

ROYAL COMMISSION ON LABOUR.

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FIFTH AND FINAL REPORT

OF THE

ROYAL COMMISSION ON LABOUR.

PART I.

THE REPORT.

Presented to both Houses of Parliament by Command of Her Majesty,
June 1894.



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ROYAL COMMISSION ON LABOUR.

FIFTH AND FINAL REPORT.

TO THE QUEEN'S MOST EXCELLENT MAJESTY.

MAY IT PLEASE YOUR MAJESTY, . . .

WE, the undersigned Commissioners appointed to inquire into the questions affecting the relations between employer and employed, the combinations of employers and employed, and the conditions of labour, which have been raised during the recent trade disputes in the United Kingdom, have the honour to submit to Your Majesty our Final Report.

PROCEDURE OF THE COMMISSION.

We think it well to recapitulate shortly for the purposes of this Report the chief steps we have taken in carrying out the inquiry entrusted to us.

The First Meeting of the Commission was held in the Commission Room at Westminster Hall on May 1st, 1891. We then considered the different methods which it was open to us to adopt, namely, (1) The taking of oral evidence; (2) The collection of written evidence in the shape of answers to schedules of questions; (3) The use of existing materials; (4) The appointment of Assistant Commissioners to collect information not obtainable by other means.

We appointed a Committee to draw up a scheme of procedure. The Committee reported in favour of dividing the Commission into three Committees for the purpose of instituting an inquiry into certain groups of trades. The Committees appointed were as follows, the Chairman of the Commission being an ex-officio member of each committee:—

COMMITTEE A.—Mr. David Dale (Chairman), Sir E. Harland, Mr. T. Burt, Mr. W. Cham, Mr. E. Trow, Mr. A. Hewlett, Sir W. T. Lewis, Mr. Gerald Balfour, The Right Hon. H. H. Fowler.

COMMITTEE B.—The Right Hon. the Earl of Derby, K.G. (Chairman), Mr. J. C. Bolton, Mr. T. H. Ismay, Mr. Tom Mann, Mr. H. Tait, Mr. S. Plimsoll, The Right Hon. George Collings, Professor Marshall, The Right Hon. Sir Michael Hicks-Beach.

COMMITTEE C.—The Right Hon. A. J. Mundella (Chairman), Mr. W. Tunstill, Mr. J. A. Wadsley, Mr. G. Livesey, Mr. M. Austin, The Right Hon. Sir John E. Gorst, Mr. F. Pollock, The Right Hon. Leonard H. Courtney.

It was, however, understood that any member of any Committee might attend and join in the inquiries of other Committees, and this power was freely exercised.

The division of trades adopted was as follows:—

COMMITTEE A.—The Mining, Iron, Engineering, Hardware, Shipbuilding, and Cognate Trades.

COMMITTEE B.—Transport and Agriculture: the term "Transport" including Shipping, Canals, Docks, Railways, and Tramways.

COMMITTEE C.—Textile, Clothing, Chemical, Building, and Miscellaneous Trades.

The Committee on Procedure further drew up a syllabus (contained with other details in the Report of the Secretary printed in Part II. of this Report) which was adopted as a convenient summary of the subjects into which the Committees were to inquire, leaving questions of principle to be treated by the Commission as a Whole.

At later meetings we considered and adopted Schedules of Questions which we subsequently addressed to Trade Unions, Employers, and Employers' Associations.

The Committees then proceeded to take evidence with regard to special industries, and on the completion of their inquiries in December 1892 evidence on more general questions was taken before the Whole Commission.

With regard to the witnesses heard before the Committees, the method adopted was to summon representatives of Trade Unions in the first place to state their grievances, and then representatives of the Employers' Associations to state their views.

If no such Unions or Associations existed, we summoned such individual workmen or employers as seemed to be representative of the interests concerned. Evidence was also volunteered from many quarters, and was received where it appeared relevant and useful. In all we examined 583 witnesses at 151 sittings, and the evidence was from time to time printed and laid before Your Majesty.

In December 1891 the evidence having already become voluminous, we directed the Secretary to prepare Digests of the Minutes for our use. These Digests comprise (1) a Précis of the Evidence which embodies in a convenient form the substance of the evidence of each witness, preserving as far as possible the actual words used by him; (2) Abstracts of all the evidence on certain points which appeared to us to be of the most practical importance, namely:—(a.) Strikes, their causes, development, organisation and conduct, their cost, and the means adopted for their prevention and settlement; (b.) The Eight Hours' Day; (c.) Arbitration and Conciliation; (d.) The Acts of Parliament referred to in the evidence.

In the volumes of the Digest there were also printed an Analysis, which was prepared weekly, of the evidence given by each witness to facilitate reference to the evidence already taken, and a Glossary of Technical Terms which were in many cases unintelligible to persons not possessed of the necessary technical knowledge.

We further directed the Secretary from time to time to prepare for our use certain Memoranda on current and previous parliamentary inquiries and literature, among which we may mention a Précis of the Evidence given before the Select Committee of the House of Commons on Railway Servants (Hours of Labour), and a Memorandum on the Evidence taken before the Committee of the House of Lords on Sweating.

In addition to the above Digests we directed that Indexes should be prepared in three parts:—(1) An Index of Witnesses; (2) An Index of Subjects, which was intended to indicate the matter contained in the evidence with a view to enabling any person not satisfied with the Digest to obtain information at first-hand on the most important points into which we were appointed to inquire; (3) An Index of Trades on a larger scale, to give a complete review of the Labour Question with regard to any of the more important trades the conditions of which we investigated.

We also directed the Secretary to prepare a complete Glossary, with Indexes, of the Technical Terms used in the evidence, to be published as a separate volume.

Nearly 3,150 Schedules of the Questions above mentioned were sent to Trades Unions, Employers, Employers' Associations, Trades Councils, Chambers of Commerce, and Women's Trades Unions, to which 1,190 answers have been received, tabulated, and summarised by the Secretary.

Circulars have also been sent to about 2,200 State and Municipal Employers of Labour, from whom have been received nearly 900 answers, the results of which the Secretary was directed to tabulate and summarise.

We further considered it desirable to collect the Rules of Trade Unions, Employers' Associations, and Joint Boards, which were tabulated by the Secretary with Introductory Memoranda under the following heads:—

- (1) Date of establishment and registration;
- (2) Objects;
- (3) Form of government;
- (4) Entrance fee and conditions of membership;
- (5) Rate of contributions and mode of payment;
- (6) Benefit funds;
- (7) Regulations for disputes with employers;
- (8) Attitude of members towards employers;
- (9) Attitude of members towards non-unionists;
- (10) Minimum wage, &c.;
- (11) Provision of work for the unemployed;
- (12) Investment of funds.

Lastly, when these had been completed, it appeared to us desirable that Summaries of all the above information should be drawn up under the following heads:—

GROUP A, *Part I.*—Mines and Quarries.

„ *Part II.*—Iron, Engineering, Hardware, Shipbuilding, and Cognate Trades.

GROUP B, *Part I.*—Transport by Water.

„ *Part II.*—Transport by Land.

GROUP C, *Part I.*—Textile and Clothing.

„ *Part II.*—Chemical, Building, and Miscellaneous Trades.

Whole Commission.—Movements, Organisations, and Institutions.

The Documents on which the Summaries are based include:—

1. The Minutes of Evidence with Appendices.
2. The Answers to the Schedules of Questions.

3. The Rules of Associations of Employers and Employed, and of Joint Boards.
4. The Rules of Accident, Sick, Insurance, and Superannuation Funds, handed in to the Commission.
5. Certain other Documents handed in or forwarded to the Commission, but not printed with the above.
6. Further Correspondence on points requiring additional explanation.
7. Current official publications, such as Parliamentary Returns, Reports of the Factory Inspectors, and of the Board of Trade.

There are appended to the Summaries the following Appendices, drawn up by the Secretary:—

1. Acts of Parliament referred to in the Evidence, with the amendments proposed by the Witnesses, in parallel columns.
2. Summary of the Returns received on State and Municipal Employment of Labour.
3. Summary on the Employment of Women.
4. Memorandum on the Economic Operation of the Royalty System.
5. Memorandum on the Evidence relating to Employers' Liability. (In connection with this we refer to our remarks in paragraphs 52 to 54.)
6. Memorandum on the Evidence relating to the Coal Mines Regulation Act, 1887.
7. Memorandum on the Evidence relating to the Merchant Shipping Acts, 1854–90.
8. Memorandum on the Evidence relating to the Factory and Workshops Acts, 1878–91.
9. The administration of certain important industrial enactments.

The Summaries, therefore, present with their Appendices a complete résumé of all the information available from official sources up to the time of the preparation of this Report. To the Summaries themselves an Index has been added which directs an enquirer to ascertain the information we have collected on any point and its sources.

Meanwhile Committee B., in July 1891, recommended the appointment of Mr. W. C. Little as an Assistant Agricultural Commissioner to analyse and condense the information already collected within the last few years on the subject of Agricultural Labour. The same Committee also recommended the appointment of 12 further Assistant Commissioners in January 1892. The following gentlemen were subsequently appointed Assistant Commissioners:—Mr. A. J. Spencer, Mr. R. C. Richards, Mr. W. E. Bear, Mr. C. M. Chapman, Mr. D. Lleufer Thomas, Mr. E. Wilkinson, Mr. W. P. O'Brien, C.B., Mr. A. Wilson Fox, Mr. R. McCrea, Mr. H. Rutherford, Mr. R. Hunter Pringle, and Mr. G. R. Gillespie, and they have collected information, as instructed by the Committee, under the superintendence of Mr. Little, on the condition of the agricultural labourer.

Committee C. also recommended the appointment of four Lady Assistant Commissioners on February 2nd, 1892, viz.:—Miss E. Orme, Miss M. Abraham, Miss M. H. Irwin, and Miss C. E. Collet, to collect information as to the Employment of Women which the Commission was prevented from procuring by the nature of its composition and the place of its meetings. Four Lady Assistant Commissioners were duly appointed and prepared 19 Reports in the course of 1892 and 1893. From these and other sources we directed the Secretary to draw up a complete Summary with regard to the Employment of Women for our use, which is printed as Appendix III. to the Summaries contained in Part II. of this Report.

With regard to the information which we found it desirable to obtain from the Colonies, India, and Foreign Countries, we decided to apply in the first case to the Colonial Office, the India Office, and the Foreign Office. We subsequently decided with regard to the Colonies and Foreign Countries to direct the Secretary to prepare Reports for our use from the information received from these Offices, and from other information previously collected by him in those countries. We also directed the Secretary at different times to proceed to Holland, Germany, France, Belgium, the United States and Switzerland, to obtain special information which we required and which he was unable to obtain by writing or other means. A List of the Reports so published is printed in an Appendix to the Report of the Secretary on the Work of the Office.

It will be gathered from the account of the procedure of this Commission, that the range of our Inquiry has been very wide. The work undertaken and carried on during the last three years has been of a magnitude and extent unprecedented in the history of Royal Commissions, and we desire to record our opinion that its results are of the highest value, and cannot be measured solely by the contents of our Report itself.

The oral inquiries which have been conducted by the Commission and by its Committees form only a part of that work. They have afforded to representatives, whether employers or employed, of almost every branch of industry in the United Kingdom, the oppor-

tunity of stating their grievances or of expressing their views on a great variety of subjects of vital importance to both, and the public expression and discussion of such views may, we hope, have led in many cases to a better mutual understanding between these classes.

We have also received the suggestions and opinions of some of the highest authorities on labour questions. But in addition to the information thus obtained, the returns which we have received, and the inquiries of our Assistant Commissioners, have provided a large amount of information never previously collected on a similar scale.

These materials will, we believe, prove to be of great value to those who may hereafter, either in a public or a private capacity, have to deal with industrial questions, a value which will, we think, be very greatly enhanced by the way in which information derived from many sources, of great bulk and contained in numerous volumes, has been summarised and condensed in the Summaries of Evidence contained in the second part of this Report, and thus made readily accessible and available.

Further, the information which has been for the first time collected and arranged in reference to similar matters and questions in foreign countries and in the Colonies will, we believe, be found to be of equal value.

These results will, in our opinion, amply justify the time and expense which have been involved in this Inquiry.

It will be seen from the above observations that the work of our secretarial staff has been very considerable. A more detailed account of it is given in "the Secretary's Report upon the Work of the Office," printed at the beginning of the volume containing the "Summaries of Evidence," which accompanies the present Report. We believe that we are justified in saying that the official work has exceeded that compressed into a similar space of time in the case of any former Royal Commission, and we desire to express our complete satisfaction with the zeal and energy of all those employed in it.

The work accomplished by one of our Secretaries, Mr. Geoffrey Drage, has been of a special and exceptional character. The Abstracts, Summaries, and Reports, already mentioned, have been prepared either directly by him or under his instructions. This work has required not only much care and labour, but a very complete acquaintance with the principal authorities and writers on labour questions in all parts of the world, together with considerable literary ability.

In the attempt to condense within reasonable limits so vast an amount of information and opinion upon labour questions, it has been necessary for us to place a considerable amount of responsibility on Mr. Drage himself; but without necessarily associating ourselves with all the conclusions or statements of fact which these documents contain, we desire to express our sense of the conscientious manner in which Mr. Drage has discharged the difficult and laborious duties which have been imposed on him, and of the great value of his services.

We desire also to express our appreciation of the valuable services rendered by Mr. John Burnett, Labour Correspondent of the Board of Trade, who acted as Joint Secretary. During his connection with the Commission the work of his Department, which he has carried on simultaneously, has necessarily taken up the greater part of his time; but his advice has, on all occasions, been of great assistance to us, and his intimate and practical acquaintance with labour questions for many years has rendered his help, especially in the selection of witnesses, of the greatest value to us.

We also wish to express our sense of the excellent work done by Mr. F. V. Hornby, the Assistant Secretary, who has contributed materially to the efficiency of the Office, where his legal training and official experience have been, we understand, of the greatest assistance to the Secretary.

The employment of Women to do much of the more skilled, as well as routine work of the office is a new experiment in the Public Service, which has, we think, been fully justified by success. The Secretary has reported to us most favourably of the energy and intelligence with which they have discharged their duties.

We also desire to express our indebtedness to the Assistant Commissioners who have been employed by us, and, in particular, our thanks are due to Mr. Little, the senior Assistant Agricultural Commissioner, whose great knowledge of his subject has been invaluable for the purposes of that branch of the inquiry, and to Miss Orme, the senior Lady Assistant Commissioner.

We have received considerable assistance in the collection of information from several public officers, and, in particular, the Home Office, the Foreign Office, the India Office, the Colonial Office, the Board of Trade, and the Board of Agriculture.

In the preparation of the Foreign Reports, published by the Commission, our Secretary has received much assistance from the information collected and reports supplied by many of Your Majesty's diplomatic and consular officers. We desire to express our thanks to those officers, and also to the following foreign and colonial diplomatists, statesmen, and officials who, among others, have been good enough to furnish our Secretary with useful information, namely, Mr. Carroll D. Wright, United States Commissioner of Labour; Sir Charles Mills, K.C.M.G., Agent-General for Cape Colony; Sir Charles Tupper, Bart., G.C.M.G., High Commissioner for the Dominion of Canada; Dr. Garran, chairman of the New South Wales Royal Commission on Labour; Sir William Windeyer, senior Puisne Judge of New South Wales; Count Metternich, of the German Embassy; Count Palfy, of the Austro-Hungarian Embassy; Commendatore Luigi Bodio, Director-General of Statistics, Rome; Dr. Baernreither, Member of the Austrian Parliament; and M. Saintelette, President of the Belgian Royal Commission on Labour.

Before we reached the final stage of our labours we were deprived, by the death of the Earl of Derby, of a colleague who, as Chairman of the "B" Committee, had rendered most efficient service to the Commission, and whose judgment and advice in the consideration of our Report would have been of the highest value.

INTRODUCTORY OBSERVATIONS.

We think it to be desirable, in the first place, to state briefly the procedure which has been adopted in framing this Report. It was decided by the Commission that, before considering the definite Recommendations which we might think it desirable to submit to Your Majesty, it would be advisable to review in a general manner the facts, opinions, and arguments brought to our notice in various ways. The several parts of the Review in which this attempt has been made were prepared, in the first instance, by the Chairman, were submitted at various intervals to the Commission, were fully, though not verbally or minutely, discussed, and have undergone extensive alterations introduced with a view to make them, as far as possible, impartial statements of the facts, opinions, and arguments with which they were intended to deal. At a later stage of the proceedings Memoranda were submitted by the Chairman as a basis for the discussion of certain points on which definite Recommendations might be made, and, after full discussion, the Recommendations which will be found at the close of this Report were agreed to by the majority of the Members of the Commission.

Appended to the Report will be found supplementary observations by Members who, while concurring generally in the Report, have desired to qualify their assent to some of the statements or Recommendations contained in it, or to add some further suggestions.

We desire to make a special reference to the Report signed by Messrs. William Abraham, Michael Austin, James Mawdsley, and Tom Mann. That Report had already been prepared and was circulated substantially in its present form at a time when the Commission was still engaged in considering the Recommendations drafted by the Chairman. At no period of the proceedings were any of the suggestions which it contains submitted in the form of amendments to be proposed to the Chairman's draft Report.

We regret that in the discussions which took place during the preparation of our Report we had not been placed in the possession of the views which were thus brought before us for the first time in the draft Report of our colleagues.

The Review of the Evidence referred to has been divided for convenience into the following general heads, namely:—

- I.—Conditions of Labour.
- II.—Associations and Organisations of Employers and Employed.
- III.—Relations between Employers and Employed.
- IV.—Conciliation and Arbitration.
- V.—Limitation of Hours of Work by Legislation.
- VI.—Irregularity of Employment.

VII.—A Labour Department and Labour Statistics.

VIII.—The Employment of Women.

The subject of Agricultural Labour is dealt with in a Review prepared by Mr. Little, and printed on pages 195 to 253 of this volume.

This method of procedure has involved the occasional repetition of facts in different connections, as it has not been possible to keep the various subjects absolutely distinct from one another consistently with the object of presenting a fairly complete view of each. It must be added that a great deal of the evidence which we have received has not been brought within the scope of this Review. It was unavoidable that a Commission conducting so large an inquiry should receive a great amount of information upon subjects lying only on the fringe of the main issues specifically indicated by the Reference made to us by Your Majesty, viz., the investigation of "questions affecting the relations between employer and employed, the combinations of employers and of employed, and the conditions of labour, which have been raised during the recent trade disputes in the United Kingdom." The discussion of such subjects before the Commission and the information which has been accumulated and arranged is not, we believe, without value, but it has been thought desirable that, in the following final Review of Evidence, matters not falling immediately within the Reference should, as a rule, be treated very shortly, if at all, and that attention should be concentrated upon those results of the evidence which bear directly upon these issues. The questions which appear to be more specially referred to this Commission are the following:—

- (1.) What are the leading causes of modern disputes between employers and employed; out of what conditions of industry do they arise; and what is the effect upon them of organisations on either side?
- (2.) By what means or institutions can they be prevented from arising, or if they do arise, can they be most pacifically settled without actual conflict in the shape of strikes or lock-outs?
- (3.) Can any of these causes of dispute be wholly or partially removed by practicable legislation, due regard being had to the general interests of the country?

We have not desired to restrict our inquiry within too rigid lines. At the same time it should be understood that we do not intend in this Review to survey the whole of what has been termed the "social question," or to undertake an examination of the fundamental causes of wealth and poverty, or to discuss the remedies by which evils and misfortunes, not directly connected with or bearing upon industrial disputes, can be met. Thus we have felt it to be our duty to examine proposals put forward for obviating the clash of industrial interests by the supersession, wherever practicable, of private employers by public authorities; but it has not appeared to be within our province to examine in detail those schemes for the employment by public authorities of the temporarily unemployed, which are really connected not so much with the ordinary course of industry as with the extension or modification of the existing Poor Law. So again, we have not thought it necessary to do more than touch upon the general social benefits which may result from the existence of the great co-operative associations of consumers, whilst we have attempted to consider more carefully the special relations of such associations to the work-people whom they employ where they engage in productive operations. Our attention has chiefly been directed towards the amelioration of the relations of employers and employed, but in paragraphs 87 to 89, will be found some observations bearing upon the way in which harmony between these classes, so far as they are organised, may possibly be secured at the expense of the interests of other members of the community. Subsequently to the close of the evidence there have been various developments of labour questions, and, in particular, a very serious and widespread contest in the coal-mining industry, which (with all the accessory matters which it has involved) would, had it taken place at an earlier date, have deserved very special study at our hands. It must, however, be observed that the Miners' Federation refused at the time when evidence was being invited to be represented before the Commission by witnesses.

GENERAL REVIEW OF THE EVIDENCE.

I,

CONDITIONS OF LABOUR.

1. WAGES, AND QUESTIONS CONNECTED WITH PIECE-WORK.
2. HOURS OF LABOUR, AND QUESTIONS CONNECTED WITH OVERTIME.
3. PERMANENCE OF ENGAGEMENTS, AND QUESTIONS CONNECTED WITH APPRENTICESHIP.
4. SANITARY CONDITIONS, AND QUESTIONS CONNECTED WITH CERTAIN INDUSTRIES AND HOME WORKERS; RECENT ADMINISTRATIVE ACTION.
5. ACCIDENTS, AND QUESTIONS CONNECTED WITH EMPLOYERS' LIABILITY, &c.
6. GENERAL CONDITION OF THE WORKING CLASSES.

1.—WAGES, AND QUESTIONS CONNECTED WITH PIECE-WORK.

WAGES.

1. The three Committees of the Commission which inquired into the circumstances of the different groups of trades, received much information as to rates of wages, hours of work, and the sanitary conditions of labour prevailing in the various industries and districts. Much information upon these points is also contained in answers to the questions addressed in writing to officials of trade unions and employers' associations and to other persons. Valuable information bearing upon the subject of wages and hours has also been collected by the Commercial Department of the Board of Trade, in pursuance of the Resolution of the House of Commons of March 1886 for collecting Labour Statistics.

Sources of information.

2. This Department published, among several returns of a similar character, Returns of Wages (C. 5172, session 1887), published between 1830 and 1886, and a Return (375, session 1890) showing the average hours of labour worked in several important trades in each tenth year from 1850 to 1890. The Department has also published several volumes containing the result of a careful inquiry made into the wages of many important trades as they stood in the year 1886. The Annual Reports published by the Department on trade unions and strikes also contain much information as to wages.

Publications by Board of Trade.

3. We have not considered it to be our special duty to conduct a statistical inquiry into rates of wages and hours, a task which can be more effectually discharged by the officials of the Board of Trade, but to ascertain the degree in which these matters have given rise to trade conflicts and the modes in which such rates might be settled from time to time without such conflicts arising. The information incidentally received with regard to existing wages and hours has, however, been so far as possible worked out in the Office of the Commission and arranged in a form convenient for reference in the Summaries of Evidence.

Scope of inquiry by the Commission.

4. The general impression left by the information before us is that the level of wage-rates has risen considerably during the last 50 years both in respect of their nominal value and (with the exception of house rent in large towns) their power of purchasing commodities. At the same time it appears that the daily hours of labour have during the same period been in most cases shortened, and the sanitary conditions of work improved.

General impression.

5. The following view was put forward in evidence by Mr. R. Giffen. Taking 1842 as an approximate starting point, there took place between then and about the year 1872, broadly speaking, a considerable general rise in the price of commodities, including both those made and those consumed by the working classes. This rise of price was accompanied by a considerable rise in wages. Subsequently to that date there has been no considerable or marked rise in wages generally, although there has been in many cases a certain steady rise, and certainly in no case or only in very

Mr. Giffen's evidence.

exceptional cases have these wage-rates fallen to a point lower than their average level of about 20 years ago. On the other hand, there has been since about 1872 a great fall in the price of most commodities, especially in the prices of articles of food and clothing.

General
improvement.

6. It does not come within our province to discuss the question to what extent these phenomena, if and in so far as they are correctly described, are due to changes in the relation of money to other commodities, to improvements in the arts of production, to the income which is derived by this country from foreign investments (now estimated to amount to nearly 100 millions annually), to increased savings invested in this country, or to the opening up of new sources of food supply abroad. But if the general rise of wages up to about the year 1872, their subsequent maintenance or increase, and the fall in the prices of articles consumed by the working classes since about 1872 may be taken as general facts, they seem to bear out the testimony of good observers that on the whole there has been an immense improvement during the last 50 years in the condition of these classes. It must further be remembered that many individuals among them not only derive income from wages but also from a certain stock of invested savings. A considerable amount of property also belongs to them in the form of freehold houses and furniture.

Mr. Giffen's
estimates as
to wages.

7. The elaborate inquiries made by Mr. Giffen have led him to the following conclusions which were submitted by him to the Commission in evidence. He considers, on the basis of actual returns for the year 1885 as to great masses of working men, that, taking the whole of Great Britain and Ireland, the actual earnings of adult males engaged in manual labour are approximately as follows :—

Under 10s. a week	-	-	-	0·2 per cent.
10s. to 15s. "	-	-	-	2·5 "
15s. ,, 20s. "	-	-	-	20·9 "
20s. ,, 25s. "	-	-	-	35·4 "
25s. ,, 30s. "	-	-	-	23·6 "
30s. ,, 35s. "	-	-	-	11·2 "
35s. ,, 40s. "	-	-	-	4·4 "
Above 40s. "	-	-	-	1·8 "

Thus, according to this calculation 59 per cent. of the total number earn between 20s. and 30s. a week, or about the average rate, and, of the remainder rather less than 24 per cent. earn under 20s., and 17 per cent. above 30s. Mr. Giffen estimates the average annual earnings of adult males engaged in labour to be about 60*l.*, and those of boys and lads to be about 23*l.* 8s. The average annual earnings of women he estimates to be, inclusive of those in domestic service, about 40*l.*, exclusive of those in domestic service, about 32*l.*; of girls, inclusive of those in domestic service, about 23*l.*, exclusive of those in domestic service, about 18*l.* 4s. Domestic service, appears, according to the census, to engage between one-third and one-half of all females employed, and the remuneration for it is high compared with that obtained in other employments for women. The average remuneration of women in domestic employment would come out more nearly at 50*l.* a year, and of girls at 28*l.* The average earnings of each wage-earner, taking men, women, and children together, Mr. Giffen puts at 48*l.* a year. Means were taken by the Board of Trade in making these investigations to ascertain the actual earnings, including allowances, to which these figures apply, as distinguished both from rates of wages and from mere money payments.

Persons
receiving
under 20s. a
week.

8. The estimate that nearly 24 per cent. of men in employment receive wages not exceeding 20s. a week is to be considered in connection with the following circumstances :—

- (1.) This fraction of the adult male working population embraces a large proportion of the agricultural labourers in Great Britain and Ireland.
- (2.) A certain portion of the 24 per cent. are men belonging to skilled textile trades which employ many women and children. In connection with these trades it must be remembered that, although a cotton operative, for example, may be earning no more than 20s. a week, he, with his wife and two or three children may be earning, as a family, an income as large or larger than that which is earned by a hewer of coal who maintains his whole family. To some extent this is also true of agricultural labourers, especially in some northern counties where the women work as hard as the men. Mr. Giffen calculates that, dividing the aggregate annual income of the

working classes by the number of adult males, the result would be a sum rather above 80*l.* a head, thus exceeding by upwards of 20*l.* the average income of adult male workers alone, and the average family income, where workpeople are grouped in families, would no doubt exceed the income earned by male workers supporting families by their own exertions.

- (3.) A certain, though not a very appreciable part of the men earning no more than 20*s.* a week are old men past the vigour of life, who are still employed, but for less than the average wages, in their trades, of men in full vigour. After deducting from the 25 per cent. the mass of agricultural labourers, a certain proportion of the textile male operatives, and old men on half pay, the greater part of the residue appears to consist of workers in the less skilled and more or less casual employments in great cities. This part of the population is to be found in great numbers in the East of London, where, according to the estimate made by Mr. Charles Booth, in the result of his careful inquiries, about 22½ per cent. of the total population (all ages and sexes) of the district with which he deals, or about 204,000 persons, belong to families in receipt of incomes of no more, on the average, than from 18*s.* to 21*s.* a week, while 11½ per cent., or about 100,000 of the same population, fall below this level, not including about 11,000 who belong to the lowest class of all. (*Labour and Life of the People, Vol. I., Part I., Chapter 2.*)

Between the points indicated by the receipt of a family regular income of 22*s.* a week, and that indicated by the receipt of a family regular income of 30*s.* a week come, in Mr. Booth's opinion, the great central mass of East London working class families.

9. It seems to be certain that 50 years ago the proportion of persons receiving very low wages to the total working population was very much larger than it is at present, although, in view of the great growth of population, the actual number of this class may not be less. At that time agricultural labour engaged a much larger proportion of the working population at even lower wages than those now received in that occupation. The very poor rural population of Ireland was also larger then than it now is. The total improvement, then, so far as relates to wages, seems to consist in this, that, while in specific employments during the last 50 years there has been a great rise of wages, and a rise also in the general remuneration of unskilled labour, there has also been a gradual substitution of better paid employments for the worse paid employments that existed at a former period, causing the percentage of persons earning the lowest rates to be greatly reduced. Thus the improvement has made itself felt throughout the scale. This being the fact with regard to money wages there also appears to be reason for thinking that, taking together the rise of prices up to about the year 1872 and their subsequent fall, the purchasing power of money is at least as great now as it was 50 years ago, especially with regard to the articles most consumed by the poorer classes, and much greater than it was 20 years ago.

General improvement in wages.

QUESTIONS CONNECTED WITH PIECE-WORK.

10. Wages are paid either by time (so much per week, day, or hour, as the case may be), or by the piece. There is also a method intermediate between these two, known as the task-wage system, under which payment is by time, coupled with a stipulation that a minimum of work shall be done within the time. Payment by the piece is the prevailing rule in large departments of the mining, iron and steel, and textile industries. It also prevails to a large extent in various other important trades, and is the rule in some of the worst paid industries of the country, such as the make-up of cheap clothing and furniture.

Wages, how paid.

11. The advantages urged in favour of piece-work are (1) that it stimulates the industry of the workers and diminishes the cost of supervision; (2), that it is the easiest way of securing to the best men the fruits of their superior capacity, of which it is not desirable either in justice to them, or in the interests of the community, to deprive them; and (3), that it enables employers in some cases to find work for weakly or elderly men whom they could not profitably employ at the standard daily wage.

Arguments in favour of piece-work.

12. Many trade unions seem to be opposed to the practice. It is argued, on this side:—

Arguments against piece-work.

- (1.) That the eventual result of piece-work is to lower the general level of wages. Employers measure the prices for it by what the best or quickest workman can do, so that although the best men may, in the first instance, gain by it,

- the average men lose. Accordingly, where work is paid by the piece the constant object of the workpeople is to obtain stable and permanent price lists.
- (2.) That piece-work tends to injure the physical well-being of the workman by leading to excessive intensity of exertion.
 - (3.) „ piece-work leads to “scamping” of work, and is, therefore, against the interests of the public. This is a reason, in particular, why it should not be permitted in works of a public character.
 - (4.) „ piece-work leads to jealousy and ill-feeling among men, and to separation of interests.
 - (5.) „ it tempts individual workmen to do more than their fair share of work and gain more than their fair share of wages, while others find it difficult to obtain employment.

Some of these arguments are generally regarded as worthy of consideration with reference to the special circumstances of particular cases, but there are some who deny to the last any validity at all. They hold that it involves the fallacy that the amount of employment is fixed; and they urge on the contrary that every increase in the energy of any one trade makes a corresponding addition to the employment of other trades and to the wages received in them.

Collective
piece-work.

13. Where the “piece” to be paid for is a job assigned to a group of workmen, the method may be described as collective piece-work. The favour or disfavour with which collective piece-work is viewed by workmen depends in great measure upon the manner in which the constitution of the group is determined, and the collective wage is divided among its members. Where the collective wage is divided among the members of the group in proportions determined among themselves, the system approaches to a form of co-operative production. At the other end of the scale it passes into a system of contract work, under which the subordinate members of the group receive only time-wages, and the whole gain, if any, arising from special efficiency goes to the foreman in charge.

2.—HOURS OF LABOUR, AND QUESTIONS CONNECTED WITH OVERTIME.

HOURS OF LABOUR.

General
reduction of
hours.

14. The Return which was published by the Board of Trade in the year 1890 shows the average number of hours worked weekly in the chief trade centres in certain important industries in every tenth year from 1850 to 1890. Taking this information together with that contained in other reports of the Board of Trade, and with that supplied to the Commission in oral and written evidence, it seems clear that, in the great majority of skilled trades, the hours of labour have been considerably reduced within the last 50 years. In some cases this effect has been due to, or at least accelerated by, legislation. This has been the case with regard to the labour of women, young persons, and children, whose hours are limited by the Acts passed for the regulation of factories, workshops, and mines. Indirectly, this legislation has also affected the hours of labour of men employed in connection with these establishments. In the case of skilled trades carried on by adult men, the normal hours of labour, though untouched by the Factory Acts, have shown a tendency of recent years to approximate to nine a day or 54 a week. This limitation has been general, and not confined to trades in which there are unions. In some cases it has been achieved by the action of trade unions, whether by friendly negotiation with employers or by strikes, and the custom in those trades where it is established has become in turn a potent instrument for reducing the number of the remaining exceptions. In some cases the reduction of hours of labour has not been accompanied by a diminution of output. Modern improvements in the arts of production have contributed to this result, and the reduction of hours may have proved a stimulus to the invention of such improvements. It was pointed out in evidence in connection with the cotton industry, that a diminution of hours of work does not always mean diminution of labour. Machinery worked at a higher rate of speed during nine hours in the absence of corresponding improvements diminishing the strain upon the workers may involve as much exertion as would machinery worked at a lower speed for ten hours.

In the case
of unskilled
labour.

15. Curtailment of the hours of skilled workmen has had a like effect upon those of such general or unskilled labourers as work in connection with them. The labour of another large portion of the latter class fluctuates so much from week to week, and even from day to day, that it would hardly be possible to ascertain its average duration. The hours of work of agricultural labourers would not seem to have varied greatly from what they were in former times. They are dictated to a great

extent by the seasons, the varying length of daylight, the condition of the ground, and the nature of the operations to be performed. To some extent this is also true of other industries carried on in the open air, such as building or brickmaking and dock labour.

16. In some cases very long hours are worked in occupations wherein high earnings can be gained by piece-work. An instance of this is the occupation of workmen engaged at blast-furnaces in the pig-iron trade. In the Cleveland district, according to the evidence of Mr. Snow, the furnaces are worked continually by alternate shifts of men on duty for 12 hours each, and also on alternate Sundays. This industry, together with the manufactured iron trade, where puddlers and millmen work alternate shifts, is, according to the statements made in evidence by Mr. Trow, eminently adapted by its nature to a system of three eight-hour shifts, the result of which would also be to somewhat increase the output. Various attempts, however, made by employers to introduce a three-shift system into puddling have failed on account of the resistance of the puddlers themselves (who earn from 6s. to 8s. per shift), the men having a strong objection to what they consider the unreasonable hours of commencing work under the three-shift system. In the mill department there is also a strong objection on the part of the men who prefer to work the long hours, by which they can earn 20s. a day or more. In a like manner the physically stronger and more energetic class of dock-labourers in London often work very long hours and earn considerable pay, and it appears from the evidence that employers, even though they might think it more to their advantage to have a shift system, would find it difficult to introduce it against the will of these men.

Cases where long hours are worked for high pay.

17. Very long hours are also worked in the baking industry, in some classes of shops, and on many lines of tramways and omnibuses. Excessive hours of labour form also one portion of the miseries of the unorganised and over-crowded industries connected with the make-up of cheap clothing, cabinet-making, and some other manufactures, especially in London. It may, indeed, be said that very long hours, where they are still worked, are often due to causes of an opposite character. In some occupations the workmen are influenced by the hope of gain beyond the average, in others by dread of starvation. In the one case hours are long because the men in possession of the work successfully resist sharing it, and their wages, with others. In the other case the hours are long because the competition for work is so great and the remuneration for it so low that a great deal of labour has to be done to earn a very slender livelihood.

Cases where long hours are worked for low pay.

18. In comparing the hours of work in various occupations, it should be borne in mind that the number of hours is a very incomplete test of the hardness of work, and that in many cases hours of duty are not necessarily hours of actual work. It is obvious that 14 hours of duty as a porter at a station on a country branch line, or 12 hours duty as a seaman at intervals of four hours on a good steamship in calm weather, differ so much in kind from 10 hours' work attending looms in Lancashire, or eight hours of hewing coal in a mine, that it would be impracticable to draw any common conclusion with regard to the four cases. Generally speaking, however, the evidence may be said to show that although some highly paid piece-workers on the one side, and considerable classes of ill-paid and unorganised operatives on the other, work for very long hours, the general mass of skilled workmen, together with the unskilled labourers who work with them, do not now have a working-day much in excess of nine hours. It may be added that well-organised workmen very rarely, if ever, have lost the gains acquired by them in the way of reduction of hours of work, and that the tendency to the reduction of the normal working-day by voluntary effort and negotiation with employers does not appear to have exhausted itself.

Hours of work and hours of duty.

QUESTIONS CONNECTED WITH OVERTIME.

19. The questions which most frequently occur with regard to hours of work are (1) What shall be the normal standard of hours in a trade? (2) Shall any overtime be worked? (3) If so, shall the amount of overtime worked be limited and defined, and how? (4) What shall be the extra pay for overtime work? Obviously, the last three of these questions can only arise when and where some fixed standard of hours has been attained. The strikes which have taken place within the last few years having for their object the reduction of the normal standard of hours, have, it would appear, been more frequent among the less skilled trades, and in some of the occupations

Questions with regard to overtime.

connected with transport. It is alleged that in some instances the object of the demand for reduced hours is not so much actually to shorten work as to increase the time during which extra pay can be claimed. In railway labour also, questions as to the reduction of normal hours have arisen, and the serious strike on Scotch railways in 1891 turned largely upon this point. The London carpenters and joiners struck in the same year for shorter normal hours as well as higher wages. The strike was ended by an arbitration award which conceded to the men part of their claim in respect of hours.

Policy of trade union as to overtime.

20. In most of the skilled and organised trades which have long enjoyed a definite and not unreasonable standard of normal hours, the question chiefly at issue in recent years has been that of the definition and regulation of overtime. The general modern policy of trade unions has been to restrict overtime as much as possible, and to define strictly (1) the amount of hours of overtime which it shall, by the custom of the trade, be legitimate for a workman to do in the week; (2) the amount of extra pay for overtime. Rigid rules in regard to these matters seem to obtain chiefly in trades connected with shipbuilding and engineering. Casual overtime in emergencies, *e.g.*, for carrying out repairs, is not usually objected to by men in these trades.

Arguments against working overtime.

21. The general arguments for and against the practice of overtime at extra rates of pay are, to a certain extent, upon the same lines as those (referred to in paragraphs 174 to 176 of this Report) which relate to proposals for the legal limitation of hours of work. The arguments against overtime may be shortly stated as follows:—

- (1.) Overtime, even if in consideration of extra pay, is bad for men physically and morally. It leaves them no leisure for social and family intercourse or self-improvement. Even if the bad physical result of overtime be not at present visible, it impairs the general "physique" of the race of workmen, and will be bad for future generations. It also leads to bad work, which in some cases, as that of railway men, may be an actual source of danger to the public.
- (2.) Some employers will increase hours of work if they can, and would be successful in doing so when bad trade gives them an advantage over the men, unless they are prevented by rigid rules about overtime, to be observed whether trade is good or bad.
- (3.) Overtime, if allowed, is an encouragement to alternate rushes of work and slack employment. If no employer could work overtime, "jobs" would be spread out over longer periods and fluctuations of industry and irregularity of employment would be diminished. It is the competition between employers in the same trade which causes them to press work forward in good times with feverish speed. If, through strict trade union rules, systematic overtime can be prevented throughout a trade, one employer can no longer compete in this way with another at the cost of his workmen.
- (4.) Admitting that many individual workmen like to work unlimited overtime for the sake of extra pay, yet they ought to be restricted, inasmuch as by so doing they do harm to the interests of the general body of men. The result of systematic overtime is that work and wages are unfairly shared, that some men have more work to do than is good for them, while others go lacking employment.

Arguments in favour of overtime.

22. Arguments to the following effect were adduced on the other side, in favour of liberty or greater liberty, as to overtime at extra pay:—

- (1.) The evil effects, moral and physical, which are ascribed to overtime, obviously involve a question of degree. No universal rule can be laid down applicable to every kind of work and every individual workman.
- (2.) It is not usually to the interest of the employers themselves to have systematic overtime, least of all when trade is bad; but the rules of some unions go too far in the direction of preventing all overtime.
- (3.) Working overtime can have little, if any, effect on the fluctuations of industry. The chief causes of such fluctuations are beyond control; and, when trade is beginning to improve, very rigid rules as to overtime are injurious to the interests of all concerned, as depriving work of a desirable elasticity and power of rapid adaptation to circumstances. A whole industry might

permanently suffer from the transfer of orders, which, in consequence of such rules, could not to be executed in time, to our competitors abroad.

In those industries where fluctuations are frequent, especially where they depend on seasons, the abolition of all overtime would be most prejudicial to the workmen themselves, because without it they could not make up by extra work and wages at one season for less work and wages at another. Further than this, a right use of occasional overtime not only does not increase fluctuations of industry, but positively diminishes irregularity of employment. Where there is exceptional demand for the work of a trade, it is better that those in it should work a moderate amount of overtime than that their work should become temporarily so scarce and so highly paid as to attract into the trade men who cannot find steady and permanent employment in it. Even as things are, much of the existing irregularity of work in a trade is due to short periods of abnormally high wages, which tend to cause labour to be misdirected, and are, in the long run, as injurious to the trade itself as to other trades which have to buy from it.

To this it was answered (*see e.g.*, Evidence, Group A. 25,123) (a) that in skilled trades men can usually only enter young by way of apprenticeship, and that, therefore, there can be no taking in of outsiders in good times (*see*, however, paragraph 28, § 2); (b) that even in good times there is not enough, or barely enough employment, for all the existing men in such trades.

- (4.) Individual men, if not constrained by trade-union action, like extra work at extra pay, and ought not to be prevented from disposing of their labour as they think best in their own interest.
- (5.) To treat the amount of employment as a fixed quantity is an economic fallacy to which reference has already been made in connection with piece-work. The more work people can do in one trade the more employment, in the long run, there will be for those in others. It is quite consistent with this to hold that where many men are out of work in a trade, while others in it are working overtime, it would be a gain that the work should be more evenly distributed.

23. No doubt, in some cases, especially where much machinery is employed, long hours of work may be to the pecuniary advantage of employers, but this advantage partly or wholly vanishes when workmen have enforced their claim to high extra pay for work beyond certain normal hours. Many employers gave evidence to the effect that it is not to their own interest to employ tired men at higher pay. When possible, especially in the case of work paid by the piece or the hour, it is much more to their interest to have eight-hour shifts of labour. The shift system, however, is not practicable in all cases. Sometimes there are not sufficient men to enable it to be introduced suddenly throughout the whole of a district. Sometimes, in many kinds of skilled work, a second man cannot take the place of a first man at a given moment without injury to the work in hand. Often the men themselves so much prefer to work overtime at extra pay, that they cannot be induced to surrender their places to men of a fresh shift.

Interest of employers and workmen.

3.—PERMANENCE OF ENGAGEMENTS, AND QUESTIONS CONNECTED WITH APPRENTICESHIP.*

24. Although practical permanence of engagement is common in many industries, yet in very few instances does the legal and customary notice to terminate engagements upon either side exceed a month. More often it appears to be limited to one or two weeks, and in many cases, and especially in the case of unskilled labour, a workman may be discharged or may leave his employment without any notice at all.

Permanence of engagements.

25. In earlier times engagements were generally for a year at least, and this custom was enforced by legislation. When the old system was finally superseded in some of the leading trades by the factory system, the practice of taking on and discharging workpeople at short notice to suit the fluctuations of trade, appears to have arisen in the interest of employers. At the present day the trade unions would seem themselves to be opposed to any system of long notice to terminate engagements because it would interfere with their power to strike all hands simultaneously in a trade at short notice, at the time most convenient for that purpose.

Decay of old system of service.

26. In close connection with this branch of the subject are the questions connected with apprenticing. The system of apprenticeship in the skilled trades was very

Former law relating to apprenticeship.

* The subject of fluctuations of employment is treated of in a later part of this Report (*see* Review VI., page 73).

carefully regulated by the Act of 5 Eliz. c. 4. which appears to have defined and made statutory the essential part of the general custom of Europe in previous times. This Act, after strictly defining the social classes from which apprentices might be taken into the various skilled trades, enacted that no person should practise any occupation, either as master or journeyman, unless he had been apprenticed to it seven years at least. The Act further limited, in the case of certain textile and other trades, the proportion of apprentices to journeymen. In this way the Act specifically separated off unskilled from skilled labour and drew strict lines of demarcation between the several skilled trades.

Decline of system of apprenticeship.

27. The result of the invention of machinery, the division of labour, and the development of manufacture on the great scale at the end of the last and beginning of the present century, was to separate in many important trades the class of employers from that of employed, and to break down the old system of apprentice, journeyman, and master. When provisions relating to apprenticeship in the Act 5 Eliz. c. 4 were finally repealed in the year 1814 by the Act 54 Geo. III., c. 96., there ceased to be any legal guarantee for the restriction of the number of workmen in any trade. The custom, however, of regular apprenticeship continued in many trades, especially in those which were still practised upon the small scale and not transferred to large works or factories, and where the introduction of machinery and sub-division of labour had not seriously diminished the general skill and training required in the workmen. Apprenticeship for seven, or, more often, for five years, still exists as a custom in many trades of this kind, but it may be gathered from the oral and written evidence that the custom has a natural tendency to die out where it is not made actually necessary by the special difficulty of learning a highly skilled trade, or is not enforced by the action of strong trade unions. There seems to be a decided opinion among workmen in some trades, who are not themselves strong enough to enforce rules of apprenticeship, that Parliament should return to the Elizabethan principles, by making apprenticeship necessary and limiting the proportion of apprentices to journeymen. Some strongly organised trades have practically effected this for themselves, but the apprenticeship question remains, in many cases, one of the leading points at issue between employers and employed. A frequent object of trade unions is to secure that no one shall enter the trade without serving a five years' apprenticeship between the ages of 16 to 21, and that there shall not be more than one apprentice to every three or four journeymen. It is on this last question of proportion that disputes on this subject commonly turn.

Arguments for apprenticeship rules.

28. The arguments usually adduced on the side of the workmen may be summarised thus, viz. :—

- (1.) A long education in a trade is desirable to ensure good work. There is no guarantee under the present system that a lad shall serve either for a sufficiently long period, or that during that period he shall be properly taught. The result of this is a lowering of the standard of efficiency.
- (2.) Unless the proportion of apprentices to journeymen be systematically restricted, employers will, when trade is brisk, flood a trade with apprentices to the detriment of older hands, and, in subsequent bad times, these apprentices will either be discharged before attaining to the higher wages of journeymen, or remain to compete with journeymen, displacing them and lowering wages.
- (3.) If some trades succeed in restricting the number of apprentices, kindred trades must do the same, otherwise they will be swamped by youths who cannot enter the protected trades.

Arguments against apprenticeship rules.

29. On the other side the following arguments are urged :—

- (1.) The length of apprenticeship insisted upon is usually far more than enough, under modern conditions, to learn any trade. In some trades the man can learn the business well enough even if he does not begin till after 21, and it is unjust to prevent such men from entering into a trade if they wish to do so.
- (2.) The trade unions aim at a monopoly of work by the existing number of their members, through establishing such a limitation of apprentices that this number can never increase. This policy, if successful, would fatally arrest the development of trade in this country, besides being unfair to the children of workmen outside the trade.
- (3.) The number of apprentices in a trade at any given time does not show how many of them will become journeymen therein. Many of them emigrate

or drift off to other occupations. Therefore, if the proportion of apprentices to journeymen be too strictly limited, there is a danger lest the number of workmen in a trade may actually be diminished, or, at least, not increased *pari passu* with the demand.

- (4.) The argument that if some trades succeed in restricting the number of apprentices other trades must do the same, tends to show that artificial hindrances to entering a trade are contrary to the public interest, not that they should be made universal.

30. It is to be observed that the shipbuilding and engineering industries, in which these questions of apprenticeship are the most prominent, are also the industries, which, more perhaps than any others, are exposed to great fluctuations of employment resulting from fluctuations in international commerce. In these industries the alternating rushes and slackness of work are most notable. It is, therefore, natural that it should be to the interest of employers in these trades to have means of rapidly increasing or diminishing their industrial forces, and it is equally natural that the workmen should take means to protect themselves against the injury which they may thereby sustain.

Apprenticeship in certain skilled industries.

31. Somewhat akin to the question of apprenticeship is the demand for the assistance of the public authorities in effecting a limitation of the number of persons allowed to practise certain occupations. Our attention was, in particular, called to proposals of this kind in connection with the men engaged in street transport in London. The drivers of cabs and omnibuses in London are required to hold a police licence which they can obtain after inquiry into character, and, in the case of cabdrivers, an examination in efficiency. It was suggested by witnesses on their behalf that the number of licences granted should be limited with a view to making the number of them granted to drivers correspond more nearly to the number of existing cabs and omnibuses. On the part of cabmen it was argued that, inasmuch as the fares which they can charge are limited by law, they ought also to have some legal protection against excessive competition. Carmen and waggoners in London are not required to hold licences. A witness on their behalf suggested that they also should be required to hold licences, on the ground that such a regulation would add to the safety of the public, and would tend to raise the standard of the class of men. This occupation is one in which the existing class of drivers is exposed to great competition from men drawn from rural districts.

Proposals for licences in certain industries.

4.—SANITARY CONDITIONS, AND QUESTIONS CONNECTED WITH CERTAIN INDUSTRIES AND HOME WORKERS; RECENT ADMINISTRATIVE ACTION.

SANITARY CONDITIONS.

32. Many complaints were laid before us with regard to the injurious effects of certain industries upon the health of those engaged in them, more especially in the case of chemical manufactures, and the work of potters, grinders, and bakers. In some cases these effects are due to the nature of the materials used, in others to the character of the places where the work is carried on. In other cases again the danger of accidents arising from machinery was a subject of complaint. The complaints received in this connection were, as a rule, directed not against any alleged inadequacy of the existing laws, but against the difficulty of enforcing them, a difficulty usually attributed to insufficiency of inspection. It is a very general opinion among the working classes that the number of inspectors is not nearly sufficient, and that their staff should be greatly increased, especially by the appointment of inspectors or assistant inspectors taken from among people who have a practical acquaintance with work of various kinds.

Complaint of insufficient inspection.

33. The evidence received must be considered in the light of the fact that, at the date when it was given, sufficient time had not elapsed to test the effect of the changes introduced by the Factory and Workshops Act, 1891. Under this Act an important division of duties has been established in connection with the inspection of workshops (as distinguished from factories). The supervision, so far as relates to all sanitary matters, of all workshops, including those in which adult males only are employed, has now been placed in the hands of the local sanitary authorities. It was asserted by some witnesses that these authorities were less zealous in enforcing sanitary regulations, being not infrequently in close relations with the employers neglecting them. In those workshops which fall under the inspection of factory inspectors for the purpose of enforcing limitations of hours, those inspectors are still bound to give notice to the local

Factory and Workshops Act of 1891.

authority of any insanitary conditions which they may find to exist, but now, if within a reasonable time that authority does not take proceedings to remedy the evil, the factory inspectors are empowered themselves to take proceedings (s. 2.). The Act of 1891 also contains a provision (s. 1) that if the Secretary of State is satisfied that the requirements of the law as to sanitary matters are not observed in any workshops or class of workshops (including those in which adult male labour only is employed) he may direct the factory inspectors to take such steps as may be necessary for enforcing those requirements.

Division of duties between H.M. Inspectors and sanitary authorities.

34. There seems to be considerable doubt whether the provision in the Factory and Workshop Act, 1891, which places the duty of sanitary inspection of workshops (as distinguished from factories) in the hands of the local sanitary authorities, is likely to work successfully. Although in some large towns the local authorities have taken up the work of inspection with vigour, this appears to be by no means the case everywhere. It has been suggested* that the division of duties and responsibilities between the central and local officers is not conducive to the effective carrying out of the law, and that it might be better to make either H.M. Inspectors or the local authorities solely responsible for the sanitary inspection of all factories and workshops, and for the enforcement of necessary improvements.

Act of 1891, s. 8.

35. Another important provision of the Act of 1891 (s. 8) is as follows:—
 “Where the Secretary of State certifies that in his opinion any machinery or process or particular description of manual labour used in a factory or workshop (other than a domestic workshop) is dangerous or injurious to health or dangerous to life or limb, either generally or in the case of women, children, or any other class of persons, or that the provision for the admission of fresh air is not sufficient, or that the quantity of dust generated or inhaled in any factory or workshop is dangerous or injurious to health,” the Chief Inspector may take certain steps for the establishment of special rules or the adoption of special measures to meet the evil. Such rules have subsequently been laid down in the case of the manufacture of white lead, paints, colours, lucifer matches, the extraction of arsenic, and the enamelling of iron plates. The rules, when established, may be amended from time to time.

Mr. Whymper's opinion.

36. It was observed by Mr. Whymper, the late Chief Inspector of Factories, in a circular which he prepared to explain the effect of the Act of 1891, that “the conditions which the special rules may embrace seem almost to exhaust the possibilities of danger and insanitation.”† The powers possessed by the factory inspectors under the Act of 1878 for securing the proper fencing and protection of dangerous machinery in factories have also been extended by the Act of 1891 (s. 6.).

General effect of factory legislation.

37. The general effect of the factory and workshop legislation should be to afford considerable security to workpeople in factories and in those workshops which fall within the inspection of the factory inspectors, if and in so far as that inspection can by system or sufficiency of staff be rendered effective. The last-mentioned workshops have a double security, inasmuch as they may be visited either by the factory inspectors or by the officials of the local sanitary authorities. In the case of workshops which employ adult male labour only, proper inspection will chiefly depend upon the willingness and efficiency with which it is undertaken by the local authority. In any case the effectiveness of the law with regard to the prevention of accidents, and the maintenance of healthy conditions would appear to depend, to a considerable extent, upon the willingness of workpeople to co-operate with the proper authorities, and to draw their attention to such evils as exist. It may be gathered from the evidence that very often, from apathy, dread of loss of employment, or ignorance of the law, workpeople, while complaining of the rareness of visits by inspectors, take no steps to invite the attention of inspectors to evils. They are probably, in many cases, not aware that they could do this without any fear of incurring the resentment of employers, inasmuch as factory inspectors are instructed to act upon anonymous communications. In this, as in other matters, those artisans who possess more skill, strength, or resource can organise and take care of themselves, while those who are weak and unskilled neither aid themselves nor take such steps as would ensure protection under the provisions of the law.

CONDITION OF CERTAIN INDUSTRIES.

Condition of certain industries.

38. Attention has been strongly called from time to time to the state of working people in certain occupations, who have to work very long hours for very low pay,

* See Report of Chief Inspector for 1892, pp. 73, 74.

† See also p. 3 of the same Report.

and frequently under the most insanitary conditions. The most marked among these industries are those connected with the make-up of cheap clothing and furniture, *i.e.*, tailoring, boot-making, sempstress work, and cabinet-making, but they include a multitude of small industries practised in large urban centres, and especially in London. Among these trades may also be included the manufacture by hand of nails and other small metal industries practised in the Midland districts. Industries falling under these heads are to a great extent carried on without the use of steam or water power, and either by small groups of workers or by individuals working at home. Very often, as in the case of nail and file making, they present instances of cheap labour by hand competing with difficulty against the production of the same article by machinery. It is also sometimes the case with industries of these descriptions that, either by reason of their inherent simplicity, or because they have become sub-divided into a number of small and easy processes, they can be learnt with very little training by any one.

39. Employments of this kind have been termed the "sweated industries." A wide-spread impression with regard to them has been that the bad conditions of labour, low pay, long hours, and insanitary arrangements are due to the practice of excessive distribution of work by way of contracts and sub-contracts with the result that profit which should reach the workpeople is absorbed by a series of middlemen. Recent investigations, including those undertaken by a Committee of the House of Lords, go to show that this impression is not generally correct, though it may in some cases be justified by facts.* The evils in question seem to be dependent upon two conditions, first, that in these occupations an excessive number of small masters are competing against each other to an extent which makes it necessary for each of them, in order to live himself, to reduce the cost of production to the utmost; and next, that an overcrowded and unorganised mass of workpeople (whether working in their shops or taking work to do at home) are competing with one another for employment. The over-supply of labour renders it difficult to establish effective organisations among the workpeople (a difficulty which is enhanced in the case of occupations scattered through innumerable small workshops or lodgings, especially in the case of an immense and shifting population like that of London), and the absence of organisation, in its turn, deprives them of that protection which is possessed by workmen in trades requiring greater skill or energy. Thus a vicious circle of interacting causes is formed. It is important to remember that the increased effectiveness of organisation among the stronger workers tends to add to the number of less competent or less fortunate persons driven down into those unorganised industries in which little skill or energy is required, and thereby increase the over-supply of labour in them. It must also be borne in mind that one result of increased stringency in the legislative and administrative regulation of workshops may be to raise the cost of production in such workshops, and thereby cause contractors to put out more work to be done by workpeople in their homes, or in such workshops as are so small and hidden as to escape practically all supervision.

Causes of evils of the "sweated industries."

40. On the other hand, the evils in question, in the case of some of the present "sweated" industries, may be eventually brought to an end by natural causes. In certain of these trades, especially in boot-making, there seems to be a tendency towards the more extensive use of machinery, and consequently towards the removal

Possible natural remedies.

* Mr. Charles Booth made the following statement in the evidence which he gave to the Commission (*Evidence, Whole Commission, 5415*). He is referring to the result of the elaborate investigation which he has undertaken with regard to labour in London. "The popular notion as to sub-contract and the conception of its methods which gave them a bad name was that someone who had contracted to do a quantity of work made a profit by sub-letting it to small master men, who, in their turn, perhaps sub-let again, and that, finally, the profits of contractors and sub-contractors alike were 'sweated' out of the workpeople. This idea was shown to be baseless; such sub-letting seldom occurs except, indeed, with regard to special processes which are frequently the better paid portions of the work; and in cases of pure distribution it was shown that the sub-contractor played a useful part in bringing the workers and the work together. Those who obtained work direct from the wholesale house were usually not paid any better than those whose work came to them through a middleman. The middleman's profit was thus shown to be a charge on the work and not a charge on the workers. The word 'sub-contract' was further used to mean the giving out of work to be done by small master men. This was, in fact, a 'contract,' but by a confusion of ideas and for the convenience of condemnation it was still called 'sub-contract.' It was shown that this system was very general and by no means always associated with any evils; but it was found to be conducive to industrial oppression when the workers were helpless. Finally, it was found impossible to draw any distinction between small masters working for a wholesale house, and those working for their own account who perhaps sold their productions to the wholesale house, and it thus became evident that it was truly neither contract nor sub-contract, but the working for small masters that was to be associated with the evils of sweating."

of the trade into establishments in country towns, and the consolidation of small workshops into large factories. The immediate result of this transference, as of other remedies, might, no doubt, be to increase the competition and distress of the existing workpeople in the old centres, who would not, as a rule, be able to follow the trade to its new centres, or possess aptitudes for new methods of work.

Effect of
production
by co-ope-
rative societies.

41. Again, it must be noticed that in some cases the great co-operative associations of consumers have begun to manufacture for themselves in their own factories part of the articles of clothing produced by the sweated industries. In such factories favourable conditions of work are ensured, or at least rendered probable, by the nature of the case. The Scottish Co-operative Wholesale Society carries on at present 14 or 15 manufacturing industries, including boot-making, tailoring, and shirt-making. This Society has taken steps, by giving a small premium to work done in their factories, to induce shirt finishers to work in them instead of taking work home. The English Wholesale Society professes to ensure very good conditions to those who work in its factories. Inasmuch, also, as the manufactures in question are of a comparatively simple kind and require little capital, it is possible that independent co-operative associations of workmen may have success in them, especially if supported by the sympathy and custom of public bodies or associations of consumers. Manufacturing societies of this kind have been successfully started among the bootmakers of Leicester and Kettering. It has been suggested that the evils now existing in London could be cured by the establishment there of great co-operative associations of consumers carrying on their own manufactures. But the difficulty of establishing these associations in London, the centre of the small industries, has never yet been overcome. It has been observed that, as a rule, trade unions and associations of consumers flourish best in the same districts, and amid the same populations, that is, so far as present experience goes, amid settled populations practising large staple industries.

Suggestions
for extension
of Factory
and Work-
shop Acts.

42. Under these circumstances various plans have been suggested for more effectively extending the principles of the Factory and Workshop Acts to industries of this class. "Workshops," under the Factory and Workshops Act, are distinguished on the one side from "factories" by the circumstance that no mechanical power is used in them, and, on the other side, from domestic workshops by the circumstance that an employer has a right of access to or control over the premises used. Domestic workshops are private rooms in which work is carried on with regularity, but in which the only persons employed are members of the same family dwelling there. (Factory and Workshop Act, 1878, s. 16.) Private rooms in which labour is exercised at irregular intervals only, and does not furnish the whole or the principal means of living to a family, do not fall within the scope of the Acts. Domestic workshops, like other workshops, are under the supervision of the local authorities with regard to sanitary matters. The provisions of the Acts which prescribe the fixing of the actual times for work and meals, and the affixing of notices in the workrooms (where protected persons are employed), do not apply to domestic workshops, but the restrictions upon the length of the hours of children and young persons, though not of adult women, do apply to domestic workshops (Act, 1878, s. 16). The fixed amount of overtime allowed by the Acts in the case of protected persons in certain trades does not extend to workshops of this kind.

General
result of
Acts, and
view of
inspectors
and others as
to further
legislation.

43. The general result of these Acts, so far as relates to workshops is, therefore, that all workshops, including rooms regularly used for that purpose by single families, are, in sanitary matters, under the supervision of the local authorities, whose duties, if they fail to discharge them, may be taken over by the factory inspectors, and that all such workshops in which there is any labour of protected persons fall, as to hours of work, under the supervision of the factory inspectors. The question remains as to the manner in which such supervision can be made effective in practice. It was provided by the Act of 1878 that notice of the occupation for work of any factory should be sent to an inspector. This provision was extended by the Act of 1891 (s. 26) to workshops, not including domestic workshops. The inspector on receiving any such notice is to communicate it to the local sanitary authority. It has been suggested by several of the inspectors that it should further be made a penal offence to occupy any factory or workshop without obtaining a licence issued by a competent authority. It is proposed by one inspector that the licence should not be granted before the authority was able to certify that the premises in question were fit for occupation, had sufficient sanitary accommodation, had been limewashed and

properly ventilated, and contained cubic space for so many persons. These suggestions are endorsed by Mr. Sprague Oram, the present Chief Inspector of Factories, who previously, as Travelling Secretary to the House of Lords Committee on "Sweating," had conferences relating to this subject with the local authorities, trade unions, employers and employed, in various parts of England and Scotland. He makes the following definite suggestions in his Report for 1892, p. 76 :—

(1.) That the occupiers of workshops should be required to obtain a certificate, or a licence, from a registrar to be appointed by the local authority.

(2.) That within three months from the granting of the certificate the workshops should be visited by the sanitary officer of the local authority, and the licence signed by him to show the date of his visit.

(3.) That if the workshop should be found not to be in such a sanitary condition as is required by the Public Health Act, a medical officer of health should be empowered to take proceedings at once against the owner of the property.

(4.) That not only occupiers of factories and workshops, but all contractors and shopkeepers who employ out-workers, should keep lists of such out-workers, and be only permitted to employ those who occupied licensed factories or workshops, and that if the name of any out-worker be omitted from the list, or if any person is employed as an out-worker whose work-place is unlicensed, the employer of such out-worker should be liable to a substantial penalty.

(5.) That the sanitary officer of the local authority should report to the medical officer of health such places as employ females, young persons, or children, and lists of such places only should be forwarded to the Chief Inspector of Factories.

Mr. Sprague Oram adds that, if it should be deemed desirable to limit the proposed regulations at first, instead of making them applicable to all branches of business, the first steps might be confined to manufacturers of wearing apparel. "amongst whom the greatest evils connected with these matters exist." It must be observed that the Chief Inspector excludes from these proposals of compulsorily licensed work-rooms, rooms where only one woman, or a man and his wife are employed, and feels some doubt whether it would be practicable to extend them to "domestic workshops," where only a man's family is employed.

44. It is possible that, if proposals more or less of this character were adopted, it might be found that the intention of the Factory and Workshop and Public Health Acts could be carried out more effectively than at present so far as relates to sanitary matters, even without any great increase of central or local inspectors, inasmuch as the condition of workshops would be brought more systematically, and, as it were, automatically, before the attention of the authorities. It seems, however, that, under the present system at any rate, the staff of H.M. Inspectors has proved insufficient to control the sanitary condition of factories and workshops. Now that the inspection of workshops, with respect to this matter, has been transferred to the local authorities, it partly depends upon the energy with which they take up the matter whether their inspecting staff is sufficient. The amount of energy displayed varies much, of course, with the characteristics of different authorities.

Question of
sufficiency
of number
of inspectors.

45. The present obligation, under the Act of 1891, to register workshops, does not extend to "domestic workshops," in which many parts of the tailoring, boot-making, cabinet-making, and sempstress trades are carried on, often under the most insanitary conditions, the workers frequently using the same rooms in which they sleep. It is represented that the increased administrative pressure upon regular workshops may have the effect of causing more work to be done by these outworkers. To meet these evils, Mr. Charles Booth proposed that responsibility for the sanitary condition of all workshops, and even, in the case of protected persons, the responsibility for the due observation of the legal hours of work, should be thrown upon the landlord, or person to whom the rent is paid, as well as on the tenant who occupies the workshop. Both landlord and tenant should be made responsible, as well for structural defects as for misuse of the premises (*e.g.*, overcrowding, or insanitation caused by the tenant, or working illegal hours). "The occupier, if fined for structural defects, would be entitled to stop the amount out of his rent; the landlord, if fined for misuse, would be entitled to collect the amount with his rent from the occupier, or recover by a summary process." (Evidence, Whole Commission, 5451.) The landlord ought, further, to be made responsible for registration (5428). These provisions Mr. Booth would propose to extend to every case in which persons work together, with the sole exception of husband and wife (5419).

Responsi-
bility for
condition of
domestic
workshops.
(1.) Mr.
Booth's
proposal.

(2.) Mr. S. Webb's proposal.

46. Another suggestion is that which was made by Mr. Sidney Webb (Evidence, Whole Commission, 3740), viz., that, in addition to the owner of premises containing rooms used as workshops being responsible for the sanitary conditions, the person giving out work to be done by workpeople or persons belonging to him should be made responsible for seeing that all the regulations of the Factory and Workshop Acts were there complied with.* It was represented that the balance of advantage between out-work and factory work is at present so slight in many cases that this additional pressure of responsibility would often be sufficient to induce a giver-out of work to discontinue the practice and establish or enlarge a regular factory or workshop, to the ultimate advantage of the working class.

Section 27 of Act of 1891.

47. A step in the direction of the more effectual supervision of out-work was taken by the Act of 1891, s. 27, which enacted that "the occupier of every factory and workshop . . . and every contractor employed by any such occupier in the business of the factory or workshop, shall, if so required by the Secretary of State by an Order . . . keep in the prescribed form and with the prescribed particulars lists showing the names of all persons directly employed by him, either as workman or as contractor, in the business of the factory or workshop, outside the factory or workshop, and the places where they are employed, and every such list shall be open to inspection by any inspector under the principal Act or by any officer of a sanitary authority."

RECENT ADMINISTRATIVE ACTION.

Recent steps taken by the Home Secretary.

48. The following information has, subsequently to the close of the evidence, been communicated to the Commission on the part of the Home Office:—

In the autumn of 1892, two important steps were taken by the Home Secretary:— (1) he issued an Order requiring all occupiers of factories and workshops engaged in the following industries to keep lists of out-workers, viz., the manufacture of all kinds of wearing apparel, cabinet and furniture making, upholstery work, file-cutting, and electro-plating; (2) he undertook the formation of committees of inspectors assisted by medical, chemical, and other experts, to investigate the evils incidental to labour in lead works, chemical and alkali works, lucifer match factories, potteries and quarries, and to suggest remedies and preventives.

Increase of inspectors.

49. The first of these steps was followed in 1893 by a substantial addition to the staff of factory inspectors. For the first time, two female inspectors were appointed, and a new class of inspectors' assistants was created. These assistants (15 in number) are intended by the Home Secretary to be active men of practical knowledge and experience, their special function being to follow up the out-workers' lists, and thus deal a blow at some of the worst evils admittedly inherent in the "sweating system." The bulk of them are now at work in London, where they have been placed under the charge of Mr. Lakeman, one of the most experienced of H.M. Inspectors, who has been specially detached for this purpose. The Home Secretary has announced his intention of strengthening still further in the immediate future the inspectorate, not only of factories, but also of mines. As regards the former, there are to be appointed two more female inspectors, one additional superintending inspector, and 10 assistant inspectors; as regards the latter, there are to be appointed four additional assistant inspectors. Akin to this departure has been the provision during 1893 of offices for inspectors in Central London (for Mr. Lakeman), Glasgow, Birmingham, and Leeds. These offices are designed to be the recognised centres of factory inspection in their respective districts, places where all concerned, whether employers or workmen, can call to give or ask for information. The system is to be extended by the Home Secretary in 1894 by the provision of offices in Manchester, Liverpool, Blackburn, Sheffield, Newcastle, Nottingham, Norwich, Bristol, Southampton, Plymouth, Swansea, Edinburgh, Dundee, Dublin, and Belfast.

Rules and Inquiries.

50. The second of the steps indicated above has led to a two-fold result. The reports of all the Committees have been presented to Parliament, and special rules for the regulation of the various industries have been drafted in accordance with the Committee's suggestions. But besides special rules, further legislation has been found

* In other words, as this witness expressed it, "it is proposed to make the giver-out of work the person responsible for the observation of the Factory Acts, at any rate as regards sanitation and the ages of the persons employed in the places where he allows his work to be done; that, in fact, if he chooses to carry on his work not in one factory but in a series of 50 slum tenements in Spitalfields, that they should collectively be regarded in the eye of the law as his factory, and that he should not be allowed to evade his responsibilities in that way." (Evidence, Whole Commission, 3740.)

to be necessary, in order to give full effect to the recommendations contained in the Reports, especially to give the Home Secretary power to deal with unreasonably long hours of labour in dangerous industries, and to place quarries under the control of the Inspector of Mines.

The most recent steps taken by the Home Secretary on the above lines have been (a) the institution of exhaustive inquiries in respect of laundries, the linen industries of Belfast, the Merionethshire slate mines, and the Sheffield grinders; (b) the scheduling as occupations dangerous to health of the manufacture of red, orange, or yellow lead, lead smelting, the tinning and enamelling of iron hollow ware, electric accumulator works, flax mills, and linen factories; and (c) the appointment of committees to consider the subjects of statistics relating to factories and workshops, and mines and minerals.

5.—ACCIDENTS, AND QUESTIONS CONNECTED WITH EMPLOYERS' LIABILITY, &c.

51. The subject of accidents to workmen may be looked at from two points of view, Accidents. (1) the various legislative provisions intended to guard against accidents; (2) the means of obtaining compensation, or relief given to those who have suffered from accidents. Notice has already been taken (*see* paragraphs 35 and 36) of the general powers of factory inspectors to insist upon proper precautions being taken with regard to dangerous machinery in factories, and of the special provision for the establishment of rules in the case of industries attended by special dangers. It should be noticed that by s. 31 of the Factory and Workshop Act, 1878, as amended by s. 22 of the Act of 1891, it is provided that in case of any accident in a factory or workshop causing death or bodily injury, notice of the accident must be sent to the factory inspector and the certifying surgeon of the district. The certifying surgeon, upon receiving such notice, is to proceed to the factory or workshop, investigate the circumstances, and report to the inspector, who, in case of any death from such accident, is at liberty to attend the inquest and examine witnesses. The same liberty is also accorded to the occupier of the factory or workshop in which the accident has occurred, and to any person appointed by the order in writing of the majority of the workpeople employed there. The procedure in the case of accidents in mines is regulated by the Mines Regulation Acts.

52. The Commission received much evidence with regard to the subject of the legal liabilities of employers to make compensation to workmen in the case of accidents due to various causes. This subject was investigated by a Select Committee of the House of Commons in the year 1886, and has subsequently been very fully debated in Parliament in connection with the Bill for the Amendment of the Employers' Liability Act, which was brought into Parliament in the session of 1893. It would appear from the result of those debates that there is at present a fairly general agreement with regard to the modification of the existing legal doctrine of "common employment," which formed the chief feature of the measure under discussion. There was, however, much difference upon the question whether workmen should be allowed by agreement to forego the right to bring actions under the Act in cases where accident funds exist, to which employers contribute in a certain proportion. Employers' liability.

53. We received a good deal of evidence, especially in the case of the coal-mining industry, as to the character, administration, and advantages of joint accident funds, formed upon the basis of "contracting out" of the Act. We also heard a considerable number of representatives of trade unions express the opinion that workmen should not be allowed to "contract out." The information which we have obtained upon the subject is summed up in Appendix V. to the Summaries of Evidence. This matter has recently been very fully discussed in both Houses of Parliament and turns upon contested questions of general policy. We do not feel that we can usefully attempt to express an opinion with regard to it.

54. Much information is contained in the Report which our Secretary has prepared upon labour questions in Germany, with regard to the system of compulsory insurance against accidents now established by the law of that country. The Report upon France gives an account of the scheme which is at present before the French Legislature. It appears to us that it may eventually become desirable to institute a special inquiry, with the view of ascertaining whether any similar legislation in this country may be advisable or practicable. The subject, however, is one which is too large for us to discuss upon the evidence in our possession.

6.—GENERAL CONDITION OF THE WORKING CLASSES.

General observations.

55. It has not appeared to be within the intention of the Reference made to us that we should inquire minutely into the whole condition of the classes of society supported by manual labour. In the course, however, of the evidence which we have received as bearing upon the particular questions which affect the relations of employers and employed, much information was incidentally given with regard to general conditions of life. It was also thought desirable to take some special evidence from representatives of the great associations of consumers, and from officials connected with the registration of friendly societies, as well as the valuable evidence given by Mr. Giffen with regard to the relative aggregate income of the working classes. Some notice of the operation of the friendly benefit side of trade unions will be taken in the following part of this Report.*

Skilled workmen.

56. The impression left by the evidence as a whole is that among the more settled and stable population of skilled workpeople there has during the last half century been considerable and continuous progress in the general improvement of conditions of life, side by side with the establishment of strong trade custom adapted to the modern system and scale of industry. Experience may fairly be said to have shown that this part of the population possesses in a highly remarkable degree the power of organisation, self-government, and self-help. Workpeople of this class earn better wages, work fewer hours, have secured improved conditions of industrial and domestic life in other respects, and have furnished themselves through trade unions and friendly societies with means of providing against the various contingencies of sickness, accidents, and temporary want of employment. By means of associations of consumers they have themselves become organisers and managers of prosperous trading undertakings on a large scale; their attempts at joint productive enterprise, though less fortunate, have not been entirely without some measure of success; while by the means of building societies, or otherwise, workmen have, in many cases, acquired the ownership of the houses in which they live.

Unskilled labour.

57. The classes who compose the lower grades of industry, regarded as a whole, have probably benefited no less than the skilled workers from the increased efficiency of production, from the advantages conferred by legislation, from the cheapening of food and clothing, and from the opening out of new fields for capital and labour. In their case also the improvement manifests itself in better pay and more favourable conditions of work; but chiefly in this, that of the mass of wholly unskilled labour, part has been absorbed into higher grades, while the percentage of the total working population earning bare subsistence wages has been greatly reduced. The movement in the direction of organising unskilled labour will be spoken of later on in this Report.

Residuum population.

58. There is still a deplorably large residuum of the population, chiefly to be found in our large cities, who lead wretchedly poor lives, and are seldom far removed from the level of starvation; but it would seem that, not only the relative, but perhaps even the actual numbers of this class also are diminishing.†

* See paragraph 70 *post*.

† Mr. J. M. Ludlow, formerly Chief Registrar of Friendly Societies, who has personally and officially paid attention to industrial questions for a longer continuous period than, perhaps, any person, made the following general observations in his evidence before the Commission:—

“ I think the condition of the working classes has changed immensely, but not so much, I am happy to say, as the change in public opinion on the subjects relating to that class. I find now that boys and girls almost fresh from school are at a point of advancement in relation to this question at which in 1848 we could not bring grown up people to, and were considered heretics and revolutionists for trying to bring them to. I think the change in public opinion on that subject has been something perfectly marvellous. I cannot express it sufficiently. The working class has also developed enormously in intellectual acquirements and habits of business and largeness of outlook, though, perhaps, they have lost a little of that enthusiasm and spirit of generous aspiration which, I think, distinguished my working-men friends of the earlier days. Now the black spots in the country may, I think, almost be counted on the fingers. In former days it was very nearly black with but few white spots.” (Evidence, Whole Commission, 1852.)

II.

ASSOCIATIONS AND ORGANISATIONS OF EMPLOYERS AND EMPLOYED.

1. ROYAL COMMISSION OF 1867 ON TRADE UNIONS, AND SUBSEQUENT LEGISLATION; SCOPE OF INQUIRY BY THE PRESENT COMMISSION, SO FAR AS RELATES TO THESE ASSOCIATIONS.
2. THE OBJECTS, CONSTITUTION, AND POLICY OF ORDINARY TRADE UNIONS.
3. IN WHAT INDUSTRIES TRADE UNIONS HAVE BEEN MOST SUCCESSFUL, AND THE REVERSE.
4. ORGANISATIONS OF EMPLOYERS.
5. AMALGAMATIONS AND FEDERATIONS.
6. MIXED ASSOCIATIONS.
7. REPRESENTATIONS MADE AS TO THE INJURIOUS OR BENEFICIAL EFFECTS OF TRADE UNIONS.

1.—ROYAL COMMISSION OF 1867 ON TRADE UNIONS, AND SUBSEQUENT LEGISLATION; SCOPE OF INQUIRY BY THE PRESENT COMMISSION, SO FAR AS RELATES TO THESE ASSOCIATIONS.

59. It does not seem to be necessary for the purposes of this Report to trace the history, which has been set forth by various writers and is now well known, of the long process by which trade unions gradually acquired their present status, and obtained from the Legislature the recognition of their right of free combination for trade objects, and the legal protection to their funds and property which they now possess. It will be sufficient to refer, very shortly, to the Report of the Royal Commission of 1867, and to subsequent legislation with regard to these associations.

60. The object of the Royal Commission of 1867 was partly to investigate certain charges which had been made with respect to some then recent acts of violence and intimidation alleged to have been committed by trade unionists, but chiefly to inquire into the organisation and rules of trade unions and other associations, whether of workmen or employers, and the effect produced by such bodies, both on the relations between workmen and employers and on the trade and industry of the country. That Commission, therefore, to some extent covered ground allotted to the present Commission.

Royal Commission of 1867.

61. In the result of their inquiry the Commission of 1867 recommended certain modifications of the then existing law with a view (1) to secure that no combination of persons for the purpose of determining between themselves, or of stipulating for, the terms on which they will consent to employ or be employed, should be unlawful by reason only that its operation would be in restraint of trade; (2) to give to all such unions as complied with certain conditions facilities for becoming registered, and thereby acquiring legal capacities, rights, and liabilities arising from a status recognised by law, so far as regards legal protection for their property. At the same time the Report of this Commission laid great stress on the importance of maintaining the purely voluntary character of industrial organisations, and of fully protecting the freedom of the individual in the disposal of his labour or of his capital.

Recommendations of the Commission.

62. These recommendations of the Royal Commission of 1867 were, in substance, carried out by the legislation of the year 1871, and (after a further inquiry into the labour laws by another Commission), the legislation of the year 1875. By the effect of the present governing statute called the "Conspiracy and Protection of Property Act, 1875," combined action for trade purposes is relieved from all penal consequences so long as it does not amount to any breach of ordinary law, or extend to certain special modes of action, and some special cases, carefully defined in that statute. (See paragraph 102, *post*.)

Subsequent legislation of 1871 and 1875.

