacturing Hand Tools and Cutlery Wire and Wire Goods	20·6 14·1 22·1	No.
Construction and Repair of Vehicles from and Steel, Tin Plate, etc.  Brass, Copper, etc., Manufacturing Hand Tools and Cutlery  Wire and Wire Goods	22·I	
fron and Steel, Tin Plate, etc.  Brass, Copper, etc., Manufacturing  Hand Tools and Cutlery  Wire and Wire Goods	22·I	
Brass, Copper, etc., Manufacturing Hand Tools and Cutlery Wire and Wire Goods	T7:2	No.
Hand Tools and Cutlery		No.
Wire and Wire Goods	17.7	No.
	12-8	No.
Bolts, Nuts, Screws, Chains, and Anchors	22.2	To Chains.
Hardware and Hollow-ware	13.6	To Hollow-
	130	ware.
Rubber and Rubber Goods	13.1	No.
Brick, Tile, etc.	14.0	No.
Ontterr ata	16·3	No.
Glass Trades	19.0	No.
Miscellaneous Road Transport	_	No.
Seamen	17·7 21·6	No.
		No.
Canal, River, etc., Service	18.4	In some
Warehousemen, Packers, Porters, etc.	19-2	trades.
Wining sta		
ron Mining, etc	22.5	No.
Other Mining	<del>2</del> 5'4	No.
lax, Linen, Hemp	18-5	Yes.
ute	13.4	Yes.
Lace	13:7	To Finish-
Other Industries and Services	22·I	ing only. May.
other industries and services	A4-4	moy.

BELOW 12'2 PER CENT.

Trade.		Percentage.	Does a Trade Board apply?		
Sawmilling, etc	$\prod$	10-7	No.		
Ammunition and Explosives		11·3	No.		
Electrical and Surgical Instruments	.	10.5	No.		
Needles, Pins, Pens, Dies, Seals, etc.	. 1	11.4	To some.		
Watches, Plate and Jewellery .	. 1	11.1	No.		
Miscellaneous Metal Goods	: 1	10.2	To some.		
Leather and Leather Goods	1	тоб	No.		
Hotel, etc., Service	1	10.5	No.		
Laundry Service	. 1	5·6	Ves.		
Commercial, etc., Service	. I	5·7	Ño.		
Railway Service	.	8.5	No.		
Tramway Service	. 1	4·X	No.		
Coal Mining	٠.	4.6	No.		
Quarrying, etc. <sup>1</sup>	. [	8.1	No.		
Paper-making, etc.	. [	7.0	No.		
Manufacturing Stationery	٠١	5'7	May.		
Printing, Publishing and Book-binding	.	5 9	No.		
Cotton Trade	٠,	<b>6</b> ∙1	- No.		
Woollen Trade	.	41	No.		
Silk Trade	. I	•	No.		
Rope, Cord, Twine and Net	٠ ١	4 <del>'4</del> 10:9	Yes.		
Hosiery	.	2.1	No.		
Textile Bleaching and Dyeing	. [	6.5	No.		
Carpet and Rug Manufacture	٠ ١		No.		
Other Textiles	٠ ا	3·3 8·2	No.		
	٠ ١		Yes.		
Tailoring Trade	- 1	9:3	Yes.		
Dressmaking, Millinery, Furriers .	٠ ا	7.0	Yes.		
Hats, Caps, Bonnets	- 1	9.4	Yes.		
Boot and Shoe Trade	٠ [	4·I			
Boot and Shoe Trade	٠	8-3	To Repair- ing.		
Other Clothing	. 1	7:7	To some.		
Manufacture of Food and Drink .	.	9.6	To some.		
Tobacco, etc.	. 1	6∙9	Yes.		
Public Utility	. 1	7.9	No.		
Oilcloth, etc	. 1	5.8	No.		
Distributive Trades	.	6.3	To one.		
National and Local Government .	.	10.1	No.		
Professional Service		4.3	No.		
	1	7 3	1		

ployment above the average and which below, and whether a Trade Board applied to any part of the group of trades named. Although no definite conclusions are possible, as the figures stand it appears that in only seven of the trades having a percentage of unemployment above the average is a Trade Board applicable to any part of the trade or group of trades, while fourteen of those having a percentage of unemployment less than the average come to some extent, if not wholly, under a Board.

Moreover, of the eight trades in which the percentage of unemployment was over 20 per cent., only one, viz., Bolts, Nuts, Screws, Chains and Anchors, etc., has any direct connection with a Trade Board. Following is the list in order of magnitude of percentages:—

Shipbuilding						35 6
Other Mining .		•	•			25.4
Construction of Works o	ther	than	Build	ding		22.6
Iron Mining						22.5
Nuts, Bolts, Screws, Cha						22.2
Iron, Steel, Tin Plate,	and	l Gal	vanis	ed St	ieet	
Manufacture .	•	•	•			22·I
Seamen	•	•		•		21.6
Other Industries and Ser	vices	š .				22·I

It will be readily seen that those trades which are suffering most from unemployment are those which furnish supplies to other trades. Whether or not they were under a Trade Board would for this reason have little effect. Of the twenty-seven trades showing a percentage of less than 10 per cent. unemployment, ten are trades to which a Board applies in one branch of the group at least. That is, ten of the twenty-one trades in the list to which a Trade Board had been applied showed unemployment percentages of less than 10 per cent. of the workers in December, 1922, while only one was included in a group which had 20 per cent, or over of unemployment. It is a striking fact also that some of the trades in which complaint of an excessive amount of unemployment has been made fall near to the bottom of the percentage list, 1 e.g., Tailoring, 9:3 per cent.; Dressmaking, Millinery, Furriers, 70 per cent.: Hats, Caps and Bonnets, 9.4 per cent.; Laundry, 5.6 per cent., and the trade having next to the lowest percentage of all trades is one under a Trade Board, viz., the Corset trade. These figures seem to indicate that Trade Board trades are, perhaps, in a slightly

<sup>1</sup> Juveniles under sixteen years of age are omitted.

better position on the whole as regards unemployment than other trades, but any such generalisation is hardly justifiable because of the interaction between the conditions in one trade and those of another.

It is far more important to show, as has been done, that there are many economic factors contributing towards unemployment in every Trade Board trade and that a different set of circumstances is operative in each. Careful investigation invariably reveals reasons other than unduly high rates of wages which explain the existing unemployment and part time employment. Naturally enough, employers who are lost in a maze of obscure economic and political forces acting together have been prone to blame the first tangible thing in sight for the loss of their business, and that has happened in many cases to be a Trade Board. But to charge Trade Boards with the responsibility for unemployment on any large scale is quite unwarranted in face of the evidence. That, on the whole, tends to absolve the Trade Boards system from this charge, that is, in so far as any part of a great economic system can be freed from the responsibility of having contributed to the general economic situation of which it is a part.

### CHAPTER VI

## ON COSTS OF PRODUCTION, OUTPUT AND PRICES

It has become a generally recognised fact that increased wages do not necessarily mean increased costs of production. If they do, other things being equal, the amount by which wages are raised must obviously be absorbed in a higher price to the consumer, or the shareholders must suffer decreased profits. The alternatives, when minimum rates of wages are prescribed, as by a Trade Board, assuming that the effect of such legislation has on the whole brought about a higher wage level, are two; first, increased output, and second, other economies or improvements in management. Other things, however, may not be equal. A situation may develop in which a general rise in wages, whether it be enforced by the action of the Trade Board or not, is accompanied by disproportionate increases in the other factors which enter into costs of production, and a readjustment of the entire economic fabric is demanded. It is virtually such a situation as this that industry has been attempting to stem for the past eight years.

Wages are not the only factor in the costs of production that has increased. Both the prices of raw materials and overhead charges are enormously greater than they were in 1914. The amount by which they are greater varies, of course, both according to the particular industry and the managerial ability of each firm. The average price of woollen materials used for tailored garments is said to be about 100 per cent. more than it was before the War, though fine woollens have, within recent months, been even more expensive than that, and, at the same time, some stocks of Government goods could be purchased at less than pre-War prices. In November, 1922, the price of the tin plate from which tin boxes are made was about 20s. per hundredweight,

as compared with 12s, per hundredweight in 1915. The cost of raw materials used in some other industries, such as Tobacco, Sugar Confectionery, Aerated Waters, etc., has been enhanced by taxation as well. Certain individual firms which had bought heavily of raw material while the price was high suddenly found themselves confronted by a trade slump and tumbling prices, so that the proportionate cost of materials was increased still more to them. The circumstances which have led to the increase in overhead charges are: (1) the imposition of heavier taxes, (2) increased rentals, (3) re-valuation of property for purposes of the assessment of rates, (4) the disuse of buildings erected and equipped at great expense during the War. The last of these points is of peculiar importance. Numerous employers, and particularly those directly affected by the War demand or by the post-War boom, either because of the apparently unlimited opportunity for expanding business or because of their disinclination to see profits swallowed up by the excess profit tax, were impelled to erect new buildings and to extend their plant and equipment generally. Soon after these improvements had been completed the trade depression set in, and during the subsequent two years not a few employers have been heavily burdened with the upkeep of a large and well-equipped factory, only a small portion of which is at present in actual use. The explanation of the failure of a number of relatively small Metal firms which sprang up during the War, for instance, lies in this combination of a top-heavy plant, together with a lack of good-will. And in other trades, from Aerated Waters to Wholesale Clothing, the same situation exists.

Up to 1914 experience under the Trade Boards Acts showed that the imposition of a minimum wage in itself tended to stimulate workers to do their best work and to increase output, while at the same time it encouraged employers to make their employees as valuable as possible by giving them better facilities for work and by making various adjustments within the works. There seemed to be no doubt in the minds of the majority of employers in seven of the eight British trades for which Boards had been set up

previous to 1918 that the general effect of Trade Board legislation, as evidenced by piece work earnings, had been to increase output. In one trade only, the Shirt-making trade, were complaints made that output had suffered reduction. In this connection a firm in an English town produced figures purporting to show that whereas in 1916 the output of that firm had been 1,000 dozen shirts per week, in 1918 it was only 750 dozen. Investigation of production methods in this firm showed, instead of a decrease, a proportionate increase of 10 per cent, over the 1916 output. This was due to three factors: (I) increased efficiency of the works, (2) greater encouragement to earn more because of better rates, and (3) the use of slightly better materials. It was also discovered that the apparent decrease in output was due to the stoppage of fourteen machines in 1918 which had been running in 1916, and to the fact that because of the labour shortage only half as many out-workers were employed in 1918 as had been employed in 1916.

Since 1914 the general War movement towards the promotion of plant efficiency has given added momentum to the use of improved methods for increasing output. In the personal investigations of the writer, hardly a shop or a factory was visited among Trade Board trades where at least one new machine had not been installed, or where the manager did not proudly explain some bit of reorganisation which had increased his output. Although some of these firms were not now showing a net profit because of generally slack trade, and frequently owing to the excessively high overhead charges (even in small firms they were often proportionately very high), in many cases it was stated that when trade revived they would be in a position to produce far more than they had ever produced before, at a much less cost per unit. Some trades necessarily lend themselves more readily than others to the application of improved methods, and, of course, large firms ordinarily have an advantage over the smaller ones, but specific firms were found in every trade where reorganisation, installation of machinery, or the application of some technical device, such as a time clock or a cost accounting system, had been responsible for a marked

decrease in the cost per unit of output. The sewing and the distributive trades are some of those in which there is relatively little opportunity for increasing output. In the one case there is, strictly speaking, no output at all, and in the other case, the chief machines which are used, viz., the power sewing machine and the button-holing machine, have been in general use for a number of years. Nevertheless, instances came to light in both these groups of trades where ingenuity and thought upon the part of the manager had resulted in economies. One dairy firm in particular had, after the Trade Board rate became effective, rearranged its customers into more compact "rounds," so that the "roundsmen" need not spend so much of their time in walking long distances between customers. It was stated that this had meant a considerable saving in wages. In answer to the question as to how his firm had met an increase of Ios. per week in the wages of his employees, which was said to have been the result of fixation of rates in a firm that hemmed sheets, handkerchiefs and other similar articles, the proprietor replied, "Well, the wages were too low before, and we met the higher wages partly by increasing the price which we charged the warehouses for doing the work. We already had all the latest machinery, but we rearranged the girls who worked in teams, so that some quick and some slow girls worked together. The quick ones would not be held back and so the slow ones had to work faster. This increased our output greatly." A number of other instances might also be given, yet, on the whole, the strictly productive trades gave more evidence of having improved methods in order to offset increased cost of production. The manager of a large aerated waters firm in the North of England, for example, replied to the same question as follows: "Every firm of any business ability has been forced to reorganise and improve methods on account of the increased wages bill. Our firm has reorganised from A to Z, and we have put in all new machinery. The result is that we shall be able to double our pre-War volume of output when business picks up, and our factory labour cost will constitute no larger proportion of the selling price than it was in pre-War days. Our overheads are more, chiefly on account of the rates. The place where you cannot make up the increased wages is in the transport department, but that does not come under the Trade Board. A man cannot carry twice as much as he did before the War. We shall, therefore, have to get his extra wages out of our increased production also."

Very similar ideas were expressed by the manager of a rope and twine factory, who said, "We have installed a large amount of new machinery since the War and have extended our plant. We get a much greater output per unit, and could entirely offset the increase in wages if we were running at full capacity. Though wages are greatly increased, they are not as great in proportion to the selling price as they were pre-War. Our overhead charges are much greater, however." The manager of another twine and net works, located in a different part of the country. also said, "The Trade Board raised our rates about 100 per We met it by increasing prices, by installing machinery, by instituting piece instead of time work, and by the elimination of waste labour. In one of our factories we get three or four times as much output from piece work as we did from time work. In course of time these economies would probably have come anyway, but we have been put to it now by the increased wages."

Notwithstanding the recent failure of one or more large tin box-making firms there are other firms in the same trade which have effected notable economies and are doing well. In one such firm the owner appeared in a white coat, just as he had come from the shop where he was trying some new experiment in tin box-making. "Yes," he said, "We have installed a number of automatic machines since 1918 and improved our methods of buying. One automatic machine which is operated by a fifteen-year-old boy turns out as much work as seven girls did with our old machine. It requires several small girls as well, to carry away the work. The total labour cost now is about 20 per cent. of the selling price, and it is no more than it was before the War, though wages have increased. We are very busy and have had no slack time, despite the trade depression. We have even

managed to hold our export trade." In a tin box firm in another part of the country which did a totally different class of work, the writer was conducted through the factory and was shown the various improvements which had been Many new machines had been installed and all of the machines had recently been re-set, so that it was no longer necessary to carry work from floor to floor, as it had been, and so that the work passed directly from one worker to another without being carried from one end of the room to another. "By this rearrangement of work," said the manager, "I have saved £50,000 per year. We pay the same piece rates as we did in 1914 and they yield the Trade Board rates now just as they did then, although the rate is much higher now. Our output is much greater than it was. One new machine that we put in, for instance, turns out 100 per cent, more production than the old one did. We have also made other economies. We dispose of scrap tin to better advantage than we did, and we have altered the position of the workers so that the quick and slow ones alternate. Business isn't very good just now because we are dependent upon other trades for orders, but we are in a position to do well when trade improves."