63. The Trade Union Act, passed in 1871, contained these important declarations, viz., that—

Trade Union Act, 1871.

- " (1.) The purposes of any trade union shall not, by reason merely that they are in
 " restraint of trade, be deemed to be unlawful so as to render any member of
 " such trade union liable to criminal prosecution for conspiracy or otherwise;
- " (2.) The purposes of any trade union shall not, by reason merely that they are in
 " restraint of trade, be unlawful so as to render void or voidable any agree-
 " ment or trust.

The Act then provides (section 4) that " Nothing in this Act shall enable any court
 " to entertain any legal proceeding instituted with the object of directly enforcing or
 " recovering damages for the breach of any of the following agreements, namely :—

- “ (1.) Any agreement between members of a trade union as such, concerning the conditions on which any members for the time being of such trade union shall or shall not sell their goods, transact business, employ, or be employed;
- “ (2.) Any agreement for the payment by any person of any subscription or penalty to a trade union;
- “ (3.) Any agreement for the application of the funds of a trade union (a) to provide benefits to members; or (b) to furnish contributions to any employer or workman, not a member of such trade union, in consideration of such employer or workman acting in conformity with the rules or resolutions of such trade union; or (c) to discharge any fine imposed upon any person by sentence of a court of justice; or,
- “ (4.) Any agreement made between one trade union and another; or,
- “ (5.) Any bond to secure the performance of any of the above-mentioned agreements. But nothing in this section shall be deemed to constitute any of the above-mentioned agreements unlawful.”

A trade union registered under this Act may hold land, not exceeding an acre, and personal estate, in the name of trustees, who may sue or be sued in respect of that property. Any trade union may be registered on showing that its rules contain certain provisions, and that it has otherwise complied with the regulations respecting registry in force under the Act. A trade union when registered is bound to furnish the Office of the Registrar of Friendly Societies with an annual statement of accounts. A considerable number of trade unions have registered themselves under this Act. The Report of the Royal Commission of 1867 contained a recommendation that no trade union should be registered the rules of which prevented the employment or limited the number of apprentices in any trade; prevented the introduction or limited the use of machinery in any trade; prevented any workman from taking a sub-contract or working by the piece or working with non-unionists; or authorised the application of funds in support of any other unconnected union engaged in a conflict with its own employers. The recommendation was opposed by a minority of the Commission, and did not become part of the law.

Definition of a trade union.

64. By the Trade Union Act of 1871 as amended by the Trade Union Act of 1876 a trade union is defined as follows:—“The term ‘trade union’ means any combination, whether temporary or permanent, for regulating the relations between workmen and masters, or between workmen and workmen, or between masters and masters, or for imposing restrictive conditions on the conduct of any trade or business whether such combination would or would not, if the principal Act had not been passed, have been deemed to have been an unlawful combination by reason of some one or more of its purposes being in restraint of trade.” The term, therefore, embraces employers’ associations, a certain number of which have, in fact, registered themselves under the Act of 1871.* It is to be observed that one effect of the Trades Union Act of 1871 (section 4, sub-section 4) is expressly to make an agreement between two unions, although registered, non-enforceable as against either of them in a court of law. This would, therefore, prevent any agreement between an association of workmen and an association of employers from having, as between such bodies, any binding force at law. It is, however, provided that the Act shall not affect “any agreement between an employer and those employed by him as to such employment.” In this Report the term “trade union” is employed in its usual sense as meaning an association of workmen.

Information collected by the present Commission.

65. Much valuable information has been collected by the Secretary with regard to the constitution and rules of a great number of industrial associations, both of employed and employers. These have been tabulated and published in a separate volume, and will probably be found to be of great service not only to those who wish to study the nature of these societies, but also to those whose practical object it is to prepare the best kind of constitution for future societies of this kind, or to amend existing ones. The Commission has also received much evidence, both oral and in the form of answers to written questions, with regard to these associations. Such evidence mostly relates to their numerical strength, relatively to that of the trades to which they belong, their policy and objects, and has been received both from those who are within and those who are outside their organisations.

Object of the Commission.

66. We have considered it to be our main object, so far as relates to these associations, whether of employers or employed, and their larger development in the shape of federations of associations, to inquire to what extent their existence or

* See Evidence of Mr. E. W. Brabrook, Chief Registrar of Friendly Societies (Evidence, Whole Commission, 1423 et seq.).

absence, strength or weakness, in various trades and occupations, have affected for good or evil the relations between employers and employed, and are a cause of, or obstacle to, conflicts between these classes. If, and in so far as in the result of this Inquiry it should appear that the increase of strength and organisation in these industrial bodies tends, on the whole (in spite of occasional conflicts of great magnitude), towards the establishment of a kind of industrial peace higher than that which has previously prevailed, this would be a reason, subject to the consideration of the effects of such increase of strength upon the general interests of the community, for favouring any legislation which should offer to those organisations a better legal basis than they already possess. The point was well put in a statement made by a minority of the Royal Commission which inquired into the subject of trade unions in the year 1867 :—

“ The practical problem before us is this: seeing that the bulk of the artizan population consider it their interest to form themselves into these associations, in what way can they be rendered most conducive to public policy ? ”

2.—THE OBJECTS, CONSTITUTION, AND POLICY OF ORDINARY TRADE UNIONS.

67. Without entering, in this Report, into much detail with regard to the constitution and character of these industrial associations, ample information as to which will be found in the Digests and Summaries, it may be desirable to sketch shortly the objects, policy, and constitution of the ordinary trade union, and then to refer to those developments, chiefly in the direction of the organisation of unskilled labour and the amalgamation and federation of unions which have characterised the period subsequent to the Report of the Royal Commission of 1867.

68. In addition to the information collected by the Commission, copious particulars as to the numbers, funds, expenditure, and objects of trade unions are supplied by the returns on this subject which have been made by the Labour Correspondent of the Board of Trade. Mr. Giffen stated in evidence before the Commission (Evidence, Whole Commission, 6987-8) that the account of trade unions obtained in the Returns of the Board of Trade is now tolerably complete, and that the total membership amounts, according to the last Return, to 871,000 persons, with an annual income of nearly 1,200,000*l.* Mr. Fenwick, the secretary of the Parliamentary Committee of the Trade Union Congress, said in evidence that a million and a quarter of trade unionists were represented at that Congress in 1892, that there were certainly a million and a half of trade unionists in the country, and that, in his opinion, their number approached two millions. The total number of trade unionists who actually subscribe to their societies is very doubtful and varying, especially in the case of the newer societies of less skilled or general labourers. The figures obtained from the Census of 1891 are of some service in indicating the proportions borne by trade unionists to the total number of persons in England and Wales engaged in manual labour. The industrial class, in the classification used in the Census, excludes the agricultural and fishing population who, in England and Wales, amounted to 1,336,945 persons over 10 years of age, and the persons employed in transport by land and sea, amounting to 983,370, and those employed in domestic and kindred services to the number of 1,900,328, but it includes all those who work in other productive or distributive industrial occupations. Thus limited, the industrial class, at the Census of 1891, numbered 7,336,344 persons over 10 years of age, of whom 5,495,446 were males. These figures include employers, clerks, and officials as well as workmen. Having regard to the small progress which trade unionism has made among the agricultural population, and the persons engaged in domestic service, it is evident that it chiefly exists among the “ industrial class ” of the Census, and especially among that portion of the five and a half million males who are adult workmen, and engaged in productive as contrasted with distributive enterprise. The class engaged in transport adds an appreciable but very vague and fluctuating contingent, and the industrial population of Scotland and Ireland has also to be taken into account.

Number of
members of
trade unions.

69. The funds of trade unions are supported by entrance fees and by subscriptions Funds. varying from about 1*d.* a week to 1*s.* or more, and these, in the case of large societies, bring in a considerable annual income. Most trade unions also reserve the right of raising money from their members by special levy for strikes or other extraordinary purposes. Some of the societies have accumulated large reserve funds, and derive some income from investments or from interest on deposit at banks.

70. The two main divisions of the objects to which trade unions of the normal type apply their funds are (1) trade purposes, viz., in connection with disputes and trade Application of funds. conflicts; (2) friendly and benevolent purposes. In some cases the funds for “ trade ”

and "friendly and benevolent" purposes are kept distinct, but in most cases all purposes are met out of a single fund. It is alleged that the system of a single fund tends to make societies more peacefully disposed, and more cautious how they embark on trade conflicts, inasmuch as strikes seriously impair the funds available for friendly and benevolent purposes. This has sometimes been urged by the leaders of what has been called "new unionism" as a reason for objecting to a society having any benevolent purposes at all, lest its fighting efficiency should be diminished. On the other hand, it is alleged that, apart from the intrinsic merit of the friendly and benevolent purposes, they are very effective in giving solidity and permanency to a trade union, and that without them men are not inclined to hold to a society when there is no immediate prospect of obtaining better trade conditions through its agency. An objection taken to the single fund system is that for the purpose of securing friendly benefits it is financially unsound, and that in the case of some trade unions the solvency of the friendly and benevolent fund virtually depends upon the power of the union to raise special "levies."

Some trade unions apply their funds to not more than one or two objects, others to many. Generalising from the evidence, it may be said that a trade society of the strongest, best established, and wealthiest kind might probably, after meeting its working expenses, apply its income to all or most of the following purposes, viz. :—

- (1.) Trade disputes, including grants to any men who have been discharged or refused employment by employers, or who have left their employment for trade reasons.
- (2.) Subscriptions to any larger federation to which the trade union may belong, and grants in aid of men of other trades in their disputes.
- (3.) Maintenance of members out of work through depression of trade or other legitimate causes, and payments for travelling in search of work, or emigration.
- (4.) Payments for defraying cost of funerals of members and their wives, and for maintenance to those incapacitated for work by accident, sickness, or in some cases, by old age.
- (5.) Payments to replace burnt, lost, or broken tools (in some trades), and distress benefits generally.
- (6.) Educational expenditure, and grants for special benevolent purposes.
- (7.) Acquisition and circulation of information with regard to trade matters.
- (8.) Expenditure on parliamentary representation.
- (9.) Payment of legal expenses of members in connection with trade litigation, including actions brought under the Employers' Liability Act.

Sphere
of trade
unions.

71. Thus a trade society, organised on the most complete scale, not only increases the power of its members in negotiating with regard to the standard rate of wages and other general questions, but acts as an assurance to them against all kinds of risks. It has been suggested by several witnesses that powerful and wealthy trade unions might extend the sphere of their operations by themselves (in alliance, perhaps, with co-operative distributive societies) carrying on to some extent and in some trades operations of manufacturing production; and some attempts of this kind have been made. There are, however, few signs of any great development of this movement at present.

Constitution.

72. The constitution of these societies varies a good deal, chiefly with regard to the amount of real power which is vested in the hands of the central executive of each. In some cases, as in that of the Durham coal-miners, so many references have to be made in the case of general questions to the local "lodges" or branches, to be decided by ballot, that the central body are little more than delegates acting under immediate instructions, and having to refer points to their constituents even in the midst of negotiations with employers. In other cases, especially where a trade is scattered in various branches all over the country and through districts differing widely in local circumstances from each other, much power and discretion is frequently left with the district or executive committees of local branches. In most unions of this kind, however, the control of the funds possessed by the central executive gives a deciding power in the last resort. Since it alone can finance a branch in case of a strike, the central executive can require that a strike shall be justified to it before being undertaken by the district or local branch. In the case of some societies the permanent officials have much more power than in that of others. In some cases a very complete control is lodged with the central executive of a society, careful provision being made for the rapid circulation of life from all parts of the society

through that executive. The Society of the Boiler-makers and Iron Shipbuilders presents an instance of very successful working of a society strongly centralised in this manner.

73. Generalising from features presented by this and other strong trade unions among the skilled artisans, we are brought to the conclusion that the following are the leading characteristics of the most permanent and successful societies. A typical society of this kind will include, if not all, at least such a proportion of men in a trade as will give it a controlling power in the trade and enable it to treat with employers as representative of the whole, and to make its agreements and decisions binding on the whole trade. It will have a strong central executive council, thoroughly representative of the members and implicitly trusted by them. This machinery will enable the society to negotiate with employers with the least possible friction, either from time to time, as occasion may require, or by way of a permanent joint board for the purpose of settling hour and wage-rate questions, and other points of dispute, and to give undertakings and enter into agreements upon which employers can rely. It was shown in evidence that at least one powerful trade union goes so far as to make itself responsible for the proper fulfilment of contracts made with employers by its members, and to compensate employers from its funds for loss through bad work, recouping itself by fining the members in default.*

Leading characteristics.

74. The chief objects of policy aimed at by trade unions (apart from benefit purposes) may be said to be;

Chief objects of policy.

- (1.) To obtain such conditions as will enable them to deal in a body with their employers, and ultimately perhaps to acquire, so far as possible, a monopoly of employment in their respective trades. The means to this end are the inclusion in the trade union of as many as possible of the men working in each trade; the prohibition of encroachment on their special department of work by men of other trades; and the control by the union of admission to the trade. To achieve the last mentioned object many unions endeavour to insist upon all workmen in the trade passing through a fixed period of apprenticeship before a certain age, and to limit the proportion of apprentices to journeymen. It is the general policy of some unions to try to prevent their members from working with non-unionists. The extent to which this is enforced varies much with the relative strength of unions, and it is most successfully applied where men work in sets or gangs as, for instance, in iron shipbuilding. It may be added that most unions would probably be willing, and some unions actually offer, to supply employers with suitable workmen, the union acting as an agency for this purpose.
- (2.) To maintain a minimum wage-rate, and to advance it, or prevent its being reduced, so far as possible.
- (3.) To maintain a fixed maximum of hours of work, and to reduce it when practicable.
- (4.) To distribute the available work among members so that as few as possible shall be out of employment. In connection with this, as well as for other reasons, the general policy of many trade unions is opposed to piece-work and to systematic overtime.
- (5.) In general, to improve the conditions of labour, protect members or groups of members from hard usage on the part of employers and managers, and to maintain trade customs and privileges.

3.—IN WHAT INDUSTRIES TRADE UNIONS HAVE BEEN MOST SUCCESSFUL, AND THE REVERSE.

75. The evidence shows that the power and constitution of a trade union have a most important influence upon the character of the relations between employers and employed in the industry. It is, therefore, important to consider in what kind of industries trade unions are found to have been most successful or unsuccessful. To some extent, no doubt, trade unions depend for their permanence and power upon having a succession of able officials and leaders to manage them, and probably personal ability has much to do with their successful launching and establishment. But some industries are, by their nature, more adapted for organisation than others are.

Effect of power and constitution of a trade union.

Distinction
between
skilled and
unskilled
industries.

76. A broad and fundamental distinction may be drawn in the following respect between skilled and unskilled industries.* The fact that a trade is skilled, *i.e.* requires training from an early age, or, at any rate, for some considerable time, constitutes it, *ipso facto*, a kind of natural crafts guild, defended from sudden invasion by men of other trades by its difficulty of acquirement, and sometimes, also, by the fact that expensive "kits" of tools must be provided by the workmen. Youths who enter such a trade have to be taught their work by men already in it, and thus a strong society, once established, is able to control the conditions of entrance and practically to compel new comers to join it. The natural facilities which skilled industries possess for organisation may be more or less neutralised in the case of trades in which the workers,

- (1.) are widely scattered, and frequently on the move, as *e.g.*, sailors;
- (2.) carry on the work in their own homes, or independently, or in very small groups;
- (3.) are for the most part women;
- (4.) have, through the operation of any special cause, to contend against an overstocked or irregular labour market.

On the other hand, when a skilled industry is carried on in more or less large factories, workshops, or mines, and (at any rate in some central districts) brings a large number of workmen into close contact; when, in other words, a trade combines the elements of skill, co-operation in the same work of a number of people, and local contiguity, it seems under all these circumstances to be easy to convert the natural craft thus existing into a formal and permanent trade union. The monopoly possessed by an industry and its consequent facilities for organisation may be further developed by extraneous causes, as for instance by legislation. Coal mining affords a good illustration of this. It is not among the class of highly skilled industries and yet it is one in which, except in the West of Scotland, trade unionism has had remarkable success. The natural monopoly for which in some trades workmen are mostly indebted to their special skill is obtained by the coal miners not only from the fact that their industry is concentrated in certain districts, and that they have practical possession of the villages adjacent to the pits in which they work, but also through the operation of the provision in the Coal Mines Regulation Act of 1887, Rule 39, which reads as follows:—"No person not now employed as a coal or ironstone getter shall be allowed to work alone as a coal or ironstone getter in the face of the workings until he has had two years' experience of such work under the supervision of skilled workmen, or unless he shall have been previously employed for two years in or about the face of the workings of a mine," a provision intended to secure greater safety in mines, but which also renders it impossible for employers to bring in new men, in case of a strike, to take the place of the strikers.

Unskilled
labour.

77. Unskilled or general labour, that is, labour in occupations which require little or no training, stands on a very different footing from skilled labour in respect to the facilities which it affords for strong and enduring organisation. The evidence shows that trade societies among the class of unskilled labourers have been apt to rise suddenly and rapidly, enrol a great number of members, and then as quickly decline. Those who try to organise labour of this class meet with many difficulties. Among these are the comparative poverty, less regular habits, and frequently the roving disposition of this class of workmen. The chief difficulty, however, appears to be that workmen in these departments of labour do not possess the natural monopoly which belongs to men in skilled trades. If they strike, their employers usually find it easy at very short notice to obtain men of the same class to take their places. Inasmuch as the power to fight by way of strike is the primary basis of trade unions, weakness in this respect often deters men from joining or holding to unions of unskilled labour. Various cases were brought to our notice in which an unsuccessful strike by an association of this kind resulted in the loss of a great part of its members. Upon the whole it is not as yet shown by experience that it is easy, if, indeed, it is practicable, to mould into a permanent organisation men working at an occupation which is not of the nature of a craft requiring special training. Such an organisation, not being built upon the foundation of a natural monopoly of skill, is apt to fall away and perish in times of trade depression or other adverse circumstances.

* In the category of skilled trades fall, among others, all those connected with the higher grades of ship-building and engineering, those of the various artificers in metal and clay, printing and bookbinding, the superior work in building and the trades connected with the decoration of buildings, carpentering and coach-building, the great textile industries, the make-up of the better description of clothing, the preparation of many articles of luxury, the more skilled work in railways, and some agricultural work. Mining, and the manufacture of iron and steel, may also be included in this list, and many smaller industries, involving a certain fineness of work.

78. It has already been observed (*see* paragraph 70) that benefit funds for friendly purposes are of service in giving solidity and permanency to trade unions, and inducing members of these societies to remain in them even when there is no immediate prospect of gaining by means of them better trade conditions. The comparative poverty of workers in unskilled occupations, and the smallness of the subscriptions which they are able to afford, makes it difficult for their organisations to support funds of this kind, even if, as a matter of policy, they were disposed to establish them. The result of this is that an association of this kind is usually limited to merely fighting purposes, and its prosperity and numerical strength is apt to depend upon its success in trade conflicts. Benefit funds.

79. An effect of the absence, in the case of unskilled or general labourers, of the natural monopoly, secured by specific skill to workmen in trades which require much training, is a tendency towards the use in industrial conflicts of more or less violent methods of action to prevent the introduction of non-unionist or "free" labourers to take the place of unionists who have struck or been locked out. Another consequence of the weakness, due to the absence of this natural monopoly, of any particular section of general labour appears to be the attempt to bring various sections not, strictly speaking, engaged in the same occupation, to the assistance of each other in industrial conflicts. The most striking illustrations of this tendency were afforded by the contest between the Shipping Federation (of shipowners) and the Seamen's Union in and about the year 1891 (*see* Summaries of Evidence, Group B., Part I., paragraph 227 (c.), (d.), (e.), (f.)), when the attempt was made, by inducing dock-labourers in various parts to refuse to work on ships not exclusively manned with union crews, to compel shipowners to employ such crews only.* It may be added that a further consequence of the difficulty of organising general or unskilled labour is an inclination on the part of leaders of this portion of the industrial population to look rather to the action of the State than to that of trade unions as a means of achieving their ends. A marked difference in this respect runs, on the whole, through the evidence given by the representatives of skilled trades and that given by representatives of industries which either from want of the monopoly given by specific skill or (as in the case of the miners in the West of Scotland) from other special causes, are weak in organisation. Methods of action.

80. Some of the leading characteristics of unskilled and feebly organised labour, which have been here referred to, will be considered more in detail in other parts of this Report. It is in this class of industries that there is chiefly to be found the spirit or policy frequently called "new unionism," in contrast to the older unionism of the skilled trades which occupied the attention of the Royal Commission of 1867. The chief feature of the annual trade union congresses held in recent years, appears to be the rise in numerical representation and importance of this "new unionism." The spirit characteristic of the movement seems to be due to the particular circumstances of unskilled or general labour, and especially to the natural difficulties which attend its organisation, but this spirit has, no doubt to some and probably to a considerable extent, influenced or modified the views held by representatives of the skilled trades, especially with regard to the substitution in certain important matters, notably that of hours of work, of State action for independent attempts by trade unions to obtain concessions from employers. New unionism.

4.—ORGANISATIONS OF EMPLOYERS.

81. Formal organisations of employers usually make their appearance at a later date than those of the workmen, and arise for purposes of joint resistance when individual employers find themselves too weak to cope with the growing strength of trade unions. Some associations of employers are, however, of old standing, were originally formed for watching legislation affecting the trade, or for tempering competition by agreement among themselves, and have subsequently developed into instruments of mutual protection against the action of trade unions. Employers' associations are of various degrees of solidity and compactness in different trades, varying, perhaps, with the degree in which these qualities are found in the associations of workmen in those trades. Employers frequently seem to combine rather unwillingly, Employers' Associations.

* A further and equally striking illustration is afforded by the great Australian strikes amongst wharf labourers, seamen and marine officers, miners, and shearers, in 1890 and 1891, which originated in a refusal on the part of the employers to employ none but union shearers, and was taken up by the other trades with the object of enforcing the exclusive employment of union labour. (*See* Foreign Reports, Vol. II. pp. 28, 29.)

and the trade competition between them often makes it difficult for them to hold together. Just as in some trades many workmen remain outside the organisations, so also many employers remain outside the employers' associations, and it often seems to happen that non-associated employers employ non-associated men.

5.—AMALGAMATIONS AND FEDERATIONS.

Amalgama-
tions and
Federations.

82. In recent years there has been a decided tendency towards (a) the amalgamation of trade unions with one another; (b) the federation of trade unions in the same trades; (c) the federation of trade unions' associations in different trades with a view to obtaining greater force in industrial warfare. The same tendency has been visible in the case of employers' associations. A distinction must be drawn between cases (b) and (c). A federation of unions in the same trade is really often an incomplete amalgamation. Of this kind of combination the Miners' Federation is a conspicuous instance.

A combination of unions or associations in different trades is rather a mere alliance. Of this kind, perhaps, may be said to be the federation recently formed among various trades engaged in shipbuilding and engineering. This federation was established in reply to the formation of an employers' "National Federation of Shipbuilders and Engineers," which was formed for the purpose of mutual protection and resistance to what the employers in question considered to be encroachments on the part of trade unions with regard to "free labour," apprenticeship rules, and so forth. It is alleged on both sides that the whole force of either federation would only be exercised by way of general strike or lock-out in extreme cases. In Durham and Northumberland the various classes of workmen employed in the mines are organised in the first place in their sectional associations, which, again, are federated for the purpose of dealing with employers.

Among the unskilled trades large schemes of amalgamation or federation have also of late appeared, and attempts have been made to carry them into practical effect by means of "sympathy strikes," such as those of dock and riverside labourers on behalf of the policy of the Seamen's Union. On the other side, the "Shipping Federation" of ship-owning firms and local associations, organised to resist these movements, is remarkable both for its extent and power and for the fact that, being incorporated as a limited joint stock company, it has a legal personality.

It has not, as yet, been shown by experience that trades of a totally distinct character from each other can be permanently amalgamated or federated together. For this purpose a certain natural affinity of occupation would seem to be necessary. But the annual trade union congresses bring the various associations which take part in them into a certain connection, the chief object of which is to secure common action in matters requiring legislative treatment.

In many industrial centres "Trade Councils" also exist, composed of the representatives of different and independent trades, and these have a great and apparently increasing influence in consolidating for common action, in some circumstances, the forces of local trades. It is usually one of their professed objects to assist in organising labour as yet unorganised.

6.—MIXED ASSOCIATIONS.

Mixed As-
sociations.

83. One outcome of the recent conflicts with regard to employment of "free labour" has been the development of certain institutions by which employers and those immediately in their employ have, in some cases, become formed into a kind of mixed association. The institution by the Shipping Federation of its registry system would seem to be an attempt to move in this direction, and the re-organisation of dock labour at Southampton after the strike of 1890 is an instance of the same tendency.

In a certain sense such an institution as the Board of Conciliation and Arbitration for the Manufactured Iron and Steel Trade of the North of England may be regarded as having formed the employers and men who belong to it into a kind of mixed organisation, although each side in this case has its separate association. For this Board, which meets regularly twice a year, and has its standing joint committee, is composed of one employer and one elected workman from each of the works in association, so that it may be said to form a complete industrial parliament.

There are some cases also in the same trade where single large works, for instance, the "Barrow Steel Works" have a kind of mixed assembly or tribunal of their own for settling trade disputes. Any system under which representatives of employers

and workmen in a trade meet periodically in conference or joint committee, as in the South Wales coal mining trade, may be considered as tending in the same direction. The same thing may also be said of some systems of organised profit-sharing, especially where, as in the case of the South Metropolitan Gas Company, the system is worked under the supervision of a joint committee. (See Memorandum by Mr. Livesey, on Profit-sharing, printed as Appendix I. to this Report.)

7.—REPRESENTATIONS MADE AS TO THE INJURIOUS OR BENEFICIAL EFFECTS OF TRADE UNIONS.

84. The employers who have given evidence have usually recognised a legitimate province for trade unions in bargaining as to wages and hours and watching over the general interests of their members, and admitted that strong organisations, acting within those limits, tend on the whole to improve industrial relations, and to make their members act in a better informed way and a more reasonable spirit. This is a subject which will be considered more in detail in the following part of this Report.* But the view has also been put forward, even by those who hold these opinions, that the action and rules of trade unions have been in some respects prejudicial to the efficiency of production and to the industrial prosperity of the country.

85. The allegations upon this point are as follows :—

- (1.) That trade unions have a growing tendency to interfere with details of business, and so to take away that concentration of command which is necessary for successful management, and hamper employers in carrying on their business according to the methods which they believe to be best.
- (2.) That trade unions often misjudge the true position of affairs, and by ill-timed and excessive demands, as well as by placing employers under apprehension of these, discourage enterprise and further investment of capital in this country, to the detriment of all concerned, including ultimately, if not immediately, their own members. As a proof that trade unions have done less than is frequently believed in the way of raising wages, it is contended that wages have in many cases risen as much and as fast in unorganised as in organised employments. It is urged that the extension of machinery in manufactures, and the development of railways and steam navigation, are the main causes of the increased demand for labour and consequent advance of wages during the last half century.
- (3.) That though organisations may tend to diminish the frequency of industrial conflicts, they extend their range; and that such conflicts on a large scale, especially in industries which supply raw material, are far more injurious to associated and dependent trades than are more frequent conflicts on a small scale.
- (4.) That workmen with a powerful union behind them are apt to become too confident as to their position, and to think that they cannot be discharged or punished, and so are likely to become indolent, careless or insubordinate, especially in cases where the foremen are unionists with divided allegiance.
- (5.) That the action of trade unions has a tendency to bring about a uniformity of wages and hours, both as between individual workmen and as between different localities; and that by insisting on a minimum wage which, in effect, determines the standard, and by seeking to abolish overtime and piece work, they are reducing workmen to a dead level of enterprise, discouraging work of more than average merit, and taking away from individual workmen the motive power of ambition and self-interest. A few independent workmen, in evidence, concurred with this view, which was put forward by many employers in trades where the unions are most powerful. It is further alleged that the uniformity of wages and hours which trade unions sometimes enforce as between different localities, tends to injure localities possessing less natural advantages in favour of those possessing greater ones, because the former places can only compete with the latter by means of lower wages (usually compensated for by lower cost of living) or longer hours.
- (6.) That trade unions injure trades by the rigidity of their rules. It was said, for instance, that if, at the commencement of the iron ship-building industry, the workmen had enforced their present rigid limitations on apprenticeship, the industry, for want of sufficient hands, could never have developed to its present dimensions. It is also pointed out that the rigid organisation of the different trades in some cases gives rise to a too complete division of work, which prevents men from doing work for which they are qualified and which

Allegations
as to
injurious
effects of
trade unions.

* See Paragraphs 90 to 92 post.

would at times conveniently fall to their lot, thus occasioning bad economy in production. This was the cause of the recent "demarcation" disputes between various trades in the North of England. In the case of some trades connected with shipbuilding, it was alleged by representatives of "unskilled labourers" employed in them, and admitted by those of the skilled workmen, that the organisation of the latter, as a rule, makes it difficult for those men who start in the lower class to rise to the higher kind of work, even if they have acquired sufficient experience and skill. The rule or practice of refusing to work with non-unionists may also be mentioned under this head.

Representa-
tion made as
to the bene-
ficial results
of trade
unions.

86. The representatives of trade unions claim that, even supposing it to be possible to prove some drawbacks, the existence of these societies is essential to preserve the independence of workmen and to protect their interests. In proof of the benefits of trade unionism they point to the position of workmen in various trades before and after these associations were formed, and maintain that the action of trade unions has secured improved wages, hours and conditions of labour not only directly for organised workmen, but indirectly for those not organised. The refusal of unionists to work with non-unionists is often justified on the ground that the latter without cost to themselves have reaped the benefits secured by the sacrifices and exertions of the organised workmen.

These witnesses deny that their organisations tend to enforce a dead level of wages, except with regard to "minimum rates," and represent that in almost every trade there are found many men in receipt of wages above what is known as the "minimum of the trade," in consequence of their being better workmen. They deny, then, that these organisations take away the motive of self-interest and therefore diminish the energy of the individual workman, but they allege that, in the interests of large bodies of workmen, it is necessary to some extent to restrain by rules the natural desire of the individual workman to work overtime, for the sake of higher wages, and other modes by which he might seek to benefit himself at the cost of his fellow workmen as well as of his own health and strength, or that of his offspring. This action is not, they maintain, injurious in the long run to the general interests of industry, inasmuch as association raises the "*morale*" of the employed, disciplines and educates them, and by rendering their work more intelligent, increases its value. It is necessary, they say, that their rules shall place a check upon the natural temptation of the employers to excessive competition with one another at the expense of the employed, by way of cheapness of goods and speed of production attained by overwork and under-pay, but on the whole, and in the long run, these rules, by their steadying effect, are good for the trade of the country. They allege that the action of strong trade unions is beneficial even to employers by preventing them from destroying each other through unlimited competition. It is usually admitted on both sides that strong organisations have been proved by experience to be almost a condition precedent to the success of voluntary methods or institutions of conciliation and arbitration, so far as these institutions extend beyond the limits of a single establishment to a whole trade or district, and will be no less essential for the purpose of any further development of such institutions, whether voluntary or created by the action of the State.

How action
of trade
associations
may affect
general in-
terests of the
community.

87. We have not lost sight of the fact that the concern of the community, as a whole, with regard to the strength of organisation of employers and employed, and the agreement between them which it may be possible to obtain, is not limited to the effect of such strength or agreement upon the interests of these classes. Our attention has chiefly been devoted to the interests of employers and employed in particular trades, not because these interests are the only ones which need to be considered, but because such a course appeared to be most in accordance with the special reference made to us, and because it seemed to us to be more important that our enquiry should be thorough, so far as it went, than that it should cover a very wide area. Even when thus limited our task remained a very heavy one. It should also be observed that specific evidence can more easily be obtained with regard to the interests of particular industrial groups than as to the general interests of the public. In order to take a complete view of the whole question it would be necessary to consider not merely the effect of the action of trade unions and employers' associations upon the workmen and employers engaged in particular industries, but in addition, the effect of a highly developed system of such organisations upon the interests of the community at large and upon the wage-earning classes generally, whether unionists or non-unionists.

88. We have thought it desirable to call attention in a concise manner to the fact that agreement between a strong combination of employers on the one side, and workmen on the other, may possibly be attained, in some cases, by measures which tend to repress individual energy and freedom of industrial experiment. One result of such agreement may be to place difficulties in the way of new men endeavouring to work their way into a trade by means of methods of production not sanctioned by the existing trade custom. Such changes, though not immediately convenient to the employers and employed already engaged in a trade, have often, in the end, by enhancing the efficiency of production, conferred important benefits upon the public, and have contributed to the ultimate prosperity of the trade itself. The danger is not great in those trades which produce chiefly for foreign markets, nor, again, in those which are subject to intense foreign competition in the home market, but even in these trades, the growth of international combinations may make it possible to subordinate public to private interest. In the numerous trades in which foreign competition does not exist, or is not very keen, the pressure and the support of a strong union of workmen may give cohesion to associations of employers. Hitherto such associations have seldom been able to impose their collective will upon all the employers engaged in a trade. There appears, however, to be some danger that, under the pressure of, and in alliance with, strong combinations of workmen, such associations might obtain virtually the same power with regard to fixing prices and determining the methods of production that similar associations have derived in earlier times from legal monopolies.

Possible dangers of strong organisation.

89. It must further be pointed out that unskilled labour, which it is more difficult to organise, may eventually suffer if skilled trades become close corporations, and, in any case, it is clear that a complete combination of employers and employed in any one great trade for the purpose of raising prices to an artificial level would, if successful, not only impose a tax upon the public but upon those engaged in related and dependent industries. It is obvious also that, where unionists are very strong, their refusal to work with non-unionists may altogether deprive the latter of employment; especially if they are for one reason or another unable to earn the minimum wages fixed by the trade union.

Further considerations.

We desire to point out the existence of these various disadvantages which a very complete organisation of industry might involve, without expressing any opinion as to the proximity of dangers of this kind. Having called attention to the existence of such dangers we are free to pass to an examination of the influence which associations of employers and employed exert upon the relations of these classes, and of the methods by which questions arising between them are settled.

III.

RELATIONS BETWEEN EMPLOYERS AND EMPLOYED.

1. IN THE CASE OF (a) STRONGLY ORGANISED INDUSTRIES, AND (b) OTHER INDUSTRIES.
2. CHIEF CAUSES OF INDUSTRIAL DISPUTES, AND QUESTIONS CONNECTED WITH PROCEEDINGS DURING THEM.
3. MODES OF SHARING THE PROCEEDS OF INDUSTRY.
4. SUMMARY OF PRESENT STATE OF RELATIONS.

1.—RELATIONS BETWEEN EMPLOYERS AND EMPLOYED IN THE CASE OF (a) STRONGLY ORGANISED INDUSTRIES AND (b) OTHER INDUSTRIES.

90. This part of the inquiry may be considered under two heads: (1) those cases in which the relations are between employers, or bodies of employers, and strongly organised bodies of workmen, and (2) cases where the workmen's organisations are weak or non-existent. With regard to those industries which are carried on on a large scale and require the co-operation of great bodies of more or less skilled and trained workmen, the evidence received by the Commission points to the conclusion that, on the whole, and notwithstanding occasional conflicts on a very large scale, the increased strength of organisations may tend towards the maintenance of harmonious

General view.

relations between employers and employed in a manner suitable to the modern conditions of industry. The belief was expressed both by employers and workmen that where a skilled trade is well organised, good relations tend to prevail, and countless minor quarrels are obviated or nipped in the bud.

Relations where trade organisations are strong.

91. The following were among the reasons given:—

- (1.) Strikes are not embarked upon, where a trade society is strong, without the securing of plenty of time for consideration by the rules and procedure of such societies, and quarrels are avoided which, in badly organised trades, often arise from ignorance, false rumours, panic, and misunderstanding, and personal pride and prejudice. It is the practice with some of the best organised trade unions never to support a strike entered upon without a previous offer to submit the dispute to arbitration. Organisations of employers have a corresponding effect in preventing hasty lock-outs on the part of individual employers. The leaders of associations on either side are likely to have broader views than individuals and local men.
- (2.) The strength of a trade union breeds respect in the minds of employers; this leads them to treat its representatives with courtesy, and courtesy in turn leads to an increase of good feeling.
- (3.) Strong organisation in any trade is almost a condition precedent to the establishment of permanent and effective joint boards of conciliation or arbitration for the trade generally, because unless most men in a trade belong to the society it is (a) difficult to obtain a satisfactory representation of workmen on such a board, and (b) difficult for the executive or leaders of the men to stop local strikes, or to ensure that disputes shall be carried to the joint board, and that the decisions arrived at by that board shall be respected by the workmen.

Further observations.

92. It must be admitted, as in some degree a set off to the first of these considerations, that strikes are occasionally initiated at the head-quarters of an organisation, in furtherance of a general policy adopted by the leaders, which would, perhaps, not have been entered upon had no organisation existed, or an organisation more loosely knit and less widely extended. It is also true that when both sides in a trade are strongly organised and in possession of considerable financial resources, a trade conflict, when it does occur, may be on a very large scale, very protracted, and very costly. But just as a modern war between two great European States, costly though it is, seems to represent a higher stage of civilisation than the incessant local fights and border raids which occur in times or places where Governments are less strong and centralised, so, on the whole, an occasional great trade conflict, breaking in upon years of peace, seems to be preferable to continued local bickerings, stoppages of work, and petty conflicts. A large conflict of this kind is usually begun with cool deliberation, turns upon some real and substantial question, is carried on with less bitterness and violence, is probably settled by a regular and well thought out treaty of peace, and does not leave behind it much personal rancour or ill-feeling between individual employers and their workmen. The fact that such a conflict is between great associations and not between individuals has the effect, no doubt, of diminishing personal animosities. Much testimony was given both by employers and workmen to the good effects produced by the meeting in conference upon equal terms of the representatives of associations on either side, and the increasing reasonableness and fairness which such conferences tend to instil. When organisations on either side are so strong as fairly to balance each other, the result of the situation is a disposition, already realised in certain cases, to form a mixed board, meeting regularly to discuss and settle questions affecting their relations.

Relations where trade organisations are weak.

93. If peaceable relations are, upon the whole, the result of strong and firmly established trade unionism, it seems no less clear from the evidence that trade unionism in a weak and struggling condition rather tends to increase the number and bitterness of industrial conflicts. The experience of those industries which have reached a high degree of organisation usually seems to be that the most quarrelsome period of a trade's existence is when it is just emerging from the patriarchal condition in which each employer governs his establishment and deals with his own men with no outside interference, but has not yet fully entered into that other condition in which transactions take place between strong associations fully recognising each other.

94. This seems to be in some measure due to the fact that when organisation has partially established itself and brought men together, grievances, which during the unorganised period have long been latent, come suddenly to light, and also in some measure to the fact that in early stages of organisation the workmen have not yet learned by experience what their union can and what it can not achieve. In weak organisations of no long standing, the leaders or executive often have no great hold over the men, who are, in such cases, apt to abandon an union if its policy does not coincide with their own views. The result is that unwise trade conflicts are frequently precipitated by the hasty action of sections of workmen. But the effort to force recognition for trade unions at the hands of employers seems to be the chief cause of the frequent and violent conflicts which usually attend the earlier stages of organisation. Many recent conflicts in the ranks of less skilled labour which were brought to our notice seem to have been, in reality, wholly due to the determination of members of new trade societies to compel employers to recognise and deal with them. It is not unnatural that at first employers should usually be unwilling to negotiate with their leaders as not being really representative of the workmen, and that they should take up the position that, while they are ready and willing to negotiate with representatives or deputations of the workmen in their immediate employ, they will not treat with officials of organisations to which perhaps only a fraction of their workmen belong.

Difficulties in such cases.

95. It must be added that where trade unions are weak and do not command and control the majority of men capable of working at an industry, the struggle between employers and employed during actual strikes and lock-outs does not resolve itself into the mere question of who can hold out the longest. If the employers think that there are others able and willing to do the work, they have an alternative to stopping their works, as they must do, where the men are highly organised. For reasons already given this is especially the case when the labour required is unskilled, or nearly so, and can, therefore, readily be supplied from the ranks of the unemployed or imported from country districts. The result usually is great acrimony, and sometimes even deplorable violence while a contest lasts, and a legacy of bitterness after it. The case is different where the occupation in question requires skill and long training, and where the workmen are well and strongly organised. Where workmen are bound together into a natural craft by a common skill and training, they are defended by the nature of things against an importation of outside labour, and, even if not at all organised, they have too much professional sympathy with each other, as a rule, to take each other's places. Where this is not the case, in unskilled occupations, attempts have often been made to raise a kind of artificial barrier, sometimes by violent proceedings, against the importation of outside labour. In this, as in many points, the evidence makes it clear that the cases of skilled and unskilled labour fall into very different categories.

Employment of non-unionists.

96. A great deal of the evidence which was brought before us with regard to unskilled occupations, such as dock and riverside labour, and occupations in which organisation is particularly difficult, such as that of seamen, was accordingly devoted to accounts of strikes to prevent the employment of "free labour." This is a question which raises in a very definite form the issue of the government and control of industrial undertakings. Employers have felt it to be essential to resist to the utmost of their power the claim made by workmen in the unskilled trades to prevent them from employing non-unionist labour. Especially have they felt it necessary to resist this claim in the matter of seamen, in view of the great importance of strict discipline on board ships. The claim also of non-unionists to dispose freely of their labour is one that cannot be left out of account in this connection.

Free labour.

97. Apart from the action of trade unions, the relations between employers and employed naturally vary infinitely, according to industries, localities, the class of persons on either side, and other circumstances. It is obvious that no general statement can be made on this subject embracing trades which vary, in the matter of permanence of employment, from a condition of almost life-long relations between the same employer and employed, to one in which labourers are frequently engaged by the day, or even the hour, to do casual work. In cases where the relation is tolerably permanent, it does not appear from the oral and written evidence that there is in general much ill-feeling between the parties, although there may be often a good deal of grumbling on either side. The case of work on railways may be referred to as

Relations considered apart from trade organisations.

a good instance of employment which is usually of a permanent character. The most conspicuous instance of extremely casual and temporary relations between employers and employed, is that of the London riverside labourers, especially previous to the strikes of 1889, to which reference will be made in another part of this Report.*

Trade unions
and single
establish-
ments.

98. The growth of organisations of workmen, with a membership extending throughout an entire industry, has undoubtedly contributed to accentuate the line which divides workmen from employers in single establishments. It is, however, felt by some, that, if the object to be attained is not only peace, but peace with goodwill, this cannot be secured in perfection where an industrial establishment is divided against itself. In pursuance of this idea, attempts have been made to link the interests of employers and employed within single establishments more closely together by systems of profit-sharing, and by means of mutual benefit and accident funds presently to be noticed, and thus reproduce the old-fashioned sentiment of unity, only on a basis of more equal relations suited to the altered spirit of the times. The attitude of trade unions has not always been very favourable to these attempts, but their jealousy, so far as this exists, arises from difference rather of means than of ends. It appears to be thought that, with the development of such schemes, the opportunities of activity of trade unions would diminish and the reasons for their existence be weakened. It may be admitted that this apprehension is not without a certain justification, but it is urged by some that it is founded on too narrow a view of the range of action of trade unions. Much will remain for them to achieve, and to preserve when obtained, however strongly may be developed the sentiment of goodwill between employers and employed in particular establishments or particular industries. There seems to be no sufficient reason why the conversion of separate establishments into independent industrial polities constituted on the footing of partnership, should not exist side by side with trade unionism as a means to solving the problems which the relations of capital and labour present.

2.—CHIEF CAUSES OF INDUSTRIAL DISPUTES, AND QUESTIONS CONNECTED WITH PROCEEDINGS DURING THEM.

Evidence as
to.

99. Much evidence has been received with regard to the causes and origin, the course and termination of strikes and lock-outs in a great many trades. In the case of one important conflict which has taken place since we began to sit, viz., that in the Durham mining industry in the year 1892, we have been furnished with a statement agreed to by both parties. This statement is printed in the Minutes of Evidence, Group A, Volume III., pages 388 to 394, and supplies an instructive account of a typical conflict between strong organisations. A full and useful account of the various negotiations which marked the progress of the great contest in 1893 between the Miners' Federation and the Federated Coalowners has been given to the public by the *Labour Gazette*† now published on behalf of the Board of Trade.

Causes of
disputes.

100. The essence of most of the disputes between employers and employed is, of course, the shares in which the receipts of their common undertaking shall be divided. By far the largest proportion of disputes, strikes, and lock-outs, have direct reference to the increase or diminution of the standard of wages, or the introduction of fixed price-lists. Many other disputes relate to the standard of hours, a question which in many cases forms part of a conflict with regard to wages. Other conflicts are undertaken by trade societies with a view to compel employers to recognise them, to strengthen and enlarge their organisation, to limit the number of youths entering the trade, to prevent the employment of non-unionists, or sometimes that of women and children, to defend unionist colleagues, or assert unionist rules and customs, and, generally speaking, to protect the monopoly of workmen already in the organisation. As has already been indicated, the ultimate object of all this policy is by increasing their strength and securing as far as possible a monopoly of employment to obtain as large a share as possible of the receipts of the industry, and to exercise a voice as to the general conditions under which it is carried on. Many disputes are connected with special customs or circumstances in particular works, with attempts to alter or prevent the alteration of various working arrangements, with questions of piece-work, overtime, holidays, meal times, and the introduction or abolition of systems of fines, deductions, and so forth. Some are of a merely personal nature, being connected for instance, with the unpopularity of particular officials. "Sympathy" or "on principle" strikes, of which much has lately been heard in connection with the less

* See paragraphs 223 and 224 post.

† Numbers for July, August, September, October, November, and December.

skilled industries, are those in which men engaged in one occupation strike, without alleging any special grievance of their own, expressly in order to support men engaged in some other occupation who are involved in a conflict with their employers. A common instance of this kind of strike, in recent times, has been the refusal of dock labourers to discharge or to coal ships manned by non-unionist crews. There are also instances of a number of employers closing their works for a time in order to support a particular employer against whom a strike is being directed. Finally, there are the "demarcation disputes" in which organised bodies of workmen employed in some complex trade like shipbuilding, as, for instance, shipwrights and joiners, are at issue with regard to the province of work belonging to each section. In this last case employers, although not directly concerned in the disputes, yet have to bear the inconvenience and expense of the strikes or stoppages of work to which they lead.

101. Industrial disputes vary infinitely in the matter of magnitude and duration, from stoppages of work in a particular mine or factory, only lasting for a day or two, up to disputes involving great districts and masses of workpeople, lasting sometimes for several weeks, or even months, and costing in wages, and in loss to the accumulated funds of trade unions and to capital, large sums of money, besides causing widespread disorganisation among the allied and dependent trades. Magnitude and cost of disputes.

It is, however, possible to exaggerate the cost of trade disputes. Mr. Burnett, as Labour Correspondent of the Board of Trade, in his Report on the Strikes and Lock-outs of the year 1891 (one of a series containing much information as to the causes, results, scale, and cost of these conflicts) estimates the "aggregate assumed loss of wages that might "have been earned in that year" to be 1,500,000*l.*, a sum which does not, as Mr. Giffen observed in his evidence, amount to more than a fraction of 1 per cent. of the total annual wages paid in this country. Mr. Burnett further points out (pages 30 and 31) that, where work is contracted for, and not produced for a speculative or open market, it still remains to be done after the stoppage caused by the dispute is ended. If the stoppage has not been of long duration, the work in arrear can often be made up by overtime, extra shifts, or otherwise, and it does not follow of necessity that at the end of the year there will be any actual loss either of annual wages or profits. On the other hand, the loss to workers in dependent employments by cessation of work in one industry is often very heavy. A strike or lock-out of cotton spinners will throw weavers out of work; a strike or lock-out of coal miners will act in a like way on ironworkers and many other industries. Indirectly, a trade conflict may inflict permanent loss upon an industry or district, if the effect of it is to divert business to foreigners or to a rival district in this country.

It should be noticed in this connection that a long stoppage of work may enable employers to clear off surplus stock and to tide over a period of depression. Sometimes also, when the article produced is, like coal, one of primary importance, cessation of work on a large scale itself creates a rapid rise of price. Such a rise, though not desirable from the consumer's point of view, may facilitate the settlement of the dispute, and recoup both to employers and workmen the loss, or some of it, which they have suffered through the cessation of work. There is evidence indicating that some employers have even favoured a strike by workmen as a mode of raising prices and wages which the competition of employers generally and of surplus labour had brought down to a very low figure.*

102. Our attention was frequently called in the course of the evidence to the present law with regard to intimidation during strikes. The Conspiracy and Protection of Property Act, 1875, after declaring in section 3 that "an agreement or combination "by two or more persons to do or procure to be done any act in contemplation or "furtherance of a trade dispute between employers and workmen shall not be indictable "as a conspiracy if such act committed by one person would not be punishable as a "crime," provides by the seventh section that "every person who, with a view to "compel any other person to abstain from doing or to do any act which such other "person has a legal right to do or abstain from doing, wrongfully and without legal "authority (1) uses violence to or intimidates such other person, or his wife or children, "or injures his property, or, (2) persistently follows such other person about from "place to place, or, (3) hides any tools, clothes, or other property owned or used by such "other person, or deprives him of or hinders him in the use thereof, or, (4) watches or "besets the house or other place where such other person resides, or works, or carries Intimidation and picketing.

* See Summaries of Evidence, Group A., paragraph 162, and Evidence, Group A. 19,997.

“ on business or happens to be, or the approach to such house or place, or, (5)
 “ follows such other person with two or more other persons in a disorderly manner
 “ in or through any street or road, shall, on conviction thereof by a court of summary
 “ jurisdiction, or on indictment as herein-after mentioned, be liable either to pay a
 “ penalty not exceeding 20*l.*, or to be imprisoned for a term not exceeding three months,
 “ with or without hard labour.” The seventh section also contains a proviso that
 “ attending at or near the house or place where a person resides, or works, or carries
 “ on business, or happens to be, or the approach to such house or place, in order
 “ merely to obtain or communicate information, shall not be deemed a watching or
 “ besetting within the meaning of this section.”

Complaint
with regard
to the law.

103. It was contended by many witnesses on behalf of employers that, inasmuch as the number of persons who may attend to communicate information (a procedure usually known as “ picketing ”) is not limited by the Act, it is practically very difficult to fix the point at which communication of information becomes intimidation, and that for this reason it is not easy to obtain any conviction for intimidation. In this way, they contend, the effect of the seventh section is virtually nullified. Much evidence was given, especially in the case of strikes connected with dock and maritime labour, of picketing, which caused, or at any rate was accompanied by, much violence and intimidation. On the ground of this difficulty in distinguishing, under the terms of the existing law, between giving information and intimidation, many employers expressed a desire either that the clause allowing attendance to communicate information should be repealed altogether, or that the number of persons allowed to attend for that purpose should be strictly defined, and should be limited to two or three. On the other hand several representatives of trade unions alleged that the whole of the seventh clause bears hardly upon trade unionists, and especially upon their officials; that, under the Act, conduct which is not really intimidation has been interpreted by magistrates to be such; and that, as the law stands, it is possible to obtain convictions against innocent persons. The opinion was expressed by more than one witness on this side that the seventh section should be repealed altogether. An important definition or limitation of the word “ intimidation,” as used in this section, was given by the Court of Queen’s Bench in the year 1891, in the cases of *Gibson v. Lawson* and *Curran v. Treleaven*.* The effect of these decisions is that threats by members of a trade union to strike or to withdraw themselves from the service of a particular employer, if men not belonging to their society were employed, do not amount to intimidation within the meaning of the statute, whether the threat is made, as in one of these cases, to the non-unionist employed, or, as in the other, to the employer. A memorandum prepared for the Commission by Sir Frederick Pollock, with regard to the law of combinations and the effect of recent legal decisions, is printed as Appendix II. to this Report.

Rights of
civil action.

104. It can hardly be denied that conduct of the kind referred to in the cases of *Gibson v. Lawson* and *Curran v. Treleaven*, although held not to be intimidation liable to penal consequences within the meaning of the Act of 1875, may inflict great hardship upon employers, and, still more, upon non-unionist workmen, who may very possibly, in some cases, practically be deprived of employment unless they consent to join associations of which they disapprove. The question arises whether any civil remedy remains to the employer or non-unionist workman. It must be observed that although the Act of 1875 exempts conduct which does not amount to intimidation, in the sense which the Courts give to intimidation, from penal consequences, it leaves untouched the right, if any, of persons injured by such conduct to bring civil actions to recover damages. It may be true that even where the employer or non-unionist workman may have the civil remedy referred to, that remedy may yet in many cases be practically valueless. Although the discharge of the workman from employment may be due to decisions taken by a trade-union and consequent action by some official on its behalf, the trade-union cannot be sued, nor can damages be recovered from its collective funds. In the recent case of *Temperton v. Russell and others*, the plaintiff, who carried on business as a builder, sued the officers of three trade unions, and of the joint committee of these trade unions, “ as well on their own behalf as on behalf of and representing all the members of each of the said societies and joint committee to which they severally belong,” for damages, and also for an injunction to restrain the trade unions and joint committee from molesting him in the conduct of his business. It was held by the Lord Chief Justice and Mr. Justice Hawkins that the plaintiff was not entitled to sue the

* See Law Reports 1891, 2 Q.B. 515.

trade union officers who were defendants in their representative character, but only as individuals, and this decision was confirmed by the Court of Appeal. Damages were subsequently recovered in this action against the officials of the three trade unions, and an injunction obtained restraining the defendants.* This case shows that persons injured by the action of trade unions and their agents can only proceed against the agents personally, and, whilst they may obtain verdicts against them, they may, in many easily conceivable cases, be unable to recover adequate damages. This difficulty is one which illustrates the inconvenience which may be caused by the existence of associations having, as a matter of fact, very real corporate existence and modes of action, but no legal personality corresponding thereto.

3.—MODES OF SHARING THE PROCEEDS OF INDUSTRY.

105. The essential point of discord between employers and workmen being the mode and proportions in which the net receipts from the sale of produce shall be divided, the machinery by which this is settled has great influence upon the character of the relations between them. Other causes of disputes are, usually, only secondary, and in more or less near connection with the main issue. If workmen consider that they are being treated with openness and justice, and if they find the employers disposed to look upon them rather in the light of industrial partners than as servants, it seems from the evidence that contentment and friendliness on the whole exist.

Division of proceeds of labour.

106. Our attention was strongly called to two methods of settling this division of receipts without resort to strikes or lock-outs, by means of machinery intended to have as far as possible a permanent character, namely, "sliding scales" and "wages boards." Instances of the success of these institutions in averting trade conflicts for fairly long periods are to be found in a few important trades, or trade-districts, and emphatic testimony was, in some cases, borne both by employers and workmen to their efficiency in preventing and removing causes of conflict, and in improving the good understanding and cordiality between the parties. The trades in which they have succeeded best are those in which both employers and workmen are highly organised, and in which there is a fairly equal balance of power between them. A "sliding scale" may be shortly defined as an arrangement by which wages are made to rise and fall upon a fixed principle in accordance with the rise and fall of the price of the product of the industry in question.† A "wages board" may be defined as an institution for the periodical settlement and revision according to prices and other circumstances of general rates of wages by regular meetings of representatives of employers and workmen engaged in the same branch of industry. In some cases a sliding scale has operated under the supervision of a wages-board meeting periodically.

Definition of sliding scales and wages boards.

107. A sliding scale is usually based on an ascertainment from the books of an adequate number of employers of the net average selling price of the commodity which is to regulate the wages, such ascertainment being obtained for a series of recent years, the various rates of wages which have prevailed during the like period being also similarly ascertained. The relation in the past of piece-work rates and prices (which relation had probably been brought about by free bargaining or, it might be, as the result of a strike or arbitration), being thus established, a scale is constructed of a character which, had it been in operation during the years taken as a guide, would, over that whole period, have yielded not less but probably rather higher earnings, but would have yielded them in an uniform relation to the price of the commodity, and would have procured them without friction or loss of time, or perhaps, occasionally, suspension of work. The then prevailing rates of wages, and the price of the commodity which it is agreed shall yield those rates of wages are thenceforth termed "the standard rates of wages," and "the standard price." It is agreed that, for a prescribed period, probably two or three years, prices shall be ascertained every two or three months by public accountants from employers' books, and the rates of wages for the ensuing two or three months shall be those attaching under the agreed scale to the last ascertainment.

Sliding scales.

108. In England and Wales the iron and steel trade seems of late years to have been generally governed by sliding scales. The three most important scales have

Instances of sliding scales.

* See *Temperton v. Russell* (No. 2), 1893, 1 Q.B. 715; 62 L. J. Q.B. 412, 4 R. 376. The Court held that the evidence showed the defendants to have procured some persons to break their existing contracts with the plaintiff, and to have combined to induce others not to enter into contracts with him, and that the action was maintainable on both grounds.

† In the case of the Cleveland ironstone mines, wages follow under the sliding scale the price, not of the ironstone itself, but of the pig-iron which is manufactured from it.

been those regulating (1) the North of England district and some other districts which follow it in the matter of general wages-rates, (2) the Midland district and its followers, (3) the South Wales district. Sliding scales, with occasional intervals and modifications, have existed in the Northern district since 1871, and in the Midland district from 1874 to 1890, and in the Welsh district since 1890. The general rule has been to take average net realised prices through accountants at the end of each quarter or two months as a guide for the automatic increase or reduction of wages for the following like period. In each district the operation of the scale has been subject to the supervision of a central joint committee or wages board. In the Cleveland ironstone mines wages were regulated by sliding scales from 1879 to 1889. Sliding scales for coal mines have been in operation from time to time in Northumberland and Durham, but no scale has existed in the former county since 1887, or in the latter since 1889. Wages in South Wales have been governed by a sliding scale, with various modifications and some interruptions, from 1876 to the present time, and in South Staffordshire and East Worcestershire (with an interval between 1884 and 1888) since 1874, and in the Cannock Chase district from 1874 to 1883. In the other English and Scotch mining districts it seems that sliding scales have either never been established or have been speedily abandoned.

Advantages
of sliding
scales.

109. The advantages claimed for this system are (1) that it obviates disputes about wages, at any rate, during fixed periods; (2) that it promotes a feeling of co-partnership and common interest between employers and employed; (3) that it enables employers to calculate what will be the cost of production, in wages, for some time ahead, and therefore to enter into long contracts with some feeling of security; (4) that it causes alterations in the rates of wages to take place gradually and by a series of small steps, instead of suddenly and at a bound.

Difficulties
of sliding
scale.

110. The frequent failure of attempts to establish a permanent sliding scale seems to be chiefly due to the difficulties of agreeing on a basis price, many of which, however, are such as may gradually be removed as the real nature of the problem becomes better understood. A common difficulty in settling and revising the basis of sliding scales arises from one party or the other contending that other circumstances besides the average wages and selling prices for a preceding term of years should be taken into consideration, such as changes in the cost of material, or the state of the labour market, or the relative wages of men in other districts and like industries, or competition with other districts and countries. An experienced witness giving evidence on behalf of employers in the iron and steel trade thought that, in view of all this, it would never be possible to have a permanent sliding-scale, based upon the price of the product apart from other circumstances, and that any sliding scale would require revision every few years. It also appears that workmen are apt to think that the sliding scale does not operate quickly enough to give them the full advantage of an upward movement of prices. It was explained that this feeling on their part is often due to the fact that the actual average prices which employers are getting frequently by no means correspond with the "quoted" market prices of the day, because in the coal trade, employers have to make large contracts, as a rule, for three or four months ahead, and in foreign trade often much longer. It was explained by a witness of great experience that the dissatisfaction so often felt by miners with the operation of the sliding scale was due to the fact that the prices, inflated by speculation in a rising market, which they see quoted in newspapers, are usually much in excess of the real average price which is being obtained by coal owners, and represent merely the temporary value of a small part of the coal in the market, so that workmen are apt to think that, under a sliding scale, they do not get the full advantage of rising prices. The only remedy seems to be that there should be a joint standing committee of employers and employed charged with the supervision of a sliding scale, and working upon frequent periodical reports made by accountants having full power to examine the books of employers, and that the workmen at large should implicitly trust their representatives, and delegate the fullest powers to them. All this implies a trade very highly organised in some respects.

Further
observations
as to sliding
scales.

111. The system of sliding scales, so far as existing experience shows, is not applicable to all industries, but only to those in which, as in iron smelting, there is a certain simplicity in the product and steadiness in the cost of the raw material, or which, like coal mining, consist in the extraction of the raw material itself. It was represented that it would be very difficult to apply such a system to any complex manufacture in which the varying prices of the ingredient raw materials were a disturbing force in the cost of production. This is no doubt the reason why it has been introduced into so few industries. Even in coal mining, to which it seems

specially applicable, it has had only a limited success. But representatives both of employers and workmen, in industries in which this system has been tried, agree that, if a satisfactory basis to a scale could be arrived at, the system would be one conducive to friendly relations and the good of the trade. It seems, however, to be desirable to notice at this point a fundamental objection taken by many workmen to the principle of a sliding scale, namely, that wages should determine prices, and not prices wages. Objection is also made by some to any system of sliding scale which does not provide a minimum below which the wage-rate is not to fall, on the ground that the cost of a certain minimum standard of life for the workers should be the first charge upon the produce of industry, and should be maintained even in times of depression of trade. This appears to be the principle underlying the great struggle in the coal trade, which arose after we closed the evidence, and was described in that struggle as the maintenance of the "living wage." The establishment of a sliding scale is also objected to by some workmen on the ground that, whilst the scale lasts, it renders the chief work of the union superfluous, and so weakens the organisation by causing its members to withdraw from it.

112. Wages boards are to be distinguished both from mere occasional meetings or conferences between representatives or committees of employers and employed in a trade for the purpose of discussing wage rates or other points at issue, and from the joint committees which are frequently constituted in trades for the purpose of hearing and determining in a judicial manner questions arising between individual employers and those whom they employ. The object of a true wages board is to prevent conflicts by means of periodical and organised meetings of representatives of employers and employed for the purpose of discussing and revising general wage rates in accordance with the changing circumstances of the time. Thus a wages board fulfils the same purpose as a sliding scale, but does not pretend to adopt any automatic principle of regulating wages in exact accordance with prices. A wages board in this way avoids some of the difficulties which have frequently led to the failure of sliding scales. In some cases the two systems have been advantageously combined, and the principal business of a wages board has been the supervision and occasional revision of a sliding scale. Although the primary purpose of a wages board is the regulation of wages, it may also be made use of for the discussion of other general trade questions, and be, as it were, a parliament of the trade.

Wages
boards.

113. The most complete instances of wages boards possessing a continuous history of some length, during which serious conflicts have been successfully avoided, are those presented by branches of the iron and steel trade. Full evidence was given with regard to the working and success of the Board of Conciliation and Arbitration for the Manufactured Iron and Steel Trade of the North of England which was founded in 1869, and of the Midland Iron and Steel Wages Board, which was founded in 1876. The constitutions of these Boards have been summarised and are printed in the Volume of Rules of Associations of Employers and of Employed (*see* pages 368-70). In the case of the Northern Board it is a rule that each of the works affiliated to the Board must be represented upon it by one employer and one workman. In the case of the Midland Board, the 42 firms which, at the date of the evidence, belonged to it, are represented on the Board by 12 persons chosen by the employers and 12 workmen elected by their fellows. The secretary of the workmen's association said, in evidence, that the workmen desired to adopt the Northern plan, so that each of the 42 firms would be represented on the Board by one employer and one workman. This would make an industrial assembly of 84 members, meeting twice a year. Both the Northern and the Midland Boards have a standing joint committee to deal with minor disputes, subject to an appeal to the full board. The mode in which reference of questions in the last resort to arbitration is secured in these Boards is referred to hereafter.* The president of the Northern Board stated in evidence (which was strongly corroborated by the representative of the
1) that "the effect of the Board of Arbitration has been most satisfactory. Relations of workmen and their employers seem to be entirely changed. There is much more feeling of sympathy and respect than ever existed before, and that feeling has extended from the works of the members of the Board to the other works. There is very much more reason than there ever used to be formerly." Similar evidence was given with regard to the good effect of the Midland Board in improving relations.

Instances
of wages
boards.

114. Institutions of the same kind have, of recent years, been formed in the iron and steel industry in South Wales and West Scotland. Evidence was received as to other

Other
instances.

* See paragraph 138 *post*.

boards of this kind in various trades not always showing permanent success. The board in the hosiery trade, for instance, which was one of the earliest and long one of the most successful of these organisations, seems to have ceased to have any formal existence. A wages board which existed for a long time in the Staffordshire Potteries seems to have also failed, in consequence of the dissatisfaction of the workmen with the results.

Frequent conferences.

115. Special attention has been called in this part of the Report to the wages boards, which have a permanent character and a written constitution, but, in practice, they do not, perhaps, differ essentially, except in so far as they may embody a rule for reference to arbitration, from the frequent meetings between representatives of employers and employed for the same purpose, which are held in some trades not in pursuance of formal rule, but, as a matter of fact, and in accordance with established custom. Of this kind are the frequent conferences between the central committees of the coal-owners' and miners' organisations in Durham and Northumberland to settle general or "county" questions. There is, however, an advantage in a permanent organisation about which authority grows, and which is always ready to deal with difficulties as they crop up, instead of being called into activity after feelings of dissension have arisen. On the whole, it appears that sliding scales and wages boards, considered as modes of dividing the receipts of industry between employers and employed, have met with some success, chequered by failures, in a few important trades, in which both sides are strongly organised, and the conditions of the industry itself are favourable. It is obvious that this success has not as yet extended to any considerable portion of the whole field of industry, and it is not yet proved by experience that these modes of action can exist without strong organisation on the side of the employed, or that such strong organisation can permanently exist, except in a class of trades possessing certain natural advantages.

General view.

116. The evidence of many of the witnesses who appeared before the Commission as representatives of, or in sympathy with, the working classes, indicates a widespread feeling of dissatisfaction, at any rate in theory, with the relation between employers and employed in the shape which at present it usually wears. In practice, however, it seems to be difficult, under the present conditions of trade for any other system of conducting industry to take the place, on any very large scale, of that now existing. The proposals made for the substitution to a large extent of public authorities for private employers, in the carrying on of industrial operations, have received special consideration in another part of this Report.* But we may here examine various forms of industrial organisation which aim at harmonising, as far as may be, the interests of employers and employed in private undertakings.

Profit-sharing.

117. Perhaps the simplest form is that usually called "profit-sharing." In this case the employer while retaining the general conduct and government of the business in his own hands, institutes a system by which, after payment of wages at current rates, and payment of a fixed amount of interest upon the capital invested in the concern, together with remuneration for management by the employer, the residue of the net receipts is divided in fixed shares between capital and labour. A possible development (of which one or two cases were brought to our notice) is the investment and accumulation of the profits coming to each workman under this arrangement, for the purpose of making him eventually a shareholder in the business under the Companies Acts. Where this is open to them the workmen may not only reap the advantages of profit-sharing, but, eventually, as shareholders, obtain a certain participation in the government of the business for which they work. The ultimate government would in this case be one of a mixed kind, which would, probably, be better able to exist in the present commercial world than would the pure democracies of productive co-operation. At present, however, it is more usual in profit-sharing concerns either to pay out to the workmen their shares as they fall due, or, at their choice, to retain the amount in the business as loan capital at interest.

Thames Ironworks scheme.

118. In some industries it may be possible to adopt some form of collective piece-work, on the lines of an interesting experiment, which was described to the Commission by Mr. A. F. Hills, the managing director of the Thames Ironworks Shipbuilding Company, under the name of the "Good Fellowship Scheme" in 1890. Its essential feature consists in this, that all the members of the associated group receive a regular time-wage, however long the job may take to finish; if, however, the total wage thus paid falls short of the estimated labour-value of the job, the difference is divided among

* See paragraphs 244 to 251 post.

the members of the group.* Such a plan, if successful, might combine some of the advantages of piece-work in stimulating energy, with the growth of common interests among the employees in one another's work, and a greater harmony of interest between them and their employers. Such, at least, seems to have been the result so far at the Thames Ironworks, where a system of direct profit-sharing is now proposed to be combined with it; and indeed in all cases where profit-sharing has worked well the evidence shows that the system has been highly conducive to the maintenance and increase of friendly feelings between employers and workmen. It must, however, be admitted that workmen themselves do not in all cases approve of the introduction of such systems. They sometimes view them with suspicion as having a tendency to detach by particular benefits the interests of sections of workmen from those of the general body of men in a trade or district, and consequently to draw men away from their trade unions.

119. The Commission received a full description of the profit-sharing scheme established in London by the South Metropolitan Gas Company. Although the establishment of this scheme involved a strike on account of objections taken by the Gas-workers' Union to some of the proposals, it appears to have worked excellently. It is stated to have improved greatly the relations between the Company and its workmen, to have caused the latter to take greater interest in the success and economic efficiency of the business, and to have given them opportunities, of which they have largely availed themselves, of accumulating savings by investment with the Company of the bonus which they receive under the scheme. A description of this scheme and its results is contained in a memorandum upon profit-sharing prepared by Mr. George Livesey, the chairman of the South Metropolitan Gas Company, and a member of this Commission. This Memorandum is printed as Appendix I. to this Report.†

South
Metropolitan
Gas Com-
pany.

120. Many attempts have been made, especially during the last 50 years, to launch industrial enterprises on the principle of associations of producers in which the individual capitalist employer shall be dispensed with, the business being conducted by the workmen themselves or their representatives, with the aid, in some cases, of outside shareholders, mostly in their own ranks of life. This was the main idea of the earlier promoters of the English co-operative movement. Its influence may be seen in the original programme of the Rochdale Pioneer Society, which included the cultivation of land by members out of employment, and the establishment of a self-supporting home colony of united interests. Again, the "Co-operative Union," formed for the purpose of promulgating co-operative principles and interests, and to which a large proportion of the existing societies are affiliated, professes to have for one of its leading objects the conciliation of the "conflicting interests of the capitalist, the worker, and the purchaser, through an equitable division among them of the fund commonly known "as profit." But in practice it has not been found easy to act fully up to this principle, especially as regards the trading profit made by the Distributive Societies. There are now in the United Kingdom nearly 1,500 working-class Distributive Societies, doing a business of more than 30,000,000*l.* annually, and 150 Productive Societies doing a business of two and a half millions. Our attention was especially called to the English

Attempts to
dispense with
employers.

* For instance, when a ship is to be constructed a number of different trades, such as boiler-makers, engineers, joiners and carpenters, shipwrights and others, have to be combined in the undertaking. The Company, before sending in their tender, consult with the men of each trade as to the price at which they will be prepared to do their part of the work. In each case the men, through their committees, make the necessary calculations and fix their price. This is accepted or modified, after consultation, by the Company, according to the possibilities of the case. If the tender thus put together is accepted, and the work taken in hand, the men in each trade, after being paid weekly the current or trade-union rate of wages receive, to be divided among them upon the completion of monthly portions of the work, the difference between the wages they have been paid and the estimated labour-value of the work done. If there should be no such excess there would be no gain for them; if there should be a loss, it would fall on the Company. It is claimed on behalf of this system that while avoiding on the one hand the "individual selfishness," the jealousy, and other evils alleged to be inherent in piece-work of the ordinary kind, it avoids, on the other hand, the stagnation and apathy which is the consequence of a "dead level of fixed daily rates, without a bonus and without overtime." It is further stated that, inasmuch as this benefit is secured by the collective energy and capacity of industrial groups, the men in each group take care (thus saving cost of supervision) that each man in the group does his work well, and have even gone so far as to get incapable workers eliminated. The adoption of this system, while it involved at the outset a great deal of trouble, and an entire re-cast of the method of book-keeping, and was besides viewed with suspicion by the trade unions, was stated by Mr. Hills to have changed entirely the relations between the Company and the workmen, between whom there had previously been some severe conflicts.

† See also for a full account of the scheme of the South Metropolitan Gas Company, Summaries of Evidence, Group C., paragraph 428.]

and Scottish Wholesale Societies. The English Wholesale Society was founded in 1863 at a conference of representatives of local societies, and only registered co-operative societies are capable of becoming members or shareholders of it. The Scottish Wholesale Society was founded in 1868.

Production
as carried
on by Co-
operative
Distributive
Societies.

121. Evidence was given on behalf of these two great societies, especially with regard to the remuneration of labour in the manufactures which they carry on. The English Co-operative Wholesale Society began business in its present form in 1864, and has already attained very large proportions. None but registered co-operative societies may become shareholders of it; and of these there are nearly 1,000. Its business as a wholesale dealer supplying the Distributive Societies is more than 8,000,000*l.* annually; and having added to its trading business several manufacturing and other productive departments, its output in those is a good deal over half a million. It employs about 3,000 workmen in direct production, but does not use any method of profit-sharing. Its representatives claim that its service offers special advantages to workmen, inasmuch as wages are at the highest current standard rate, the sanitary conditions of labour excellent, and the employment steady and continuous. It manufactures for a certain and secure market with which it is in intimate contact, and, as an employer, may be expected to have special sympathy with working people.

English
system.

122. A Distributive Co-operative Society which makes goods in an auxiliary department of its own, or which produces them from the wholesale of which it is a part owner, adds, it is argued, manufacturing profits to store-keeping profits; and, under the English system, the whole advantage of both sets of profits ultimately accrues to the persons who make purchases at the stores, in proportion to the amount of their purchases. These persons usually belong to the working classes, but there is nothing to prevent rich people dealing at the stores. As regards the workmen employed in their manufacturing works, these societies do not, as a rule, pretend to be more than model and sympathetic employers, paying the best rates of wages, and ensuring the best conditions of work; while every one who chooses to be a member of any Distributive Society has a share in the control of great enterprises, based on principles of perfect equality, and exercising an educating influence on all who have any part in them, however small.

Scottish
system.

123. A different policy in this respect is pursued by Scottish Co-operative Societies. Many of the Distributive Societies which carry on production in Scotland have adopted the system of sharing profits with their workmen, and this is also done by the Scottish Wholesale Society, the success of which is quite as remarkable as that of its elder English sister. The present plan of this Society is, after payment of interest upon capital, to share the net profits made in the distributive and productive departments taken together between the purchasers and the employees in both departments, the payment to the employees being made at the same rate per pound on wages, as the payment to the purchasers on the purchases. The Society carries on 14 or 15 productive industries, and for the purpose of the payments out of profits to the workmen, no distinction is made on account of the different profits received in each business. The Scottish societies, like the English, appear to ensure good conditions of work. The Scottish Wholesale Society also makes it a rule to invest all their accumulations of capital exclusively in extending co-operative enterprise, unlike the English Wholesale, which has large investments in railway stock and other securities.

Co-partner-
ship
Societies.

124. Evidence was given also on behalf of "co-partnership" societies for co-operative production, which are attempting to carry out the plan of dispensing with employers and "introducing the principle of representative government into the workshops."* Such enterprises have shown in their early stages an even larger per centage of failures than other forms of co-operation in the same stages, and perhaps might appear to have little chance of succeeding in existing conditions except in industries of a very simple kind, or when they possess some especial *clientèle*, such as that which is sometimes afforded by the sympathy of distributive co-operative stores or of public bodies. They have had, however, it is alleged, but small advantages of this kind. They complain that public bodies seldom exert themselves in England as they do in some other countries, so to frame their contracts as to adapt them to Co-operative Societies; and that they have, in a great measure, lost the advantage of an easy market in Distributive Societies, in consequence of the policy of entering into competition with them, which has been

* Evidence, Whole Commission, 7533.

adopted by the Wholesale Society. They allege that that Society could have afforded them good knowledge of the wants of a large class of customers, and a good access to them, had it not become a rival to them. Under such disadvantages it might have been expected that these little industrial republics would have but small chance of surviving in the competition in the open market with individual firms and companies possessing the advantages of more special commercial training, greater command of capital, firmer internal discipline, and the benefit of the alliances and natural sympathies, existing connections and good-will, which prevail in the general world of commerce. Nevertheless the movement appeals strongly to those working men who do not regard employment as consisting simply of receiving so much wage in return for so much work; and who do not value highly the infinitesimal share in the management of their own work which employees in a factory of the Wholesale may derive from membership of a Distributive Society. Its advocates claim that theirs is the only method of employment which develops every faculty of the workman "to the advantage of himself, his fellow-workers, and the community."* However this may be, the recent history of the movement is not altogether discouraging. Besides many smaller societies, there are about a dozen, each of which produces from twenty to eighty thousand pounds worth of goods annually, has much expensive machinery, and employs a great deal of skilled labour.

125. Although there seems to be good reason to hope that the principles of profit-sharing and co-operation will become more widely extended at all events in certain classes of business, yet at present the establishments in which they have been adopted bear a very small proportion to the bulk of manufacturing industry. In the vast majority of cases, workmen are paid by way of fixed wage-rates, varied from time to time in well organised trades, in the result of negotiations between the bodies of employers and workmen. In unorganised trades, variations are due more immediately and directly to the condition of the labour market and the supply of and demand for labour. The strong trade organisations, composed chiefly of males, skilled workers, accustomed to act together in masses, have made the old method of settling individual wages by the "higgling of the market" impossible, and have, for the most part already caused the substitution for it of wages boards or other more or less formal institutions, by which they secure a consultative voice in the division of receipts between capital and labour. A standard wage is thus established, which may be varied by agreement from time to time with the variations in the prosperity of an industry. The system of a sliding scale is a more delicate, flexible, and precise mode of adjusting these variations, but is only applicable to industries of a special character. In cases where there is neither profit-sharing nor a sliding-scale, nor a permanent joint wages board, nor frequent conferences as to wage-rates between the committees of organised bodies of employers and workmen, the wage-rate is settled, partly by custom, partly by the comparative amount of the demand for and supply of labour, partly by occasional temporary combinations on the part of workmen to make a particular demand.

General view of methods of adjustment of wages.

126. Evidence was given as to the good effect in improving the relations between employers and employed of various benevolent funds against accident, sickness and old age, jointly subscribed to by both. In the case of some dangerous occupations the employers have subscribed largely to such funds against accidents in a fixed proportion to the subscriptions of the men upon condition of the latter contracting out of the Employers' Liability Act. Such is the case with the South Wales and Lancashire Coal-Owners, the London and North Western Railway Company, the London and Brighton Company, Messrs. Armstrong's Works at Elswick, and other establishments. Notice has been lately called to a similar fund existing at Messrs. Tangye's, where the whole fund is contributed by the employers. Various instances were brought to the notice of the Commission of benevolent funds in particular works having a more or less extensive range of objects. Such funds seem to be especially useful in the case of the classes of labourers, chiefly of an unskilled kind, who either do not belong at all to trade unions, or to such trade unions only as, either from policy or want of sufficient means, do not combine benevolent with trade objects. When, as frequently is the case, the management of the benevolent fund is in the hands of a joint committee, composed partly of representatives of the workmen and partly of those of the employers, the evidence shows that the practice of friendly co-operation in such an object does much to improve the relations between them.

Effect of joint benevolent funds on the relations between employers and employed.

127. It also appears that in cases where such a benevolent fund exists it does much to give men an interest in permanently working in the same establishments. This

Advantages of such funds.

* Evidence, Whole Commission, 7682.

in case of unskilled labour.

is particularly desirable in the case of unskilled labour, seeing that the unsettled and roving habits of this class of workmen appear to be an evil, both to themselves and to society. It is clear from the history of industries that permanency and regularity of work is a condition precedent to anything like good organisation and the rise in prosperity and the standard of life of any labouring class. It is possible that, in the case of unskilled labour, the best road to this lies through the extension, within single industrial establishments, or groups of establishments, of the practice of profit-sharing and of benevolent funds.

4.—SUMMARY OF PRESENT STATE OF RELATIONS.

Summary as to present relations between employers and employed.

128. The present relations of capital and labour may be summed up very broadly, as follows: So far as experience goes, it has not been shown that, in the existing commercial world, industrial establishments can survive in the competition of the open market without the business skill, energy, and concentration of power characterizing management by individual employers, or trained and highly paid managers in the service of companies. If there are exceptions it is in the case of industries of a very simple kind with some assured and special *clientèle*. There seems to be no reason, however, why the great associations of consumers, the distributive co-operative stores, having at their command business ability, and a secure and steady market, should not greatly extend manufacturing operations, and afford to workmen not only such benefits as may be derived from having sympathetic and personally disinterested employers, but also those benefits which are already conferred upon them in the productive establishments of the Scottish Wholesale Society. If, further, the consumers who support co-operative stores should be willing to forego the manufacturing profits, and to content themselves with the distributive profits, the whole of the nett manufacturing profits after payment of rent, interest on capital, cost of management, &c. might be divided among the producing workmen. With regard to industry at large, it seems clear that for a long time to come the bulk of it must be conducted on the present system of employers remunerated by profits and workmen receiving wages. But all the evidence shows that for the last fifty years the line of general progress has been in the direction of the acquisition of a kind of limited industrial partnership on the part of the workmen. The recognition of this may assume the shape of profit-sharing or sliding-scales, or joint wage-boards or conferences, according to the circumstances of various trades. For the most part at present this industrial partnership only extends to the acquisition by organisations of workmen of a consultative voice in the division of the proceeds of industry. Whether the movement will proceed further, and end in their acquiring a like voice in the general management of trades, the control of production, and the fixing of prices, and whether such a development would be in the interests of the community at large, are questions to which probably only experience can supply the final answer.

IV.

CONCILIATION AND ARBITRATION.

1.—EXISTING METHODS OF SETTLING INDUSTRIAL DISPUTES.

(a.) ARBITRATION.

(b.) JOINT BOARDS OF CONCILIATION AND ARBITRATION.

(c.) BOARDS OF MEDIATION.

2.—EXISTING METHODS OF ENFORCING ARRANGEMENTS, MADE BETWEEN EMPLOYERS AND EMPLOYED, BY WAY OF AGREEMENT OR ARBITRATION.

3.—POSSIBLE IMPROVED METHODS OF PREVENTING OR SETTLING INDUSTRIAL CONFLICTS AND DISPUTES.

1.—EXISTING METHODS OF SETTLING INDUSTRIAL DISPUTES.

Definitions.

129. Trade disputes take place either (1) between a particular employer and his workmen, supported or not supported by outside workmen, or (2) between associated employers and associated workmen, or (3) between different bodies of associated workmen. Questions are settled before or after strikes and lock-outs take place, either by way of conciliation or by way of arbitration.

Arbitration is the settlement by one or more presumably impartial persons of an issue on which the parties have failed to agree.

Conciliation is the coming together of the parties for the discussion of questions with a view to amicable settlement. This word is often used where we should properly speak of Mediation.

Mediation means the exercise of good offices by some outside agency, with a view to avert an impending rupture between the parties, or, if the rupture has taken place, to bring them together again as soon as possible, without itself acting as arbitrator, or making an award, though it might sometimes make and even publish recommendations as to the course which should be followed. In the latter case its action facilitates what may be called arbitration by public opinion.

130. Broadly speaking, there are two classes of industrial disputes:—

- (1.) Those which arise out of the existing terms of engagement or contract of service between employers and employed, and are for the most part limited to particular establishments, of little general importance, and often purely personal;
- (2.) Those which arise out of proposals for the terms of engagement or contract of service to subsist for a future period. These disputes are frequently of wide interest, affect large bodies of men, and are the most general cause of strikes and lock-outs on a large scale.

Distinction
between
classes of
industrial
disputes.

The first class, of minor and local questions, being for the most part connected with the application of rules already recognised, can usually be dealt with and settled, upon the ascertainment of facts, without much difficulty by simple methods or institutions of a judicial kind.

The second class may be compared to those questions which, as between States or individuals, have to be settled by treaties or agreement arrived at after negotiations between the contending parties. The method of judicial arbitration has, as experience shows, not yet been successfully applied to this class of questions, except under special circumstances and in a few industries, for reasons which are hereafter indicated.* It is important to bear these distinctions in mind, both in considering the various methods in practice of settling industrial issues by voluntary means and institutions, and in discussing any possible improved methods.

131. The various methods in practice of settling trade questions by means and institutions internal to trades, may be classified as follows, beginning from the bottom of the scale and working upwards to the most highly organised institutions:—

- (1.) Negotiations between individual employers and deputations, or representatives of their own workmen.
- (2.) Negotiations between individual employers and trade union officials from outside on behalf of their workmen.
- (3.) Negotiations between officials of trade unions and officials of employers' associations.
- (4.) Occasional meetings with reference to wage-rates and other general questions between committees of trade unions and committees of employers' associations, with, possibly, at the same time a standing joint committee to settle minor questions of the judicial order.
- (5.) More or less regular and periodical meetings between such committees for the despatch of current business.
- (6.) Formation of joint committees or wages boards, composed equally of employers and workmen, and meeting at more or less regular intervals for the settlement of general questions, with a regular constitution and rules of procedure, and usually with a standing sub-committee to deal with minor and local disputes in a judicial manner. The wages board or joint committee may either be for a whole trade, or for a district section of a trade, or for a single establishment.
- (7.) Reference of special cases to an arbitrator, approved by both parties.
- (8.) Embodiment in the constitution of joint committees, wages boards, or other courts of conciliation of the principle of referring to arbitration questions on which such bodies fail to agree. Such rule of reference may be either with regard to all questions or with regard to a certain class of questions only; and the arbitrator or arbitrators may either be standing referees or be selected upon each occasion *ad hoc*.

Classification
of various
trade
methods of
settling
questions.

132. It is difficult to ascertain any general principle upon which one or another of these methods is adopted by various classes of industries. It may be said, broadly speaking,

Adoption
of methods.

* See paragraphs 136 and 137 *post*.

by various
classes of
industries.

that industries which, for one reason or another, are little organised on either side, have rarely advanced beyond the stage at which employers treat with deputations of their own men without the interposition of outside trade union officials. One reason of this is that an employer is, not unnaturally, unwilling to discuss a question concerning his establishment with the officials or committee of an association which he believes to be but very partially representative of the men in the industry. It is also usually the case that, where workmen are but little organised, employers are not organised at all, so that there is no material on either side from which to build up the more elaborate and formal institutions by which, in some trades, general questions between bodies of employers and employed are settled. It has been pointed out in a previous part of this Report (*see* paragraph 77 *ante*), that the most frequent cause of want of organisation among workmen is the fact that an occupation requires little or no training, and is open to general competition. It is in these unskilled trades that the absence of any formal institutions for settling questions and disputes is most marked.

133. It does not, however, follow that industries, merely because they are highly organised, adopt the most elaborate of the methods in question. Upon the whole it is still at present an exceptional thing that a trade, or district section of a trade, should have an organised joint board of employers and employed of a standing character, with a definite constitution, meeting regularly for the settlement of wage-rates and other general questions, and providing a resort to arbitration. The plan more usually adopted is that of special conferences between representative committees on either side to settle general questions, while minor and local questions are settled either directly between each employer and those immediately employed by him, or between the officials of the different associations, or between the trade union officials and the employers in works where the difficulties arise. Many of the most strongly organized and successful unions appear to prefer these simpler methods to any attempt to form permanent joint boards with employers for the discussion and settlement of questions.

It may, however, be added that although institutions of conciliation and arbitration have not been brought to a very high pitch of development in a large proportion of trades, the evidence shows that in matters of standards of wages and hours, one organised body of employers and workmen taking counsel together affect a larger area than that of their own district or even their own trade. Instances were given of districts and works which, while not belonging to any organised institution for conciliation themselves, make it their rule to follow the decisions of such an institution in their trade with regard to general wage-rates and similar matters. This indirect influence seems to be especially strong in the case of trades which regulate their wage-rate by means of a sliding scale supervised by a representative joint board.

Joint com-
mittees for
settling
minor
questions.

134. Joint committees of employers and employed for settling questions of the minor or local kind sometimes exist in the form of standing committees of the organised boards for settling the larger or general questions, and sometimes also exist independently where there are no such boards. In the Durham and Northumberland coal mining districts, for instance, where general questions are treated not by a joint board, but by occasional conferences of the executive committees on both sides, the machinery for settling the minor questions by means of joint committees is of the most elaborate character. These committees meet with regularity, have a complete system of procedure, and settle a great number of cases with considerable success. The meetings of each of these joint committees are presided over by an independent and salaried chairman who has a casting vote. Thus the practice of arbitration, which appears in these districts to have been tried but now discarded in the case of general questions, has been successfully embodied in the institutions which deal with the minor and local class of questions. There are many other instances of joint committees of a more or less highly organised character for settling minor disputes. Descriptions of such committees will be found in the Summaries of Evidence in connection with particular industries. A general reference may also here be made to the "Memorandum on the rules of Boards of Arbitration and Conciliation," which is prefixed to the volume published by the Commission upon the "Rules of Associations of Employers and of Employed," which furnishes a condensed description of the history, objects, constitution, and procedure of these boards.

135. In a previous part of this Report (*see* paragraphs 112 to 115 *ante*), occasion was taken to examine the system of wages boards, considered as a means of improving relations

between employers and employed and preventing, by amicable methods of settling wage-rates, industrial conflicts from arising. The question of modes by which such conflicts may be terminated when they have broken out, or may be obviated when they are on the verge of arising, is of a different character. It is in connection with this last-mentioned question that importance attaches to the results of actual experience of arbitration, whether conducted by special arbitrators for particular trade disputes or whether systematically provided for in trade institutions.

136. Questions in many trades and concerning various issues have been from time to time referred to arbitration. In large questions, such as general wage-rates, demarcation disputes between trades, hours of labour, or the restriction of apprentices, resort has frequently been made to the decision of eminent persons in the legal, political, or industrial spheres. Where trades are large and strongly organised, the plan of referring such general questions to single individuals has proved, in some cases, to be attended by considerable difficulties. In the first place there is a difficulty in finding suitable arbitrators. Either the arbitrator is quite unconnected with industrial work, and then the process of informing his mind upon the matter is too long and costly, or, he is in some way connected with the industrial world, and then one party or the other is apt to suspect him of bias and partiality. A still more fundamental difficulty is this: in general questions, such as those which affect wages or hours, in which interests of considerable magnitude and far-reaching consequences are involved, either the employers or the employed, or both, are frequently indisposed to entrust the decision to any single person. Instances have been brought to our notice in which such awards, when given, have caused the greatest dissatisfaction, although they have for a period been accepted and largely observed. In a few instances the awards of single arbitrators have even been repudiated.

Arbitration.

137. It may, perhaps, be fairly collected from the evidence that, in cases where very strong organisation enables the workmen fully to hold their own, and even gives them advantages in bargaining, they are the more apt to be averse to arbitration by individuals regarding these general questions, while employers are more disposed to resort to it. Certainly the desire for arbitration on general questions, and especially, for some form of State arbitration, seems usually to be stronger among workmen of poorly organised trades. But, on the whole, it seems to be a common feeling that these general questions are too important to be referred to what is sometimes known as "one-man arbitration." It seems at present that the objection felt by strong trades to submitting large questions concerning wage-rates or hours to arbitration resembles that which would prevent Parliament from referring to the decision of an eminent judge some question upon which the two Houses failed to agree. Such questions are in fact not suited for judicial decision. They are questions of practical politics, in which the relative strength of the opposite parties is an element that can hardly be left out of account. The result of these difficulties has been that, in some of the great strongly-organised trades at any rate, resort to "one-man arbitration" is not so frequent now as it once was. If in the case of various industries a desire for arbitration is expressed, it would more often seem to be in the direction of some kind of State tribunal, than in that of reference of questions to individual arbitrators.

Feeling with regard to arbitration.

138. Instances were brought to the notice of the Commission in which, in large and important trades, provision is made for the regular reference to arbitration of issues upon which the representatives of employers and employed fail to agree. In one of these cases, that of the Board of Conciliation and Arbitration of the North of England Iron and Steel Trade, the arbitrator is appointed especially for each occasion when the parties fail to agree, but he may be the standing "referee" who is the permanent arbitrator to the joint committee that deals with minor questions. In another case, that of the Midland Iron and Steel Wages Board, the "President" of the Board acts as permanent arbitrator where the Board fails to agree. Provision for reference to arbitration in the last resort is also made in the constitution of the recently founded Boards in the Boot and Shoe Trade. In none of these cases does actual reference to the arbitrator appear to be very frequent, but it is stated that the provision of an ultimate resort to arbitration much facilitates the settlement of questions by agreement.

Rules for arbitration in connection with joint boards.

139. The plan of "one-man arbitration" did not prove very successful in the recent "demarcation" disputes between the various trades engaged in shipbuilding. It has

Demarcation disputes.

been made one of the rules of the new federation of these trades, established in 1890, that disputes between any of the federated societies which cannot be amicably settled shall be referred to a court of arbitration. Each party is to appoint two arbitrators, who, again, are to appoint an umpire, whose decision shall be final and binding. Both arbitrators and umpire are themselves to be trade unionists.

Mediation.

140. Disputes are often settled, either before a strike actually commences, or more often, perhaps, when it has proceeded for some time and both combatants being exhausted desire an honourable compromise, by the action of mediators, who bring the parties together and suggest terms upon which they can agree. Conspicuous instances of successful interventions of this kind were those by which a committee of distinguished persons terminated the London dock strike of 1889, and that by which the Bishop of Durham brought to an end the miners' strike in that county in 1892. It has not been unusual for mayors of towns or other local authorities to offer this kind of intervention. In the recent coal conflict the principal mayors in the districts chiefly affected offered their intervention without success, but a little later Your Majesty's Government, through the Foreign Secretary, was successful in bringing about an agreement. Occasional mediation has suggested and led to the formation of regular boards for this purpose, one advantage of which is that they are in a better position than the occasional mediator to intervene before a conflict has actually began.

Boards of mediation.

141. These Boards, which have recently been considerably developed in the larger industrial centres, are formed of representatives of employers and workmen in a variety of local industries. Their formation is usually brought about by the co-operation of the local chamber of commerce with the local trades council. For the purpose of forming the London Conciliation Board, which is a leading example of this type of institution, it was arranged that the London trades should be classified in 12 groups, each of which should have a workmen's committee electing a representative on the Board. Twelve representatives were also elected by the London Chamber of Commerce, one by the County Council, and one other by the labour representatives on the Board. In case of a dispute arising in any London trade, it is the practice of this Board, in the first place, to invite both parties to the dispute to a friendly conference, at which one or two members of the board usually sit as assessors to smooth away difficulties. In the event of no adjustment being arrived at by this means, the Board invites both parties to agree to submit the case to its arbitration, or to arbitrators selected from its own body, or otherwise. The London Board, which was founded in the course of 1890, has hitherto met with success in its operations, and boards of a similar character have been established in several large labour centres. The system appears to be especially well adapted to places where a number of various industries are carried on. As trade boards of conciliation seem most suited to those staple industries which are carried on in special districts by large masses of men, so these district boards seem more useful in the case of trades which are less organised or more scattered.

2.—EXISTING METHODS OF ENFORCING ARRANGEMENTS, MADE BETWEEN EMPLOYERS AND EMPLOYED, BY WAY OF AGREEMENT OR ARBITRATION.

142. It is shown by the evidence that some trades have arrived at a fairly complete machinery for discussing and settling general and special questions, while other trades seem to be advancing more or less in the same direction. It remains to consider the existing means of enforcing agreements or awards made between bodies of employers and workmen.

Enforcement of collective agreement.

143. Special contracts between an employer and a workman can, of course, be enforced by civil process, like other contracts. But the sanction to the arrangements, which in many great trades are really the governing contracts made between bodies of employers and workmen, powerful though it very frequently is, is one of a merely moral kind. You cannot, as witnesses frequently explained, sue at once (say) 10,000 workmen for breach of contract. And, inasmuch as these agreements are made between bodies which have no legal personality for the purpose, they are unable to sue each other for damages. In some trades, however, in which the organisation of the workmen is very strong, and embraces most men in the trade or district, and in which a great deal of administrative power and the complete control of funds is lodged with the central executive, the force which the society can exert over its members to make

them carry out the agreements arrived at with the employers is so strong as almost to amount to the force of law. In the case of a trade society which has almost the complete monopoly of its trade, individual members who will not conform to the arrangements approved by the representatives of the men and agreed to by employers can practically be driven out of the trade, by being expelled from the society; for, in that case, their fellow workmen will not work with them, nor will employers employ them. Recalcitrant sections of workmen can be told, that unless they submit their grievances to the proper quarter before striking, or accept an agreement or award jointly arrived at by the central executive and the employers, (1) they will be discharged by their own employers, (2) no other employers in the trade will employ them, (3) their own society will not only refuse to support them when out of work and perhaps exclude them from membership, but will supply their employers with men to take their places. The officials of several societies said in evidence that they would be prepared to go as far as this, and some instances were given of steps of this kind having actually been taken. This reasoning proceeds on the assumption that the settlement is accepted by a majority of the workmen affected, including the officials, who may be expected to guide them, and would be inapplicable to a case where the settlement was repugnant to such a majority. Subject to this qualification, it may be said that where the great bulk of workmen and employers in a trade are enrolled in their respective associations, and act loyally, no individual workman, or section of workmen, can withstand such a combination to enforce the expressed will of the trade. A method of this kind for the united enforcement of decisions jointly arrived at is very clearly formulated in the rules of a joint board of conciliation which has lately been formed in the Colony of Victoria, by the action of the Melbourne Employers' Union and Trades Hall Council.

144. The effectiveness of this moral sanction to agreements and awards diminishes as the organisation on each side becomes less perfect. If discontented workmen know that excommunication by the associated workmen and employers will not destroy their chance of employment, but that they can easily find work outside, they may be disposed to follow their own will rather than that of their society. The same remark is true of an employer who knows that he can obtain workmen whether or not he conforms to the agreements between the associations. The evidence shows that leaders of weak trade unions, knowing how slight their hold over the members is, dare not attempt boldly to prevent strikes by sections, and cannot enforce compliance with agreements or awards which do not satisfy the men. Most instances of this kind are to be found among the less skilled and worse organised industries. But the history of the Durham miners for some time previously to the great strike of 1892 shows that the same thing may occur where a trade union is highly organised, if the constitution does not secure sufficient administrative power to the central executive.

Difficulties of enforcement where organisations are imperfect.

145. The general conclusion seems to be that the moral sanction or force, which at present is alone available to secure respect to the arrangements between bodies of employers and workmen throughout the industry and to the awards of arbitration, can only, as far as present experience goes, be relied on with anything like certainty in those trades which are very well organised, so as to comprise practically all the workers in a trade, or important district of it, and which have a strong and efficient form of internal government. In trades of this class, at any rate, in spite of occasional serious disturbances, there seems to be every prospect of fewer outbreaks of industrial conflicts between employers and employed, due to the growing practice of consultations upon equal terms of representatives of either party in conferences or standing joint committees. By influences of this kind there are gradually established steady and permanent trade customs with regard to price lists, the regulation of wages according to the fluctuations of trade, and other conditions of labour. Under these circumstances custom may become so strong, even without assistance from law, as to afford in such trades an almost certain and practically sufficient guarantee for the carrying out of industrial agreements and awards.

General conclusion.

3.—POSSIBLE IMPROVED METHODS OF PREVENTING OR SETTLING INDUSTRIAL CONFLICTS AND DISPUTES.

146. Both the oral evidence and the answers to questions show that there is a very wide-spread desire alike on the side of employers and of employed for improved and

more pacific modes of settling disputes, but very vague and conflicting ideas as to what such modes should be.

Summary of
existing
situation.

147. Attention has been called to the important distinction between trade disputes arising upon the interpretation of existing agreements and customs, and upon all minor and personal matters, and those relating to the making of new agreements, and the alteration of existing agreements and customs. It has been shown that in the industrial world, district or trade tribunals have, in many instances, though by no means in all cases, been formed for the interpretation of existing agreements and customs and the settlement of personal and minor disputes. These tribunals do effectively settle a great number of such questions, though they do not possess, like the *Conseils de Prud-hommes* in France, legal powers of procedure, enabling them to summon witnesses, and examine them on oath, to compel the production of documents, &c., and though their decisions are not legally binding. Their effectiveness depends upon the discipline and self-control of the employers and employed affected, and the interest which they have in keeping on good terms with their respective associations. General questions, it has further been shown, are settled either by more or less periodical meetings of representatives of employers and employed, or by what comes to much the same thing, formal collective agreements made between the representatives of great associations, binding morally upon the members of those associations, enforceable by public opinion and by such coercive action as the associations may be able to exercise over their members, and usually very effectively observed and loyally carried out. In some cases, however, such agreements have been repudiated by large sections, or minorities, of the persons concerned.

The difficulty of arriving at collective agreements, or of establishing industrial trade tribunals, increases in proportion as industries are unorganised, and industries are, as a rule, less organised in proportion as they are less skilled and specialised. The industries in which such agreements have been most successfully made and effectively enforced are those in which workmen, either on account of the skill and training required, or because, as in mining, they have a certain local monopoly of the business, hold a strong position, and consequently compel the employers also to cohere firmly together for purposes of resistance.

Agreements.

148. In ordinary law, agreements, if such as the law holds valid, are enforceable by way of compensation in damages. Specific performance is, with rare exceptions, applied in this country only to contracts for the sale and letting of land. It is not granted where damages are considered an adequate remedy, nor where the performance cannot effectually be controlled by the Court; and accordingly it is recognised at law that it is not applicable to general employment. A man cannot be compelled to work for an employer, or an employer to employ a man. It is true that in special circumstances a man can be restrained from working otherwise than as he has contracted to work, but this constraint is purely negative, and never extends to the enforcement of a contract. Also, if any section of men disagree with the collective agreement arrived at by their trade, nothing can legally prevent them from leaving their work. Or if an employer, or set of employers, refuse to accept such agreement they cannot legally be prevented from closing their works, or discharging and replacing their hands. It may be that an employer may be unable to carry through the agreement from want of capital or through certain resulting losses, and the suspension of his work, though inevitable, would undoubtedly inflict loss upon the workmen. Even where a stoppage of work or discharge from employment is in breach of contract or otherwise legally unjustifiable, so that an action for damages could be maintained, the remedy would be unequal, for although workmen might recover damages from individual employers, it would practically be impossible for employers to recover damages from a number of individual workmen.

Defective
agreements.

149. Collective agreements are, as a matter of fact, frequently made between great bodies of organised workmen and employers, which bodies have no legal personality and cannot sue or be sued for damages occasioned by the breach of such agreements by sections of their members. There is collective action without legal collective responsibility. While this state of things lasts it does not appear that such collective agreements can be, as between such bodies, otherwise than morally binding upon them.

Suggested
remedy.

150. In these circumstances, it has occurred to some people that the most effective remedy might be to give by legislation facilities to bodies of employers and employed to acquire legal personality so as to enable them to enter into industrial agreements of which the law could take cognizance and which could be enforced by actions for damages

directed against the collective funds of such societies. Bills embodying this suggestion have been brought before the legislative assemblies of the colonies of New Zealand and South Australia. The proposals are that any such body shall be able by registration to acquire legal personality and to enter into industrial agreements for specific terms, enforceable by money penalties of a limited amount upon the organisations parties to it, and upon other persons at any time during the term of the agreement members of such organisations.* The language of the Bills does not make it clear whether or not the organisation as such would continue to be liable for any breach of agreement by those who had ceased to be members. This is an important point; for though it would certainly seem a strong measure to make an association legally responsible for the conduct of persons who were no longer its members, on the other hand if this were not done the scheme hardly appears to dispose of the old difficulty of enforcing legal penalties against a mass of working men. Supposing that a collective agreement had been entered into by a union consisting of 50,000 miners, and that 20,000 of them, being dissatisfied with it, resolved first to withdraw from the Union, and subsequently to repudiate the agreement, then, although, according to these proposals, each of the 20,000 might be liable to fine or even imprisonment, it would be practically impossible to enforce such penalties, and the aggrieved party would have no other means of redress.

151. If the association were not legally responsible so long as an agreement lasted for its observance by persons who in the meantime ceased to be members, the practical value of a legal guarantee of this kind would in great measure depend upon the strength of the tie which bound members to their Union. It would probably not be very effective in the case of organisations like those of unskilled labour, which have but a weak hold over their members, or add in such cases very much strength to the moral forces which are at present the only sanction to industrial agreements and awards. But in the case of the strongly organised skilled trades, the benefits derived by members from the associations are often so considerable, that it would be improbable that they would abandon their associations for the sake of any temporary advantage which they might think themselves able to gain through breach of the collective agreements. It is, of course, precisely in these trades that agreements are, as matters stand now, best observed, even without any right to sue for compensation, while on the other hand a weak and poor union, even if endowed with legal personality, and made legally responsible for any breach of agreement by the persons who had ceased to be members of it, would constitute but a feeble guarantee to employers that the terms of the agreement would be loyally observed.

Further observations.

152. It has been argued by witnesses in favour of facilitating collective legally binding agreements that thereby it might be possible to obtain some guarantee as to the permanence for determinate periods of arrangements made between employers and employed. Several witnesses, in giving evidence with regard to the system of the sliding scale laid great stress on the fact that, where this system is in force, employers are able to make calculations as to the future cost of production for some time beforehand, and can therefore enter into long contracts with purchasers.

Advantage of agreements for specified terms.

An advantage of the same kind might, it was thought, be gained if it were enacted that any collective industrial agreement, to be legally enforceable, must be made for a specific term. On the one hand employers would be able better to forecast the cost of production, while on the other, it would be made more difficult during the fixed period for any employer who was bound by the agreement to reduce wages in order to take contracts at lower prices. There would also be the advantage that, the date of termination of a contract being fixed, there would be some guarantee of sufficient time being given by both parties for consideration and discussion of the terms upon which it should be renewed.

153. One or two suggestions made by important and experienced witnesses for the settlement of trade disputes seem worthy of particular notice. One such suggestion was that arbitration in all trade disputes should be made compulsory by law; that is, that strikes or lock-outs should be illegal and punishable in cases where arbitration had not

Mr. Trow's suggestion. Evidence, Group A., 15,342.

* If submission either of present or future differences to arbitration were made under a collective agreement of this kind, the award would have the guarantee given by the ordinary law to submission to arbitration contained in agreements made between any parties having the capacity to enter into contracts.

been resorted to. The witness who made this proposal (and who is himself a member of the Commission) started from this principle, viz., that no body of men or of employers "have a right to take advantage of an opportunity and cease work, discouraging the whole trade of the district, and interfering with the dependent trades." In fact what this witness would desire would be to give legal effect to what is already a rule of that trade union with which he is connected, not to resort to strikes before trying to get the dispute settled by arbitration, and to make this binding not only upon associations which had the rule, but upon all employers and employed. Mr. Trow did not, however, propose to create anything like Government tribunals, but seemed to think that if his proposal became law, the employers and the employed in every trade would form organisations, if none already existed, and create industrial tribunals to meet the necessities of the case. He did not show how, in practice, a law prohibiting strikes or lock-outs could be enforced against large bodies of workmen or employers. The principle suggested by this witness was, however, embodied in a Bill brought before the Legislative Assembly of the Colony of South Australia in 1890, which proposed to make liable to fine any organisation of employers or employed, or any member thereof, who should take part in or assist any lock-out or strike on account of any dispute for the settlement of which any board of conciliation to be created under the Act should have jurisdiction. It was suggested by some other witnesses that without making resort to arbitration legally necessary, or making strikes and lock-outs before arbitration illegal, legal force should be given to awards made, upon the agreement of the parties, by industrial tribunals or individual arbitrators.

Existing statutory machinery for arbitration.

154. A Memorandum, prepared for the Commission by Sir Frederick Pollock, shows the existing position of the statutory law with reference to arbitration in trade disputes. This Memorandum is printed as Appendix III. to this Report. He points out that in the result of the various Acts which he mentions "employers and workmen can practically, whenever they think fit, create or adopt by agreement a special tribunal, whose decisions will be binding in all trade disputes, and enforceable by the special powers of the Act of Geo. IV." All this machinery, however, in spite of the frequent desire expressed in favour of enforceable arbitration, seems seldom, if ever, to have been put in motion. In fact, it may be gathered that very few people are aware of the existence of these laws, perhaps for the reason that it has not come within the province of any public authority to call attention to them, or because they did not prove suitable to actual requirements, or because, hitherto, employers and employed have preferred to settle their disputes in their own way without calling in extraneous authority.

Chief points in this legislation.

155. The chief points to be observed with regard to this legislation are—(1) that the Act of 5 Geo. IV. c. 96, passed in the year 1824, and amended in details in the year 1837, includes provisions for the purpose of enforcing the awards of the industrial tribunals contemplated in that Act, by distress or imprisonment; (2) that these same powers are extended by the Act of 1867 to the awards of the "equitable councils of conciliation or arbitration" contemplated in that Act; (3) that the Acts of 1824 and 1867 expressly excluded the proposed tribunals from establishing "a rate of wages or price of labour or workmanship at which the workmen shall in future be paid, unless with the mutual consent of both master and workmen;" (4) that the Acts of 1824 and 1867, together with the "Arbitration (Masters and Workmen) Act, 1872," appear to have been complete failures.

Mr. Boulton's suggestion.

156. The typical joint trade council of employers and workmen contemplated by the Act of 1867, was evidently intended to correspond in form to the voluntary councils of conciliation, some of which were at that date beginning to come into existence. But it does not appear that a single application has been made under that Act to the Home Secretary for the licence which would confer upon such councils, if properly constituted, the power of enforcing their awards. Mr. Boulton, the president of the London Conciliation Board, expressed the opinion that the Act of 1867 had failed because it attempted to lay down restrictive regulations as to the constitution of the proposed industrial tribunals, and that the Act of 1872 had failed because it was too vague and did not contemplate existing concrete bodies. He suggested that future legislation might be more successful if it facilitated the acquisition of certain legal powers by boards of conciliation or arbitration already existing, or to be formed and fulfilling certain simple conditions.

157. Some witnesses desired to see the establishment of boards of arbitration appointed wholly or partly by the State. The form of State Board usually suggested is that of assessors taken equally from the employers and workmen of a trade or district, together with an official with a deciding vote appointed by Government. Other witnesses desired to limit the function of the State to the appointment, upon the application of either party or upon its own initiative, of an official to hold local inquiries and make special investigation upon the occasion of any trade dispute, with a view to a report which should guide public opinion into the right direction, and bring it to bear against the side in fault. Proposals for State Boards.

158. A Bill "to make provision for conciliation and arbitration in labour disputes" was brought into the House of Commons in the Session of 1893 by the President of the Board of Trade on behalf of the Government.* This Bill provides that "Where a difference exists, or is apprehended between an employer, or any class of employers, and workmen, or between different classes of workmen," the Board of Trade may, "on the application of any of the employers or workmen appoint a person or persons to act as conciliator or as a board of conciliation." The Bill further proposes to give the Board of Trade power, in cases where it may seem desirable, to take the initiative in aiding by advice and local inquiries the establishment of boards of conciliation in any district or trade. It also provides that any board of this kind established either before or after the passing of the Act, may apply to the Board of Trade for registration. It is not proposed in this Bill that any board should, through such registration, acquire any powers of summoning witnesses, examining documents or enforcing awards, but, upon registration, it would become the duty of every such board to furnish such returns and reports of its proceedings as the Board of Trade should require. Mr. Mundella's Bill.

159. Another Bill of a more elaborate kind was introduced in the same session by Sir John Lubbock, Mr. Charles Fenwick, Mr. Howell, Mr. Mather, Mr. Montagu, Sir Francis Powell, and Sir Albert Rollit, and is supported by the London Conciliation Board, which represents the views of a considerable number of employers and workmen in the Metropolis. This Bill provides that any board of conciliation and arbitration established either before or after the passing of the Act, and consisting of an equal number of representatives of employers and employed, may apply to the Board of Trade for registration. The effect of registration would be to confer upon any conciliation board, and arbitrator or umpire appointed under the Act, the power, in proceedings under the Act, to examine witnesses on oath. The Bill also contains means by which witnesses and documents may be legally brought before the proposed boards of conciliation; but no person is to be compelled to produce any document which he could not be compelled to produce on the trial of an action, nor to produce the books or accounts of any trade union, nor to answer any question as to profit or loss which he objects to answer. The following clauses of the Bill are important, and may be quoted textually, viz. :— Sir John Lubbock's Bill.

"Where the parties to any labour or trade dispute arising out of an existing agreement, enforceable at law, have agreed in writing to submit the matters to arbitration under this Act, the award on such submission shall be final, and may, by leave of the High Court or a Judge be enforced in the same manner as a judgment or order of the High Court to the same effect: provided always, that nothing in this Act shall be taken to authorise a conciliation board, or any arbitrators or umpire, to fix compulsorily a rate of future wages, or price of labour or workmanship, at which the workmen shall in future be paid, save as herein-after provided." (Clause 12.)

"If both or all the parties to any labour or trade dispute have agreed, in writing, to submit to arbitration under this Act any question dealing with the rate of future wages, or price of labour or workmanship, and have each voluntarily deposited with the conciliation board a sum of money or satisfactory security for a sum of money, to be forfeited as a penalty by such party if he breaks the award when made, the board or arbitrators or umpire may insert in the award a clause providing that such penalty shall, in the event of breach of the award by either party, be paid over to the other party, and such penalty, if incurred, may be recovered in a summary manner." (Clause 13.)

This proposal appears to be open to the criticism, among others, that if a small section of the workmen or employers, who through their representatives had submitted

* Copies of this Bill and of Mr. Mundella's Conciliation Bill of 1894 are printed as Appendix IV. to this Report.

to an arbitration, subsequently refused to submit to the award, it would be difficult to say whether this amounted to a breach of the award by the whole body party to the arrangement, entitling the other party to recover the sum deposited, or part of it.

The schedule to this Bill contains directions for procedure in cases where parties to a labour dispute have invoked or agreed to accept the intervention of a conciliation board. Endeavour is, in the first instance, to be made to bring the parties to agree by way of conciliation, and, if that fails, to induce them to agree in writing to submit the matters in dispute to arbitration. The schedule contains directions as to the mode in which arbitrators, equally representing employers and workmen, shall be appointed, and for the appointment of an umpire, if the arbitrators fail to agree.

Foreign and
Colonial
information
Voluntary
methods.

160. Information has been collected on behalf of the Commission with regard to the subject (among many others) of conciliation and arbitration in the colonies and foreign countries. This information, together with the text of various legislative measures and proposals, will be found fully set forth in the Colonial and Foreign Reports which have been published, but it has been thought convenient to print, at Appendix V. to this part of the Report, a special paper, drawn up by the Secretary, dealing concisely with methods of conciliation and arbitration as practised in other countries. The general result of this information would appear to be that purely voluntary institutions for these purposes, quite independent of State action, are in most countries, and perhaps in all, more rare than they are in this country. The reason of this appears to be in some countries the weakness, from one cause or another, of industrial organisations on either side; in other countries the depth of the social or political divisions by which classes are separated. On the whole it may probably be said with justice that, partial as the success of such methods has been in the United Kingdom, they have had there greater success than in any other country of industrial importance.

Legal
methods.

161. It will be seen that in France, where the "Conseils de Prud'hommes" have had a long and successful history, and in other countries which have followed this example, boards composed of employers and workmen, and invested by the State with compulsory judicial powers in the case of small claims arising out of the interpretation of existing agreements, have acted usefully in settling questions of this kind. Recent legislation has been directed in France, Belgium, and Germany towards the establishment of methods and institutions for dealing with the collective disputes relating to the re-settling or alteration of wages, or other matters of general importance, which are the most usual and serious causes of strikes. In several of the American States laws have been passed authorising the formation of boards of conciliation and arbitration, two of which at least, those of New York and Massachusetts, seem to have done work of a useful kind. It does not, however, appear that either on the European Continent or in the United States means have yet been devised for the compulsory substitution of resort to arbitration for strikes and lock-outs, or for the enforcement of awards in collective disputes against those who are unwilling to accept them, or for legal recognition of collective industrial agreements made between organised bodies of employers and workmen.* Various proposals of a wider range have been made in the Australasian colonies, in which trade organisations are strong, with a view to the prevention or settlement of trade disputes. The New South Wales Act of 1891, which was made after an inquiry held in 1890 by a Royal Commission on strikes, appears, however, to be the only instance of a large measure of actual legislation on the matter.

* The Secretary states in his Report on the Labour Question in France (see page 33) that it was decided by the Tribunal of Commerce for the Seine, on February 4th, 1892, that "all agreements entered into between employers and their syndicated workers for determination of the conditions of labour constitute a veritable contract, for the observance of which employers may be legally held responsible, and the execution of which may, if necessary, be ordered under compulsion."

In France trade associations (*syndicats*) formed in accordance with the law of 1884 possess legal personality, and can sue and be sued.

V.

LIMITATION OF HOURS OF WORK BY LEGISLATION.

1. GENERAL VIEWS.
2. A UNIVERSAL EIGHT HOURS DAY.
3. ARGUMENTS OF A GENERAL CHARACTER FOR AND AGAINST THE PRINCIPLE OF LEGAL RESTRICTION.
4. TRADE OPTION, DISTRICT OPTION, AND TRADE EXEMPTION.
5. ARGUMENTS FOR AND AGAINST SPECIAL LEGISLATION DEALING WITH THE HOURS OF WORK IN SPECIAL INDUSTRIES.

I.—GENERAL VIEWS.

162. The title of the "eight hours day" is that which is usually given to the movement for legislative reduction of hours of labour. Its advocates do not, however, necessarily mean that an eight hours day is a final ideal as to the length of the working day. Reduction of the normal standard of hours of labour has always been one of the leading objects of trade unions; the aim of the modern movement is the attainment of this end by legislation. The working classes are as yet by no means unanimous as to the superiority of legislative over voluntary action in this matter; but to judge by the history of trade union congresses and other indications, the party of legislative intervention has been steadily gaining ground during recent years. It is, however, true that, whilst the ratio of those voting against has decreased at trade union congresses, the experience of the last three congresses has shown a remarkable increase in the proportion of those not voting at all to those voting for and against this intervention.*

Definition.

163. A broad distinction is to be drawn, within the sphere of legislative action, between a limitation of hours of labour imposed on all trades alike, and one of which the operation is partial and selective, and admits of different trades being differently treated. In the case of voluntary action this distinction does not arise, because voluntary action by its very nature operates partially, and cannot affect all trades simultaneously and uniformly.

Distinction between universal and partial restriction.

164. The typical form of the proposal for universal legislative restriction is the absolute prohibition, extending to every trade, and admitting of no exception for overtime even at extra pay, of all labour beyond eight hours a day, or a total of 48 hours a week.

Forms of proposals.

165. Proposals for partial legislative restriction are either (1) general in scope though permissive in application, empowering each trade to decide the question of hours for itself, such decision to be legally binding on all engaged in the trade; or, (2) special, dealing with individual industries by special enactment.

166. Under the former head may properly be included not only "trade option," which would leave the initiative in reducing hours to be taken by each trade (or, as some suggest, trade-district) for itself, but also what is known as "trade exemption," where a general standard of hours is established by law, with permission to any trade to claim exemption from it. In both cases the essential point is that the number of hours which it is lawful to work in any trade is ultimately left to be decided according to the wishes of a majority in the trade itself.

* Congress, where held.	Year.	For Legislative Intervention.	Against Legislative Intervention.	Neutral.
Liverpool - - - - -	1890	193	155	109
Newcastle - - - - -	1891	285	183	84
Glasgow - - - - -	1892	205	155	135
Belfast - - - - -	1893	97	18	265

2.—A UNIVERSAL EIGHT HOURS DAY.

167. It may, perhaps, be collected from the evidence that legislation enacting an universal legal day of labour for all occupations is not considered by many persons to be within the range of practical politics. Most of the witnesses who expressed themselves, in a general way, as in favour of legal limitation of hours, admitted that it was not possible, at present, to go further than the method of trade option, or, at furthest, of trade exemption.

168. This is what might naturally be expected, in view of the fact that the working classes themselves are far from unanimous in demanding an eight hours day, and that in many employments it would be obviously impracticable, or at least excessively inconvenient, *e.g.*, agriculture, seafaring, and domestic employment. Assuming that an eight hours day could be enforced universally, and with advantage to the community, the proposal to enforce it by direct enactment would no doubt have the merits of simplicity and of thoroughness. On the other hand a uniform limitation of hours, extending over the whole range of industry, is open to formidable objections, from which the methods of partial restriction are by comparison free. There must always exist a presumption against imposing artificial uniformity of conditions on industries in their nature utterly dissimilar.

169. Trades differ endlessly in their circumstances. Some are healthy; others more or less unhealthy. In some, the labour is severe; in others, light. In some, work is continuous; in others, intermittent. In some, the chief strain is on the attention; in others, on the physical powers. In some, the hours must be practically the same for all the men employed; in others, there is room for variety. Some trades depend on seasons or on fashions, or on the weather; others are more regular. In some, it may be practicable to work on the shift system; in others, not. In some, reduction of hours may lead to more men being employed; in others, to fewer. In some, it may involve diminution of output, and therewith increased cost of production; in others, counteracting influences may prevent such results from following. In some industries the increased cost may be in large part shifted on to the consumer; in others, it will be a tax, at all events at first, on profits, or on wages, or on both; in others, it will check demand and injure consumer, employer, and workman alike. In some, wages may be the chief item in the cost of production; in others, expenditure on plant or on raw material. Some have foreign competition to reckon with; others not so. Some trades necessitate processes which cannot be brought to an end at the stroke of the clock; in others there is no such difficulty.

170. These considerations (which might be easily multiplied) are sufficient to show how serious are the objections which any legal enactment establishing a uniform limit of hours for all employments would necessarily have to encounter.

171. Many of the arguments put forward by witnesses in support of legal limitation of hours (even by those who did not hesitate to favour uniformity enforced by direct enactment) apply in the first instance to limitation of hours in particular trades or classes of trades. There is, however, one economical argument of a general character, of which mention may be made here, not only because of the influence which it appeared to have with more than one important leader of working-class opinion, but also because, if it be valid in its most general form, it would really go far to justify legal restriction of hours in all trades to a maximum of eight or even less.

172. The interests of the working classes, it was argued, will not suffer from a reduction of the hours of labour. The result of such a reduction will be, either to diminish or not to diminish output (or service rendered) per man. In the latter case no one will lose, while the workman will gain in additional leisure. In the former case the cost of production will be increased, but the loss will not fall on the workman. It will fall either on the consumer, who will have to pay a higher price for the commodity, or on the employer, who will be obliged to employ more hands, and who will be unable to recoup himself by reducing wages, because the absorption of the unemployed will relieve the competition of the labour market.

173. The soundness of this reasoning was contested by other witnesses, who urged that the working classes are consumers as well as producers, that work alone can

create a demand for work, that any serious encroachment on profits and interest would tend to drive capital away from the country, and that, even if it be granted, for the sake of argument, that an eight hours day would at the outset have the effect of absorbing the unemployed, the evil of want of employment would before long recur whereas the remedy of successive reductions of hours is one that would rapidly be exhausted.

This and some additional arguments are set out more at length in the statement which follows.

3.—ARGUMENTS OF A GENERAL CHARACTER FOR AND AGAINST THE PRINCIPLE OF LEGAL RESTRICTION.

174. If the proposal to establish a universal eight hours day may be dismissed as impracticable, the general considerations that remain in favour of or against the principle of legal restriction can be most conveniently set forth in immediate connection with the proposal that the Legislature should sanction the hours of work fixed in each trade by a binding decision of the trade itself. These general considerations can, of course, also be given a special application, and in that form may be used as arguments for or against the limitation of hours in this or that particular industry by special enactment.

175. In favour of intervention by the Legislature the chief arguments put forward were as follows:—

(1.) The proposal to enforce a legal limit on the hours of adult male labour is not without precedent in our legislation. Such limitation was not indeed directly, but practically the result of the Factory Acts in the case of men employed in factories. There are also many precedents in the case of much older legislation. Generally, it is urged that it is not necessary to look for precedents, inasmuch as the collective activity of the nation has advanced, is advancing, and ought to advance.

General arguments in support of the principle of legal restriction. Precedents.

(2.) In many industries the hours are still so long as to be injurious to health. Even if this does not affect the health of the present generation of workers, it may injure that of the next. In some industries long hours are a source of danger to the men employed and to the public. In any case the working classes should have additional opportunities for recreation, for self-improvement, and for the fuller realisation of family life.

Hours now worked excessive.

(3.) The economic dangers which some apprehend would result from fixing a legal limit to the hours of labour over the heads of the employers have been greatly exaggerated by the supporters of the existing system.

Economic considerations.

(a.) To diminish the hours of work in any trade is not necessarily to diminish production. Experience shows that in many industries reduction of hours is consistent with maintenance, and even increase of output, and consequently that in those trades the same number of men working shorter hours can earn at least as much as when they worked longer hours. This result may be due either to the men working harder during the shorter hours and wasting less time, or to the employer under stress of competition introducing improvements in machinery, or in the organisation of work.

(b.) In the case of other industries, such as railways and tramways, and perhaps certain producing trades, it is admitted that, if wages are to remain the same, diminished hours would increase the cost. But here the general economic argument, to which reference has already been made in connection with the proposal for a universal eight hours day, may be applied to the case of each particular industry. In some trades the increased cost can be shifted on to the public, especially where the commodity is one necessarily in demand, and where anything in the nature of a monopoly exists. When the public cannot be made to pay more, it does not follow that the industry will suffer. The loss will probably fall upon profits, which in most trades are able to bear this additional burden without any risk of diminishing employment, checking enterprise, or driving capital away. Demand remaining the same, more hands will have to be employed. This will absorb the unemployed, ease the competition of the labour market, and have the effect of maintaining, if not of raising, wages all round. Men who are now a mere burden on the rates or on the funds of their trade union will

thus be enabled to "create value," and being in receipt of regular wages will add to the regular and steady demand for goods in the country.

- (c.) Experience shows that increased wages and diminished hours do not injure our foreign trade in the international competition, for that trade has increased *pari passu* with improvement in the condition of the working classes in both these respects.

Uniformity within limits of a trade desirable.

- (4.) The acknowledged drawback to a legal eight hours day for all trades is its want of adaptability to different and varying circumstances. The method of trade vote meets this difficulty by leaving to each trade liberty of decision for itself.* There may be differences of opinion as to the precise degree of liberty to be accorded; but it might be made to extend so far as to allow a trade to fix its own hours at any daily number or average daily number it thought fit, and if the experiment proved a failure, to repair its mistake by the simple process of rescinding the vote.

No doubt within the trade (or within the particular trade-district, if local voting were adopted) the operation of a trade-vote restricting the hours of work must be rigid and uniform. But in this case uniformity brings with it more advantages than disadvantages.

- (a.) Long hours proceed from the competition of employer with employer in the same trade. Employers ought to be prevented from competing in this way at the expense of their workmen. If this were done, work would become more steady, continuous, and regular. The total demand for the produce would remain the same, while production would necessarily be spread out over longer periods. Alternations of rapid production and slack production would be avoided, and consequently those periods of overwork and underwork that are so pernicious to the working classes.
- (b.) Again, it is desirable to divide work and wages more equally among workmen. At present the physically stronger and more energetic man gets an unfairly large share at the expense of his weaker brethren, by working unduly long hours. A uniform limit in each trade would prevent this.
- (c.) Some witnesses were of opinion that it is desirable, in the interests of "fair competition," to insist on uniformity even as between one trade-district and another, and were, therefore, hostile to any proposal for giving each district the power of independent decision.

Superior efficacy of legislative intervention.

- (5.) The question of hours should be settled by legislative intervention rather than by negotiations between employers and employed:
- (a.) Because it would be quicker done.
- (b.) Because negotiations with employers commonly imply a struggle. Strikes are a bad and costly method. A strike is "equivalent to private war, a mere relic of barbarism, costly and even dangerous to the nation in its operation."
- (c.) Because experience shows that in the matter of hours trade unions are too weak to cope with employers, and that the men lose in hard times the advantages they gain in good times.
- (d.) Because only a small proportion of the working classes belong to trade unions, and because it is precisely those workers who are most injured by long hours who have the greatest natural difficulties in combining to obtain a reduction.

Arguments in opposition to the principle of legal restriction.

176. In opposition to these arguments, and in favour of adhering to the present system of fixing the hours of labour by voluntary arrangement between employers and employed, the following considerations were urged:—

Precedents.

- (1.) The Legislature ought not to interfere with the liberty of adult workmen, nor, without special cause shown, to intervene between adult workmen and their employers. Previous factory legislation with regard to the hours of women and children, or boys working underground, is no precedent, and the example of more ancient precedents is one rather to be avoided than to be followed.

Health in connection with hours of labour.

- (2.) The present hours in the great majority of trades are not so long as to injure health. Health might be more injured by the strain of working at increased speed and pressure in reduced hours, and by the possible reduction of meal

* The word "trade" is examined (*post* paragraph 181), but it may be considered generally, for the purpose of argument, to mean the workmen in the trade.

times where the hours reckoned are not those of actual work, but the total number of hours from the time at which work begins to the time at which it ends.

Increased leisure would be a boon to the working classes, the value of which will not be disputed; but in the majority of trades this boon might be too dearly purchased. No doubt if it can be shown that, owing to the peculiar conditions of any industry, the long hours worked in it are a source of danger to the public, or prejudicial to the health or the safety of the employed, a case may be made out for special enactment dealing with such industry. But that is a very different matter from giving legal sanction to the vote of any trade, a majority in which may desire to work shorter hours. Any such cases ought to be considered on their special merits, and dealt with, if at all, on grounds of public and general expediency, after full discussion in Parliament.

- (3.) Limitation of hours imposed by trade-vote would threaten serious injury to the industries of the country, and through them to every class in the community. To adopt such a system would be to take a matter of vital moment to the successful conduct of a business out of the hands of those who alone are in a position to understand the conditions on which its successful conduct depends. The economic arguments used on the other side are in some cases fallacious, in others incomplete. Economic considerations.

(a.) In some trades, chiefly those in which little machinery is used, it might be that reduction of hours would not diminish the output, and in those trades in which much machinery and other plant is used the output might be actually increased and its proportionate cost diminished by a shortening of hours, without a lowering of wages, where two shifts could be worked instead of one. In most trades during the last 50 years hours have, as a matter of fact, been reduced gradually, while at the same time the output per man has been maintained, and, in some cases, even greatly increased. During the same period wages have advanced. But it is a mistake, speaking generally, to infer any *causal* relation between diminished hours and increased output, or between diminished hours and increased wages. All these things are in the main effects of the same causes, viz., the improvements of machinery and other perfecting of modes of production, the diminution in the rate of profits which has been the natural result of the great increase in capital and business ability competing for the assistance of labour in production, and the expansion of markets for produce. In consequence of this, workmen have been able to produce and consequently earn more with less work than formerly. Employers have gradually, now in one trade and now in another, been able to concede higher wages and diminished hours, as the improving circumstances of each trade allowed them to do so. It does not follow that because such increase of wages and diminution of hours have been found possible in a period of improving machinery, growing population, and expanding commerce, it would be equally possible during a period in which mechanical invention may for the time be exhausted, population at home cease to grow, the competition of foreigners increase, and our own foreign trade, so far from expanding, contract. The present system of negotiations, and even contests, between employers and workpeople in each trade tests the possibility of concessions. Where an eight hours day is economically harmless it will come of itself; where it is economically injurious (and in judging this the employers must have some weight) it is probably undesirable.

(b.) When reduced hours mean diminished output, it is vain to suppose that the loss can be thrown on the public or on the employers without prejudicially affecting the working classes, both directly and indirectly. The working classes are consumers as well as producers; and if they have to pay a higher price for what they consume, this is tantamount to a reduction in the rate of real wages. In some favoured trades the worker might, at all events for a time, gain more as worker than he would lose as consumer. But if Parliament were to help the workers in any particular trade to this result, by giving the force of law to a vote of the majority in the trade, Parliament would be in effect assisting a section of the community to vote itself the proceeds of a tax laid on the community at large or on the allied

industries. When the public cannot be made to pay more the industry itself must eventually suffer. Increased cost of production may be thrown on the employers when there is a margin of profit that will bear it, and the existence of a large fixed capital will often induce employers to carry on operations for a time even at a loss. But an attempt to encroach on profits and interest throughout a trade must end in slackening the supply, if not in causing the withdrawal of the capital which it barely pays to utilise for the purpose of employing labour at the present rates of interest, in checking enterprise, and in augmenting the number of the unemployed. It is work which creates demand for work, and diminished production cannot cause any general absorption of the unemployed without either trenching on the wages of those employed already or diminishing the rate of profits and interest to an extent that will recoil on the working classes themselves.

- (c.) Foreign competition is likely to grow more formidable rather than less so, because it is not in the nature of things that we should be able to maintain that lead among the nations of the world which various circumstances united to give us at the beginning of the great manufacturing era. No safe inference can be drawn as to the future from the fact that in the past our foreign trade has continued to increase along with increased wages and diminished hours. Such an argument takes no account of all the manifold causes which have combined to determine our prosperity, both absolutely and relatively to that of our competitors abroad; nor does it take account of the fact that a great part of the increase of our foreign trade indicates a growing dependence on other countries for food and raw material, including such things as wool, wood, and iron ore, of which we once had abundant supplies of our own.

Effects of uniform restriction within the limits of a trade.

- (4.) The extreme inelasticity of a universal eight hours day is avoided by the trade-vote system, so far as regards the differences between different industries. Nevertheless, within the confines of a trade (or trade-district, as the case may be), it would still have the effect of establishing a rigid uniformity that would in many cases work both injury to the trade and injustice to individuals.

As regards different trade-districts, the danger has been realised, and a division of opinion created, even among ardent advocates of legislative intervention. Hence the proposal of district option in place of trade option. The conditions under which certain industries are carried on, whether in respect of natural advantages or of methods of working, differ so widely in different parts of the country, that enforced uniformity of hours might in one district prove the destruction of the industry to the advantage of those very competing districts by whose votes the reduction of hours had been carried.

Similar inequalities may also exist between different establishments, even in the same district. It may easily happen for instance, that one coal mine can be profitably worked with an eight hours day from bank to bank, whereas another in the same neighbourhood would, under like conditions, have to be closed. A hard-and-fast limit of hours might be fatal to young and rising businesses trying to make their way against the competition of old-established and powerful businesses.

- (a.) As regards the supposed effect on the fluctuations of trade, it is, in the first place, rash to assume that a trade could be successfully carried on in which supply was prevented from accommodating itself to the natural fluctuations of demand. But apart from this, in a manufacturing country like Great Britain, the dominant causes of fluctuation of industry, and consequently of employment, are the alternations of credit and want of confidence in the world of commerce. In a time of commercial confidence, when trade is lively, there are not many workmen out of employment. In times of commercial depression it is impossible to find employment for the same number of workmen. Even, therefore, if hours were reduced, the result would not be to find continuous employment in all times for all men.
- (b.) A more equal division of work and wages among their own members is a well-known object of trade unions. Whether it would be a gain to the community to promote this object by empowering a majority in the trade to fix a rigid limit of hours beyond which no man may work without subjecting

himself and his employer to legal penalties, is, to say the least of it, doubtful. Such a system would severely handicap the slower workman, who would be prevented from making up in time for what he loses in speed; it would deprive the strong and energetic workman of the advantages with which nature has gifted him; it would operate with great harshness in the many cases where a temporary increase of earnings may be of urgent importance to a working man, and overtime his only means of obtaining it.

- (5.) (a.) Reduction of hours by a legally-binding vote of the trade, or by legislative intervention in any other form, may be speedier, and yet less satisfactory in the end, than if brought about by negotiation between employers and employed. A reduction forced on employers at a time when it is economically inexpedient by men who are probably not in possession of the essential facts of the case, can hardly be otherwise than injurious to the workmen themselves. But the harm may have been done before they find this out. Examination of the superior efficacy claimed for legislative intervention.
- (b.) Conflicts turning virtually on the question of hours would not necessarily be obviated by removing it from among the matters at present left to mutual arrangement between the parties. It is possible that, if hours were reduced by a trade-vote, the employers would reply by giving notice of a reduction of wages; and a conflict might ensue, fought, avowedly, on the question of wages, but practically involving the question of hours.
- (c.) No good reason has been adduced for legislative interference with the hours of work in the generality of trades which would not equally apply to the case of wages. It is true that the workers are liable to lose in bad times what they have gained in good times. But this is not more true of reduction of hours than of increase of wages. As regards the skilled trades, it is less true. Reduction of hours is, in fact, a form of increased pay. The working-day is decidedly shorter in most industries than it was 50 years ago; and if the working classes are beginning to attach a greater relative importance to short hours than to high wages, there is every reason to suppose that the reduction of hours will proceed more quickly in the future than it has in the past, unless our commercial prosperity suffers a check.
- (d.) The argument for legislative intervention drawn from the large proportion and comparative helplessness of the unorganised workers cannot be urged in support of a decision by trade-vote without raising the question of the machinery by which such decision is to be ascertained. It would probably be found that the difficulty of arriving at the decision of a real majority of those engaged in a trade, as well as the difficulty of enforcing it when arrived at, would render the system almost unworkable in the case of an industry where there existed little or no organisation among the workers. Indeed, the practical difficulties which, as will presently appear, beset every variety of the trade-vote system, were considered by some witnesses to be so serious as of themselves to present an insuperable obstacle to its adoption.

4.—TRADE OPTION, DISTRICT OPTION, AND TRADE EXEMPTION.

177. The difference between trade option and trade exemption has already been indicated. Under a system of trade option the presumption would be in favour of leaving the working-day to be determined, as at present, by agreement; under a system of trade exemption it would be in favour of a standard of hours laid down by law (generally assumed to be an eight hours day), and any trade objecting to that standard would be required to protest by a formal vote, in order to be exempted from the operation of the Act. Comparison of trade option with trade exemption.

178. The principle of exemption has been adopted by decisive majorities at successive meetings of the Trade Union Congress in preference to that of option. The former is more drastic than the latter, not only because of the presumption in favour of the legal standard which it carries with it, but also because, where little or no organisation existed, a trade would probably find a difficulty in making its voice heard, and silence would be interpreted as consent to shorter hours, contrary, perhaps, to the real desire of a majority of those engaged in the trade. Indeed, the form of exemption approved by the Trade Union Congress confines the right of protest to the organised workers in each case. Where, therefore, there was no organisation there could be no protest, and no exemption from the standard established by law.

Ditto.

179. Trade exemption is also more rigid than trade option. Its supporters take it for granted that the legal standard would be fixed at a maximum of eight hours a day, or 48 hours a week; and their idea seems to be that a trade should either acquiesce in this standard or else elect for exemption, and thereby lose all claim to have its hours of work fixed otherwise than by voluntary arrangement between employers and employed. This is not a logical necessity of the system, but it is probably the most natural form for it to take—"either an eight hours day, or else no help from the law." Trade option, on the other hand, would naturally tend to a greater degree of latitude; though, again, not of logical necessity. For instance, Mr. Mann's scheme, presently to be mentioned, is one of trade option, and even district option, yet it is as rigid as trade exemption in allowing no legally-binding day beyond eight hours, and even more rigid in that it deliberately withholds permission from any trade which has voted itself an eight hours day, to go back upon its decision. Still these restrictions seem alien to the spirit of trade option, which, as compared with trade exemption, may be regarded as lending itself to somewhat greater variety, elasticity, and freedom. It is probably on this account that the modification of trade option referred to in this Report as district option, which gives yet greater latitude by allowing particular districts of a trade to dissociate themselves from the action of the trade generally, has found a considerable number of supporters, while its possible counterpart, district exemption, has had few, if any, advocates.

180. In regard to all these proposals, trade option, district option, and trade exemption, two questions immediately arise: First, how is a trade to be defined; and secondly, how, when defined, is its collective decision to be ascertained?

How is a trade to be defined?

181. The practical difficulty in the way of defining a trade was very strongly put by Mr. Giffen, who spoke from experience gained in the preparation of official wages statistics. Is a "trade" to consist for legal purposes of a group of trades allied together in one large industry, or is each of these trades to be treated as an independent unit? Take, for instance, the cotton manufacture; that is really "not one trade but 50, and as to the woollen manufacture, it is not one trade, but perhaps a hundred or more." Similar divisions exist within the shipbuilding industry, the engineering industry, the mining industry, the printing and publishing industry, and many others. In some cases these great industrial groups overlap each other, so that the same workman may belong to more than one. The same group will generally include bodies of unskilled workmen as well as bodies of skilled workmen. An Act of Parliament giving legal effect to a trade-vote would, of course, have to lay down an accurate definition of the limits of each trade. If the unit is to be a group of trades, perhaps with widely divergent conditions, interests, desires, and necessities, a trade vote that imposed uniformity in the hours of work on all alike would be open to much the same objections as those which are urged against a universal eight hours day. Another consequence would be that the vote of the skilled branches of the industry might be entirely swamped by the numerical superiority of the unskilled.

182. If, on the other hand, each branch was constituted an independent unit, great complication would result, and perhaps when various branches were working together within the same establishment, most serious embarrassment. Moreover, the various trades that go to make up a single great industrial group are mutually interdependent as regards division of the proceeds; and if one branch contrives to secure more than its share, the others must be content with less. Under the present system the different claims are adjusted by the play of free forces, not always with a result ideally satisfactory, but still in accordance with a kind of rough natural justice. A new element is brought in if the power of the State can be invoked to give the force of law to a trade-vote fixing the hours of work for one member of a group. Such a vote would in most cases have some economic effect upon the other members of the group, and if this were fully understood it might easily come to be resented as unfair.

183. If the system of district option were adopted, the law would not only have to define the extent of a trade, but also to provide for the delimitation of boundaries, either directly, or indirectly by vote of the workers concerned. In some cases this would not be difficult; in other cases the divisions would inevitably be more or less arbitrary.

How is the decision of a trade to be ascertained?

184. With regard to the manner in which the decision of a trade is to be ascertained, most of the witnesses on the side of the employed seemed to assume that any vote taken on the question of hours should be the vote of the workmen only, exclusive of the employers; or at least that the employer should only be included on the footing

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of "one man one vote," which comes to much the same thing. An alternative suggestion was made that the consent of a majority of employers in the trade or district should be necessary as well as that of a majority of the employed; that is to say, that if a majority of employers and a majority of employed in a trade or district come to an agreement about the limitation of hours, such agreement should be made legally binding upon any minority of either. This proposal may certainly be described as a form of trade option, and it would meet some of the objections urged against trade option as commonly understood. But it does not appear to be viewed with any favour by the advocates of the movement, or to be, indeed, for a moment contemplated by most of them. There would seem to prevail among them a general opinion that employers will not, as a rule, consent to reduce the hours of work unless they are constrained to do so, and that consequently, to give them any voice in deciding upon a reduction of hours in any trade would render the legislation ineffectual and futile.

185. Much greater difference of opinion was shown on the question whether the decision of a trade should be given by a vote of a majority of the organised workers engaged in it, or by a vote of the majority of all the adult workers of both sexes, whether belonging to a trade union or not. By the vote of whom?

186. It would be no simple matter to set up the machinery required for carrying out the latter of these proposals. In the first place an accurate register would have to be made of every worker engaged in a trade. This register would need to be kept up to date with the same care that is bestowed on a parliamentary or municipal register. How difficult this would be in the case of unskilled labour, especially where there was much fluctuation of employment, will be readily acknowledged. Regulations would be required for the proper conduct of the voting, and provision might have to be made against bribery, undue influence, and intimidation. Necessary machinery.

187. If the voting was confined to the organised workers of each trade, these difficulties would be less serious, though still considerable. Such a proviso would, no doubt, also act as a stimulus to organisation, and an inducement to non-unionists to join the union. Accordingly the resolutions submitted at meetings of the Trade Union Congress, in favour of option and exemption respectively, alike embodied the principle of confining the right of voting to the organised members of each trade. But upon this the question arises, Is such an arrangement fair? A trade organisation often represents only a minority, and sometimes even a small minority, of the adult workers in the trade.

188. Again, if only the members of a trade organisation are to vote upon the question of reducing the hours of work, and their decision is to be valid for the whole trade, it will be necessary to have a legal definition of "organisation," such as to prevent any bogus or mushroom society that chose to register itself as a trade union from setting up as arbiter of the hours of labour in an otherwise unorganised industry.

189. The various points raised in the preceding paragraphs did not, as a rule, appear to have been fully considered by the witnesses who gave evidence in favour of restriction of hours by the method of trade-vote. They were willing to admit that difficulties existed, but fell back on the general principle, contending that the difficulties were not of a kind which the wisdom of Parliament was unequal to solving; and that, in any case, no imperfections in the solution could for a moment weigh against the pressing evils of the existing system.

190. Perhaps the most definite and detailed suggestions for legislation were those offered in the evidence given by Mr. Tom Mann, a member of the Commission (Evidence, Whole Commission, 2738):— Suggestions by Mr. Tom Mann.

"(a.) That an Act be passed fixing the maximum working hours at eight hours a day, or eight and a half for five days, and five and a half for the sixth (or made up in such other method as may be agreed upon), but not to exceed 48 hours a week, overtime to be a punishable offence, both for employer and worker, except in cases of special emergency, such as 'break-downs, &c.,' or in the case of agricultural labourers, when special provision would be made for harvest time."

"(b.) That the administration of this Act shall be left with the county council, town council, local board, or such other local authority as shall be clearly specified by the Act."

“(c.) That it shall be left with the adult workers of either sex, engaged in any trade or calling, to obtain the clearly expressed opinion of those engaged in the trade as to whether, or not they wish for the Act to be applied to them, and that in the event of three-fifths being in favour of the same, their request be sent to the local authority responsible for the administration of the Act, which, being satisfied that the request is genuine, shall immediately notify the employers in the district that the provisions of the Act will be put in force at a date of three months from the time the application was made to them by the workers.”

Mr. Mann further stated in the course of his evidence that he was prepared to extend his scheme so as to combine district option with trade option, and also that he would not object to giving legal sanction to a variation in the seasonal distribution of working hours (say, for instance, 49 per week in summer and 47 in winter), provided the average throughout the year did not exceed 48 per week.

Observations
on this plan.

191. It will be observed with regard to this plan—(1.) That the employers have no voice in the matter; (2.) That an eight hours day or forty-eight hours week is the maximum which could be made legal under the proposed Act, although there would be nothing to prevent the voting of a smaller number of hours; (3.) That Mr. Mann's proposal, as he subsequently explained to the Commission, does not contemplate provision for increasing hours, or returning to the old hours of work, in case the experiment of reducing hours should prove a failure; (4.) That though the local authority is entrusted with the administration of the Act, this apparently does not include the preparation of a register or the conduct of the voting, these matters being left to the adult workers, male and female, in each trade; (5.) That the decision arrived at by trade-vote requires confirmation by the local authority before it becomes legally binding, but so long as the genuine character of the vote is not in doubt the confirmation is merely formal. In connection with this last point, it is evident that if confirmation by some public authority, local or central, is required, and the confirmation is not to be merely formal, but may be given or withheld upon consideration of all the circumstances of the case, such an arrangement is nothing less than a power of veto on the decision of a trade. Some witnesses were prepared to see this power given into the hands of a suitable public authority; and a proposal put forward by Mr. Sidney Webb, to dispense altogether with the necessity for an elaborate trade-vote, and substitute for it an administrative order pure and simple, does but carry the same idea one step further.

Fixing of
hours by
adminis-
trative order.

192. Mr. Webb proposed that, with regard to strictly local services, such as tramways and shops, the local authorities should be enabled to fix such maximum of hours as they please. With regard to the more general trades, his plan was that the department charged with the administration of the Factory Acts should have power to fix the maximum hours of labour in any trade by order made after the result of full inquiry had convinced such department that such a limitation was in substantial accordance with the wishes of the trade, and was feasible in all the circumstances of the trade.

It is urged in favour of this scheme that a delegation of powers under the Factory Acts to municipal authorities in some cases, and a central Government department in others, would be as efficacious as decision by trade vote or trade exemption in saving the time of Parliament by relieving it from the applications now made to it for special Acts dealing with the hours of particular trades, while it would be in comparison less open to economic objections and less encumbered with practical difficulties.

It may perhaps be gathered from the evidence that, although this proposal might be welcomed by some workmen belonging to the less well-organised trades, it would probably meet with opposition from men belonging to some of the strong and well-organised industries, upon the ground that it gave too much power to an outside authority, and was therefore contrary to the principles upon which trade unions are founded and might in practice even injuriously affect their membership.

5.—ARGUMENTS FOR AND AGAINST SPECIAL LEGISLATION DEALING WITH THE HOURS OF WORK IN SPECIAL INDUSTRIES.

Mines, rail-
ways, shops.

193. It remains to consider the proposals that have been put forward for dealing by special enactment with the hours of labour in particular industries. The most important of these proposals have relation to the hours worked in mines, on railways, and in shops.

The very different methods of treatment recommended by the advocates of legislative intervention in the case of these three industries respectively afford a remarkable illustration of the extreme difficulty of applying a uniform and inflexible system to all trades alike.

In the case of mines the proposal is for direct statutory limitation of hours to a maximum of eight a day from bank to bank. In that of railways, the obstacles opposed by the very conditions of the work to any absolute prohibition of overtime are seen to be so serious that it has been felt unwise to go beyond regulative control by a public department, to be exercised when it can be shown that the hours of work are unreasonably extended. In the case of shops, it seems to be acknowledged that mere limitation of hours, whether statutory or permissive, would be an imperfect method of dealing with the problem, and the proposal that finds most favour with the advocates of legal restriction is for the compulsory closing of all shops at a fixed hour, subject to local option exercised by a certain majority in each class of shops.

194. It is not intended in this Report to do more than refer cursorily to the question of limiting by law the hours worked in shops and on railways. With regard to the former, the evidence submitted to us was hardly sufficient to justify any definite conclusion. The subject is in some respects a peculiar one, raising issues not confined to the relations between employers and employed. Such information as was collected, by the Commission will be found in the Summary, Group C., Part II., paragraphs 453 to 457, and in the Report, drawn up by the Secretary, on the Conditions of Labour in the Colonies, pages 42-4. The experiment of early closing has been tried in Victoria, but with some difference of opinion as to results. Hours in shops.

195. With respect to the hours of railway servants, in view of the fact that a special inquiry was being held by a Select Committee of the House of Commons on this subject; it did not appear to us to be necessary or desirable that we spend much time upon it. In pursuance of the recommendations of the Select Committee, the Railway Servants (Hours of Labour) Bill was passed through Parliament, and received the Royal Assent at the end of July 1893. This Act enables the Board of Trade to receive and inquire into complaints made by or on behalf of any servant, or any class of servants of a railway company, except those employed in clerical work or in railway workshops, to the effect that their hours of labour are excessive or do not provide sufficient intervals of uninterrupted rest between the periods of duty, or sufficient relief in respect to Sunday duty. The Board, if satisfied that there is reason in the complaint, is to order the railway company to submit, within a specified period, a schedule of time for the duty of the servants in question, so framed as to bring the hours within such reasonable limits as the Board shall approve, regard being had to all the circumstances of the traffic and the nature of the work performed. Should any railway company fail to submit the schedule when required, or to enforce the schedule when it is approved, the Board of Trade may refer the matter to the Railway and Canal Commissioners. These Commissioners will then hear the case and order the company to submit to them a schedule for their approval. If the company continue to make default, it may be fined at the rate of 100*l.* a day while the default continues. Hours of railway servants.

196. The question of restricting by law the hours of labour in mines calls for more detailed consideration here, not only on account of its intrinsic importance and the fact that a Bill dealing with it was read a second time in the House of Commons during the late session of Parliament (1893), but also because of the great mass of evidence bearing on the subject that was obtained by the Commission. This evidence would have been yet more complete had not the Miners' Federation (which embraces the great body of miners in Yorkshire, Lancashire, and the Midlands), alone among the great labour organisations of the country, declined to send representatives as witnesses before the Commission. That the Miners' Federation strongly supports a legal eight hours day for workers underground is well known, and we cannot but regret that we should have received no assistance from this important body in arriving at a conclusion on the questions submitted to us. Hours of labour in mines.

197. The Miners (Hours of Work) Bill, 1893, which passed a second reading in the House of Commons on the 3rd of May, proposes to enact that "a person shall not, in any one day of twenty-four hours, be employed underground in any mine for a period exceeding eight hours from the time of his leaving the surface of the ground to the time of his ascent thereto, except in case of accident," and makes the employer or his agent, and not the workman, liable to penalty for contravention of this enactment. Miners (Hours of Work) Bill, 1893.

In setting forth the arguments that have been urged for and against the principle of this Bill, it will not be necessary to repeat such as are generally applicable to legislative restriction of hours in the case of any other industry, except in so far as they assume some special aspect when applied to the case of mining.

The proposal to single out a particular trade for exceptional legislative treatment implies as its justification the existence of peculiar characteristics differentiating it from other employments. Thus the advocates of compulsory early closing rest their case upon the ground that the hours worked in shops are exceptionally long and injurious to health, and that the nature of the occupation makes it exceptionally difficult to secure shorter hours by voluntary effort. So again the movement in favour of State regulation of the hours worked by railway servants has always been defended on the ground that long hours in this service are a source of danger, both to the railway servants themselves and to the travelling public. Similarly the advocates of a legal eight hours day for miners rest their main argument on considerations of the health and safety of the men employed.

Arguments
in favour of
legal restric-
tion of hours
of miners.

198. Mining is confessedly an occupation exceptionally dangerous, disagreeable, and laborious; it is also alleged that the hours now worked make it exceptionally unhealthy. It was not contended by witnesses before the Commission that the hours of labour in mines are long as compared with those of other industries,* but only that they are unduly long, having regard to the character of the work; and that eight hours a day of labour underground, in an impure atmosphere, with the risk to which miners are exposed of catching chills in changing from the hot air of the mines to the cold and damp above, is as much as it is right to ask any man to work. Longer hours are (it is maintained) most injurious to health; they also increase the danger of a calling already dangerous enough. More accidents occur towards the end of a shift than at the beginning, simply in consequence of the hewers becoming over-tired.

In further justification of the demand for special treatment for workers underground, it is asserted that the miners have, by an unmistakeable majority, declared themselves in favour of an eight hours day by legal enactment, and in this respect stand or (if an exception is to be made with regard to the cotton operatives of Lancashire) stood, till lately, alone among the great industrial bodies of the Kingdom.

199. These are the main reasons of a positive kind advanced in favour of statutory restriction of the hours of labour in mines to a maximum of eight from bank to bank. The economical arguments put forward by most advocates of the measure are only ancillary to these, and are not so much reasons in favour of restrictive legislation as answers to economic objections urged on the other side.

Argument
as to benefits
from reduc-
tion of
output.

200. It is, however, worthy of note that the representatives of the Lanarkshire and Ayrshire miners openly advocated an eight hours day on the express ground that it would have the effect of reducing output, and thereby give "better wages, a better price, and bigger profits," as well as provide work for the unemployed. This appeared to be with them a principal consideration, at least as important as any direct benefit to be derived from a shorter spell of work. There is some ground for suspecting that the views thus frankly expressed by the West of Scotland miners have, in reality, not been without influence on the miners' leaders in other districts also. For instance, it is often argued on behalf of the miners that only legislation can secure a uniform limit of hours throughout the country, and that uniformity is necessary in order to prevent the unfair competition of long-hour districts with short-hour districts. This argument assumes that districts continuing to work long hours would have an economic advantage over the districts which had adopted an eight hours' day; but it is hardly consistent with the official view put forward by the Miners' Federation at the Westminster Palace Hotel Conference (1891), that a reduction of hours would not diminish output, and therefore not increase the cost of production. Be that as it may, the evidence given before the Commission by witnesses representing the miners in districts other than the West of Scotland, and favourable to a legal eight hours day, certainly indicated that in their belief the output per man would be maintained in spite of reduced hours. The witness who appeared on behalf of the Merthyr and Aberdare district formed perhaps a solitary exception. In his opinion an eight hours

* Mr. Pickard, however, stated at the Conference at the Westminster Palace Hotel (1891) between coalowners and miners that the "hours which miners have to put in from the time they leave their homes to engage upon their work in any shift are, on the average, longer than in any other trade or occupation in the country." (See Minutes of Evidence, Group A., Vol. I., Appendix XVI., page 485. For the actual average hours worked by the hewers in the different districts from bank to bank (in no case more than 9½), or at the face, exclusive of meal times (in no case more than 8¼), see the table given in the Summaries of Evidence, Group A., Part I., paragraph 19 (a). It must be remembered that the hewers do not, as a rule, work the six days of the week.

day, from bank to bank, would ruin the industry in those valleys; he was therefore in favour of an eight hours *working* day instead.

201. In support of the view that the output per man would be maintained, it was represented—

Arguments as to maintenance of output.

- (1.) That so much depends in this occupation upon actual physical energy, that a man could probably hew as much, by more concentrated work in a less time, as he now does in the longer hours.
- (2.) That under a system of shorter hours a miner would work more regularly through the week, instead of, as is now usual, taking one day or two days off.
- (3.) That legal reduction of hours, even if for the moment it resulted in diminished output, would probably lead to better organisation, to the introduction of improved machinery for extracting the coal, and to greater speed in winding it, so that the deficiency would speedily be made good.

202. The case for limiting the hours of labour in mines by special enactment may be summed up thus:—Mining is an occupation exceptionally injurious to health, as well as dangerous to life and limb from accidents. Shorter hours would conduce to healthiness and diminish accidents. A legal eight hours day, from bank to bank, is asked for by an undoubted majority of those employed in the trade, and might be established without economic loss to anybody.

Summary of arguments for legal restriction.

203. If it be true that a decided majority of the miners are in favour of statutory restriction of hours for underground labour, the employers, on the other hand, seem almost unanimously opposed to it. To the arguments used by the advocates of special legislation they reply, that the case in favour of exceptional treatment for miners breaks down on examination; that shorter hours are not required for health, and would not diminish, but rather tend to increase, the dangers of the occupation; that the majority of miners (if indeed they are a majority) who favour an eight hours day from bank to bank are mistaken as to its economic consequences; and that if they realised the true facts of the case, and the manner in which the proposed measure would affect them individually if strictly enforced, they would cease to demand legislation and prefer the safer, if slower, method of claiming through their union a reduction in the hours of work whenever the conditions of trade in any district was such as to allow of it. A similar line was also taken by one or two "independent" miners from the Midlands, and (speaking especially for their own district) by the representatives of the men of Northumberland and Durham.

Arguments against legal restriction of hours of miners.

204. As regards the laborious and disagreeable character of a miner's work it was urged that this was common to other industries as well, for which no exceptional treatment was demanded. Considerations of health and safety might no doubt justify a legislative intervention; but mining was not an unhealthy occupation, and shorter hours would not increase safety.

Examination of arguments to health.

The weight of evidence certainly seems to be against the idea that coal-mining is an unhealthy occupation, even when allowance is made for the probability that weakly men either avoid entering or soon abandon it. Dr. Ogle, who has given special attention to this subject, stated in his evidence that coal miners were among the healthiest set of men in all the trades he had examined, and that the same thing was found to hold good on the Continent also. In England and Wales, according to the witness, "the death rates of coal miners are surprisingly low. In spite of their "terrible liability to accident, and their constant exposure to an atmosphere vitiated "by coal dust, by foul air, and by an excessively high temperature, the comparative "mortality of these labourers is considerably below that of all trades; nor is this "only true of coal miners in the aggregate, but it is true, with one single exception, "of the miners in each great coal area, taken separately . . . the one exception "to the rule is furnished by South Wales and Monmouthshire . . . but even here, "if deaths from accidents be left out of account, the rule holds good; the "mortality of miners from all other causes together is below that of the general "male population." (Evidence, Whole Commission, 1683.)

205. The contention that the larger proportion of accidents in mines occur during the later hours of the shift, and that therefore the increase must be due to the physical and mental exhaustion of the miner, also seems to fail when brought to the test of figures. The statistics of accidents, whether arising from explosions or from falls of roof and sides, cannot fairly be interpreted to indicate a preponderance of accidents

As to accidents.

during the later portion of the shift. A good many witnesses indeed went so far as to say that the dangers of mining would be augmented rather than diminished by an eight hours day, because the hewers would be in such a hurry to get the full tale of coal in order to make up their usual wages, that they would be tempted to neglect the necessary repairs, and because the speed of winding was already at the limit of safety, and any increase might itself lead to accidents.

View of employers as to economic effects.

206. As for the economic effects of an eight hours day from bank to bank, a very general opinion was expressed on the part of the employers that the total output would, in most districts, be greatly reduced, chiefly as a result of the diminished hours for drawing and winding coal. The cost of production would be doubly increased, because, along with a reduced output there would have to be an increase in the permanent repairing staff. The result would probably be that some of the collieries which now work under least advantageous circumstances would have to be closed. Even if prices rose in the first instance, they would eventually fall again, partly in consequence of the natural re-action of high prices on the demand for fuel for our home industries, partly because high prices caused by an artificial increase in the cost of production confined to this country would give an advantage to foreign coalowners, who compete with us in foreign markets. A large measure of the loss must ultimately fall on the men's earnings, but it was difficult to make them believe this.