The same sort of thing has occurred in various other firms. Reference has already been made to a small metal wares firm which had installed a new cost accounting system. This same firm had bought many new machines and had increased its output and eliminated waste labour. It was doing seven-eighths of its boom period turnover and much more than before the War. Laundries generally have greatly increased their efficiency by reorganisation of work and by use of modern machinery. Three new machines which had recently been installed in a paper bag factory. and which required three minders to operate them, were said to be doing the work that forty-five girls had done before. To these examples might be added more from each of these trades and also from the Boot and Shoe Repairing, Brush and Broom, Shirt-making, Paper Box, Confectionery, and many other trades. The explanation offered for such improved efficiency as had been got in

nearly every case was the increase in wages and other costs of production.

The initiative for improvements of this kind has most often come from the employer, but not a little credit is due to the Trade Board inspectors for giving great assistance to some employers in matters pertaining to management. This has usually occurred in connection with the examination of piece rates in order to find whether they would yield the minimum rate of wages prescribed by the Trade Board. An inspector not infrequently finds that the piece rates being paid by one employer do not yield the minimum rate per hour, while in another firm, which pays the same rates and does the same work, the yield is satisfactory. In such situations the inspector is often able to be of great assistance to the employer in readjusting his organisation. There was a laundry, for instance, in which such a situation had arisen. The inspector studied the case carefully, after which he reported to the manager that the value of the workers had been lowered in five specific ways as follows: (1) by waiting for work, (2) by time lost by workers in fetching and carrying their own work, (3) by work being badly prepared, that is, too wet or too dry for ironing, (4) by workers doing their own goffering, and (5) by workers folding and pinning shirts after ironing. In order to prevent this economic waste the following suggestions were offered by the inspector: for (1) alteration of delivery arrangements, (2) employment of juveniles to do all fetching and carrying, thus enabling the ironers to remain full time on productive work, (3) giving out freshly prepared work in smaller lots, (4 and 5) employment of a time worker to do this work.

Another way in which the Trade Boards assist in improving output and management is by the provision regarding payment for waiting time. In a period of normal trade the fact that workers must be paid for all the time which they spend upon the premises of an employer has often spurred the employer on to eliminate wasted time by a change in his working methods. It is even possible that an entirely new system of organisation may be required, in order to avoid payment of a few highly skilled workers for time during

which they would otherwise be idle. The work in a tailoring shop, for example, is usually done by teams of three, a cutter, a machinist, and a fitter-up. If any one of the three is a slow worker, if the machines are not properly geared, if the work is badly planned, or if any one of a number of other possible mal-adjustments should occur, either one, two or even three of the members of the team may be left idle for a considerable period of time. There is also the further possibility that overtime rates will have to be paid to ensure finishing an order at a specified time. Thus some important advances in managerial efficiency have grown out of Trade Board legislation.

Yet another way in which Trade Boards have been effective in increasing the national product per man-hour is by hastening standardisation in a trade. They do this directly in the field of wages by prescribing minima which must be paid by an entire trade. They expedite standardisation of other kinds indirectly, by classifying and naming jobs and processes, by disseminating trade knowledge through discussion of trade matters at Board meetings, through assisting the organisation of employers and workers, and through the work of inspectors. The classification of jobs, for example, which is made as a foundation for fixing general minimum time rates for special classes of workers, or the making of piece price lists is not arbitrary, but is based upon the custom and practice of the trade, in so far as there is any unity in these respects. Since it is, with a few exceptions, only the larger firms which can boast of any method or practice at all, the naming of jobs in itself automatically aids in bringing the fringe of small and badly managed firms up towards the standard of the best in the trade. A good example of what may be done by a Trade Board is to be found in the Rope. Twine and Net trade. It was desired to fix an elaborate scale of rates for different classes of time workers, but no satisfactory basis could be found, because the trade is carried on in three separate sections of Great Britain and trade practice varied greatly between different sections and between different firms in a section. So great is the difference that the terms used by an employer from one section of

the country are sometimes not even understandable at all to one from another section. A committee of trade experts from the Board was therefore appointed, and with the aid of an expert inspector, the jobs in these trades have been classified under 120 odd headings and into four general classes, for each of which rates were at one time prescribed. The possibilities of the Trade Board in this direction seem as yet to be quite unappreciated, both by the public and by business men. The more enlightened employers recognise the value of bringing all employers up to the same standard in the matter of wages. They regard that, in fact, as being the greatest advantage of a Trade Board, but only a few realise the importance, both to the success of their individual businesses and to society, of making the knowledge of an individual firm common knowledge throughout the trade. It not only means an increased total output which will enhance the national income, but it means a high level of efficiency in the trade as a whole, and this brings increased business to each firm in the trade and helps it to prosper. the course of time a high degree of standardisation is, of course, bound to occur in any trade which thrives, just as it has come in the industries in which Great Britain leads the world, viz., Cotton, Iron and Steel, Cutlery, etc. Certain of the smaller and less homogeneous industries have suffered seriously from both undercutting of rates of wages and an unequal dispersion of ideas, and Trade Boards are in a position to hasten the standardisation which they need. It is within the power of the trade itself to make the Boards most useful in this respect.

Employers seem to be under the impression that the output of workers, irrespective of the improvements which have enabled them to increase output, is now equal to that of 1914. In the Retail Bespoke Tailoring trade, and in one or two other trades, the workers have been accused of ca'canny methods. This was offered in a number of instances as a reason for opposition to the Trade Boards, though no explanation was given as to just how the Boards were at fault. Employers generally appeared to believe that output had been restricted by the concerted action

of the workers, but did not attribute it to the Trade Boards. They also seemed to think that within the last year the situation had greatly improved. The objection which one hears so frequently in the United States, that piece workers who are guaranteed a minimum rate do not try to earn more than the minimum, is less often heard in Great Britain. Numerous employers expressed the view that better wages meant a better class of worker and a better quality of work. As an example of the result of paying good wages, one employer told of a factory which he had bought, "The workers," he said, "were miserable creatures who were being paid sweated wages." The wages were raised to the standard of his other works, and both the output and the quality of work improved at once. In the Laundry. Aerated Waters, Waste Reclamation and Linen and Cotton Handkerchief trades, especially, it is reported that the fixation of minimum rates by the Trade Board has been the cause of improving not only the general standard and work of the employees, but has even put the trades themselves upon a different footing.

It is in such ways as have been described that employers have met the increased wages bill which the fixation of a minimum wage has brought. A certain number of employers in every trade, however, have always been unaffected by the Trade Board rates, because they were already paying as high or higher wages than were originally prescribed by the Board. How many have been unaffected varies according to the trade and the level of the rates fixed by the Board. In the Tobacco trade more than two-thirds of the workers were probably receiving as much as or more than the rates first fixed by the Board, but the one-third must have fallen far below. In the Chain and Lace Finishing trades, on the other hand, every employer was in all likelihood affected to some extent. The great majority of laundry employers. it has been said, were already paying the amounts which the Trade Board fixed as minimum rates. Many firms in the Rope industry were paying as much as the original Trade Board rates, because they had been operating under the Munitions orders, while in the Net-making trade most

employers were paying women workers only about half of the rate that has been prescribed, or less. Regardless of whether the institution of a Trade Board meant a general increase of wages, a great number of employers now agree, at least, that wages do not represent as great a proportion of total costs per unit as they did in 1914. In some cases this is due to excessive increases in other items of cost, in other cases it is due to increased output and improved methods, or it may be the result of a combination of both these causes. But whatever the explanation is, it indicates that wages have not increased excessively as compared with other charges.

According to the Labour Gazette Index Number, retail prices on December 1st, 1922, were 80 per cent. above what they were in July, 1914; wholesale prices were 50 per cent. greater than in July, 1914, according to the Statist figures for all items when worked out upon the July, 1914, basis. How much prices are affected by wages depends largely upon the percentage of costs which is constituted by wages. This varies greatly between trades, different firms in a trade, and even between different grades of articles produced by a single firm. In percentages of the selling price labour costs vary from 5 per cent. in the Grocery trade to 50 per cent. or more in the Laundry trade. For different articles the labour cost may be as little as 1d. out of a selling price (wholesale) of rs. 6d., which is the labour charge for making one of the cheapest grades of women's blouses. The most frequent reply made by employers to the question, "How much of a reduction in wages would it take to admit of such a reduction in prices that orders would be perceptibly increased?" was "Any reasonable reduction in wages would make practically no difference in selling price." Employers making the most positive statements of this general nature belonged to as great a variety of trades as the following:-Shirt-making, Jute, Net-making, Dressmaking, Blouse Manufacture, Laundry, Wholesale Tailoring, Tin Box, Aerated Waters, Retail Tailoring, Metal Wares, Paper Bag, Brush and Broom, Paper Box, Tobacco, Sugar Confectionery. There were, of course, employers who did not take this view.

An employer in the Rope, Twine, and Net trades, for example, estimated that a 10 per cent. or 15 per cent. reduction in wages would allow of a reduction in prices that would stimulate orders, though he said at the same time that the chief reasons why trade was bad were the facts that only about half of the British fishing fleet was at sea and that the Russian market was closed to British fish. This same employer expressed uncertainty as to whether the loss of certain foreign markets was due to their capture by competing countries or whether purchasers in those countries were only refraining from buying. An employer in the Flax trade thought a 25 per cent. reduction in wages "would help." employer in the Hollow-ware trade stated that reduction of wages to the standard of the Engineer's rates for the Birmingham area would, he thought, admit of a reduction of 5 to 71 per cent. in selling prices. It was positively stated by several employers in the Boot and Shoe Repairing trade that prices were being kept unduly high by the Boot Trades' Association, and that he himself by reducing his prices 20 per cent, had greatly increased his turnover, and was making a profit in excess of 15 per cent, on turnover. Several of the other trades in which it was believed by some employers that a reduction of wages would allow of a slight reduction in prices, were the two sections of the Tailoring trade, and the Dressmaking and the Sugar Confectionery trades. By far the greater number of employers were of opinion, however, that because wages did not constitute a sufficiently large proportion of the selling price, no reduction which would leave them at all commensurate with the cost of living would admit of any perceptible reduction in price. A good many of them believed that an increase in orders might make a reduction of prices possible, while others said that they were already selling below cost in order to stimulate orders. In the Aerated Waters and Blouse industries, particularly, retailers were charged with keeping prices up. Two individual employers in other trades said that they did not want wages to go down any further, because they would then have to reduce prices to meet the public demand, when, as a matter of fact, the reduction in wages which they could get would

not warrant any reduction in prices. Nearly all complained of the high cost of raw materials and of taxation. The latter, they said, is one of the chief causes of reduced purchasing power, and it is a combination of lack of buying ability, the fear that the market has not yet touched the bottom, and the disparity in rates of exchange which prevent people from buying, rather than the level of prices. Practically all employers agreed that a reduction in wages would not help them to regain their foreign trade, but some said it would help them to sustain losses.

Whether or not employers were selling at wholesale or retail prices seemed on the whole to make little difference to their views on the subject of prices. This may be accounted for by the fact that, since November, 1920, both wholesale and retail prices have been declining. There was a period before 1920, however, in which there was a conflict between the two sets of prices. Wholesale and retail prices had both been rising from the beginning of the War, the latter naturally lagging somewhat behind the former, but on the whole following its general trend until about the middle of roro.1 Wholesale prices then shot upward, leaving retail prices far behind, and reached their zenith in April, 1920, after which they rapidly declined; retail prices meanwhile continued to rise until November, 1920. It thus happened that for a period of about eight months (between April and November. 1920), wholesale prices were rapidly descending while retail prices were just as rapidly ascending. The consequence was that when a Trade Board met to consider the variation of a rate. manufacturers, in view of the falling prices, felt that a decrease in wages was due, while the workers, for whom the cost of living was still rising, demanded an increase in wages. Some Boards attempted to effect a compromise between the two tendencies, and so it occurred that while wages in certain trades were higher than the wholesale price of its products would warrant, they were at the same time insufficiently high to meet the needs of the consumer who bought those products at retail prices.

The final decision of most Trade Boards was in favour of

the workers, and wages continued to rise until June, 1921. Presumably the reason why the Boards took this course is that since wages had lagged behind prices on the upward grade, it was thought proper that they should also lag behind on the downward grade, in order to make up to the worker what he had lost in the beginning. It was during this period when the two sets of prices were conflicting, however, that dissatisfication with the operation of Trade Boards began to arise in the rank of employers and that Trade Boards were charged with being responsible for keeping prices up. There is no sure method of discovering whether there is any truth in such accusations except a study of the employer's costing accounts, and those, unfortunately, are not open to the public. Such evidence as is obtainable fails to corroborate the charge. The fact that both overhead charges and cost of materials seem to have increased as much as, if not more than, wages, and the fact that increased wages are capable of being offset by increased output and better organisation of work, as is evidenced by the experience of numerous firms and by the general expression of the opinion among efficient employers that Trade Board rates of wages are not responsible for keeping prices at an unduly high level, both point in the opposite direction. This conclusion is substantiated by the fact that neither before 1914, nor since that date, have prices of Trade Board trade products showed any tendency to rise proportionately more than have those in non-Trade Board trades.

The question of profits yet remains to be considered. Total net profits in 1921–1922 are not equal to those of 1919–1920. That goes without saying. Fluctuating prices, depreciated exchanges, depleted purchasing power and a host of other economic forces, have so reduced the effective demand for goods that one seldom finds a firm that is doing the volume of business that it did in 1919–20, or anything like that amount. One has only to consider the fact that long-established firms in such well-grounded British industries as Cotton and Iron and Steel Manufacture have been forced to go out of business to realise that the spareness of

profits and the losses are not confined to any group or groups of trades. Naturally enough, some employers in Trade Board trades are prone to saddle the burden of bad business and low profits or no profits upon the Trade Board, when in reality, as one employer himself put it, "The reason why many employers can't pay Trade Board rates is because they are so inefficient themselves." Low output cannot be counterbalanced by low wages. The evidence which has already been adduced showing that wages in Trade Board trades generally have not increased proportionately more than, if as much as, certain other items in costs of production, alone absolves Trade Boards from such a charge. And the fact, as shown by statements of employers, that in almost every trade there are some well-managed firms' at least, which are either reaping a total net profit equal or nearly equal to that of the early months of 1914, despite slack trade, or, that the profit per unit sold is as great as it was in 1914, the volume having been cut down because of lack of orders. adds to the weight of proof. The abruptness of a change from a period of exceptional prosperity to one of unprecedented depression has, indeed, made it difficult for employers to accept even the pre-War rate of profits with grace.