Evidence of "independent" witnesses.

207. A point especially insisted on by some witnesses from Derbyshire who were working miners, and two of them members of the union, though they appeared before the Commission in an independent capacity, was the ignorance of the miners as to the bearing of the proposed measure on their individual comfort and convenience. These witnesses declared that when the ballot was taken in that district on the question of a legal eight hours day, the men were confused as to the real issue, and did not understand that if the Bill became law they would be prevented from working a minute beyond the fixed hour or from working longer for their own sakes in busy times in order to make up for slack times. Men work in different ways and at different rates of speed according to their respective capacities and temperaments, and it would be unfair on the slower workman to prevent him by law from working longer hours in order to make up for lack of speed. Moreover, the conditions of coal-mining do not allow of stopping work at a given moment, *e.g.*, a hewer at the end of his day may see some necessary repair which he could do in 20 minutes, but which, if left to the next day, will take much longer.

Question of area of proposed restriction.

208. Another point remains to be considered. In support of a statutory eight hours day for miners, the following argument is often used:—Even the opponents of the movement (it is said) admit that eight hours of labour underground is as much as is desirable in every 24, and that an eight hour day secured by trade union effort would be a good thing. If it is a good thing when obtained by trade union effort how can it be a bad thing when secured by legislation?

This argument raises the important question, Is the proposed measure to be uniform in its operation and binding on all districts alike throughout the country, or is room to be allowed for local exemption? An eight hours day (it is urged) may be an excellent thing in the abstract, and yet but a doubtful boon if, in practice, it takes the shape of loss of employment for some and reduced earnings for others. It is a good thing when secured by combination, partly because it could not be so secured and maintained unless the state of the trade in the particular district admitted of it. A legal eight hours day is objectionable just because it allows no latitude and no exceptions. Coal-mining presents a range and variety of conditions such as can be found in few other industries. One stall differs in facility of working from another stall, one seam from another seam, one colliery from another colliery. To apply one same hard-and-fast rule to the very different conditions which obtain, even within the same district, would give rise to anomalies and hardships; but if it is proposed to force a fixed limit of working hours on all districts alike, the difficulties become still more serious. At present there is a natural adjustment of hours to different circumstances in different districts. If the Legislature interferes with the natural adjustment, it will benefit some districts at the expense of others.

Special objection in Durham and Northumberland. Division of opinion.

209. It is in Durham and Northumberland that this objection finds its strongest expression. These districts carry on the work of coal-mining on a system peculiar to themselves. The hours of the hewers from bank to bank are decidedly less than eight, and shorter than in most other districts, but the hours of the boys and lads amount to ten on a full working-day, though their work is, as a rule, comparatively light. The hewers work on a double shift system, which adjusts itself to a single

long shift of winders and drawers; and the representatives of the miners' unions emphatically assert that, if the hours of the latter are reduced to eight, it will upset the system with which they are contented, and that no other system is practicable consistently with maintaining the prosperity of the industry. This was denied by one independent witness from Northumberland, who placed a scheme of his own before the Commission.* The coalowners, however, confirm the view held by the great majority of the men, with the result that in these two counties employers and employed alike are opposed to a legislative reduction of hours. The men say they would gladly see the hours of the boys further diminished; but they maintain that, inasmuch as a lad working long hours at drawing, subsequently becomes a hewer and works on short shifts, the general effect of the system, looking at his whole career, is more advantageous to him than would be shorter hours for a few years with the risk of longer hours for the rest of his life, and that, as regards the workmen generally, an eight hours day by law would produce greater evils than it would remove.

210. Thus, at the present time, the great body of miners in the country is divided into two camps on the question of a legal eight hours day; nor does there seem any immediate prospect of a reconciliation, even on the basis of district option, seeing that the spokesman of the Miners' Federation has declared, on behalf of those whom he represents, that their object is "a uniform eight hours day for the underground toilers in the United Kingdom," and that anything less would be entirely unacceptable.†

VI.

IRREGULARITY OF EMPLOYMENT.

1. CAUSES OF IRREGULARITY OF EMPLOYMENT.
2. SPECIAL CASE OF RIVERSIDE LABOUR IN PORT OF LONDON.
3. PROPOSALS AND OPINIONS WITH RESPECT TO PREVENTIVE REMEDIES OF A GENERAL CHARACTER, INCLUDING THE EXTENSION OF EMPLOYMENT BY PUBLIC AUTHORITIES.

1. CAUSES OF IRREGULARITY OF EMPLOYMENT.

211. The subject with which this branch of our inquiry is concerned is irregularity of employment and the means suggested for preventing it so far as it is due (1) to industrial fluctuations affecting a trade, or trade district as a whole; (2) to chronic excess of the supply of labour over the demand for it in particular industries; (3) to the ordinary vicissitudes of work in a normal state of trade. It must not be forgotten in considering this question, that although the distress due to want of employment is often very visible and very deplorable, the great mass of the working classes have fairly regular employment. There are many who think that irregularity of employment is on the whole less in proportion to population now than in earlier times, although manifested on a more striking scale in particular localities, and rightly attracting a larger share of public notice.

212. Our attention was specially called to the evils resulting from the great oscillations between activity and stagnation to which many of the trades of this country are subject. The demand for products of many kinds is sometimes so considerable as to put in motion all the productive forces and cause new capital to enter into production, and at other times so slack as to throw a large part of such productive forces into partial idleness, although the proportion of the increase or decrease to the normal demand may be found on examination to be comparatively small. The alternating periods of brisk and dull trade are felt alike by skilled and organised workmen and by the comparatively unskilled and less strongly organised classes who are

Oscillations
of commerce.

* Detailed accounts of this, as well as other schemes considered, but rejected by the majority of the men, will be found in the Summaries of Evidence, Group A., Part I., paragraph 31.

† See Minutes of Evidence, Group A., Vol. I., Appendix XVI., page 485.

employed under skilled artisans in manufacturing processes, and also in the transport of goods by land and water. In the case of skilled and well organised workmen slackness of trade makes itself felt in the form of increased pressure on the out-of-work benefit funds of their trade societies, of short work, and ultimately, it may be, of reduced wage rates. In the case of the unskilled and less organised men it takes the form of increased competition for employment and low wages. In both cases the total earnings of the men in the trade are smaller, and, except in so far as the situation is met by working short time, more of them are out of employment.

Causes of oscillations expansion and contraction of credit.

213. Fluctuations of trade in this country are due to a variety of causes, the chief among which may be briefly indicated here. The majority of these periodical changes are connected in some way with the state of commercial credit, and the willingness or unwillingness of business men to embark on new ventures. The state of credit in every country depends each year more and more on the general conditions of business throughout the world. Great Britain is specially sensitive to these international influences, because so much of her capital is invested abroad, and in ships trading to foreign countries, and because so many of her most important industries depend largely on foreign demand. When credit is good and loans are easily obtained, much of the capital invested abroad goes to pay for orders to manufacturers in this country. The result is that production is greatly stimulated, especially of those things which are needed for the extension of railway, shipping, building, and manufacturing businesses. On the other hand, contraction of credit causes an immediate falling off of foreign demand; and any considerable falling off of foreign demand, especially if it takes producers by surprise, tends in turn to weaken credit. A shrinkage in the demand for our manufactures from particular quarters may of course have its origin in events not connected with the state of international credit, such for instance as wars, revolutions, failure of crops, the setting up of hostile tariffs, and so forth; and these events may of themselves bring about fluctuations of trade in this country. But the most formidable industrial fluctuations are those which are caused by the action and re-action of the state of credit on foreign demand, and of foreign demand on the state of credit. The industries which are most immediately and markedly affected by those alternating movements of confidence and distrust are (1) those concerned with shipbuilding and the manufacture of machinery of all kinds; (2) iron and steel smelting and working; and (3) the coal-mining industry, which is intimately connected with those above mentioned. Less directly, but seriously, a diminution of profits and wages in these great branches of industry must, of course, affect most of the trades which produce for home consumption.

Seasons and weather.

214. Seasons and weather are in some industries a cause of continual fluctuation of employment. Wet or frosty weather, the amount of which is so variable in this climate, affects work which is carried on in the open, such as dock-work, building, brickmaking, shipbuilding, house and ship painting, and agricultural operations. Some kinds of work in England are also affected by the closing of the Baltic and Canadian ports in winter. Gas-making is an instance of work which gives much more employment in winter than in summer. Many industries connected with clothing and small luxuries are much more fully occupied at some seasons than others, by reason of change of temperature, or national customs, such as holidays and festivals.

Fashion.

215. In some industries, chiefly those connected with clothing, the sudden changes due to the caprices of fashion are responsible for serious fluctuations of work. More than one experienced witness stated before the Commission that the desire for novelties both at home and in all parts of the world was an increasing difficulty, and that manufacturers are no longer able to "make to stock" as they used to do. Changes in fashion are so rapid that orders are withheld to the last possible moment and then come with a rush. This is a fruitful cause of alternate slackness of work and over-work, and one from which some of the weakest and most unprotected classes of workers suffer severely.

Trade conflicts.

216. Another source of fluctuations of work, which seems at present to be growing rather than diminishing in importance, is the extent and duration of modern trade conflicts. When these conflicts occur in industries that supply raw material, such as coal, the dependent industries are reduced to a partial idleness for which they are in no way responsible. Strikes or lock-outs in a particular branch of industry may have a similar effect upon the remaining branches of the same industry.

217. Some industries are affected by the competition of foreign products in the home market; others by the competition of other countries in foreign markets, or by that of other districts in this country possessing greater natural advantages; or again by the introduction of new and more efficient processes. Changes due to these causes, although resulting in the displacement of labour, are often of too permanent a character to come under the head of fluctuations proper. Agriculture is in this country the most conspicuous instance of an industry in a condition of long-continued depression.

Foreign competition, &c.

218. The distinction between irregularity of employment due to trade fluctuations, and that which arises from chronic excess of the supply of labour over the demand for it in particular industries, corresponds to a distinction between temporary and permanent excess, and to this extent is a question of degree. Depressions of trade produce a relative superfluity of labour for a longer or shorter time, which, however is re-absorbed again when trade becomes good; and in the meantime a powerful trade organisation can do much in the way of tiding its members over the slack period by means of funds accumulated during the previous busy period. Where an industry is declining without any apparent hope of recovery, the temporary condition passes into the permanent. In such an industry the supply of labour may be permanently in excess of the demand, unless it drifts away in equal measure elsewhere. The latter qualification is an important one and is closely connected with a distinction which may be drawn, as respects superfluity of labour, between unskilled, and more or less skilled, occupations.

Distinction between trade fluctuations and permanent depressions.

219. Certain of the so-called "sweated" industries cannot be classed as unskilled, and yet suffer from a permanent over-supply of labour, not so much by reason of competitors for work pressing in from outside, as because in the case of these industries old methods have to a great extent been superseded by others, and the workers are competing by an obsolete system of work against new and improved processes. Work at reasonable rates of remuneration is no longer to be had in them, and the workers as a body are too shiftless and too feeble to abandon the occupation to which they are accustomed and seek employment elsewhere. Such occupations are generally local, carried on at home or in domestic workshops sometimes under insanitary conditions, and are often more or less hereditary in a family. In some cases the state of workers in these trades is aggravated by the competition of a very poor class of alien immigrants, content with a still lower standard of living; but apart from this, the inflow of competitors from other occupations does not appear to be the main source of the over-supply of labour in them.

Case of "sweated industries."

220. On the other hand an industry may be in a state of permanent depression, and yet not suffer from any superfluity of labour, simply because the workers in it drift away to other occupations as rapidly as the area of employment contracts. In such a case the pressure will be felt not in the declining industry itself, but in other occupations into which the workers dislodged by this or other causes overflow, competing with those already engaged in them and perhaps compelling them to compete in their turn with workers on a yet lower level. Agriculture affords a striking illustration of this. The demand for agricultural labourers continues to diminish, yet there has been a concurrent diminution of the supply in most rural districts. Instead of staying in the country they come to the towns, where, by their superior physical or moral capacities, they often displace the town-born labourers, and drive them down to lower and more precarious modes of existence.

Case where depression of an industry does not lead to superfluity of labour in it.

221. While unskilled workmen have not the resource afforded to many classes of skilled workmen by the accumulated funds of powerful trade organisations, it is on the other hand in some respects easier for the ordinary unskilled labourer than for the skilled artisan as such, to find other employment when work fails him in one district or branch of industry. In fact for some purposes unskilled labourers may be classed together as belonging to a single industry. This circumstance, however, cuts both ways, for while it makes it easy for a vigorous and efficient labourer to find a job, it also makes it easy for the less vigorous and less efficient labourer to be displaced and forced to compete for employment on a lower level. The result is that all unskilled labourers being as it were in possible competition with each other, the most incapable in body or feeble in character (and these include many who have once belonged to a skilled trade but from helplessness or incompetence or misfortune have been unable to maintain themselves in it) get sifted down, and crowd into certain ill-paid occupations at the bottom of the scale, in which their mere superfluity of numbers renders employment irregular and precarious. Lower still beneath this class of the casually employed and largely recruited from it, comes that of the unemployable.

Comparative effect on skilled and unskilled workmen.

Failure of employers and workmen to find each other.

222. The third cause of irregularity of employment, namely, the ordinary vicissitudes of work in the normal state of a trade, has this characteristic mark, that it implies no superfluity of labour at all, whether temporary or permanent, in relation to the demand of the trade as a whole, but only a failure to bring together the employer seeking workmen and the workmen seeking employment. Even in skilled and highly organised industries, and in good times, there will always be a margin of unemployed workmen looking out for a job, and at the same time work waiting to be done if they only knew where to find it. Many trade unions act as effective agencies, so far as their own members are concerned, in helping them to obtain employment, not only by supporting them while temporarily out of work, but by assisting them in their search for work.

2. SPECIAL CASE OF RIVERSIDE LABOUR IN PORT OF LONDON.

Case of riverside work in London.

223. We received much evidence, to which it is desirable to make special reference, with regard to one most striking case of employment made irregular by a combination of all the three causes already enumerated. This employment, at once fluctuating, insufficient, and industrially ill-organised, is that of the labourers employed in riverside work in London, more especially those employed by the Board of Directors, usually known as the "Joint Committee," which controls some of the principal docks, including those in which there is the largest proportion of entirely unskilled labour. It is fluctuating partly on account of the weather, and also to a considerable extent owing to the fact that the import of some raw products, such as wool, food stuffs, or timber, is much larger at one season than another. It was, and in a less degree is still, uncertain and insufficient, by reason of the great excess of applicants for work in relation to the work to be done. And lastly, its irregularity is yet further increased by the difficulty of directing labour to the places where it may be required, consequent upon the great space covered by the docks and wharves, and the number of different managements.

The old system.

224. Recent reforms at the London docks have done something to mitigate the evils complained of so far as these result from the excessive competition for employment. Under the old system prior to the strike of 1889 there were in the various docks a certain number of men permanently employed, or with a preference as to employment, but the greater part of the daily labourers were engaged at the dock gates to meet the daily fluctuations of trade. This was done by the contractors or the foremen of the companies, and still is done by the foremen to the diminished extent to which such casual labour is required. These casual labourers were employed and paid by the day, or rather by the hour; for, before the strike of 1889, there was no guarantee that a man would be taken on for even so short a space as four consecutive hours. No attempt was made to organise the work by drafting labourers systematically after finishing work in one dock, to begin new work elsewhere. The plan was to allow them to look for "jobs" on their own account. It was to the convenience of contractors, foremen, and superintendents to have, as a rule, at the gates of the docks a much larger number of men than could certainly be employed on any day, so as to leave a safe margin for contingencies. Even after some improvements for the better had been made, one witness of experience (Colonel Birt) estimated that on the morning of the day on which he gave evidence (3rd November 1891) there might have been some 5,000 or 6,000 persons who had tried and failed to get employment at the gates of the various docks. We believe, however, that since that date there has been considerable further improvement in the regularisation of labour at the docks. The evils of this casual system, which have been compared to those of gambling or indiscriminate poor relief, were vividly depicted by many witnesses. It was contended by some that much of this class of work was done by men incapable of steady and consecutive labour; that at the same time the irregularity of the work itself bred irregularity of habits, and that a vicious circle was thus formed. It was represented on behalf of the employers that the evils of the system were partly due to customs or prejudices among those employed; to the rule, for instance, that stevedores should work at loading but not at discharging ships, and to other divisions of labour enforced by the trade organisations or the custom of the port of London. It is, however, alleged, on the other hand, that the task of loading certain classes of cargo requires much more skill and judgment than that of unloading, and that the division is not altogether an arbitrary one. It was also stated that the difficulty of moving men from dock to dock to meet the exigencies of employment was due, in part, to the reluctance of the men themselves to fall in with such arrangements. In a like

manner an experienced witness attributed much of the evil of the London riverside system to the custom of paying wages by the day instead of by the week, and thus attracting to the work persons of casual temperament; but added at the same time that the custom was so strong that it could not be departed from, even if employers desired it, without the greatest difficulty, although in Liverpool payment to dock labourers of exactly the same class is made by the week.

225. The great strike in 1889, and the public attention excited by it, had the effect of calling the attention of the Joint Committee to the evils of the existing system. Subsequently the directors have taken steps to extend considerably an organisation of workers into (1) permanent labourers, (2) labourers having a preferential claim to employment. There is some conflict of opinion as to the extent to which it may be possible to carry this system, but there seems to be no doubt that the reform, so far as it has gone, has tended to diminish the former evils and to convert London dock work into something more of a regular occupation. In some London docks, and in some other ports, dock labourers are hired and paid, not by dock companies, but by the shipowners. In such cases, looking at the matter in connection with regularity of employment and apart from the questions which have arisen between unionists and non-unionists, a useful part may be played by such institutions as the "free labour office" created by the Shipping Federation in the Albert and Victoria Docks for the registration of the names of labourers who desire employment. A witness, who superintended the labour at these docks, suggested (1) that wages should no longer be paid by the day; (2) that shipowners should in each place ascertain the number of dock labourers required, and keep a bureau or registry whereby men could be obtained by any shipowner desiring them for a day's work, and that the shipowners collectively should guarantee the men weekly pay when in work and half-pay when out of work. The witness said that a system of permanent engagement of this kind would "pay the shipowner better, and be more satisfactory for the men," and, if thoroughly carried out, would "free the docks from casual labour, and that is where all the difficulty and trouble is."

Reforms since the strike of 1889, and proposed further remedies.

226. Mr. Charles Booth, whose elaborate inquiries have made him the chief authority upon this and other subjects connected with labour in East London, expressed in evidence the opinion that no legislative intervention was required in the matter, but that it would be possible for a committee of practical men to devise a scheme by which a system of transference of labour from one department of the docks to another according to the vicissitudes of work might be established, with the result of more completely, if not entirely, substituting permanent for casual labour. A scheme of a larger kind proposed by Mr. Mann for the creation of centralised docks for the port of London under public management is printed as Appendix VI. to this Report.

Mr. Booth's opinion.

3. PROPOSALS AND OPINIONS WITH RESPECT TO PREVENTIVE REMEDIES OF A GENERAL CHARACTER, INCLUDING THE EXTENSION OF EMPLOYMENT BY PUBLIC AUTHORITIES.

227. We have now to consider the various remedies of a general character which were advocated in the course of the evidence submitted to us as likely to remove or modify the causes of irregularity of employment. Some of these remedies are of comparatively limited scope, and in dealing with these it will be convenient to follow as far as may be the classification of causes already adopted. There will still remain to be noticed the more ambitious and comprehensive views of those who hold that the true remedy, not only for irregular employment, but for other evils supposed to be inherent in the present system, is the extension of State and Municipal Employment in the sphere of productive industry; and the substitution, more or less gradual, of public authorities in the place of private employers competing with one another for profit.

228. Granting that it is out of our power to control the foreign demand for our manufactures, or to regulate seasonal variations, and the caprices of taste and fashion, it is not denied that failure to forecast changes of demand may and does aggravate the industrial fluctuations which they produce. Accordingly there is one remedy which, so far as practicable, is strongly advocated by men of all shades of opinion, viz., that Government Departments or other public authorities should do more than is at present achieved in collecting and spreading information, enabling both manufacturers and workmen to forecast, better than is now possible, the course of trade and coming

Spread of information.

demands in this and other countries. Proposals for the improvement of the present machinery for the collecting and publishing of statistics will be considered in a subsequent part of this Report. It has also been suggested that public authorities, imperial and local, might, without prejudice to the public interest, so regulate their purchases as to give employment to clothing and other trades during the dull seasons.

Avoidance of trade conflicts.

229. Again, so far as industrial fluctuations are the results of strikes and lock-outs, it is clear that anything that will tend to obviate trade conflicts, especially trade conflicts on a large scale in industries that supply raw material, will *pro tanto* help to remove a cause of irregularity of employment.

Question as to effects of trade competition in enhancing the evils of fluctuations.

230. Another class of remedies gives rise to wide differences of opinion. Some contend that much of the evil of industrial fluctuations is due to excessive competition between private employers, who in their haste to make money are inclined to be over-speculative when trade is brisk, to work overtime, take on new hands, enlarge their works, or open new ones, and, generally speaking, to produce with feverish rapidity beyond the extent of the actual demand. Thus, the work which might have been spread over a long period is condensed into a short one; the markets are flooded with goods, and this, of itself, tends to bring on a collapse of credit and stagnation of trade; works have to be closed, and men discharged, and the chief effect of the period of lively trade, so far as workmen are concerned, may have been to call into the industry more hands than it will, on the average, support. It is on this view that the action of trade unions in restricting overtime, piece-work, and the admission of apprentices to trades, is often defended. Such action, it is maintained, tends to make work more constant and regular, to cause the demand to some extent to adjust itself to production, and to prevent too many additional hands being drawn into industries in prosperous times. Reasons of a similar kind are also urged in favour of the limitation of hours of labour by law.

Opposite view.

231. Others, however, contend, in opposition to these views, that the activity of the legitimate speculator, whose interest it is to make excess in one place compensate scarcity in another, tends on the whole to diminish trade fluctuations; that to prevent production by artificial hindrances from adjusting itself with as much elasticity as possible to the variations of demand would injure British industry, and in the long run be contrary to the interests of the workmen themselves; and that the stringency of Trade Union rules in connection with piece-work and overtime tends to increase irregularity of employment for reasons already indicated. (*See ante*, paragraph 21.)

Question of the effect of trade-union rules on "absorption of the unemployed."

232. Abolition or restriction of overtime and piece-work, rules as to apprenticeship, and legal limitation of hours of labour are, it has already been pointed out, advocated not only as tending to diminish the violence of trade fluctuations, but also as distributing the work to be done at any given time more equally among the workmen engaged in any particular trade, and so diminishing the number of men out of work in that trade. This view, which is very commonly held by trade-unionists, is, no doubt, open to considerable criticism upon the lines indicated in the previous parts of this Report already referred to. Those who oppose the view, contend that it is by no means clear that such a policy will ultimately benefit even the workmen in the industries where it is adopted; and that though it may bring an immediate advantage to existing workmen in particular trades, it may also, by limiting output, diminish the demand for the work of other industries, and so lessen both real wages and the amount of employment in the country taken as a whole.

Occupations where there is a chronic excess of supply of labour over demand for it.

233. We are brought in connection with this matter to the consideration of the case of those occupations in which there is, independently of trade fluctuations, a large habitual excess of supply of labour over the demand for it. This has already been indicated as being the second chief cause of irregularity of employment, the first chief cause being that of trade fluctuations. It has already been pointed out that the occupations which suffer from chronic superfluity of labour fall into two classes; the first consisting of certain "sweated" trades, not indeed requiring a high degree of skill, but yet not wholly unskilled; the second comprising unskilled occupations, requiring no special strength, ability, or steadiness, of which ordinary dock labour may be taken as the typical case. Of the sweated trades there are some which perhaps could not afford to pay the workers sufficient wages for a reasonable maintenance, even if they were less crowded, because to increase the cost of production would be to destroy a demand which lives only on

excessive cheapness. Even where over-supply of labour is itself a chief element of mischief, it is in these trades due in a comparatively small degree to influx of workers from outside, except in particular employments which suffer from the competition of alien immigrants.

234. It has often been suggested of late years that the immigration of destitute aliens should be prohibited altogether. Mr. Charles Booth, however, expressed the opinion that such a measure would not do very much towards relieving the pressure of competition in the "sweated" trades generally, and that the best hope of dealing, by any definite action, with the problem that these trades present lay in applying increased pressure of administrative sanitary requirements to the owners and occupiers of the places where they are carried on, in such a way as either gradually to transform their character, or else slowly to squeeze them out of existence with as little hardship as possible to those who are engaged in them.

Treatment of destitute aliens.

235. The problem of over-supply of labour in the lowest grades of quite unskilled employment is of a different character. These occupations are constantly recruited from those who have failed to maintain a position higher up in the scale. The workers in them are to a great extent the siftings down of the whole industrial population. Misfortune is sometimes the cause of their failure; and especially hard is the case of the honest and industrious workman whom want of employment deprives of proper nourishment, and want of proper nourishment renders incapable of efficient work, and who is thus dragged down lower and lower within the vicious circle of an ever-increasing physical and moral degradation. But large numbers of the casually employed are where they are, because they do not possess the qualities or the training required to keep them in a better position.

Casual workers in purely unskilled industries.

236. The spread of education has already done something, and may be expected to do still more, to reduce the numbers of this class and of the "unemployable" class below them; and of course everything which increases the demand for workers in the higher grades of industry will also benefit those in the lower. Emigration may be a remedy in certain cases, but one serious objection to it from the present point of view, is that the shiftless and incapable are not fit to emigrate, and if the emigrants are to be drawn from a better class, this is in effect to remove the more capable in order to lighten the pressure of competition on the less capable. Another suggestion is to attack the evil by legislation tending to keep rural labourers on the land. The position of the agricultural labourer will be considered in a subsequent part of this Report.*

Possible partial remedies.

237. The last-mentioned proposal aims at removing the pressure of competition which comes from above. Another plan is to try to remove it from below, in other words, to limit the number employed in any over-crowded occupation by eliminating the least capable among the over-numerous competitors for employment. This is the essence of the reform already mentioned as having been adopted at the London Docks. The effect of such a reform is to give more regular work to a limited number of men, but at the expense of throwing others upon the general labour market. For this reason not all the witnesses on behalf of the dock labourers were fully agreed as to the value of these changes to the class taken as a whole; and some of them were led by this line of thought to advocate compulsory limitation of hours of labour, so that work, and consequently wages, may be shared more equally, and to demand such institutions as municipal workshops, in order to give work to those thrown out of employment. In the special case of the London Docks the balance of gain certainly seems to lie on the side of a smaller number of men being employed in a regular manner, instead of a larger number in a casual manner. But the general issue (which, in its broader aspects, concerns skilled trades as well as unskilled) is one of no small difficulty, and raises (among others) the important questions (1) how is the limitation to be effected; (2) how far can it be applied without doing more harm than good; (3) what is to be done with those who are eliminated and deprived of their former means, precarious though they might be, of earning a livelihood?

Elimination of the least capable.

238. As to the first of these points it must be observed that in the particular instance of the London Docks, the limitation of numbers was effected by the action of the employers. The history of the struggle at the London Docks, and of the events which followed it, is instructive in many ways. Among others it affords an interesting illustration of the difficulties which have been indicated in a previous part of this Report, as besetting all organisations of workers in occupations where the supply of labour is habitually in excess of the demand, and is, moreover, being constantly

How is the limitation to be effected.

* See paragraphs 354 to 362 and pages 195 to 253 *post*.

network of such offices could be established all over the country in organic connection with each other, and perhaps with a central institution in London, and placed under public control. One reason given for thinking that such registries should be under public control, and that their cost should be defrayed out of the rates, was that workmen will not put confidence in institutions governed by capitalists or employers, and employers will not put confidence in institutions governed by trade unions. This difficulty might be met, in some cases, by registries formed and controlled by joint committees from chambers of commerce and trade councils, but most witnesses seemed to think that the better plan would be that of municipal registries. Some of the most serious and violent of recent industrial conflicts have been those arising between seamen and dock labourers and shipowners from the alleged attempt of trade unions to monopolise the supply of labour, and the counter movement on the part of the shipowners associated in the Shipping Federation, to establish registry offices of their own through which to obtain a supply of men independently of the unions. The recent strike at Hull turned upon this point. It is open to consideration whether local offices under the control of public authorities, not connected with any special industry but forming part of a general system, and carefully guarded from any undue influence on either side, might not be of some avail to obviate quarrels arising from this cause, while securing the advantages of registration for employment. In this connection it should be observed that the Labour Exchange (Bourse du Travail) in Paris, which was established in the year 1887, with a view to bringing together employers in search of workmen, and workmen in search of employment, appears to have fallen into the exclusive possession of a labour party of advanced views, by whom it was used for political purposes, with the result that the Government of France felt it necessary in the summer of 1893 to suppress it, at any rate for the time being.

Proposals of collective organisation of industry.

244. We have lastly to notice the proposals put forward by those for whom the only thorough-going remedy, both for irregularity of employment and for dissensions between employers and employed, lies in making an end of the present competitive organisation of industry, and substituting for it a "collective" organisation based on public ownership of the means and instruments of production, and the control and management of industrial operations by public authorities. It is necessary to draw a distinction between the ultimate aim of those who hold these opinions and the actual measures advocated by the more cautious among them for present adoption. The realisation of the entire collectivist programme would involve a reconstruction of the whole fabric of political, social, and private life in this country, and we do not feel that any practical purpose would be served by an attempt to consider it here. But so far as the immediate programme is confined to a tentative extension of State and municipal activity in fields of industry now wholly or partially occupied by private enterprise, it may be desirable to indicate in a general manner the arguments that have been urged for or against such an extension, especially in respect of their bearing on the subject now before us.

More limited views of this kind.

245. Socialists will naturally be inclined to regard with favour any step which appears to constitute an advance in the direction of their ideal; but it is possible that others, who by no means believe in the Socialist ideal, may nevertheless hold that State and municipal employment of labour and control of industry may be usefully carried further than as at present. They may hold this not merely on the ground that certain kinds of work would be better done under public than under private management (which is universally recognised as a valid argument so far as the contention is admitted), but also for the reasons urged by Socialists, that greater regularity of employment, and improved conditions of labour will thereby be secured for the workers. It may be added that many, even of those who do not look with approval on the further extension of municipal undertakings in the sphere of productive enterprise, would yet think it right that as much responsibility as possible should be thrown on local bodies, and that they should not be needlessly prohibited from making such experiments as they desire.

Undertakings at present carried on by public authorities.

246. The policy of extending the field of public employment, not in order that the public may be better served, but for the sake of the workmen employed, and of the working classes generally, though by no means new in unofficial discussions of the subject, is for the first time becoming an important factor in practical politics. Such industrial undertakings as are now carried on by central departments or local authorities have hitherto been entered upon because it appeared on general grounds to be more desirable that they should be carried on directly by such public autho-

rities, than indirectly through contractors, or by private enterprise. The matter has usually been considered from the point of view of the national interest, in the case of dockyards and arsenals, or the interest of the local community as in the case of gasworks and waterworks. The central government at present carries on no manufacturing industries except those in connection with government dockyards and arsenals. The manufacture of gas and the supply of water are now undertaken by a good many municipalities, but apart from this they have not hitherto employed much labour of the ordinary industrial kind as distinguished from the labour involved in the maintenance of markets, parks, and public institutions, or that employed on roads, pavements, and sewers. Huddersfield is an instance of a municipal authority working a tramway. It is understood that the municipal authorities of Plymouth and Blackpool also now work the tramways. Bristol is the only instance of such an authority owning and managing docks. The administration of docks by public trusts is dealt with *post*, paragraph 250. Both the Huddersfield Tramways and the Bristol Docks have for some years shown an annual loss on working. But in the case of the Bristol Docks it was alleged that their acquisition by the Corporation was necessary, in order to save the commerce of the city from decay; while in the case of the Huddersfield Tramways no company could be formed to lease and work the lines which the Town Council had constructed. On this account the Town Council obtained a private Act in 1882, empowering them to work their own tramways, subject to the condition that they should lease them to a company, if one could be found to take them over upon such terms as the Board of Trade should approve.

247. The evidence submitted to us cannot be said to show that the workmen employed in the Government dockyards and arsenals, or by municipalities, in the manufacture of gas, the supply of water, tram work and dock work, are markedly, if at all, better off than those employed in similar work in well-managed private establishments. Permanence and continuity of work are, indeed, admitted to be greater in the Government dockyards and arsenals, especially in the case of skilled artisans, (though some contend there are special reasons to account for this); but complaint was also made that the workmen in these departments received lower rates of wages than they might have obtained for the same work from outside employers. As regards the employment of labour in the manufacture of gas, the supply of water, and on roads, pavements, sewers, and building operations, there seems little to choose between municipalities and private firms. In 1888 the Huddersfield Town Council reduced the hours and increased the number of men working on their tramways, making some, but not a proportionate, reduction in their pay. It was pointed out, however, that the wages were distinctly low, 26s. a week for engine-drivers who had to do their own stoking. The Corporation of Glasgow insisted, as a condition of renewing the lease of their tramway lines, upon certain stipulations as to hours of labour and other matters connected with the treatment of the men employed being inserted in the lease. It appeared, at the date when the evidence was given, that the Company had refused to take the new lease upon these terms, and that the Corporation proposed to obtain powers (which it is understood they have subsequently received) to work the tramways themselves, when the old lease came to an end. For the present the matter rests there. On the whole it may be confidently affirmed that extension of public employment for the benefit of the working classes seems to be advocated, not so much from experience of the way in which public authorities have acted as employers of labour in the past, as from anticipation of what they may be inclined, or compelled by the electors, to do in the future. In this connection the action of the London County Council, in paying their park-keepers and gardeners considerably more than the market rate of wages, is a new departure, commended by some, and equally condemned by others.

Conditions of labour in such cases.

248. On behalf of the general policy of extending the sphere of public employment, arguments to the following effect were laid before the Commission:—

- (1.) Public authorities depending for their position on a popular vote will be largely responsible to the working classes. In this way these classes will indirectly have a share of desirable control over the conditions of employment. Moreover, such authorities being more open than private employers to the influence of public opinion, are likely to treat those whom they employ with greater consideration; and, not being biassed by desire for high profits, are able to take a more just and impartial view of the claims of labour. The result will be better treatment of the workmen employed by them, in respect of wages, reduction of hours, and increase of their number, with the effect of absorbing some unemployed labour.

Arguments in favour of extending sphere of employment by public authorities.

- (2.) There is reason to think that, if undertakings were brought under the control of public authorities it would be more possible to avoid trade conflicts. For many causes of dissension would be removed, especially the ill-feeling which arises as to the way in which the receipts are divided between different classes of citizens, viz., profit-receivers and workmen, and the latter would, like the civil service, have other means than strikes of representing their grievances and obtaining remedies.
- (3.) The consolidation of rival establishments in the hands of a single authority will extinguish the mischievous competition which, by tempting to speculative over-production, aggravates the violence of industrial fluctuations; and will also put an end to the ruinous under-selling of each other by competing employers, which is often carried on at the expense of the employed.
- Such consolidation would also make it more possible to organise and control the supply of labour, and to convert it in some cases from labour of a casual character into one of permanent and continuous nature. It would be possible to know more exactly than at present what the amount of work is, and where labour is required, and to draft labour from one point to another. This was one of the chief arguments urged by Mr. Mann in support of the scheme which he laid before the Commission (and which is annexed as Appendix VI.) for the creation of more compact and consolidated docks in the Port of London, to be under the control of public authority.
- (4.) The enterprises (most of them in the nature of local monopolies) which would first be brought more generally than at present under public control, such as gas and water works, tramways and docks, employ a class of labour which is composed to a great extent of the less skilled and trained labourers. It is precisely this class which is weakest and least able to organise and protect itself, and which suffers most distress from fluctuations of employment, and sends most recruits into the ranks of pauperism. It would, therefore, be in many ways a public benefit, and even a public economy in the long run, if men of this class were, to a much greater extent than at present, directly employed by public authorities. The great necessity of the day seems to be to find continuous and permanent employment for this class, so far as practicable, and thereby to raise its social standard and self-respect.
- (5.) The extension of employment by public authorities would be economically advantageous. The State or municipalities engaging in industrial enterprise, and borrowing on the security of taxes and rates, could raise capital more cheaply than would be possible for private employers; they would also need less to start with so far as private enterprise is hampered by expenses in connection with company promoting, and the obtaining of concessions and Parliamentary powers where these are required. A smaller portion of the profits of the undertaking having to go in interest, a larger part would remain to be applied to other purposes, including better treatment of the *employés*. Lastly, the transference of industrial enterprise from private to public management would save the loss of an immense amount of capital now annually wasted in hopeless undertakings, in struggles between rival establishments, and in litigation.

Arguments
against ex-
tending
sphere of
employment
by public
authorities.

249. It must be observed, in connection with the statement of arguments on the other side, that the case of those who desire to extend the sphere of employment by public authorities was placed before us much more fully than the answer to it. We did not think it necessary to hear much evidence in support of those principles of public policy which have hitherto been usually accepted and are well known. It may be sufficient to call briefly to mind the considerations commonly urged in reply to the arguments just summarised :—

- (1.) A large extension of direct employment by the State or by municipalities would tend to introduce into national and local politics a dangerous element of corruption. It is difficult for public authorities, whose position depends on the result of a popular vote, to combine with success the parts of direct employers of labour and custodians of the public purse. They are always exposed to the temptation, if they are the employers of a large, and, perhaps, the most politically active part of their constituents, to bid for their votes

by undertaking to over-pay them at the expense of the rest. It is not desirable that such matters as the wage-rates or hours of work of public *employés* should become decisive questions of politics.

The more just and impartial view of the claims of labour, expected to be taken by employers who are under no necessity of making a profit, might too often come to mean, in practice, the taxing of the community for the benefit of the particular classes of workmen who happened to be in the public service. What was given to them would be taken from others; and the result would be discontent on the part of the less fortunate men in private employment, an increased tendency on the part of labourers to flock to the great centres of population in the hope of sharing the good things that were going, and a demand for ever fresh additions to public works in order to satisfy ever-growing claims.

- (2.) It may be conceded that strikes would not be likely to be very frequent in public establishments in which the conditions of employment were distinctly better than those prevailing in private establishments. No doubt, too, any disputes that did arise between employers and employed would take a different form under Government management. But this gain also would only be secured at the expense of incurring the dangers mentioned in the last section. The record of Dockyard constituencies is not of favourable augury for the proposal that coal mines and railways should be "nationalised" and worked under State management.
- (3.) Monopoly, either public or private, extinguishes the evils of competition; but with them its benefits also. Single control too has some undoubted advantages in the facilities it gives for the organisation of labour, though even where desirable, it does not follow that the single control should be that of a public authority. But it may be doubted whether a further extension of the work now undertaken by public authorities would provide any real remedy for irregularity of employment. The greater continuity of employment at present enjoyed in Government works is caused partly by their giving only the overflow to private works, thus increasing the irregularity of employment in private trade. Public employment is not generally more regular than that of private firms which have similar work to do; for instance, it is about equally regular in the case of gasworks, waterworks, tramways, and railways. Any additional constancy of public employment obtained by securing a man against dismissal when he becomes idle or negligent is not in the public interest.
- (4.) The argument that local authorities in taking over the management of gasworks, waterworks, tramways, and docks, would be enabled to provide more employment for just the class that stands most in need of help, seems to overlook the fact that the more capable among unskilled labourers have as a rule little difficulty in finding employment. The class of men who could be advantageously employed as gas stokers, and in connection with waterworks and tramways, are probably able to look after themselves fairly well. A large proportion of dock labourers stand no doubt in a different category. But a municipality would not be able, any more than private employers, to overcome the hard truths that where the supply of labour is greatly in excess of the demand, regular work is only to be secured for some at the cost of refusing even casual work to others, that a rise in the real cost of labour tends to narrow the field of profitable employment, and that to improve the conditions and increase the remuneration of labour in a poorly paid occupation beyond a certain point, is to expose the very class whom it is desired to help to the competition of better men whom the improved conditions attract from other occupations. It would appear that the extension of public employment for the sake of the employed has as its natural complement the right of every citizen to demand employment from the public at wages sufficient for a maintenance. But to concede this right would be to place the national welfare in jeopardy.
- (5.) Lastly, the allegation, that employment by public authorities in fields now occupied by private enterprise would be economically advantageous, is strenuously denied, and the contrary maintained. Although capital may be borrowed upon public securities at a lower rate of interest, a definite charge must be provided for the redemption of capital, or such changes as the substitution of electricity for gas or a transfer in the current of trade might leave a community saddled with a

debt without a corresponding income-producing asset. Moreover it is contended that the credit of the State and of local communities is good only so long as their debts are small relatively to their resources, and that it would probably suffer material damage if such a policy were carried out; while even now the interest gained by investments in good English railways is very little higher than that obtained from Consols. And though it is doubtless true that private undertakings are much handicapped by the exceptionally heavy legal and parliamentary costs which are levied in England, yet this fact, it is argued, points not to the intrusion by the State into fields of work for which its fitness is doubtful, but rather to the concentration of its efforts on that work of simplifying law and administration, which it alone can perform, and now performs inadequately.

It is further contended that, whatever may be the loss through wasteful forms of competition, the wastefulness of competition is not to be compared to the wastefulness of the inertia of Government Departments, when grown a little old and escaped from the prying eye of public criticism.

If it be proposed that public authorities should undertake works involving the use of a large plant and expensive machinery, it is urged that, in this case, the system would have great disadvantages as compared with one of private enterprise. The motive of self-interest compels the ordinary manufacturer or contractor to use his machinery to the greatest effect, and to search continually for improvements by which it may be made to work more economically. A public body having rates and taxes to fall back upon, is under no such pressure, especially if in possession of a monopoly. Wherever competition is removed there is great danger of stagnation taking its place.

It is not denied that public authorities can utilise the progress made by others. New plant put up at the public expense is always up to date; but thenceforward neither officials nor electors are eager to replace it by better plant. Thus it is almost always easy to prove the efficiency of Government experiments that have been tried only a few years. But they soon fall behind, and by diminishing the area from which inventions can come, they retard progress in private industry.

Observations
upon above
arguments.

250. Some of these considerations apply with less force to the management by public authorities of a class of undertakings like gas and water works, tram ways, and, perhaps, docks, in which industrial procedure is simple and not much machinery is required, and which naturally lend themselves to local monopoly, than to the management by such authorities of skilled work involving the use of elaborate machinery, and exposed to the competition and vicissitudes of the open market at home and abroad. Others again only apply in any strong degree to public authorities directly elected by popular franchise, and would be less applicable to mixed bodies in the nature of public trustees, some of whom might be nominated by State officials, and others by town councils or county councils or other bodies. Thus it might seem that public trustees of this kind, being independent of votes, would not be consciously or unconsciously influenced by the desire of obtaining them, while at the same time they would be under a sense of public responsibility and not influenced by motives of private interest. On these grounds it has been represented that docks, for instance, are best managed neither by private enterprise, nor by municipal bodies, but upon the principle of dock trusts. At Liverpool, Glasgow, Dublin, Belfast, and Swansea, the docks are controlled by the Dock Trusts, representing various official, commercial, and local interests. The Liverpool Mersey Docks and Harbour Trust, which is a good example of these bodies, consists of 28 members, of whom 24 are elected by parties who pay annual dock dues to a certain amount, and the other four members are appointed by the official conservators of the Mersey. On the other hand there are some who contend that public trustees are in some respects even less fitted than public officials for managing a great business for long periods together with probity and energy. They consider that such bodies as the Liverpool Dock Board are under exceptional conditions. That Board is really in a position of trustees, not for the public, but for the shipping community, and there are special causes which make their work efficient. But the instance chiefly relied on by advocates of the principle was that of the Commissioners for the Victorian railways. The greatest expectations were formed of this Board at the time of its appointment; but in a very few years it was found necessary to abolish it.

Insertion of
stipulations
in public
contracts.

251. We must not omit to notice, before concluding our remarks on this part of the subject, the increasing practice on the part of public authorities of inserting in contracts for the execution of works, stipulations as to the wages and hours of

the workmen employed, or other provisions for their protection. This practice was to some extent sanctioned by the resolution which was passed by the House of Commons in February 1891, "that, in the opinion of this House, it is the duty of the Government, in all government contracts, to make provision against the evils recently disclosed before the Sweating Committee, to insert such conditions as may prevent the abuse arising from sub-letting, and to make every effort to secure the payment of such wages as are generally accepted as current in each trade for competent workmen." It was stated in evidence by a witness from the building trade (Evidence, Group C., 17,405), that this resolution had "brought about quite a revolution in the system of tendering for contracts for the Government," and had exercised a considerable indirect effect upon other contracts and work. In the contracts of the London County Council the principle, it is stated, has been carried still further, inasmuch as the contractor is required not only to pay the recognised rate of wages, but to observe the recognised custom as to hours of work. The Commission were urged by the witness in question to recommend that this last observance should also be required in Government contracts. Cases have occurred in which public authorities, insisting upon provisions of this kind, have been unable to obtain satisfactory tenders, but a judicious use of this method of control may possibly be a desirable *viâ media*, in many instances, between the plan of mere business contract, and that of direct execution of works by the public authority. There would appear to be a growing feeling, with which we sympathise, that central or municipal authorities, whether they employ labour directly or indirectly should recognise that low wages are not necessarily economic wages, and, without departing altogether from the test of the value of labour in the open market, should act in the spirit of the most generous employer under existing circumstances. It must not be forgotten, however, that the principle of insisting on liberal wages for all workers, irrespective of efficiency, is liable to abuse, and that, if carried too far, it will not only have the effect of taxing the community for the benefit of the more efficient members of the working classes, but will also increase irregularity of employment for the less efficient, and deprive them of work which might otherwise have been open to them.

VII.

A LABOUR DEPARTMENT AND LABOUR STATISTICS.

252. The functions already discharged by Government with regard to labour matters are already numerous, and may be classed under two heads, administrative and statistical. Functions now discharged by Government with regard to labour questions.

253. Under the first head come the inspection of factories, chemical works, and mines, by the Home Office; the care for emigrants, seamen, and railway servants, by the Board of Trade; the protection of the accumulated capital of the working classes by the Friendly Societies Registry;* and the superintendence of the action of local authorities as regards education, sanitation and poor relief, by the Education Office and the Local Government Board. The Post Office, the War Office, the Admiralty, and several other departments, as well as many local authorities, are large employers of labour. Administrative functions.

254. The statistical functions of Government with regard to labour are discharged to some extent incidentally in the course of their ordinary reports, by several departments of Government, especially in relation to the inspection of factories and mines, and the registration of friendly societies, &c., and the occupations of the people are recorded in the decennial census, taken by the General Register Office. But the chief public collection of statistics with regard to labour have been made by the Board of Trade. This Department has published periodical returns relating to trade unions, strikes Statistical functions.

* The work done by this Registry is more extensive than its title implies and includes: 1. Friendly societies and their branches. 2. Benevolent societies. 3. Cattle insurance societies. 4. Working men's clubs. 5. Specially authorised societies under the Friendly Societies Acts. 6. Industrial and provident societies, commonly called co-operative societies. 7. Trades unions. 8. Benefit building societies under the Act of 1836. 9. Building societies incorporated under the Act of 1874. 10. Loan societies. 11. Trustee savings banks. 12. Railway savings banks. 13. Post Office savings banks. 14. Scientific and literary societies.

and lock-outs, and Reports on alien immigration, and it has made many reports on various topics affecting the well-being of labour, among which the chief place may be assigned to an elaborate series of statistics of wages in the principal trades of the country in 1886, which is now approaching completion. The weakness of staff for this purpose did not allow it to undertake more than a rather limited range of subjects, and in the case of these subjects, the delay in arranging and publishing the information collected has deprived it of much of its value. The branch of the Board of Trade which undertook this work was re-organised early in 1893 under the name of the Labour Department of the Board of Trade, and considerably strengthened, and steps have been taken for bringing out its information in a form more available for use by way of a monthly Labour Gazette, and there is no question that the quality of the work done by it is excellent.

Deficiencies
in collection
of statistics.

255. In a country in which trade organisation has been carried further, and in which the division between different skilled trades is more clearly marked than in any other, it is specially important that the total numbers of workers engaged in each important trade should be accurately known, but in fact they are not known at all, except in a few cases. Dr. Ogle, the Superintendent of Statistics in the General Register Office, explained that the machinery for taking the ordinary decennial census was necessarily inadequate for an exact enumeration of special trades. For, since the householders' schedules from which it is made up, have all to be filled in on one night, an army of 30,000 untrained collectors must be specially summoned for the occasion. They have neither the time nor the ability required for correcting the schedules, and it has therefore been found necessary to group together trades as distinct and as important as those of cotton spinners and cotton weavers, and again as those of compositors and pressmen, and again as iron-founders and puddlers, and so on, and the attempts made in earlier years to ascertain the proportions of large and small employers of labour in agriculture and other industries have been abandoned.* Another witness, Dr. Elgin Gould, an official of the Federal Labour Department of the United States, who has collected labour statistics for his Government in many countries, and has had exceptional opportunities of comparison, gave it as his opinion that Great Britain no longer occupied the leading position which she once held in this respect and could regain it only by following the example of other countries and establishing a strong bureau of skilled investigators.†

Questions to
be decided

256. But though it is clear that more statistical investigation needs to be done, and that the Labour Department should have a chief part in the work, the question appears to remain open how much of the new work should be undertaken by the Labour Department, and how much should be merely initiated by it; and again, how far it is expedient that administrative and statistical work should be combined in the same department and how far they should be kept separate.

Proposals
with regard
to Labour
Department.

257. Various suggestions have been made to the Commission with regard to the extension, consolidation, and reorganisation of the Departments connected with labour matters. One proposal made was that the existing Board of Trade should be enlarged, its title being perhaps changed to that of Board of Industry, and that it should on one side include the existing functions of the Board of Trade other than those in direct relation to labour, and on the other side should consist of a Board of Labour having various departments, one for statistical purposes and others for administrative purposes, among which might be included a Department for Mediation or even Arbitration in trade disputes.

Other
proposals.

258. Witnesses who were, generally speaking, in favour of large extensions of State action, desired the creation of a strong Labour Department, distinct from the Board of Trade. One witness‡ proposed, as a first step, that the existing Statistical Labour Department of the Board of Trade should be amalgamated with the Factory and Mining section of the Home Office, and that a separate Department should thus be created, which might, if desirable, be represented by a Cabinet Minister. He further proposed that this Department should be armed with considerable powers of obtaining information from employers and others, and that among its duties should be those of holding an inquiry into the causes of any serious trade conflict, and of endeavouring to forecast and predict coming changes in trade. Mr. Mann, one of the Members of

* Evidence before the Whole Commission, 1712-6, 1728-31, 1735.

† Evidence before the Whole Commission, 6548-51.

‡ Mr. Sidney Webb.

the Commission, also in his evidence made proposals with regard to this subject. He likewise was in favour of the establishment of a separate Labour Department with a strong statistical side, enabling it to forecast fluctuations in trade.* He thought that there should be, in connection with this Department, a Board of Mediation consisting of an equal number of representative workmen and employers, whose duty it should be in case of a trade dispute, upon invitation by either party, to bring the matter if possible to a just conclusion, and, in any case, to hold an enquiry and to make a report.

259. Proposals, to which attention has already been called, were laid before the Commission for assigning to a central labour department the function of acting as a central labour exchange. It is suggested that it might be made the duty of local authorities, such as town and county councils, to open and support registries, at which all persons needing employment might register their names. If, in the result of this, employment were not found for such persons within the area of any such local bureau, the authority might place itself in communication with other bureaux, either directly or through the medium of the central department, which, being in touch with all the local bureaux, might act as a general labour clearing-house. Labour registries.

260. There appears to be in America, the Colonies, and European countries a tendency towards the development of institutions for the collection and examination by skilled officials of facts relating to industry and bearing on labour questions, and the presentation of them to the public. The result of Dr. Elgin Gould's evidence, together with the information collected from other sources with regard to institutions of this kind in America, Europe, and the Australasian Colonies, is contained in Appendix VII. to this Report. Dr. Gould was of opinion that a very great indirect effect was exercised by the work of his Department, although it is one of a purely statistical character, through the diffusion of trustworthy information as to the conditions of industry, in promoting the peaceful solution of difficulties, and averting conflicts which might have been caused by ignorance or misunderstanding. He thought that it was most important that a Department of Labour Statistics should be kept free from all political influence, and as separate as possible from any administrative functions, and that even to impose upon it duties connected with conciliation or arbitration might cause it to be suspected of bias. He considered that, inasmuch as facts, if correctly ascertained, indicate the right conclusions, the indirect effect upon legislation of the inquiries and reports of the Federal Labour Department had been considerable and beneficial. It would further appear that in the United States the existence of a regular, strong, and expert organisation for collecting information has dispensed with the necessity of many inquiries by special commissions or legislative committees, and the work, so far as relates to the collection of information, has often been done in a more satisfactory manner. It was suggested that in this country, a similar department might, in some cases, undertake special inquiries on behalf of commissions or select committees.

261. It is desirable that attention should be specially called to the higher councils of labour which have recently been founded in France and Belgium, a full account of which is given in Appendix VII. These councils, although attached in each case to a Ministry of State, are not so much Government departments as permanent Labour Commissions. They are of a representative character, containing in each case a considerable number of members, some of whom are employers, others workmen, others officials or persons of special authority in economic and social questions. The object of these councils is to collect information, consider industrial questions, and advise as to legislation. Higher councils of labour in France and Belgium.

* With regard to the suggestion that the Labour Department should endeavour to forecast fluctuations of trade, Mr. Giffen urged that this work is not one in which a Public Department can with advantage take part directly. For people who could make such predictions so as to be generally right "would not be in the service of the Government but would probably be on the Stock Exchange or on some other market, making fortunes for themselves, and many of the facts on which one could go in making a forecast of that kind are very often not facts which you would be permitted to state publicly at all, nor such that if you were to state them you would ever hear of them." (Evidence, Whole Commission, 7058, 7064.)

VIII.

THE EMPLOYMENT OF WOMEN.

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1. WAGES OF WOMEN.
 2. HOURS OF WORK.
 3. EMPLOYMENT OF MARRIED WOMEN IN FACTORIES AND WORKSHOPS.
 4. SANITARY ACCOMMODATION AND VENTILATION IN FACTORIES AND WORKSHOPS.
 5. ESPECIALLY DANGEROUS AND UNHEALTHY PROCESSES IN CERTAIN EMPLOYMENTS.
 6. ORGANISATIONS OF WOMEN.
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Method of
the inquiry.

262. The information in the possession of the Commission with regard to the employment of women has been derived in part from the oral evidence received by the three Committees. This information relates chiefly to the larger textile industries. It was, however, thought to be desirable, instead of having any female witnesses, to appoint four Lady Assistant Commissioners to conduct local inquiries into the conditions of the employment of women in various occupations. Seventeen Reports were prepared by the Lady Assistant Commissioners, and from these, together with the evidence received by the Committees, the answers in writing to the Schedules of Questions, and various official and documentary sources of information, the Secretary of the Commission has prepared a summary dealing with all the material relating to this matter. We propose in this part of the Report to indicate the most general results of this branch of our inquiry.

1. WAGES OF WOMEN.

Returns of
wages.

263. The returns of wages at different periods between 1830 and 1886, published by the Board of Trade with their investigations as to rates of wages in 1886, and the information more recently collected and summarised on behalf of the Commission, show that wages of women, like those of men, have, on the whole, steadily increased with the growing wealth of the country, though not equally in all occupations.

Proportion
of women's
wages to
that of men.

264. It will be seen upon reference to the seventh paragraph of this Report that, according to the estimates arrived at by Mr. Giffen, the average wages of women employed in manual labour, and excluding those in domestic service, are very little more than half those of adult men, while the average wages of boys and lads also exceed, though not very greatly, those of girls. These conclusions are strongly corroborated by the evidence collected and summarised on behalf of the Commission. To a great extent the difference in the average wages of men and women is explained by the fact that the average of men's wages is taken from a much larger number of industries, including the most difficult and highly skilled manual occupations, in which men are exclusively, or almost exclusively, employed; whereas of the smaller number of occupations from which the average wage of women is determined, a large proportion are unskilled and overcrowded, even in those industries in which men and women are both employed the harder and more difficult and, therefore, better paid work is generally done by men, while women are only engaged in the easier and less skilled departments.

265. These explanations, however, do not account for the fact that in the exceptional cases where men and women are employed in work of precisely the same kind, as for instance, in some branches of weaving and tailoring, it usually appears to be possible for employers to obtain the labour of women at a lower rate than that of men. Probably in such cases the economic value of men's labour is likely to be somewhat greater than that of women in respect of steadiness, continuity, quantity of output in a given time, and the ability to perform certain incidental processes in connection with the work, such as keeping machinery in order, for which women are unfitted. But there seems no doubt that women are both ready to accept lower wages than men, and that they could not successfully work their way into an industry in competition with men unless their labour was really cheaper than men's labour. When they do successfully compete with men, and have established a firm footing in a trade, the remuneration

of the two sexes appears to tend towards equality, either by the women's wages rising to the level of the men's, or by the men's falling to the level of the women's, or in both these ways. Thus, in the weaving industry of Lancashire, and of the Bradford district of Yorkshire, where the women weavers are in a great majority, the wage rates of the women for the same work are about equal to those of the men. On the other hand, at Huddersfield, where the proportion of women weavers to men is smaller, and where the women are paid on a lower scale than the men for the same work, the men are being gradually pushed out of employment, and men's wages are being forced down so as to approximate more and more to the rates accepted by the women.

266. In these circumstances it is not surprising that the men object to female competition, and that various Trade Unions should have rules directed towards preventing or restricting the employment of women. And it is equally natural that when this policy has proved ineffectual, and the competition of women has become too strong to resist, the men should change their attitude, and seek rather to ally themselves with the female workers, to help them to organise, and to claim for them and encourage them to claim for themselves an equal rate of wages for the same amount of work, in the hope that the women's rate of wages will thus be raised to the level of the men's instead of the men's being depressed to the level of the women's. On the other hand, an apprehension appears to prevail in some cases among the women that an agitation on the part of the men for the payment of equal rates to women workers would result in the exclusion of the latter from the trade, or at least in seriously diminishing their chance of employment.

267. Instances of extremely small pay in proportion to the amount of work done are found in connection with the make-up of cheap clothing, the work being of a kind which women can do at home or in the shops of small employers. Industries of this character belong to the class of "sweated" trades, to which some reference has been made in earlier portions of this Report.* The excessive competition which so injuriously affects all the conditions of work in these overcrowded industries is increased in the case of women by special circumstances. A great number of women who do home-work are not entirely dependent upon their earnings, and consider them as being merely supplementary to those of their husbands or fathers. Others, again, are compelled by the necessity of supporting children, or, perhaps, a disabled husband, to accept whatever wages they are able to get. Competition of both kinds lowers the rate of wages throughout, and renders the struggle for life very difficult for those women who do entirely depend on their labour for their own subsistence and, perhaps, that of children. In some cases the excessive cheapness of such labour probably enables isolated hand-work to continue to exist in competition with the better organised methods of factories and large workshops. Workers in factories complain that their wages are kept down by this competition of out-workers. The natural difficulty, in not highly skilled occupations, of organising persons who work at home, or are dispersed through numerous small workshops, even if it can be overcome in the case of men, would almost seem to be insuperable in that of women. In the absence of organisation, and in face of the unlimited competition for the cheaper and less skilled kind of sempstress and similar work, there seems to be little to prevent wages from sinking to the point at which, in the words of one witness, "it is easier to starve without the work." So long as there is abundance of cheap labour, without any minimum wage fixed by the action of trade organisations or otherwise, it seems to be beyond the power of small employers and contractors, wholly unorganised themselves and keenly competing with each other for the custom of wholesale houses and for small profits, to give women more for their work than the lowest pay at which it can be obtained.

"Sweated" trades.

2. HOURS OF WORK.

268. Hours of work are regulated for large classes of women by the Factory and Workshop Acts. There appears to be no dissatisfaction with the hours thus fixed, and in many cases the hours actually worked are less than the legal hours. By an exception made to the general law by section 53 of the Factory and Workshop Act, 1878, overtime for not more than 48 days in the year is permitted in non-textile factories and workshops in certain occupations, being those chiefly in which the pressure

Legal overtime in certain cases.

* See paragraphs 39, 233, 235, *ante*.

of work is much heavier at one season than at another. In these cases work may be begun at 8 a.m. and carried on till 10 p.m., inclusive of two hours for meals. In the case of dressmakers and milliners, this exception seems to be fully taken advantage of, and representations have been made that illegal overtime is frequently added to that which the law allows. The opinion has been strongly expressed by several of H.M. Inspectors of Factories that this legal concession of overtime should be abolished, or should at least be reduced to the lowest possible limits and, perhaps, restricted to the case of the manufacture of perishable articles of food. It is urged that this working of overtime is particularly injurious in the case of dressmakers and milliners whose work is sedentary and tiring, and frequently carried on in ill-ventilated and unhealthy rooms. One of H.M. Inspectors remarks: "If eight hours can be properly considered the time for adult males to work, how can it be right to allow females and young persons to be employed for 14 hours?"* It has been suggested by an Inspector that, at least, no exceptional overtime should be allowed in the case of girls under eighteen.

Illegal overtime.

269. Apart from the question of overtime allowed by the Act of 1878, numerous complaints have been received of illegal overtime worked by women in factories and workshops. It was alleged in the evidence with regard to the cotton industry that the system of "cribbing" time, *i.e.*, beginning a few minutes before and ending a few minutes after the legal hours was extensively practised. In the case of some industries it was alleged that work was carried on through the meal hours; in others, that the intention of the Acts was evaded by giving women work to finish at home. The last-mentioned case seems to be especially common in dressmaking and other industries much affected by weather or fashion; and where, therefore, there is much pressure in some months and slackness in others. In these cases the women themselves often wish to take work home in order to make good wages while they can.

Women not protected by the Acts.

270. Certain classes of women are not protected as to hours of work by the Factory and Workshop Acts. Among these are shop assistants and barmaids and other waitresses (except "young persons," who are now limited to 74 hours a week, including undefined hours for meals), laundresses, and all women who work at home. Evidence was received showing the existence of numerous instances of extremely long hours of work in all these occupations.

Shop assistants and barmaids.

271. There is much medical and other evidence to show that the hours frequently worked by shop assistants and barmaids, often under very exhausting conditions, are in many instances extremely injurious to the health of those employed. In consequence, however, of the infinite differences which exists between locality and locality, and shop and shop, both as to the hours of work and the nature and continuity of the work done, it is difficult to arrive at any general conclusion upon this subject. Suggestions have been made that the Shop Hours Regulation Act, 1886, which at present applies only to children and young persons, should be extended to all women employed in shops and public houses; also, that the hours specified in that Act should be diminished; or that the hours during which shops might remain open should be regulated by central or local legislation. Some advocates of further protective legislation for women employed in shops consider that if the hours of women were limited by law, it would be necessary to extend that limitation to male shop assistants, in competition with whom women would otherwise be placed at a disadvantage.

Laundresses.

272. It is a contested point whether laundries should be brought within the range of the Factory and Workshop Acts with regard to the limitation of hours of women and young persons.† In favour of that proposal it is urged that the hours of laundresses are frequently excessively long, that the work is fatiguing and often performed under very unhealthy conditions. On the other hand it is represented that, in some instances, the work is of a kind which must be carried out at very short notice, that the women themselves often prefer to work irregular hours, and that, for economic reasons, to bring all laundries under the Factory and Workshop Acts would have the effect of crushing out the small laundries, concentrating the work in

* Chief Factory Inspector's Annual Report for 1892, p. 93.

† With regard to sanitary matters, laundries were for the first time brought under some regulation by the Factory and Workshop Act, 1891, secs. 1 and 2.

big buildings, and transferring much of the employment from women to men and boys, or to machinery.

273. It must be observed that in industries, such as laundries, which are not covered either by the Factory and Workshop Acts or by the Shop Hours Regulation Act, 1886, the hours not only of women but also of girls under 18 years, and over the school age, are entirely unregulated by law. A suggestion made by one of H.M. Inspectors that girls under 18, at any rate, should not be allowed to work overtime under the exception in the Factory and Workshop Act, 1878, has already been noticed. The wider suggestion has also been made that no young person should be allowed to work under any circumstances more than a fixed number of hours in any industry whatsoever,* making the same general limit apply to all cases, whether the industries are otherwise within or without the Factory and Workshop Acts. It has further been suggested that the age up to which such young persons should be protected should, in the case of girls at any rate, be raised from 18 to 21, the age adopted in France. Supposing that the hours of young persons fixed by the Factory Acts were made thus generally applicable, the effect so far as relates to females would be (1) to protect girls under 18 (or perhaps 21) from the exception made under section 53 of the Act of 1878, (2) to reduce the hours of girls in shops and public houses from a maximum of 74, including indefinite meal-hours, to 56½ hours, excluding fixed meal-hours, (3) to protect girls in laundries who are now altogether unprotected. The question would arise to what extent it was necessary or desirable that such protection should be extended to youths as well as to girls, inasmuch as to extend it to girls alone might put them at a disadvantage in competing for employment.

Hours of young persons.

274. By the 16th section of the Factory and Workshop Act, 1878, provision is made for the limitation of the hours of young persons and children, though not of women, employed in "domestic workshops," that is to say, in private houses or rooms where the only persons employed are members of the same family dwelling there. Attention has been called (*see* paragraphs 45 to 49, *ante*) to some proposals which have been made with a view to bringing out-workers under more effective supervision, and to some steps which have recently been taken by the Home Secretary to utilise the power given by section 27 of the Factory and Workshop Act, 1891.

Out-workers.

275. It has been urged that where women are employed in specially unhealthy occupations it may be desirable to restrict the legal hours of employment within still narrower limits than those fixed by the Factories and Workshop Acts. This object might be accomplished by an extension to the matter of hours of the power given to the Home Secretary by section 8 of the Act of 1891, to certify any particular description of manual labour to be injurious to health, and to adopt special measures to meet the evil. As the law now stands it would not appear that such special measures can include limitation of hours.

Hours of work in specially unhealthy occupations.

3. EMPLOYMENT OF MARRIED WOMEN IN FACTORIES AND WORKSHOPS.

276. The objections raised to the employment of married women in factories and workshops fall under the following heads:—

(1.) They are alleged to compete unfairly with unmarried women. This seems to give rise in some cases to a strong feeling on the part of unmarried women in factories.

(2.) They are unable if they work away from home to discharge domestic duties. Homes are made comfortless, and children and husbands neglected. This view was represented strongly in evidence by various workmen, and the truth of it in some instances is confirmed by the personal inspection made by the Lady Assistant Commissioners.

(3.) Heavy labour in periods near to childbirth is stated to be injurious both to mothers and to their children. This was strongly alleged in the case of the chain and nail manufacture by a witness who gave evidence before the Commission (Evidence, Group A., 17,606), though this statement was not altogether confirmed by the Lady Assistant Commissioner who took evidence with regard to this industry. In the case

Objections raised to employment of married women in factories and workshops.

* It may be noted that the shortest hours that are legalised in the case of young persons are those in textile factories, *i.e.*, 56½ a week, and those at coal-pits, *i.e.*, 5½ hours, "above ground," or in the case of boys "below ground" also, and about these no complaints are made.

of white lead works and potteries it has been alleged that the effect of the poison or dust absorbed by women before childbirth had certain injurious effects upon the children born, but the present evidence in support of this does not seem to be strong.

(4.) The employment of mothers in factories is stated to be in every way very bad for their infant children, and to lead in districts where it is much practised to infant mortality far above the average. This opinion was very strongly maintained in evidence by Dr. John Tatham, Medical Officer of Health for Manchester, and was corroborated by Dr. Ogle, and seems to be borne out by comparative statistics. It was urged by Dr. Tatham (Evidence, Group C., 8152-55) that the period of four weeks from childbirth during which it is, under section 17 of the Factory and Workshop Act, 1891, illegal to employ married women, should be extended to not less than six months. Such a prohibition would, he said, have a very important influence upon the rate of mortality and the nurture of the children. Other medical men thought that the period should be extended to at least three months from childbirth.

Difficulty of
excluding
them for
long periods
after
childbirth.

277. An obvious objection to such further legislation, however desirable it may otherwise be, is that in very numerous cases the existence of very young children makes the earning of wages of vital importance to a mother, even although she often has to pay a considerable part of them to caretakers, who look after babies in a very inadequate manner. Inasmuch as, in districts like Lancashire, the conditions of modern industry have transferred the best paid women's work to factories, it would be impossible for a woman to earn decent wages at home. It is, perhaps, possible that the injurious effects of this state of things might to some extent be diminished by the better organisation of a system of *crèches*, or other institutions where very small children could be looked after. It appears that in some cases married women whose husbands are well able to support them prefer to work in factories not only for the sake of additional money but because they miss otherwise the sociable factory life to which they were accustomed before marriage, and find home dull and purposeless.

4. SANITARY ACCOMMODATION AND VENTILATION IN FACTORIES AND WORKSHOPS.

Bad con-
ditions in
these
respects.

278. The Lady Assistant Commissioners who personally inspected many textile factories and workshops, and retail shops where women are employed, found that in very many cases both sanitary accommodation and ventilation were far from satisfactory, and, in too many instances, were disgracefully bad. Some parts of Scotland, certain districts near Birmingham, other districts in the Midlands, and some of the Yorkshire and Lancashire* mills are distinguished for the want of sufficient, cleanly, and separate sanitary accommodation for women. Ventilation is stated to be bad, with certain exceptions, in textile factories in England, Scotland, and Ireland, and is still worse in a great many workshops. Small workshops in great towns such as Birmingham, Liverpool, Manchester, and Glasgow, as well as in London, were found to be often at once ill-ventilated, ill-warmed, over-crowded, and dirty, especially in the case of dressmaking and tailoring shops. Frequently they are either basements devoid of light, where gas is kept burning all day, or sloping-roofed attics, cold in winter and hot in summer. Usually these shops are quite without such appliances as ventilators or air-propellers. In laundries, in particular, where a high temperature is unavoidable, it is stated that air-propellers would, if used, do much to diminish the injurious effects of it. In some cases, where electric light had been substituted for gas, the improvement in the air thus produced was found to have a very beneficial effect on the health of the workers.†

Causes of
and con-
ditions.

279. The general result of the evidence seems to be that in many places where women are employed the requirement in the Factory and Workshop Act, 1878, that factories and workshops shall be kept in a "cleanly state," not "over-crowded," and "well ventilated," has by no means been effectually carried out. The evils of defective sanitary accommodation, ventilation, and over-crowding are due in some cases to the bad construction of many buildings and rooms, frequently not originally intended for working purposes, which renders them almost incapable of appreciable improvement. In great measure these evils are due to inadequacy of inspection and difficulties in the way of enforcing improvements.

* As to these matters in Lancashire, see also Chief Inspector's Report for 1892, pp. 98 and 99.

† "I have seen many a girl toiling away in a workroom, where the gas had been burning for five hours, upon whose face it did not want the eye of a doctor to discover the traces of the irremediable mischief that was going on." Report of H.M. Inspector for Southampton district, Chief Inspector's Report for 1892, p. 91.

280. It has been pointed out in paragraph 37 of this Report that in the case of workshops in which women or young persons are employed, a double protection is given by law in sanitary matters. It is the duty of the local authorities to inspect such workshops, and it also continues to be the duty of H.M. Inspectors to visit them with regard to the hours of labour, and, if the premises are in an insanitary condition, to call the attention of the local authority to the matter, and to take steps themselves if that authority does not act. In the case of women, therefore, the adequacy of the staff of central inspectors continues to be, notwithstanding the division of duties established by the Factory and Workshops Act, 1891, a matter of great importance in sanitary matters as well as with regard to hours of work. In the opinion of the Lady Assistant Commissioners, based on what they heard from women whom they examined, it is highly desirable that some female inspectors should be appointed, upon the ground, for one thing, that "girls cannot talk to men as they can to women."*

281. Attention has been called in an earlier part of this Report (see paragraphs 42 and 43) to various suggestions which have been made with a view to securing more effectively than at present that places in which work is carried on shall be kept in a sufficiently sanitary condition. It is enough to say here that the evidence which has been collected with regard to the employment of women is of special weight and value, as showing how important it is that some effectual steps should be taken in this direction.

5. ESPECIALLY DANGEROUS AND UNHEALTHY PROCESSES IN CERTAIN EMPLOYMENTS.

282. The evidence heard by the Commission and that collected by the Lady Sub-Commissioners, shows that certain industries, or particular processes, have proved very injurious to the health of women and young persons employed in them. The heat, moisture, and dust in cotton mills may, it is to be hoped, be reduced by the enforcement of proper ventilation and temperature under the Cotton Cloth Factories Act, 1889. The like special regulations seem to be required in the case of the linen and flax mills in the North of Ireland. It would appear from the statistics drawn up for the Belfast Town Council by the medical officer of health that there is great loss of life among the female factory hands from causes which are probably avoidable.† In wool-combing also the want of proper appliances for ventilation often seems to be a cause of illness. Other sources of disease exist in rag picking and sorting, and fustian and velvet cutting. The Lady Assistant Commissioners gave particular attention to several industries very distinguished for their evil effect upon the health of women,‡ namely, the white lead industry, work in the potteries, majolica painting and iron enamelling, and lucifer match-making. Departmental Committees have recently held enquiries, and special rules (under the Act of 1891) have been made, or are in course of being established, by the Home Secretary, with regard to all these industries.§ A full account both of the evils in question and of the steps which have been taken is given in the Summary upon "The Employment of Women," pages 515 to 524.

Specially unhealthy trades.

283. In ordinary employments the Lady Assistant Commissioners called attention to various common causes of unhealthiness, such as the absence of places for drying outer clothes when wet, absence of dining-rooms and provision of hot water or means of cooking or obtaining proper food in or near works, and, in the case of shop assistants, barmaids, and others who "live in," the frequently close and crowded character of bedrooms. In the case of shop assistants and barmaids the want of sitting down or withdrawing rooms to rest in is stated to be a common cause of ill-health and exhaustion. There are, of course, many cases where the arrangements are excellent and none of these evils prevail, but the general impression left by the information collected by the Lady Assistant Commissioners is that much remains to be done by employers of women in the way of obviating the causes of ill-health.

Unhealthy circumstances in ordinary occupations.

* See Part II. of this Report: Appendix III., Summary upon "The Employment of Women," paragraph 756 (b).

† Summary upon "The Employment of Women," paragraph 734 (b).

‡ It is worthy of remark that in the case of industries involving contact with poisonous substances such as white lead, not only cleanliness but also good food, with which some employers now supply the hands, seem to be a great preservative to health. Summary upon "The Employment of Women," paragraph 736 (d); Chief Inspector's Report, 1892, pp. 18, 23, 30.

§ See paragraphs 48 and 49 ante.

6. ORGANISATIONS OF WOMEN.

Organisations: (a) mixed, (b) exclusively of women.

284. In the large textile trades, and especially among the cotton-spinners of Lancashire, a good proportion of female workers belong to the men's associations, but even when they are in a majority they rarely stand on terms of equality with the men. Generally speaking, they pay a lower rate of contributions, receive correspondingly low benefits, and take only a subordinate part, if any, in the government of the society. A large mixed association of this kind is that of the jute-workers in and near Dundee, numbering near 6,000 members, of whom only 12 per cent. are men. Its success seems to have been largely due to a clergyman who manages its affairs. Many attempts have been made in other trades, especially in recent years, to found exclusively female organisations. A few of the societies of this kind which have been started still exist, though not many of them seem to have succeeded in enrolling and keeping any considerable number of subscribing members. Upon the whole, the history of these attempts is at present a history of failures.

Causes which make it difficult for women to combine.

285. Various causes are alleged which make it very difficult for women to combine successfully. One cause, no doubt, is that which also affects a large class of men, viz., that many of the occupations in which they are employed are not protected from competition by the necessity for much skill or strength and are over-crowded.* But even in the case of those occupations which require a degree of skill and training, corresponding to that which would probably enable men to organise successfully, women appear to have the same difficulty in combining by themselves. This has been attributed to the fact that unmarried women frequently consider their employment as one which will be terminated by marriage and not as a life affair; to social divisions and distinctions existing among them; to hereditary incapacity for transacting business in common; to difficulties in the way of meeting; and to special dislike felt by employers to their organisation.

Connection of want of organisation with low wage-rates.

286. To whatever cause may be due the difficulty which women have in combining effectively, it appears to be a real injury to them in those trades in which they are underpaid. In cases in which they receive less than men for work, which taking everything into account is of equal value to the employer, it is clear that they would gain much even from a little organisation. It has, however, been already indicated that these cases are probably not so frequent as is sometimes supposed. And it must not be forgotten that those domestic and personal service industries in which the wages of women sometimes equal or exceed the wages of an artisan, owe nothing to trade organisations.

Trade conflicts where women are concerned.

287. To the difficulties which women have in combining, may also to some extent be attributed the fact that trade disputes have been of comparatively rare occurrence where women alone, or almost alone, are employed. They have taken part, indeed, in many strikes in the great textile and other industries where men also are employed, but these strikes appear to have been almost invariably due, even where women formed the majority in associations, to the action of the male operatives.†

* In the words of Lady Jeune, "Unskilled labour will always be the great difficulty to be met by any combination to raise the wages of women workers, and the sick children, the unemployed husband, the cold and fireless homes, will always be the greatest bar to any effort to persuade women to stand together for better remuneration." (See Summary upon "The Employment of Women," paragraph 762 (a).)

† See Summary upon "The Employment of Women," paragraphs 770-3, for an account of various disputes in which women were concerned.

RECOMMENDATIONS.

PART I.

1. PREFATORY OBSERVATIONS.
2. WHETHER IT IS DESIRABLE TO ESTABLISH STATUTORY INDUSTRIAL TRIBUNALS TO DEAL WITH QUESTIONS ARISING OUT OF EXISTING AGREEMENTS.
3. WHETHER IT IS DESIRABLE TO ESTABLISH STATUTORY BOARDS OF CONCILIATION AND ARBITRATION.
4. PROMOTION OF VOLUNTARY BOARDS OF CONCILIATION AND ARBITRATION, AND OTHER INTERVENTION BY THE BOARD OF TRADE.
5. APPOINTMENT OF OFFICIAL ARBITRATORS.
6. LABOUR DEPARTMENT.

1. PREFATORY OBSERVATIONS.

288. In the preceding part of this Report our object has been to review concisely the facts, opinions, and arguments which have in various ways been brought to our notice. In doing this we have, to some extent, indicated the general impression left upon our minds by the information which has been collected.

289. In the present part of the Report we propose to state what recommendations it is, in our opinion, desirable to make with a view to legislation. In the first place we desire to state our views relative to the question whether anything can be done by way of legislation to promote the better settlement of disputes between employers and workmen.

290. The following main conclusions derived from the evidence have to be borne in mind:—

- (a.) In some of the principal industries a steady extension has for many years past taken place in the scale and importance of trade unions and employers' associations. In industries of the kind referred to the settlement of terms between employers and workmen is mainly, and the conduct of the industry is to a large extent, controlled by the action of these organisations on either side.
- (b.) In a large proportion of industries organisations exist for the protection of trade interests and friendly benefit purposes, but only comprise a part, and often only a small part, of the workmen and employers engaged in those industries. These organisations do not, for this reason, exercise so great a controlling power over trade relations as do those of the kind first mentioned.
- (c.) In other classes of industry organisations are insignificant or do not exist at all.
- (d.) Institutions for the purpose of adjusting relations and settling disputes between employers and workmen (whether such disputes arise out of the terms of existing agreements or turn upon the terms of future agreements) have grown up within the limits of some special trades. The most successful of these institutions are those which have been formed in the trades where organisations on either side are strongest and most complete.
- (e.) Of recent years other institutions have been formed for the purpose of conciliation or, more strictly speaking, of mediation, not confined to any particular trade, but intended to bring about a pacific adjustment of relations in any industry within certain local limits. These boards of conciliation, which now exist in London and in many other important industrial centres, have usually been formed by co-operation between local chambers of commerce and trade councils. They seem to have worked with considerable success, and to be especially serviceable, where there are numerous small industries rather than one large staple trade, and in settling disputes where neither employers nor workmen are organised. Boards of this kind are hereafter referred to as district boards of conciliation in order to distinguish them from the trade boards.

(f.) Both trade and district boards have in all cases been spontaneously formed by the co-operation of employers and workmen more or less directly interested in the pacific settlement of trade disputes. No resort has hitherto been made to certain Acts of Parliament (*see ante*, paragraph 155), which were intended to enable institutions of this kind to acquire a statutory basis and certain legal powers.

291. We find from the evidence that the effect of the existing trade and district boards is highly beneficial in averting conflicts, but they are far as yet from covering the whole field of industry. We have thus been led to consider whether it would be possible by any legislation either to increase the efficiency of these institutions, or their number, or to supplement them by the creation under Act of Parliament of boards of a similar character.

2. WHETHER IT IS DESIRABLE TO ESTABLISH STATUTORY INDUSTRIAL TRIBUNALS TO DEAL WITH QUESTIONS ARISING OUT OF EXISTING AGREEMENTS.

292. In the first place we have discussed the question whether it would be expedient to establish, or to give to Town and County Councils power to establish, industrial tribunals throughout the country with legal powers to hear cases arising out of existing and implied agreements, or depending upon the interpretation of trade customs, and to make enforceable decisions.

293. In favour of this course it has been urged that working men are deterred by cost, the character of the tribunal, or other reasons, from bringing questions of this kind (or such of those questions as might so be brought) before county courts, or before the stipendiary magistrates and Justices of the Peace who may have jurisdiction under the "Employers and Workmen Act, 1875." Yet at present, no special tribunals having been established under the Conciliation Act, 1867, or other Acts, these courts and magistrates are the only authorities having legal powers before whom such questions can be brought. It is represented that, although in some well organised trades disputes of this kind can usually be settled fairly by joint committees or the action of trade union officials or other means, yet that in unorganised industries workmen often have, or think they have, to endure grievances because there are no institutions to which they can resort to obtain a cheap and easy hearing of their case.

294. Much of the evidence which was brought before us by witnesses from the less organised trades consisted of complaints of grievances of a highly technical character. Many witnesses appeared to have come before the Commission, not so much in order to give evidence bearing upon the larger and more general questions, as to complain of grievances relating to their own special industries, such as short payments for inferior work, fines and deductions, the quality of the raw material supplied, and a great variety of other matters of a still more technical and local nature. These witnesses often seemed to be under the impression that either the Commission itself or some court, the establishment of which it might recommend, would provide them with a practical and summary remedy. It was difficult to ascertain in all cases how far these witnesses were really representative, but the prevalence of allegations of this kind leads us to believe that there does exist among those employed in many industries much discontent and dissatisfaction with the means which they possess of obtaining redress for real or supposed injustice.

295. Even apart from objections upon other grounds which employers and workmen may feel to bringing their disputes before county courts or before stipendiary or other magistrates under the "Employers and Workmen Act, 1875," it would hardly seem that such courts or magistrates could take cognisance of, or, at any rate, satisfactorily determine such questions as, *e.g.*, the quality of raw material supplied to workmen. Upon this ground, therefore, there might be a plea for the establishment of special industrial tribunals, qualified by the greater technical knowledge of those who should compose them to deal with questions arising out of particular conditions and trade customs.

296. On the other hand we have had to weigh the arguments (1) that in large and well organised trades the workmen have already quite sufficient means of obtaining a remedy for grievances connected with existing or implied agreements or trade customs; (2) that in unorganised occupations, especially in the case of unskilled labour, a dispute on questions of this kind is more likely to be terminated by cessation of the engagement between an employer and workmen than by a resort to any tribunal,

however constituted; (3) that in the most important unorganised occupation, that of agriculture, such courts would not be useful unless they were very numerous; (4) that several previous Acts passed with a view to establishing industrial tribunals, with legal powers of trying cases arising out of existing contracts, have proved complete failures (*see ante*, paragraph 155); (5) that, in this country, the only disputes which lead to serious actual conflict are those relating to the terms, not of existing, but of future agreements.

297. Upon the whole we do not find ourselves able to recommend the systematic and general establishment of special industrial tribunals (in addition to the existing legal methods) for deciding questions arising upon existing agreements.

We think, however, that though it would be unwise to institute any general system of industrial tribunals, there might be some advantage in an experiment of a tentative and permissive character in this direction. Local representative bodies have now been constituted in every part of the country, and it would be possible to give to Town and County Councils a power of taking the initiative in the creation of special tribunals for defined districts or trades, more or less after the pattern of the French *Conseils de Prud'hommes*. We do not contemplate the direct appointment of members of such courts by local authorities, and certain general statutory conditions would have to be laid down directed towards securing an equal representation in such courts of the various interests concerned, and providing for a cheap and summary method of procedure. When any scheme of this kind, submitted by a Town or County Council, had been approved by some public department and established by Order in Council or Provisional Order, the court or courts thereby created might be invested with powers of hearing and (when unable to bring about an amicable settlement in Court between the parties) deciding cases which might be brought before them, arising out of express or implied contract as between employers and employed within the area of their jurisdiction. These powers would be the same as those exercised in these cases by county courts or magistrates. The power to initiate the institution of new industrial tribunals might not at first be largely used by the local authorities, but it seems to us that in some parts of the country there does exist a want which might be met in this way.

It would be desirable that if there should be any legislation in this direction the ground should be cleared by the repeal of some existing statutes which, as it has been pointed out, have remained a dead letter.

298. A proposal has been made to confer upon the voluntary trade or district boards of conciliation powers similar to those possessed by ordinary courts of law in relation to disputes arising out of existing agreements. This course appears to us to be undesirable. Such success as these boards have achieved (and their success has been considerable) has, in our opinion, been mainly due to their purely voluntary character, and to the fact that they have possessed no legal coercive powers. Either, we think, such voluntary boards would not avail themselves of an Act of Parliament enabling them to acquire powers, and the Act would then remain a dead letter like the Conciliation Act, 1867; or, if the boards were to acquire such powers, resort to them for their various purposes would be made less freely than at present.

3. WHETHER IT IS DESIRABLE TO ESTABLISH STATUTORY BOARDS OF CONCILIATION AND ARBITRATION.

299. The proposals hitherto considered relate to the establishment of special tribunals of a judicial kind for dealing with questions arising out of existing agreements or trade customs. In the case of the larger and more serious disputes arising with regard to the terms of future agreements, frequently between large bodies of workmen on one side and employers on the other, we have had to consider, in the first place, suggestions for the compulsory reference of such disputes to State, or other boards of arbitration, whose awards should be legally enforceable. No such proposal, however, appeared to us to be definite or practical enough to bear serious examination.

We have, in the next place, discussed a proposal to establish under Act of Parliament district boards of conciliation and arbitration, the chief object of which would be to bring about the settlement of questions relating to future agreements. These boards might, it was suggested, be established either by a Government Department or, as some think would be a better plan, by town and county councils, subject, perhaps, in that case, to confirmation by some central authority. They would have statutory powers of intervening in trade disputes, in the interest of the public, as well as that of the

parties, of holding inquiries, and using necessary means of procuring information, and, in cases where their intervention should fail to avert a conflict, would publish reports which should serve to guide public opinion as to the merits of the contest. It was represented that such boards need not displace existing or future voluntary boards of conciliation, but would fill up the void space not covered by those voluntary boards, and would be especially useful in the case of small trades or unorganised workmen.

300. On the other hand we have had to consider that such boards, by whatever public authority they were established, would have an official character, and might, for that reason, be less popular and less resorted to than the present voluntary institutions, yet, at the same time, their presence might have the bad effect of arresting the growth of these institutions. Even if they did not injuriously interfere with the further development of boards of conciliation in large and well organised trades, they would probably displace, or, at least, check the extension of the district boards which are not limited to particular industries.

301. We are of opinion that no central department has the local knowledge which would enable it to attempt with success the creation of such institutions and that the intervention of local public authorities cannot be usefully extended at present beyond the experimental action suggested above (paragraph 297) with regard to industrial tribunals to decide cases arising out of existing agreements.

302. We hope and believe that the present rapid extension of voluntary boards will continue, until they cover a much larger part of the whole field of industry than they do at present. This development seems to us to be at present the chief matter of importance, and it has the advantage over any systematic establishment of local boards, of greater freedom of experiment and adaptation to special and varying circumstances. If, at some future time, the success of these voluntary boards throughout the country shall have become well assured, and if any success should attend the experiment previously suggested of giving to local authorities the power of initiating the formation of industrial tribunals, it may be found expedient to confer larger powers either upon voluntary boards or upon such industrial tribunals. But, at the present stage of progress, we are of opinion that it would do more harm than good either to invest voluntary boards with legal powers, or to establish rivals to them in the shape of other boards founded on a statutory basis, and having a more or less public and official character.

4. PROMOTION OF VOLUNTARY BOARDS OF CONCILIATION AND ARBITRATION, AND OTHER INTERVENTION BY THE BOARD OF TRADE.

303. Although we are unable to agree in supporting any proposal for establishing, at the present time, any system of State or public boards for intervening in trade disputes, we think that a central department, possessed of an adequate staff, and having means to procure, record, and circulate information, may do much by advice and assistance to promote the more rapid and universal establishment of trade and district boards adapted to circumstances of various kinds. It was proposed by a Bill brought into the House of Commons in the session of 1893 by Mr. Mundella on behalf of the Government (and printed as Appendix IV. (a.) to this Report) to authorise the Board of Trade to take the initiative in aiding by advice and local negotiations the establishment of voluntary boards of conciliation and arbitration in any district or trade, and, further, to nominate upon the application of employers and workmen interested a conciliator or board of conciliation to act when any trade conflict may actually exist or be apprehended.

304. The following clause was added to the Conciliation Bill as re-introduced in the session of 1894, viz. :—

“Where a difference exists or is apprehended between an employer, or any class of employers, and workmen, or between different classes of workmen, the Board of Trade may, if they think fit, exercise all or any of the following powers, namely,—

- (a) inquire into the causes and circumstances of the difference, and make such report, if any, thereon as appears to the Board expedient; and
- (b) invite the parties to the difference to meet together, by themselves or their representatives, under the presidency of a chairman mutually agreed upon or nominated by the Board of Trade or by some other person or body, with a view to the amicable settlement of the difference.”

We think that discretionary powers of this kind may with advantage be exercised by the Board of Trade. There seems to be no legal reason why the Board should not, even without legislation, take steps of the kind indicated in the Bills of 1893 and 1894, but a statutory provision of this character will probably be of use as giving to the Board a better *locus standi* for friendly and experienced intervention in the case of disturbed trade relations, and would make it easier for it to employ a staff suitable and adequate for the purposes in question. The Board of Trade at present possesses advantages for this task, inasmuch as the duty of collecting labour statistics which is being discharged by its Labour Department brings it in many ways in touch with employers and workmen throughout the country, and the officials charged with this duty justly enjoy the confidence of both classes to a large extent. The statistical duties of the Labour Department will, however, in future probably tend to increase, and, in the collection and preparation of information, the importance of absolute and universally recognised impartiality and freedom from any end or purpose except that of exact ascertainment of facts is so great, that care will have to be taken that intervention, even of the most friendly character, in trade disputes, shall in no degree impair statistical accuracy or credit. If there should be found to be an extensive opening for such intervention as is contemplated by Mr. Mundella's Bill, it may probably become necessary to keep these two functions of the Board of Trade, or of its Labour Department, carefully distinct and separate from each other.

5. APPOINTMENT OF OFFICIAL ARBITRATORS.

305. Some of the trade boards of conciliation provide for recourse to arbitration as the last resort when the representatives of employers and workmen fail to agree as to the settlement of future wage rates or other general issues. The district boards of conciliation also, as a rule, make it one of their objects to induce employers and workmen who are at issue to refer to arbitration questions upon which they are unable to agree. Among trades which do not possess formal joint institutions it is not rarely a rule to offer reference to arbitration before proceeding to a strike or lock-out.

306. It has been pointed out (*ante*, paragraph 136) that, even where there is a disposition on both sides to refer to arbitration, there is often a difficulty in finding suitable arbitrators or umpires. "Either the arbitrator is quite unconnected with industrial work, and then the process of informing his mind upon the matter is too long and costly, or he is in some way connected with the industrial world, and then one party or the other is apt to suspect him of bias and partiality."

307. We think that this difficulty might in many cases be met if power were given to a public department to appoint, upon the receipt of a sufficient application from the parties interested or from local boards of conciliation, a suitable person to act as arbitrator, either alone or in conjunction with local boards, or with assessors appointed by the employers and workmen concerned, according to the circumstances of each case. We think that arbitrators thus appointed would be fairly free from suspicion of bias, and that, if the same persons were habitually appointed to act, and their services were frequently required, they would acquire a certain special skill and weight in dealing with industrial questions. Their decisions, however, would not possess legally binding effect any more than those of unofficial arbitrators in industrial questions. Possibly, if the plan proved successful and the work sufficient, such arbitrators might hereafter be made permanent, instead of temporary and occasional judicial officers.

6. LABOUR DEPARTMENT.

308. We have considered whether we should be justified in recommending that the various statistical and administrative functions connected with industrial matters which are now divided among several departments (*see ante*, paragraphs 253 and 254) should be concentrated and brought together under a single department. We have come to the conclusion that the present arrangement, so far as it relates to the division of statistical functions, though not systematic, has advantages and works sufficiently well, and we do not think that any benefits to be gained by a re-arrangement would compensate for the disturbance of business which it would cause.

309. The Department of the Board of Trade which deals with labour statistics has recently been re-organised and strengthened. Several of the suggestions which we should have desired to make with regard to the work of this Department have been anticipated by the publication of the "Labour Gazette," which is doing very useful

work. It would, however, be desirable to keep in view the possible advisability of publishing at least a part of the information at more frequent intervals. We have not seen our way to recommend that the State should undertake the formation of labour registries for the purpose of bringing together employers in search of workmen and workmen in search of employment (*see ante*, paragraph 243). We think, however, that the Labour Department should be prepared to give advice to private associations or local authorities who may be thinking of forming them; and that the "Labour Gazette" could render them some service by extending the work it has already begun of acting as a means of communication between them.

310. Without criticising the work done by the Local Correspondents of the Labour Department, we think that their services would hardly be available for those systematic inquiries into the conditions of industry for which there is an urgent and a growing need in this country. Attention has already been called to the fact that we do not possess any information as to the number of persons employed even in our chief skilled trades; and that we have received evidence that there is no existing machinery by which it could be obtained.* This fact illustrates a deficiency which we think should not be allowed to remain without a serious attempt to remedy it. We are aware that the process must be gradual; because a staff of skilled investigators cannot be obtained quickly, and it is even more important to sustain the high quality of official statistics than to extend their scope. But we think that a beginning should be made at once; and that it should be given in charge to the Labour Department to form such a staff gradually, and to train them for the work of investigation on the spot.

We do not attempt to forecast in detail the inquiries which this staff should make; for as time goes on the Department will learn from its own experience what inquiries are most urgently needed, and will select from these such as the resources at its disposal will enable it to conduct to the best advantage. It will also be guided by instructions and requests proceeding from the Legislature, various Departments of Government, and Royal Commissions. A great part of the work which is now done by temporary Assistant Commissioners, could be done more efficiently and much more economically by persons with some special knowledge of the particular subject and of the methods most appropriate for dealing with it. But we may assume that among the first tasks to be undertaken will be the formation of a proper census of occupations (which would, of course, not be taken all over the country on the same day); with some inquiries as to the number of dependents on each class of workers; the number of large and small establishments in each trade, the rates of wages and other particulars. As full an inquiry as possible might also be made as to the unemployed, and as to the conditions of life in crowded tenements, and among the poorest classes generally.† Information on some or other of these subjects is needed in almost every endeavour, whether public or private, for the general good. Much of it is indispensable for arriving at a sound conclusion in any process of mediation or arbitration in trade disputes. It is to be hoped further, that, as time goes on, the Department may be able to turn this information to account in such a way as to diminish in some small degree the unsteadiness of employment.

311. We have been compelled to express doubts as to the efficacy of many of the remedies which have been commonly advocated for irregularity of employment, and even to suggest that some of them might act in the opposite direction to that which is desired. At the same time the evils of this irregularity are so serious that no real remedy should be neglected merely because its operation would be limited. One source of fluctuations of work, not perhaps very considerable, but still appreciable, is the accumulation into certain parts of the year of a demand which could, with a little knowledge and thought, have been more evenly spread without any great inconvenience to the consumers. But at present it is not the task of any one to collect and publish the facts which are necessary for the guidance in these matters of those private persons and those public authorities who are willing

* *See ante*, paragraph 255. Since that evidence was given, the General Report on the Census for 1891 for England and Wales has been issued [C—7222]; and on p. 35 we read:—"While then we sympathise with those economists who cry out for fuller and more detailed information as to the industrial organisation of the country, we are distinctly of opinion that such information cannot be obtained by the machinery of an ordinary census."

† Information on some of these subjects has been attempted by public authorities; but in almost every case the warning has been added that the means for a proper investigation were not available, and that the results have very little statistical value. Most of the best work of the kind in England has been done at the expense and by the care of private persons.

to go out of their way a little in order to confer a benefit, both material and moral, on the working classes. We think it should be the duty of the Labour Department to attempt this task. The Evidence and the Answers to Questions given to us show that, in most of the trades connected with clothing and furniture and some others, the fluctuations of employment from month to month can be in a great measure predicted beforehand; the periods of chief activity as regards goods made to order being generally coincident with the periods of chief demand, but in the ready-made trades occurring generally some weeks earlier. We think that good might be done by collecting and publishing information on these points.

312. In periods of commercial depression there is always a demand that public authorities should undertake new works, whether remunerative or not. And though it is doubtless true that the community may well afford to suffer some material loss, rather than allow large numbers of the working classes to suffer the hardship and the deterioration caused by long periods of enforced idleness, yet the plan of starting new works in a hurry for the purpose must be regarded with some anxiety, on account of its wastefulness and other evils. But we think that, with a little forethought, public authorities might during more prosperous times prepare plans for works that are needed, but are not urgent; and hold them in readiness for times of depression. The information obtained by the Labour Department might prove of some value in assisting public authorities in this matter.

313. Lastly, we think that the Labour Department might do some good by obtaining and publishing from time to time accurate information as to the action of public authorities in this and in other countries in inviting in suitable cases separate contracts for the material needed, and for the work to be done on it, or for parts of that work, and especially in inviting associated bodies of working men to tender for the latter.

314. Although we do not recommend the concentration under a single Government Office of all functions connected with industrial matters, we desire to call attention to a Tabular Statement which has been drawn up by our Secretary with regard to certain Acts of Parliament, showing in each case by what public department administrative powers under the Acts are exercised. This Statement is printed as Appendix IX. to the Summaries of Evidence. It will be seen that there is now a considerable mass of legislation relating to the sanitary condition of factories and workshops, the restriction of hours of labour of women, young persons and children, the method of payment of wages and other matters, but that administrative powers under these Acts are divided between different public departments in a manner, which must, we think, tend to increased cost and diminished efficiency of administration.

The intermingling of various administrative authorities is, it will be seen, most clearly marked in the matter of enforcing statutory provisions with regard to sanitary matters in factories, workshops, and other workplaces, and it seems to us that, in this case, at least, a greater concentration of authority is clearly desirable. We recommend that a special inquiry should be instituted by the Government with a view to legislation directed towards remedying the confusion which we have indicated.

315. We have also discussed the advisability of recommending the creation of a "Higher Council of Labour," resembling those which have recently been established in France and Belgium (*see ante*, paragraph 261 and Appendix V.). Regard being had to the number, magnitude, and complexity of industries in this country, we think that it would be difficult by any system of nomination or election to compose a body of employers, workmen, and others which would give general satisfaction as a central council thoroughly representative of all the interests concerned. We think also, that in view of the general system in this country, and of the part taken by Parliamentary Committees, Royal Commissions, and Public Offices in collecting information and examining and advising upon proposals for legislation, it is doubtful whether a "Higher Council of Labour," on the French or Belgian model, would have a sufficiently definite sphere of action, or sufficient practical duties to perform.

PART II

1. WAGES AND HOURS OF LABOUR.
2. APPRENTICESHIP QUESTIONS.
3. QUESTIONS RELATING TO NON-UNIONIST LABOUR.
4. DEMARCATION DISPUTES.
5. SANITARY CONDITIONS.
6. INSPECTION OF FACTORIES AND WORKSHOPS.

316. In Part I. of the present section of our Report we have dealt with the question whether any improvements can be effected by way of legislation in the machinery and institutions by which relations between employers and workmen are at present adjusted, and disputes settled, and whether resort to strikes and lock-outs can thus be rendered less frequent.

317. We now proceed to consider whether to any extent any of the main and usual causes of such conflicts can be removed by means of legislation relating to the subjects of contention.

1. WAGES AND HOURS OF LABOUR.

318. By far the greatest number of such disputes arise from claims on the part of workmen to obtain an increase of wages, or attempts on the part of employers to reduce them, strikes on the former ground usually predominating in times of trade prosperity, and lock-outs with the latter object usually taking place in times of trade depression. We do not think that it has been seriously maintained on either side that the remuneration of work or rate of profit, or maximum and minimum wage rates in the general field of labour, should be fixed by law. Many of the witnesses on the side of the workmen, who most strongly advocated legal limitation of hours of labour, were asked whether they would also approve of State intervention between employers and employed in the matter of wages, and, with very few exceptions, they returned a negative answer to this question. It is not, we think, one which it is necessary for us to discuss.

319. The conflicts which have taken place with regard to hours of work are, however, of necessity very closely connected with wage-rates, especially when work is paid by time and not by the piece. A great number of witnesses on the side of the workmen advocated various proposals for the legal limitation of hours of labour of adult workmen, while employers were, as a rule, opposed to it in any form. The arguments adduced for and against the legal limitation of hours, whether by a general restriction of the working day to eight hours, or by trade option, or by administrative order to be made after inquiry with regard to special trades, have been very fully set forth in the fifth part of this Report. The conclusions to which we have been brought after weighing the arguments on this subject are as follows:—

320. To establish by law a maximum working day of a fixed number of hours applicable to all trades and occupations alike does not appear to us to be a proposal which bears serious examination.

321. The proposal that any trade should be enabled to decide by vote its own maximum hours of labour, and to obtain legal sanction to that decision, appears to us to be more worthy of consideration. No schemes, however, have been produced which solve the practical difficulties (referred to *ante*, paragraph 181, *et seq.*) of defining in all cases a trade, and of ascertaining its collective decision, especially in the case of the less well-organised industries. Even if these difficulties could be overcome, we do not see how the proposal could be adopted without danger of injustice to employers and to minorities of workmen, or without risk of economic injury in some cases to the country at large, in others to districts which have less natural advantages in competing with rival districts.

322. A further proposal is that special Acts of Parliament shall be passed with regard to special trades, either directly fixing the maximum hours of labour in such trades, or giving power to special Boards or to Public Departments to regulate the hours in them. We have had to consider the first of these alternatives chiefly with reference to the coal-mining industry.

323. The Miners' Federation, which covers the larger part of the English coal-mining districts, having refused to send any representatives to give evidence, we have only heard one side of the question so far as relates to the districts so controlled. We have, however, received evidence from both coal owners and miners in Northumberland, Durham, Scotland, and Wales. Upon the evidence before us, we are not prepared to advise that a general rule fixing a maximum of eight hours "from bank to bank" of all persons employed underground in mines should be laid down by the Legislature for a number of districts varying so much in circumstances.

324. We are decidedly of opinion that no sufficient ground exists for legislative interference with the present arrangements as to hours of work in the districts of Durham and Northumberland where, as the evidence shows, these arrangements are approved of by the great majority of those employed.

325. With regard to mines in other districts we do not think that a special case has, so far as the evidence in our possession goes, been made out for exceptional legislation upon the ground that the length of the hours now worked leads to an increase of accidents or to injury to health. The miners are, moreover, in almost every district a very powerful and highly organised body of workmen, and we do not think that it has yet been proved that they are unable to obtain by voluntary agreement with employers the hours which are best suited to the circumstances and interest of the industry in each district.

326. Passing to the proposal that, in certain instances, power should be given to special boards or public departments to regulate hours by administrative orders adapted to the circumstances of each case, we may observe that there is now a precedent for this course, in the case of adult workmen, in the Railway Servants Act, 1893 (*see ante*, paragraph 195). The ground upon which this Act was passed appears to have been that long hours in the case of railway servants increase the risk of accidents both to themselves and to the travelling public, and that the special privileges which the State has given to railways affords a special reason for regulation of hours of railway servants.

327. It has been pointed out (*ante*, paragraph 35) that, under section 8 of the Factory and Workshops Act, 1891, the Secretary of State has power to establish special rules for the conduct of manufacturing processes which he may certify to be, in his opinion, dangerous or injurious to health. It seems to be the fact that physical exhaustion increases the risk of accident or the susceptibility to disease in some occupations, and we think that the powers of the Secretary of State under this section should be expressly extended so as to include the regulation of hours in the certified industries. When the administrative orders made in these cases deal with the employment of women and young persons they might be final, but when they directly relate to the hours of adult workmen, they should, we think, be laid for a certain period before both Houses of Parliament before becoming law.

328. The evidence which we have received brings us to the conclusion that some modification should be made in those provisions of section 53 of the Factory and Workshop Act, 1878, which permit women and young persons to work overtime for 48 days in the year in various specified occupations, including dressmaking. The number of days in which such overtime is allowed might, in our opinion, be reduced with advantage, and we think that, in the case of young persons, no overtime at all should be permitted under this section.

329. We are of opinion that so far as relates to the hours of young persons, and to all sanitary matters, the provisions of the Factory and Workshop Acts should be made to extend to laundries.

2. APPRENTICESHIP QUESTIONS.

330. A further subject with regard to which disputes sometimes arise, especially in some of the more skilled trades, is that of the restriction of the number of apprentices in industrial establishments, and regulation of the age at which youths may enter a trade and the period of apprenticeship which they may serve. All this was made in the reign of Queen Elizabeth the subject of elaborate legislative directions, but the attempt to regulate these matters by law has long been abandoned and we see no reason for recommending its renewal.

3. QUESTIONS RELATING TO NON-UNIONIST LABOUR.

331. Many of the most serious conflicts which have taken place, especially of recent years, in the less skilled and organised trades, have turned upon the employment of non-unionist workmen. The causes of such difficulties appear to be beyond the reach of legislation. It would, in our opinion, be inadmissible, and, indeed, it has never been seriously suggested, that employers should be deprived of the right of employing whom they like, or workmen of the right of accepting employment whether or not they belong to trade organisations. We think, that non-unionist workmen should in all cases be protected so far as possible by the public authorities from anything approaching to violence or forcible obstruction.

332. Witnesses representing masters and workmen in various trades expressed themselves in favour of amendment or better definition of the law relating to intimidation by picketing. The statute law on this matter is contained in section 7 of the Conspiracy and Protection of Property Act, 1875, which is set out in Appendix II., and also in paragraph 102 of this Report. The statute does not supersede or exclude the prosecution and punishment of any acts which may amount to offences at common law, such as assault and unlawful assembly, neither does it interfere with the power and discretion of magistrates to require security for keeping the peace.

333. On the part of the workmen, the Act of 1875, as interpreted by the decision of the Queen's Bench Division in *Gibson v. Lawson* and *Curran v. Treleaven*,* seemed to be accepted, but it was suggested that the language of the Act should be amended so as to be free from ambiguity. The words as they stand make anyone liable to the penalties of the Act who "uses violence to or intimidates" [any other person with a view to put compulsion on him]. Intimidation is not defined, but it would seem that Parliament did not intend to alter the effect of the earlier Act of 1871, the words of which were "threaten or intimidate any person in such manner as would justify" binding over the party complained of to keep the peace. In the cases above mentioned it was decided that the more general words of the Act of 1875 had not any wider meaning. Having regard to the importance of making penal provisions of this kind clear on the face of them, both for the instruction of the public and for the guidance of the persons, not always learned in the law, who have to administer those provisions, we think the suggestion made on the workmen's part a reasonable one. We do not think, however, that it would now be satisfactory merely to restore the language of the repealed Act. Intimidation which will justify binding a man over to keep the peace is understood, in the modern practice, to be such intimidation as implies a threat of personal violence.† We can see no reason why this should not be plainly expressed in the terms of the Act rather than by words of reference which become clear even to a lawyer only after consulting other books. Accordingly we recommend that the first sub-section of section 7 of the Conspiracy and Protection of Property Act, 1875, should be amended so as to read thus :

"Uses or threatens to use violence to such other person or his wife or children or injures his property," omitting the ambiguous word "intimidate."

334. On the other hand it was suggested on the part of the employers that picketing is apt to become collective intimidation, and such intimidation is not the less effective, though not directly addressed to any person in particular, and a desire was expressed that the law might in some way be strengthened in order to meet this evil. We are of opinion, however, that the existing law is sufficient if impartially and firmly administered, but there is reason to doubt whether it is in all cases completely understood. Where the practice of "picketing" exceeds the bounds of information and peaceable conversation, and takes the shape of besetting the entrance or approaches of a factory or works in a threatening manner, we are advised that, apart from any threats addressed to individuals, the offence of unlawful assembly is committed.‡

* 1891 2 Q.B. 545. See Memorandum on the Law of Trade Combinations printed as Appendix II.

† Judgment in *Gibson v. Lawson, &c.*, 1891, 2 Q.B., at p. 559. The old authorities add threats of burning a man's house or (possibly) other goods. Threats of any other kind of damage to property do not seem ever to have been held a sufficient ground for requiring security of the peace.

‡ Art. 70. That offence is defined as follows, and in accordance with the authorities, in the late Sir James Stephen's "Digest of the Criminal Law."

An unlawful assembly is an assembly of three or more persons :—

(a.) With intent to commit a crime by open force ; or

(b.) With intent to carry out any common purpose, lawful or unlawful, in such a manner as to give firm and courageous persons in the neighbourhood of such assembly reasonable grounds to apprehend a breach of the peace in consequence of it.

Assaulting or forcibly obstructing workmen desirous of entering the "picketed" works is, of course, a breach of the peace; and if a picketing party shows a manifest intention to do such things, then every member of it will, we are advised, be guilty of the offence of unlawful assembly, even if no assault is actually committed. This appears to cover all cases which any law can well provide for, and we see no reason to believe that any practicable change in the law would make it more effective. In any case there must remain a great deal of moral compulsion or pressure which may in some cases be justifiable and in others not, but which positive law cannot usefully attempt to control. The law can and should protect the persons and property of those who dissent from the majority of their neighbours or fellow-workers; it cannot compel the majority to have a good opinion of them.

4. DEMARCATION DISPUTES.

335. Some conflicts have recently taken place in the North of England between organised bodies of workmen belonging to different trades and employed together in some complex industries like shipbuilding with regard to the demarcation of their respective provinces of work. This does not concern employers very directly, but has led in practice to strikes. It seems obvious that no legislation can be recommended which would succeed in removing a cause of conflict of this kind.

5. SANITARY CONDITIONS.

336. In addition to the subjects already mentioned as the most frequent causes of industrial conflicts, there are others which, although not often directly giving rise to actual strikes or lock-outs, have a considerable indirect influence upon the relations between employers and employed.

337. The sanitary conditions under which industries are carried on are frequently the cause of great and just dissatisfaction. The chief points to be noticed in this connection are bad construction of workshops, overcrowding of machinery in factories, insufficient cubic space for the number of persons employed, want of ventilation, unhealthy temperature, insufficient or defective sanitary accommodation. We find that evils of this kind exist in some degree or other in most trades and districts, but to the greatest degree in overcrowded and dispersed industries which are carried on in a multitude of small workshops in great cities, more especially in those connected with the manufacture of cheap clothing and furniture.

338. We think that many of these evils would be obviated if it were possible to carry out thoroughly the provisions of the Factory and Workshop Acts, and of the Public Health Acts. The existing defects seem to be due not so much to want of legal powers to remedy them as to the difficulty of discovering all the places in which the conditions are unsatisfactory, and of enforcing the provisions of the law.

339. Besides the direct evils resulting to the persons concerned from defective sanitary conditions under which their labour is carried on, there is, we think, another strong, though less direct reason for attempting to enforce more strictly the provisions of the law in this respect. It is chiefly in small workshops or in dwellings which escape inspection that the illegitimate competition with properly conducted establishments is or can be carried on. It is with competition of this kind that the word "sweating" is usually connected.

340. Factories or large workshops, in which the conditions as to sanitation and hours of work required by the law are observed, are at a disadvantage in competition with small workplaces in which it is practically impossible, with the means at present available, to enforce these requirements. The better workshops in which the law is complied with are therefore exposed to the illegitimate competition of workplaces which by their number and small size escape supervision, and where work can for that reason be carried on more cheaply. In order to secure to the workman all the advantages intended to be conferred upon him by the Factory and Workshops Acts, it is necessary to ensure that the provisions of the law shall not be evaded by a lower class of employers and by a more helpless class of workmen. Otherwise he is placed at a disadvantage by the very laws intended for his protection and benefit. To insist upon conditions which are costly and onerous in factories and large workshops, and to tolerate the absence of all such conditions in workplaces which evade inspection, is to drive employment from the former into the latter class of establishments, and to

increase the difficulty which the larger employer has in giving fair terms to his work-people. While, therefore, the workman cannot, in our opinion, be protected against the competition of foreign immigrants or other workmen who are willing to accept lower rates of wages, he has, we think, a right to demand that the law shall not intensify that competition by tolerating insanitary or other conditions in the worse work-places which are prevented in the better ones.

341. Upon these grounds, as well as upon that of the direct evil to the persons compelled by their circumstances to labour in bad workplaces, we think that some strong measures should be taken with a view either to the improvement, or where that should prove impossible, the gradual extinction of the lowest class of workplaces in which the "sweated" industries are carried on.

342. We have carefully considered the proposals which have been made by the present Chief Inspector of Factories, and which are set forth in paragraph 43 together with the suggestions made by Mr. Charles Booth, referred to in paragraph 45 of this Report, and we are of opinion that legislation to the following effect is desirable, viz:—

- (1.) That within the industries or districts affected by the proposed legislation or by administrative orders under it, all occupiers of workshops (excluding domestic workshops which we do not think can be dealt with at present) and perhaps also of factories, shall be required under penalties to obtain a certificate from a competent public authority to the effect that the premises used by them are in all respects in a sufficient sanitary condition, and contain sufficient cubic space for the number of persons employed therein, such certificate to be withdrawn at any time if it were found that the conditions were no longer complied with.
- (2.) That occupiers should be primarily liable, but that immediate owners, who receive the rent of workshops, should also be liable, if penalties could not be recovered from occupiers, in case of such workshops being carried on without the certificate having been obtained or after it had been withdrawn.
- (3.) That all contractors and shopkeepers in the industries or districts in question who should employ out-workers should keep lists of such out-workers, and should be bound to take all reasonable precautions that work so given out was, if done in workshops, only done in those which had a proper certificate.

343. If a general Act were passed to this effect it might, we think, be left to the discretion of the Home Secretary to apply its provisions from time to time to particular industries or scheduled areas, but regulations of this kind appear to be urgently required in the case of the manufacture of articles of clothing (including boots and shoes) and cheap furniture. We think that the proposed regulations should also extend to bake-houses and laundries.

344. We are aware that any reform of this kind would probably, even though brought gradually into effective operation, throw altogether out of employment a number of persons who are now making a bare livelihood under bad conditions, and would thus, until things had re-adjusted themselves, increase rather than diminish distress. It would be necessary, as the cost of the improvement, to contemplate the probability of increased pressure for a period upon poor law relief, but we think that, in the long run, the permanent gain to the community would much more than repay the temporary loss. We believe that to secure better sanitary conditions to all those engaged in the class of industries under consideration would prove to be the first step towards the eventual elevation of their whole standard of life, and the improvement of their conditions of labour in all other respects.

6. INSPECTION OF FACTORIES AND WORKSHOPS.

345. We think that some legislation of the kind just indicated will be necessary in order to deal effectively with the small workplaces, which even a host of inspectors could hardly keep under supervision as the law now stands. The evidence shows that it is difficult for the present staff of inspectors to keep under sufficient supervision even all the factories and larger workshops. One object of the Factory and Workshop Act, 1891, was to make inspection more effective by transferring to the inspection and control of local sanitary authorities workshops, as distinguished from

factories, so far as sanitary matters are concerned. The success of this recent experiment seems as yet to be doubtful, and it remains to be seen how far the powers reserved in the Act to the Secretary of State can be effectually employed. We believe, however, that the satisfaction of the demands for increased inspection can be met only by developing the duties in this regard of the local authorities, though it may become necessary to strengthen the powers of the Central Department so as to secure the proper performance of those duties in all cases.

346. We see with satisfaction the steps which have recently been taken to increase the number of assistant inspectors, to provide inspectors in chief industrial centres with offices and clerical staff, and to appoint female inspectors, and that further developments in this direction are in progress.

347. We received in the course of evidence a great number of suggestions with regard to specific amendments of Acts of Parliament relating to special trades. It has been impossible for us consistently with carrying out within a reasonable time the main objects of our inquiry to enter upon an examination of all these suggestions. They have, however, been tabulated by our Secretary in a convenient form in a paper which is printed as Appendix I. to the Summaries of Evidence. In addition to specific amendments many suggestions made by witnesses with a view to the alteration of the Coal Mines Regulation Act, the Factory Acts, the Law of Employers' Liability, and the Merchant Shipping Acts have also been tabulated in other Appendices to these Summaries.

SEAMEN.

348. Without implying that many of these suggestions made with regard to other industries are not highly deserving of consideration, we desire to make a more special reference to the conditions of labour of seamen. We received much evidence with regard to the mode in which seamen enter upon engagements to serve on ships. In connection with this matter our attention was called to the practice known as "crimping," which still appears to flourish, in spite of the law. Crimping was defined by Sir Henry Calcraft in evidence (Group B. Vol. II., 14,826) as "a system by which certain boarding-house keepers, if unchecked, take advantage of the weakness of seamen, and the peculiar circumstances of their lives, to obtain complete control of their liberty of action, and practically control the supply." The object of the Merchant Shipping Act, 1854, was to abolish this evil by making it necessary for shipowners to engage men directly through their own officers or servants. This it is difficult, or sometimes impossible, to do without the intervention, either of crimps or general agents, especially when ships have to make up their crews, or replace deserters at intermediate ports of call, where a ship stays only for a few hours. The law, as it stands, does not allow shipowners to have agents at ports to supply seamen, unless the Board of Trade will grant licences to such agents under section 148 of the Act of 1854. The Board have not considered it to be proper to grant such licences either to the Seamen's Union, or to the Shipowners' Federation. We think it desirable that the provisions of the Act should be amended so as to make it expressly legal for any *bona fide* organisation, whether of employers or employed, certified as such by the Board of Trade, to act as general agents in supplying seamen to ships. Such organisations so acting would prove, we think, the most effective means of making resort to "crimps" less frequent than it now, in spite of the penal law, appears to be.

349. Accommodation on board ship is at present regulated by section 9 of the Act of 1867, which provides that "every place in any ship occupied by seamen or apprentices and appropriated to their use shall have for every such seaman or apprentice a space of not less than 72 cubic feet, measured on the deck or floor of such place." We are of opinion that the evidence shows this accommodation to be too small for sanitary purposes, and that, in view of the increased size of modern ships and the fewer hands they require in proportion to their tonnage, it might be increased in the case of new ships to 120 cubic feet.

350. Allotment of wages is dealt with in sections 149-169 of the Act of 1854 and in section 3 of the Merchant Seamen (Payment of Wages and Rating) Act, 1880. A seaman has power under these Acts to allot half his wages before he sails to his wife or certain other relatives, but the allotment notes are payable only once a month. We think that this often involves hardship, and that, whilst having regard to the frequent

desertions abroad, it would not seem desirable to increase the amount which can be allotted beyond one-half of the full wages, this proportion might be made payable fortnightly.

351. We think that medicines put on board ship should be certified by the chemist who supplies them. We also think that some qualification should be required from ships' cooks.

352. The insufficient manning of a certain class of ships has been a subject of complaint. We understand that the President of the Board of Trade has undertaken to appoint a departmental committee of inquiry, including some representatives of shipowners and seamen, to investigate the whole of this subject, and to consider the best steps to take.

353. With regard to the constitution of local marine boards it was urged by some witnesses that the interests of the seamen are insufficiently represented. There are important practical difficulties in the way of any choice of seamen's representatives by a process of election, but we are glad to understand that it is the practice of the Board of Trade, where suitable persons of the class of an A.B. or suitable representatives of seamen can be found, to appoint such persons to be members of local marine boards,* and we consider that as the shipowners are already represented by elected members, the nominees of the Board of Trade should be, as far as possible, persons not similarly interested in shipping property.

AGRICULTURAL LABOUR.

354. The inquiry through Assistant Commissioners into the conditions of agricultural labour throughout the United Kingdom was undertaken in consequence of the opinion which was held by several of the Commissioners (and was also expressed by some witnesses), that the condition of agriculture, the diminution of employment on the land, the migration of labourers from rural districts into large towns and industrial districts, and their competition with other classes of labour, had exercised an important influence on the labour question generally; and that measures, with a view to the improvement of the condition of the agricultural labourer, might indirectly, by inducing him to remain on the land, prove to be of considerable benefit to the whole industrial population. The Reports of the Assistant Commissioners, which have been summarised by Mr. Little, in the document appended to the Report, (*see* pages 195 to 253) are of considerable interest, and contain, in our belief, a fairly complete and accurate account of the present condition of the agricultural labourer.

355. We do not, however, find any ground for believing that the depressed condition of the agricultural industry has led to an abnormal over-supply of labour in the general labour market. There appears to be no doubt that of all the classes engaged in agriculture the labourers have, regarded as a whole, suffered the least from the recent depression of prices. It is, indeed, worthy of note that notwithstanding the almost complete absence of organisation amongst them, it seems that the general condition of agricultural labourers in most districts has improved, and that they have obtained some share, and frequently not an inconsiderable share of those advantages which have been largely attributed in the case of other industries to the action of trade unions.

356. The diminished amount of rural employment consequent upon the increased importation of foreign produce must, no doubt, have caused a considerable transfer both of capital and labour from agricultural to urban industry. When, however, we compare the conditions of one rural district with those of another, we do not find that the migration to towns is, as a rule, more marked in those districts where wage rates are relatively lower, or other conditions of labour inferior, than in those where the labourers have greater advantages in these respects. We have no doubt that many other causes besides actual deficiency of employment or lowness of wages have contributed to the migration of a part of the agricultural population into urban districts, a movement which is by no means confined to this country. Among these causes are, no doubt, the improved facilities of locomotion and the spread of education and information. While, therefore, any measures which may be devised for the improve-

* *See* evidence of Sir Henry Calcraft, Group B. Vol. II., 14,807.

ment of the condition of the agricultural labourer are eminently desirable in themselves, we do not think that they can be regarded as likely to influence largely the state of the general labour market.

357. The chief evil to which it appears possible that legislative or administrative remedies may be applied is the defective structure and sanitary condition of the houses of agricultural labourers in many districts in all parts of the country. At present the character of the dwellings in which the agricultural labourer has to live varies largely with the character or means of the owners of the houses. As a rule, the houses usually seem to be fairly good upon the estates of wealthy proprietors, but are frequently very bad when belonging to persons who have not sufficient means to repair or rebuild them, or who treat them simply as an investment.

358. Under the Public Health Acts and the Housing of the Working Classes Act, 1890, rural sanitary authorities can exercise very considerable powers with regard to the construction, accommodation, and arrangements of new buildings, can absolutely close insanitary dwellings, and can acquire powers to deal with drainage and the sanitary conveniences of existing houses. With the sanction of the county council, a rural sanitary authority can itself acquire sites and build cottages. It does not appear to us that greater powers are necessary, but we concur with a suggestion made by Mr. Wilson Fox, one of the Assistant Commissioners, and endorsed by Mr. Little, that the owners of all houses let at a rental of less than 10*l.* a year should be obliged to make an annual return to the sanitary authority, stating the number of persons in each cottage, their sex, and age; whether the house is provided with a proper water-supply and a closet, and whether the premises are in good repair. We think that the obligation to make this return would have the two-fold good effect of periodically calling the attention of the sanitary authorities, and of owners themselves, to the condition of cottages.

359. We also approve of the suggestion made by several of the Assistant Commissioners that the medical officer of health in each district should not be allowed to be in private practice; that he should give up his whole time to the duties of his office, and that he should not be removable without the consent of the Local Government Board. In order to secure a properly qualified man under these conditions, it would be necessary to offer such a salary as would be a heavy tax upon many small sanitary districts, while such districts would not afford sufficient work to occupy the whole time of the officer. In order to meet this difficulty we think that two or more sanitary districts should be combined. We are of opinion that, in order to increase the independence of the medical officer, he should be appointed by the county council, subject to the approval of the Local Government Board.

360. We further agree with the recommendation made by Mr. Little that under legislation applying both to England and Wales and to Scotland, loans should be advanced to landowners through the agency of a Government Department, for the purpose of building cottages at the lowest rate of interest which would secure the State from loss, such loans to be made repayable by fixed instalments of principal and interest within a certain number of years. The loans might be made subject to express conditions as to the character of the cottages, and the provision of gardens, and the maximum rent to be charged. Opportunity might be taken of re-considering the terms on which loans are made for these purposes to local authorities.

361. In Ireland a considerable number of cottages have been built by the rural sanitary authorities, under the provisions of the Labourers (Ireland) Acts. Up to July 1892 the Irish Local Government Board had sanctioned schemes for building 11,774 cottages, and repairing 97. In the Report of one of the Assistant Commissioners, Mr. O'Brien, some complaints are mentioned as to delays and difficulties of procedure under these Acts, and to the remissness of boards of guardians in some districts in exercising their powers under the Acts. Mr. O'Brien's Report contains various suggestions which he received from experienced witnesses with a view to the improvement of procedure under the Acts. One of these proposals is that power to initiate schemes for the building of cottages under the Acts should be transferred from the boards of guardians to the Local Government Board. We find from the evidence collected by the Assistant Commissioners that in spite of the progress accomplished under the Labourers Acts, a considerable number of agricultural labourers in Ireland still inhabit very wretched dwellings, and we think that many of the suggestions to which we have referred, for the more effective carrying out of the intention of these Acts, are highly deserving of consideration.

362. We desire, however, to repeat that, while reforms of this character appear to be called for on their own merits, and while it is possible that they, in conjunction with other measures, as, for instance, the increased provision of allotments or small holdings, may render agricultural employment in some degree more attractive, and may thus tend to diminish to some extent the migration from the rural districts, it does not appear to us that there is any direct evidence to prove that the existing defects in the conditions of rural life have exercised or are exercising any material effect upon the industrial change which, under the influence of far wider and greater causes, has for some time been in progress in this country.

CONCLUDING OBSERVATIONS.

363. We desire to say in conclusion that, in our opinion, many of the evils to which our attention has been called are such as cannot be remedied by any legislation, but we may look with confidence to their gradual amendment by natural forces now in operation which tend to substitute a state of industrial peace for one of industrial division and conflict. The growth and development of large industrial establishments during the present century has necessarily resulted in the creation of considerable bodies of workmen more or less separated in their lives and pursuits from those under whom they work. In those manufactures, which in modern times have been carried on upon a great scale with costly machinery, there cannot exist the intimate relation between the employer and workman and between the workman and his work which is to be found in some small industries where the workman owns, or may hope some day to own, after serving as apprentice and journeyman, his tools, workshop, and material. The mutual ignorance arising from this separation is, we believe, a main reason why so many conflicts take place, turning upon the division of the receipts of the common undertaking between the owners of the machinery and material, and the workmen who supply the labour.

364. It is, however, precisely in these industries where the separation of classes and, therefore, the causes of conflicts are most marked, that we observe the fullest developments of that organisation of the respective parties which appears to us to be the most remarkable and important feature of the present industrial situation. Powerful trades unions on the one side and powerful associations of employers on the other have been the means of bringing together in conference the representatives of both classes enabling each to appreciate the position of the other, and to understand the conditions subject to which their joint undertaking must be conducted. The mutual education hence arising has been carried so far that, as we have seen, it has been found possible to devise articles of agreement regulating wages which have been loyally and peacefully maintained for long periods. We see reason to believe that in this way the course of events is tending towards a more settled and pacific period in which, in such industries, there will be, if not a greater identification of interest, at least a clearer perception of the principles which must regulate the division of the proceeds of each industry, consistently with its permanence and prosperity, between those who supply labour and those who supply managing ability and capital. We cannot deny the possibility of organisations of employers and of workmen combining together to control an industry injuriously to the public interest; but it may be hoped that such combinations would in the end either fail from within or be defeated by competition arising from unexpected quarters, or be destroyed by changes in methods of production.

365. As the terms of what is virtually a partnership come to be better understood, and the arrangements for adjusting them to the variations of trade are made more perfect in one branch of industry after another, a natural end will be found to the conflicts which have been the result, for the most part, of uncertain rights, and mutual misunderstandings and pursuance of separate interests, without sufficient regard to their common interest, by employers and workmen.

366. This end would not, we think, be attained through what are usually known as Socialist or Collectivist methods. The Socialist idea is that the ownership of all the means and larger instruments of production should by a more or less gradual process pass into the hands of State or Local Public Authorities. Apart from the practical and equitable difficulties of the transfer, upon which we do not dwell, and from the deadening effect on industrial enterprise of the removal of the stimulus of private gain, it is not evident how the ideal of social peace would be realised. The workman would still

have to struggle for what he would consider the due remuneration of his labour, although the struggle would be with a different opponent, and conducted by different methods. So far from social peace being attained by this road, it might probably only lead to new conflicts turning upon the mastership of the central or local administrative power, and arising between workmen and other members of the community, or between different classes of workmen.

367. We have seen that industrial peace is promoted by the knowledge acquired by workmen and capitalists meeting in conference together, and we look for strong influences tending towards harmony from the investment by workmen of their savings in different enterprises, and the experience which they thus gain as capitalists on a small scale. Such teaching is, however, most efficiently and powerfully secured in the working of strictly co-operative associations, where the relative remuneration of labour and capital, and the conditions of employment, have to be settled by workmen themselves, who are both employers and employed. The influence of such societies spreads far beyond those who are members of them by producing among the industrial classes a common knowledge of the principles governing the remuneration of work. Similar effects to those to which we have last referred are caused by the extension of the principle of profit-sharing among many establishments, of which we had gratifying and encouraging testimony.

368. The various agencies on which we have been dwelling are, in their various degrees, especially noteworthy in dispelling the jealousies and antipathies which formerly characterised industrial disputes, and in producing a frank and open treatment of the circumstances provoking a struggle. A more cordial understanding, and one based on a better knowledge of the relations between employers and employed, is growing up. This better knowledge is passing outside the ranks of the combatants themselves, and is tending to spread throughout the nation; and the public opinion thus developed re-acts upon special industrial disputes and operates to bring about a pacific solution of them.

We may, indeed, say that all the causes tending to industrial peace which we have reviewed unite in producing this common spirit running through all classes of the kingdom, which is the best promise and assurance of the realisation of peace in the future.

All which we humbly submit for Your Majesty's most gracious consideration.

(Signed)

DEVONSHIRE.	G. W. BALFOUR.
DAVID DALE.	THOS. BURT.
M. E. HICKS-BEACH.	*J. C. BOLTON.
A. J. MUNDELLA.	ALFRED HEWLETT.
LEONARD H. COURTNEY.	THOS. H. ISMAY.
JESSE COLLINGS.	GEORGE LIVESEY.
FREDERICK POLLOCK.	SAMUEL PLIMSOLL.
E. J. HARLAND.	EDWARD TROW.
* W. THOMAS LEWIS.	WILLIAM TUNSTILL.
ALFRED MARSHALL.	

JOHN BURNETT, } Joint Secretaries.
GEOFFREY DRAGE, }
F. V. HORNBY, Assistant Secretary.

May 24th, 1894.

* Subject to Observations appended on page 114 of this Report.

With the object of avoiding a separate Report we have attached our respective signatures to the above Report, although we are not in complete accord with some of the observations and suggestions therein contained.

(Signed) W. THOMAS LEWIS.
J. C. BOLTON.

I agree generally with the Report and have therefore signed it, although there are some observations and suggestions with which I am not in complete accord. I do not consider that the course pursued by the great majority of trades associations is calculated to produce industrial peace.

(Signed) GEORGE LIVESEY

Observations appended to the Report by the Chairman, Mr. David Dale, Sir Michael E. Hicks-Beach, Mr. Leonard H. Courtney, Sir Frederick Pollock, Mr. Thos. H. Ismay, Mr. George Livesey, and Mr. William Tunstill.

1. While agreeing with the Report, so far as it extends, which we have signed together with the majority of our colleagues, we desire to call attention to some proposals which were discussed by the Commission, but with regard to which there proved to be no such general agreement as would justify their inclusion in the body of the Report.

2. Reference has been made in the Report to the powerful associations of employers and workmen which are so remarkable a feature of the present industrial situation. The magnitude of the conflicts which have recently been fought between them may make it appear that strength and completeness of organisation is not the best means of bringing about increased harmony between the classes engaged in industry ; but the existence of these disputes ought not to be permitted to obscure the fact that there is another side to the action of these bodies, and that in many important industries the relations of the two parties are regulated by them for long periods with little disturbance or conflict. It seems to be worthy of consideration whether something more may not still be done in the recognition and encouragement of this side of their operations.

3. It has been stated in paragraph 149 of the Report, that at present " Collective agreements are, as a matter of fact, frequently made between great bodies of organised workmen and employers, which bodies have no legal personality, and cannot sue or be sued for damages occasioned by the breach of such agreements by sections of their members. There is collective action without legal collective responsibility. While this state of things lasts it does not appear that such collective agreements can be, as between such bodies, otherwise than morally binding upon them." We think that the state of things thus described might be beneficially altered by some amendments of the existing law.

4. In the following observations it must be borne in mind that when Trade Unions or Trade Associations are spoken of, associations of employers as well as of workmen are included, and that if, in any particular instance, it appears to be suggested that special privileges should be conferred, or responsibilities imposed upon one class of such associations, it will probably be found that corresponding privileges or liabilities will attach to the other.

5. The present limitation of the law appears to be expressed in section 4 of the Trade Union Act of 1871, which provides that " Nothing in this Act shall enable any court to entertain any legal proceeding instituted with the object of directly enforcing or recovering damages for the breach of any of the following agreements, namely :—

- " (1.) Any agreement between members of a Trade Union as such, concerning the conditions on which any members for the time being of such Trade Union shall or shall not sell their goods, transact business, employ, or be employed ;
 - " (2.) Any agreement for the payment by any person of any subscription or penalty to a Trade Union ;
 - " (3.) Any agreement for the application of the funds of a trade union (a) to provide benefits to members ; or (b) to furnish contributions to any employer or workmen, not a member of such Trade Union, in consideration of such employer or workmen acting in conformity with the rules or resolutions of such Trade Union ; or (c) to discharge any fine imposed upon any person by sentence of a court of justice ; or,
 - " (4.) Any agreement made between one Trade Union and another ; or,
 - " (5.) Any bond to secure the performance of any of the above-mentioned agreements.
- " But nothing in this section shall be deemed to constitute any of the above-mentioned agreements unlawful."

6. The object of this Act appears to have been, while freeing Trade Unions from the last remains of their former character of criminal conspiracies, and giving full protection to their property, (1) to prevent them from having any legal rights against their members, or their members against them; and next (2) to prevent their entering into any legally enforceable contracts as bodies with each other or with outside individuals, except with regard to the management of their own funds and real estate.

7. In our opinion the experience of the period which has elapsed since the year 1871 justifies some relaxation of these statutory restrictions. We think that the extension of liberty to bodies of workmen or employers to acquire fuller legal personality than that which they at present possess is desirable in order to afford, when both parties wish it, the means of securing the observance, at least for fixed periods, of the collective agreements which are now, as a matter of fact, made between them in so many cases. The associations which might avail themselves of the liberty might in some cases be Trade Unions or Employers' Associations, and in other cases bodies of workmen employed in a few establishments, or even a body employed in a single establishment, according to the circumstances of each industry. We do not suggest that a scheme of legally enforceable agreements would be applicable to the circumstances of all, or even, at present, of the larger part of the industries of this country. We find, however, from the evidence that a considerable and very important part of British industry is conducted under collective agreements made in the most formal way between highly organised trade associations, and that the substitution of agreements between associations for agreements between individual employers and individual workmen is a growing practice, and one which is intimately connected with the mode and scale upon which modern industry is at present carried on. It seems to us to be clear from the evidence both of employers and employed that the advantages of this system greatly outweigh the disadvantages. This may not have been so evident at the date when the Trade Union Act of 1871 was passed, but it is attested by the growth of the system. Such agreements are, in fact, the recognition of that virtual "partnership" between those who supply labour and those who supply managing ability, referred to in paragraph 365 of the Report, and are, therefore, on the whole, in accordance with the public interest and with the circumstances of modern industry. If this is the case, then it seems to follow that further legislation is desirable in order to bring the law into harmony with the present state of facts and public opinion.

8. We think that such an extension of liberty, if conceded (and in so far as it might be acted upon), would not only result in the better observance for definite periods of agreements with regard to wage-rates, hours of labour, apprenticeship rules, demarcation of work, profit-sharing and joint-insurance schemes, the undertaking of special works, and other matters, but would also afford a better basis for arbitration in industrial disputes than any which has yet been suggested.

9. In order to enable Trade Associations to enter into collective legally binding agreements, with the consequence that in case of breach of contract they would be liable to be sued for damages payable out of their collective funds, it would not be sufficient to repeal sub-section 4 of section 4 of the Act of 1871. Even if that legislative incapacity were taken away, the Trade Associations would be prevented by their want of legal personality from entering into such agreements, or suing or being sued, except with regard to the management of their funds and real estate.

10. It would be necessary that they should acquire by some process of registration a corporate character sufficient for these purposes. We are anxious to make it clear that we propose nothing of a compulsory character, but that we merely desire that existing or future Trade Associations should have the liberty, if they desire it, of acquiring a larger legal personality and corporate character than that which they can at present possess. It must be added that even if Trade Associations were thus clothed with a legal personality, it would be open to them by express stipulation to provide that any special agreement between them should not be enforceable at law.

11. The further powers of incorporation would not be made a condition of the existing registration, but would be offered as powers to be obtained by registration under a new Act. The motive which would, it might be hoped, influence Trade Associations so to register would be the desire to acquire power to enter into agreements of a more solid

and binding kind than heretofore. This might be sufficient in the case of an increasing number of the Trade Associations.

12. With regard to the collective agreements, there should, perhaps, be some statutory conditions attaching to them, for instance:—

- (1.) That such agreements should specify a period for which they were intended to hold good, and a period for notice of amendment or renewal.
- (2.) That such agreements should be registered in some central local public office, and should be open to inspection by the parties concerned.

13. We think that the contracting association should be responsible for observance of the collective agreement by all its members, so long as they remained its members, and that every member of an association should during membership be held to be under a contract with the association for observance of the collective agreement. The effect of this would be (1) to give to those entering into contracts with an association the right to sue it for damages in case of breach of contract by it or any of its members, and (2) to give an association the right to recover damages from those of its members who infringed the collective agreement. For the more convenient enforcement of the latter right, some power of deciding disputes between a society and its members, similar to that conferred on Friendly Societies by section 22 of the Friendly Societies Act, 1875, might perhaps be extended to Trade Associations.

14. Assuming the reform which we suggest to have taken place, we are aware that some litigation might arise before it was settled what collective agreements were or were not *ultra vires*, or "in restraint of trade;" but we think that we are justified in anticipating that judicial discussion of these matters would lead to reasonable solutions of the problems which might arise in each case, and to the gradual evolution of the best general principles. As it is not intended to give to the bodies making these collective agreements any greater powers than are enjoyed by individuals, the agreements in question would be subject, like agreements between individuals, to the restrictions flowing from the common law doctrine in discountenancing restraint of trade.

15. The Commission have had carefully to consider the question whether the State should attempt to do more than, as proposed by Mr. Mundella's Bill, promote the formation of voluntary institutions of conciliation and arbitration. It appears from the evidence that there is in many quarters a desire, sometimes on the part of workmen, sometimes on that of employers, and in some cases felt by both, that the State should do something to replace strikes and lock-outs by a more peaceable and rational way of settling trade disputes. There does not seem to be any very clear idea as to the precise manner in which this end should be accomplished, but the general notion appears to be either that the State should establish tribunals of its own, with powers like those of ordinary law courts, or that it should invest with similar powers voluntarily-formed industrial tribunals.

16. In order to examine this question, it is desirable, in the first place, to point out what the State cannot do, according to the ordinary principles accepted in this country. It seems to be obvious (1) that the State cannot compel either individuals or bodies of men to enter into agreements; and (2) that the State cannot compel employers to give employment or workmen to do work upon terms which they do not respectively accept. Inasmuch as lock-outs and strikes are, in practice, the assertion of these essential liberties on the part of employers and workmen, it is clear that the State cannot prohibit acts of this kind and compel the parties to resort to tribunals of any sort instead.

17. It was suggested in the evidence that strikes and lock-outs should be illegal and punishable in cases where arbitration had not first been resorted to. But it seems, for the reasons just given, that it is impossible to make strikes or lock-outs illegal and punishable in any case, leaving out of consideration such exceptional cases as those of the army or navy, or certain cases especially provided for by legislation where a sudden strike in breach of contract may involve actual danger to the public. Generally speaking, it may be laid down that the State (1) cannot compel parties to submit to arbitration matters upon which they have a perfect right to take their own course; and (2) that it cannot compel either employers or workmen to carry out, by way of specific performance, an award as to wages or other terms of service.

18. For these reasons the Royal Commission on Trades Unions of 1867 appears to have decided rightly (while warmly advocating the extension of voluntary institutions)

that no "system of compulsory arbitration" is practicable. The question, however, arises whether it is possible to devise any means short of compulsory arbitration by which the object so widely desired, that arbitration should replace strikes and lock-outs, might be more fully attained than it is at present.

19. It seems that although the most formidable obstacles to resort to arbitration are probably those indicated in paragraphs 136 and 137 of the Report, a further obstacle may frequently be found in the uncertainty which exists as to the observance of an award when given. If an arbitrator can only pronounce a decision which may or may not be followed according to the goodwill of the parties the procedure is to some extent discredited. Although, as a rule, arbitration awards may be loyally accepted and the exceptions may be very few, yet the possibility of such an exception occurring may make employers or workmen less willing to resort to a troublesome and elaborate process like formal arbitration. It has been shown that it is impossible to compel the observance of any award in these matters. It remains to be considered whether any better guarantee or motive for such observance can be obtained to supplement and strengthen the moral force which already exists.

20. In order to have arbitration in the strict sense of the word, there must be two or more parties capable of entering into a legal contract to submit present or future questions to arbitration, and there must be such submission. Then, by the ordinary principles of law, damages can be recovered from any party who refuses to go to arbitration, or declines to act on the award when made.

21. As things stand now, large bodies of workmen or employers cannot, as such bodies, enter into legal contracts of submission to arbitration, for want of legal personality, and, for the same reason, damages cannot be recovered from them, as such bodies, for refusal to go to arbitration after agreement to do so, or for refusal to accept the result of awards.

22. If, however, the suggestions which we have made were adopted, and it were put within the power of such bodies to acquire legal personality sufficient to enable them to enter into collective agreements, with the legal sanction of collective liability in damages for breach of such agreements, this difficulty would so far be solved.

23. If, under such circumstances, a body had agreed to submit future disputes on one or more subjects to arbitration, and subsequently refused to do so and resorted to a strike or lock-out, it might be sued for damages, and the prospect of this, although it could not indeed prevent, would render less likely resort to such measures. If a strike or lock-out did take place, although it is true that any damages which could be recovered would probably not, except in the case of a small or partial conflict, be sufficient compensation, yet an action at law would render more visible the breach of contract, and serve to guide public opinion. The same observations will apply to the breach of an award made upon a submission under collective agreement. There would, in both cases, be the gain of a judgment publicly pronounced by a competent authority, and attended and emphasised by tangible results.

24. For instance, an employer might insist on a reduction of wages contrary to a collective agreement or to an arbitration award founded upon a collective agreement. Then, instead of striking, the workmen might continue to work at the reduced wages, and, through their Association, sue the employer or his Association for damages to the amount of their loss. Or, on the other hand, workmen might insist on a rise of wages, contrary to the collective agreement or the award. Then the employer, instead of locking out or discharging the men, might give the increase under protest, and sue their Association for damages. The damages being recoverable from the collective funds of the Association, it would not be necessary to proceed against any individual workmen.

25. Or again, supposing that a collective agreement were in existence between an association of employers and an association of workmen, providing that no change in rates of wages should take place without the sanction of a Board of Arbitration, then either side refusing to submit the question for arbitration or to abide by the result would be liable to be sued for damages. The judgment would be pronounced by a competent authority, would be made publicly, have tangible results, and thus greatly help to form public opinion.

26. It has already been pointed out that the absence of any positive guarantee for the observance of awards may deter in many cases both employers and men from

resorting in practice to arbitration, although they may in theory prefer it to strikes and lock-outs. It might be anticipated that if by the method of collective agreements a more concrete guarantee were given to arbitration, it would be more frequently resorted to by those who have a *bonâ fide* preference for it over more violent modes of settling differences.

27. It must further be observed that if trade associations were able, as bodies with legal personality, to refer present or future questions to arbitration, they could by such agreements, under the ordinary law embodied in the Arbitration Act, 1889, either constitute or indicate their own tribunals or arbitrators, and clothe them with all necessary powers of procedure, and enable them to make awards which could, if broken, be made grounds of action for damages. Thus, in these cases, the problem of how to give powers of procedure to voluntarily-formed boards of arbitration, and a legal sanction to their awards, would be solved by the operation of the ordinary law as to agreements made between parties capable of contracting. Inasmuch as such tribunals would, in each case, be constituted by the agreement of the parties interested, they would, it might be expected, possess their confidence, while the fact that associations, and not individuals, were primarily responsible for the observance of the awards might remove some of the difficulties which have hitherto attended attempts to give a legal sanction to arbitration awards in industrial matters.

28. These observations apply both to agreements for referring general questions and to those for referring minor questions to arbitration. Supposing, for instance, a case in which two associations of employers and workmen, capable under the supposed law of entering into collective contracts, had agreed to have (1) a Wages Board with provision for arbitration to settle changes in the rate of wages and other general questions, and (2) a Joint Committee, with an independent chairman, to decide minor questions arising with regard to existing agreements or customs, and had further agreed that all questions should be referred by them and their members to these Boards respectively. Then in either case, the effect of the agreement would be to render liable to damages the Association which, or the members of which, did not respect the arrangement but resorted to strikes or lock-outs.

29. The evidence does not show that public opinion is as yet ripe for the changes in the legal status of Trade Associations which we have suggested; but we have thought it to be desirable to indicate what may, as it appears to us, ultimately prove to be the most natural and reasonable solution of some at least of the difficulties which have been brought to our notice.

(Signed)

DEVONSHIRE.
DAVID DALE.
M. E. HICKS-BEACH.
LEONARD H. COURTNEY.
FREDERICK POLLOCK.
THOS. H. ISMAY.
GEORGE LIVESEY.
WILLIAM TUNSTILL.

Observations appended to the Report by Mr. Jesse Collings.

THE AGRICULTURAL LABOURER.

ENGLAND.

1. I have signed the Report as I agree generally with its views and recommendations, but I do not concur with many of the statements and conclusions contained in it with regard to the agricultural labourers.

It appears to me that sufficient prominence has not been given in the Report to the condition of the labouring class engaged in the largest and most important industry of all, and that the recommendations made are not enough to meet the requirements of the labourers as set forth in the evidence contained in the able Reports of the Assistant Commissioners.

Mr. Little's
Summary.

2. I regret that I am unable to agree with the Summary drawn up by Mr. Little (and adopted by the Commissioners, par. 354, Report) in several important particulars.

MIGRATION OF LABOURERS.

3. The migration of labourers to towns and the causes and effects thereof seem to me to be one of the most important parts of the Inquiry in which the Commission are engaged.

Mr. Little's
Summary.
Par. 12.

It is shown that the "agricultural earning class" in England and Wales have decreased in number by 20 per cent. during the 20 years ending 1891, this decrease being concurrent with a large increase in the population of the country as a whole.

Par. 20.

It is true that so far as this Inquiry has gone it does not seem that this migration is governed by the actual wages and earnings in particular localities, but it is not difficult, from the evidence before the Commission, to directly connect it with the unsatisfactory condition of the rural labouring population.

Causes of de-
population.
Housing of
Working
Classes
Commission,
14,322 to
14,784.
Chapman
(par. 11) and
other Assis-
tant Commis-
sioners.

4. Abundant evidence was given before the "Royal Commission on the Housing of the Working Classes," 1884, to the effect that labourers did not leave the land from dislike of their occupation, but from a desire to get more wages; to better their condition; to escape from their miserable cottages and conditions of life and in the hope of securing some prospects for the future.

These views are confirmed to a large extent in the evidence and Reports submitted by the Assistant Commissioners. It is shown that a higher standard of comfort prevails among labourers, and that they have consequently an increased dissatisfaction with their lot. Complaints are expressed of "the low standard of wages," the "miserable condition of many of the cottages;" of long hours, of the monotony and the almost continuous character of their work, unrelieved by holidays or recreation, and specially of the "absence of definite prospects of improved position" and of "making provision for old age."

Improve-
ment in the
condition of
labourers.

5. It is true that the statements so commonly made elsewhere are repeated in the Reports of the Assistant Commissioners to the effect that, of the three classes affected by agricultural depression—landowner, farmer, and labourer—the labourer has suffered least. A comparison of this kind, however, is quite illusory. With the first two classes agricultural depression means reduction of expenditure, personal privations, and in some cases failure, but with the labourer, whose income is already at the lowest point of the wage-earning classes of the country, further reduction means actual want and semi-starvation. Instances are also given of comparatively large earnings of a labourer and his family as a whole, but it is evident that the aggregate family income is outside the question in considering the earnings of the agricultural labourer.

Again, the more favourable "budgets" and "earnings" given in the Reports, though showing the possibilities under certain conditions of employment, do not represent the

position of the great mass of the agricultural labourers. Extra earnings also, as a rule, mean extra work, while the "current wage" is very often subject to deductions for loss of time through "wet weather," sickness, and irregularity of employment. No doubt there is a real improvement in the labourer's condition secured by the low prices of all the necessaries of life, but this is an advantage not resulting from his special occupation, but one that is common to all classes of the community. Admitting, however, all the improvements named, the Reports of the Assistant Commissioners show that the labourers, as a class, only earn a bare subsistence, and that the great majority of them are in a chronic state of poverty and anxiety.

6. In considering the position of the agricultural labourers generally, as described in the Reports, it is not difficult to understand why such large numbers are leaving the land; the difficulty is in knowing why any of the younger and more intelligent of the class remain.

Migration of rural population and its effect on the general labour question.

The effect of the exodus from the rural districts seems to me to lie at the root of the general labour question which the Commissioners are considering.

7. The Report of the Commissioners (par. 355) states "we do not, however, find any ground for believing that the depressed condition of the agricultural industry has led to an abnormal over-supply of labour in the general labour market."

Again (par. 356) "we do not think that they (measures for the improvement of the condition of the labourers) can be regarded as likely to influence largely the state of the general labour market."

Further (par. 362) "it does not appear to us that there is any direct evidence to prove that the existing defects in the conditions of rural life have exercised, or are exercising any material effect upon the industrial change which, under the influence of far wider and greater causes, has for some time been in progress in this country."

From these opinions I entirely dissent.

8. The Reports of the Assistant Commissioners contain very little direct evidence on the point either way, and it is difficult, if not impossible, to trace in detail the effect of this migration on the general labour market.

Many years ago when our trade and manufactures were advancing by "leaps and bounds," it is possible that the influx of labour from the outside might have been absorbed in our industrial centres with advantage to all concerned. Of late years, however, with trade and manufactures in a stationary, if not a declining condition, it would seem beyond dispute that the large and continuous migration of rural labourers into towns and other centres of industry must lead to an abnormal over-supply of labour in the general labour market. The immigrants themselves—coming from districts where wages are low and the conditions of life hard—may better their position as individuals, but they compete with and displace others, and the result is that a large addition is made to the ranks of the "unemployed" or partially employed in populous districts.

9. On the other hand the Reports of the Assistant Commissioners show that even in the present depressed condition of agriculture and consequent reduction in the number of labourers employed, it is only in exceptional districts that a surplus of labour is found, and in many districts a deficiency is reported.

Richards, Wilkinson, Chapman, Fox, Spencer, Bear.

The evidence of the labourers themselves, who are competent judges of the labour required for proper cultivation of the soil, is all to the effect that not nearly enough men are employed to do justice to the land.

Stratford Union.

- The statements of the labourers are very positive on this head, "the demand for labour is checked by poor cultivation," "land sorely needs labour," "weeds choking growing crops," "land labour starved," "land full of couch, growing four quarters instead of six as it ought," &c., &c.

Wantage Union. Thingoe Union. Driffeld Union. Pewsey Union.

This means that if there were no farms out of cultivation, and if the whole of the land were brought up to the highest state of productiveness, a vast amount of additional labour would be necessary.

10. It seems to me therefore that any practical suggestions for a re-adjustment of labour between town and country, between agriculture and other industries, bear directly on the Inquiry of the Commissioners, and that a revival of prosperity in rural districts is the most hopeful solution of the problem under consideration. It is on this

assumption that the views in this memorandum are based. By those who think that agriculture is the same as any other industry, and that persons engaged in it should receive no exceptional consideration, these views will probably be regarded with disfavour. But others who admit the direct bearing which agriculture has on the prosperity of all other trades; that every extra pound got out of the land is an extra pound spent with the trader and manufacturer, will regard the present position as one of national concern.

11. The condition of agriculture and general remedies for agricultural depression are outside the scope of the present inquiry. This memorandum therefore is confined to the consideration of the condition of the agricultural labourers in connection with the wholesale migration above referred to, and of what measures can be adopted to retain the labouring classes on the land.

Further
diminution
of the rural
population.

12. In the Report (par. 356), and in Mr. Little's Summary (pars. 23, 83) it is taken for granted that the diminished amount of rural employment, low wages, and other drawbacks result from the low price of cereals and from the large importation of foreign produce, and that a still further decay of the rural population can only be prevented by a general increase of prices. I believe, however, that remedies can be found for the evils named, by a large increase in the number of small cultivators recruited from the ranks of the agricultural labourers, who would be able to produce those smaller articles of food of which, at the present time, such immense quantities are imported from abroad.

In addition to vast imports of fruit, poultry, margarine, vegetables, rabbits, honey, &c., we find that for six articles of food only, namely, butter, cheese, bacon, hams, eggs, and lard, we pay the enormous sum of above 30 millions sterling annually to the foreign producers. Lowness of price, as in the case of cereals, cannot here be urged as a sufficient reason why this great market lying close to our doors is not sufficiently supplied by the agricultural industry.

PEASANT PROPRIETORSHIP.

13. I believe that it is by the creation of a large class of cultivating owners that the evils contemplated in the Commissioners' Report, and in Mr. Little's Summary, can be prevented; a race of skilled workmen retained on the land; and that the most serious calamity that can befall a country—that of a decaying peasantry—can be averted.

Housing of
Working
Classes
Commission,
1884,
15,824-85,
16,024,
16,060,
16,970.

14. Perhaps on no other point is evidence more clear and abundant. Before the "Royal Commission on the Housing of the Working Classes," 1884, Mr. Beck (agent for the Prince of Wales) spoke strongly in favour of small holdings, as affording hopes and prospects to the rural labourers, and as "tending to increase the industry of the country and to make it more stable."

Mr. Squarey was equally strong in his advocacy of increasing the number of small freeholders. "I think it," he says, "the most conservative policy that can be conceived;" while the Rev. Charles Stubbs declared that "the only prospect of the elevation of labourers was in the possession of land."

Select Com-
mittee on
Small Hold-
ings, 1890.

The Select Committee on Small Holdings, after an exhaustive inquiry into the subject, reported that they were "strongly and unanimously of opinion that the extension of a system of small holdings is a matter of national importance," that it is "calculated to add to the security of property by increasing the number of persons directly interested in the soil," and that it is "the chief means to remedy migration, which intensified the competition for employment in manufacturing towns."

Chapman.
Pars. 11, 20,
21, 28, 104.

15. Much evidence in the present inquiry is in the same direction. Districts are named where there are "a good many small holdings which promote thrift and lead to real independence," and where there has been no decrease in the population. At Oakley, where there are small holdings, the men "are said to put more into the savings banks than all the surrounding districts put together," while speaking more generally it is shown that "the amalgamation of farms and consequent loss of small farms is a grievance never absent from the labourers' minds." A supplemental system of small holdings would also be an advantage to the large farmer, who (provided that amicable relations were cultivated between the two classes) would have a valuable reserve of skilled labour available in times of pressure. Even with regard to allotments

Mr. Chapman states that "the best farmers are beginning to realise that the supply of labour is maintained and increased by the labourers having a bit of land." In the Appendices to the Reports of the Assistant Commissioners will be found valuable details touching small holdings which already exist in the several districts, and the success attending them often under unfavourable conditions.

16. The Small Holdings Act of 1892 is a practical measure for the creation of small cultivating ownerships. To make it generally effective it is only needed that county councils (in whose hands the administration of the Act is placed) should realise its importance and make a more earnest effort to put it into operation. Small Holdings Act, 1892.

I would recommend that a communication be sent by the Board of Agriculture to county councils calling their attention to the Act, and urging that special efforts should be made to put it in force. Recommendation.

That the Board should ascertain from those county councils which have put the Act into operation what defects, if any, have been found in the working of the measure, and such defects should be immediately remedied by legislation.

It is shown that a few among the rural industrial class in almost every district are in a position to take small farms if such could be obtained on favourable conditions. The barrier in the way of dividing large farms where necessary into small holdings is the matter of buildings, for the erection of which many landowners have not the money to spare.

To meet this difficulty I would suggest that loans be advanced by the State to landowners at a low rate of interest for the purpose of providing the necessary buildings for small farms of the kind and size defined in the Small Holdings Act, 1892. Recommendation.

COTTAGES.

17. The Reports of the Assistant Commissioners show that one of the most pressing needs in the labourer's condition is an improvement in cottage accommodation. The evidence shows that cottages on estates and in villages owned by one landlord are in most cases satisfactory, and in many cases very superior, and the rents of all of them low. On the other hand cottages belonging to private owners are too often in a disgraceful condition, and let at the highest possible rent.

In reviewing the Reports of the Assistant Commissioners Mr. Little remarks "there is abundant evidence to show that a large proportion of the cottages inhabited by labourers are below a proper standard of what is required for decency and comfort, while a considerable number of them are vile and deplorably wretched dwellings." Mr. Little's Summary. Par. 46.

He further adds "it is impossible to read these Reports without experiencing a painful feeling that too frequently, and too commonly, the agricultural labourer lives under conditions which are both physically and morally unwholesome and offensive." Par. 48.

18. It is alleged as the greatest difficulty in the way of cottage improvement that the labourers cannot afford to pay sufficient rent to make the building of good cottages remunerative.

Much evidence was given on this matter before the "Royal Commission on the Housing of the Working Classes," 1884, showing conclusively that labourers as a class could afford to pay, and large numbers of them would gladly pay, economic rents provided that land were attached to the cottages. Housing of Working Classes Commission. 14,558 to 16,564.

19. Mr. Little states that the unsatisfactory condition of cottages in rural districts is a subject that "deserves the gravest consideration with a view to the suggestion of remedial action." He gives a valuable recital of the powers already possessed by local authorities, and is of opinion that fresh legislation is not so much required as a more active administration of the present laws. Mr. Little's Summary. 55-6, 58, 64.

20. I agree with Mr. Little's recommendations adopted by the Commissioners (Report, pars. 358 and 359). That the medical officer of health in each district (or districts combined) should give his whole time to the duties of his office; that he should receive a sufficient salary to enable him to do so; and that to secure his independence he should be appointed by the county council, subject to the approval of the Local Government Board, are recommendations of special value. Recommendations.