Unfortunately, an overwhelming majority of firms in the trades covered by the Trade Boards are private companies. so that it is impossible to draw any general conclusions from published balance sheets. Some of the statements of employers themselves are significant, however. A proprietor of a steam laundry stated that "Since 1914 wages have increased about 150 per cent, and prices about 75 per cent., vet, because of our improved machinery and the greater volume of work, our total percentage of profits is as great as it was in 1014." The manager of a boot and shoe repairing factory said, "We have a smaller percentage of profit on a larger volume of business than we had in 1914, and our profits are, on the whole, very little less than they were in 1014." In speaking of the state of his dressmaking workroom, the managing director of a draper's shop said, "On the whole our profits in this department are as good as they were before the War." Another manager, in a shop of the

same kind, said, "We used not to make a profit on our dressmaking workroom, but we now have a head dressmaker who knows how to manage, and the department is showing a reasonable profit." "Before the Trade Board competition was very keen and profits were small because of the excessively low wages," observed the owner of a firm which comes within the scope of the Linen and Cotton Handkerchief Trade Board, "but now our trade is on an entirely different basis, and despite the slack demand, we are making far more profit than we were pre-War." In the Jute industry, although most employers denied making a net profit, and even said that they were incurring loss in some departments, chiefly because of the heavy charge of idle machinery, it was stated in some cases that the weaving department, as such, was showing a profit. Several metal firms admitted to making "almost as much" as the 1914 rates of profits per unit. One shirt-making firm declared that it had 50 per cent. more orders than it could fill, and several other firms. which specialised in collars, said that the profit per gross was equal to that of 1914. Many other firms in a variety of trades stated that they were making profits of sorts, but they were for the most part dissatisfied with them. On the other hand, of course, numerous firms in various trades, such as Flax, General Waste, Cotton Waste, Lace Finishing, Toymaking. Aerated Waters, including also those in which some firms were doing relatively well, disclaimed making any profits at all, and, in fact, said they were losing money. In the Aerated Waters trade it was explained that the unseasonable summer of 1922 was mainly responsible for a net loss. The reason given by some firms in the Clothing and several other trades was the fact that they had been forced to sell products made of expensive material at a relatively low price. The special situations attending bad trade in still other industries have been set out in other chapters.

The foregoing statements do not represent, by any means, all of the firms in which either one thing or the other was reported concerning profits, nor do they purport to show that the whole of one trade is in a healthy state while the whole of another is not. The writer was obviously not able to canvass

all of the firms in any trade. Had she pursued her enquiries still further, more firms of both kinds would doubtless have been found in each trade. These statements, together with facts which have been set forth previously, do indicate, however, (1) that at least some firms in almost every Trade Board trade are doing nearly, if not quite, as well as they were in 1914; (2) that in other cases the percentage of profit per unit is the same even if the volume is lacking; (3) that in other cases the leanness of profits appears to be principally due to some other circumstance than the fixation of wages by a Trade Board, e.g., bad management, general trade depression, or the special economic situation as regards location, raw materials, goodwill, etc.

Another observation which may be made, though it is not evident from the quotations which are given, is that there is a tendency towards concentration of business in the larger firms. Paradoxical as it may seem, in view of the obtaining economic conditions, it is true that numerous employers stated that the volume of their business was much greater than it had been in 1914. The explanation is, of course, that the smaller firms, on account of lack of goodwill, inefficient methods, and higher wages, have been forced to close their doors, and the remnants of their custom have been divided among the more fortunate, if not more deserving, firms. This is a natural outgrowth of a period of severe business depression, and of a movement towards installation of machinery and increased efficiency in management. Indeed, it is not at all unlikely that the fixation of wages by the various Trade Boards has contributed towards hastening the movement, by abolishing the competition of those unscrupulous employers who were willing to pay their workpeople the lowest wages that they would accept, to get as much work out of them as possible for the moment, and to sell their goods at a lower price than that employer could who paid better wages and showed more consideration for his employees. The elimination of both those employers who lower the general standard of living by payment of inadequate wages and those who lower the standard of industry by use of inefficient methods and the production

of poor quality goods is, in the long run, to the advantage of the community. From the point of view of tradition transference of business from the small to the large firms is doubtless to be deprecated, but from the point of view of service to society it is certainly a benefit so long as it is kept under control. The community, in its turn, should offer more suitable employment to both employers and employees who cannot maintain a reasonably good standard of workmanship.

The Tobacco trade offers an excellent example of what good management and "big business" are capable. At the moment the Tobacco trade, perhaps, is in the most prosperous state of any trade in Great Britain, and, at the same time, its Trade Board has fixed higher general minimum time

Imperial Tobacco Co., Ltd., year ending September 30th.

					- 1	1912.	1913.	1914.	1915.	1916.	1917.
Dividends or Stock	. " B	" Del	erred	Ordin	ary	30%	35%	40%	221%	221%	r6 <u>1</u> %
To reserve	•	•	•	٠	Æ	ı mil.	r mil.	z mil.	r mit.	ı mil.	r mil
						1918.	1919.	1920.	1921.	1922.	
Dividends or Stock	."B	" Def	ened	Ordir •	ary	15%	271%	171%	171%	221%	
To reserve			-		J.	ı mil.	ı mil.	z mil.	500,000	225,677	

rates than any other Board, except Boot and Shoe Repairing Despite the hardships endured by the trade in the way of increased costs, tobacco duties, and the slump in trade, the tobacco companies, as a whole, appear, by the published statements of the year's business, to have thrived during the Trade Board régime. The British American Tobacco Co., Ltd., announced a dividend of 24 per cent. on ordinary stock (£1 shares), tax-free, for the year ending 1922. A statement of the dividends of the Imperial Tobacco Co. (of Great Britain and Ireland), Ltd., and of the amounts set aside to reserve during the last eleven years, follows. Dividends are quoted on £1 shares and are tax-free.

Although the dividends of private companies do not for

1 The Economist, February 17th, 1923.

# 242 BRITISH TRADE BOARDS SYSTEM

the most part indicate such prosperity, information obtainable for 1921 shows payment of dividends on ordinary stock for six different companies as follows: 12½, 10, 10, 25, 12½, 5 per cent., all tax-free. The Tobacco trade has been used for purposes of illustration expressly because it happens to be one which, though being subject to Trade Board determinations and having fixed higher general minimum time rates than any other but one Board, has nevertheless reaped good profits in a period of business depression. Other trades, whether subject to Trade Board authority or not, have for the most part not done so well, but there is no more reason in the argument that the Tobacco trade has been prosperous because it has been subject to Trade Board determinations than there is in the contention that other trades have had no profits because of them.

## PART IV.—CONCLUSIONS

## CHAPTER I

#### RECENT DEVELOPMENTS

ONE of the manifestations of that particular phase of political and economic fermentation in which the world has been engulfed during the past three years is a reaction against collective bargaining and State interference in matters pertaining to wages. In America its visible signs have taken the form of the "open shop" movement, of the great railway and coal strikes, and of attempts to break down State wage regulation, as in the District of Columbia, where the validity of the fixation of a minimum wage for saleswomen upon a budget basis has been questioned by employers. 1 In Australia one of its forms has been an attack upon the Wages Board and Arbitration systems in several of the States, and proposals either to repeal such legislation or to emasculate it. It is not surprising, therefore, that during this same period the British Trade Boards system should have been subjected to severe criticism. In general terms it is true that the Trade Boards system tends to protect the employer from strikes and unduly high wages during periods of exceptionally good trade, while in times of bad trade it protects the worker from sudden falls in wages, and secures at least a subsistence wage for him. Had it not been for the trade depression, therefore, it is probable that the system would have continued to operate without any violent opposition. In fact, it was not until the late summer and autumn of 1920, when the slump in trade became acute, that any serious manifestation of hostility towards Trade Boards was evinced.

<sup>&</sup>lt;sup>1</sup> Since this was written the United States Supreme Court has declared the minimum wage law of the District of Columbia unconstitutional.

The period between 1918 and the autumn of 1920 was one of rapidly rising prices. Trade was booming and appeared to be moving once again towards its normal course. Profits were accruing in large percentages. Workers were struggling to force wages up to such an amount that life could be maintained at a decent level, and Trade Boards for the most part attempted to carry out the spirit of the 1918 Act by fixing reasonable rates of wages for experienced and sometimes for skilled workers as well as for those without skill. machinery for varying rates was cumbersome, and the process of increasing them was slow. All advantage was on the side of the employer. The peak of wholesale prices was reached in April, 1920, but the maximum in retail prices did not occur until November of that year, so that for eight months there was a conflict between the two sets of prices.1 A reverse process then commenced, and both retail and wholesale prices dropped gradually during 1921. Manufacturers and shopkeepers found themselves with large stocks of goods on hand, produced or bought in a dear market, which had to be sold in a cheaper one. The foreign exchange rates also began to show greater disparity. Trade and profits fell off decidedly. Consequently fewer workers were required and unemployment began to assume serious proportions. Trade Board trades wages could not be reduced below a certain level. Naturally, the machinery which had proved inelastic when there was a tendency to increase wages was equally so on the downward trend. The other foot was pinched. Columns of certain trade journals contained vehement adverse criticisms of the Trade Boards system. Deputations of employers to the Minister of Labour became frequent and urgent in their protests. Mass meetings of workers were also organised to voice their objections, because the Minister did not set up various newlong-promised Boards. The policy of the Minister of Labour began to waver. Trade Boards system was being put to the test.

It must not be thought that all employers have stood against Trade Boards. On the contrary, the majority of "good" employers in all of the "old" Trade Board trades

<sup>1</sup> See Diagram I., p. 158.

and in many of the trades recently brought under a Board, such as Tobacco, Boot and Shoe Repairing, Paper Bag, Aerated Waters (England and Wales), Perambulator, and most of the Clothing trades, have expressed themselves in emphatic terms as being in favour of the system, though they recognise that it has defects which call for remedy. With a few exceptions, it may be said that the strongest opposition has emanated either from trades which have comparatively recently come under the Act like Jute, and Flax and Hemp, or from trades which are being investigated by the Ministry of Labour in contemplation of the establishment of Boards. Certain other employers, though not hostile to a general minimum time rate for the trade as a whole, or to one for the lowest class of workers, have expressed strong disapproval of the fixing of different minima for the various occupations in a trade. Perhaps the application of the Act for the first time to the distributive trades such as Milk, and Grocery and Provisions, and the consequent necessary readjustment in a period of economic stress, served to focus dissatisfaction. all industries there is, naturally enough, a strong desire to reduce costs to the lowest possible limit, in order to admit of sufficient reductions in prices to stimulate an increase in orders from abroad as well as to hold the home market. Other employers recognise that wages cannot be reduced to a point which will place them on a level with those of their foreign competitors who pay in greatly depreciated currency. but they desire reductions in wages in order to curtail losses. Probably the most effective argument brought forward by employers, though an unsubstantiated one, as has been shown, is that Trade Boards have caused unemployment.

Workpeople on the whole are strongly in favour of the Trade Boards system, though they recognise that certain changes should be instituted. Some resistance from organised labour has been displayed, as was evidenced by a speech in opposition made at the Trades Union Congress in the autumn of 1921. But such opposition is sporadic and ineffective. It emanates from the extreme left and represents the view of an almost infinitesimal number of persons. The two resolutions passed at the Trades Union Congress

of 1922 offer sufficient indication of the whole-hearted support of the Trade Boards system by the Trades Union movement. One of these resolutions is as follows:—

## RESOLUTION PROPOSED BY MISS M. BONDFIELD (GENERAL WORKERS) AND AGREED TO BY THE CONGRESS.<sup>1</sup>

"This Congress, while acknowledging the service rendered by the Cave Committee by dispelling the unfounded and exaggerated allegations against Trade Boards, records its emphatic disapproval of the recommendations of this Committee, on the ground that these recommendations will—

"(1) Delay the establishment of further necessary Trade

Boards;

"(2) Tend to reduce the amounts of minimum rates fixed by Trade Boards for the general body of workers in these trades;

"(3) Hamper the Trade Boards in fixing minimum rates for special classes of workers and render it easy for employers to evade these rates;

" (4) Make difficult or impossible the establishment of minimum rates in the retail making-up and distributive trades;

"(5) Take away from the Boards the power—given to them under the scheme of the report of the Whitley Committee—to improve industrial relations and to add to the prosperity of these trades;

and calls upon the Labour Party to resist to the utmost legislation intended to carry the recommendations into effect, and instructs the General Council to press upon the Minister of Labour the opinions of this Congress." 1

Along with the growing opposition from without, some dissension from within the Trade Boards system itself has also been developing. Its root is to be found in the bi-partite organisation of the system and a desire for more power. Its manifestations have taken the form of misunderstandings between the Boards as such and the Ministry of Labour. The breach was first opened when the Minister removed the direction of the Inspectorate from the office of Trade Boards early in 1920 and brought it under his own office in Montagu House, though difference of opinion had been smouldering beneath the surface for some time previous to that. The reason for this change, as explained by the Minister, was to

<sup>&</sup>lt;sup>1</sup> Page 440, Fifty-fourth Annual Report of the Trades Union Congress.

facilitate the work of inspection, which had become very much heavier with the establishment of the new Boards under the Act of 1918, but it was interpreted by the Boards to be an encroachment upon their powers and functions. Several of the Boards openly expressed their disapproval of the action of the Minister and asked him to discuss the matter with them. About ten months later the Minister received a deputation from the Trade Boards of Great Britain, and, as a result, a Committee<sup>1</sup> was appointed by him, consisting of representatives of the Ministry of Labour, of the appointed members of Trade Boards, and of employers and of workers sitting upon Trade Boards, with Mr. Humbert Wolfe, Principal Assistant Secretary to the Ministry of Labour, as chairman. The avowed object of the Committee was "to make recommendations to the Ministry with respect to the work of the Trade Boards and the administration of the Trade Board Acts." After four months a comprehensive majority report was presented, signed by all but one member of the Committee, who was a representative of the Minister of Labour. Its chief recommendations were—that (1) closer co-operation should exist between the Boards and the Ministry, including suggestions for various means of attaining it, the chief of which was a standing advisory committee, to be composed of representatives of all the Trade Boards. which should advise the Minister on questions relating to Trade Boards; (2) a chief inspector, responsible to the Minister, should be appointed and should be stationed at the office of the Trade Boards, one of his duties being to forward full reports of inspection to the Boards at least every three months; (3) an assistant secretary, as the superior officer of the Ministry, should be stationed at the office of the Trade Boards; (4) all scope questions should be referred to the secretary of the appropriate Trade Board in the first instance, and cases involving trade problems should be laid before the Administrative Committee of the Trade Board for advice, the Minister of Labour being finally responsible: (5) the posts of chief secretary and assistant secretaries to Trade Boards should be maintained. The Minister, though

<sup>1</sup> The Trade Boards Administration Committee

accepting the report in its general recommendations, declined to appoint an assistant secretary to be stationed at the office of Trade Boards. This latter recommendation seemed so essential to the Boards that, in view of the Minister's attitude, they refused to nominate representatives for the Advisory Committee, and so, except in a few relatively unimportant details, the recommendations failed to be put into practice.

There have been other sources of difficulty between the Minister and the Boards, one of which is the manner in which the power of confirmation of rates has been used. When it has taken days, perhaps, of strenuous negotiations before a Board could decide upon a suitable scale of rates. it is not unnatural that some resentment should arise when those rates are referred back to it by the Minister for reconsideration, and particularly so, perhaps, when such action appeared to have been taken as the result of an appeal to the Minister in the form of a deputation from the employers or the workers in the trade. Certain decisions in matters of scope and the removal of small powers from Boards have also helped to cause irritation. The upshot of it all is that the Boards have been hampered in their work by the removal of some of the powers which they once possessed, while, since the number of Boards has been so greatly increased, the Ministry of Labour has found it necessary to reorganise the department in the interests of efficiency. The situation is one which was bound to develop, sooner or later, out of a bi-partite organisation, and it can only be remedied ultimately by some scheme for unification.

The Minister of Labour became so harassed by complaints that, in September, 1921, he determined to appoint an "impartial committee" "to enquire into the working and effects of the Trade Boards Acts, and to report what changes, if any, are required." Viscount Cave, the present Lord Chancellor and formerly Solicitor-General and also Home Secretary, was made chairman. The other members who sat upon the Committee were Lord Weir of Eastwood, managing director of Messrs. G. & J. Weir, engineering firm of Glasgow, who previously held the position of Scottish

Director of Munitions in 1915-16, and General of Aircraft Production in 1917-18; Dame Adelaide Anderson, who was formerly chief woman inspector of factories; Dame Edith Lyttleton, the author of several novels and an anti-sweating drama; Mr. J. Bell, secretary of the Oldham Weavers' Association; Mr. W. T. Layton, editor of the Economist, and formerly Director of the National Federation of Iron and Steel Manufacturers; Sir Arthur Pease, formerly second Civil Lord of Admiralty; Mr. E. L. Poulton, chairman of the Parliamentary Committee of the Trades Union Congress in 1921-22; Mr. A. Pugh, secretary of the Iron and Steel Trades Federation; and Mr. A. MacCallum Scott, M.P. This Committee began its hearings in October, 1921, and issued its report on April 11th, 1922, after having heard 113 witnesses in public sittings.

The evidence presented to the Committee came from witnesses who were representatives of all the interested groups: from employers and workers. Trade Board members and non-Trade Board members, Ministry of Labour officials and appointed members. On the bulk of the evidence which was presented four outstanding observations may be made: (1) It became obvious, after the employers had concluded what they had to say, that the opposition was in reality much weaker than the public had been led to believe from the newspaper articles, columns of certain trade journals, and the expressed opinions of a few employers. The bold accusations of the Press dwindled, for the most part, into feeble personal protests, supported by amazingly inadequate statements of fact. Furthermore, the evidence of employers by no means turned out to be entirely in opposition to the operation of the Trade Boards system. On the contrary, some of the most sincere approbation offered by any witnesses came from the lips of employers who had had many vears of first-hand experience with Trade Boards. (2) Much to the surprise of some persons not intimately connected with Trade Boards, the chief demand made by opponents was not for the abolition of the system, but only for certain amendments of the Acts. Perhaps as many as half a dozen employers definitely asked for the repeal of the Acts, and

one Employers' Association proposed the substitution of a flat minimum wage applicable to all trades in Great Britain for a wages board system. But the majority of witnesses for the employers centred their attack upon the power to fix rates for special classes of workers, and even then went no further than to suggest a return to the principles of the Act of 1909, with minor alterations. The burden of all the evidence, in the end, appeared to be a desire to cast off the yoke of Government interference, in whatever form it might exist. (3) The complaints of employers on the whole were directed as much towards the administration of the Acts, which is largely a matter of policy and only to a limited extent inherent in the Act, as against the results of wage legislation by the Trade Boards, the remedy for which is by no means always to be found in alteration of the Act. Examples of complaints relative to administration are to be found in the case of "beatsters" in the Rope, Twine and Net trade; scope questions in the Stamped or Pressed Metal Wares trade, and lack of representation on a Board, as in the Dressmaking trade, to all of which allusion has already been made. (4) A remarkable unanimity of opinion existed between the workers and employers regarding the minor points in respect of which the Act requires amendment.

In its Report, the Committee states plainly that it is of opinion that the Trade Boards system should be retained, and recognises certain beneficial results of its operation in the past, such as abolition of the grosser forms of underpayment, particularly as regards women; regularisation of wage conditions in Trade Board trades; protection of good employers from unscrupulous competition; improvement of working methods; betterment of relations between employers and employed; and the encouragement of organisation on both sides, all of which we have shown to be true in the earlier chapters of this book. On the other hand, it also makes certain serious allegations against the system, which are summed up as follows in the Report: "(a) That the high level of the minimum rates fixed by the Boards, together with the absence (in some instances) of any provision for differentiation to meet special local conditions, have caused loss and dislocation of trade, closing down of workshops and reductions of staffs, and so have contributed to the prevailing unemployment; (b) that the rates fixed have increased the competition of home traders not employing labour and have given favourable openings to the foreign producer; (c) that in some trades the rates fixed for juvenile labour have interfered with the recruitment and training of young workers and have jeopardised the future of the trade; (d) that the lines of demarcation laid down in applying the Acts to trade, the multiplicity of Boards set up for kindred industries, and the lack of coordination among these Boards have produced unfair competition and have created friction and confusion in traders' establishments; and (e) that the length of time required for revision of the rates when fixed has rendered it impossible to modify wage-rates so as to follow the trend of prices and cost of living, and so has caused hardship and loss."

With the last of these allegations both advocates and opponents of the Trade Board principle will agree. In each of the others it may be granted that there is a modicum of trath, but that sufficient evidence was presented to show that such have been the effects on a large scale must be strenuously denied. Notwithstanding its acknowledgment of the favourable results of the operation of Trade Boards. the Committee proceeds to make recommendations which are apparently based upon the acceptance of the above allegations, and by so doing it overlooks two very important facts. The first of these is recognised by the Committee itself, on page 22 of the Report, where it says: "Where so many influences have tended to bring about these results, it would be rash to attribute a definite share in them to any particular cause." The other important point which deserves consideration is, that although the Trade Boards system as a whole may seem to be old enough to have had a fair trial, all but eight of the forty-four British Boards have been set up within the last four years, which have proved to be three of the most chaotic years in modern history. is not to be expected that any new system can thoroughly adjust itself to conditions even in four years of a normal

period. That some Trade Boards themselves recognise that they have made mistakes, and have already taken steps to rectify them, is shown by the fact that the Retail Bespoke Tailoring Board, in its current orders, has greatly diminished the complexity of previous schedules by reducing the number of jobs for which rates are fixed. The Dressmaking Trade Board also has come to believe that it is more satisfactory to fix differential rates, according to population, than to prescribe rates which are applicable throughout England, and it has given effect to such an arrangement in its recent determinations. The Committee was evidently so imbued with that desire recently prevalent among business men, i.e., to return to "normalcy," as it is expressed in America, that it is unwilling to let things run their natural course.

The major portion of the recommendations 1 deals with relatively unimportant defects, which have nevertheless. interfered with the smooth working of the system and which all persons concerned have agreed upon as needing immediate remedy. Among these may be mentioned (numbers 27 and 28) the recommendation that the period allowed for objections and for confirmation of rates be reduced. (number 23) that the Lace Finishing Board be empowered to fix a minimum remuneration for middlewomen, and (number 10) that a Trade Board which has established a district trade committee be given power to dissolve it. The leading recommendations are as follows: (1) That the power of the Minister of Labour to apply the Acts to a trade be made contingent upon two conditions: (a) that the rate of wages prevailing in the trade is unduly low as compared with those in other employments; and (b) that no adequate machinery exists for the effective regulation of wages throughout the trade. The first of these conditions was contained in the Act of 1909, while the second is the chief determinant in the matter of setting up a Board under the Act of 1918. A combination of the two conditions restricts the number of trades to which a Trade Board may be applied more than either the Act of 1909 or that of 1918. Wages in unorganised trades are almost invariably "unduly low." Wages in organised trades

I See Appendix for a summary of the recommendations.

may fall within that category as well, but if the two conditions are attached to setting up a Trade Board it would become impossible to bring such trades under the Act. (2) That as regards the distributive and retail making-up trades to which the Acts have been or may be applied, the Minister of Labour be authorised to divide the country into suitable areas, and to set up for any area a District Board or Boards for the regulation of such trades in that area, and also that as regards the manufacturing or productive trades the Minister be given power to set up one or more district committees, after consultation with the appropriate Board. The effect of these provisions is to minimise the power of the Trade Boards and to extend the powers of the Minister of Labour. Such a provision not only ignores the past experience of fixation of rates on a purely geographical basis, but introduces a new element, which may make for confusion, by proposing that District Boards shall fix rather than recommend rates for specific districts. (3) That rates fixed by Trade Boards be subject to confirmation by the Minister as at present, but that he be authorised, before confirming a rate, or referring it-back to the Board for reconsideration, to refer it to the Industrial Court for advice or to hold a public enquiry. This provision is not mandatory and seems to be of little value. (4) That the primary powers of a Trade Board be to fix (a) a general minimum time rate for the general body of workers in the trade, with reference to the lowest grade of ordinary workers in the trade, and (b) if authorised by the Minister of Labour, a special minimum time rate for workers performing work ancillary to that performed by the general body of workers; (c) a piece work basis time rate; (d) a guaranteed time rate for piece workers; (e) minimum piece rates for out- or homeworkers engaged in piece work in the trade: (f) overtime rates based on the above. And it is also recommended that if three-fourths of the members of both sides present at a Trade Board meeting can agree, without the vote of the appointed members, to any of the following kinds of rates, they be made obligatory upon all employers when confirmed by the Minister, and be recoverable by civil instead of criminal proceedings: (a) special minimum time

rates and piece work basis time rates for special classes of workers in the trade or workers engaged in any special process; (b) minimum piece rates for in-workers; (c) special minimum piece rates for in-workers, to be fixed on the application of an individual employer to apply in respect to workers employed by him; (d) overtime rates based upon the above rates. The general effect is to decrease the freedom of the Boards and increase greatly the power of the Ministry of Labour. If the Minister does not choose to give his consent to the fixation of rates for ancillary workers, it would mean that the rate-fixing powers of a Board would be restricted to fixation of flat minima for the lowest grade of workers in a trade, and that all those above what may be only a handful of workers, like porters, whose work is not in the least representative of or peculiar to the trade, would be left without any protection whatever. In the Jute industry. for example, it has been stated by some employers that only 5 or 6 per cent. of the workers are unskilled and would be covered by a minimum which applied to the lowest grade of workers in the trade. And again, in the Chain trade, where four different grades of chain are made, viz., commonest. common, extra, and best, a minimum such as is suggested by the Cave Committee would probably apply only to those workers engaged in making "commonest" chain, though they comprise a relatively small percentage of the whole number of chain-makers. This would be the position in trades which have been recognised to be inadequately organised for purposes of wage negotiation.

The foregoing recommendations regarding fixation of rates for special classes of workers, i.e., so-called skilled workers, were incorporated in order to meet the objections to the fixation of "skilled rates" put forward by certain employers before the Committee. But such a plan is dangerous in the extreme. Imagine, for instance, the situation which obtained in 1919-20. Trade was booming. Employers were ready to accede to almost any demand of the workers. In all probability skilled workers' rates would have been agreed to and fixed at a level roughly commensurate with the cost of living at the time, even without the

votes of appointed members. The question is whether, on the downward grade of prices, workers would agree to the reductions suggested by employers, and if not, whether the result would not be either ill-will between the two sides, or rates of wages for skilled workers left hanging in the air. high above the general minimum time rate level. On the other hand, if the Cave Committee recommendations were adopted, there would be little chance of protection for skilled workers in a time of unemployment and depression like the present, when some employers are attempting to cut wages to the lowest limit, and all grades of workers are most in need of assistance in maintaining a reasonable living wage. Since the raison d'être of a Trade Board is lack of organisation, it cannot be expected that workers will be able to depend upon their Trade Union to negotiate for them, and also, since the majority of workers in Trade Board trades who are termed "skilled" are. in reality, only semi-skilled, they cannot rely upon their skill as individuals to obtain a reasonable wage. It remains to the Trade Board, therefore, to protect the upper as well as the lower grades of workers. At least, such must be the case if it is recognised that there may be underpayment as regards a given job or the standard of living of a class as well as regards the subsistence level. The failure to prescribe rates for semi-skilled or skilled workers (assuming that they are not organised or are badly organised) may result in so altering the normal difference between the wages of unskilled and skilled workers that the incentive to become proficient in a trade will be weakened, and the trade will become deficient in good workers; or it may be the cause of industrial disputes, thus destroying the power of the Trade Board to assist in maintaining industrial peace. For it is usually the workers who are in command of a certain amount of skill. rather than the totally unskilled, who become parties to strikes and disputes. In a period of unemployment like the present, the employer has little to fear from either of these contingencies, but in bad times, as in good times, it is of as much advantage for the "good" employer to be sure that his competitors are not undercutting his rates for skilled as for unskilled workers.