21. I agree with the recommendation (Report, par. 360) that State loans should be advanced to landowners at low interest for the purpose of building cottages, but such

loans should also, in my opinion, be advanced to local authorities in accordance with the provisions of the Labourers (Ireland) Acts. I do not share Mr. Little's fears (par. 66) that local authorities as constituted in Great Britain would in any way misuse the powers conferred on them. The "private enterprise" (which means the speculative builder) referred to by Mr. Little is, in my opinion, the most hopeless agency for the supply of cottages, suitable as regards gardens, &c., for the agricultural labourer.

TENURE OF COTTAGES.

22. It is shown in the Reports of the Assistant Commissioners that great discontent exists on the part of the labourers through their being compelled in so many districts to hold their cottages at the will of the farmers for whom they work, instead of renting them direct from the landowners. The labourers feel keenly their liability to be turned out of their cottages often at a week's notice. They declare among other drawbacks that it "puts them under the power of the farmers," and that it "tends to keep down wages."

Chapman.
Par. 98.
Wilkinson.
Driffeld
Union.

The defence of this system is that farmers will not take land unless permitted to sub-let the cottages to the labourers. There is, however, evidence that the system, while disliked by the men, is of no real benefit to the farmers. One large farmer speaking of the system said that "it was better to let cottages by the year direct from the owner as it gives tenants more independence."

Chapman.
Par. 61.

23. Mr. Chapman approves of the plan of landowners retaining the cottages in their own hands, and allowing farmers to nominate into them, and adds, "I have heard farmers say that they like it too, because it removes one source of constant suspicion from the minds of the labourers. Men say that if the cottage is not independent of the work they take no interest in keeping the garden in good order, or in looking after the house, because the better its condition the worse is the penalty of forfeiting it."

Recommendation.

24. I recommend that where an agricultural labourer (as defined by the "Labourers (Ireland) Acts") occupies a house under an owner or a farmer either as a tenant or in consideration of his services, the occupation should not be legally terminated without three months' notice being given by either party or by mutual consent.

Such legislation might be novel in principle, but it would remove a grievance which a study of the evidence shows is admitted to be a grave one, not only by labourers but also by landowners and farmers. It would tend to create more friendly relations between employers and employed, and it would give to the labourers something which without mockery might be called a home.

LABOURERS OWNING THEIR COTTAGES.

Housing
Working
Classes
Commission.
16,944,
16,955,
14,400,
14,412,
14,465.

25. To this branch of the subject belongs the question as to the desirability of giving, where possible, facilities and inducements to labourers to purchase their cottages. On this question special evidence was given before the "Housing of the Working Classes Commission," 1884, by labourers and others. Mr. Squarey was of opinion that "labourers should have as far as possible a settled stability in their houses by freehold if possible, if not, then by lease." It was stated by witnesses of the labouring class that many of the labourers would avail themselves of any scheme by which they could become owners of their cottages.

Wilkinson,
para. 78.

Mr. Wilkinson, Assistant Commissioner, states that "in almost every district I heard of one or two men who were labourers and nothing else, who had saved money enough to buy cottages for themselves."

Recommendation.

26. I recommend the adoption of the Bill brought into Parliament during the present session by Mr. Wrightson (Member for Stockton), the provisions of which would enable labourers to buy their cottages by paying a certain sum on the completion of the purchase and the remainder of the purchase-money by annual instalments.

AGRICULTURAL EDUCATION.

27. Competent agricultural labourers are of the "skilled" working class, and with the decline of the custom of apprenticeships greater efforts should be made to instruct

young persons in rural districts in the various branches of husbandry. The education given in country public schools is defective in this respect. Instead of having as its first object to inculcate in the minds of the young a knowledge of the rudiments of what should be, under proper conditions, the most interesting, healthful, and attractive of all occupations, the education given is calculated rather to implant in the young an ignorant dislike of the calling, and to encourage them to seek occupations in other directions. Money spent in technical education in rural districts is, to a large extent, wasted through the want of a preliminary training in the elementary schools.

Much interesting evidence on this subject is given in the Reports of the Assistant Commissioners. Mr. Chapman says, "it is difficult to get labourers' wives to attend cookery schools, and the conclusion is that girls should be trained in cookery before they leave school."

Chapman.
Par. 58.

One important witness states "it should be made a part of a girl's education to bake bread. There are not three girls in my village who can bake bread properly. Boys should be taught the elementary principles of agricultural chemistry and rudimentary principles of agriculture."

Wilson Fox
Thingoe
Union.
Appendix B

No substantial progress will be made in this kind of instruction until the Education Department attaches more importance to it, and makes it to the interests of schoolmasters and managers, from a financial point of view, to give it prominence in the curriculum of their schools.

28. I recommend the adoption of the "Agricultural Education in Elementary Schools" Bill now before Parliament, which provides for practical instruction by means of school gardens, in pruning, grafting, fruit and vegetable growing, poultry and bee keeping, rotation of garden crops, use of manures, choice of seeds, action of birds and insects on crops, and other agricultural and horticultural subjects.

Recommendation.

THRIFT AND OLD AGE.

29. All the Assistant Commissioners report at considerable length as to the existence of provident habits among the rural labourers. The evidence given with regard to sick clubs and provident societies of various kinds seems to prove that the labourers as a body are more thrifty and provident than any other class with similar means.

It is evident, however, that with their scanty earnings it is impossible for them to make any provision for old age. It is shown that for the great majority of them parish relief or the workhouse is the only refuge when past work. This is a prospect which weighs heavily with them all, and for which some remedy should be found.

30. Without adopting the extravagant and ill-considered suggestions made in certain quarters, I would recommend that the subject should engage the serious attention of Parliament with a view of finding some practical scheme which would, without the taint of pauperism, secure reasonable comforts to agricultural labourers in their old age.

Recommendations.

(Signed) JESSE COLLINGS.

I agree with the foregoing Observations by Mr. Jesse Collings.

(Signed) EDWARD TROW.

Observations appended to the Report by Sir Frederick Pollock.

EMPLOYERS' LIABILITY.

I desire to express my regret that circumstances have prevented the Commission from considering the question of Employers' Liability in a more full and definite manner; and in saying this I do not forget that since the Commission was appointed the matter has been largely discussed in Parliament and elsewhere, nor do I suppose that the Commission could have added much positive information to that which is already before the public. As an individual Member of the Commission, however, I think it sufficient to state my own opinion in the fewest possible words.

The law as it stands under the Act of 1880 appears, and has long appeared to me, anything but satisfactory. The Act is not adequate in redressing the injustice brought into the law by the quite modern doctrine of "common employment;" and the measure of redress which it does give is given in a cumbrous and intricate form, so that to the persons most concerned the law must seem even less just than it really is.

I am of opinion that any substantial simplification of the law, whether accepted as final or not, should be welcomed as an improvement. I cannot but think that in the controversy arising out of the lately abandoned Bill the importance of "contracting out" was exaggerated on both sides. On the one hand there was very little positive evidence to establish the alleged evils of "contracting out" in general (and in particular I do not think the figures given as statistics of railway accidents, which were evidently not compiled on any uniform principle, can be safely relied on as tending to any distinct conclusion whatever); on the other hand it is far from clear that the prohibition of "contracting out" would really have such a prejudicial effect upon schemes of voluntary insurance as was apprehended in some quarters. There might be much to be said on principle for allowing contracting out as regards liability arising from the negligence of workmen in the same grade of employment, but not as regards liability for the negligence of persons in a position of delegated authority, or for defects in those permanent conditions of the work which are, or ought to be, within the employer's knowledge and control. But this might lead to distinctions too fine for practical application.

It seems to be thought by several of the workmen's representatives that a good deal of habitual and culpable carelessness as to conditions of safety exists among employers. Such charges, if intended to be used for any serious purpose, ought, in my opinion, to be specifically made and proved, with due notice and opportunity of defence to the persons charged. I am not aware that any such proof has been produced, and I express no opinion as to the likelihood that it would be forthcoming if required. But I think that, if duly produced, it would properly lead, not merely or principally to increased facilities for civil redress, but to the application, and, if necessary, the strengthening, of criminal jurisdiction.

(Signed) FREDERICK POLLOCK.

We agree with the first two paragraphs of the foregoing observations by Sir Frederick Pollock.

(Signed) A. J. MUNDELLA.
THOS. BURT.

**Report by Mr. William Abraham, Mr. Michael Austin,
Mr. James Mawdsley, and Mr. Tom Mann.**

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INTRODUCTORY.

WE are unable to join in the Report of the majority of the Commissioners. The greater part of that Report is taken up, not with any statement of the ascertained facts of the relations between employers and employed, or of the conditions of labour, but with a summary of the arguments used by witnesses for and against particular proposals. So far as we can judge, this summary has been intelligently and impartially performed. But in the comparatively few cases in which any definite conclusion is expressed as to the facts themselves, these conclusions appear to us either inaccurate, or, at best, to present too favourable a view of the condition of the mass of the working population. On the great majority of the points brought before the Commission, the Majority Report makes no recommendations whatever, whilst the vague and scanty reforms which it suggests seem to us inadequate.

Reference is made in the Majority Report to the course taken by the signatories of the Minority Report. We do not feel called upon to defend our methods: the Recommendations contained in the Minority Report might have been taken in whole or in part by the majority of the Commissioners had they desired, and it would have given us the greatest satisfaction had this been done. The material difference in the character of the two Reports will show at a glance that this was impossible to any considerable extent.

The fundamental cause of disputes between employers and employed is to be found, we believe, in the unsatisfactory position occupied by the wage-earning class.

Notwithstanding a great increase in national wealth, whole sections of the population, comprising, as we believe, at least five millions, are unable to obtain a subsistence compatible with health or efficiency.* Probably two millions are every year driven to accept Poor Law Relief in one form or another.† In London, the wealthiest and most productive city of the world, we learn from Mr. Charles Booth's researches, that 32 per cent. of the total population falls below the "Poverty Line"—that guinea per week of regular earnings below which no family can live in decency and health. And when we find that in certain districts of the metropolis one-half and even three-fifths of the entire population fall below that minimum,‡ and that this state of things arises from no exceptional distress, but represents the outcome of 50 years of steady improvement,§ we cannot but regard the situation as calling for the gravest consideration of the Government. Nor is this destitution confined to unskilled or specially degraded classes of workers. Even in those grades in which labour is better paid, the statistics of the Labour Depart-

* See Mr. Giffen's evidence that 25 per cent. of the whole adult male workers in the kingdom "fall below the line" of 20s. a week, and that this might be taken as a low subsistence level. (6942, 8125, 8134, Commission sitting as a whole.)

† 3735, &c.

‡ "Labour and Life of the People," Vol. I.; compare the evidence of Mr. Booth and Mr. Giffen before the Commission.

§ 6963-72.

ment* show that a large number of competent mechanics are at all times out of employment whilst in periods of trade depression many thousands of men are in the same condition.

But whilst many competent and industrious artisans find no work to do, thousands of others are kept to labour for unnecessarily long periods. In nearly every branch of manual labour the length of the working day is greater than is compatible with the proper discharge of the duties of parentage and citizenship. Even in the well-organised skilled trades, where the normal working day is often only nine hours, or less, an excessive amount of overtime is systematically worked. The returns presented to the Commission by the Amalgamated Society of Engineers show that 71 per cent. of its members are in the habit of working overtime averaging nine hours a week. The evidence laid before us proves that many of the chemical workers, the railway and tramway servants, the shop assistants, the iron and steel smelters, and many grades of women workers habitually labour for at least 12 hours a day, whilst many exceed 15.†

Many thousands of workers still toil under circumstances which make disease and accident an inevitable accompaniment of their lives. Insanitary conditions still prevail in many workshops, and to a yet greater extent in the homes in which the sweated industries are carried on. Phthisis still decimates the badly ventilated workplaces of the compositors.‡ Except, perhaps, in coal-mining and one or two other trades regulated by special legislation, no systematic attempt has yet been made to utilise the resources of science for the prevention of death or disease in industry. We cannot believe it to be necessary, in the present state of scientific knowledge, that the occupation of a railway worker should be more hazardous than that of a soldier, or that potters and file-makers should die at three times the rate of clergymen.§ And if we turn from the occupations of the workers to the homes in which they live, the state of things appears to us equally unsatisfactory. We do not here refer so much to the insanitary state of the slums as to the actual amount of house accommodation which each family obtains. Nearly two and a half millions of persons in England and Wales alone, live in tenements which the Registrar-General declares to be overcrowded.|| The statistics of the census, and those of Mr. Charles Booth, indicate that probably from 20 to 33 per cent. of the whole population of some of our largest towns dwell in one-room homes.¶ In London alone we infer that a quarter of a million persons, including probably 100,000 children, must be living under the conditions which are implied by the occupation, by a whole family, of a single small room for all the purposes of domestic life. The per-centage of one-room homes in Glasgow, Kilmarnock, and other Scotch towns is even greater, whilst of English towns, the Registrar-General reports that Gateshead, Newcastle, Sunderland, Plymouth, Halifax, Bradford, and Huddersfield all showed a higher per-centage of overcrowding than London as a whole.** In many districts of Ireland the conditions are equally bad. Nor are the evils of bad housing confined to the towns. The Reports of the Assistant Commissioners on the agricultural population reveal in nearly all districts a terrible deficiency of house accommodation, even for the at-present diminishing population of the country side.††

Finally we have the fact that of all who survive to the age of 70, one out of every three is believed to be in receipt of poor relief.‡‡ In London one death in every six takes place in the workhouse or workhouse infirmary. In some rural districts it has been said nearly every aged agricultural labourer is a pauper. We have been unable to ascertain the actual number of pauper funerals, but we believe that it would be found that throughout the whole kingdom one person out of every four or five is buried by the parish.§§

It is impossible to refrain from connecting this deplorable condition of the working class with the fact that two-thirds of the annual product of the community is absorbed by one-fourth of its members, and that the annual tribute of rents, royalties,

* See "The Labour Gazette" for September 1893.

† See the Answers to Groups A., B., and C.; and the evidence from the occupations mentioned.

‡ Evidence of Dr. Ogle; see that of Mr. Bowerman, Group C., 22,955-7; Mr. Leahy, C., 27,510-1; Mr. Merry, C., 27,445-97; Mr. O'Grady, C., 28,377-459; Mr. Palace, C., 28,665-7.

§ See Dr. Ogle's evidence. Table I., p. 19, of Digest of Evidence before the Commission as a whole.

|| Census Report, C. 7222.

¶ See 4710, &c.; and Census Reports.

** "Labour Gazette," January 1894, p. 21.

†† See the Reports, especially those of Mr. O'Brien, Mr. Chapman, Mr. McCrea, and Mr. Wilson Fox.

‡‡ See "Pauperism and Old Age Pensions," by Charles Booth; also Mr. Ritchie's return of 1892.

§§ It would in our opinion be desirable that the Local Government Board should obtain exact statistics on all these points.

and dividends levied upon the industry of the nation amounts to nearly five hundred millions sterling.*

With economic conditions such as we have described, the relations between employers and employed cannot, in our view, fail to be unsatisfactory. Strikes, and other signs of resistance on the part of the wage-earners, however inconvenient they may be in themselves, are only symptomatic of a discontent with existing social conditions, which we regard as healthful and promising. We do not wish to imply that the state of things is worse than it has formerly been. We believe on the contrary, that the average condition of the wage-earners has by the legislative and other reforms of the past 60 years been steadily improved. That amelioration has, however, been only partial. Large sections of the community still live under conditions which are but little removed from those to which the earlier Factory and Mines Acts were successfully applied.† We believe that an earnest and persistent attempt should now be made, in the light of experience and economic science, so to use the collective power and the collective wealth of the community as permanently to raise the standard of life of the whole wage-earning class, and especially of those sections which have remained outside the influence of previous reforms.

Such a policy will, of course require time. We have no faith in any one panacea of social reform. Much may be hoped, especially among the better paid workmen, from the advance of Trade Union organisation, Co-operation, and other forms of voluntary association. But for the elevation of the standard of life of the most necessitous sections of the wage-earners we are driven to look mainly to a wise extension of collective action. The social and economic progress of the workers depends, in our judgment, mainly upon the systematic development of democratic public activity in its three principal forms—the national or municipal administration of such industries as can conveniently be managed socially, the regulation of private enterprise in industries not yet taken over by the community, and the public provision, through the taxation of rent and similarly unearned incomes, of educational and other facilities necessary for the mental and moral development of all classes of the community.

The specific recommendations which we submit for consideration are confined to certain immediately practicable reforms on these lines.

THE SWEATED TRADES.

The most pressing necessities of the industrial situation appear to us to be: (1) the reform of the "Sweated" trades; (2) the prevention of excessive hours of labour; and (3) the promotion of greater regularity of employment. In these directions we believe that much may be accomplished by a wise extension of those Factory and Mines Regulation Acts which have worked so admirable a revolution in the textile trades, and in the Northumberland mines. The state of the workers in the so-called "Sweated" industries demands, in our judgment, the promptest attention. The hundreds of thousands of families engaged in the manufacture of slop clothing, inferior shoes and slippers, cheap furniture and saddlery, and common chairs, nails, and cutlery, form (except where the industry is carried on under the factory system) one of the most oppressed and demoralised sections of the community. The fundamental cause of the exceptional degradation of these trades is, we are convinced, the prevalence among them of the system of giving out work to be done at the workers' own homes.‡ Whilst not recommending the actual prohibition of home work, we regard it as of the utmost importance that every practicable means should be employed against its extension. At present, however, it is specially favoured by the law. The employer who gives out work to be done in the workers' homes escapes the obligations imposed upon the factory owner.

* See the evidence of Mr. Giffen, Mr. Sidney Webb, and Mr. Hyndman before the Commission as a Whole.

† See 8125, 8134, and Answers to Group C. We are unable to agree with the optimistic opinion expressed in the Majority Report that, "not only the relative, but perhaps even the actual numbers" of the "deplorably large residuum of population . . . who lead wretchedly poor lives . . . are diminishing." No evidence to this effect was forthcoming, and in view of Mr. Charles Booth's conclusion that over a million and a quarter persons in London alone are below the "poverty line," and of Mr. Giffen's evidence that some two millions of adult male workmen are earning less than a pound a week, we doubt whether the much smaller population of fifty years ago could have furnished so large an actual number in this condition.

‡ See on this point the voluminous evidence of the House of Lords Select Committee on the Sweating System, 1886-90; as well as the testimony of Mr. Charles Booth and many others before the present Commission.

We are convinced that no important improvement can be made in the condition of the sweated workers until the typical regulations of the Factory Acts are rendered really effective for their protection. This can only be done by placing upon the employer in the sweated trades the same obligations as have long been fulfilled by the employer in the factory industries. If a clothing contractor, for instance, chooses to avoid the expense, publicity, and liability to inspection involved in having a factory, and prefers to use, for the execution of his work, the homes occupied by his operatives, he should nevertheless be held legally responsible in the same manner as a factory owner, for the sanitary condition, hours of labour, education, &c. of the persons employed for his profit. Proposals to this effect were embodied in a Bill,* prepared in 1891, by the present Under-Secretary of State for the Colonies (Mr. Sydney Buxton), and we strongly recommend that they should now be passed into law. A more drastic proposal on similar lines was pressed upon the Commission by Mr. Charles Booth.† In addition to the giver-out of work, Mr. Booth recommends that the landlord of tenements used for manufacturing purposes should be registered and made legally liable for the compliance of his tenants with all the regulations of the Factory Acts, not merely in respect of sanitation, but also as regards hours of labour, age, and education of workers, &c. This suggestion, emanating as it does from so cautious and experienced an observer appears to us well worthy of consideration, especially in places where, as in the poorer parts of London, in Staffordshire, and in Sheffield, the responsibility of the giver-out of work stands specially in need of supplement.

But the demoralising effects of home work call, in our opinion, for more than an alteration of the law. We recommend that every effort should be used by public departments and local authorities to check its extension. At present much of the business of the "sweating" contractors is the supply of uniforms, and other clothing to various public bodies. We are glad to learn that the Commissioner of Metropolitan Police has, for some years, made it a condition of his clothing contracts that all the work should be performed at the contractor's own factory.‡

The Board of Trade inserts the following clause in its clothing contracts:—

"The contractor undertakes that all garments included in this contract shall
 " be made up in his own factory, and that no work shall be done at the homes of
 " the workpeople. Any infringement of this condition, if proved to the satisfac-
 " tion of the President of the Board of Trade, shall render the contractor liable
 " to a penalty not exceeding 100*l.* for each offence."

The London County Council adopts the following form:—

"The contractors hereby expressly undertake and agree with the Council that
 " all work and labour matters and things whatever under this present contract shall
 " be executed done and completed by the contractors upon their own premises
 " in under a penalty of 50*l.* to be recovered by the Council
 " for every breach as often as the same shall happen, in case of default by the
 " contractors under this clause as a debt due to the Council from the contractors,
 " or the said amount of 50*l.* may in every case be retained by the Council and
 " deducted by them from any moneys due or which may become due to the
 " contractors from the Council under this or any other contract with the
 " contractors."

The "new contract of Her Majesty's Office of Works for works and repairs in the London district" provides that: "the contractor shall not assign or underlet his contract, or any part or parts thereof, without the consent of the Commissioners being first obtained, and shall not, without like consent, make any sub-contract or sub-contracts for the execution of the works, or any part or parts thereof, or employ any taskmen in, upon, or about the works or repairs."

We recommend that such a condition should be inserted in every public contract and that its fulfilment should be vigorously enforced. We suggest that specimens of the approved forms of contract for each class of work should, by a circular from the Treasury, be brought under the special notice of every public department in the United Kingdom. We recommend moreover, that similar circulars be issued by the Local Government Boards for England and Ireland respectively, and by the Board of Supervision for Scotland, to every local governing body in the United Kingdom, drawing attention to the desirability of inserting corresponding conditions in all the contracts made by such bodies.

* H. of C. Bill No. 61 of 1891.

† 5404-5589, before the Commission as a whole.

‡ The clause is given in H. of C., 189, 17th May 1892. See 3779. Compare H. of C., 435 of 1893.

We think that the Government should carry still further its crusade against sweating. Most of the army clothing, is, we understand, made in the Army Clothing Factory, under direct public administration. We are of opinion that it would be of great advantage if all clothing and other articles required for the use of public departments were equally to be produced without the intervention of a contractor or other middleman. The uniforms for the volunteer force, though practically paid for out of the capitation grant from Army Votes, are, for instance, at present often given out by the contractors to be made in the workers own homes. This practice should, we consider, be peremptorily forbidden by the War Office. If volunteer uniforms cannot at present conveniently be made in the Army Clothing Factory, the contractor should in all cases be required to have all the work executed in his own factory.

We recommend that a small departmental committee should be appointed to consider how the Army Clothing Factory can be made available for the production, not only of every article of clothing and saddlery required by the Army and Navy, but also for those supplied to the Scotch departments, the Customs, Post Office, Metropolitan Police, Prisons, and all other public departments. A similar factory should be established in Ireland for supplying the uniforms of the Royal Irish Constabulary and those required for all Irish Departments. It should, in addition, be at any rate open to local governing bodies to obtain similar stores from the Government Factory at cost price, and every encouragement and facility should be given by the Local Government Board to town and county councils to establish their own clothing and other factories, and the law should be so altered as to permit for instance the London County Council to execute orders for the Middlesex County Council or the St. Pancras Vestry if desired.

HOURS OF LABOUR.

The prevention of excessive hours of labour stands, in our view, second in importance only to the reform of the sweated industries. We believe that no factor in the degradation of the standard of life is more potent than the physical exhaustion and absence of leisure involved in long hours of manual work.

A regular working day not exceeding eight hours, with the suppression of all but inevitable overtime, would produce, in our judgment, not only a marked improvement of the health and efficiency of the wage-earning class, but also an incalculable extension of education, trade union organisation, co-operation, and other agencies for raising the condition of the workers.* We think that the influence of every department of the Government should be persistently employed to achieve this important result.

Much may be done, we believe, by the mere example of the National Executive. We are glad to notice that, since the beginning of the Inquiry, the Secretary of State for War has established the Eight Hours' Day (without reduction of time-wage) in the War Office Factories. Unfortunately only the Admiralty has yet followed this excellent example. Neither in the Stationery Office nor in the Mint, neither in the Factories of the Post Office, nor in the Warehouses of the Indian Store Department has any corresponding reduction of hours been made. We can see no reason why the workmen in one department of public employment should not be treated as well as those in another. We recommend that eight hours should be at once prescribed by an Order in Council as the normal maximum working day in all Government departments. The practice of working overtime should, by the same Order, be strictly limited to cases of special emergency, to be certified in each instance by the Minister responsible to Parliament for the department, and published in the "London Gazette." We think that it would be desirable to embody in an Act of Parliament corresponding provisions with regard to all persons in the service of local governing bodies in the United Kingdom. Pending such an Act, we recommend that a circular be sent to all such bodies by the Local Government Board, enclosing a copy of the Order in Council, and suggesting the adoption of a similar rule.

With regard to certain industries, the Government has already been entrusted by the legislature with power to regulate the hours of labour. Under the Railways Regulation Act of 1893, for instance, the Board of Trade is empowered in certain cases to call upon a railway company to shorten the hours of labour of its employees.

* We regret that no investigation was made by the Commission into the actual results of the adoption of the Eight Hours' Day in the large number of cases belonging to many different trades, in which the experiment has actually been tried. With the exception of a brief general statement by Mr. Allan, and some testimony relating to the Huddersfield tramways, absolutely no evidence has been obtained by the Commission as to the economic, financial, or social results of the reduction of hours.

The evidence leaves no doubt upon our minds that a vast number of railway workers are habitually on duty for over 70 hours per week.* We think that, pending further legislation, the Board of Trade should at once intimate to the railway companies its intention, if it is set in motion in the manner provided by the Act, of calling for the adoption within two years of such a schedule of working hours as would bring the normal maximum week's duty for any employee down to 48 hours, of which not more than 12 should fall in any one period of 24 hours. It appears desirable that the hours worked on railways should be checked by Government inspectors in the same manner as in factories.

Under the Factory and Workshops Acts, moreover, rules may be prescribed by one of the Principal Secretaries of State for the regulation of dangerous or unhealthy trades. The Home Office Committee on Chemical Works, for instance, were "impressed by the long hours of work which prevailed in some departments of alkali works. They strongly advise the adoption of eight-hour shifts, which have already been successfully tried in some departments at some of the works of the United Alkali Company, whilst at the works of Messrs. Brunner, Mond, and Company eight-hour shifts prevail throughout. Statistics supplied by the latter firm show a large decrease in sickness since the adoption of the eight-hour system, while the cost of wages paid per ton of alkali produced is now no more than it was under the old system, although the men are paid the same wages for eight hours they were formerly paid for twelve."† We strongly recommend that any Rules made by the Home Secretary for dangerous trades should in every case include the limitation of the week's work to 48 hours, or such shorter period as the character of the occupation may render desirable.

The evidence leaves no doubt upon our mind that for the mass of the workers an eight hours' day, with the effective suppression of habitual overtime, can be secured only by further legislative enactment. We have been much impressed by the great preponderance of working class witnesses in favour of the legal limitation of hours of labour, and still more by their practical unanimity as to the principle involved. Nothing appears to us more striking than the almost universal acceptance and rapid development of the movement for this explicit extension of the Factory Acts to all classes of labour. We think that the time has come when the expert advisers of the Factory Department should be directed to consider in what manner legal expression can best be given to this popular desire.

It will probably be convenient to deal with certain industries by special Acts.‡ We see, for instance, no reason why an Eight Hours' Bill for coal miners should not be immediately passed into law. Though no representative of the Miners Federation appeared before the Commission, the evidence leaves no doubt in our mind that an overwhelming majority of the coal miners, numbering probably three-fourths of the whole, are strongly in favour of legislation. Opposition among the working coal miners is, indeed, confined, if we exclude sub-contractors making a profit out of subordinate labour, practically to the counties of Northumberland and Durham. Here the shift of the hewers is less than eight hours, but the boys and some other classes of workers in the mine are underground for ten or eleven hours at a stretch. It is asserted that the local method of working renders any reduction of these excessive hours impracticable. But we notice that none of the numerous witnesses of the mine owner or manager class has committed himself to an explicit denial of the possibility of surmounting the difficulty by dividing the hewers in Northumberland and Durham into three shifts, instead of two, and the boys into two instead of one, a plan which is, we are informed, actually in successful operation in a number of pits in Durham, where it was adopted from other motives. Any such plan need not, of course, affect the total output, or the number of men employed, but merely their arrangement in shifts, and at the face. We express no opinion as to the desirability or otherwise of introducing a three-shift system where it is not already in force. But we entertain no doubt that, in this way, if in no other, the method of working in these two counties could, without serious difficulty, be adapted to an eight hours' law. The majority of the hewers in these two counties have, however, a strong dislike to begin their shift in the afternoon. We desire to express no opinion as to the validity of this

* See that of Mr. Levett, B. 24,077-153; Mr. Clifton, B. 24,167-306; Mr. W. Smith, B. 24,306-646; Sir George Findlay, B. 26,032-40; Mr. A. Ballantyne, B. 25,031-282; Mr. J. Paisley, B. 26,489-574; and others. See also the Board of Trade Returns as to hours, and the Evidence and Report of the House of Commons Select Committee, 1891, summarised for the Commission at page 89 of Vol. III. of Digest (Group B).

† "Labour Gazette," January 1894, p. 17.

‡ See the important testimony of Mr. Giffen, Controllor of the Labour Department, in favour of such Bills for coal miners, railway employees, chemical workers, &c., 7038-42.

dislike, but we cannot think that it should be allowed to stand in the way of securing to the hundreds of thousands of miners in other parts of the Kingdom, and to the boys and other workers in Northumberland and Durham themselves, the urgently desired boon of an eight hours' day.*

Another industry with which it may be convenient to deal by special legislation is the manufacture of textile fabrics. The cotton operatives, in particular, who were lately found doubting the practicability of a further shortening of the hours of labour, have since returned to their traditional position, and are now among its most strenuous supporters.† We believe that the hours of work of all textile workers could be reduced with advantage to the community. We recommend that the existing legal limit of 56½ hours per week should be at once altered to 48, the hours to be fixed for beginning and ending work being settled in consultation with the representatives of the industry. At the same time, the present nominal limitation of the law to mills in which women or children are employed should be expanded so as explicitly to cover all textile factories.

There are other classes of wage-earners, such as shop assistants and tramway workers, for whom special legislation may be expedient. Pending the adoption of more thorough proposals, we recommend that the Shop Assistants Bill prepared by Sir John Lubbock should be passed into law.‡ We think, too, that in all future railway or tramway Bills or Provisional Orders, the Board of Trade should require the insertion of a clause prescribing a maximum normal day for all persons to be employed.

We would, however, deprecate the constant application to Parliament of trade after trade. Such a course would not only consume much valuable time, but would, in our judgment, result at best in a lopsided regulation of industry which might be fraught with inconvenience and even danger. The precise and separate determination of the hours of labour in each of the different industries of the country would demand more investigation than the House of Commons itself could usefully undertake, and would involve more detailed regulation than could conveniently be embodied in statutory form.

What is required, is some continuous process of regulation, flexible enough to be adapted to the varied details of different industries, but not dependent upon incessant application to Parliament. Such a process is, we believe, to be found in a development of the system of Administrative or Provisional Orders, by which so large a part of modern legislation is effected. Under the Factory Act, for instance, the Home Secretary has already discretionary power to prescribe by order the hours between which alone persons engaged in certain occupations shall work; to determine in what industries night work shall be permitted; and to exclude certain industries altogether from the Act. We recommend that an Eight Hours' Act should be passed, laying down the principle of a maximum working day, and authorising its application to particular industries, after due inquiry, by Orders similar either to those made under the Factory and Workshop Acts, or to the Provisional Orders laid before Parliament on other subjects.

Under such an Act the Home Secretary, pending the creation of a minister for labour, might be empowered to direct inquiry to be made into the hours of labour of an industry when called upon to do so by a resolution of either House of Parliament or of any town or county council, or by the trades council of any town in which the industry was carried on, or by any registered trade union or employers' association in the trade concerned. The Home Secretary would appoint for the purpose of the inquiry a Commission of three or four experts, with full powers of investigation, both of the circumstances of the industry, and the wishes of those engaged in it, whether employers or employed. At the conclusion of its inquiry the Commission would report, (a) what were the facts as to the hours of labour; (b) what appeared to be the predominant opinion among the members of the trade as to the regulation by law of their working hours; (c) what regulation of the working hours, if any, was desirable, including the arrangement of the working day or week, the provision to be made for emergencies, seasons, &c; (d) precisely to what trade or group of allied trades the regulation should extend; and (e) whether the case was one in which the regulation of the hours of labour could be more suitably remitted to the local authorities of the districts in which the industry was carried on. Upon the receipt of the report, the Home Secretary would, if he deemed it advisable, issue an Order, either prescribing such a regulation of the maximum hours of labour, with such provisions

* *While quite agreeing with the demand for the eight hour day, I dissent from the three shift recommendation. (Signed) William Abraham.*

† See evidence of Mr. Hardern before the Commission as a Whole, 1161-4; compare also 4877.

‡ See the evidence of many witnesses before Group C., 30669 to 33418.

for emergencies, seasons, &c., as might be required for the trade, or else conferring upon town or county councils* in particular districts, or with regard to particular industries in all districts, the power of regulating the hours of labour, within limits specified by the Order. The Order of either kind might be required to be laid before Parliament, and after the lapse of forty days would become law unless either House, before the expiration of that time, presented an address against the Order, or any part thereof. In this way we believe that it would be possible promptly to secure an Eight Hours' Day for all manual workers with a due regard for the circumstances of each trade and the interests of the whole community, and without seriously encroaching upon the time of Parliament.

THE FACTORY DEPARTMENT.

Such extensions of the Factory and Workshops Acts as we have suggested, both for the reform of the sweated trades and for the regulation of the hours of labour, must necessarily involve the enlargement, and perhaps the re-organisation, of the existing Factory Department.

Though hampered by the inadequate staff at its disposal, that Department has rendered inestimable service in raising the condition of the wage-earners in the factory industries. Unfortunately, although domestic and other small workshops have been, since 1878, included within the scope of the Factory Acts, no register of these workplaces has been prepared,† and though some attempt in this direction has, we believe, recently been made, the evidence shows that the great majority of them are not actually under inspection. We think it of great importance, on economic grounds, that all workplaces, whether small or large, and all industries, whether carried on in factories or in slum tenements, should be subject to equal though not necessarily identical regulation and control. The evidence is to us conclusive that in the great majority of the smaller workplaces the factory law has been allowed to remain a dead letter.‡ We therefore recommend that the Factory Department should prepare a complete register of all workplaces subject to the Acts, and that arrangements should be made as soon as possible for an equally adequate inspection of all such places, whether they be factories, workshops proper, or the so-called domestic workshops. The occupier of a factory or a mine is already required under penalty to report to the Factory or Mines Department his intention of commencing work. We think it of the utmost importance that a similar obligation should be imposed upon the occupiers of all other workplaces subject to the Acts. We agree with Mr. Charles Booth's recommendation that the landlord of any premises intended to be used for manufacturing purposes, or known to him to be so used, should likewise be required to communicate the fact to the Factory Department in order that it may be ascertained by inspection that the premises comply with the requirements of the law.§ With these reports, together with the register of home workers now required to be kept by employers giving out work, it ought soon to become impossible for any workplace subject to the Acts to escape the inspectors' notice. We recommend, that the Acts should be extended to all persons employed in laundries, and (at any rate as regards notice of, and protection against, accidents) to canals, docks, ships, and other craft in port, warehouses, buildings, and other works in course of construction, and any other places of like character not already subject to regulation.

A serious attempt to bring under inspection the small, as well as the large, workshops even if confined to those already subject to the Factory Acts, will involve a considerable increase in the staff employed. Even including the addition recently made the expansion of the Factory Department has, we believe, failed to keep pace with the growth of manufacturing industry, the steady extension of the scope of the law, or with the demands of public opinion.

This inadequacy of staff has not only prevented the Factory Department from making any serious attempt to enforce the law of 1878, as regards workshops. Even in the factories of Lancashire and Yorkshire, where the inspection is stated to be the most efficient, and where the actual working places are large and healthy, the lavatory accommodation is sometimes allowed to remain in a state which is a disgrace not only to the employers concerned, but also to the Government department responsible for carrying out the law. The investigations made by the Lady Sub-Commissioners afford, in the words of the official summary "ample evidence of the neglected, filthy and

* In view of such increased power it is highly desirable that the municipal franchise in Ireland should be assimilated to that of England.

† 4441-52.

‡ See Mr. Bignold, C. 10,185-94; Answers to Questions Group C.; and many witnesses before that Group; Evidence of Mr. Booth before the Commission as a Whole.

§ 5417-5801, Commission as a Whole.

“ insanitary condition of the greater number of the lavatories in textile factories
 “ The scandalous state of things detailed may be briefly ascribed to two causes—
 “ the inadequacy of the present system of inspection, and the ignorance and
 “ indifference of the employers.* If this is the condition of the lavatory accommoda-
 tion in the registered and well-known large textile factories, it is difficult to imagine
 what must be the sanitary state of the unregistered and uninspected workshops in
 which millions of the population pass half their lives. There must, it is clear, be a
 great increase in the scope and efficiency of factory inspection.

We do not recommend any increase in the number of inspectors of the present type. For most of the actual work of inspection we look rather to a large expansion of the new class of Assistant Inspectors, chosen mainly from the ranks of practical artisans.† We recommend that each of the present 57 inspectors should be provided with an adequate number of Assistant Inspectors, who, acting under his direction and control, should serve him as eyes and ears throughout his necessarily extensive district. These Assistant Inspectors should be eligible for promotion—if their service is satisfactory—to the rank of Inspector. We welcome the recent decision of the Home Secretary to appoint two women inspectors. We strongly recommend that this number should be increased. We think that a certain number of women should be included in the staff, to be employed not so much in the regular round of inspection duty, as for investigation of the complaints of women workers, and for special visits of inspection to their workplaces.

The present administration of the Factory Acts suffers, however, not only from the inadequacy of the staff of inspectors, but also from the failure to provide this staff with office accommodation or clerical assistance. Until very recently no public office existed outside of London at which a factory inspector could be consulted. No local address could be given at which he could be communicated with by post, other than his private lodgings or dwelling-house for the time being. His whereabouts, and even his very existence, remained therefore practically unknown to the workers in all but that small proportion of the total number of workplaces which obey the law requiring the placarding of his address, or which he was able actually to inspect. This isolation was increased by the large deduction made by other work from the time which he could devote to going about his district. Though his official correspondence is, or should be large, and his official reports are frequent and voluminous, no provision exists for the payment of a clerk. Any register of places subject to inspection must at present be made and maintained by the inspector himself, in addition to his daily burden of local correspondence and official reports. This description is still applicable to the greater part of the Kingdom. But since the Commission began its work, the Home Secretary has hired public offices for the Factory Inspectors in Birmingham, Leeds, Glasgow, and some other towns, and a small beginning has been made in the organisation of the office work. But a great extension in this direction is required. We recommend the adoption of Mr. Charles Booth's proposal that the Factory Department should at once procure local offices in, at any rate, all the large industrial centres ‡ These offices, which should be provided with an adequate clerical staff, should relieve the inspectors from the bulk of their correspondence, and should undertake, above all, the keeping of the register of workplaces subject to the Acts. The office administration should be made the charge of the superintending inspectors, and others specially assigned to this duty, the ordinary inspectors and their assistants attending only for consultation and reports, or by appointment. The offices could, of course, be made available for the mines inspectors, the number of whom requires, we believe, to be considerably increased. In this case, too, we recommend that the new appointments should be made, in the main, from the ranks of practical working miners or miners' agents.

In another direction, too, increased activity appears to be called for. The condition of the workers employed in unhealthy or dangerous manufacturing processes, or under insanitary conditions, demands the serious attention of the Factory Department. We cannot but regard it as unsatisfactory that so little attempt should hitherto have been made to diminish the rates of sickness and mortality among such trades as the potters, cutlers, white-lead workers, lucifer match-makers, &c.

The Factory Acts confer upon the Home Secretary the power of framing special Rules for dangerous or unhealthy trades. We regret that this power has hitherto been so little exercised. We note with pleasure the recent action taken by the Home Secretary appointing departmental committees to consider what steps should now be

* Summary of evidence upon the Employment of Women, p. 511.

† See evidence of Mr. Henderson, C, 9020-24; Mr. J. D. Prior, C, 6787-95; Mr. C. Booth (Commission as a Whole) 5418-5803.

‡ Evidence before Commission as a whole, 5418-5803.

taken with regard to one or two trades, but some more permanent organisation appears to be required. The Reports of those Committees, especially that relating to white-lead,* show how greatly additional protection is required, and indicate the importance of extending and systematising such investigations.

The Factory Inspectors' Reports contain frequent references to unhealthy or dangerous processes, often with suggestions for the protection of the workers.† In the absence, however, of any medical or scientific experts upon the staff of the Department, it has naturally been extremely difficult for the Home Secretary to frame Rules which should be at once practical and effective. We recommend that at least one such expert should be placed on the staff of the Factory Department with particular reference to this duty, and that adequate provision should be made for specialist assistance whenever required. It appears to us worthy of consideration whether, with this object, more use should not be made of the certifying surgeons, whose duty is at present restricted to passing young persons as fit to commence work in factories. Both the position and the method of remuneration of these officials appear to us to be open to improvement. We suggest that, at any rate in dangerous or unhealthy trades, the local surgeons might usefully be employed under the direction of the expert at head-quarters, to make periodical reports upon the condition of the operatives or to observe, over a prolonged period, the effect of particular processes.

But the whole subject of unhealthy or dangerous trades, and their effect upon the health of the community, calls, in our judgment, for further investigation. We recommend that a small commission of medical and scientific experts should be appointed to deal in succession with each of the industries in which the death-rate is above the average, with a view to the discovery of the causes of the excessive mortality and the manner in which it may best be prevented.

A further amendment of the law urgently needed is that relating to workers employed by the piece. The "particulars clause" (sec. 24 of the Act of 1891), though extremely useful as far as it goes, applies at present only to weaving. We strongly recommend that it should be extended in the clearest terms to all piece-work in the textile industries; and we think that the Home Secretary should be empowered further to extend it, by Order, to any other piece-work trades in which it is required.

Another industry in which additional registration and inspection appears to be required is that of canal traffic. The single Government inspector now charged with the enforcement of the Canal Boats Acts must obviously fail to maintain any effective supervision over the fifteen to twenty thousand canal boats and barges in all parts of the country. At present, too, there appears to be no educational standard required from children under 13 years of age employed on canal boats.‡

It is obvious that the development of the Factory Department which we recommend will involve increased expense. We estimate, however, that the additional charge, even if all our suggestions are adopted, would not exceed 50,000*l.* a year, an amount which we regard as small in comparison with the great social advantage to be expected from its outlay.

In connection with this development of the Factory Department the question arises whether the time has not come for the union under a Minister for Labour of the various departments now dealing with labour matters. We regard with satisfaction the recent appointment, under the President of the Board of Trade, of a Chief Commissioner for Labour, with a staff of central and local "Labour Correspondents." We anticipate great advantage from the preparation of accurate reports and statistics upon matters connected with the industrial condition of the wage-earning class, and their publication in so excellent a form as the "Labour Gazette." We recommend, indeed, that increased provision should be made in this direction. The Chief Commissioner of Labour ought always to be able to obtain the services of trained industrial investigators and special experts, whenever any particular problem requires elucidation.

It appears to us desirable that the Factory and Mines Departments on the one hand, and the Labour Department on the other, should be brought into close relationship. The extensive staff and wide experience of the older department could, we believe, be used so as greatly to facilitate the work of the younger. On the other hand, the intimate knowledge acquired by the Labour Department of the needs and feelings of the wage-earners would be invaluable to the departments charged with the protection of their standard of life. We recommend, therefore, the formation of a single Department of Labour, in which the present Factory and Mines Departments of the Home Office, the Labour Department of the Board of Trade, and the Registry of Friendly Societies should be included.

* See "Labour Gazette."

† See the Annual Reports of the Factory Department; 1885-92.

‡ See the evidence of Mr. George Smith and Mr. John Brydone, before Group B.

The establishment of a single Department of Labour, and the consequent union under one responsible Minister of all the branches of administration specially charged with labour questions, would afford a convenient opportunity for the creation of a special Minister for Labour, with a seat in the Cabinet. The increasing prominence of industrial problems and the growing participation in politics of the wage-earning class leads us to look with favour upon the appointment of such a Minister, to whose charge the proposed Department of Labour would naturally be committed. The creation of the Department itself would, however, involve no legislation, and need not be delayed until provision can be made for the appointment of a Minister for Labour.

SEAMEN.

We have reserved for a separate section the needs of the seamen, in whose case the protective law is administered, not by the Home Office, but by the Board of Trade. Any effectual elevation of the standard of life of other classes of workers must be accompanied by a similar advance for the sailor, or the percentage of British seamen on British ships will continue to fall. The evidence produced before us leaves no doubt of the great success of previous legislation regulating the mercantile marine.* We believe that the inspection of the Board of Trade officers and their not infrequent prosecutions of offending owners have been of the greatest value. That inspection and enforcement of the law has, however, hitherto been confined, in the main, to the prevention of actual wreck and loss of life at sea.

Since 1854, for instance, the Board has had power, under section 226 of the Merchant Shipping Act, to require any Local Marine Board to appoint a medical inspector of ships, charged with the inspection of medical stores on ships. Such officers appear, however, seldom, if ever, to have been appointed. We recommend that the action of the Board should now, in the public interest, be expressly extended to the improvement of the circumstances of the common sailor or fireman on board ship, so far, at least as regards the compulsory enforcement of the minimum requirements of health and efficiency. It must always be specially difficult, if not impossible, for a seaman himself to appeal to the courts of justice; and we consider that the Board of Trade should itself take action to ensure, both by inspection and by prosecution whenever necessary, that the law is complied with. The legislation immediately required appears to us to be (a) the enforcement of a compulsory manning scale† so adjusted as to secure a normal eight hours' day for sailors and firemen; (b) the restriction of the employment of Lascars, or other non-European seamen to a limited proportion of the crew; and (c) the insistence on the provision of proper sleeping accommodation for each seaman, with at least 120 feet of cubic space, and free from insanitary conditions.‡ Further provision is required for the enforcement of the existing law. We recommend, for instance, that the Board of Trade should make it part of its duty to see that the Merchant Seamen (Payment of Wages and Rating) Act, 1880,§ is carried out. At present, the sailor can only arrange for half his wages to be paid to his wife, and that only once a month. As this amount is often insufficient for the maintenance of his family, in many cases hardship arises. We recommend that the shipowner should be required to issue in this way, if desired by the seaman, at least two-thirds of the wages as they accrue, and to make the payments weekly.

The Bill providing for a minimum food scale, which passed its second reading in the House of Commons in 1892, ought, in our opinion, to be passed into law, and to be strictly enforced by the Board. We regard it, moreover, as important to the seaman's health that some qualification, however elementary, should be required before a man is engaged as cook.|| Finally, we consider that the Local Marine Boards, of which the elected members are now chosen exclusively from shipowners by shipowners,¶ should be made equally representative of the seamen. We are glad to learn that the Board of Trade, which adds to each Board four nominated members, has lately appointed in many cases one seaman or ex-seaman. But we see no reason why the seaman registered as residing at each port should not, equally with the shipowners, possess the right of voting for and of electing representatives of their own class to a body in whose action they have no less vital an interest than their employers.

* See the striking evidence of Sir Henry Calcraft, Permanent Secretary to the Board of Trade, before Group B.

† See evidence of Mr. Butcher and Mr. Wilson, M.P., Group B, 13,815-13,891.

‡ Evidence of Mr. Plimsoll, B., 11,307; Captain Hatfield, B., 13,312-6; Mr. Raeburn, B., 14,089-195.

§ See the Board of Trade Circular of 1st June 1891 given in Sir H. Calcraft's evidence (Group B).

|| Evidence of Mr. Raeburn, B., 13,429-31.

¶ See House of Commons Return, No. 372 of 1890; evidence of Mr. Plimsoll, Sir H. Calcraft, Mr. J. H. Wilson, M.P., and others; Section 110 of Merchant Shipping Act of 1854.

WOMEN WORKERS.

Another important section of workers requiring separate consideration is that of women and girls. The evidence obtained by the Assistant Commissioners indicates that, especially in the "sweated" trades in great cities, many hundreds of thousands of women are working at wages far below those of even unskilled men, often indeed at rates which are insufficient for healthy and decent maintenance. Women, too, are special sufferers from long hours and insanitary conditions, and have hitherto enjoyed but little means of obtaining redress through Trade Union action.

We regard the economic degradation of the women and girls in many of the industries of the great cities as constituting one of the most serious of industrial problems. Their condition is best in those industries in which the factory system has become universal, and worst in those in which home work most prevails. We consider that a strenuous endeavour should be made by the Government to raise the East London trouser finisher or fur-puller to the level of the Lancashire mill-worker.

We do not propose any special legislation for women. We regard, however, almost every page of the Assistant Commissioner's Reports relating to women and girls as demonstrating the necessity and urgency of the reforms already described. Though much may be hoped from a spread of Trade Unionism among women workers, it is difficult to see how they can obtain by mere voluntary combination, either an eight hours day, or any material rise of the standard of wages, or sanitation. Their only hope lies in the extension of collective action by the State. The thorough enforcement and amendment of the Factory Acts, the gradual supersession of home work by the factory system, and the promotion of shorter hours and greater regularity of employment appear to us the most promising means of raising the condition of the poorer women workers. The extension of the Army Clothing Factory and other Government and municipal employment would, together with the stringent enforcement of clauses prohibiting home-work and requiring recognition of the Trade Union wages, co-operate most usefully in this work.

A few special points may be noted. We think that the number of women factory inspectors should be increased, and that local authorities might advantageously be urged by the Local Government Board to follow the example of the Kensington Vestry and the Dublin and Nottingham Town Councils in appointing women sanitary inspectors with the special object of enforcing the sanitary law in women's workplaces. Laundries, whether great or small, should, as we have already proposed, be brought under the Factory Acts, and these should likewise be extended so as to include those workplaces in the hardware trades in which women hire stalls or forges. The hours of bar and restaurant attendants should be regulated like those of other workers.

Special attention should be paid by the Home Secretary in dealing with unhealthy trades to those in which women or girls are employed.* The evidence shows that the Rules hitherto prescribed have been quite inadequate, and that the enforcement, even of these, has been greatly neglected by the Factory Department.† We think, for instance, that every case of "phossy jaw," lead colic, or the "wrist drop," and other results of specially dangerous industries, should be made the subject of a detailed and separate report by a medical expert, which should be considered by the Home Secretary and laid before Parliament, until some way of preventing such fearful incidents of modern industrialism is discovered, and though we are loth to recommend the closing of any career to women, we are driven, by the medical evidence of their greater susceptibility to lead poisoning, to the conclusion that their employment in the more dangerous portions of the white-lead manufacture should be absolutely prohibited.‡ This is strongly recommended by the Home Office Committee.§

THE AGRICULTURAL LABOURERS.

The exhaustive Reports made by the Assistant Commissioners who inquired into the relations between the farmers and their labourers reveal, in our opinion, a deplorable state of things among the agricultural population.|| Especially in Ireland and some counties in the south of England, the labourers' lot presents a sad picture. Though the condition of the labourer may, owing to the low price of food, be no worse than at previous periods, we cannot but regard it as profoundly unsatisfactory that so large and so important a section of the population should continue to exist on incomes

* The condition of the women employed in the weaving sheds at Belfast calls for immediate attention.

† See Miss Abraham's Report, throughout.

‡ See Miss Abraham's Report.

§ Labour Gazette, December 1893, p. 197.

|| Nos. 2, 3, 14, 15, and 18 of C.—6894.

which do not exceed (even including all perquisites) 12s. to 15s. per week, whilst in Ireland it is often less than 8s. So long as wages in the country remain at the present low level the rural workman will remain a constant drag upon any attempts to raise the standard of the town worker. On this ground, if on no other, we consider that an earnest attempt should be made by the Government so to raise the standard of the rural workman that his minimum wage may rise to at least a sufficiency for the proper maintenance of a family.

Any thorough reform of the relations between employer and employed in agriculture involves, in our opinion, a fundamental revolution in the conditions of the ownership and tenure of land in the direction of State and municipal ownership, consideration of which may perhaps be deemed to lie beyond the scope of this report. We confine ourselves, therefore, to various minor proposals in the direction of increasing the independence and elevating the position of those who work on the land.

The first step towards improvement appears to us to lie in the transformation of the labourer's home. Almost every volume of the Reports of the Assistant Commissioners testifies to the need of better housing accommodation.* The official summary records that "there is abundant evidence to show that a large proportion of the cottages inhabited by labourers, are below a proper standard of what is required for decency and comfort, while a considerable number of them are vile and deplorably wretched dwellings.†

Though much has been done in some villages, in others (as for instance, in parts of Dorsetshire) the state of the cottage accommodation remains practically as bad as it was in 1867. In Ireland the provision under The Labourers (Ireland) Act of 1881 of over 11,000 cottages out of public funds, and the letting of these by the boards of guardians direct to the labourers has been productive, as the Assistant Commissioners report, of immense advantage.‡ This Act, although a great boon to the Irish agricultural labourer, is sadly deficient in its procedure, and the legal expenses connected with its operation stultify to a great extent the object in view. An amendment of this Act is of the utmost importance, giving greater facilities to boards of guardians in the acquiring of land, and reducing to a minimum the legal costs. In fact, to be thoroughly effective the Act should be made compulsory. We recommend that the parish councils in Great Britain should receive the same power of providing cottages as is enjoyed by boards of guardians in Ireland, and by town councils throughout the whole country; and that every encouragement and facility should be afforded by the Local Government Board for the free exercise of this power.

In only one case, that of Thingoe, Suffolk, has a rural sanitary authority in England built cottages, under a scheme sanctioned in accordance with Part III. of the Housing of the Working Classes Act.

We recommend that the duty of providing adequate sanitary housing accommodation should be brought forcibly home to the rural authorities by a circular from the Local Government Board, and that in every case in which the accommodation is reported to be deficient, a special communication should be addressed to the local authority, inciting it to take action. We believe that the provision of an abundant supply of cottages, owned neither by the landlord nor the farmer, but tenable directly from a public authority, would go far to increase the independence and improve the position of the English labourer.§ Scarcely less important than the supply of cottages is the provision of allotments and small holdings. We are strongly averse to the statutory creation of any new individual landowners, but, in order to effect a rise in the wages of farm labourers, we recommend that the utmost possible facilities should be afforded to parish and district councils to both purchase and hire land compulsorily, for the purpose, not of selling, but of letting it out in small plots. With a view to bringing about a general rise of agricultural wages and agricultural independence, we should seek to enable every enterprising labourer to get access to a piece of land if he desires to do so. To be of service it must be within a mile of his cottage, as otherwise he cannot reach it to put in his odd time. It must also be obtainable at a fair rent as compared with that which farmers pay for land of similar quality. Finally the dilatory and costly processes prescribed by the Allotments Act should be greatly simplified, and the Act should be extended to Ireland.

* See Mr. Rutherford's Report, pp. 22-27; Mr. Chapman's, pp. 31-35; Mr. Thomas's, pp. 21-24; Mr. Spencer's, pp. 14-17, and especially pp. 29-31.

† Par. 46 of Summary.

‡ See especially Mr. McCrea's Report, p. 10.

§ Compare the significant objection to the more extensive carrying out of the Labourers (Ireland) Act, 1881, made to Mr. McCrea: "There is no use beating about the bush, the farmers do not want to create a new order of labourers who would have the control of the situation," p. 10.

The lot of the labourer in old age demands, moreover, immediate attention. We are satisfied neither with the workhouse nor with outdoor relief as the community's provision, in declining years, for those who have tilled its soil. The subject of pensions for the aged is, perhaps, beyond the scope of this Report. But we cannot refrain from observing that the grant of an honorable pension from public funds, to all aged persons alike, as recommended by Mr. Charles Booth,* would, in our opinion, do much to raise the status of the poorer classes of workers, and especially to increase the independence of the agricultural labourer.

We do not pretend in these few suggestions, in any way to exhaust the reforms which are needed before the farm labourer can be placed in a satisfactory position. His greatest want is freedom and independence.† We believe that the new parish councils, if allowed a fairly free hand by Parliament and the Local Government Board, will gradually supply this want better than any action of the central Government could do. For the village therefore, we recommend Democratic organisation, with full power to deal with village problems.

EMPLOYERS' LIABILITY.

The reform of the law relating to the employers liability for accidents to persons in his employment has been so exhaustively dealt with by the House of Commons in the Session which has just closed that we think it unnecessary to go into details. We are strongly impressed with the need for a change in the law to meet the many hard cases that now arise. The Bill passed by the House of Commons, but not agreed to by the Lords, embodies the reforms which we recommend. We strongly urge that a renewed attempt should immediately be made to pass it into law. We are utterly opposed to any employer or any wage-earner being allowed to "contract out" of the law. We regard it as of paramount importance to the whole community that the standard conditions of safety, like those of health, education, sanitation, &c., should be irrevocably secured to every person; and that the miner should no more be permitted to sign away the benefits of the Employers' Liability Act than those of the Mines Regulations Acts. The privilege of "contracting out" in return for some real or fancied individual advantage, is contrary to the whole principle of our factory and mines regulation, our Truck Acts, and Education Code, and with the laws dealing with the public health. It is no inconsiderable argument in support of this view that every Trade Union representative who has come before us has, without exception, expressed himself strongly against "contracting out."

Meanwhile, seeing that the principle of the Bill of 1893-4 has been endorsed by the Cabinet and the House of Commons, there is nothing to prevent the Government from at once adopting its provisions as far as their own employees are concerned. Such a declaration, if widely advertised, would have a considerable effect upon the practice of other employers of labour, especially town councils and other local authorities, and would secure the advantages of the Bill for many thousands of workmen. We recommend, therefore, that an Order in Council or a Treasury Minute, should explicitly adopt as the rule of all departments of the public service the provisions of the Bill of 1893-4.

THE UNEMPLOYED.

Perhaps the most unsatisfactory of all the features in the present relations between employers and employed is the irregularity of the work of large sections of the community. We regard this irregularity as one of the most serious of the factors at present tending to degrade the standard of life.

Instability of work arises mainly from three distinct and widely different causes. Seasonal fluctuations in some trades greatly affect the numbers employed from month to month. The alternate expansion and contraction of trade throughout the industrial world causes periods of depression which are marked by widespread lack of employment. And arising out of these two causes and co-operating with them in producing an unemployed class, we have, finally, the existence of an unfortunate residuum of labour so demoralised by poverty, ill-health, and irregularity of life as to have become unfit for regular work.

These three causes need, it is clear, to be separately dealt with. With regard to seasonal fluctuations, we believe that the drastic reform of the sweated trades, the

* "Pauperism and Old Age Pensions": see Mr. Giffen's evidence, 7015-20: compare the suggestions at pp. 29, 34, of Mr. Thomas's Report, at p. 20 of Mr. Spencer's, and that of an employer at p. xxxv. and 686 of Answers (Group C.).

† "His aim must be to acquire in a full sense the power of bargain, and when that is attained good and sufficient wages will be paid by the farmer." (Mr. Chapman's Report, p. 47.)

general establishment of an eight hours' day, and the thorough enforcement of the Factory Act, would go far to diminish the minor irregularities of employment. Much can be effected too in nearly all industries by the exercise of a reasonable consideration on the part of public authorities. We consider that it should be regarded as one of the most important functions of public administration so to use its power and influence as to mitigate seasonal irregularity of employment as far as possible. We think, for instance, that every public authority should take into consideration the state of the labour market in arranging at what season of the year it will have its work executed. The number of painters out of work in the winter would, for instance, be diminished if it were made a rule that no painting work should be done for public authorities in the busy season. The irregularity of employment among compositors might be greatly mitigated if some consideration were shown in the dates at which large public printing orders were given out.

In one case, however, the evil effects of irregular employment are too serious to be dealt with in this manner. The continued demoralisation of the riverside population of East London, by the system of casual labour, constitutes, in our opinion, the gravest of all the problems which the Metropolis presents. No real improvement can be effected in the condition of East and South-East London so long as the system of intermittent employment of casual dock and wharf labourers prevails. Irregularity of river traffic cannot, of course, be entirely avoided. But the experience of the Post Office, the co-operative societies, and the great railway companies shows that it is possible to combine prompt management of fluctuating business, if on a sufficiently large scale, with the regular employment of a disciplined and well-organised staff. If we could raise the condition of the dock labourers even to that of the railway porters or Post Office employees the gain to London would be incalculable. So long as the administration of London's docks and wharves is entrusted to a large number of competing employers, we see no chance of this immense social reform being accomplished.

We recommend, therefore, that the Board of Trade, in consultation with the London County Council, should at once prepare a Bill for the establishment of a representative Dock and Harbour Board for the Thames, with power to take over and administer the docks and wharves below London Bridge, as well as all the present functions of the Thames Conservancy Board, at any rate as regards the lower Thames. The Thames Docks and Harbour Board should, of course, include representatives from the London County Council, the Town Council of West Ham, and other local authorities interested. We think, moreover, that one representative of the shipowners and one of the dock labourers might with advantage be added. And it should be charged upon the Board, as one of its primary duties, to take such steps as may be possible for the organisation and permanent employment by the Board itself of a regular staff of dock and riverside labourers.

In this connection we have had submitted to us by one of our number a plan for concentrating and improving the dock accommodation of London by cutting a new channel across the Isle of Dogs.* Such a project, if feasible, would present many advantages, and would probably greatly promote regularity of employment on the river and in the docks and wharves. It involves, however, engineering and financial problems of importance, and we recommend that it should be made the subject of a special report by suitable experts, which should be laid before the Thames Docks and Harbour Board as soon as this is established.

The extensive failure of employment which results from commercial depression appears to us to be, as Lord Farrer declared,† “an inevitable consequence of private enterprise,” that is, of the management of industry by individual capitalists for the purpose of personal gain. Where an industry is carried on, not for private profit, but in order to supply a public want, much greater permanence of work can be secured. The Postmaster-General, for instance, who is by far the largest employer of labour in the country, and who has to deal with an ever-fluctuating business, never, as we are informed, dismisses from lack of work any employee who has once been taken on the establishment. And the evidence given on behalf of the Scottish Co-operative Wholesale Society‡ indicates with what success the elimination of the profit-maker and the substitution of production with direct reference to a known demand, may transform industries hitherto irregular, into sources of constant employ-

* See evidence of Mr. Tom Mann before the Commission as a Whole.

† 8043, Commission as a Whole.

‡ Evidence of Mr. W. Maxwell before Commission as a Whole, 449.

ment. The only real remedy for the instability caused by commercial fluctuations is, we believe, the gradual substitution of the collective for the competitive administration of industry. Every extension of public administration almost necessarily results in an increase in the area of constant, as compared with irregular employment, and a consequent rise in the standard of life which cannot fail to be the marked advantage of the whole community.

This consideration furnishes, in our view, an important argument for the extension, wherever practicable, of municipal and national administration. In the meantime, however, there remains to be dealt with the widespread distress and demoralisation caused by the periodical failure of employment in times of commercial contraction. We believe that in such cases a considerable latitude should be permitted to local authorities.

In any district in which distress has arisen from a serious contraction of the local industries, vestries, local boards and town and county councils should be allowed, and even encouraged, to co-operate with boards of guardians, in dealing with the distress, not necessarily on poor law lines, but in whatever manner may be thought best. Public works of a useful, though not necessarily of a remunerative character, may often be undertaken with advantage under such circumstances, full wages being paid to those employed, and no stigma of pauperism being attached to this relief.

Sufficient trial has, we believe, not yet been made to warrant any conclusive judgment as to the extent to which this method of relieving exceptional distress can safely be carried, and the manner in which it may be best applied. Any reasonable experiments by local authorities should therefore be encouraged and welcomed by the Local Government Board. They should, however, be regarded frankly as experiments, and we attach the greatest possible importance to their working and results being exhaustively investigated and recorded—not by any of the persons concerned, but by the impartial experts of the Labour Department. Only in this way can we hope to make the experiments useful in the solution of a problem which, in our opinion, ranks among the most difficult of those presented to us.

But whatever may be done to promote greater regularity of work, and to deal with special distress among efficient workmen, there will still remain a further and quite distinct problem. There exists in our great cities a permanent class of unemployed, or only casually employed labourers, living always from hand to mouth—comprising, we believe, no very large percentage of the population, but sufficient in number to constitute a source of grave social disease. This class must not be confused with the regular and efficient workmen, to whom we have hitherto been referring. Some of them, indeed, are regular workers enough, when they can get work to do. These need only a better organisation of industry to rank as efficient citizens. Others are, in their present condition, unfit for any better organisation. The degradation of extreme poverty, the weakness arising from long continued want, and above all, the demoralisation due to irregularity of life, have combined to produce an unfortunate residuum physically and morally incapable of constant work. The degeneration of character with which we have here to deal, must, we consider, be treated as a case of disease. We must aim at preventing any spread of the contamination, especially among children. By raising the standard of life of the poorest workers, in the ways suggested throughout this Report, we must stop the causes which are daily recruiting this degenerate class. By longer school training, and better technical education, we ought to ensure that its ranks are no longer swollen by the untaught, half skilled youths whom the first shock of industrial dislocation throws out of work.*

For the actual invalids of labour—those unfortunates who have already become unfit for regular work—we should welcome the establishment of experimental labour colonies, under strict government, to which any man might be committed for a fixed term, to undergo the course of mental and technical educational discipline most calculated to restore him to the ranks of the workers. The solution indeed of this particular problem lies, in our opinion, in a wise development of the poor law, based upon the principle that paupers, no less than hospital patients, fall naturally into distinct classes, each requiring its own particular skilled and separate treatment, directed not to punish, but to cure.

* The practice of the employers in some trades of displacing adult labour by boys and "learners," who receive no adequate training, obviously intensifies the evil. The employer of children is already compelled by law to allow them time to attend school, and to see that they do so. The undue multiplication of apprentices, "learners," and boy labour might equally be dealt with by an amendment of the Factory Acts, which should require every employer of persons under 18 years of age to allow them time to attend technical classes.

CONDITIONS OF PUBLIC EMPLOYMENT.

It follows from the general lines of our argument that the Government should, in our opinion strive always to show itself a model employer. Since the Commission began its work this principle has, at the instance of Sir John Gorst, been explicitly adopted by the House of Commons. On the 6th of March 1893 the House resolved:—

“ That in the opinion of this House, no person should, in Her Majesty’s Naval Establishments, be engaged at wages insufficient for a proper maintenance, and that the conditions of labour as regards hours, wages, insurance against accidents, provision for old age, &c. should be such as to afford an example to private employers throughout the country.”*

This resolution was, after instructive debate, expressly accepted by the Government as applicable to all the public departments, and was adopted without a dissentient voice. We look upon this new departure as of the utmost importance. The example set by public departments and local authorities who, together employ directly a considerable proportion of the adult male labour of the country has, we believe, a great effect upon the condition of other wage-earners.

Its influence in raising the general standard of life cannot fail to be considerable, whilst the constancy of its action makes it an invaluable lever of social reform.

We regard it therefore as of the highest importance that every public authority should so arrange the conditions of its service as to exercise a good effect upon other employers. Every opportunity should be taken of making publicly known that the old principle of the Treasury that the Government ought to buy its labour in the cheapest market, and pay it no more than the competitive prices, has been definitely and deliberately abandoned. The contrary principle now that it has been endorsed by two resolutions of the House of Commons† will, we presume, be expressly adopted as the rule of the public service.

Many complaints have, however, been made to us that the Government is, in some departments, far from being a model employer.‡ We consider, for instance, that the wages paid by the Admiralty to the labourers in the Deptford Victualling Yard, by the Post Office to some of its sorters and letter-carriers; by the War Office to labourers at Woolwich and elsewhere; and by the Board of Customs and Inland Revenue to some of their employees, violate, even after the reforms recently effected, the spirit of the House of Commons resolutions, and ought at once to be reconsidered in connection with the question of the income below which efficiency and decent family life cannot be maintained. For the Government to pay less than this amount is actually to create the poverty and social demoralisation which it is elsewhere combatting. In view of the testimony of Mr. Giffen, and Mr. Charles Booth, and the experience of the London County Council, and other municipal bodies, we think that the minimum wages of any able-bodied adult man in public employment in London should at any rate not be less than 24s. a week. For adult women in London, the County Council minimum of 18s. a week might be adopted, though equal wages ought to be paid for equal work whether performed by man or woman. In other localities where the cost of living is less, the minimum might vary accordingly, but we think that in no case should a lower rate than 21s. a week be paid to adult men. The minimum should be periodically reconsidered with a view to its being raised whenever practicable, and it would be well for the Labour Department to prepare every tenth year, a general report upon the conditions of Government, compared with municipal and private employment respectively.

So far we have referred only to the absolute minimum wage below which it is prejudicial to the community that any family should sink. For all but the most unskilled labour, however, a more advantageous standard of life has usually been secured, which is expressed in the standard rate of the Trade Union concerned.

We consider that wherever a Trade Union standard wage or list of piece-work exists, and is in practice observed by the private employers, or any considerable section of them, it should be adopted by all public authorities employing the particular class of workmen concerned.

The coopers, for instance, who are employed by the Admiralty in the Deptford Victualling Yard at low wages ought to be paid in accordance with the list of prices

* 6th March 1893. Hansard, p. 1180, vol. 9.

† 13th February 1891 and 6th March 1893.

‡ See for instance p. xvi. of the Summary of Answers received (Group C.), and p. xi. of the Summary of Answers (Group A.).

agreed to by the London Master Coopers' Association, and the Trade Union (the Philanthropic Society of Coopers.)

The War Department should give up its refusal to recognise at Woolwich the standard rate of the Amalgamated Society of Engineers. The standard rates in practice obtained by the Associated Society of Shipwrights should be accepted in the Admiralty Dockyards. We regret to see, too, that the ship riggers complain* that their members in the dockyards receive far less than the normal rates paid elsewhere.

With regard to the hours of labour we have already expressed our opinion that the Government should set an example to other employers by establishing the eight hours' day as the normal maximum in all public departments, and by strictly limiting overtime to actual emergencies.

The practice, moreover, followed by some departments of engaging extra men just when required, and ruthlessly dismissing them as soon as the pressure is past, ought, except in cases of absolute necessity, to be abandoned. Such a practice is unheard of in the clerical branches of the Civil Service, where fluctuations of work also exist. We believe that it would be quite possible, by the exercise of a little foresight and consideration, so to regulate the demand for manual labour in public departments as to reduce irregularity, as far as ordinary periods are concerned, to a minimum.

We recommend further, that wherever it is possible for any public department to dispense with the contractor, or other middleman, and to directly employ its own labour, it is desirable that this course should be adopted. We have already referred to the desirability of extending the Army Clothing Factory, and of establishing a similar factory in Ireland. The Office of Works and Public Buildings ought to execute all repairs and cleaning, and all ordinary building operations for the public service, by its own directly employed staff. We see no reason why the example of France, the United States, and many of the colonies, in maintaining a Government Printing Department should not be followed by the Stationery Office. And we must, above all, condemn the practice adopted by that Office, as well as by the Post Office, of employing a contractor as middleman for the performance of its cartage, instead of having its own carts, horses, and drivers.

Where it is necessary to enter into contracts for supplies or works, the House of Commons resolution as to securing payment of fair wages should be strictly observed. We cannot regard as sufficient compliance with this resolution the practice followed by some departments of merely informing the contractor of its tenor, or of inserting a vaguely worded general clause in the contract.† We think that it would be of great advantage if the example of the London County Council, in expressly binding the contractor to pay the Trade Union standard rates, *as specified in a schedule to the contract*, and to observe the Trade Union hours and other conditions, were followed by all public authorities, and we recommend that this form should be adopted by the Government.

The express adoption by the Government of the labour policy which we have indicated—a policy which has, as we have said, in substance already received the endorsement of the House of Commons—would, we believe, be of incalculable influence in raising the general standard of working-class life throughout the country. In order to ensure the adoption of the new policy by every public department, we recommend that it should be embodied into a formal Minute of the Lords Commissioners of the Treasury, and communicated to all public departments. It would, moreover, be of great advantage if the Minute were communicated by a circular from the Local Government Board commending the example of the Government, including its acceptance of the provisions of the Employers' Liability Bill, to all local governing bodies in England and Wales, by the Chief Secretary to all local authorities in Ireland, and by the Secretary for Scotland to all those in that country.

CONCILIATION AND ARBITRATION.

So long as the mass of the working population remain in their present economic condition, we see no prospect of entirely preventing the dislocation and suffering caused by strikes and lock-outs. We believe that so long as industry is carried on, not with a view to public needs, but for the sake of private profit, and so long as the land, the mines, and the instruments of production are in unrestrained individual ownership, it will be impossible to avoid industrial disputes.

* See the complaints in the Answers to Group A., at pp. 137, 150, 169, 173.

† House of Commons Return, No. 189 of 17th May 1892.

We do not, therefore, think that any machinery for conciliation or arbitration will put an end to strikes and lock-outs.

Trade disputes fall into two distinct classes. On the one hand we have questions as to the proper interpretation of an existing agreement, or its application to a particular piece of work. This class of questions is, in our view, well adapted for settlement by joint boards, whether of conciliation or arbitration, similar to those in the boot and shoe making industry. We should welcome the establishment of similar boards in every industry, to be fully recognised by the Board of Trade, but in no way controlled by it. It is indispensable that they should be composed of equal numbers of employers and employed, and that the latter should be elected by the Trade Union concerned. As the main purpose of these boards would be conciliation, we see no advantage in giving them any legal functions or compulsory powers. Their decision can only be effective in so far as it brings to bear the common public opinion of either side. One great advantage to be expected from them is, indeed, the breaking down of that repugnance, still unhappily felt by some employers, to expressly recognise the officers of the Trade Unions, and to frankly confer with them on equal terms. Such joint boards might do much to maintain a uniform standard wage in each trade throughout the district, and thus serve to prevent that nibbling at wages and cutting of prices by a few unscrupulous employers, which is at present a fruitful source of disputes. They could also render most valuable service in trades in which piece-work prevails by the formulation of detailed piece-work lists, and their application to new jobs.

For the other class of questions—the terms upon which a *new agreement* should be entered into—which includes all proposals for general advances or reductions of wages, increase or decrease of hours, &c., arbitration appears to us to be of little real use, and to be of equivocal advantage to the workman. The points at issue are not such as admit of decision upon any principles which both sides accept. In the recent colossal dispute in the coal trade, for instance, the employers demanded a reduction of rates on the ground that prices and profits had fallen. The men refused to submit to any reduction because, as they alleged, even the former rates did not amount to a “living wage,” that minimum necessary for efficient citizenship below which it is to the public interest that no person should sink. Before an arbitrator could have dealt with this case, the prior question must first have been settled of whether wages ought to follow prices, or prices wages, a point of social or industrial policy on which there is no agreement.

The result of this absence of settled principle has been that, where cases of this description have been referred to arbitration, the issue has usually turned upon a comparison of the period in question with some “normal year,” and the decision has been given upon consideration of whether the employers were making profits higher or lower than those of that year. But this, it will be obvious, comes in effect to stereotyping the average position of the workman at that which he enjoyed in the year 1870, 1880, or any other year selected as the normal period. Believing, as we do, that the whole energy of the community should be turned to increasing the share which has hitherto fallen to the wage-earner, we are opposed to any system which tends to accept the past or present standard as a basis for the future. If arbitration is resorted to at all, with regard to this class of questions, we think that it should only take place on a reference which (omitting all mention of fluctuations of prices or profits, or of any normal year) is explicitly based upon an inquiry whether the existing conditions are or are not consistent with efficient citizenship.

The only legislation relating to this subject that appears to be required is the grant of adequate power to the Labour Department to obtain the fullest possible information about the facts of every dispute, the actual net wages earned, the cost of living, the price of the product, the cost of manufacture, the salaries and interest paid, the employers' profits, and any other details that may seem material. We recommend that the Labour Department should be given power to obtain these facts, voluntarily if possible, but where necessary, by compulsory inspection of accounts, &c. in order that the issues between the contending parties may be impartially and accurately ascertained, and put fairly before the combatants and the public. The great and increasing part taken by the press and public opinion in large industrial disputes, even to the extent of contributing large sums in support of one or other party, not to mention the occasional intervention of the Government, renders the fullest possible investigation by a Public Department absolutely necessary in the interests of justice.

PROPOSED ALTERATION OF THE TRADE UNION ACTS, 1871-76.

One proposal, made to the Commission by several witnesses, appears to us open to the gravest objection. This suggestion is that it would be desirable to make Trade Unions liable to be sued by any person who had a grievance against the action of their officers or agents. To expose the large amalgamated societies of the country with their accumulated funds, sometimes reaching a quarter of a million sterling, to be sued for damages by any employer in any part of the country, or by any discontented member or non-unionist, for the action of some branch secretary or delegate, would be a great injustice. If every Trade Union were liable to be perpetually harassed by actions at law on account of the doings of individual members; if Trade Union funds were to be depleted by lawyers' fees and costs, if not even by damages or fines, it would go far to make Trade Unionism impossible for any but the most prosperous and experienced artisans.

The present freedom of Trade Unions from any interference by the courts of law—anomalous as it may appear to lawyers—was, after prolonged struggle and Parliamentary agitation, conceded in 1871, and finally became law in 1876. Any attempt to revoke this hardly won charter of Trade Union freedom, or in any way to tamper with the purely voluntary character of their associations, would, in our opinion, provoke the most embittered resistance from the whole body of Trade Unionists, and would, we think, be undesirable from every point of view.

CONCLUSION.

To sum up; we regard the unsatisfactory relations between employers and employed as but one inevitable incident of the present industrial anarchy. The only complete solution of the problem is, in our opinion, to be found in the progress of the industrial evolution, which will assign to the "captains of industry," as well as to the manual workers, their proper position as servants of the community.

Meanwhile, the relations between capitalists and manual workers are enormously embittered by the demoralising conditions in which great masses of the population are compelled to live. Under any conceivable view of social development, these conditions demand the serious attention of the Government, and constitute, in our opinion, the most pressing of all the problems of statesmanship.

The evil influences of the "sweated trades," the demoralising irregularity of employment, the insanitary condition, both of the workplaces and the homes, of large sections of the community, the inadequate wages obtained in all the less skilled grades of workers, the excessive hours of labour which prevail throughout so large a part of the industrial field, all call for immediate action.

We think it high time that the whole strength and influence of the collective organisation of the community should be deliberately, patiently, and persistently used to raise the standard of life of its weaker and most oppressed members. We regard this as one of the primary functions of democratic Government, whether national or local, and whilst leaving on one side as beyond our scope such fundamental matters as the nationalisation of the land, and the taxation of unearned incomes, we have suggested, in some detail, various immediately practicable reforms in this direction. These reforms include :—

- (a.) The explicit and widely advertised adoption by the Government and all local authorities, of direct public employment whenever this is advantageous, the Eight Hours' Day, Trade Union conditions, and a moral minimum wage.
- (b.) The extension of the factory and similar Acts to all manual workers in all trades, and their drastic enforcement in such a way as to discourage home-work, and absolutely prevent industrial oppression.
- (c.) The securing by appropriate law of an Eight Hours' Day for every manual worker.
- (d.) The thorough investigation and bold experimental treatment of the problem of the unemployed.
- (e.) The provision of adequate sanitary housing accommodation for the whole nation; as well as honorable maintenance for all its workers in their old age.

In short, the whole force of democratic statesmanship must, in our opinion, henceforth be directed to the substitution, as fast as possible, of public for capitalist enterprise, and where this substitution is not yet practicable, to the strict and detailed regulation of all industrial operations, so as to secure to every worker the conditions of efficient citizenship.

(Signed) WILLIAM ABRAHAM.
MICHAEL AUSTIN.
JAMES MAWDSLEY
TOM MANN.

Report by Sir John E. Gorst.

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MAY IT PLEASE YOUR MAJESTY,

I have the misfortune to dissent from the chief recommendations which my colleagues on the Royal Commission on Labour have made, and I therefore ask leave to make the following Report:—

Public provision should, in my judgment, be made for settling trade disputes by other measures than strikes and lock-outs.

In the highly-organised trades joint committees exist, composed of equal numbers of employers and employed, by which disputes as to existing contracts are amicably adjusted and which, in general, succeed in settling questions of wages and hours without disturbing the peaceful course of industry.

The law should, in my opinion, provide means by which similar advantages might be enjoyed, as far as possible, by the general body of workers throughout the country.