The general principles underlying the recommendations made by Lord Cave's Committee appear to be three: first, restriction of the powers of the Trade Boards; second. extensions of the powers of the Minister of Labour; third. use of the authority of the Government for no wider purpose than to prevent "the grinding of the faces of the poor." The Report, if adopted, would largely remove from the Trade Boards that power of initiative and freedom of action which give elasticity to their determinations, and are the means by which the British system has triumphed over other systems. It offers suggestions for one variety of unification, i.e., through concentration of power in the Ministry of Labour, and by so doing tends to subject the system more than ever to political pressure. Much more satisfactory would be the method of placing an assistant secretary at the office of Trade Boards, as is suggested in the Report of the Trade Boards Administration Committee of March, 1921, which was quoted previously. The Report negates the principle of self-government in an industry which formed the foundation stone of the Act of 1918, and reiterates the very principle of Government interference which the Committee so fears. On the whole, the document is a reactionary one. It offers some good suggestions for removing minor stumbling blocks, but it overbalances the good which might thus be effected by withdrawing from the Boards those powers which offer the greatest opportunities for creating industrial peace and progress in the long run. The report of the Cave Committee, while not advocating the total abolition of the Trade Boards system, has suggested such changes as would greatly impair its efficacy if carried out in their entirety. Nevertheless, the appointment of the Committee has been of real use by giving an opportunity for expression of opinion and for the relief of ill feelings, and by causing both the Ministry and the Boards to review their past policies and actions. A number of the Boards have already altered their orders in accordance with some of the suggestions of the Committee or of the witnesses which came before it. And the Minister of Labour, in a white paper issued on July 6th, 1922, stated that, pending legislation, it was his

intention to put the suggestions of the Committee into effect as far as he was legally able to do so. What action the new Government will take has not been announced, but it is to be hoped, at least, that they will not rob the system of its great possibilities by incorporating all of the recommendations of Lord Cave's Committee in a new Bill.<sup>1</sup>

<sup>2</sup> Early in May, 1923, a Bill was introduced into Parliament which substantially carries out the recommendations of Lord Cave's Committee.

### CHAPTER II.

### **GENERAL CONCLUSIONS**

THE British Trade Boards system has been in operation for more than thirteen years, and during that time profound changes, political, economic, and social, have occurred. has defects, but a careful study of its operation over that period of years can hardly fail to convince the unprejudiced that its merits greatly outweigh its faults, and that what is required is not repeal of the Acts, nor alteration of the general principles embodied in the Act of 1918, but rather amendment such as will improve the machinery for wage fixation, and some changes in the policy of administration and the methods of the Boards. Trade Board development falls into two natural and distinct phases which are divided by the date October 1st, 1918, when the Amending Act of 1918 became law. The first phase is characterised by extreme caution in fixing rates of wages to apply to "sweated" trades only, and the object in view was to abolish sweating by the interference of the State. The nine years from 1910 to October, 1918, were what may be termed normal. Trade was reasonably prosperous; prices and wages remained fairly stable, and no economic upheavals took place. Between 1914 and 1918 there was, of course, a decidedly abnormal political and economic situation, but after the first few months it brought with it great prosperity for most trades. There is almost complete agreement that up to the end of 1918 the results of the operation of Trade Boards were beneficial to the employer, to the worker, and to society as a whole. The system had proved to be an important factor in (1) raising the level of wages among the poorest paid workers; (2) eliminating the competition of unscrupulous employers; (3) improving plant efficiency; (4) increasing organisation of both workers and employers;

(5) augmenting friendly relations between employers and workers; and (6) reducing hours to some extent. These economic changes took place, moreover, without the accompaniment of any lasting, harmful consequences.

With the passing of the Act of 1918, both the purpose and the nature of Trade Board activity underwent a fundamental change. And shortly after the majority of new Boards had been set up, but before the initial rates fixed by most of them had been long in operation, a period of trade depression settled over the world, from which it has not vet emerged. Under the circumstance of the past four years, it has been extremely difficult for any of the organs for regulating economic life to function normally. Despite these difficulties, however, it has been possible to show that the same general advantages which issued from the operation of the Trade Boards in the first period, have, in an intensified form, resulted from their operation during the past five years. Certain entirely new advantages have also appeared, and at the same time there has been a slight tendency for more powerful, but temporary, economic forces to override the effects of minimum wage legislation in certain respects.

- (I) As regards wages, not only have the poorest paid workers received increments which enabled them to live above the subsistence level, but the semi-skilled and even skilled workers in a number of trades have also, for the first time, been paid a wage which is in any sense commensurate with the skill required of them, and with the standard of living which convention, to say nothing of health and efficiency, makes it necessary for them to maintain. In addition, the workers themselves have had an opportunity to take part in wage fixing. In the long run, even though at present they are unappreciated, these will be found to be most important contributions to industrial well-being.
- (2) The emphasis which reputable employers lay upon the benefit of Trade Boards in eliminating the "hole in the wall" employer, as he is called, from the field of industry, can hardly be overstated. Whatever else employers have to say in disparagement of the system, with one accord they praise this particular result of Trade Board activity. The

fixation of piece rates, rates for skilled workers, and overtime rates, has helped to render undercutting even less possible than it was before 1918.

- (3) Although the fruits of improved plant efficiency, in which the Trade Boards have had a very real, though indirect, influence, are not at present visible, there can be no doubt that once trade revives, the volume of production will be noticeably enlarged. The prescribed rates for skilled and semi-skilled workers have been a great factor in encouraging increase of output, both because there is relatively little opportunity for increasing the output of the lowest grades of workers, such as porters, warehousemen, etc., and because the additional outlay in wages for this class of worker alone is hardly enough to furnish incentive for reorganisation of plant methods.
- (4) Trade Boards have not proved as effective in increasing the number of organised workers and employers as it was hoped. The impetus towards increase in numbers, for which they were responsible before 1918, has been to some degree overcome by bad trade, unemployment, and other economic circumstances.
- (5) That a feeling of fraternity between employers and workers has been augmented in most trades is patent. The fixation of rates of wages for the upper grades of workers especially, has had a powerful effect in this direction. It is entirely possibly that had there been no wage negotiating machinery like the Trade Boards, and wages had dropped with a crash in 1920, that great suffering and serious industrial disturbances would have followed. The more unorganised trades that are brought under a Trade Board the wider does this influence for peace and understanding become.
- (6) In the matter of hours, the Trade Boards have followed the trend of the times toward the forty-eight-hour week. The power to fix overtime rates of wages had helped to increase earnings and to prevent regression to a longer normal week in some trades.

It was said in the beginning that the three objects of the Act of 1918 were (1) to create instruments of self-government for poorly organised trades; (2) to prevent a sudden

fall in wages after the War; (3) to adjust wages upon a fair basis in future. In addition to the favourable results which have just been named, abundant proof has also been offered in the preceding chapters to show that in broad terms these objects have been attained. The history of the establishment and the methods of procedure of the new Trade Boards is sufficient to indicate what strides have been made in selfgovernment in industry, even though the result is yet imperfect in most trades. Whether Trade Boards remain organs of self-government for a trade as opposed to State interfering bodies will depend largely upon the degree of freedom which is allowed to them. A choice of courses must be offered if self-government is to be attained. A body whose powers are narrowly defined by a statute, or one which is subject to the dictates of a Cabinet Minister, is not an instrument of self-government. It is a tool of the State. Where a wide latitude of action is given, inexperienced Boards are bound to make occasional mistakes, for they must proceed largely by the trial and error method. But such mistakes can be easily remedied, and the advantages of an elastic system, which admits of the participation in trade matters of all parties concerned, greatly outweighs the inconvenience of temporary mistakes. Ample evidence has also been given to show that a sudden fall in wages in Trade Board trades has also been prevented, and that wages generally have been adjusted upon a fair basis. The position of wages in agriculture since the repeal of the Corn Production Act, 1917, and Diagrams I., II., and III., showing the level of Trade Board rates as compared with Mr. Rowntree's two-wage standards, are convincing enough to warrant the statement that Trade Boards have prevented a disastrous fall in wages among unorganised workers, and that they have at the same time allowed wages to fall as the cost of living has fallen, although not proportionately. There has been complaint because wages have not dropped more rapidly. But wages are not ordinarily increased because employers are making huge profits. Why, therefore, should they be reduced to the bare subsistence level because some employers are failing? If a reasonable reduction in wages

would make full-time employment at higher rates, there would be a valid reason for further reductions. But employers themselves admit that the amount of orders would be increased very little, if at all, by such a reduction in wages. A wise employer keeps his coffers well filled with the profits of good years in order to cover the lean years. The worker, unfortunately, is seldom so favourably placed as to be able to save anything at all for periods of unemployment.

The chief defects of the Trade Boards system which have been mentioned at various points in the preceding chapters. and the possible methods by which they can be removed. are as follows: (1) Variation of wage rates has a tendency to take place too long after the conditions requiring variation have arisen, and later than similar changes in wages in other trades have occurred. Diagrams I, and II, show this clearly. and both workers and employers are agreed that Trade Boards have thus been responsible for a temporary maladjustment between wages and prices. The difficulty is not the general Trade Board policy, but the length of time required under the Act before variation of a rate can be made effective, i.e., three months is the shortest period. This is a fault in the machinery of the Act which became evident to the workers when wages were rapidly rising and to the employers when wages began to fall. It can be easily remedied by decreasing the length of the period allowed for lodging objections, and by cutting down the time which is allowed for confirmation of rates of wages after they have been fixed by a Board, as is suggested in the report of the Cave Committee. (2) Trade Boards generally have laid themselves open to grave mistakes by their failure to base rates upon the findings of scientific investigations rather than upon "hearsay evidence." It is remarkable indeed, that by undertaking rate fixing in such an unscientific manner more serious mistakes have not occurred. Boards have used collective bargaining methods when, in reality, the function which they are called upon to perform is not true collective bargaining. It is not the same thing for a stated number of representatives from a trade to fix

<sup>1</sup> Numbers 27 and 28.

rates, which are legally binding upon every worker or employer in that trade, as it is for a few employers and workers to meet together and decide upon wages which shall be applicable to their particular organisations only. In justice to the Boards, it must be said that both lack of funds and an inadequate staff have hindered them in many cases from doing as much along these lines as they desired. It is also of great importance that the Acts should be so amended as to give appointed members, if not the Board themselves. the power to call for bond fide balance sheets. If the cost of living is to be used as one of the bases upon which rates are to be fixed, a comprehensive enquiry, including budget studies, should be made so that the Board members can have the word of experts regarding the question of variations in living costs according to locality. Definite information concerning the relative costs of operating a factory in different areas should also be forthcoming, for it is neither fair to employers nor to workers that these important matters should be settled upon speculative information. In fact, whenever a Board has the fixation of a new rate under consideration, the services of a staff of expert investigators should be available 1 to secure reliable information regarding such matters as the level of wages already being paid in a trade, the problems peculiar to different kinds of employers. etc. Once a firm foundation of facts has been obtained, the remainder of the work could be carried on by a relatively small staff of experts, and the extra expense involved would be more than compensated for by the satisfactory results which follow work done upon a sound basis. Each Board would still be able to decide for itself as to what basis it preferred to use in fixing rates, and each would be in possession of some definite knowledge as to what that basis actually meant. In most of the American states which have minimum wage laws, and in some of the Australian states, a careful process of enquiry precedes the fixing of every rate. It would also be advisable if more careful instructions and explanations concerning the duties of all Boards were given to members at the initial meeting. (3) Enforcement is decidedly

<sup>&</sup>lt;sup>1</sup> There is now a special enquiries section, but it is quite inadequate.

inadequate. The pros and cons of inspection and enforcement have been fully discussed in Chapter II., Part II. remedy which was suggested there, that is, the establishment of a Trade Boards' Tribunal to which Trade Unions can carry cases of underpayment, and thus relieve the Ministry of a part of its burden of enforcement, seems the least expensive and most feasible plan for improving the present situation. The corps of inspectors should also be increased to at least double the present number. (4) A unifying authority is required. In analysing the Trade Boards system, section by section, in the foregoing chapters, the explanation which it has most frequently been necessary to offer for hitches in the movement of the system is its bi-partite organisation. This division began when it became necessary to appoint separate chairmen for each Board instead of one chairman for all Boards. And it grew more marked after the early spring of 1920, on account of the policy of the Minister of Labour regarding Trade Boards, which has been characterised by lack of tact and insight, and has antagonised the Boards to a considerable extent. But whatever the policy of the Ministry of Labour, the kind of unifying authority which is needed is one that is free from any kind of political pressure, is well versed in industrial technique generally, and is acquainted with Trade Board procedure and psychology. The Ministry of Labour has met none of these requirements fully, and it is probably because it has not that certain difficulties have The Trade Boards themselves have desired complete autonomy, but the objection is raised that such an arrangement would not fit in with the British Parliamentary system of government, whereby the Cabinet Ministers are responsible to Parliament for the action of their subordinate divisions. Moreover, it might lead to such unbridled wage legislation as would be detrimental to the consumer. The tendency of any confirming power is to detract from the responsibility of the Trade Boards themselves. Yet it seems necessary that there should be some one responsible body in order to co-ordinate the work of the various Trade Boards, to administer the Acts, to insure that the rates which the Boards fix are not unduly high nor unduly low, to prevent

ultra vires action, and to act as a clearing house for differences of opinion. Two means of meeting the situation have been suggested; one is that the Industrial Court be made the confirming power; the other is that a Central Trade Board be constituted on the lines of the Central Wages Committee of Scotland under the Corn Production Act of 1917, to which the Scottish District Committees were obliged to submit the rates of wages which they fixed for confirmation.

Neither of these suggestions seems to meet all of the requirements of the situation as would, perhaps, a Trade Boards Commission to be composed of one representative of the Ministry of Labour, to be selected by the Minister himself, a representative of the Trade Boards, to be selected by the Boards, and an industrial expert, who should act as chairman of the commission, and be selected by a free vote of all of the Trade Board members, but should not be one of their members. The right to confirm the appointment of the industrial expert might be reserved to the Ministry of Labour. The industrial expert should be a man who has a thorough understanding of the underlying principles of economics, sociology, and psychology, so that he will be able to take a broad view of industrial matters, and, at the same time, he should be a person who has had practical experience in the application of these principles in at least one important industry. The representative of the Boards should be a person who is thoroughly conversant with the work of the Boards and can express their point of view. The power to determine the trade for which Boards should be established. and the appointment of members should remain with the Minister of Labour as now, but all matters pertaining to confirmation of rates, scope, enforcement, definition, etc., which at present go to the Minister, should be referred directly to the Trade Boards Commission.

The work of the Commission would therefore be administrative and technical in its nature. By having a member from the Ministry of Labour upon it, the Trade Boards system would continue its connection with that department of the Government, and a small body of this character would presumably give considerable weight to the general policies

which the Ministry desired that it should follow, but the system would be freed from dominance by officialism and from undue political pressure. The presence upon the Commission of the representative of the Trade Boards would make it possible for the policy and attitude of the Boards as a whole, or of any Board in particular, to be considered, while the industrial expert would hold the balance and be able to assist in applying these principles and policies to each special trade by virtue of his practical and theoretical knowledge of industry. The Commission should have power to call for expert evidence, should be provided with the necessary clerical and legal staff, and should be located in the same building as the office of the Trade Boards. An objection to any such scheme of reconstruction is, of course, the expense which it entails. But if Trade Boards are worth preserving at all, they are worth the expenditure of money which will make them workable. One needs only to be reminded of the cost to the nation of the recent coal strike in order to realise how much worth while satisfactory wage regulating machinery can be.

The alternatives to amendment along one of these general lines are: (1) legislation based upon the Cave Committee Report which would divest the system of its most valuable powers; (2) abolition of the system altogether. "Other things being equal," wages might be safely left to the working of economic laws, but, unfortunately, "other things" are not equal. Workers in such trades as are subject to Trade Boards are lacking in education, influence, money, and even in organisation. Abolition of the Trade Boards system, or even drastic alteration of its principles, would mean a sudden drop in wages of workers, particularly of women, who are unorganised, and in some cases they would fall to a point below the subsistence level. Over a period of years it would mean the undermining of the health of the citizens of the country, a reduction in the national product, and industrial fermentation. It would also be an abrogation of the labour principles incorporated in the Treaty of Versailles, and the annihilation of all the noble, industrial ideals expressed during the period of the War.

Those employers who are calling for the repeal or radical amendment of the Act, for the most part, disapprove of the Trade Boards only because they are weary of "Government interference" and are not able to accept a point of view broader than that of their own personal desires. They want to see wages reduced while trade is bad because they fear that demands for higher wages will be made when trade is good. They have no wide industrial intelligence and no social outlook. And those who are willing to carry through such legislation at their behest are playing into the hands of the unenlightened, the inefficient, and the reactionary employers at the expense of the good employers and the community as a whole. From the point of view of the present organisation of industry and society, it is right that as many concessions to employers, as are consistent with the future welfare of the nation, should be made in a time of hardship such as we are now experiencing. In the long run, however, it will not be to the advantage of any nation that businesses which cannot meet the cost of paying a living wage in one way or another should continue to exist.

The Trade Boards system is not a panacea for all economic ills. Neither can it be said to have operated without making some mistakes. It is a part of the economic organisation of Great Britain and cannot be judged separately from it. In times of prosperity its results are largely good. In times of depression its good results are sometimes overridden by the general economic situation. It must, to some extent, take on the colour of the surrounding circumstances. He who singles out one part of a great economic system and centres his attack upon it can only be said to have lost his sense of proportion. What can be said for or against the Trade Boards system will always depend largely upon what can be said of the general economic situation in the country under consideration, and more than that, it will depend upon the world political and economic situation. The next step in the solution of all labour problems, as well as of other economic, political and social questions, lies in international organisation and legislation.

## **APPENDICES**

I.	List of Trade Boards and Date of Establishment.
II.	Definition of the Stamped or Pressed Metal Wares Trade.
III.	Definition of Dressmaking and Women's Light Clothing Trade.
IV.	Sample Form of Indenture of Apprenticeship.
V.	Application Form for a Permit of Exemption.
VI.	_ <del></del>
VII.	Form used for issuing Certificate of Learnership.
III.	Form used for Report of Inspection.
IX.	Summary of Recommendations of the Committee of Enquiry into the Working and Effects of the Trade Boards Acts (1922).

X. Chief Provisions of the Acts of 1909 and 1918.

I.

LIST OF TRADE BOARDS ESTABLISHED TO DECEMBER 187, 1922, AND DATE OF ESTABLISHMENT.

igio.	
Chain (Great Britain)	January 3rd. July 29th.
Kingdom) .:	September 7th.
Paper Box (Ireland)	September 5th.
1914.	
Shirt-making (Great Britain)	February 6th.
Sugar Confectionery and Food Preserving	
(Great Britain)	February 6th.
Sugar Confectionery and Food Preserving	
(Ireland)	May 8th.
Shirt-making (Ireland)	May 14th.
Tin Box (Great Britain)	July 30th.
Hollow-ware (Great Britain)	August 4th.
#6R	- •

#### 1916. Linen and Cotton Embroidery (Ireland) . May 8th. Tobacco (Great Britain) April 23rd. Laundry (Great Britain) May 1st. Boot and Shoe Repairing (Great Britain) July 5th. Paper Bag (Great Britain) July 14th. Corset (United Kingdom) July 17th. Brush and Broom (Great Britain). July 17th. Tobacco (Ireland) August 13th. Boot and Shoe Repairing (Ireland) October 15th. Fur (Great Britain) October 25th. Rope, Twine, and Net (Great Britain) December 3rd. Jute (Great Britain) December 8th. Retail Bespoke Tailoring (Great Britain) December 12th. Wholesale Mantle and Costume (Great Britain) December 13th. Coffin Furniture and Cerement Making (Great Britain) December 16th. Brush and Broom (Ireland) . December 22nd. Aerated Waters (England and Wales) January 2nd. Aerated Waters (Scotland) January 8th. Hat, Cap and Millinery (England and Wales) . January 12th. Dressmaking and Women's Light Clothing (England and Wales) January 15th. Perambulator and Invalid Carriage (Great January 20th. Britain) Flax and Hemp (Great Britain) January 27th. Aerated Waters (Ireland) February 4th. Button-making (Great Britain) February 13th. Stamped or Pressed Metal Wares (Great Britain) February 13th. Pin, Hook and Eye and Snap Fastener (Great Britain) February 17th. Ready-made and Wholesale Bespoke Tailoring (Great Britain) February 17th. Hair, Bass, and Fibre (Great Britain) February 20th. Milk Distributive (England and Wales) . February 27th. Dressmaking and Women's Light Clothing (Scotland) March 20th. Dressmaking and Women's Light Clothing (Ireland) March 31st. Hat, Cap and Millinery (Scotland). March 31st. March 31st. Hat, Cap and Millinery (Ireland). Wholesale Mantle and Costume (Ireland) March 31st.

The Boards were established in place of the Tailoring Trade Board,

which was established on November 23rd, 1910.

Laundry (Ireland)	April 14th.
Rope, Twine, and Net (Ireland)	April 21st.
Retail Bespoke Tailoring (Ireland)	April 24th.
Ready-made and Wholesale Bespoke Tailoring	
(Ireland)	April 24th.
Flax and Hemp Spinning and Weaving	vshym statem
(Ireland)	May 20th.
Linen and Cotton Handkerchief and Household	may bottle
Goods and Linen Piece Goods (Great	
Britain)	Birne alah
Linen and Cotton Handkerchief and Household	May 28th.
	T
Goods and Linen Piece Goods (Ireland)	June 4th.
Grocery and Provisions (England and Wales).	June 23rd.
Milk Distributive (Ireland)	August 6th.
Milk Distributive (Scotland)	August 17th.
Toy (Great Britain)	August 10th.
General Waste Materials Reclamation (Great	-
Britain)	August 27th.
General Waste Materials Reclamation (Ireland)	August 27th.
Cotton Waste Reclamation (Great Britain) .	September 16th.
Grocery and Provisions (Scotland)	November 1st.
Made-up Textiles (Great Britain)	November 24th.
made of resistant fortuna principle (	atoromou aqua.
1921.	
Ostrich and Fancy Feather and Artificial	
Flower (Great Britain)	February 3rd.
	July 11th.
Sack and Bag (Great Britain)	November 2nd.
	are fumber and.

## II.

## DEFINITION OF THE STAMPED OR PRESSED METAL WARES TRADE.

THE manufacture from metals (other than precious metals) by the processes of cold stamping or cold pressing (including cutting or piercing) of cabinet fittings, window fittings, curtain accessories, stationers' sundries, drapers' sundries, fittings for gas or electric light, fittings for suit cases, of handbags or purses, buckles, eyelets, ferrules, labels, collar studs, tie-clips, thimbles, photograph frames, stamped chains, bells, fancy nails (excluding the shanks), parts of safety razors (excluding the blades), parts of braces or suspenders, corset steels or busks, whistles, tin-openers, medals or any similar articles or metal parts of such articles; Including:—

(a) The operations of annealing, hardening, barrelling, polishing, bronzing, nickelling, lacquering, japanning, non-vitreous enamelling, tinning or assembling, where these operations are carried

on in association with or in conjunction with the manufacture of

such stamped or pressed metal articles;

(b) The operations of carding, boxing, packeting, labelling, weighing, packing, warehousing, or despatching, where these operations are incidental to or appertaining to the manufacture of such stamped or pressed metal articles;

But excluding:—

(a) The operations specified in the Trade Boards (Hollow-ware)

Order, 1913;

(b) The making of buttons or any operations incidental thereto;(c) The making of coffin furniture or any operations incidental

thereto;

(d) The making of pins, hairpins, hooks and eyes, hair-curlers, snap fasteners or safety pins or any operation incidental thereto;

- (c) The making of steel pens and the making of stationers' metal sundries or other similar metal articles when carried on as a subsidiary branch of work in association with or in conjunction with the making of steel pens, so as to provide a common or interchangeable form of employment for the workers;
  - (f) The minting of coinage of the realm; (g) The process of hand-embossing.

### III.

# DEFINITION OF DRESSMAKING AND WOMEN'S LIGHT CLOTHING TRADE.

The trade, as specified in the Trade Board Order, is as follows:—
Those branches of the Women's Clothing trade that are engaged in the making of non-tailored garments, namely, the making from textile or knitted fabrics of (a) non-tailored wearing apparel (other than handkerchiefs) worn by women or girls, or by children without distinction of sex, or (b) boys' ready-made washing suits or sailor suits, where carried out in association with or in conjunction with the making of garments to be worn by women or girls or by children without distinction of sex;

Including:—

I. All operations or processes of cutting, making, or finishing by hand or machine of dresses, non-tailored skirts, wraps, blouses, blouse-robes, jumpers, sports-coats, neckwear, tea-gowns, dressing-gowns, dressing-jackets, pyjamas, underclothing, under skirts, aprons, overalls, nurses' and servants' caps, juvenile clothing, baby-linen, or similar non-tailored articles;

2. The making of field bonnets, sun-bonnets, boudoir caps or infants' millinery, where carried on in association or in conjunction with the making of any of the articles mentioned in

paragraph (I) above;

3. (a) The altering, repairing, renovating or remaking of any

of the above-mentioned articles: (b) the cleaning of any of the above-mentioned articles where carried on in association with or in conjunction with the altering, repairing, renovating or remaking

of such garments:

4. All processes of embroidery or decorative needlework where carried on in association with or in conjunction with the making. altering, repairing, renovating, or remaking of such articles other than hand embroidery or hand drawn-thread work on articles made of linen or cotton or of mixed linen or cotton;

The following processes if done by machine: thread-drawing, thread-clipping, top-sewing, scalloping, nickelling, and paring:

- 6. Laundering, smoothing, folding, ornamenting, boxing, packing, warehousing, or other operations incidental to or appertaining to the making, altering, repairing, renovating or remaking of any of the above-mentioned articles; But excluding:
- (a) The making of knitted articles, the making of underclothing, socks and stockings from knitted fabrics, and the making from knitted fabrics of articles mentioned in paragraphs (1) and (2) above, where carried on in association with or in conjunction with the manufacture of the knitted fabrics;

(b) The making of gloves, spats, gaiters, boots, shoes and

slippers;

(c) The making of headgear other than the articles mentioned in paragraph (2) above;

(d) The branches of trade covered by the Trade Boards (Corset)

Order, 1919;

(e) The making of rubberised or oilskin garments;

(f) The making of women's collars and cuffs and of nurses' stiff washing belts where carried on in association with or in conjunction with the making of men's or boy's shirts or collars;

(g) Warehousing, packing and other similar operations carried on in shops mainly engaged in the retail distribution of articles of any description that are not made on the premises;

And excluding also:-

(h) Any processes or operations included in the Appendix to the Trade Boards (Shirt-making) Order, 1920.

#### IV.

## FORM OF INDENTURE OF APPRENTICESHIP.

Used by the Perambulator and Invalid Carriage Trade Board (Great Britain).

numor or the age of years (hereinafter called the "Apprentice") of the first part,

the Apprentice (hereinafter called the "Guardian") of the second part and of (hereinafter called the "Employer") of the third part:

WITNESSETH as follows, that is to say :-

1. The Apprentice of his or her own free will, and with the consent of the Guardian, hereby binds himself or herself to serve the Employer as his Apprentice in his trade of for the term of years from the date of these presents.

2. In consideration of the covenants and agreements entered into by the Guardian and the Apprentice, the Employer hereby covenants with the Guardian and the Apprentice and with each of

them severally as follows:-

(a) That he will keep the Apprentice as his Apprentice during the said term and to the best of his power, skill and knowledge instruct the Apprentice or cause him or her to be instructed in the section or sections of the Perambulator and Invalid Carriage trade known as \*

(b) That he will keep the Apprentice under his own supervision or place him or her under a fully qualified journeyman (or

iourneymen).

(c) That he will pay to the Apprentice every week during the said term wages in accordance with the appropriate scale of wages as fixed and as varied from time to time for Male

and Female Apprentices by the Trade Board.

(d)\* That if the Employer [shall die or become permanently incapacitated through illness or injury (to be certified by a duly qualified medical practitioner or) cease to carry on the said trade of before the expiration of the said term of apprenticeship, then, and in any such case, the Employer (or his Executors or his Administrators as the case may be), shall, subject to the consent and approval of the Guardian and of the said Apprentice being obtained, find another suitable Employer for the Apprentice to take over this Indenture.

(e) That he will not hold the Apprentice liable to make good to the value of any work which he or she may spoil whilst learning his or her trade, except in the case of wilful or

malicious damage.

(f) That he will cause the Apprentice to attend during the term of this Indenture such approved technical classes as may be agreed upon by the parties concerned in the Indenture, the Apprentice to suffer no loss of wages by reason of

<sup>1</sup> Insert "two" in the case of apprentices as (a) Upholsterers and Hood Coverers; (b) Cutters; (c) Sewing Machinists. Insert "four" in all other cases.

Insert section of trade.

If the employer be a company incorporated under the Companies Acts omit the words in brackets,

attendance at any technical classes either as aforesaid or under the provisions of the Education Act, 1918, and the time so spent to be reckoned as an equivalent part of the usual working hours and not extra thereto.

(g) That he will supply the Apprentice forthwith, upon its

execution, with a true copy of this Indenture.

3. In consideration of the premises, the Guardian and the Apprentice respectively severally covenant with the Employer as follows :-

- (a) That the Apprentice shall truly and faithfully during the said term serve the Employer as his Apprentice, and his secrets keep, and shall diligently attend to the said trade and, at all times, willingly obey the lawful and reasonable commands of the Employer and shall not absent himself or herself from the Employer's service without
- (b) That the Apprentice shall not do any damage or knowingly suffer any damage to be done to the goods, moneys or other property of the Employer.

(c) That the Apprentice shall willingly perform all such shop

duties as are usually done by Apprentices.

(d) That the Apprentice shall attend such continuation classes between the hours of g a.m. and 7 p.m., as the Employer desires, provided that the Apprentice suffer no loss of

wages by reason of such attendance.

(s) That in case the Apprentice shall at any time during the said term be wilfully disobedient to lawful orders or commands of such Employer, or be slothful or negligent; or shall otherwise grossly misbehave himself or herself towards the Employer, it shall be lawful to discharge the said Apprentice, who shall be entitled to the right of appeal to the Trade Board.