The unorganised exceed the organised workers in a proportion of at least six to one; and for most of them a strong effective organisation is an impossibility.

For this purpose an authority should be created which should fulfil two cardinal principles:—

- (1.) It should be permanent, as the joint committees of the organised trades are. It should not be created for the express purpose of dealing with a dispute already in existence.
- (2.) It should be local, as the joint committees are. Its members should owe their position to local authority. They should not be appointed by the central government.

LOCAL BOARDS OF INDUSTRY.

I recommend that effect should be given to these principles, by empowering every county council to create one or more local boards of industry.

In counties of cities, where the area is limited, one such board would suffice. In the Metropolis, in some great towns, and in agricultural counties, where the area is extended, the council would divide the county into convenient areas, and appoint one board for each. The jurisdiction of the board would be limited by the area for which it was appointed.

The number of members constituting the board and the mode of appointment should be left to the discretion of the council. Personally I incline to small boards, but there may be cases in which large boards would be better. The joint committees of organised trades are generally large. The mode of appointment would naturally vary according to the circumstances of each county. In some, the council might itself select; in others, it might accept the nomination of associations; in others, it might devise some kind of election. The only rigid rule that should be prescribed is that the number of the representatives of employers and employed should be equal.

The board, when constituted, should appoint its own chairman. If it cannot agree, the chairman should be appointed by some outside judicial authority, such as the Judge of Assize. Whoever appoints the chairman should be instructed to choose a person of judicial mind and character, and as far as possible impartial between employers and employed.

The period for which the board and its chairman should hold office might be left to the discretion of the council.

The cost of these local boards of industry, which need not be great, would be paid out of the county rate. The council would prescribe the remuneration (if any) which the members of the board should receive, the clerk, or other officer they might appoint, and the expenses they were authorised to incur. The general proceedings of the boards should be subject to rules made from time to time by the council.

INDUSTRIAL TRIBUNALS.

The local board of industry should have power to hear and decide questions arising out of existing contracts of labour, or depending upon the interpretation of trade customs. Its decision should be enforceable in the same manner as that of an ordinary tribunal.

For this purpose the board of industry should be authorised by rules to form, when desirable, committees by whom this jurisdiction should be exercised.

CONCILIATION IN TRADE DISPUTES.

The local board of industry should also be charged with the duty of mediating in trade disputes. Its functions in this respect might be limited at the outset. They could be afterwards increased.

It might be sufficient at first to impose on the board of industry the duty, where it thought fit, of persuading the parties to the dispute to come together under the presidency of the board to discuss their differences, and to settle their controversy by mutual agreement.

Personally, I am in favour of giving such a board power to summon parties and witnesses before it, and to compel their attendance; and of imposing upon the board the duty, where the disputants will not agree, of making a public report setting forth the origin and grounds of the quarrel, and of the solution by which it ought to be terminated.

But, as there is much difference of opinion as to the extent of the power which a mediator can usefully exercise in a trade dispute, it seems to me that the best course would be to leave a discretion in this matter, within certain limits, to the county council. Some districts would bear more drastic treatment than others; and experiments made in particular counties would be instructive.

Where a dispute extended over the districts of several boards provision should be made for their meeting, and appointing a joint board to act. Where the dispute arose in an organised trade, which had a joint committee, the boards would naturally abstain from interference unless that joint committee failed to settle the dispute. Even in that case interference would probably be injudicious, until the boards of industry had first acquired prestige and public confidence.

It is true that this method of mediation is applicable only to the smaller disputes, local in their character, and could not be put in force in a great conflict affecting the whole of one of the staple industries of the country. But it must be remembered that the sum of all the misery and loss, caused by these insignificant disputes unnoticed by the public press, is perhaps greater than that caused by the greater conflicts to which public attention is directed. In order to deal with a labour dispute, involving a widespread disturbance of industry, there should be established, as in the State of Massachusetts, a central board of industry, appointed by the Government. It should consist of three persons—one, a representative of the employers; one of the workers; and the third appointed by the other two; or, in the event of their not agreeing, by the Lord Chancellor.

Neither central nor local board should be compelled to intervene unless and until it was of opinion that its intervention was likely to prevent or terminate a conflict.

MINISTER OF INDUSTRY.

I recommend that all the functions of the Executive Government in relation to industry should be concentrated in one Government Department.

HOURS OF LABOUR.

To shorten the hours of labour, as far as is consistent with the welfare of the national industries, is one of the most wide-spread wishes of the workers of the United Kingdom. Active help should be given by the Government and Legislature towards the accomplishment of this laudable design. The central government and the local authorities should set an example to private employers by shortening the hours of labour of those whom they employ, so far as the maintenance of the efficiency of the public service will allow. In the case of railways, tramways, and other public monopolies, as well as in the case of all contractors for the public service, the hours of labour of the employed should be made subject to public control. The hours in all dangerous and unhealthy trades should be curtailed by law, so as to reduce to a minimum the damage which the exercise of such trades unavoidably costs to the workers and to the community. While great staple industries, like that of mining, may properly, so soon as practical unanimity has been arrived at, be dealt with by Act of Parliament, it is, in my opinion, impossible for the Government to undertake the investigation of every industry in the country, or cut the Gordian knot by applying the same limit to each. The hours of any particular trade should be regulated with due regard to local desires and local circumstances.

The local board of industry should be empowered to inquire into the hours of labour in any trade carried on in its district, at the request of either employers or employed, or on the direction of the county council. It should be authorised, after due inquiry and after hearing all parties, to frame a scheme of hours for that industry within its district, containing the necessary provisions for overtime in cases of emergency or the pressure of seasons. Power should be given to several boards of industry to unite for the purpose of holding a joint inquiry and framing a joint scheme for all their districts.

The scheme so framed should be transmitted to the Minister of Industry, who might, if he thought it necessary, refer it to the central board of industry for reconsideration. If finally approved by the Minister, legal effect could be given to the scheme by Order in Council, and a general Act of Parliament might apply the penalties of the Factory Acts to all persons who employed labour in violation of the provisions of such Orders in Council.

INSPECTION.

I concur with other Members of the Commission in recommending that the staff of inspectors should be increased; that assistants should be appointed; that women as well as men should be employed in this capacity; and that offices should be opened in all the great centres of manufacture. The local boards of industry should be in touch with the inspectors and sanitary authorities, and could render valuable service in seeing to the due enforcement of the law within their districts.

SWEATED INDUSTRIES.

I concur with the other members of the Commission in recommending that the occupiers of workshops should be required to obtain a certificate of the sanitary condition of their premises, that the owner of any room used as a workshop without such certificate should be liable to penalties, and that persons who employ outworkers should be bound to see that work so given out was done in certified workshops only. The employer of outworkers should be as much responsible as a factory owner for taking care that those who work for his profit enjoy the protection of the factory laws.

EMPLOYERS' LIABILITY.

I recommend that the law of employers' liability for accidents to their workmen should be amended, and that an obligation should be placed upon every employer of labour to pay compensation for all accidents which befall the worker in the ordinary course of his employment, except those which arise from his own misconduct. If liability is restricted to cases in which it can be proved that the accident was caused by negligence, more than three-fourths of the accidents which happen in the operations of industry remain unprovided for. Contracting out of this obligation should be prohibited in the interest of the community at large, upon which the cost of providing for the disabled worker would ultimately fall.

THE UNEMPLOYED.

I agree with other Members of the Commission in regarding the question how to deal with the unemployed as the most urgent and vital of the social questions of the day. But I refrain from making any observations upon it in this Report, because I understand that the subject is not one which your Majesty has referred to the Royal Commission on Labour.

AGRICULTURAL LABOUR.

The depressed condition of the actual tiller of the soil in most parts of the United Kingdom appears to me to re-act in a very pernicious way upon the wages and general conditions of labour of the whole body of the less skilled workers. The insufficient wages of the agricultural labourer, his long and monotonous hours of toil, the dilapidated dwelling in which he is too often housed, the absence of leisure and all interest in his life, the difficulties (only now in process of removal) of obtaining the use of land for his own cultivation, and the prospect of the workhouse as the ultimate destiny of his old age, all combine to induce the younger generation to renounce the vocation of their fathers, and to migrate into the towns, where they 'displace the older and less efficient workers in industries already overcrowded. I concur with other members of the Commission in thinking that energetic steps should be taken to improve the conditions of rural labour by providing proper sanitary dwellings with gardens and allotment ground close at hand, so that everybody willing to invest his labour or employ his leisure in the cultivation of the soil may be able to find land on which to operate; by promoting the revival of rural industries; and by helping the worker to make some provision for old age better than poor law relief or the workhouse. Such measures would not only directly improve the position of the labourer in the country; they would also take away some of the motives for migration to the towns and add some inducements to the surplus population of towns to return to the country. They would thus at least tend to check the depopulation of the rural districts and the congestion of casual and intermittent labour in the cities, which is one of the worst symptoms of a diseased condition of modern civilisation.

All which I humbly submit for Your Majesty's most gracious consideration.

(Signed) JOHN E. GORST.

APPENDIX I.

MEMORANDUM BY MR. GEORGE LIVESEY ON PROFIT-SHARING.

THE Inquiry which the Commission has made "into the questions affecting the relations between employers and employed" would fall short of its object if it did not show how those relations may be improved.

The Reference requires the Commission "to report whether legislation can with advantage be directed to the remedy of any evils that may be disclosed," but, although legislation may prohibit injustice, it can do very little, if anything, to promote good feeling and community of interest between employers and employed, and may even tend in the opposite direction.

The evidence so freely placed before the Commission has shown that in numerous cases the relations between employers and employed are in urgent need of improvement. The workers, with some exceptions, contend that they do not get their share of the product of labour, management, and capital; if so, and certainly in some cases at least it is true, it is essential that means should be found for enabling them to obtain it, and where and when the workers get their share it is of scarcely less importance that they should be assured of the fact or they cannot be expected to be contented.

The wage hire system is responsible to a large extent for the present unsatisfactory conditions; it has the sanction of very high antiquity, but the times have changed and are changing fast; supreme power has lately passed into the hands of the majority, who are wage earners; in the past they have to a great extent been treated as children, but they have now acquired the full rights of manhood, and everything should be done to make men of them and to fit them to use their power aright; hitherto they have had no responsibility and no right or power to have a voice in the management or conduct of the work or business by which they live; the wage hire system gives them only the most remote interest in its prosperity. It matters little to them whether their employer is prosperous or the reverse, they get the current wages, the only difference being, that where there are large profits they may get by favour or by fighting an increase of wages, and when profits fall they stand a chance of losing employment; but in either case they have very little inducement to take any interest in the success of the business or to endeavour to promote its welfare. To their honour, however, be it said, that a sense of duty, a desire to give a fair day's work for a fair day's wage, and pride in doing good work have been in the past as fully manifested by the working class as by any other section of the community, but it is doubtful whether those principles are as effective now as formerly.

It has been said by Mr. Thomas Burt that "the workers have passed from slavery to serfdom, and then to the wage hire system, and they will get beyond that some day," while Mr. Albert Grey put the gradations as "the slave, the serf, the hireling, and he hoped ultimately the partner," and there is very little doubt those gentlemen are right; at any rate the wages system does not now produce content or industrial peace.

Some of the witnesses recommend as a remedy the principle of industrial co-operation in the form of profit-sharing partnership; it is on this principle that the fishing industry is largely worked, viz., absolute profit-sharing without wages, and the only fisherman witness (Mr. Reuben Manton, Committee B., November 27th, 1891, Question 11,156), stated that "the only way to work the fishing industry to make it remunerative is to place every man on board every boat on the profit-sharing system. We consider we lose caste if we work in any other way. I myself have never worked in any other way than by a share of the profits." Possibly this is the reason why the Commission has heard so little about the fishermen.

The partnership principle of sharing profits has been extensively and successfully applied to salaried officials, but only in rare and generally recent cases has the system been extended to the wage earners; but where it has been adopted the results, as shown by the evidence of employers and employed, are very satisfactory.

The wage hire system has so long been the rule that both parties are slow to see the need for, and still more slow to attempt to find and apply, a remedy for its defects, but there is ample evidence of the absolute and pressing necessity for friendly co-operation between capital and labour whereby the best energies of both shall be united to promote their joint interests and the general welfare of the nation.

To attain this end it is not sufficient to rely simply upon the high motive of a sense of duty. Men in all ranks are willing to make any sacrifice for their country, or to save life or to alleviate suffering or to stand at the post of duty, whatever may be the consequences; but commercial relations and questions of work and wages do not quite reach this high level. Men must have their just proportion of the joint product of their labour and skill with their employer's capital and skill, *and they must know that they have it*, or they will not be contented, for discontented men are not expected to do their best or to be willing workers; their interest needs enlistment by a fair participation in profits; but this is only half the work, a general knowledge of the business should be cultivated and so far as is practicable they should take their share of responsibility in its management and be encouraged to become owners of capital, thus enabling them to realise the difficulties and to share the anxieties that beset employers. The co-operative movement is practically confined to one class of the community; it needs both capital and experience in management before it can make any appreciable impression on the enormous field of productive industry; a union of capitalists or employers, managers, and workmen is necessary, towards which the only practicable step seems to be profit-sharing somewhat on the lines started in 1842 by Leclaire in Paris and successfully adopted by a great variety of businesses in this country during the last few years.

The first and most important step is to give the worker the same direct interest in the success of his work as that which actuates his employer, the chief element of which is profit. If he feels in common with his employer that energy, industry, intelligence and good-will put into his work may be expected to result to his advantage as they do to that of his employer he will be furnished with a new and powerful motive to do his best that will form a safe foundation for further progress in the direction of partnership; it will, however, be a work of time and of education in industrial economy of which probably the best available teacher is the system of profit-sharing itself.

Profit-sharing is not equally applicable to all occupations or businesses; to some the method of its application has not yet been discovered, while the innumerable variations in industrial conditions and circumstances necessitate corresponding variations to a greater or less extent in the adaptation of the system. The usual plan is to pay interest on capital at a fixed minimum rate, generally 5 per cent., as a first charge upon profits, and then at the end of the year to divide any surplus in agreed proportions between capital and labour, including, of course, clerical work and supervision.

There is a difficulty in ascertaining with some degree of exactness the fair proportions for the division of the surplus; sometimes it is an equal percentage on capital, beyond the fixed 5 per cent., and on wages and salaries, which is right enough in those cases where the capital is small relatively to the annual wages bill; with a larger proportionate capital, $1\frac{1}{2}$ or 2 or more per cent. may be paid on wages for every 1 per cent. additional to the capital; again the total surplus profit may be divided into two equal parts, one going to capital and the other to the employed; another method where the capital is very large relatively to the wages is to treat the agreed fixed interest as the "wages of capital," and to divide the surplus profit either equally or unequally as may be agreed as fair, between the "wages of capital" and the wages of labour, and still other methods will be suggested by special circumstances.

Probably, whatever system of division of profits may be adopted, it will, at any rate at first, be only approximately correct, but when a genuine attempt is made to act fairly there is little doubt it will be accepted in a cordial manner; employers need not fear to act liberally, the response of the employed has hitherto fully justified liberal treatment. Where it is necessary that trade competitors should be kept in ignorance of the amount of capital and profits, the plan given in evidence by Mr. Bushill, a manufacturing stationer (December 1st, 1892), may be adopted. The capital is credited with 5 per cent., and from the balance "a certain fixed sum, called the "reserved limit, is credited to the partners as a first charge for salaries of management and payment for risk, and the residue is equally divided between the employees and the firm." (Evidence, Whole Commission, Question 5900.) "The amount of the reserved limit is not generally known, but it is communicated to a chartered accountant, and he certifies year by year what bonus, if any, has accrued to the employees." (Question 5906.)

An entirely different application of the principle of profit-sharing is necessary in such cases as gas companies, where the profits are always strictly limited by Parliament; in many instances it is in proportion to the price charged for gas, under what is known as the sliding-scale. When additional profit can be earned no portion

can be divided until the greater part has been absorbed by reducing the price of gas, when the shareholders thereby become entitled to an increase of dividend not exceeding one-quarter or 5s. per cent. for each penny reduction. Parliament has thus made the consumers and the shareholders partners, it being to the interest of both that gas should be sold at as low a price as possible, but it has quite overlooked the interest of the employed, to whom, apparently, no thought has been given; all, however, that is necessary is to include them in the partnership, by providing that a certain percentage on their salaries and wages shall be paid for every reduction of one penny (1*d.*) per 1,000 feet, and taking that percentage off when the price of gas rises; the interests of consumers, shareholders, and the officials and workmen can thus be rendered identical, which is the aim and essence of profit sharing. It is a question whether Parliament should not require the inclusion of the employed in the partnership under the sliding-scale of the gas companies, thus doing justice to all parties. The co-operative societies also recognise the claims of the consumer, who is in danger of being ignored in the struggle between capital and labour.

An objection may be urged that, as the effect of the utmost effort of the employed must be very small when compared with the effect, for instance, of such variations in the price of coal as have taken place lately, which largely determine the price of gas, they should not suffer loss by increases, or profit by reductions of price, but it is surely fair that all three partners should participate alike in gains or losses, the employed having at least the same right to any unearned increment as the shareholders and consumers; and sharing in prosperity, they should also share in adversity. It has, moreover, been made clear that the total bonus paid to the employed has not been at the expense of the gas company which has adopted the system, for the whole amount, equal to 4 or 5 per cent. on salaries and wages, and something more, has been saved to the company by their better working.

Profit-sharing has been applied with success to agriculture by Mr. Albert Grey (see Reports on the Agricultural Labourer, by Mr. A. Wilson Fox, Assistant Commissioner, Vol. I., Part III., page 109, Report on Glendale Union, Northumberland, paragraphs 68 and 69) on some extensive farms; after paying rent and interest on the capital employed to work the farm and ordinary wages, &c., he divides the surplus between the employed and the capital, giving the former an annual bonus or percentage on their wages, generally about 5 per cent., or a little more, and some additional interest to the latter.

The other trades and industries that have adopted profit-sharing with success are sufficiently varied and numerous to prove its adaptability to a very large proportion of all the industries of the kingdom; very few, however, have been brought before the Commission, for the simple and sufficient reason that where profit-sharing is in force, there industrial peace prevails, there is no antagonism between employers and employed, and consequently no grievances to be made public and no remedies required.

When profit sharing is introduced into any business it is essential as far as possible to take the employed into confidence, a committee composed of workmen elected by their fellow workmen and of employers and managing officials should settle the details of the scheme and frame rules, &c., such committee to meet periodically, and at other times when necessary, to confer on all matters affecting the working of the undertaking so far as the employed are concerned; the great object being to create confidence and to promote mutual goodwill. The bonus should be declared annually or half-yearly, but the former by preference, and every opportunity should be given to the recipients to save it, or, if practicable and *safe*, to invest it in the business, or again part of the bonus may be reserved as a provident fund for old age or other purposes.

The Joint Committee of the South Metropolitan Gas Company has worked excellently, nearly half of the employed in receipt of an annual bonus leave it in the company's hands at 4 per cent., which with other savings now amounts to nearly 30,000*l.*, many men having upwards of 30*l.* to their credit, and beyond this the workmen have, since profit-sharing was introduced, in little more than three years invested 4,200*l.* in the Company's stock, which pays a trifle over 5 per cent., and others have purchased houses through the building society established by those in the Company's employ.

When profit-sharing has been introduced, and the employed have shown their confidence in the concern by becoming shareholders, or have given other similar pledges of their loyalty and stability, the next step is to give them their proper share in the responsibilities of management, as is now being done by the Scottish Co-operative

Wholesale Society; it will necessarily, at first, be small, but by the growth of confidence and increased means of saving and investment, the present want of opportunity at least will be removed, and it will be the fault of the workers if they do not rise to a better position.

The community of interest resulting from profit-sharing, the opportunity it provides for saving, the bringing of employers and employed together in friendly conference at stated periods, and whenever necessary by means of the joint committee, its educating influence and the growth of a sense of responsibility, are immense powers for good, which must tend materially to obliterate the dividing line that separates class from class, and to place the relations of employers and employed on a sound and satisfactory footing, thus preventing disputes by removing their cause, which is infinitely better than allowing them to arise, and then settling them more or less satisfactorily, or merely patching them up by boards of conciliation or arbitration.

GEORGE LIVESEY.

September 2nd, 1893.

DESCRIPTION of the PROFIT-SHARING SCHEME of the SOUTH METROPOLITAN GAS COMPANY.

NOTE A.*

The South Metropolitan Gas Company's profit-sharing scheme is simply a voluntary extension of the principle of the sliding scale—which governs the price of gas and the dividend—to the officers and workmen.

The starting point or initial price of gas for this purpose was fixed by the directors at 2s. 8d. per 1,000 feet. When gas is sold at or above that figure there is no bonus, but for every penny at which it is sold in any year below 2s. 8d. a bonus of 1 per cent. on the amount of the annual salary or wages is paid to the officials and workmen; thus, with gas sold at 2s. 7d., there would be a bonus of 1 per cent.; at 2s. 6d., 2 per cent.; at 2s. 5d., 3 per cent.; at 2s. 4d., 4 per cent.; at 2s. 3d., 5 per cent.; at 2s. 2d., 6 per cent., and so on.

The scheme was started in 1889 for the purpose of attaching the employed to their employers, and to give them a direct interest in the prosperity of the Company. In both objects it has been successful, the price of gas and the bonus have been as follows:—

Year ending.	Price of Gas.	Bonus.
June 1890 - -	2s. 3d. per 1,000 feet -	5 per cent.
June 1891 - -	2s. 3d. per 1,000 feet -	5 " "
June 1892 - -	2s. 5d. average " -	3 " "
June 1893 - -	2s. 5d. average " -	4 " "

In the last year, although entitled only to 3 per cent., the directors were so satisfied with the good working of their servants that they made the bonus 4 per cent.

The reduction to 3 per cent. was willingly submitted to, the cause being apparently thoroughly understood, the workmen simply remarked that they would do their best to enable the Company to reduce the price of gas that they might have a higher bonus.

The bonus, amounting to about 10,000*l.* a year on the average, costs the Company nothing, the whole amount being saved by the cheerful and good working of its servants; it is therefore good business and not philanthropy.

In conjunction with the scheme, and to ensure satisfactory working, there is a joint committee consisting of 18 workmen elected by their fellows by ballot and 18 directors and officials nominated by the board; so far during four years there has never been any disagreement or division of opinion between the two sections; disaffection and distrust have been prevented, and mutual confidence and goodwill have resulted. The bonus is declared annually in June, and is payable in full, but nearly one-half of the recipients voluntarily leave it to accumulate in the Company's hands at 4 per cent. interest, the total so left, with some other savings of the workmen, now amounts to nearly 30,000*l.*, in addition to upwards of 4,000*l.* invested in the Company's ordinary stock.

* Forwarded to the Commission by Mr. Livesey on October 17th, 1893.

NOTE B.*

In 1894, after nearly five years' trial has shown that the system is beneficial to all connected with the Company, the directors have resolved, with the approval of their officers and workmen, to extend and alter the system, in order to make all who are regularly employed by the Company shareholders.

The rate of bonus is increased from 1 per cent. on salaries and wages for each penny reduction in the price of gas, to $1\frac{1}{2}$ per cent., until the total bonus reaches 9 per cent., above which figure the 1 per cent per penny is reverted to according to the following scale :—

Price of Gas.		Bonus—New Scale.	Bonus—Old Scale.
<i>s.</i>	<i>d.</i>		
2	8 per 1,000 feet	None.	None.
2	7 " "	$1\frac{1}{2}$ per cent.	1 per cent.
2	6 " "	3 "	2 "
2	5 " "	$4\frac{1}{2}$ "	3 "
2	4 " "	6 "	4 "
2	3 " "	$7\frac{1}{2}$ "	5 "
2	2 " "	9 "	6 "
2	1 " "	10 "	7 "
2	0 " "	11 "	8 "
and so on. "			

But the following important condition is coupled with the increase of the rate.

One half only of the increased bonus is payable in cash ; the remaining half must be invested in the Company's ordinary stock at the market price, in the names of three trustees, and when any individual profit-sharer has sufficient (about 13*l.*) standing to his credit, with the trustees to purchase 5*l.* of stock, it is to be transferred to his name.

No man, however, is compelled to accept the new scale with its condition as to investment if he prefers the old one ; he has simply to notify his desire prior to the annual declaration of the bonus, and he can have it on either scale. There is no doubt that the new scale will be generally if not universally accepted, as the alteration was unanimously approved.

The directors of the Crystal Palace District Gas Company have this year followed the example of the South Metropolitan by adopting profit-sharing on the principle of the latter Company's new scale, which has been unanimously accepted by the officials and workmen.

* Forwarded to the Commission by Mr. Livesey on April 25th, 1894.

APPENDIX II.

MEMORANDUM BY SIR FREDERICK POLLOCK ON THE LAW OF TRADE COMBINATIONS.

It does not seem needful or desirable for the present purpose to enter at large upon the history of criminal legislation in the past as affecting trade unions and other trade combinations. That history, from the Statute of Labourers (1349) to the Conspiracy and Protection of Property Act, 1875, has been set forth by Sir James Stephen with complete mastery of the authorities, and in a perfectly impartial spirit.* Rather it may now be useful, before considering the present state of the law as a whole, to examine what seem, apart from Acts of Parliament and the judicial interpretation of them, to be the principles of English jurisprudence applicable to these matters. And it may be worth while to distinguish carefully, in the first instance, between civil and criminal rights and liabilities. Many persons are apt to think, or to speak as if they thought, that whatever is not a criminal offence must be rightful or even laudable (except when it is done by a public officer in apparent execution of his duty; in which case, according to some, the presumption is that it is wrong); or that there can be no effectual remedy for wrongful acts which are not criminally punishable. Each of these propositions, when plainly stated, is easily seen to be contrary to the laws and judicial practice of England, and (I believe) of every civilised commonwealth in the world; nevertheless it is not difficult to construct arguments of plausible appearance that really involve one or both of them.

1.—*The Common Law as to Civil Rights and Liabilities.*

It has been a settled principle from early times that everyone is free to carry on his trade or business in his own way, save so far as the conduct of any particular business may have been regulated or restrained by lawful authority, and provided he does not so conduct his own business as to interfere with the equal rights of others. Hence everyone is entitled to be free from obstruction or molestation in the pursuit of his calling, though not from competition or from its natural results. A new schoolmaster may set up a rival school in a town, and do his best to attract scholars to it; but if he tries to increase the custom of his new school by beating or frightening boys on their way to or from the old one his act is wrongful.

One may lawfully endeavour to attract workmen from a rival's employ by better terms (though not to induce them to break existing contracts); but it is a trespass to beset a man's house and prevent his servants from going in and out, or to intimidate his workmen, tenants, or customers in order to obstruct his business.† Towards the end of the last century an African trader recovered damages from a rival who fired at natives to deter them from trading with his ship.

Modern decisions have gone a step further, and it is now held an actionable wrong to persuade B to break his contract with A, intending thereby to obtain an advantage for oneself over A, or to do him a mischief by depriving him of B's services. This rule was not established without judicial dissent, and its precise limits have been much discussed; but I think it is accepted, on the whole, both here and in America, to some such extent as I have stated. Much more will A have a right to sue X for damages if X induces A to break his contract with B, not by merely offering higher pay, or the like, but by unlawful violence or by threats of it.

All this, be it observed, is established by decisions unconnected with any disputes between employers and workmen, and independent of any legislation subsisting or repealed.‡ And the acts described as wrongful, in other words, as entitling the person injured by them to sue for damages, are not punishable by a criminal court for that

* History of the Criminal Law, 1883, iii., 203-227; the late Sir W. Erle's work on the Law of Trade Unions (1869); and Mr. (now Justice) R. S. Wright's on Criminal Conspiracies (1873) are likewise of importance. Sir James Stephen uses and cites both.

† Authorities are collected in my book on the Law of Torts, 3rd edition, pp. 216, 217.

‡ The rule in *Lumley v. Gye* is now supported as a pure common-law rule, and the discussion of the Statute of Labourers which took place in that case must be considered irrelevant. American acceptance of the rule seems conclusive on this point.

reason only, though they may happen also to be common criminal offences against some person (as if X assaults B in order to deter him from working for A) or may come within the terms of some special penal enactment.

Again, the common law never could (as statute law no longer does) compel a man to work in his trade. But it does not encourage him to abridge his freedom of working or trading, and, therefore, agreements "in restraint of trade," although it be not unlawful either to make them or to observe them, are not enforceable contracts unless made for value, nor if the restriction imposed on any party is, in the opinion of the court, unreasonably disproportioned to the interest of the other party or parties which is to be protected. Agreements between men of business to regulate the conduct of their business as to wages, hours of work, and so forth, by the decision of a majority* ; not to employ travellers or others who have left the service of a member of the association within a certain time† ; to divide their business according to a fixed scheme, and to refuse to accept business from third persons except according to that scheme‡—have been held invalid as in "restraint of trade." There is no doubt, I conceive, that the same principle would apply to the ordinary rules of trades unions in so far as they purport to bind the members as to hours of work, wages to be accepted, and the like, according to the decision of any committee or executive. But this only means that the members cannot be compelled by process of law to obey the rules. It does not mean that they do any positive wrong if they think fit to obey them. In the words of Lord Justice Bowen—

"Contracts, as they are called, in restraint of trade, are not . . . illegal in any sense, except that the law will not enforce them. It does not prohibit the making of such contracts ; it merely declines, after they have been made, to recognise their validity . . . No action at common law will lie or ever has lain against any individual or individuals for entering into a contract merely because it was in restraint of trade."§

There remain in this connection two questions of which neither is free from difficulty, and which it is impossible to separate in practice, namely :—

1. Can acts which would be lawful if done by a single competitor be unlawful because done by several acting in concert? In other words, are there any limits to the right to combine for competitive purposes distinct from the limits set to the right of individuals to compete?
2. What are the limits of lawful competition in itself and apart from combination?

First, it is now settled by the unanimous decision of the House of Lords in the *Mogul Steamship Co.'s* case,|| that an act which would not even be civilly wrongful if done by one person does not become so merely because it is done in concert by several persons, though the concerted character of an action may sometimes be material as evidence that it was done with a wrongful intention of causing harm.

Further, the same decision shows that the Courts will not undertake to define the limits of legitimate competition short of the point where it can be said that some definitely wrongful act is committed, such as intimidation, obstruction, molestation, or the intentional procurement of a breach of contract or other violation of individual rights.¶ The House of Lords held, confirming the decision of the Court of Appeal, that A, B, and C do no wrong to D, a rival shipowner, by combining to give special advantages to persons who will deal with them to the exclusion of D, although the probable and intended effect of the combination be to secure a monopoly to its members for the time being, and drive the independent trader D out of that particular market. Lord Hannen said: "I know of no restriction imposed by law on competition by one trader with another, with the sole object of benefiting himself." He considered, however, that "a different case would have arisen if the evidence had shown that the object of the defendants was a malicious one, namely, to injure the plaintiffs, whether they (the defendants) should be benefited or not."

I do not think there is any authority (apart from interpretation of statutes, of which presently) to show what would be held to amount to intimidation. Upon principle I should think intimidation would mean any threat, calculated to affect a man of common sense and firmness, of doing or procuring to be done to his prejudice anything either punishable as an offence or civilly wrongful.

* *Hilton v. Eckersley* (1855-56), 6 E. & B. 47, 66.

† *Mineral Water Bottle Society v. Booth* (1887), 36 Ch. Division, 465.

‡ *Collins v. Locke* (1879), 4 App. Ca. 674.

§ *Mogul Steamship Company v. McGregor, Gow, & Co.*, 23 Q. B. Div. 598, at p. 619.

|| December 18, 1891: *Times* newspaper, December 19.

¶ Lord Justice Bowen's judgment, 23 Q. B. Div., at p. 614.

Let us apply these principles to some of the ordinary facts of trade disputes. I submit the following propositions as being fairly deducible:—

1. Neither an agreement for a strike, immediate or contingent, among workmen in any trade, nor an agreement for a lock-out among masters, is an enforceable contract; but neither is in itself punishable or wrongful.
2. A strike (or lock-out) begun without breach of any existing contract does not necessarily involve any wrongful act.
3. But if a strike is begun by stopping work in breach of an existing contract, the employer probably has a right of action against the promoters of the strike for procuring that breach of contract. A workman would have the same right against anyone who procured his employer to dismiss him in breach of existing terms, either individually or by way of general lock-out.* And generally whatever can be said of a workman's freedom to choose his employer may be said of an employer's freedom to choose his workmen.
4. Individual workmen are free to renew or not to renew their contracts, or to enter or not to enter into contracts with other employers, as they think fit. And all persons are free, if they think fit, to lay before workmen, individually or collectively, facts and reasons in favour of their doing or not doing any of these things. The like as to customers resorting or not resorting to any particular place of business or dealing with any individual trader.
5. But no one is free to deprive an employer of his workmen's services, or of the custom of those who may deal with him, by violence or unlawful interference of any kind with person or property, nor by threats thereof. Any such act is a trespass against the employer as well as against the workman or customer intimidated. And the rule seems to extend to threats of doing harm by means of a breach of contract or other definite civil wrong.
6. An agreement not to work with or not to employ any particular class of persons (as a rule of a trades union not to work with non-union men, or of an association of masters not to employ members of a particular union), is probably "in restraint of trade" and not enforceable, but it is not wrongful.
7. Any of the acts above mentioned which is not wrongful in itself does not become wrongful—
 - (a.) merely because done by a number of persons acting in concert; or
 - (b.) merely because those persons give notice to an employer or other person concerned of their intention to do such acts.

It seems, therefore, that an employer has not any civil right of action against, *e.g.*, the officers of a trade union who threaten him with a strike of union hands (not involving violence or breach of contract), if he continues to employ non-union men in general, or particular men objected to by the union.

8. It is not clear that interference with a man's business by persons having no definite interest of their own to serve thereby (for example, an agreement not to deal with a certain trader at all, or to prevent others from doing so)† might not be held to be without just cause or excuse, and therefore an actionable wrong, even if it did not involve the committing, procuring, or threatening of any breach of the peace, or breach of contract, or other specific wrongful act.

If anyone thinks that the law as laid down by the House of Lords does not sufficiently protect individual freedom of action, he may partly console himself by reflecting on the obvious fact, that, whatever the law may be, there will still be a thousand ways beyond the reach of legal process in which a majority in any trade or society can make it unpleasant for the minority to differ with them. Ultimately the rights of minorities can be secured only by securing general respect for every citizen's lawful freedom of action and discussion; and this must be the work of enlightened public opinion, and not of legal definitions. Judgments and statutes, which embody, or ought to embody, the best wisdom and experience of the nation, may do something to guide and form public opinion; they cannot take its place.

I am not aware of any subsisting legislation which, with regard to civil liability, could be held to affect the results of common law principles.

This statement concludes nothing as to the criminal law. Many civil wrongs (including some of those above mentioned) are certainly not criminal offences; on the other hand, acts which are not a civil wrong to any definite person may be deemed so

* I do not mean to deny that an action of this kind would be to some extent a novelty, or that difficulties both of law and of evidence might be expected to arise.

† See Lord Hannen's opinion in the *Alagul Steamship Co.'s* case.

contrary to the public welfare that they are made punishable offences. "There are "some forms of injury," both civil and criminal, "which can only be effected by the "combination of many persons."*

Things which are harmless or trifling when done by one or by a few may be a nuisance, or a danger to the public peace, and therefore criminal, when done and repeated by the multitude.

We pass then to the criminal law.

2.—*Criminal Law.*

There is no doubt, I apprehend, that assault and battery, unlawful wounding, riot, unlawful assembly, and other open offences against the Queen's peace, are equally offences whether committed in the course of any trade dispute, or by members of any trade combination, or not. And it is not the fault of the law when such offences fail in any particular case to be repressed, either because the officers of the law are lacking in firmness or discretion, or because they are not then and there in possession of adequate means to cause the peace to be kept.

Difficulties arise when we have to do with a state of things not necessarily unlawful in itself, and not necessarily tending to breach of the peace or specific offences against person or property, but often having such a tendency in fact. It is matter of common knowledge that almost every considerable strike has been more or less accompanied by incidents of this kind. As in the case of troops in the field in time of war, there is always risk of excesses taking place, even without the consent and against the will of the leaders. Public opinion, however not unnaturally makes the power of restraining them a rough test of the leaders' good faith and competence. The general law does not provide against such consequences, before they have actually happened, otherwise than through the power of magistrates to bind persons over to keep the peace. On the other hand, there has been much special legislation, now reduced to comparative simplicity both in principles and in terms.

In the earlier part of this century there were two somewhat widely spread opinions intimately connected with the legislation against trade combinations. First, that any combination to affect the current rate of wages was not only in restraint of trade, but so manifestly against the public good as to be of itself an indictable conspiracy. Secondly, that the courts had a general power of declaring agreements and combinations to be criminal which were directed to any purpose that appeared to the judges to be "contrary to public policy." The history of these opinions may be traced in the learned and almost authoritative works already referred to. For the matter in hand it may suffice to say that the first of them, whether it were more or less plausible at one time, has been clearly overruled by our modern legislation relating to trades unions,† and the second is now most unlikely to be judicially approved or acted on.

The offence of conspiracy is commonly defined as consisting in an agreement either to do something unlawful, or to do something not in itself unlawful by means which are unlawful. It is a question of great difficulty to what extent the term "unlawful" includes, for this purpose, acts which are civilly but not criminally wrongful, such as ordinary trespasses or breaches of contract.‡ But this difficulty does not arise with regard to trade combinations since the Act of 1875,§ which expressly declares that a trade combination is not a criminal conspiracy unless it contemplates acts which would be criminal if committed by a single person.|| Another section of the Act declares certain specific forms of molestation, exercised "with a view to compel any "other person to abstain from doing or to do any act which such other person has a "legal right to do or abstain from doing," to be substantive criminal offences. There is no doubt that the intention of this section was to draw the line between legitimate and illegitimate picketing. Certainly most, and I am disposed to think all, of the acts specified, being done with the intent mentioned, would be civilly wrongful apart from any legislation, and an agreement to commit them would probably have been an indictable conspiracy without the aid of any of the more extensive theories of "restraint of trade." Be that as it may, the enactment is sufficiently clear, with one exception; and, subject to that exception, the difficulties that occur in its application are such difficulties in obtaining sufficient evidence against ascertained persons as cannot be abolished by the wisdom of any legislature or the skill of any draftsman.

* See Lord Hannen's opinion in the *Mogul Steamship Co.'s case*.

† Trade Union Act, 1871, 34 & 35 Vict. c. 31.

‡ See *R. v Parnell*, 14 Cox 508.

§ Conspiracy and Protection of Property Act, 1875, 38 & 39 Vict. c. 86.

|| S. 3. The terms of this and of s. 7 are annexed for reference.

The exception lies in the word "intimidates." Must intimidation be a threat of something which, if executed, would be a criminal offence against person or tangible property? Or does it include the threat of doing that which would be civilly, though not criminally, wrongful? Or, lastly, can it include the announcement of an intent to do or cause to be done something which, without being in itself wrongful, is capable of putting moral compulsion on the person threatened? A specially constituted Court of the Queen's Bench Division, proceeding on the intention of Parliament as shown in the Trade Union Act of 1871 as well as in the Act of 1875, has pronounced the first of these interpretations to be the correct one.*

In *Curran v. Treleaven* it appears that the union men who were called out did leave their work peaceably indeed, but in breach of existing contracts. As to this, the decision of the Court was put on the ground that the intention of Parliament was to make the Act of 1875 merely equivalent to the repealed Trade Union Act of 1871, which made intimidation an offence only if it were such as would justify binding over the intimidator to keep the peace. There appears to be no doubt that this was so in fact. (See the notes at pp. 548, 556 of the report.) It is to be regretted that (notwithstanding express warning uttered by Members of Parliament learned in the law when the Bill was in Committee) the language of the Act of 1875 was left uncertain. Whether the language was more or less strained by the Court in order to carry out the known intention is a question of purely technical interest.

The further question whether Mr. Treleaven had a remedy by civil action against the officials of the union for procuring the union men to depart in breach of still subsisting contracts was not before the Court, and does not appear to have been mentioned even incidentally.

Certain sections of the Italian Penal Code of 1889, the latest and most scientific work of European criminal legislation, cover much the same ground as our Act of 1875, with which the framers of the Code were doubtless acquainted. I append a translation of these sections. They appear to leave open the same question as to what amounts to intimidation, unless indeed the Italian term *minaccia* has been more definitely interpreted by authority, as to which I have not any knowledge.

On the whole it will be seen that our present law makes no difference in principle between combinations of employers and combinations of workmen, but has made an exception or resolved a doubt (according to the view taken of what the common law was) in favour of trade combinations as distinct from combinations for other purposes.

13, Old Square, Lincoln's Inn,
January 22, 1892.

FREDERICK POLLOCK.

APPENDIX I.

38 & 39 Vict. c. 86.

" An Act for amending the Law relating to Conspiracy, and to the Protection of Property, and for other purposes." [13th August 1875.]

* * * * *

" *Conspiracy and Protection of Property.*"

3. " An agreement or combination by two or more persons to do or procure to be done any act in contemplation or furtherance of a trade dispute between employers and workmen shall not be indictable as a conspiracy if such act committed by one person would not be punishable as a crime.

" Nothing in this section shall exempt from punishment any persons guilty of a conspiracy for which a punishment is awarded by any Act of Parliament.

" Nothing in this section shall affect the law relating to riot, unlawful assembly, breach of the peace, or sedition, or any offence against the State or the Sovereign.

" A crime for the purposes of this section means an offence punishable on indictment, or an offence which is punishable on summary conviction, and for the commission

* *Gibson v. Lawson, Curran v. Treleaven*, 1891, 2 Q.B. 545. Cf. the note on these cases in the " Law Quarterly Review " for January 1892, p. 7.

of which the offender is liable under the statute making the offence punishable to be imprisoned either absolutely or at the discretion of the Court as an alternative for some other punishment.

“Where a person is convicted of any such agreement or combination as aforesaid to do or procure to be done an act which is punishable only on summary conviction, and is sentenced to imprisonment, the imprisonment shall not exceed three months, or such longer time, if any, as may have been prescribed by the statute for the punishment of the said act when committed by one person.”

7. “Every person who, with a view to compel any other person to abstain from doing or to do any act which such other person has a legal right to do or abstain from doing, wrongfully and without legal authority,—

“1. Uses violence to or intimidates such other person or his wife and children, or injures his property; or,

“2. Persistently follows such other person about from place to place; or,

“3. Hides any tools, clothes, or other property owned or used by such other person, or deprives him of or hinders him in the use thereof; or,

“4. Watches or besets the house or other place where such other person resides, or works, or carries on business, or happens to be, or the approach to such house or place; or,

“5. Follows such other person with two or more other persons in a disorderly manner in or through any street or road,

shall, on conviction thereof by a court of summary jurisdiction, or on indictment as herein-after mentioned, be liable either to pay a penalty not exceeding twenty pounds, or to be imprisoned for a term not exceeding three months, with or without hard labour.”

“Attending at or near the house or place where a person resides, or works, or carries on business, or happens, to be, or the approach to such house or place, in order merely to obtain or communicate information, shall not be deemed a watching or besetting within the meaning of this section.”

APPENDIX II.

ITALIAN PENAL CODE (1889), Book II., Tit. II., C. VI.

Of Offences against Freedom of Labour.

Art. 165. Whoever by force or threats restrains or hinders in anywise the freedom of industry or trade is punishable with imprisonment not exceeding 20 months, and with a fine of from 100 to 3,000 francs.

Art. 166. Whoever by force or threats brings about, or causes to be continued, a stoppage or interruption of work, in order to impose either on workmen or on employers or contractors a lowering or rise of wages, or terms different from those already agreed upon, is punishable with imprisonment not exceeding 20 months.

Art. 167. In the case of ringleaders or promoters of the offences specified in the foregoing sections, the punishment is imprisonment for any term from three months to three years, and fine from 500 to 5,000 francs.

Exercising compulsion by violence or threats, and threatening with unlawful harm of any serious kind, are also made substantive offences in another chapter (ss. 154, 156).

SUPPLEMENTARY NOTE TO MEMORANDUM ON THE LAW OF TRADE COMBINATIONS.

The Court of Appeal has held in *Temperton v. Russell* (No. 2) 1893, 1 Q.B. 715, that a combination to persuade workmen not to renew their engagements with a particular employer (this being within the workmen's rights, and coercion or intimidation of the workmen not being alleged) may be an actionable wrong, if “malicious.” If this be correct, I have understated the remedies open to employers and possibly to workmen. But, with great submission, the reasons given in the judgments do not convince me that the decision is right on this point.

February, 1894.

FREDERICK POLLOCK.

APPENDIX III.

MEMORANDUM BY SIR FREDERICK POLLOCK ON THE STATUTE LAW AS TO ARBITRATION IN TRADE DISPUTES.

The Act of 5 George IV. c. 96. passed in 1824, and amended in details in 1837 (7 Will. IV. & 1 Vict. c. 67.), gives compulsory powers of settling certain disputes between masters and workmen on the application of either party.

The process is a hearing before, not less than four or more than six arbitrators, half being or representing masters and half being workmen, but all nominated by a magistrate of the district where the party complained against resides,* to whom application must be made in the first instance. But also the parties may agree upon any other mode of arbitration (s. 13).

A number of causes of dispute are mentioned, evidently with a principal, if not an exclusive, regard to piece-work in textile manufactures, but the following particulars appear to be of general application:—"Disagreements respecting the price to be paid for work done, or in the course of being done, whether such disputes shall happen or arise between them (masters and workmen) respecting the payment of wages as agreed upon, or the hours of labour as agreed upon, or any injury or damage done to work or delay in finishing work, or not finishing the work in a good and workmanlike manner, or according to any contract or to bad materials." Further details as to causes are special to the textile trades. The general rate of wages is expressly excluded from the statutory jurisdiction. "Nothing in this Act contained shall authorise any justice . . . to establish a rate of wages or price of labour or workmanship at which the workmen shall in future be paid, unless with the mutual consent of both master and workman." A justice of the peace may, however, by consent of both parties, hear, in a summary manner, and finally determine, a matter in dispute on this as well as on any other of the enumerated points. But it seems clear that even then he could not "establish a rate of wages or price of labour or workmanship" so as to bind anyone who was not a party to the proceeding. If the arbitrators cannot agree they must refer the points of difference to the magistrate who appointed them, or, failing him, to the nearest available magistrate.

There are special provisions for enforcing the award by distress, and in default thereof by imprisonment, or by imprisonment simply in special cases where it may appear to the justices that it will be less injurious to the party than distress. Also the Act requires a ticket of particulars to be delivered "with every piece of work given out by the manufacturer to a workman to be done." Two Acts of 1845, 8 & 9 Vict. c. 77. and c. 128, make further regulations concerning this ticket in the textile trades. The latter Act applies to the silk trade only, the former to "persons employed in the woollen, worsted, linen, cotton, cotton and silk hosiery manufactures."† It does not appear why there were two distinct Acts in the same session; both received the Royal Assent within the space of a few days (August 4th and 9th).

The principal Act disqualifies a justice who is a master manufacturer or agent from exercising the powers given by it.

Voluntary arbitrations having become common, the Councils of Conciliation Act (30 & 31 Vict. c. 105.) was passed in 1867. The object of this Act was to facilitate the settlement of disputes between masters and workmen, and it was declared "to be expedient without repealing the said several Acts that masters and workmen should be enabled, when licensed by Her Majesty, to form equitable councils of conciliation or arbitration, and that the powers in the said Acts contained for enforcing awards made under or by the provisions thereof should be extended to the enforcing of awards to be made by and under the authority of such equitable councils of conciliation."

Under this statute any number of masters and workmen in any particular trade (with certain qualifications as to residence and continuance in the trade) might at a specially convened meeting agree to form a council of conciliation and arbitration, and might apply to the Home Secretary for a licence authorising them to hold and exercise all the powers granted under the above-named Acts to arbitrators and referees,

* 7 Will. IV. & 1 Vict. c. 67.

† "Manufacturers" by an obvious error in the text of the Act as printed in the Revised Statutes.

and also to "adjudicate upon and determine any other case of dispute or difference" submitted to them by the mutual consent of master and workman or masters and "workmen." These councils were not to consist of less than two masters and two workmen, nor of more than ten masters and ten workmen.

The express exclusion of any authority to establish a rate of wages, &c. is repeated from the Act of George IV.

The council, when formed, must appoint a "committee of conciliation" consisting of one master and one workman, to whom disputes shall be referred in the first instance. Three are a quorum of the council itself, one being a master, another a workman, and the third the chairman. The chairman of the council must be a person unconnected with trade. It seems needless to state the provisions as to the right of voting for members of the council, and the manner of conducting elections.

The Act does not apply to domestic servants or agricultural labourers.

The Arbitration (Masters and Workmen) Act, 1872, 35 & 36 Vict. c. 46. may be described as extending in detail section 13 of the Act of 1824. Masters and workmen may choose either a board or council, or persons designated or to be designated, as standing arbitrators, and may give them all the powers, both of arbitrators under the Act of Geo. IV., and also (in effect) jurisdiction over any dispute whatever arising out of the contract of service.* The arbitrators lose their jurisdiction over any particular case unless they hear and determine it within 21 days of the event from which the dispute arose (not, be it observed, the date of the reference).

The agreement may give power to determine rates of wages, hours of work, and other regulations. This, as has been seen, could not be done under the former Acts.

The most peculiar part of the machinery of the Act is the mode of concluding an agreement under it. If the master or his agent gives the workman a printed copy of such an agreement, and the workman accepts it, and does not notify his dissent within 48 hours,† the agreement becomes binding upon both parties, and remains binding during the continuance of the contract of service, and any continuous renewal of it.‡

It would seem that the Act contemplated the wholesale formation of standing agreements to refer disputes to the councils established, or to be established, under the Act of 1867.

The result is that employers and workmen can practically, whenever they think fit, create, or adopt by agreement, a special tribunal, whose decisions will be binding in all trade disputes, and enforceable by the special powers of the Act of Geo. IV.

The existence of the ordinary means of enforcing a submission to arbitration must at the same time not be overlooked. Employers and workmen are as free as all other persons to refer existing disputes, or agree to refer future ones, to arbitration under the general law now embodied in the Arbitration Act, 1889.

In some trades, however, it appears from evidence already given before the Commission that settlement of disputes as they arise by representative committees of masters and workmen is preferred to arbitration in any shape.

Lincoln's Inn, July 7th, 1891.

F. POLLOCK.

* This extended power was conferred by reference to the provisions of the Master and Servant Act, 1867, since repealed by the Conspiracy and Protection of Property Act, 1875. The result is, that on the face of the Revised Statutes this clause of the Act of 1872 is not intelligible.

† It would no doubt be held that the workman must be informed of this provision at the time on the face of the document or otherwise.

‡ The effect of s. 1, sub-s. 3, is not perfectly clear in some details.

APPENDIX IV.

(i.)

LABOUR DISPUTES (ARBITRATION).*

A Bill to make provision for Conciliation and Arbitration in Labour Disputes.

A.D. 1893.

(Prepared and brought in by Mr. Mundella, Mr. Burt, and Mr. Secretary Asquith.)

Be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :

1.—(1.) Where a difference exists or is apprehended between an employer, or any class of employers, and workmen, or between different classes of workmen, with respect to the terms or nature of their employment, the Board of Trade may, if they think fit, on the application of any of the employers or workmen, appoint a person or persons to act as conciliator or as a board of conciliation.

Power of Board of Trade to appoint conciliator or board of conciliation.

(2.) The conciliator or board of conciliation shall inquire into the causes of the difference by communication with the parties and otherwise, and shall endeavour to bring about a settlement of the difference.

2. If it appears to the Board of Trade that in any district or trade where disputes are of frequent occurrence adequate means do not exist for having disputes submitted to a local board of conciliation, they may appoint any person or persons to inquire into the conditions of the district or trade, and to confer with employers and employed with the view of establishing a local board of conciliation or arbitration composed of representatives of employers and employed.

Power to aid in establishment of local boards of conciliation.

3.—(1.) Any board established either before or after the *passing of this Act* which is constituted for the purpose of settling disputes between masters and workmen, or between different classes of workmen, by conciliation or arbitration, may apply to the Board of Trade for registration.

Registration of boards of conciliation.

(2.) The application must be accompanied by copies of the constitution and regulations of the board of conciliation or arbitration, with such further information, if any, as the Board of Trade may require, and thereupon the Board of Trade may, if they think fit, enter in a register to be kept by them for the purpose, the name of the board of conciliation or arbitration, and its principal office, and such other particulars as the Board of Trade may think expedient.

(3.) Every board of conciliation or arbitration registered in pursuance of this Act shall furnish such returns and reports of its proceedings as the Board of Trade may from time to time require.

4.—(1.) All persons appointed by the Board of Trade in pursuance of this Act shall report their proceedings to the Board of Trade, and all such reports, and also all reports made to the Board of Trade by any local board of conciliation or arbitration, shall be laid before Parliament.

Reports to Board of Trade and to Parliament.

(2.) The Board of Trade shall present to Parliament annually a report of their proceedings under this Act.

5. This Act may be cited as the Conciliation Act, 1893.

Short title.

* Ordered, by the House of Commons, to be Printed, 17th April, 1893.

(ii.)

CONCILIATION (TRADE DISPUTES).*

A.D. 1894.

A Bill to make better provision for the Settlement of Labour Disputes.

(Prepared and brought in by Mr. Mundella, Mr. Secretary Asquith, and Mr. Burt.)

Be it enacted by the Queen's most Excellent Majesty, by and with the advice and consent of the Lords Spiritual and Temporal, and Commons, in this present Parliament assembled, and by the authority of the same, as follows :

Powers of Board of Trade in labour disputes.

1. Where a difference exists or is apprehended between an employer, or any class of employers, and workmen, or between different classes of workmen, the Board of Trade may, if they think fit, exercise all or any of the following powers, namely :—

- (a) inquire into the causes and circumstances of the difference, and make such report, if any, thereon as appears to the Board expedient ; and
- (b) invite the parties to the difference to meet together, by themselves or their representatives, under the presidency of a chairman mutually agreed upon or nominated by the Board of Trade or by some other person or body, with a view to the amicable settlement of the difference.

Power to appoint conciliator or board of conciliation.

2.—(1.) In the case of any difference to which the foregoing section applies, the Board of Trade may, on the application of any of the employers or workmen interested, and if the Board, after taking into consideration the circumstances of the case and the means available for conciliation in the district or the trade, are of opinion that the circumstances are such as to justify them in proceeding under this section, appoint a person or persons to act as conciliator or as a board of conciliation, and the person or persons so appointed shall inquire into the causes and circumstances of the difference by communication with the parties and otherwise, and shall endeavour to bring about a settlement of the difference.

(2.) If it is agreed or arranged to refer any question arising out of or incidental to any such difference to a person appointed by the Board of Trade or to two or more persons, of whom one is to be appointed by the Board of Trade, the Board of Trade may, if they think fit, make an appointment accordingly.

Power to aid in establishment of local boards of conciliation.

3. If it appears to the Board of Trade that in any district or trade where disputes are of frequent occurrence adequate means do not exist for having disputes submitted to board of conciliation for the district or trade, they may appoint any person or persons to inquire into the conditions of the district or trade, and to confer with employers and employed with the view of establishing a local board of conciliation or arbitration composed of representatives of employers and employed.

Register of conciliation and arbitration boards.

4. The Board of Trade shall keep a register of boards of conciliation and arbitration and shall enter therein such particulars with respect thereto as to the Board may see expedient.

Annual report to Parliament.

5. The Board of Trade shall present to Parliament annually a report of the proceedings under this Act.

Short title.

6. This Act may be cited as the Conciliation Act, 1894.

* Ordered, by the House of Commons, to be Printed, 29th March, 1894.

APPENDIX V.

(Drawn up by the Secretary.)

CONCILIATION, ARBITRATION, AND MEDIATION IN THE COLONIES, UNITED STATES, AND FOREIGN COUNTRIES.*

1. *Voluntary Conciliation and Arbitration.*

(i.) The necessity of treating the subjects of conciliation and arbitration in the Colonies and Foreign Countries simultaneously arises from the fact that these methods, as applied to the settlement of trade disputes, are frequently combined in the procedure of a single tribunal or board, which has power to pronounce a decision on the failure of the disputants to effect a settlement. According to the Report of the New South Wales Commission on Strikes, "when conciliation has failed, then is the time " for arbitration to begin." The difference in principle between the two is defined in the same document. "The function of a conciliation agency is to bring about a " voluntary agreement between the parties to a dispute, while the function of an " arbitrator is to determine the merits of the case, and give a positive decision." The exercise of both functions is, however, less frequent with voluntary institutions than with those appointed by the State. Methods of voluntary conciliation, such as the English permanent joint committees of employers and employed in given industries, have few counterparts, whether in the United States, in the Colonies, or on the Continent of Europe; while the voluntary reference of disputes to arbitration is still more rarely found. The experience of these countries would appear to point to the conclusion that the success of such methods pre-supposes both a high state of organisation, at least on the side of the employed, and a disposition on the part of the opposed associations to negotiate on friendly terms. Thus, in the United States, the comparative weakness of labour organisations appears to have been an obstacle in the past to the formation of joint committees on the English system. The development of organisation in that country has, no doubt, been rapid of late years, but up to 1887, in the opinion of Mr. Carroll D. Wright, Commissioner of Labour at Washington, the trade union proper, while flourishing, had, "not attained any such magnitude, or " secured such influence as the like organisation in the old country." The comparative failure of arbitration in America has been attributed by Professor Ely expressly to the same cause. American trade unions, as another writer points out, are still seeking complete legal recognition. In certain trades, however, there is efficient organisation of comparatively long standing, and joint committees empowered to draw up periodical agreements are not unknown. In 1870 the shoe manufacturers of Massachusetts formed a committee for the purpose of arranging a scale of wages with the representatives of the workmen's association, which was called the Order of Knights of St. Crispin. This was the first board of conciliation in Massachusetts, and the experiment was, on the whole, successful, though only temporary, for in 1878 the Order finally gave way to an international union. The board of conciliation established in 1879 by Messrs. Straiton and Storm, cigar manufacturers in New York, has been quoted as the first systematic application of the principle of arbitration in America. It was, in fact, a joint committee, which decided all questions by a majority vote. It consisted of two sections, and the employed were in a majority in both. It roused a degree of interest perhaps disproportionate to its success, satisfactory though this was for a short time, but after about eight years of existence, during which its influence had declined, it was abolished by the firm. A similar committee was formed in Connecticut in 1885, on the initiative of the National Association of Fur Hat Finishers and Makers, and up to 1890, it continued to draw up annual agreements as to prices and wages. In the New York building trades, wages are fixed in the same manner, and in the cloak-making and shoemaking industries of that State, joint committees have recently been instituted for the settlement of disputes. With these exceptions, the principle of voluntary conciliation and arbitration has gained no footing

Voluntary
Conciliation
and
Arbitration.

United
States.

* Cf. FOREIGN REPORTS:—Vol. I.—United States; Vol. II.—The Colonies and India; Vol. III.—Holland; Vol. IV.—Belgium; Vol. V.—Germany; Vol. VI.—France; Vol. VII.—Switzerland; Vol. VIII.—Italy; Vol. IX.—Denmark, Sweden, and Norway, Spain and Portugal; Vol. X.—Russia; Vol. XI.—Austria-Hungary, and the Balkan States.

in the United States. In the coal and iron trades it has even conspicuously failed, except in certain departments of the iron trade, in which sliding scales fixed by conference between employers and employed have prevailed for many years. It was stated in 1881 by Mr. Carroll D. Wright, that in no State of the Union had industrial arbitration received so much attention as in Pennsylvania, where it had been attempted in each of the chief centres of the coal trade, but that up to that time it had failed in every instance, through the mismanagement of those who conducted it.

Canada.

(ii.) In Canada the organisation of labour is less advanced, and the history of conciliation and arbitration still more meagre, than in the United States. The labour question, however, has not there assumed the same form. Canada, according to the Report of the Commission on Labour and Capital in the Dominion in 1889, "has not experienced the same disastrous results from trade disputes as have been felt in other lands." The principle of arbitration was nevertheless largely supported by witnesses before the Commission, especially by those representing labour organisations, some of whom referred to instances of successful arbitration or conciliation in the mining and building trades. The Report for 1889 of the Ontario Bureau of Industries stated that, on the whole, there appeared to be "a greater willingness than formerly on the part of both employers and workpeople to resort to the more conciliatory modes of settling disputes."

Australasia.

(iii.) In the Australasian colonies, though boards of conciliation in connection with trade unions have existed in certain industries, such as the building trades, for many years, the system has by no means become general. In 1887 attempts were made both in New South Wales and Victoria to establish a permanent board of conciliation representing the whole of the organised capital and labour of the colony, but both schemes fell through for want of support. The reason for the failure of voluntary schemes is, in this case, very different from that which applies to America. In Australia the industrial depression of recent years has led to an extraordinarily rapid growth of organisation on the part of workmen, who have hoped thus to maintain the old rates of wages in the face of diminishing profits. Almost every industry is highly organised, and almost every colony has a federation of unions. Intercolonial federation has also made great progress, and the whole system is centred in the Australasian Federation of Labour. The struggle between organised labour and the counter organisations of employers, on the one hand to enforce the recognition of the principles of an exclusive unionism, and on the other hand to secure freedom of contract, has hitherto been too bitter to admit of a mutual understanding. The question at issue, that of the employment or otherwise of non-unionists, is, moreover, one on which compromise is scarcely possible, since one side or the other must yield the point. The decline of the power of the unions since the great strikes of 1890 and 1891 seems to indicate the quarter from which a withdrawal may be expected. In the meantime Australian employers appear to join in the general approval of the principle of conciliation indicated by the tenor of the evidence before the New South Wales Commission on Strikes. They insist, however, on their right to employ non-unionist labour, and on the impossibility of treating on equal terms with bodies which claim a monopoly of the entire industry of the country. The leaders of the labour movement, on the other hand, regard this monopoly as essential to the very existence of organisation. Thus, while in America the members of unions are not sufficiently "disciplined to unanimity of action," in Australia the enormous power and extensive requirements of the organisations have put employers on the defensive. Neither condition of things is favourable to the establishment of a voluntary system of conciliation, and therefore, in both cases it is legislative reform which chiefly occupies the attention of the promoters of industrial peace. In some few instances, in the absence of a permanent board of conciliation, differences have been adjusted by informal conference between employers and employed, sometimes resulting in a written agreement as to future conditions of employment. Such agreements are not only rare, but have in no case proved lasting, and the labour leaders are opposed to any conclusion of terms between employers and individual workmen or isolated unions. This method of preventing disputes was, nevertheless, distinctly recommended by the New South Wales Commission on Strikes.

On the
Continent of
Europe.

(iv.) On the continent the wilder political aims of the advanced labour party, combined with the constant tendency of the employers and of the moderate labour party to appeal to civil authority, and the weakness of organisation on both sides, make voluntary conciliation on the English system almost impossible, at any rate in such countries as Germany, France, and Italy. In others again, such as Holland, Denmark, Sweden, and Norway, the comparatively undeveloped state of the labour movement has

till quite recently made the question of the settlement of disputes an unimportant one. It is in Belgium and Switzerland that the organisation of labour is strongest and the conditions most like those of England, but in these countries also the influence of the State in such matters is considerable.

(v.) In France the national sentiment in favour of intimate relations and long-continued France. connection between employers and employed has retarded the growth of independent association among workmen. That growth, however, is steady, and is accompanied by an increasing adoption of the principle of voluntary arbitration and conciliation. A large number of syndicates both of employers and of employed have clauses in their articles providing for arbitration and conciliation. In the case of the employers' syndicates this is frequently of a merely commercial character. The Syndical Chamber of Butchers in Paris provides for conciliation with workmen, and the Federation of Workers in the Book Trade has a rule that no strike be declared before all means of conciliation have been exhausted. An instance of a joint committee expressly formed on the English model is to be found in the Joint Syndical Council for the Paper Trade, instituted by the employers in 1873. It consists of eight employers and eight workmen, with a president elected from one side and a secretary from the other. The Council depends solely on its moral influence for the acceptance of its decisions. It is stated that no strike has occurred in this industry since the formation of the Council, and that this result is largely due to the democratic spirit which animates the Employers' Syndicate. A similar joint committee has existed among the typographers of Rouen since 1877. It revises the tariff from time to time, but has never been required to adjust a dispute. Several other committees of this kind have been formed, either by arrangement between separate syndicates or by a mixed syndicate of employers and employed. In 1892 the National Syndicate of Workers in the Artistic Industries established a permanent council of arbitration and conciliation on a somewhat more elaborate plan, in imitation of the *Conseils de Prud'hommes*. It comprises a committee of conciliation to which disputes are referred in the first instance, and a general committee, which is appealed to on the failure of conciliation, and can alone pronounce an award. This Committee consists of equal numbers of employers and employed, and in case of a tie-vote there is a permanent arbitrator, whose decision is binding and without appeal. Of 1,100 agricultural syndicates 93 have instituted boards of arbitration and conciliation for the solution of disputed questions. In such cases the function of the arbitrators is apparently to report on some technical point. On the basis of their report the syndicate itself attempts conciliation or pronounces a decision which is without appeal. The penalty for repudiation is exclusion from the society.

(vi.) In Germany the national tendency to rely upon the State for the amelioration of Germany. existing conditions, together with the division of the industrial community into opposing camps of social and political opinion, causes that community to lack the consolidation and independence which favour the institution of voluntary methods of dealing with trade disputes. Organised labour bears a far smaller proportion than in England to the total labour of the country, and the only trade union in Germany which very closely resembles the English institution is the National Printers' Trade Union, formed in 1867, and re-named the German Printers' Benefit Society after the prosecution of its leaders as Socialists in 1878. This body, which rapidly extended throughout Germany, established in 1873 a board of conciliation for the whole printing trade of the Empire. It consisted of an equal number of employers and employed, empowered to take action in the event of any proposal to alter the wages' list. Local boards in the twelve main centres of the industry were empowered to decide all minor disputes arising out of the terms of the labour contract, subject to appeal to the central board. The repudiation of awards, in some instances, by the Master Printers' Association led to the abolition of the boards in 1878, and the substitution of a wages' committee, in connection with which the old local organisation was revived in 1886. The strike of 1891-92 inflicted a serious blow on the whole system. Attempts to organise voluntary boards of arbitration and conciliation for other industries have met with very little success, but there are some instances of such boards in particular factories, such as the Schultheiss Brass Foundry. These are rather consultative committees than boards of conciliation in the ordinary sense.

(vii.) According to Signor Bodio, Director-General of Statistics at Rome, institutions Italy. for the settlement of disputes between labour and capital hardly exist in Italy. In the event of strikes the civil authorities are called upon to restore order, and the question at issue is then submitted to the arbitration of some influential or official person selected for the occasion only. There are, however, a few instances of voluntary joint boards of conciliation and arbitration, of which the most conspicuous is the *Giuria*

per l'Industria Serica at Como. In 1877 the association to which most of the silk manufacturers of Como belonged, opened an office for the settlement of the frequent disputes connected with wages. In 1880 the operatives demanded its reconstitution as a regular board of arbitration, and after numerous meetings of committees of employers and employed, the Giuria was established in 1883 under its present regulations. It consisted of 30 manufacturers elected by the Chamber of Commerce and the Employers' Association, and 48 operatives elected by the Consolato Operaio. The Giuria nominates from its members a presiding committee of three manufacturers elected by the operatives and three operatives elected by the manufacturers. The Board of Conciliation consists of four manufacturers and four operatives, drawn by lot from the general body of the Giuria, and is empowered to act only on the failure of conciliation by the presiding committee. After the strike of 1891 the Syndic (Mayor) of Como induced each manufacturer to adopt a fixed separate tariff. The Giuria can thus no longer compound general controversies, but only intervene in individual disputes arising out of these tariffs. The labour chambers now being established are beginning to assume the position of arbitrators, and to organise joint committees. Such a committee exists at Piacenza, appointed by the Labour Exchange and the Chamber of Commerce.

Holland.

(viii.) In Holland the organisation of labour is as yet imperfect. Conflicts between labour and capital are not very frequent, though their number tends to increase. Thus systematic methods of settling disputes have hardly come into existence. They are to be found, however, in the boards of arbitration established in certain factories, notably that of Mr. van Marken of Delft. The Board in this case consists of equal numbers of employers and employed, with an impartial president, chosen by the members. As far as our information goes it has never yet been called into operation.

Sweden and Norway.

(ix.) In Sweden and Norway the only trade possessing a standing board of conciliation is that of house-painters. It consists of an equal number of employers and employed. When a serious question arises an impartial president is appointed, and the question is decided by a majority of votes. This system is said to have worked very well. Proposals to establish permanent boards of conciliation and arbitration in other industries have not hitherto led to any result. The Norberg mining strike in 1891, against a reduction of wages, was settled by a board of arbitration composed of seven members, three representing each party, together with the Director of the Mine Department of the Collegium of Commerce (or Board of Trade) at Stockholm. Both parties undertook beforehand to abide by the award, and the men returned to work pending the decision. The Board examined the employers' books and decided the question in favour of the men. The award was accepted and carried out. Arbitration on similar lines was successful in a strike at the Gefle saw-mills.

Belgium.

(x.) In Belgium voluntary boards of conciliation and arbitration have been established in various trades with satisfactory results. They were preceded by consultative committees (*chambres d'explications*) organised at the Mariemont colliery after the strike in 1875-76, by M. Weiler, mining engineer. These, which are still in existence, consist of workmen and foremen connected with the machinery department, not of actual colliers. In 1888 councils of conciliation and arbitration were instituted both at Mariemont and Bascoup for all classes of workmen employed there. Each council consists of an equal number of employers and workmen, and in case of equal voting the question is referred to the management of the company. These councils have proved useful in deciding important questions and promoting good feeling. In 1886 a joint committee of the same nature was formed at Brussels, representing the different organisations of masters and journeymen in the tailoring trade. In some other industries, as those of printers and jewellers, where no permanent board exists, temporary joint committees are appointed on the occasion of a dispute, and generally effect a compromise.

Switzerland.

(xi.) It is stated that in Switzerland there is an increasing tendency towards the peaceable settlement of trade disputes. The formation of boards of arbitration and conciliation on the English model is a scheme that finds favour both with employers and employed, but it is felt that stronger organisation on both sides is necessary for its complete success. Such boards already exist in connection with 25 trade unions, and are active and efficient. The Zurich Federation of Employers' and Workmen's Associations which was formed in 1889, provides for conciliation and arbitration, and each association which joins it undertakes to refer all disputes to the Federation Board, and to be bound by its decisions. Repudiation of an award is punished by censure or expulsion.

Spain.

(xii.) In Spain there have been a few instances of the action of joint committees in fixing wages and thus avoiding disputes, but these institutions have been for the most part short lived.

2.—*Legislative Mediation and Arbitration.*

Legislative
Arbitration:
United
States.

(xiii.) Legal provision for arbitration exists in the United States, in Canada, in New South Wales, and in most European countries. There are, however, few instances in which a permissive measure of this kind has proved operative. In the United States the first instance of such legislation was the Wallace Act of 1883 in Pennsylvania, passed after an investigation of the English system of voluntary boards, and authorising the establishment of boards of arbitration in that State. This Act took immediate effect, but the working of the boards constituted under it was apparently not very satisfactory. It was always found necessary to call in an umpire, whose award was invariably a compromise which satisfied neither party. The awards in this case are not binding until accepted by both parties. By a similar Act passed in Ohio in 1885, both must pledge themselves beforehand to accept the award.* Most of the American boards of arbitration have resulted from compulsory legislation. Of these, the only two possessing a record of several years are those of Massachusetts and New York, established in 1886 and 1887. The former is composed of a representative of the employers, a representative of the employed, and an impartial person chosen by both. The latter consists of two representatives of different political parties, and a member of a "*bond fide* trade organisation" of the State. Appeal to these boards is optional, but they are obliged, whether called upon or not, to proceed to any place where a dispute is in progress, and endeavour to bring about an amicable settlement. For this purpose the two parties are sometimes invited to discuss the question in the presence of the board, which holds in reserve the power, in default of a settlement, of inquiring into the cause of the controversy and publishing a report assigning the responsibility. Such a system of conciliation has an element of compulsion, but it is more often adopted than the method of direct arbitration, and the result is often satisfactory. When the board is called upon by either party to arbitrate, it holds an inquiry, which it may at discretion make public, and issues a written decision. The award is binding on the disputants for six months, unless 60 days' notice is given by the one to the other of an intention not to be bound by it. In 1887 such notice was given in two instances of arbitration by the Massachusetts Board, but in neither case was the award departed from at the end of the period. There is no provision for compelling the acceptance of the award. A similar Arbitration Act has been passed in California. In New Jersey arbitration boards were authorised by law in 1886, but were both voluntary and unofficial. An Act of 1892 supplemented them by State boards appointed by the Governor, and competent both to hear appeals from local boards and to settle disputes in the first instances, if desired by both parties. The disputants must agree beforehand to accept the award, but there is no means of compelling them to do so. Their prescribed constitution and procedure is very similar to that of the boards already mentioned. In Colorado, Missouri, and North Dakota, provision is made for mediation by the Board of Public Works or the Commissioner of Labour, who in Missouri may organise a board of arbitration on the failure of the former expedient. By an Act of March 10th, 1893, Commissioners of Conciliation may be elected in every town, incorporated village, or city of North Dakota at the same time as the Justices of the Peace. When issuing a summons in a civil action, the justice may issue a subpoena summoning two of these commissioners. The justice and commissioners, after hearing the evidence of the parties to the dispute upon oath or not at their discretion, shall "endeavour to persuade the parties to agree to an amicable settlement," and if an agreement is reached it may be made a judgment of the court. If, on the other hand, the parties cannot agree, the case must be adjourned for trial, and at the trial no part of the previous proceedings may be admitted as evidence. In April 1893, the Pennsylvania Legislature passed an Act empowering either or both parties to a dispute to apply to the Court of Common Pleas to constitute a Board of Arbitration. The court may at its discretion, with due regard to the importance of the case, constitute such a board, which shall sit with closed doors "until its organisation is consummated," each party selecting three members and the court appointing three more, or six if either party fails to comply. One of the members appointed by the court will preside, and the proceedings are to be public. Similar laws have been passed in Kansas, Iowa, and Maryland. It does not appear that any of the American State Boards, except that of Massachusetts, have

* An Act has recently been passed in Ohio "to provide for a State board of arbitration for the settlement of differences between employers and their employes." It repeals the Act of 1885 which authorised the formation of voluntary tribunals. Its provisions do not differ materially from those of the Massachusetts, New Jersey, and Californian Acts. An Act was passed in Michigan on July 3rd, 1889, authorising the governor to appoint a State board, but so far he has failed to exercise the authority conferred upon him.

been specially successful, and it is difficult to ascertain from their reports for how long a period their awards have been respected. The satisfactory nature of the work accomplished by the Massachusetts Board is pointed out in the Report for 1892. Attention is drawn to the fact that, during its seven years' existence, the strikes and lock-outs occurring in Massachusetts, though too numerous, have been largely settled in an amicable manner, and have in no case so seriously disturbed the public peace as in several other States of the Union. The success of the Board in promoting the settlement of disputes was, it is stated, more marked in 1892 than in any preceding year, owing to the better acquaintance of the public with the provisions of the law and the working of the Board, together with a general and growing sense of the "wasteful inutility" of strikes and lock-outs. During 1892 the Board dealt with 40 disputes, either spontaneously or on the application of the parties concerned, more than half the cases being of the latter kind, and nine of these applications coming jointly from employers and employed. There were altogether nine cases in which the efforts of the Board to effect a settlement were unsuccessful, owing to the refusal of arbitration, or to the natural termination of the dispute by the defeat of either side. Eight disputes were successfully settled by conciliation in the presence of the Board, and in eight the arbitration of the Board was applied for and accepted. All these latter cases, without exception, were disputes affecting wages in the shoemaking trade, and were submitted to arbitration at the desire of both parties, and the Board was sometimes required to draw up price lists in detail for each department of the industry. In 13 cases a private agreement was arrived at, with more or less assistance from the Board, and in two cases which occurred towards the end of the year, a settlement in this manner was expected. There was only one dispute, and that unfortunately of a rather serious kind, in which the action of the Board received other than the most courteous response. Under the Massachusetts Act, and those which resemble it in other States, a special voluntary board may be temporarily substituted for the State board at the desire of the persons concerned, and is endowed for the time being with all the powers of the permanent body. The Massachusetts Report for 1887 mentions two instances of the appointment of such a board. The Act of Congress of 1888 for the creation of voluntary inter-State boards for the settlement of disputes in railway labour appears to be practically inoperative. It makes the whole process optional, from the constitution of the board to the acceptance of the decision. The Nebraska Commissioner of Labour regards it as an inadequate measure. It is, however, the opinion of Mr. Carroll D. Wright, Commissioner of Labour at Washington, that all arbitration should be voluntary, and that to constitute State boards is to return to the system of State regulation of wages.

Canada.

(xiv.) In Canada the Legislatures of Ontario, Nova Scotia, and British Columbia have passed Acts for the settlement of trade disputes by arbitration, but no information has been received as to any instance of their operation. Under the Nova Scotia Mines Arbitration Act, arbitration is optional, but, to secure the acceptance of the award, the employer may retain 14 days' wages of his workmen and deposit the amount at the bank, together with an equal amount on his own part; the deposit on either side is forfeited on failure to carry out the award. This is the only instance in which a State arbitration board has been provided with any means of enforcing awards for the settlement of collective disputes. The British Columbian Act of April 1894 appoints a Commissioner of Councils of Labour Conciliation and Arbitration which are to be composed of persons nominated by the disputants and appointed by the Lieutenant-Governor, with a judge of the Supreme Court as President of the Council of Arbitration. The award in this case is not binding in law upon the parties unless they have previously entered into an agreement to be bound by it. The Dominion Trades and Labour Congress in 1891 passed a resolution in favour of the formation of a Dominion Board of Arbitration and Mediation, whose decisions should be compulsory in the case of railway companies and corporations holding public franchises. In 1892, the Congress further resolved that arbitration should be adopted wherever possible, and that for the purpose of facilitating this, the Government should appoint a Board of Conciliation and Arbitration.

Australasia.

(xv.) The New South Wales Commission on Strikes, appointed in 1890, took a considerable amount of evidence on the subject of arbitration and conciliation, and finally reported in favour of a State board of conciliation, empowered to constitute itself a board of arbitration on the failure of the disputants to agree. The Commission recommended that, for purposes of conciliation, which usually requires special knowledge of the matter in dispute, there should be temporary members of the board, representing the interests concerned, and that, for purposes of arbitration, for which judicial ability is

necessary, there should be a permanent section, with a chairman appointed by the Government. The Commission advised that the board should have no power to compel the disputants to appear before it, but that the request of one of them should suffice to call it into action. The award should not be enforced, since the function of such a board is rather admonitory than judicial. In England, as the Commission pointed out, compliance has always been optional, and awards have rarely been rejected. The Commission, moreover, while regarding it as essential that powers of arbitration should be held in reserve, expressed a decided preference for conciliation in point of practical efficiency. As the result of this Report an Act was passed in 1891 establishing a central court of arbitration for the colony, but leaving it to the discretion of the Governor whether a central board of conciliation shall be formed or district councils to the number of five. The Act departed from the recommendations of the Commission by separating the 'conciliation board from the board of arbitration during the exercise of its own function, while allowing its members to sit as assessors on the reference of a matter to the board of arbitration. It also made the term of office the same for both councils, but authorised the formation of special temporary councils whenever required. It provided that, if before the award were given both parties agreed to be bound by it, it might be made a rule of the Supreme Court on the application of either. Two councils for the whole colony, one for conciliation, and one for arbitration, were appointed under the Act, and met in October 1892, when a doubt was expressed by the president whether the absence of compulsion to refer disputes to the board would not make the law inoperative. This, it is believed, is the only instance of actual legislation providing for the settlement of trade disputes in any Australasian Colony.