4. In consideration of the Covenants and Agreements entered into by the Guardian and the Apprentice with the Employer, it

shall be mutually agreed that :-

If either of the parties hereto desires for any reason to determine this Agreement before the expiration of the said period of two or four years or in the event of any dispute arising involving allegations of unsuitability or of failure to apply himself or herself diligently to learn the said operation on the part of the Apprentice or of failure on the part of the Employer to cause him or her to be well and sufficiently instructed in the said operation or of wrongful exercise by the Employer of his power to dismiss the Apprentice under clause 3 (e) hereof, which cannot be settled between the parties hereto, the Employer and the Apprentice hereby mutually agree that the matters in dispute shall stand referred in the first instance to the Perambulator and Invalid Carriage

Trade Board (Great Britain) with a view to effecting a settlement thereof.

In WITNESS whereof the said parties to these presents have hereunto set their hands and seals this day of , in the year of Our Lord one thousand nine hundred and

Employer (Seal.) Signed, sealed and delivered by all the above named Guardian (Seal.) parties in the presence of Apprentice (Seal.)

Witness Address Occupation

## V.

## TRADE BOARDS ACTS, 1909 AND 1918.

Trade Board.

## APPLICATION FOR PERMIT OF EXEMPTION UNDER SECTION 5 (5) OF THE TRADE BOARDS ACT, 1918.

- I. Name of worker
- 2. Address of worker
- 3. Name of employer
- 4. Address of employer
- 5. Age of worker
- 6. Particulars of infirmity or physical injury by which worker is affected which renders him/her incapable of earning the general minimum time rate. (A medical certificate should be furnished.)
  - 7. Length of time in present employment8. Total experience in the trade
- 9. Particulars of work on which it is proposed to employ the
- 10. Reasons why the case cannot suitably be met by employing the worker on piece work.1
- 11. Rate of wages at which it is proposed to employ the worker . (NOTE.—If a weekly rate, state number of hours per week.)

Application is hereby made to the above Trade Board for the issue of a Permit of Exemption under section 5 (5) of the Trade Boards Act, 1918, to , whose case cannot suitably be met by his/her employment on piece work.

> Signature of Worker Signature of Employer

#### Date

<sup>&</sup>lt;sup>1</sup> It should be specially noted that a Permit can be issued only to a person employed or desiring to be employed on TIME work, and cannot be issued, and is not required, in a case which can suitably be met by employing the worker on piece work.

VI.

(For use where full Overtime Rates are payable, but Permit Rate based on less than the normal week.)

Number

TRADE BOARDS ACTS, 1909 AND 1918.

TRADE BOARD. (England and Wales.)
(Great Britain.)
(Ireland.)

# PERMIT UNDER SECTION 5 (5) OF THE TRADE BOARDS ACT, 1918.

WHEREAS , of , now employed by , of , in , applied to the above-mentioned Trade Board for a Permit under sub-section five of section (5) of the Trade Boards Act, 1918, AND WHEREAS the Trade Board are satisfied that (he) (she) is affected by an infirmity or physical injury, namely: which renders (him) (her) incapable of earning the general minimum time rate (guaranteed time rate) applicable to (him) (her), AND are also satisfied that the case is one in which they should exercise their powers under the said sub-section,

## THE TRADE BOARD DO HEREBY GRANT TO (HIM) (HER)

A PERMIT exempting (his) (her) employment from the provisions of the Trade Boards Acts relating to the payment of wages at less than the minimum rate, subject to the following conditions:—

- I. That (he) (she) is employed at a time rate which is not less than clear of all deductions (other than deductions under the National Insurance Act, 1911, as amended by any subsequent enactments or deductions authorised by any Act, to be made from wages in respect of contributions to any superannuation or other provident fund). The above-mentioned sum of is subject to a proportionate reduction or increase according as the number of hours of employment in any week is less or more than but not more than
- 2. That for all hours in excess of the number declared by the Trade Board to be the normal number of hours of work in the trade, the full overtime rates fixed by the Trade Board shall be payable in like manner as though the worker had not been granted a Permit of Exemption.

3. That (he) (she) gives notice to the Secretary of the Trade Board of any change in (his) (her) employment.

4. That this Permit is granted from the and is subject to revision or cancellation at the discretion of the Trade Board.

5. That this Permit is granted for a period not exceeding months from the and shall cease to be valid on and after the , or previously if cancelled by the Trade Board.

While this Permit is in force an employer shall not be liable to any penalty for paying wages to the above worker, at a rate less than the minimum rate applicable, so long as the above conditions prescribed by the Trade Board are complied with.

#### VII.

TRADE BOARDS ACTS, 1909 AND 1918.

Paper Box Trade Board (Great Britain).

STATEMENT OF PARTICULARS IN CONNECTION WITH APPLICATION FOR CERTIFICATE BY UNDERMENTIONED WORKER.

Worker's name in full . Worker's full private address

Date of birth . (Verified by employer by reference to birth certificate.)

Name and address of present employer(s)

Date of commencement of present employment

Previous employment in the trade. (If none, state " none.")

• 1. From 19 to 19 with Messrs. of 2. From 19 to 19 with Messrs. of 3. From 19 to 19 with Messrs. of 4. From 19 to 19 with Messrs. of

I hereby declare that the particulars set out above are true to the best of my knowledge and belief.

Signature of worker

Date

I hereby declare that the applicant's birth certificate has been produced to me.

Signature of Employer or Authorised Agent

Date

(After the above form has been completed the attached application

should also be signed.)

(After registration this form will be detached and returned. It should then be carefully kept for production if required by or on behalf of the Trade Board, whose property it remains.)

TRADE BOARDS ACTS, 1909 AND 1918.

Paper Box Trade Board (Great Britain).

PART I.—APPLICATION FOR CERTIFICATE AS LEARNER.

I hereby apply for a Certificate as a Learner in the trade for

which the Paper Box Trade Board (Great Britain) has been established:—

Signature of Worker Address

Date

The foregoing is made with my knowledge and approval.

Signature of Employer or Authorised Agent

Name and Address of Firm

Date

(The above application and the attached sheet should be sent at once to the Secretary, Paper Box Trade Board (Great Britain), I, Whitehall Gardens, London, S.W. I.)

## PART II.

(To be filled in at the office of Trade Boards.)

The above application has been granted, and this Certificate is issued on behalf of the Trade Board, the date of birth of the learner being declared as , and the length of previous employment in the trade prior to as years months.

Signature

Date

(Instructions for learners are enclosed.)

### PART III.

(To be filled in when the learner leaves the employment referred to in the above Certificate.)

When the learner leaves her employment she should hand this form to her employer in order that he may enter the date of leaving in the space below.

The learner above-mentioned left my employment on Signature of Employer or Authorised Agent

## PART IV.—Subsequent Employments.

This Certificate is valid only in respect of the foregoing employment. When the learner obtains new employment the new employer should insert the date of commencement, and forward the Certificate to The Secretary, Paper Box Trade Board (Great Britain), 1, Whitehall Gardens, London, S.W. 1.

### 1. Name and address of firm

Date of commencement of employment , 19 .

Signature of Employer or Authorised Agent

Application is hereby made for a certificate in respect of the above employment.

Signature of Worker

[ Date

When the above particulars are filled in, this form should be forwarded, by the employer, to the Secretary of the Trade Board. If in order it will be duly certified and returned. Until so certified it is not valid.

(To be filled in at the office of Trade Boards.)

Certified on behalf of the Trade Board . Date

(To be filled in by the employer when the learner leaves.)
The learner above-mentioned left my employment on , 19.

Signature of Employer or Authorised Agent

Date

2. Name and address of firm

Date of commencement of employment , 19

Signature of Employer or Authorised Agent

Application is hereby made for a certificate in respect of the above employment.

Signature of Worker

Date

When the above particulars are filled in, this form should be forwarded, by the employer, to the Secretary of the Trade Board. If in order it will be duly certified and returned. Until so certified it is not valid.

(To be filled in at the office of Trade Boards.)

Certified on behalf of the Trade Board . Date

(To be filled in by the employer when the learner leaves.)

The learner above-mentioned left my employment on 19 .

Signature of Employer or Authorised Agent

Date

3. Name and address of firm

Date of commencement of employment , I

Signature of Employer or Authorised Agent

Application is hereby made for a Certificate in respect of the above employment.

Signature of Worker

Date

When the above particulars are filled in, this form should be forwarded, by the employer, to the Secretary of the Trade Board. If in order it will be duly certified and returned. Until so certified it is not valid.

(To be filled in at the office of Trade Boards.)

Certified on behalf of the Trade Board

Date

### 280 BRITISH TRADE BOARDS SYSTEM

(To be filled in by the employer when the learner leaves.)

The learner above-mentioned left my employment on

19

. Simplying of Fundamenta Authorized April

Signature of Employer or Authorised Agent Date

## VIII. T.B. 1 (d).

# REPORT OF INSPECTION. Registered No. Date of visit

Firm and address
Class of trade
Person(s) seen and status
Object of visit

### I.—Summary of Results of Inspection.

Ма	tter Investigated.		Infractions.	Action taken.	
Posting of	of Notices .				
Records	Wages . Time . Time Workers Piece Workers	:			
Wages ·	Learners . Homeworkers Overtime Rates				
	General Minimur Piece Rates	i	•		

	Gener	ime Rates . al Minimum ce Rates .	4				
		erred for Ini	ormatio	n or f	or Act	ion to— Initialled by	
ı. Re	gis <b>try</b>						
		(Official Lis	t.				
2. Mr.		Notices .			.		
2. BII.		Application	Forms		. 1		
		Permit Ra	es .				
36		`Letter .			_ [		
3. Mr.	•	Proceeding	s .	•			
III.—Re	port.						
1. Not	ices { <sup>E</sup>	escription of F.	notices	poste	đ	M.	
2. Rec	ords ${rac{N}{T}}$	Vages ime					

- 3. Wages (summary of Print 6).
- (a) Time Workers.

	Workers entitled to the full minimum rate.		to lower		
	М	F.	M.	F.	
Number employed.					(r) Whether required to hold or tificates
Number under minimum applic- able. (2)	AND THE REAL PROPERTY OF THE P				ages (2) Number holding permits or apply for permits (paticulars attached).

(b) Piece Workers (for whom General Minimum Piece Rates have not been fixed).

Groups.	M. or F.	Number in Group.	Number under Basis Rate of	Number under Guaranteed Time Rate of	General Conclusions.
					And the second s

Whether earnings shown above are nett, i.e., clear of all deductions

(Information relating to sub-ordinary workers should be given on Print 5.)

(c) General Minimum Piece Rates

(d) Homeworkers Kind(s) of work given out
Whether rates appear satisfactory
Officer

Date

#### IX.

SUMMARY OF RECOMMENDATIONS OF THE COMMITTEE APPOINTED TO ENQUIRE INTO THE WORKING AND EFFECTS OF THE TRADE BOARDS ACTS, 1922. (Cmd. 1645.) 1922.

I. That the power of the Minister of Labour to apply the Acts to a trade be confined to cases where he is satisfied (a) that the rate of wages prevailing in the trade or any branch of the trade is unduly low as compared with those in other employments; and (b) that no adequate machinery exists for the effective regulation of wages throughout the trade.

2. That in any case in which the Minister considers that a prima facie case exists for applying the Acts to any trade, he shall cause a public enquiry to be held into the matter and shall have

regard to the report of such enquiry.

3. That it be the duty of a Trade Board to fix-

(a) A general minimum time rate for the general body of workers in the trade, such rate to be fixed with reference to the lowest grade of ordinary workers in the trade;

and that a Trade Board be authorised to fix—

(b) If so authorised by Order of the Minister of Labour, a special minimum time rate for workers performing work ancillary to that performed by the general body of workers;

(c) A piece work basis time rate;

(d) A guaranteed time rate for piece workers:

(e) Minimum piece rates for out- or homeworkers engaged in piece work in the trade;

(f) Overtime rates based upon the above rates; and that such rates when confirmed be enforceable in manner now provided by the Trade Boards Acts.

4. That a Trade Board have power to fix-

 (a) Special minimum time rates and piece work basis time rates for special classes of workers in the trade or workers engaged in any special process;

(b) Minimum piece rates for in-workers;

(c) Special minimum piece rates for in-workers to be fixed on the application of an individual employer to apply in respect of workers employed by him; (d) Overtime rates based upon the above rates; and to apply for confirmation of such rates, and that such rates,

if confirmed, be recoverable by civil proceedings only.

5. That any question arising under the last preceding recommendation be determined by agreement between the members representing employers and the members representing workers, and that for this purpose the assent of not less than three-fourths of the members of either side present and voting on the question (not less than one-half of the members on the side being present) do bind the side.

6. That provision be made for enabling the representative members of a Trade Board to refer any difference which may have arisen with regard to any rate proposed to be fixed under the recommendation numbered (4) above, to such person or persons as they may appoint.

7. That as regards any rate fixed or proposed to be fixed under the above recommendation numbered (4), the provisions of the

Corn Production Acts (Repeal) Act, 1921, section 4, sub-sections (3) to (5), have effect subject to the modification proposed in

paragraph 62 of the Report.

8. That as regards any manufacturing or productive trade to which the Acts have been or may be applied, the Minister of Labour be authorised, after consultation with the Trade Board for such trade, to set up for any area a district committee for the regulation of such trade in the area, and that every such committee have the powers conferred by the Acts upon district committees.

9. That where a district trade committee has been established it shall be consulted by the Board before a proposal for a rate affecting the district is made.

10. That a Trade Board which has established a district trade

committee shall have power at any time to dissolve it.

11. That as regards the distributive and retail making-up trades to which the Acts have been or may be applied (including the Laundry Trade), the Minister of Labour shall be authorised to divide the country into suitable areas and to set up for any area a District Board or District Boards for the regulation of such trades in the area.

12. That a co-ordinating committee for each trade or group of

trades for which District Boards are so formed be set up.

13. That the Trade Boards which have not already adopted this course be recommended in fixing minimum rates for learners to have regard to experience not less than to age to make suitable provision for late entrants.

14. That Trade Boards be recommended in trades where apprenticeship is of value to encourage that system by fixing a minimum rate for apprentices lower than that fixed for learners

of the same age.

15. That the power of exemption conferred upon Trade Boards by the Acts be extended so as to cover any worker employed in a trade who, from age or any other cause, is incapable of earning the minimum rate applicable to him.

16. That permits of exemption when given may be made retro-

spective to the date of application.

17. That the rates fixed by Trade Boards be subject to confirmation by the Minister as at present, but that the Minister be authorised, before confirming any rate or referring it back to a Trade Board for reconsideration, to refer the matter to the Industrial Court for its consideration and advice, or to cause a public enquiry to be held into the matter.

18. That the Minister of Labour be authorised to establish a Trade Board for two or more trades and to transfer to any such

Board the powers of any existing Board.

19. That the Minister of Labour be authorised, on the application of a proprietor of any establishment in which two or more trades to which the Acts apply are carried on, by Order to determine which minimum rates of wages shall apply to the workers or any class of workers in such establishment.

20. That the Minister of Labour be authorised, on the application of a trader or any person concerned, by Order to determine whether any worker or class of workers falls within the scope of an Order under which a Trade Board are established or of a deter-

mination made by such a Board.

21. That any Trade Board or persons aggrieved by any such decision shall have a right of appeal to a judge of the High Court in manner provided by section 10 of the Unemployment Insurance

Act, 1920.

22. That the Minister shall be authorised, if he is of opinion that the circumstances of any trade or any branch of a trade to which the Acts apply are of such a character as to render the application of the Acts no longer necessary, by special Order to withdraw that trade or branch from the operation of the Acts either altogether or for such period and upon such conditions as he may think fit, but that before making any such Order the Minister shall cause a public enquiry to be made into the matter.

23. That the Minister be authorised by Order to empower the Lace Finishing Board, and any other Board to which he may consider that similar considerations apply, to fix a minimum

remuneration for middle-women.

24. That Trade Boards be authorised to fix a series of minimum rates to come into operation contingently on the occurrence of

specified events.

25. That Trade Boards be authorised in fixing overtime rates to make the payment of a daily overtime rate conditional on the completion by the workers of a specified number of hours' work in the week, subject to such work being provided by the employer;

and also to fix such rates by reference to a different number of hours' work in different districts.

26. That the provision which prevents a Trade Board from giving notice of a proposal to vary a rate within six months after it has been fixed, without the consent of the Minister of Labour, be repealed.

oe repeated.

27. That the period allowed for objections to a proposal for the cancellation or variation of a rate be reduced in the case of a rate specified in the above recommendation numbered (3) to one month, and in all other cases to fourteen days, from the date of

notice being given of the proposal.

28. That the maximum period allowed to the Minister for confirming a cancellation or a variation of a rate or referring it back to the Trade Board be reduced (unless in his opinion there are special circumstances which make a postponement desirable, and excepting when he refers the rate to the Industrial Court or orders a public enquiry to be held) to fourteen days.

29. That where, as a result of objections to a proposal for a minimum rate, a rate different from the proposed rate is agreed to by not less than three-fourths of the representative members on each side of the Board present and voting, not less than one-half of the members on each side being present, the Minister be authorised (unless he is of opinion that the difference is of so serious a nature that fresh notice of it should be given) to confirm such different rate as the minimum without any further notice thereof being given.

30. That when on investigation it is found that an employer is not complying with a compulsory Order, the employer be warned

forthwith of the non-compliance.

31. That when a magistrate convicts an employer of an offence against the Acts, it be the duty of the magistrate to order payment of all arrears incurred within six months before the commencement of the proceedings, but without prejudice to his power to order payment of arrears for a longer period.

32. That it be the duty of the Minister to obtain an annual report on the working of the Acts and to present the same to Parliament.

33. That provision be made for applying the amendments pro-

posed in this Report to the existing Boards.

34. That the Trade Boards Acts be repealed and a Consolidating Act containing the necessary amendments be passed.

#### X.

# SUMMARY OF THE CHIEF PROVISIONS OF THE TRADE BOARDS ACTS OF 1909 AND 1918.

I. The Acts apply to four trades specified in the Act of 1909, and may be applied by special Order of the Minister of Labour to any other trade if—

2. He is convinced that no adequate machinery exists for the effective regulation of wages in the trade, and having regard to the rate of wages prevailing in the trade that it is expedient.

3. The Minister of Labour may by special Order withdraw a trade from operation of the Act if he is of opinion that the conditions of employment have so altered as to render the application

of the principal Act to the trade unnecessary.

4. A Trade Board shall consider and report upon any industrial matter referred to them by any Government department and shall fix a minimum rate of wages for time work for their trade. On application of an employer they shall fix special minimum piece rates to apply to the persons employed by him to which the minimum time rate, but no general minimum piece rate, is applicable.

A Trade Board may make recommendations to a Government department with reference to the industrial conditions of the

trade. They may also fix for their trade-

(a) A general minimum rate of wages for piece workers.

(b) A minimum time rate to apply in the case of workers employed on piece work for the purpose of securing to such workers a minimum rate of remuneration on a timework basis.

- (c) A minimum rate (whether a time rate or a piece rate) to apply, in substitution for the minimum rate which would otherwise be applicable in respect of hours worked by a worker in any week or on any day in excess of the number of hours declared by the Trade Board to be the normal number of hours of work per week or for that day in the trade.
- 6. These rates may be fixed to apply universally to the trade or so as to apply to any special process in the work of the trade, or to any special area, or to any class of workers in the trade, or to any class of workers in any special process or in any special area.
- 7. The power of a Trade Board to fix a minimum rate of wages shall include the power to fix a series of minimum rates to come into operation successively on the expiration of specified periods, and the power to vary a minimum rate shall include the power so to vary a rate that the variation shall be operative only during a specified period.

8. A Trade Board may attach to the fixing of a minimum rate

for a special class of workers the conditions that-

(a) Workers who are members of the class must be holders of certificates to that effect issued by the Trade Board.

(b) If the class consists of learners, such conditions as the Trade Board think necessary for securing the effective instruction of those persons in the trade.

 A Trade Board may cancel or vary any minimum rate fixed under the Act. They shall reconsider any minimum rates if the Minister of Labour directs them to do so. Before fixing, cancelling, or varying any minimum rate of wages (not being a special minimum piece rate) a Trade Board shall give notice of their proposal and shall consider any objections to the proposal which shall be lodged with them within two months.

ro. If a rate has not been effective for six months, the consent of the Minister of Labour must be obtained before variation.

- vages, or have cancelled or varied any such rate, they shall send notification to the Minister of Labour, who shall take the matter into his consideration, and unless he thinks it necessary to refer the matter back to the Boards for reconsideration, shall make an order confirming the rate, cancellation or variation within one month unless in his opinion it is necessary to postpone the making of the Order. The Trade Boards shall give notice of the making of the Order and its contents after it has been confirmed by the Minister.
- 12. If a Trade Board are satisfied that any worker employed in the trade is affected by any physical injury which renders him incapable of earning that minimum rate which is applicable to him, they may grant him a permit exempting him from the provisions of the Act, and the employer shall not be liable for paying wages to the worker at a rate less than the minimum.
- 13. It shall be the duty of every employer in a trade to which the Act applies to keep such records of wages as are necessary to show that the provisions of the Act are being complied with. If he fails to do so he shall be liable on summary conviction in respect of each offence to a fine not exceeding one pound for every day during which the default continues after conviction.
- 14. In any prosecution of a person for failing to pay wages at not less than the minimum rate, it shall lie on that person to prove that he has not paid wages at less than the minimum rate.
- 15. Any shopkeeper, dealer, or trader who by way of trade makes any arrangement, express or implied, with any worker in pursuance of which the worker performs any work for which a minimum rate has been fixed under the Act shall be deemed to be the employer of the worker.
- 16. An employer shall in cases where persons are employed on piece work and a general minimum time rate, but no general minimum piece rate has been fixed, be deemed to pay wages at less than the minimum rate—
  - (a) In cases where a special minimum piece rate has been fixed, if the rate of wages is less than that special minimum piece rate; and
  - (b) In cases where a special minimum piece rate has not been so fixed unless he shows that the piece rate of wages paid would yield in the circumstances of the case to an ordinary worker at least the same amount of money as the basis rate.

17. It shall not be lawful for the employer of a learner or an apprentice to receive directly or indirectly from him or on his behalf or on his account any payment by way of premium after the first four weeks from the commencement of his employment.

18. A worker shall be deemed to have been employed during all time during which he was present on the premises of the employer unless the employer proves that he was present without his consent, express or implied, or that he was so present for some purpose unconnected with his work other than waiting for work to be given him to perform. A worker employed on piece work shall be deemed during any time during which he was so present, and was not doing piece work, to have been employed at the general minimum time rate applicable to workers of his class. Provided that a worker who resides on the premises of the employer shall not be deemed to be employed during time when he is on the premises, by reason only of the fact that he is so resident, and a worker while present during normal meal times in a room or place where no work is being done shall be deemed to be present for a purpose unconnected with his work.

19. An employer who fails to pay wages at not less than the minimum rate shall be liable, on summary conviction in respect of each offence, to a fine not exceeding £20 and to a fine not exceeding £5 for each day on which the offence is continued after conviction. The Court may adjudge the convicted employer to pay in addition such sum as appears to the Court to be due to the person employed on account of wages, calculated on the basis of the minimum rate, and if notice of intention to do so is served with the summons, warrant, or complaint, evidence may be given of any failure on the part of the employer to pay wages at not less than the minimum rate to that worker at any time during the two years immediately preceding the date on which the information was laid, and upon proof the employer may be required to pay arrears during those years.

20. The Minister of Labour may make regulations with respect to the constitution of Trade Boards, which shall consist of members representing employers and members representing workers in equal proportions and of the appointed members. Women are eligible as members of Trade Boards as well as men, and at least one woman must be designated as an appointed member on the Trade Boards for any trades in which women are largely employed.

21. The representative members shall be elected or nominated or partly elected and partly nominated as provided in the regulations. The representation of homeworkers shall be provided for in all trades in which a considerable proportion of homeworkers are engaged. The Minister of Labour may appoint such number of persons as he thinks fit to be appointed members.

22. A Trade Board may establish district trade committees consisting partly of members of the Trade Board, but representing

employers or workers engaged in the trade and constituted in accordance with regulations made for the purpose. Any matters may be referred by a Board to a district trade committee or any power may be delegated to them except that to fix rates of wages.

23. Where a district trade committee has been established for any area, it shall be the duty of the committee to recommend to the Trade Boards minimum rates which shall be applicable to the trade in that area, and no minimum rates of wages fixed under the Act, and no variation or cancellation shall have effect within that area unless it has been submitted to the district trade committees and a report has been made to the Trade Board.

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### INDEX

Agriculture: Corn Production Act, 3, 27, 116, 265; and milk trade, 60, 116; wages, 174, 175

Appointed Members: on boards, 8; number, 11, 12; selection of, 14, 15; function of, 18, 20, 21, 22, 23

Australia: early legislation, 1; New South Wales, 30; distributive trades, 120; attack on arbitration system, 243; fixation of rates, 263

Aves, Ernest, 15, 32

Balance Sheets, 20, 21, 238

Board of Trade, 5

Bowley, A. L.: wages during war, 160, 161; index numbers, 163

Cave Committee: evidence, 14, 43, 142, 193, 194, 206, 210, 215; recommendations, 65, 208, 250-257, 262; establishment, 248

Central Europe, exchange, 214

Committee on Production, 103, 105, 112

Competition: unfair, 32; foreign, 212, 213-216

Co-operative Societies: wages of, 12, 89, 91, 92, 111, 112

Co-ordination: of rates, 16, 61; between inspectorate and boards, 32, 33; lack of, 45

Cost of Living: argument, 29; index number, 29, 30, 91, 105, 115, 119, 136, 157, 168, 195; district trade committees, 49; country and town, 49, 117; and cost of operating, 49; skilled rates, 135; sliding scales, 136, 137

Court of Arbitration: laundry award, 89, 90; jute award, 97, 98; metal trades awards, 102, 103, 104

Definition: of minimum wage, 27, 28; of trades, 53-59; stamped metal trade, 56; of learners, 67

Employers' Trade Boards Consultative Committee, 25

Factory Acts, 181

Homeworkers: on boards, 8; inspection of, 41; district trade committees, 46; sweating, 78; net trade, 95, 210; metal trades, 102; overtime rates, 132; wages of, 147 et seq.; extent of, 149-153

292 INDEX

Industrial Court: net award, 95, 96; jute and flax, 98; dress-making, 112; care committee, 253, 265

Industrial Training, 75, 76

Infirm Workers: permits, 34, 37, 47, 62-65; numbers of, 63, 249, 250

Inspection: success of Acts, 32-45; staff of inspectors, 40

Investigations: re setting up boards, 7, 35; re rate fixing, 25; infraction of Acts, 33; permits, 62, 63; jute and flax, 98; piece rates, 123

Late Entrants: rates for, 69; provisions for, 147

Members: of boards, 10, 13

Mining: Minimum Wage Act, 2; wages, 174, 175

Ministry of Labour: establishment of trade boards, 5, 7, 8, 9, 15, 24, 122, 190, 245; executive functions, 7, 253; regulations of, 9, 17; confirmation of rates, 10, 16, 44; dissolution of boards, 11; district trade committees, 48; sliding scales, 136; enforcement, 186; investigations, 25; inspection, 32, 40-45; prosecutions, 43, 63; definition of trades, 53; industrial training, 75; distributive trades, 116, 119, 183; laundry, 123, 130; and trade boards, 246-249; attack on boards, 244

Notices: posting of, 33, 34; complexity of, 34, 35, 36

Objections: to rates, 17, 26, 27, 51

Parliament: special Orders, 8; responsibility of Minister of Labour to, 16.

Penalties: for non-compliance, 33

Piece-work: yield of rates, 18; appointed members and rates, 21; rates in hair; bass and fibre industries, 25; in lace finishing, 25; powers under the Act, 76; inspection of, 33, 36-39; permits of exemption, 62; tobacco, 86; in cotton trade, 96; Act of 1918..121; general minimum piece rates, 123 et seq.; special minimum piece rates, 124

Prosecution: Minister of Labour, 43; cases, 44; expense, 45; by workers, 45

Rates of Wages: operative December 1st, 1922..139-141 (Table)

Rowntree, B. S.: wage standards, 29, 160, 165, 168-170, 173, 261 Secretary of Trade Boards: function, 24

Sliding Scales, 136, 138

Standardisation, 231, 232

Strikes: in trade board trades, 218

Sub-contractors, 10, 11

Sweating: establishment of trade boards, 7; and apprenticeship, 73; object of 1909 Act, 77, 78, 258; level, 160, 233; laundry trade, 88; Act, 1918...122; level of wages, 160, 233; unemployment, 192

Trade Boards Advisory Council, 25

Trade Unions: power of, 12; general unions, 13

United Dairies Company, 117

United States: minimum wage, 30; constitutionality of minimum wage, 17; distributive trades, 120; guaranteed time rate, 39, 233; cost of living, 49; laundry machinery, 92; lace manufacture, 209, 213; open shop movement, 243; fixation of rates, 263

Votes: equalisation of, 9, 10; side voting, 10, 11; abstaining 10; quorum, 10; cross voting, 11, 12, 21; on rates, 21, 22, 23

Whitley Report: second, 3, 191; councils, 3, 4

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