The only dispute, so far as can be ascertained, which has been settled by arbitration under the Act, was the strike at the Helensburg Colliery early in 1893. The arbitrators practically upheld the reductions proposed by the owners, and after some resistance the award was accepted by the men. Two mining disputes occurred in April 1893, in which, according to the "Sydney Daily Telegraph," conciliation and arbitration respectively were offered by the employed but refused by the employers. The consent of both parties is not necessary for a reference to the council of conciliation, but in this case the employers replied that they could not make any change in the terms which they had at first proposed. The total result of the first year's operation of the Act was one case dealt with by arbitration and one by conciliation; eight applications made to the board by the employed were refused by the employers, and in six cases the negotiations of the board were unsuccessful. The poverty of the result achieved is attributed by the Clerk of Awards to the collapse of the labour organisations since the strikes of 1890 and 1891, and the great increase which has at the same time taken place in the power of employers' associations. The conclusion which he draws from the experience of the year is "that voluntary conciliation and arbitration, though excellent methods where the parties to a dispute are upon fairly equal terms of power, break down where circumstances generally, a crowded labour market, accumulated funds, superior organisation or other causes, place one of the two in an overwhelmingly superior position than the other. . . . As matters stood the misfortunes of the one (party) were the opportunity of the other and that opportunity has been fully seized." Only four out of fourteen employers' associations responded to the invitation sent to them on the occasion of the inaugural meeting of the board. The usefulness of a standing council of conciliation has not been proved, as all applications for conciliation were made under section five of the Act which provides for the appointment by the applicants of conciliators outside the standing council. During the year it was decided that the councils may give their services unofficially in cases where the number of persons employed, who are concerned in the dispute, falls below ten, the minimum number prescribed by the Act. In one case the employers refused the invitation sent to them by the council of conciliation after application had been made to it by the employed on the ground that those persons being already on strike, had ceased to be in their employment. As the Act provides only for conciliation between employers and employed, it has been pointed out that a further definition of these terms would be desirable. Five years before the passing of the Act of 1891, a Bill which partly anticipated it had been introduced into the New South Wales Parliament. In 1890 a Bill authorising optional councils of conciliation was rejected by the Victorian Legislative Assembly, and Mr. Kingston's Industrial Unions Bill, which made elaborate provision for the formation of public and private conciliation boards, was rejected by the South Australian House of Assembly. On its re-introduction as amended

in 1892 it was again thrown out. A Bill for industrial conciliation and arbitration has been under the consideration of the Labour Bills Committee of the New Zealand Parliament during the present year: it provides for district boards of arbitration elected by employers and employed, and for a court of arbitration to which any dispute which cannot be settled by the local board must be referred; the decision of the court is to be enforced by law. The court itself is to be composed of three members appointed by the Associations of Employers and Associations of Employed, and the Governor.

On the
Continent
of Europe.

(xvi.) On the continent of Europe the only example of successful conciliation and arbitration as established by law is to be found in the peculiarly French institution of *Conseils de Prud'hommes*, which has also been established in Belgium, and less extensively in Switzerland. Originating, according to some authorities, in the thirteenth century, this institution was represented in the eighteenth by the *Tribunal Commun* of the silk trade of Lyons. In 1791 this was swept away, with other mediæval survivals, but was restored by Napoleon in 1806 in the form of a *Conseil de Prud'hommes*, which became the model for other councils in the principal manufacturing towns. In 1892 the number existing in France was 149. According to the official publication "*De la Conciliation et de l'Arbitrage*," it is to this institution that "the comparative tranquillity prevailing in French industry in this century" is due. It is nevertheless the case that the *Conseils de Prud'hommes* are not directly concerned with the settlement of collective disputes, or with the determination of rates of wages. They can only deal with disputes between individual workmen or employers, or between a workman and his employer, and only with such disputes as arise out of the interpretation of a contract written or implied; while in the case of a claim exceeding 8*l.* in value, an appeal lies from them to the tribunals of commerce. Their great merit consists in the simplicity and inexpensiveness of their procedure and the readiness with which they dispose of small disputes which would otherwise cause ill-feeling or require an elaborate legal remedy. The councils exercise the double function of conciliation and arbitration, and are divided for this purpose into two committees, that of conciliation (*bureau particulier*), and that of arbitration or judgment (*bureau général ou de jugement*). The former consists of an employer and a workman, if possible, of different industries. The disputants state their case before this Committee, which endeavours to bring them to a friendly understanding, and, if necessary, suggests terms of agreement. About two-thirds of the cases brought forward are decided on the spot; those in which conciliation has failed are referred to the Committee of Judgment. It is stated that the proportion of such cases has lately shown a tendency to increase. The Committee of Judgment consists of two employers and two workmen, with a president (an employer), and a vice-president (a workman), who preside alternately. Witnesses may be called and are obliged to appear, but counsel are not admitted. In all cases where the value of the claim is below 8*l.*, the judgment of the court is final and is enforced by law. This legal recognition enables the councils to command respect, while both employers and employed have confidence in judges chosen from among themselves. The electors on each side choose their representatives at separate meetings, and the employer *Prud'hommes* are elected by employers. The system by which the employers elected the employed, and the employed the employers, was abolished as unworkable in 1853. A council can be created by a State decree, on the request of a local chamber of commerce. Under the decree of March 1890, only those trades in which materials undergo transformation can elect such councils; thus, the mining and transport industries among others, are excluded. The electors must be masters or workmen over 25 years of age, and resident for three years in the neighbourhood. The *Prud'hommes* must be 30 years of age, and able to read and write. A Bill is now (1893) before the Legislature, which provides for the codification of the various decrees relating to the councils, and the introduction of certain reforms, such as the extension of the suffrage to women and of the jurisdiction of the council to further trades and to cases involving sums up to 500 fr. (20*l.*) The new law of arbitration passed by the French Legislature in December 1892 attempts a compromise between a purely permissive measure and one dependent on State initiative. It does not establish permanent boards, but provides facilities for a resort to conciliation or arbitration if desired, and at the least possible cost to the disputants. The justice of the peace may urge them to form a committee of conciliation, and may be asked to preside over such a committee, or, failing conciliation, he may invite them to appoint arbitrators. If these can neither make a decision nor agree upon a new arbitrator, such a person is named by the president of the civil tribunal. There is no provision by this law

against the refusal of arbitration or the repudiation of awards. Article 15 of the law specially mentions that women of French nationality may be delegates with a view to conciliation. The Act has already taken effect in numerous cases, but apparently, according to the latest returns, not with altogether satisfactory results.

The establishment of the modern *Conseils de Prud'hommes* in France and Belgium was almost simultaneous, Belgium being then part of the French Empire. Their constitution was afterwards completely remodelled, still on the lines indicated by the successive reforms which were taking place in their French counterparts. In 1891 there were 27 of these tribunals, and it appears from statistics of their work between 1862 and 1891 that about 75 per cent. of the cases brought before them were settled by conciliation. They are now supplemented by an institution which is in closer relation with modern industrial conditions, namely, the Councils of Trade and Labour (*Conseils de l'Industrie et du Travail*) established by law in 1887. The main difference between these and the *Conseils de Prud'hommes*, so far as they are concerned with the settlement of disputes, is that the Councils of Trade and Labour are competent to deal with collective disputes and to pronounce opinions affecting future agreements between employers and employed, instead of decisions based solely on existing contracts. Moreover, while the decisions of the *Prud'hommes* are binding in matters within their competence, those of the Councils of Trade and Labour may be accepted or not at discretion. Their principal function is not that of boards of conciliation, but of intelligence departments charged with the collection of statistical data bearing on the state of industry in general and the furnishing of information to the Government. The apathy or hostility of employers and workmen, and the want of adequate representation of the various branches of industry, are said to impede the Councils in the exercise of their conciliatory functions. Each Council is established by a Royal decree, which specifies the limits of its district, the number of its sections, each representing a different industry, and the number of representatives of employers and employed. Their constitution is very similar to that of the *Conseils de Prud'hommes* on which they were based.

(xvii.) In Switzerland, the establishment of *Conseils de Prud'hommes* dates only from Switzerland. 1883, when the *Tribunaux d'Arbitrage Industriel*, instituted at Geneva in 1874, were abolished to make way for them. Ten trades are represented on these Councils, the watch industry being one. Transport and commerce are also included, contrary to the practice in France. In Neuchâtel, the formation of such councils is authorised by law, but is not compulsory, as at Geneva and Bâle, and only one town has hitherto availed itself of the Act. The institution has shown satisfactory results at Geneva, and the proportion of cases settled by conciliation, though not so high as in France or Belgium, tends to increase. A law authorising voluntary boards of arbitration for Canton Vaud was passed in 1888, and has been carried into effect in several cases.

(xviii.) An Italian institution, similar to the *Conseils de Prud'hommes*, is to be found Italy. in the *Collegi di Probi Viri*, recommended by the Commission on Strikes in 1878, but only established by law, after the failure of numerous schemes, in June 1893. The law is permissive, and the boards are to be instituted by Royal decree. They are to be elective, and equally representative of employers and employed, with a president appointed by the Government. Like the *Conseils de Prud'hommes*, they combine conciliatory functions with special judicial powers within certain limits. They can deal only with existing contracts, and if a sum exceeding 8*l.* (200 lire) is in dispute, an appeal lies from the "Giuria" or board of arbitration to the local tribunal or praetor. They differ from the *Conseils de Prud'hommes* in that women are eligible as arbitrators.

(xix.) In Germany special courts for the settlement of industrial disputes have in Germany. various forms been sanctioned by law since the beginning of the century; but on the whole, legislation of this kind has been found ineffectual. The incorporation into France of the left bank of the Rhine, during the Napoleonic wars, led to the formation of *Conseils de Prud'hommes* in several districts, and when the provinces reverted to Prussia, an attempt was made to extend the system, but with no great success. The Prussian Legislature passed a law in 1849 for the establishment of industrial courts, and eleven of these were formed, but accomplished little, partly on account of a want of clearness in the provisions affecting their constitution and procedure. The Industrial Code, passed by the North German Confederation in 1869, and subsequently adopted by the Empire, authorised the institution by the communal authorities of courts of arbitration for the settlement of disputes respecting the labour contract, the members of such courts to be chosen from among the employers and the employed in equal numbers. The industrial classes, however, were slow to take advantage of this

provision, and of the few courts which were formed, some never exercised their functions, and others were prevented by their statutes from intervening in the collective disputes with which the authors of the Code intended them to deal. Those which had power so to intervene do not appear to have used it, since no instance can be found of any strike which was settled by the arbitration of a State court. The Stuttgart court was the most successful in connection with individual disputes, and the factory inspector for the district reported in 1889 that it had succeeded in gaining the confidence of the workpeople, who showed much more activity than the employers in the election of representatives. After several ineffectual attempts at further legislation, a law was passed in 1890 by which the existing courts were abolished, and provision made for the formation of industrial courts of a somewhat different character. Their usual function is retrospective and judicial, like that of the arbitration board of the *Conseils de Prud'hommes*, and in this capacity their decisions are final if the matter in dispute is below the value of 5*l.* If a larger sum is involved, appeal may be made to the regular tribunals of the district. An industrial court has the further power of constituting itself a board of conciliation for the settlement of disputes affecting future contracts, when appealed to in this sense by both parties. In such a case four assessors are named by the president, and the disputants may elect further assessors provided that equality of representation is preserved. The decisions of the court when acting as a board of conciliation are not legally binding, and cannot be enforced. Its duty is simply to conciliate or arbitrate as may be required, and to publish the result of the negotiations. Up to the end of 1892 nine courts had been established under the new law, and during that year had dealt with 1,480 cases, of which about half were settled by compromise. In some districts where industrial courts are specially needed, there has been considerable delay in carrying out the law. In Berlin the election of assessors only took place in February 1893. The Berlin court consists of 420 assessors, of whom two must be summoned to each meeting, and the statutes provide that those summoned on each occasion shall be as far as possible of the same trade as the disputants. In the mining districts the expense of organising the courts is borne by the State instead of by the communal authorities, and the conservative party in the Chamber of Deputies offered strong but ineffectual opposition to the proposal to vote the necessary funds. Courts were established in those districts in April 1893. Attention has been called to the very infrequent exercise by industrial courts of the power of resolving themselves into boards of conciliation.

(xx.) The Austrian industrial courts, which were instituted in 1869, can, like the French *prud'hommes*, decide disputes which arise out of existing labour contracts. These courts have both conciliatory and judicial functions; any case brought before them is first referred to a committee of two, who endeavour to effect a settlement, and in the event of failure bring the matter before the judicial board (*Spruchcollegium*). There are also committees of arbitration in connection with the guilds, and a Government Bill of 1891 strove to bring the two industrial parties still closer together by establishing workmen's committees and forming compulsory boards of arbitration. The Bill has not yet become law, but it affords a good example of the desire of the Austrian Government to exercise a mediating influence upon labour disputes and to associate employers and employed in the work of self-government so that they may be brought to discuss their respective grievances in a friendly and reasonable spirit.

(xxi.) No legalised institution for the settlement of trade disputes at present exists in Holland, Denmark, Sweden, or Norway. In Holland the national love of freedom is manifested in a distrust of State interference which is only now beginning to relax. The desirability of establishing district labour councils has been considered by the Dutch Labour Commission, and the subject has more than once been brought before the States General. A Bill now under consideration provides for the formation of such councils, with committees of conciliation and arbitration. A law authorising the establishment of courts of arbitration and conciliation was passed in Portugal in 1889. The courts are also to collect information on industrial questions and to see to the enforcement of laws regulating the conditions of labour.

Throughout Denmark, Sweden, and Norway, institutions exist which are known as boards of conciliation; but, far from dealing primarily with trade disputes, their object is to secure cheap justice to the people in ordinary civil cases, and to prevent litigation by bringing about an amicable arrangement, or pronouncing a decision with the consent of both parties. Either mode of settlement is final, and all civil cases must by law be brought in the first instance before the local board of conciliation.

(xxii.) Legal provision for mediation exists in the United States in connection with the State Boards of Arbitration which have been already described, and are enjoined by law to intervene in trade disputes with the object of effecting an amicable settlement.

Holland,
Denmark,
Sweden and
Norway,
Portugal.

Legislative
mediation.

This intervention, when successful, frequently leads to a discussion between the parties in the presence of the Board, and thus mediation passes into conciliation. In Colorado, Maryland, Missouri, and North Dakota provision is made for arbitration by the Board of Public Works or the Commissioner of Labour. The French Arbitration Act of 1892 authorises the Justice of the Peace to urge the parties to a dispute to form a conciliation board or appoint arbitrators; if his overtures are rejected, he is empowered to publish a statement to that effect. These are the principal cases in which mediation is provided for by law; instances of private intervention are still less frequent. In such a method of settlement there is more commonly a kind of compromise between an official and a private proceeding; that is, it is effected by a person in an official position acting for the time being as far as possible in a private capacity. In certain cases the Governors of States have offered their services as mediators in American strikes, and in Australia mediation was attempted by the Mayor of Sydney and others, but with small success, in the great Maritime Strike of 1890. It is said to have been employed, though not publicly, in the Broken Hill Miners' Strike of 1892. In Australia, however, especially in South Australia, a frequent method of settling disputes is by the private mediation of the central council of federated unions for the Colony; and similarly in France, disputes affecting the federation of workers in the book trade are most commonly settled by the intervention of the Federation delegate. On the Continent there is, generally speaking, a strong tendency on the part of both employers and employed to refer disputes to the mediation of State officials. In France, Norway, and Sweden, and Austria, the magistrates frequently intervene; and in Switzerland the mediation of the cantonal and communal authorities, or other persons of recognised standing, has proved increasingly successful of late years. In Spain the Governors of the provinces have often intervened. In Germany, Austria, and Russia it is very usual for this office to be undertaken by the Inspectors of Factories, who occupy a prominent position in the industrial world. Their special opportunities of obtaining information no doubt constitute a high qualification, and their influence in this direction might be even more beneficial in Germany and Russia, but for the distrust with which the working classes are apt to regard them in Austria their success in dealing with disputes appears to be remarkable, as the Inspectors' Reports for 1888 mention 65 strikes, those for 1889, 135 strikes, which were settled by their mediation. One remarkable instance of successful mediation is that of the German Emperor on the occasion of the Westphalian miners' strike of 1889. It is impossible, however, to ignore the authoritative character which necessarily belongs to the recommendations of the head of the State, and it is not probable that either mediator or disputants could forget the forces which were expressly stated to be held in reserve.

GEOFFREY DRAGE,
Secretary.

APPENDIX VI.

MEMORANDUM BY MR. TOM MANN ON STATE AND MUNICIPAL CONTROL OF INDUSTRY.

The control of industry by the State or municipalities is advocated because it is believed that such collective control would best secure the interests of all sections of the community.

It is held that modern commercialism with its intense competition does not admit of proper individual development, and amongst the most ardent advocates of collective control of industry are to be found those strong individualists who desire nothing so much as the opportunity for all to fully develop their manhood and womanhood. They point to the fact that under present conditions a considerable proportion of the population are in enforced idleness, and are, therefore, consuming without producing, and to the fact that many others are engaged producing and distributing articles, some of which are useless, and others positively mischievous in their effects, and which would never find a sale were it not for the modern development of a system of palming off goods by accomplished salesmen who successfully persuade people to purchase articles that are not wanted: and the energy of the producers and distributors of such articles, it is contended, is entirely wasted, they too being consumers, but not producers of anything of value.

It is further held that modern-day competition is productive of many of the worst evils that now burden society; to it is mainly chargeable the very grave evils that arise from failures in business with the attendant results of mental derangement in many cases, and crime in others; and in either case whether men are in lunatic asylums, hospitals, or jails, their value to the State is nil.

It is also held that the progress of science, metallurgical, mechanical, and chemical, is impeded by the sectionalised methods of conducting trade that obtain to-day, and that, therefore, the standard of life is very much lower than it would be with more perfect industrial organisation, such as might be obtained under collective control. The baneful tendency of modern commercialism demands of the conductors of trade and commerce, not that they shall endeavour to excel, but that they shall by some means or other obtain the trade of competing firms, and thus honesty is sacrificed for rascality in thousands of instances, quality gives place to "shoddy," and the collective good is lost sight of in the intensity of the sectional struggle for existence.

It is also held that even of the wealth now produced an unfair share of it gets into the possession of those who render very small value to the State, so that upon the grounds of inefficient production, and of inequitable distribution, it is demanded that public control should supersede the private control of industry.

It must not be thought that this is merely the demand of small sections of poverty-stricken men, or the wasters of various grades of the community; it may or may not include these, but certainly it is the fact that an increasing number of recognised scholars, competent business men, and thoughtful workmen are endorsing the proposals in favour of State or municipal regulation of industry.

The belief obtains that with competent organisers there might be such a regulation of the production and distribution of commodities as should admit of all getting the requisites of life at all times of the year, and that the mischief arising from fluctuations could be spread over the whole of the people, so that none should be entirely crushed by adversity. Historically considered, it is contended that economic evolution points to the collective control of industry, as is indicated by the fact that for many years past in numerous trades the old individual relationship between employer and workman has ceased, the business manager taking the place of the friendly employer, whilst the limited liability companies are becoming in increasing instances enormous concerns employing thousands of workmen with a strong tendency for these to again combine into syndicates of prodigious proportions, so that whilst we still have sectional control, with its advantages and evils, the tendency of the times is strongly in favour of reducing these sections, and those who take careful note of these events are of opinion that the present tendency will gather force until we reach at least municipal, probably national, control, and the demand now made is that Government should facilitate the change that the evolutionary industrial forces are thrusting upon us. This demand for municipal or national control of all industries is opposed as yet by a considerable portion of the thoughtful community, and among those who are firm adherents

to the principles of collectivism there are many who, as yet, only call for a modicum of municipal or State regulation. On the other hand there are many opponents of collectivism who are distinctly and enthusiastically in favour of the State control of the land and railways, and of the municipal control of tramways and docks, and the water and lighting supply.

The great question of the land is receiving adequate attention without my referring to it at this stage, neither is it necessary to dwell upon the railway management in this country, except to say that a growing demand is arising in favour of the nationalisation of railways, and that some contend that travelling should be supported out of public taxation and not by payment per distance as at present.

The specific works that I have to deal with is that of the control of the docks, wharves, warehouses, &c. in the Port of London. So numerous and serious have been the disputes that have arisen between the various groups of employers and workmen in the Port, that public attention has been directed to the subject of these disputes for some time past. Suggested joint committees, boards of arbitration or conciliation, or friendly understanding between employers and workmen direct, all have been tried, but with only poor results. The case is not disposed of by employers attributing to the workmen a careless or mischievous disposition, nor yet by workmen replying that the cause of the troubles is due to the avarice of the employers. Upon investigation it will be seen that the methods by which the business of the port is conducted are of so varied and peculiar a nature that it is practically impossible to proceed many weeks together without serious difficulties arising through dissatisfaction on one side or the other, and it will be seen that the present methods of conducting the trade of the Port are conducive neither to the well-being of the employers, the workers, or the general public.

London having been the capital and chief centre of the English people for so many centuries, it has naturally followed that a large proportion of the imports should find their way up the Thames, because there are situated the chief agencies of consumption and distribution. It is not difficult to understand that the dock accommodation of a century ago, which amply met the requirements then, should soon prove unequal to the increasing trade, and that from time to time great and important changes have been made to increase the accommodation as trade and commerce grew. Accompanying these changes there has always been much tenacity shown to retain ancient methods and customs.

It will be understood that if the work of a large port is to be done efficiently, such accommodation is needed as will admit of the import cargoes being brought direct by the ship to the warehouse, from which it can be delivered to the merchants with the greatest expedition, in order that no unnecessary time or expense be spent upon the cargo, and this means that it is desirable that there should be no second or third handling of goods if one handling will suffice, and the same applies to export or outgoing cargo. And as practically all goods have to be warehoused, it is necessary that the requisite warehouse accommodation should be in immediate proximity to the discharging berths, otherwise it will necessitate the handling of goods several times over to get them from the docks to the warehouse, which, of course, will increase the cost considerably. In consequence of cargoes coming from various parts of the world at different seasons of the year, it is desirable that all imports should be brought as far as possible into one compact dock system, as otherwise for a considerable portion of the year machinery and men will be idle, and less than the best economy effected; and keeping in view the necessity for rapidity of despatch, if good all-round results are to be obtained, it is also a necessary condition of success that the best machinery available shall be used for loading and discharging. And in the case of a large port like London, where a considerable amount of the cargo brought in is for transshipment purposes, it is also necessary that the discharging and loading berths shall be near each other, as otherwise several handlings of goods must take place, and time occupied in transmission from dock to dock, which would not be necessary if the export and import docks were immediately adjacent. Thus, for a proper system of docks it is requisite that the docks and warehouses shall be concentrated in the smallest space, and that the best machinery be employed.

STRAGGLING CONDITION of the DOCKS, WHARVES, and WAREHOUSES of LONDON.

If examination now be made of the dock accommodation in the Port of London it will be found that we have a peculiar and straggling array of docks and wharves, and

warehouses and granaries, scattered along a distance of over 25 miles by the river from Tilbury to Blackfriars. Indeed, this does not properly represent the mileage covered. Many of the Atlantic boats now discharge cattle and cheese at Thames Haven, 10 miles below Tilbury, and much cargo is taken by lighters to numerous wharves as high up the river as Hammersmith, eight miles above Blackfriars. On either side of the river, along the whole of this distance, there are 10 groups of docks, about 250 wharves and 44 granaries. If we exclude the Tilbury Docks and the numerous small wharves above Blackfriars we then have 10 miles where the bulk of the work of the Port is carried on, from Blackfriars to North Woolwich, embracing the Albert Docks.

The first group of docks travelling eastwards is the London and St. Katherine's, situated a little below the Tower of London on the Middlesex or North side of the river. One mile and a quarter further east on the same side is the Regent's Canal Dock, under separate management. Half a mile further east, still on the north side, the West and South-West India group of docks is reached. Three-quarters of a mile further east by the river, and still on the north or Middlesex side, the Millwall Docks are reached, which docks are controlled by a separate management. Following on the winding course of the river for another three miles the East India Docks are reached, although they are only about half a mile distant from the eastern end of the West India Dock (Import). Another three-quarters of a mile eastward by the river the entrance to the Victoria Dock is reached. Beyond this again is the Royal Albert, all on the north side of the river. Then a skip of 15 miles is made by the river before the Tilbury Docks are reached, which are also on the north side, in Essex.

Between London Bridge and the West India Docks some of the principal coasting wharves are situated, each under separate management. In some instances piers are built into the river alongside of which the vessels run for discharging, but many vessels are discharged while moored in the stream, the cargo being put into lighters* or barges, and taken thence to wharves or docks.

The six coasting wharves that conduct the Scotch trade are situated at or near Wapping. The green fruit vessels from the Continent run chiefly to several wharves adjacent to Billingsgate Fish Market, immediately below London Bridge.

The only group of docks on the south or Surrey side of the river is the Surrey Commercial group, which covers a very large area because of the extensive timber-ponds required, this group of docks being devoted almost exclusively to timber and grain, and under a separate management.

Many of the principal wharves are on the south side of the river, some of them doing a very large trade, especially in teas, and getting their supplies mainly from the docks by lighters; that is, the vessels discharge in the docks, and about 50 per cent. of the cargo is landed on quay for sorting and put into craft (that is lighters or barges), or put into craft direct from the ship, its destination being one or other of the wharves or dock warehouses. Another 25 per cent. of the cargo is landed and re-delivered to railways or vans, only a portion of which goes direct to customers, much of it going to wharves and warehouses, leaving only 25 per cent. to be warehoused by the docks.

These numerous operations are very expensive, cause very serious delays and consequently handicap the Port against all other ports whose accommodation is adequate to present requirements. It is mainly due to the fact that imported and exported goods are in many instances handled several times over by loading into barges, then taken a few miles along the river and again discharged, or loaded from the docks into vans to be taken to some more convenient dock or warehouse, that the cost of work in the Port of London runs up so high, and that rapidity of despatch is seriously hampered.

Thus if a ship enters the Royal Albert Dock and discharges there, 50 per cent. of the cargo will be discharged overside, that is, put out of the ship into barges, or it will be placed on the quay and sorted, and then put into barges, and conveyed to various wharves or docks. When the goods have been placed on the dock quay it costs about 9*d.* per ton to re-deliver these goods into barges. It costs on the average an additional 1*s.* 4*d.* per ton for lighterage, *i.e.*, for conveyance by barge from the dock to the wharves, and it again costs 9*d.* per ton for landing, *i.e.*, to discharge the goods from the barge on to the wharf. This is rendered necessary at present because the docks are not capable of receiving, working, and warehousing the cargo brought

* The only difference between a barge and a lighter is that the barge has a flat bottom and the lighter is oval-shaped, having a keel.

into the Port; and so inconveniently situated are the docks and warehouses of the London and India Docks Joint Committee, for instance, that an enormous expenditure is incurred by cartage and lighterage from the docks to the warehouses under the same company. Thus produce is brought to the Albert Dock, but there are no warehouses at this dock, only transit sheds; so the produce is then taken by the company's vans or sent by rail or barge from the Dock to the Up-town warehouses at an additional cost in some instance of 5s. or 6s. per ton, all of which adds to the cost of the work of the Port, and tends to increase considerably the labour difficulties that arise.

To illustrate the inadequacy of the present dock accommodation of the Port through want of compactness and through their peculiar construction, it will be necessary to make use of figures dealing with the tonnage entered, and noting what becomes of it. The following figures apply to the trade of 1889, those for 1890 not being obtainable at the time of writing.

Entered at the Port of London in the year 1889:—

Number of Vessels.	Tonnage.
Sailing vessels (3,010) - - - - -	1,192,656
Sailing vessels carry 50 per cent. more than registered tonnage - - - - -	596,328
	1,788,984
Steamers (7,720) - - - - -	6,357,465
	8,146,449

This does not include the coasting trade, which brings the total tonnage inwards to about 13,000,000 tons per annum, and the tonnage outwards to 8,000,000 tons.

*Of this 8,146,449 tons, 2,488,102 are continental, and go to the wharves as distinct from the docks - - - - -

8,146,449

* Deducting this amount from the total - - - - -

2,488,102

We have left as tonnage from Foreign Countries and British Possessions, but exclusive of coasting trade - - - - -

5,658,347

Of which the Joint Committee have worked or delivered, as per dock account - - - - -

3,273,267

Leaving for other docks and wharves - - - - -

2,385,080

£

Of the 3,273,000 entering the Joint Committee's Docks, about 840,000 tons are warehoused by them, but to get this amount to their warehouses from the docks by lighterage or other means, the committee actually paid - - - - -

81,341

An expense that would not be incurred if the warehouse accommodation was all that is required.

Of the remaining 2,433,000 about 1,600,000 are conveyed by lighters to other docks or wharves, and the approximate cost of this, which ought not to be necessary, will be as follows:—

First unnecessary operation—that of putting from dock quay into lighter at 9d. per ton - - - - -	60,000
Second—average cost of lighterage, 1s. 4d. - - - - -	106,666
Third unnecessary operation—discharging from lighter to wharf or dock at 9d. per ton - - - - -	60,000
	226,666

* A few Continental boats run to Tilbury, but their tonnage does not materially affect the generalisation here given.

	£
The remaining 833,000 would be delivered to railways and customers' vans, but I am not able to fix the amount handled a second time by cartage to railways through not having direct connection, and therefore leave it out, but so far we have an estimated total expenditure that ought to be wholly unnecessary on the imported cargo received by the docks under the Joint Committee of 308,007 <i>l.</i> - - - - -	308,007
On export cargo, which is nearly as large in tonnage, the same difficulties present themselves, though not to the same extent, and the expenditure is estimated at - - - - -	100,000
	100,000
Making a total, on import and export cargo in the docks under the Joint Committee, of 408,007 <i>l.</i> - - - - -	408,007
We have now to deal with the Continental trade the greater part of which is discharged in mid-stream. The total inward cargo from the Continent is 2,488,102 tons.	
At least one-half of this is taken by lighters to wharves and docks, incurring a cost for lighterage at an average of 1 <i>s.</i> 4 <i>d.</i> per ton - - - - -	82,930
And a landing cost for discharging from lighter to dock or wharf of at least 9 <i>d.</i> per ton - - - - -	46,650
	46,650
Or an unnecessary expenditure on import cargo from the continent of 129,580 <i>l.</i> - - - - -	129,580
The continental outward cargo is equal to the inward, <i>i.e.</i> , 2,488,102 tons, and as nearly the whole of this is taken from docks or wharves by lighters to the vessel, an unnecessary expenditure on lighterage is incurred upon, say, 2,000,000 tons, at 1 <i>s.</i> 4 <i>d.</i> per ton - - - - -	133,000
And the same tonnage to be lifted out of lighters into ship at a cost of 9 <i>d.</i> per ton - - - - -	75,000
	75,000
Thus showing an unnecessary expenditure on continental outward cargo of 208,000 <i>l.</i> - - - - -	208,000
Or continental inward and outward, 337,580 <i>l.</i>	
This added to the estimated excessive expenditure under Joint Committee of 408,007 <i>l.</i> gives a total of - - - - -	745,587*
	745,587*

This estimate is certainly considerably under the actual excess of expenditure, but it will serve to indicate the causes that contribute to high rates in the Port of London, and which in turn contribute to the numerous labour difficulties that take place there.

As previously stated, if the work of the Port is to be done efficiently, we require not only compact and ample dock and warehouse accommodation conveniently situated to the centre of distribution, but the best machinery should also be used if economy with efficiency is to be secured. It has been shown that in London we have not compact docks and warehouses; on the contrary, they are distributed over a very large and unworkable area, and instead of having uniform control over the Port, we have at least 300 different sets of employers to deal with, each with their sectional interests and peculiar methods.

* This total affects only that cargo that goes to the Docks under the Joint Committee and to the wharves, leaving that which goes to Milwall, Surrey Commercial, and Regent's Canal Docks.

Now, if we look for first-class machinery we find that whilst much of that in use is good, there is much of it quite obsolete, and in many instances an entire lack of any machinery whatever.

Thus, if one stands on London Bridge and looks eastward when the fruit-boats are being discharged, it will be seen that the packages are taken from the ship into the adjacent warehouses, and the method adopted is positively staggering. Exactly the same method is made use of now as must have obtained a century ago; a more primitive method could not be used, and it would be impossible to find less evidence of mechanical engineering in the interior of Africa or China than obtains in the City of London in connection with the discharge of fruit. There will be seen hundreds of men running to and from the ship to the warehouse carrying on their shoulders the boxes of fruit one at a time. Much of this is taken up narrow winding stairs to the various warehouse floors, a long row of men following each other along alleys, streets, and staircases as though hydraulic lifts and mechanical appliances were unknown in England. With proper warehouse accommodation and mechanical appliances instead of scores of men pottering about with packages on their heads, the hydraulic elevator should be at work lifting a dozen packages at once, and landing them on the warehouse floor ready for delivery, thus facilitating despatch and economising expenditure. Going lower down the river we find corn-porters at work discharging grain in far too primitive a style to admit of rapid and economical despatch. One cannot traverse the docks and wharves of the Port without being struck with the fact that an entire change of method is requisite if satisfactory results are to be obtained.

It may seem strange that I of all persons should emphasize the necessity for improved accommodation and mechanical appliances in connection with the docks and warehouses of the Port, representing as I do the interests of the men rather than that of the employers. If more machinery and better accommodation are applied, it will mean a diminution in the number of men employed; that certainly would be the case, and such experience as I have had causes me to think that it would be best for all that there should be less men finding employment there, and that those men should be permanently employed.

The evils arising from intermittent employment such as that obtained by a large proportion of those engaged in the docks and wharves in London have been laid before the Commission by the men themselves, and verification of those statements is easily obtainable by anyone willing to devote a few days to personal investigation.

From time to time one or other group of employers announce their intention to increase their permanent staff, but I say, as one who claims to know something of the nature of the employment in the Port of London, that with the numerous sectional interests involved in the work of the Port, and the scattered condition of the dock and warehouse accommodation, it is impossible to have more than 50 per cent. of the labourers employed under a permanency; the remaining 50 per cent. are required more or less casually, and every wharfinger and Dock Company stands in need of such available extra labour in accordance with the fluctuations of the trade at the particular departments under their control: if it was not available they could not carry on the business. This is due in part to certain trades being virtually monopolised to a limited number of wharves or docks, so far apart from each other that it is impossible to dovetail the interests of one section with those of the other sections, and in part to the sectional interests of the employers. Consequently unless there is a great change made in the direction of concentration of the dock and warehouse accommodation for the Port, and an approach to uniformity of interests, it is impossible to make the labour in the Port steady and effective; but, given uniformity of interests, and concentration of accommodation, the dock and river work of the Port of London could be done by a well-paid permanent staff, and done at much less cost and with better despatch than it is done at present. It would, however, mean making it impossible for several thousand men who now get a very poor existence at the docks and wharves to get any existence at all, and therefore a suggestion, coming from me, as to greater efficiency must also be accompanied by proposals to meet the requirements of those who would be debarred from employment, and this I hope to do, but the particular information wanted now is, how to apply practical business principles to the Port of London so as to conduct the trade with the requisite degree of efficiency. This I now propose to show, and it is none of my business to deal with vested interests or to discuss compensation, &c. My task is to show that we can cater for the trade of the Port in such a way as to secure the best interests of the consumers and steady employment for the workers.

THE PROPOSAL.*

By directing attention to the map of the Thames, and looking first at St. Katherine's Dock, near the Tower, and running eastwards, passing the London Docks on to the West and South West India, then to the East India, next to the Victoria, then to the Royal Albert, and last to the Tilbury, it will be seen at a glance that we have the very opposite of concentration at present. Now, looking at that part of the river marked Limehouse Reach at the west end of the West India Dock, it will be seen that there is a horse-shoe bend in the river which runs around, coming up again near the eastern end of West India Dock, forming a loop $3\frac{1}{2}$ miles in length, the two nearest points being only a mile apart. In consequence of these numerous bends in the river numerous mud banks are formed, because the tidal stream in passing from one reach to another, instead of bending round the intervening point, sets directly towards the shore immediately fronting it, and deposits a great deal of mud, and then sets off for the next bend, distributing its mud at each turn. If the river course were diverted by cutting a channel from Cuckolds Point near the entrance to the West India Dock in a straight line across to the opposite point, a distance of one mile, a saving of $2\frac{1}{2}$ miles in the length of the river would be made, freedom from the mud banks would be secured, and the tide having a straight and shorter course would scour the waterway, and keep the channel clear: then the $3\frac{1}{2}$ miles of river known now as Limehouse Reach, Greenwich Reach, and Blackwall Reach, could be "dockised," supplying a quay space of $3\frac{1}{2}$ miles on the inside of the bend, and 4 miles on the outer side, or on that small space $7\frac{1}{2}$ miles of quay space. Then, taking the proposed new channel, and using both sides, an additional two miles of quay space would be obtained, thus affording on that very small area at Poplar no less than $9\frac{1}{2}$ miles of quay space. The quays would, of course, have to be made, but this could be done without the purchasing of land, as all requisite space could be supplied by building up the foreshore of this portion of the river it is proposed to "dockise," the western end of which is in Limehouse, and the eastern in Blackwall, that is, exactly at the spot where the County Council have decided to construct the Blackwall Tunnel, which would give easy and ample access north and south of the Thames.

If it was thought desirable to dispense entirely with the existing docks, that could be easily provided for by building abutment jetties into the "dockised" portion on either side, and by this means all the shipping of London could be provided for. But the present scheme, which I now submit, does not provide abutment jetties, as the requisite concentration of dock and warehouse accommodation is secured if the foreshore is reclaimed on either side of the horse-shoe bend as proposed, and the ships placed broadside to quay, as at the Albert Dock, retaining the Milwall Dock, which is embraced by the bend, and therefore immediately at hand, also retaining the West India Export Dock and South Dock, which are also embraced by the bend, and would lie inside the proposed new channel. Surrey Commercial being especially adapted for timber, and having its entrances running out of the proposed "dockised" portion, could also be retained with advantage, whilst London and St. Katherine's, being the highest Up-town docks, would serve well for green fruit instead of having it discharged, as at present, at Fresh and Nicholson's Wharves.

By these means concentration would be secured, and East India, Victoria, Royal Albert, and Tilbury Docks could all be dispensed with. The warehouses would require to be six floors high, and hydraulic cranes would be required at every convenient point; the reclaimed foreshore would provide, not only room for warehouses, but also room on either side for a dock railway.

This natural bend in the river lends itself splendidly for the purposes required; by making use of it as proposed the river is shortened by $2\frac{1}{2}$ miles. By thus shortening and straightening the course of the river it would become its own cleaner, and by concentrating the docks and warehouses as proposed the value of the Blackwall Tunnel would be fully realised.

The advantage to workmen of concentrated docks and warehouses would soon be felt. The wool trade could run to its particular berth near the warehouse for its special reception, rendering it unnecessary to incur the expense of cartage inland, such as takes place at present. The tea ships could go direct to the cranes attached to the tea warehouses, and the tea lifted direct from the ship into the warehouse at one operation; grain vessels would go to their respective destination in a similar way, but they would

* This proposal was also submitted to the Commission in evidence (November 1892) before the Whole Commission, when a more detailed explanation was given by the aid of several maps and plans, showing the present position of the docks and warehouses and the changes it is suggested should be made.—G. D.

be discharged very differently from the method that now obtains. Thus having grain and timber, tea and wool, and general cargo all concentrated, the men could be employed permanently, and could be conveniently changed from one class of work to another when necessary.

On the south side of Blackwall Point there is practically an unlimited area upon which workmen's dwellings could be erected, and with the proposed dock railway any portion of the docks could be reached in ten minutes.

Fortunately this space is conveniently situated already to main lines on north and south sides; the London, Brighton, and South Coast, running from London Bridge, gives the requisite southern accommodation, and the Great Eastern from Fenchurch and Liverpool Streets, and thence to all main Northern lines, opens up the main routes on the north of the Thames.

The cost of carrying out this proposal is estimated at about four and a half millions, including reclaiming the necessary foreshore for warehouse, shed, and quay accommodation. But the financial part of the question I leave to others, my object having been to trace to their origin the main causes of labour difficulties in the Port of London, and to make a practical proposal for the removal of those difficulties. Fortunately the very means by which the men's interests can be best secured will serve also as the best means by which the interests of the public at large will be secured. It is well known that some of the most degrading sights known to civilization are to be witnessed by the clamour of labourers for work at the docks and wharves. If the proposal now made in a very crude form should be elaborated and acted upon, I believe it would prove a great advantage to Londoners generally, and to the waterside labourers in particular, by steadying work at the docks through the opportunity afforded of dovetailing trade with trade, and thus completely wiping out the casual system of dock and wharf labour which has had such baneful effects upon the labourers and their families, and has done no one any real good.

November 9th, 1891.

TOM MANN.

APPENDIX VII.

(Drawn up by the Secretary.)

LABOUR DEPARTMENTS IN THE UNITED STATES, THE COLONIES, AND ON THE CONTINENT OF EUROPE.

I.—ACTUAL FUNCTIONS.

(i.) The idea of a labour department as an institution for the collection, arrangement, and publication of statistics relating to industrial subjects was first realised in the United States, and in every instance of such an agency in that country, this function has remained the primary, and as far as possible the only one undertaken. The first of such departments was the Massachusetts Bureau of Statistics of Labour, established in 1869. There are now similar bureaux in 31 other States, and a Federal Department of Labour at Washington, which was formed originally as an office under the Department of the Interior, and was constituted in 1888 as a separate department, dealing directly with Congress and the President. Its object, in the language of the Act which established it, is the acquisition and diffusion of "useful information on subjects connected with labour in the most general and comprehensive sense of the word, and especially upon its relation to capital, the hours of labour, the earnings of labouring men and women, and the means of promoting their material social, intellectual, and moral prosperity." The law obliges the chief of the department, who is called the Commissioner of Labour, to issue an annual report on any subject which in his judgment comes under this definition, and he may also issue special reports on particular subjects, either at his own discretion or at the request of Congress or the President. The annual reports hitherto issued have dealt with industrial depressions, convict labour, strikes and lock-outs, women's labour in large cities, railroad labour, and the cost of production in the United States and

The compilation of industrial statistics.

abroad of certain dutiable commodities. Special inquiries have been made with regard to marriage and divorce statistics, technical education, and the labour laws of the United States. For this purpose special appropriations are made by Congress. The regular appropriation has risen from 25,000 dollars in 1884-85 to over 175,000 dollars in 1891-92.* Dr. Elgin Gould gave evidence with regard to it before the Commission. He pointed out the advantage of its position as an independent department, yet one which, not being a cabinet office, is unaffected by party vicissitudes. The main principles on which its work is conducted are, he stated, the following;—to collect all information at first hand, through its own agents, independently of the State Bureaux or any other local statistical authority, to procure for this purpose the services of experts already acquainted with the subject in hand; and thirdly, to avoid drawing specific conclusions, but to confine itself strictly to the publication of facts.† According to the statement of the Commissioner of Labour only original and positive data are accepted, and error is thus eliminated as far as possible. With regard to the method of collecting these data, he states that of the three alternatives—the issue of circular forms, the taking of evidence, and inquiry through special agents—the last has been found decidedly the most useful method. It has proved impossible to obtain sufficiently accurate returns by circular, except when statements from official sources are required, and the method of public hearing results in the collection of a “mass of incongruous statements not easily verified.” By the system in use, the agents of the department fill up the schedules of inquiry themselves after personal investigation. If the accuracy of their information is called in question they are required to verify it.‡ The State Bureaux of Statistics are similar in constitution and method to the Department of Labour, except that in many of the States the Labour Commissioner holds office subject to the continuance in power of a political party. Though there is no intention to adopt a definite political platform in the reports, they are in some cases unmistakably coloured with certain views. In 11 States the Labour Bureaux have other than purely statistical functions. Their inquiries are conducted as far as possible on the same principle as those of the United States Department, but in many cases they cannot afford to send out agents. All their reports complain of lack of funds. The Massachusetts bureau, the first to be established, is one of the most successful in the preparation of reports. The New York Commissioner of Labour has power to subpoena witnesses and to examine them under oath. Refusal to answer questions or failure to state the truth is a misdemeanour. The Commissioner reports that this power has been of considerable advantage in collecting information. There is no organic relation between the State Bureaux or between them and the United States Department. The strength of the sentiment of State autonomy, according to Dr. Elgin Gould, renders it impossible to institute any such relation. An annual convention of the Labour Commissioners of the various States is nevertheless held for the discussion of matters of common interest.§ From the statement of Mr. Carroll Wright, and from the opinions usually expressed at these conventions, it appears that the United States Department, and the State Bureaux generally, have succeeded on the whole in gaining the confidence of employers and employed, and that unwillingness to furnish information is tending to decrease. This is attributed partly to the fact that care is taken to publish the statistics received in a form which prevents the identification of any individual firm or person. The State Bureaux were in every case established at the desire of the principal labour organisations, and though some of these bodies failed at first to show full confidence in statistical methods, their prejudices are apparently being to a great extent overcome.|| The Royal Commission on Labour and Capital in Canada recommend the establishment of a bureau of labour statistics for the Dominion, on the ground of the success of such institutions in the United States. They were disposed, however, to regard local independence as an element of weakness, and advised that a federal bureau should work in conjunction with any similar provincial agencies, in order to avoid duplication of inquiries and waste of time. Consequently, on May 16, 1890, an Act was passed constituting a Bureau of Labour Statistics as a branch of the Department of Agriculture. The Minister of Agriculture is the Commissioner of Labour Statistics, and the Governor-in-Council is empowered to appoint

* Foreign Reports, Vol. I., p. 3.

† Whole Commission, Digest, p. 41.

‡ Foreign Reports, Vol. I., p. 3. “The Working of the Department of Labour,” Carroll D. Wright. “The Growth and Purposes of Bureaus of Statistics of Labour,” Carroll D. Wright.

§ Foreign Reports, Vol. I., pp. 3, 4. Whole Commission, Digest, pp. 41, 42.

|| “The Working of the Department of Labour,” and “The Value and Influence of Labour Statistics,” Carroll D. Wright. Eighth National Convention of the Officers of Bureaus of Labour Statistics, pp. 30, 83 119-26.

an Assistant-Commissioner of Labour Statistics to hold office during pleasure. The duties of these officers consist in the collection of statistics and the presentation of quarterly and annual reports to Parliament. For the purpose of collecting the required information the Commissioner may examine witnesses upon oath. A schedule attached to the Act classifies the information desired under the different groups of trades, and makes special mention of the investment of capital, the conditions of labour, the number and conditions of the unemployed, sanitation, the number and condition of the Chinese, prison labour, and labour organisations as proper subjects of investigation. The only provincial bureau existing at the present in the dominion are the Ontario Bureau of Industries, established in 1882, and one of more recent formation (1893) in British Columbia.* The Department of Labour in New Zealand resembles the American institution so far as its work includes the compilation of statistics, though its primary function is that of an administrative department. It was established in 1891 as a Bureau of Industries, under the control of the Minister of Justice and Education, who became Minister of Labour on its institution as a department. In the collection of industrial statistics it has hitherto made use of the circular system, and the reports for 1892 and 1893 complain of the one-sided and imperfect results thus obtained, and point out that further statutory powers are essential to the usefulness of the department. The officers of the bureau, it is urged, should have power to enforce the proper filling in of returns, and agents should personally visit every part of the colony to make inquiries as to rates of wages and other details. The information desired is such as would form a basis for comparative statistical tables. The department, in addition to its annual report, publishes a monthly journal dealing with the state of trade and labour in the colony and the principal current events in the industrial history of other countries.† On the continent of Europe the only instance of a Government labour department with purely statistical functions is the French Office du Travail. This department was instituted in 1891 under the Ministry of Commerce and Industry, on the recommendation of the higher council of labour. That council, established in the same year, was intended "to furnish rapidly and correctly such information respecting labour questions as had previously been obtained only after costly inquiries." The purely statistical part of their work, being separable from the other functions of the council, was delegated to the Office du Travail, which was specially charged with the collection of facts relating to wages, hours, organisations, relations between capital and labour, foreign labour legislation and other subjects. The department consists of a central and travelling section, under the management of a director. The total staff does not exceed 16 in number, and the annual grant for expenses is 6,000*l.* The office has already issued several valuable publications on labour questions, notwithstanding difficulties placed in its way by the socialist party through the medium of the Labour Exchange, which has persistently refused to furnish information to an institution which it regards as anti-democratic.‡

The Belgian higher council of labour, established in 1892, is somewhat on the model of that in France, but has not followed the precedent of instituting an office for statistical purposes. The functions of a statistical department are to some extent undertaken in Belgium by the local councils of industry and labour, which are public institutions in the sense that they are established by royal decree and are paid from the provincial exchequer.§ In the Swiss Department of Industry and Agriculture, which was formed in 1883, statistical work is altogether secondary, though carried on to some extent by an official called the Workmen's Secretary, who is connected with the Workmen's Federation.|| The statistical departments of other countries, as, for example, Germany, Italy, Norway, and Sweden, do not limit the sphere of their activity to labour statistics alone. The German Imperial Office of Statistics is the counterpart for the empire of the statistical offices, which exist in almost all the separate states. Prussia, and the larger states, such as Bavaria, Saxony, Würtemberg, Alsace Lorraine, and others have separate offices, but smaller principalities, like the Thuringian States, are frequently grouped together. The Imperial Office was instituted in 1872, and in 1892 a separate and independent Commission of Labour Statistics was appointed by an Order (Regulativ) of the Imperial Chancellor. There

* Foreign Reports, Vol. II., p. 13.

† Foreign Reports, Vol. II., p. 49. Reports of the Bureau of Industries, 1892. Report of the Department of Labour, 1893.

‡ Foreign Reports, Vol. VI., pp. 88, 89.

|| Foreign Reports, Vol. VII., p. 21.

§ Foreign Reports, Vol. IV., pp. 21, 39.

is no essential connection between the Statistical Office and the Commission other than the fact that one of the members of the Commission must be selected by the Chancellor from the staff of the Office. Both bodies are subject to the Chancellor's orders as to the inquiries which they shall undertake, and may be required to act in conjunction. Whilst, however, the Commission is obliged by the very terms of the Order appointing it to carry out all labour inquiries undertaken by the Office, the assistance of the Office in working up the material obtained needs special authorisation by the Chancellor. The Commission has no permanent clerical staff, but may receive help from the Department of the Interior. It consists of a president appointed by the Imperial Chancellor and 14 members, one an official from the Office of Statistics, six elected by the Federal Council, and seven by the Reichstag. The terms of its constitution empower it to summon employers and employed, in equal numbers, to assist at its deliberations; the exercise of this power may be made compulsory by an Order of the Chancellor or of the Federal Council. The estimates of the Ministry of the Interior include 39,000 marks for the Commission, 9,000 marks for the travelling expenses and salaries of members or agents, and 30,000 marks to defray the cost of collecting and publishing the statistics. The Office of Statistics now relegates the collection of all labour statistics to the Commission, and confines itself to statistics of trade, population, mining, agriculture, navigation, prices of retail products, sick insurance, and crime. Its staff for 1894-5 consists of a director, two heads of departments, 168 civil servants, and 84 assistants. The estimated expenses for the year are 882,380 marks in all, exclusive of the sums already given for labour statistics. The salaries of the staff amount to 750,340 marks, 55,320 are allowed for expenses of publication, and 76,720 for other expenses. The working up in the Office of Labour Statistics collected by the Commission cost in 1893-4 an additional 15,000 marks. Some of the material used by the Office of Statistics is obtained by independent inquiry, but much of it is received through the statistical offices of the several states or through officials of other departments of the Imperial Government. The Prussian Office of Statistics, founded in 1805, is controlled by the (Prussian) Ministry of the Interior, and is assisted by a Central Commission of Statistics, appointed in 1861, and re-organised in 1870. The Commission is a consultative body, and must give its approval to all proposed statistical inquiries. It consists of a president nominated by the Minister of the Interior, a delegate for each minister, the director, and one of the members of the Prussian Office of Statistics, three members from each of the Prussian Chambers, and three statistical experts nominated by the Minister. The expenses of the office for the financial year 1892-3 amounted to 438,807 marks, including 134,595 marks in salaries to the regular staff, 72,173 marks in salaries to temporary assistants, and 232,039 marks for other expenses. The Italian Office of Statistics forms part of the Ministry of Agriculture, Industry, and Commerce; it was instituted in 1861, but was re-modelled and enlarged in 1883, and again in 1887. It is assisted by a higher council and a permanent committee. The first consists of 18 members, nominated by royal decree, eight members *ex-officio*, and a delegate from each ministry. The 18 members are persons of known pre-eminence in economic and statistical science, and the *ex-officio* members include the Under Secretary of the Ministry of Agriculture, Industry, and Commerce, the Director-General of Statistics, the Director-General of Agriculture, the Directors of the sub-departments of Industry and Commerce, of Credit and Provident Societies, and of Customs duties, as well as the Registrar-General and the Inspector-General of Railways. This Council holds an annual session to decide upon the statistical programme for the year, and to inspect the results of the inquiries completed. It can hold extraordinary meetings at other times if specially summoned. The permanent committee is composed of the Director-General of Statistics, the Director-General of Agriculture, the Director of the sub-department of Industry and Commerce, four other members of the Higher Council, and the Secretary of the Council. There are special committees besides for certain kinds of statistics, as, for instance, those relating to judicial matters. In every province there is a small statistical committee, consisting of the prefect and eight members of the Provincial Council, whose duty it is to verify returns sent in by the local authorities, and in some cases to draw up monographs on the conditions of the province. Almost all the statistics required for every branch of the administration are prepared in the General Office of Statistics. They include statistics of population, and especially emigration statistics, to which Signor Bodio, the Director-General of Statistics, has devoted special attention. Amongst the vast number of administrative statistics collected and published annually are included wage statistics, statistics of prices, and strike statistics. A statistical year-book, including

the summarised results of all the statistics is issued every year. Details with regard to co-operation and credit societies, provident funds, and many other matters are published from time to time, and special inquiries are undertaken when authorised by a ministerial decree. The office is divided into two sections, one for administrative, judicial, and general statistics as well as statistics of population, and the other for economic and financial matters. The regular staff number 47, and their united salaries in the financial year 1891-2 amounted to 104,000 lire; 210,000 lire were paid to special agents, and the total working expenses amounted to 414,000 lire.*

(ii.) Among the administrative functions occasionally entrusted to a labour department, the most important is that of supervising the enforcement of laws relating to industrial establishments. In the United States, the control of mine and factory inspection is assigned to the labour bureau in seven States, namely, Illinois, Maine, Minnesota, Missouri, Rhode Island, Tennessee, and Wisconsin. In Idaho and New Mexico, the bureaux have certain duties relating to emigrants. The secretary of the New Zealand Labour Department is also Chief Inspector of Factories, and the annual reports of the department give considerable prominence to this part of its work, which is carried out almost entirely by the local police and other officials, and is said to be very efficiently performed. It is one of the principal functions of the department of industry and agriculture in Switzerland to conduct the work of inspection under the Factory Act, and to report to the Federal Assembly. Under certain circumstances it also issues circulars to the cantonal governments.

The administration of certain laws.

(iii.) The primary object, however, of the institution of the Swiss Department as well as of the higher councils of labour in France and Belgium was, that they should act as consultative committees for the origination or criticism of proposed legislation affecting labour, a function practically the same as that undertaken in New Zealand by the labour bills committee, and unofficially in the United States by trade organisations. The Swiss Department of Industry and Agriculture considers all proposed labour legislation, and formulates schemes for discussion in the federal assembly. The higher council of labour in France was specially designed as an instrument for examining proposals and preparing recommendations on which Parliament might be required to pronounce, its function as an intelligence department being subsidiary to this purpose. In accordance with the decree which established it in January 1891, 50 members were appointed on the nomination of the Minister of Commerce, Industry and the Colonies, from among manufacturers, workmen members of the Conseils de Prud'hommes, and persons specially informed on economic and social questions. Certain State and municipal officials were to be ex-officio members. The council assembles on the invitation of the Minister of Commerce and Industry, who fixes the date, duration, and object of each session. He may also appoint a permanent commission from among the members, and temporary committees for the investigation of special subjects. The first work of the council was to appoint such committees for the consideration of certain pressing questions. These related to arbitration in labour disputes, to labour registries, to wages, and to the institution of a labour office. The resolutions of the council on the first and last subjects have been practically carried out, and bills on the subject of wage-contracts have been brought before both Houses of Parliament. With regard to labour registries a ministerial circular was issued in May 1893, with the object of partially regulating them pending legislation. It cannot, therefore, be said that the higher council of labour has so far failed of its object notwithstanding the opposition offered from the first by the socialistic labour party on account of the "anti-democratic" composition of the Council, which had only 16 workmen among its 50 members. A counter scheme was even drawn up at the Labour Exchange, for a Council of Labour which should consist of 80 workmen, 15 members of the Chamber, and 15 employers.† The Belgian Higher Council of Labour is even more definitely than the French a consultative body for the consideration of legislative schemes. Its powers extend further than those of a commission of inquiry, since they include the drafting of Bills for submission to the Legislature. Its conclusions are formed with the assistance of the councils of industry and labour which are occasionally convoked by Royal decree for the purpose. The Council is not an independent department, but is connected with the Ministry of Agriculture, Industry and Public Works. It consists of 48 members, chosen in equal numbers from workmen, employers, and specialists in economic science. The first members were appointed by the

The consideration of legislative proposals.

* Bodio "Dell Ordinamento degli Uffici Centrali di Statistica," 1893.

† Foreign Reports, Vol. VI., pp. 88, 89.

Government and hold office for four years, but after that period the representatives of employers and employed are to be elected by the councils of industry and labour. The Council determines its own procedure, and has power to form committees for the investigation of particular subjects. The Council has already employed its powers for the amendment of the factory law of 1889. After consulting the councils of industry and labour, the Higher Council submitted its conclusions to the permanent provincial committees, which practically adopted them, and they were finally embodied in the Royal decrees of December 1892.*

The United States Department of Labour, it was explained by Dr. Gould, does not make recommendations to the Federal Government with regard to labour legislation, because the enactment of industrial codes, except in relation to labour employed by the Federal Government, is the prerogative of the separate States. The State Bureaux, therefore, frequently exercise this function in reporting to the State Government.†

Active intervention in matters affecting the interests of labour.

(iv.) It is only in a few instances that a labour department is empowered to take actual steps towards the solution of industrial problems, apart from the suggestion of legislation. Two of the American State bureaux, those of Colorado and North Dakota, are obliged however to intervene in trade disputes, through the Commissioner of Labour, on the request of fifteen of the workmen concerned. In Missouri the Commissioner must offer to mediate whether requested to do so or not. The New Zealand Labour Department was founded primarily for the purpose of controlling the movements of labour in accordance with the demand so as to meet the immediate difficulty caused by the congestion of unemployed workmen in the larger towns. This part of its province is simply that of a labour registry, and is therefore treated under another head.

II.—PROPOSED FUNCTIONS.

(v.) With regard to the general question of the possible functions of a Labour Department, it appears to be very distinctly held by the best authorities on the subject in the United States that such functions should extend no further than the compilation of statistics. At the eighth national convention of the officers of labour bureaux, very strong opinions were expressed in favour of a complete separation between statistical and administrative functions. It was pointed out that to make the chief of the bureau also an inspector, with power to use the information supplied to him for the enforcement of the factory laws, would deprive it of the confidence of those from whom statistics have to be procured.‡ With regard to the recommendation of measures, it is stated emphatically by Mr. Carroll Wright that the advocacy of reform in any special direction is no part of the duty of a Labour Department. "It should be remembered" he has urged more than once, "that a bureau of labour cannot solve industrial or social problems. Its work must be classed among educational efforts." Labour organisations, he pointed out, at first expected the bureaux to advance schemes of legislation. "Labour now sees that it can be benefited most by a knowledge of exact facts, whether such facts appear to favour it or not. It is only by the fearless publication of facts that the Department of Labour can justify its continued existence." In Dr. Gould's opinion moreover, it is inadvisable for the head of such a department to be under any legal obligation to intervene in a trade dispute. In exceptional cases his mediation may be useful, but he should employ it at his own discretion, and should in no case have the power of adjudication, lest it should be abused for political purposes.

Results achieved by Labour Departments.

(vi.) Dr. Elgin Gould stated in evidence that the United States Department had been the means of substituting inquiry by a skilled permanent body for inquiry by committees of the Legislature, much to the general advantage. It had also provided the country with a body of trustworthy statistical information, in the absence of which the people would be certain to use statistics that were not trustworthy. Similarly Mr. Carroll Wright in a pamphlet recently published claimed for the Bureaux of Labour that they have corrected many prevalent false impressions, such as that the total amount of deposits in savings banks, are made by the working classes, or alarmist accounts of the extent of the mortgage indebtedness of real estate, or of the number of persons out of employment. Amongst measures for the improvement of the condition of the working classes due in a large measure to the publications of the Bureaux, he enumerates reform of the tenement house system in Massachusetts, reduction in the employment of young children, improved factory inspection, passage of the 10 hour law in Massachusetts,

* Foreign Reports, Vol. IV., pp. 22, 39.

† Whole Commission, Digest, p. 42.

‡ Eighth National Convention of the Officers of Bureaux of Labour Statistics, pp. 25, 30.

reform in the law concerning employers' liability, restriction of the truck system, more frequent payment of wages, and exposure of the fraudulent practices of private registry offices for labour. All these measures are in his opinion "instances of the direct influence and value of bureaux of statistics of labour."*

GEOFFREY DRAGE,
Secretary.

* "The Value and Influence of Labour Statistics," Carroll Wright, Nov. 1893.

APPENDIX VIII.

MEMORANDUM by MR. GEORGE LIVESY ON the GREAT MIDLAND COAL DISPUTE of 1893, and the projected COAL TRUST of Sir GEORGE ELLIOTT.

A cheap and abundant supply of coal is essential to the national prosperity—fluctuations of price and stoppages of production from trade disputes, and other causes, are disastrous to the industrial welfare of the nation—the interests of the coalowners and the miners are antagonistic to the consumers, the former desiring high prices, the latter requiring cheap coal.

Is it possible to reconcile and identify these conflicting interests—can coal be supplied at a low and steady price, while the coalowners receive fair remuneration for their capital and management, and the miners are paid liberally for their labour, and concord and goodwill be made to displace antagonism and strife? In short can it be made to the interests of coalowners and miners to work unitedly for the benefit of the consumers, reducing the price of coal by all practicable means to the lowest possible point, and thus completely reversing the existing conditions.

Even if it were reasonable or practicable, the suggestion that the coal mines of the country should be nationalised would not accomplish the end in view. The political power of the miners would secure for them high wages and short hours, with a very moderate amount of work, but the State would lack the stimulus of self-interest that animates private employers, and the result would be dear coal, as neither the managers of the collieries nor the miners would have any inducement to do their best. In all probability the State authorities would say in regard to coal what many English local authorities owning gasworks say about gas, that such and such a price is "cheap enough," so long as it does not notably exceed the price charged by gas companies in adjacent towns, their object being to charge as high a price as they dare, in order to get a large contribution out of the consumers of gas in aid of the rates: thus, as gas consumption is by no means coincident with rateable value, compelling gas consumers to bear more than their share of public burdens. In like manner if the coal were owned by the State it would probably be a source of indirect taxation, thus handicapping the great coal-consuming and productive industries, and injuring the entire community who would have to pay dearer for everything, and handicapping still more the poor consumer who already pays the middleman far too high a price for the small quantities which he can afford to buy.

The projected Coal Trust of Sir George Elliott undoubtedly has good points. To give promise of ending the antagonism between coalowners and miners is worth very much, but the alliance between them which might result in what could better be described as a conspiracy to protect their interests at the cost of the consumers would perhaps be one effect of the proposed Trust. The consumers must have some better protection than the suggested control by the Board of Trade, of the price above a stated figure after dividends of from 10 to 15 per cent. have been paid, and certain profits shared with the miners, which will be found illusory and impracticable. A somewhat similar power given in 1868 to the Board of Trade to control increases in the price of gas in London failed so completely to protect the consumers when put into operation in 1873-4 that it was at once repealed, and the sliding-scale now in force was adopted. The proposed Trust only appears likely to benefit the consumers in some cases by the more economical working of the mines in groups instead of separately, and by a possible saving of waste in getting the coal, but these and any other advantages that may result from the Trust cannot be set for a moment against the inherent defect of trusts in general that have been formed for the purpose of keeping up prices, and are consequently detrimental to the public.

If, however, these apparently diverse interests could be united—the coalowner, the miner, and the consumer—by means of a trust it would be one of the most beneficial developments of industrial life that has ever been devised. In the “Western Mail” of October 10th inst., a correspondent, reporting the result of a discussion by some colliery proprietors of Sir George Elliott’s scheme, said: “The first objection raised was that the proposed syndicate seeks to unite interests which are directly opposed to one another—the coalowner, the freighter or consumer, and the collier. It would be the death-blow to the principle upon which all commercial transactions are based were these interests assimilated.”

This is a most extraordinary view of commercial relations, but its best answer is the fact that in one great industry a death-blow of this kind has been delivered with success and advantage all round. The gas companies and their consumers were for many years “directly opposed to one another” all over the country; their interests were diverse; they have now been assimilated by the sliding-scale. London may be taken as typical where dissatisfaction was chronic, and caused almost continual agitation. The panacea for many years was competition, and this failing, a monopoly regulated by Parliament took its place, with no better results. Agitations culminating in Parliamentary inquiries took place in 1858–9 and 1860, in 1866–7–8, and again in 1873–4–5, when the sliding-scale was adopted, and since then there has been absolute peace in London. The suggestion of the sliding-scale was made in the following words in the presidential address at the annual meeting of the British Association of Gas Managers in 1874: “It ought to be possible to frame a scheme that should make the consumers in a sense partners in the gas company, whereby both should participate in any improved or more economical working, giving the companies a slightly increased dividend for every reduction in price below a certain standard,” who “would have to submit to a reduction of dividend if their price exceeded the limit” or standard.

Such is the principle of the sliding-scale, as applied to gas companies; the form it has taken in practice is as follows: London is now supplied by three companies who came under its operation by their Acts of 1875 and 1876. In the case of two of them the standard price is fixed at 3s. 9d., and for the third at 3s. 6d. per 1,000 feet, which at that time Parliament considered sufficient to enable the companies to pay their statutory dividends, and it is enacted that for every penny at which gas is sold in any year below the standard price the company may increase the dividend one quarter, or 5s. per cent., and, on the other hand, for every penny charged for gas above the standard price the dividend must be reduced one quarter, or 5s. per cent.; the shareholders, therefore, have the inducement of higher dividends if they reduce the price, but they must suffer the penalty of reduced dividends when the price of gas is increased. The officials and workmen, however, on whom good and economical working so greatly depends, have not been included in the partnership by Parliament, and to this serious extent the scheme is imperfect and incomplete, but in one case the directors of a large gas company have voluntarily included them with the best results. It is by a triple partnership of this kind alone that interests which at present “are directly opposed to one another” can be united; the questions are, whether it can be applied to the coal trade, as a whole, on the lines of Sir George’s gigantic Trust or to the different districts in sections, or whether the coal trade cannot be thus treated.

The newspapers throughout the country have freely discussed Sir George Elliott’s scheme, with the result that in the majority of cases where an opinion is given it is condemned as being inimical to the consumers and users of coal; had it not been for this objection opinions would have been much more favourable; it is therefore desirable that, if possible, this objection should be removed, hence this memorandum. The writer has not sufficient knowledge of the coal trade to justify an opinion whether such a trust is practicable, but seeing that many practical men and large coalowners are reported to have given it their approval, the following suggestions to identify the three interests—the owner, the miner, and the consumer—are put forward with no little hesitation for consideration, and whether there be one vast trust or separate trusts for the different coal-fields, the plan is equally applicable.

Assuming that Sir George Elliott’s scheme is practicable, either as a whole or in sections, it is suggested that the three interests may be identified by adopting the principle of the gas companies’ sliding-scale, of which the essentials are good wages, a fair standard rate of dividend, a standard price for coal, and an increase of wages and dividend when coal is sold below the standard price, which should be fixed sufficiently high to cover all probable fluctuations in the cost of getting the coal in order to avoid the necessity of reducing wages or dividends below the standard rate.

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Dealing first with wages, it is conceded on all hands that the miner is entitled to good wages; but what are good wages? They must bear some relation to the general value of labour; they cannot be arbitrarily fixed by either side, but are such as are sufficient to attract and retain from the ranks of labour generally as many capable men as may be required; if the wages offered are unnecessarily high they will attract, as is now the case, more men than can be permanently employed, thus glutting the market, necessitating short time, and possibly ending in such disastrous trade disputes as that now raging.

The next point is the standard rate of dividend, which, after providing out of profits for sinking and reserve funds, should be sufficient, but not more than sufficient, to attract as much capital as may be required to efficiently work the business. As this standard rate is to be regarded as the minimum interest to be paid on the ordinary capital, it must necessarily be as low as possible, but as safe as it can be made, and entitled, like the wages of the men, to an increase when coal is sold below the standard price.

The third point is the standard average price for coal at the pit bank. Sir George Elliott proposes an average for the entire country, but should the diverse circumstances, conditions, and interests of the various coalfields render this impracticable, an average price for each or any district may be taken as the standard price for an independent trust for each or any district; the standard prices would then vary, as is the case with the gas companies, to which there is no objection—the gas standard prices range according to locality and circumstances from 2s. 6d. to 5s. and more per 1,000 feet without causing any difficulty or confusion. In fixing the standard price of coal it is neither necessary nor advisable to endeavour to make an exact calculation or to strike an exact average over a number of years, because the standard price is not to be taken as the selling price, but only as a point at which the minimum dividend and simple or bare wages may be paid; it should therefore be fixed high enough to meet these charges under all probable circumstances, and as the main object of the system is to give coalowners, managers, officials, and miners an incentive in the shape of increased dividends and a share in profits to do their best for the consumers, the standard price should be fixed high enough to give them such a fair promise of additional profit as would be worth working for.

If the capital of the proposed Trust were divided as suggested by Sir George Elliott, viz., one-third debenture and two-thirds ordinary stock, the first charge on profits would of course be the interest on the debenture stock; next to this, provision should be made for a sinking fund to redeem exhausted capital; then the standard dividend on the ordinary stock would be paid, and the remaining profits would be appropriated as follows: In order to ensure the standard dividend on the ordinary stock, a small fixed percentage on the capital should be set aside to form a reserve fund until such fund amounted to, say, 10 per cent. on the capital, to make up possible deficiencies in bad years; the remaining profits would then be divided in the agreed proportions between capital and labour, provided coal had been sold below the standard rate.

It now only remains to give examples of the working of the system, but the figures below must not be taken as those which ought to be adopted—they are merely illustrative of the principle.

Let 10s. per ton at the pit bank be the average standard price, then for every 3d. per ton below 10s. at which, on the year's average, coal has been sold, the ordinary capital shall be entitled to 5s. (say five shillings) per cent. additional dividend beyond the standard rate, which may be 5 per cent., and the miners and others shall be entitled to 10s. (say ten shillings) per cent. bonus on their salaries and wages until their bonus equals the total dividend, when the further increment that may accrue to both may be equal, thus:—

Average Price of Coal.		Dividend,		Bonus on Salaries and Wages.
		Standard.	Extra.	
s.	d.	Per cent.	Per cent.	Per cent.
10	0	5	Nil	Nil
9	9	5	$\frac{1}{2}$	$\frac{1}{2}$
9	6	5	$\frac{3}{4}$	1
9	3	5	$1\frac{1}{4}$	$1\frac{1}{4}$
9	0	5	1	2
8	0	5	2	4
5	0	5	5	10
4	0	5	6	11

The average price at the pit bank in the above table is no doubt put too high; it is not likely that under any circumstances such a price would be necessary to pay the standard dividend and ordinary wages, neither is it at all likely that the average price will fall to 4s.; another table is therefore given as an illustration that may be more in accord with practical working, which shows that as far as the consumer is concerned, the relative height of the standard price is of very little consequence, its object being simply to ensure the standard dividend and normal wages:—

Average Price of Coal.		Dividend.		Bonus on Salaries and Wages.
		Standard.	Extra.	
s.	d.	Per cent.	Per cent.	Per cent.
8	0	4	Nil	Nil
7	9	4	$\frac{1}{2}$	1
7	6	4	1	2
7	3	4	$1\frac{1}{2}$	3
7	0	4	2	4
6	9	4	$2\frac{1}{2}$	5
6	0	4	4	8
5	0	4	6	10

or any other convenient scale may be adopted, and different scales may be used in different districts for separate trusts.

Coupled with the scheme, which is essentially a partnership, there must be a partnership in management: the employed must have their representatives on the Board. On this point it seems to be agreed that where workmen are represented on any board of management it is necessary that their representatives shall have some pecuniary stake in the concern beyond being mere recipients of wages; they should, in fact, be men who have shown their confidence in the business by becoming shareholders. This can be easily accomplished by giving them the opportunity of investing their bonus annually in shares until it amounts to the necessary qualification, which must be fixed at a reasonably moderate figure, and any man or men who hold the qualification will then be eligible for election by the whole body of profit-sharers as their representatives on the board of management.

Sick, accident, and pension funds must form part of the scheme.

As to the third partner, the consumers, it is not necessary that they should be represented on the board, but there is no objection to it, and there are considerable advantages, as it would be the means of giving confidence that the business was fairly worked. The interests of the consumers, however, are safeguarded by the system itself without their active intervention; moreover, such a system must be carried out by Act of Parliament, which would have for its main object the protection of the interests of the consumers, as is done in the sliding-scale Acts of the gas companies.

Were such a system adopted it would need the loyal and active co-operation of the coalowners, managers, and miners, which, considering that their interests would be identical, might reasonably be expected. The difficulties are great, but it is worth a great effort to secure for the coalowner at least fair minimum interest on his capital and just remuneration for management, for the miner at least a fair minimum wage, and for the consumer an abundant supply of coal at the lowest practicable price free from such disastrous fluctuations of price as took place in 1872-5 and 1889-92. Then in place of the old maxim of "every man for himself," it would be "each for all and all for each" in the great coal industry.

GEORGE LIVESEY.

October 25, 1893.

ROYAL COMMISSION ON LABOUR,

THE AGRICULTURAL LABOURER.

REVIEW OF THE INQUIRY

CARRIED OUT IN

**ENGLAND AND WALES, SCOTLAND,
AND IRELAND,**

IN

1892 AND 1893,

AND OF THE

REPORTS

OF THE

ASSISTANT COMMISSIONERS,

BY

WILLIAM C. LITTLE,
(SENIOR ASSISTANT COMMISSIONER.)

THE AGRICULTURAL LABOURER.

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THE AGRICULTURAL LABOURER.

To GEOFFREY DRAGE, Esq.,
Secretary, Royal Commission on Labour.

Stags Holt, March,
April 12, 1894.

SIR,

I understand that, as I have been unable to complete my Report on the subject of the Inquiry which has been made, under the directions of the Commission, into the condition of the agricultural labourer in different parts of the United Kingdom, the Commission desire me to present to them a Summary Review of the work that has been done and of the results of the Inquiry. I have accordingly prepared the following Review, which I have now the honour to lay before the Commission. Introduction.

In my Report, which is not yet completed, I have adduced evidence from the Reports of my colleagues in support of the statements of fact and the conclusions at which I have arrived, and I have acknowledged the sources from which I have derived my information. In the following Summary Review it was impossible to refer in detail to the several Reports by Assistant Commissioners, which are no less than 104 in number. I trust, however, that it will not be thought improper for me to acknowledge my obligations to my colleagues, and to refer to the able, conscientious, and impartial manner in which these gentlemen have conducted their inquiries.

I desire also to take this opportunity of offering to you my hearty thanks for the assistance and valuable counsel which you have freely given during the whole period of my connection with the Commission. The courtesy and consideration with which I have always been treated by you have been a great encouragement and aid to me in carrying out the work entrusted to me by the Commission. Under your advice and guidance the great mass of material which has been collected has been arranged and presented in such a form as to be readily accessible to an inquirer. The order and systematic method of the Reports is mainly due to your suggestions.

In the Review which I now present I shall, after giving some general information as to the character and extent of the Inquiry, proceed to summarise the results of the Inquiry in separate sections, relating respectively to England, Wales, Scotland, and Ireland, dealing with the principal subjects of inquiry in the same order as was adopted in the Notes for Inquiry which formed the Instructions for the Assistant Commissioners, the following being the main heads of inquiry:— Arrangement of Subjects.

- I.—The Supply of Labour.
- II.—Conditions of Engagement.
- III.—Wages and Earnings.
- IV.—Cottage Accommodation.
- V.—Gardens and Allotments.
- VI.—Benefit Societies.
- VII.—Trade Unions, Strikes, &c.
- VIII.—General Relations between Employers and Employed.
- IX.—The General Condition of the Agricultural Labourer.

CHARACTER AND SCOPE OF THE INQUIRY.

1. In the early part of the year 1892, the Commission resolved to carry out an inquiry into the condition of the agricultural labourer and the circumstances under which he lives and works in different parts of the United Kingdom, by means of Assistant Commissioners who should visit certain selected localities for the purpose of investigating on the spot, and with greater exactness than would be possible in any general survey, the position and environment of the labourer in each particular district of inquiry. Scheme of inquiry.

Time occupied.

2. A scheme of inquiry, with instructions to Assistant Commissioners as to the subjects to be investigated, having been submitted to Committee B. of the Commission, and approved by them, Assistant Commissioners were appointed. The work of inquiry was begun during the month of March 1892, and practically concluded in the month of June in the following year 1893, though some little delay occurred in the presentation of the final reports of some of the Assistant Commissioners.

Assistant Commissioners appointed.

The survey in England and Wales was carried out by seven Assistant Commissioners: Messrs. W. E. Bear, C. M. Chapman, A. Wilson Fox, R. U. Richards, Aubrey Spencer, E. Wilkinson, and D. Lleufer Thomas. In Ireland the greater part of the inquiry was conducted by two Assistant Commissioners, Mr. W. P. O'Brien, C.B., and Mr. R. M'Crea, but a portion of the country was visited by Mr. A. Wilson Fox and Mr. R. C. Richards, who had been previously engaged in the inquiry in England. In the case of Scotland two Assistant Commissioners, Mr. G. R. Gillespie and Mr. H. Rutherford, were originally appointed; on the death of Mr. Gillespie the vacancy was filled up by the appointment of Mr. R. Hunter Pringle, and eventually Mr. Wilkinson, one of the English Assistant Commissioners, surveyed and reported upon two groups of counties.

Districts of Inquiry.

3. The number of districts visited and reported upon was as follows:—In England 38; in Wales, 8; in Scotland, 14; and in Ireland, 30; thus there were in all 90 districts of inquiry. Each of these districts was the subject of a separate report, and at the close of their inquiries the several Assistant Commissioners presented final reports summing up the results of their inquiries and the general conclusions at which they had arrived.

Reports give a contemporaneous and complete view of the situation.

4. The comparatively short space of time over which the inquiry was extended, may be regarded as giving that inquiry almost the character of a contemporaneous view of the agricultural labourer's position in every part of the United Kingdom; as in the course of 15 or 16 months no considerable change in the condition of the labourer could have taken place without leaving evidences of its having occurred.

Taken as a whole the Reports of the Assistant Commissioners, containing as they do the results of a minute and patient investigation, carried on by 11 able and impartial inquirers, acting independently of each other, and pursuing their inquiries in their own way, reporting the results as it were from day to day, cannot fail to give a fair presentment of the condition of the agricultural labourer at the time of the inquiry.

Arrangement of Reports of Assistant Commissioners.

5. The Reports collected under the names of the respective authors have been presented, and are published in four volumes: Vol. I. (in six parts) relating exclusively to England, Vol. II. to Wales, Vol. III. (in three parts) to Scotland, and Vol. IV. (in five parts) to Ireland. Under your directions an analytical index of the evidence on all the more important subjects of inquiry, and a general index of contents have been prepared for each of these volumes and appended to them.

Areas of Inquiry.

6. In England, Wales, and Ireland, the districts of inquiry are poor law union areas. In Scotland, where no similar area of local government exists, it was thought desirable to divide the country into 14 different districts, consisting of groups of contiguous counties, possessing somewhat similar agricultural characteristics. In this respect the survey of Scotland must be regarded as more extended and general in character than that of other parts of the kingdom, where the attention of the Assistant Commissioner was concentrated upon a comparatively small area of inquiry.

Selection of districts.

7. In the selection of districts for investigation, two main principles were kept in view; first, the fair distribution of them over the whole country, and next the inclusion of different types representing the varied conditions under which agriculture is pursued, and the circumstances which affect the position of the labourer. The pecuniary position of the labourer is most materially affected by the competition of other industries than agriculture; and his work will vary with the system of agriculture pursued, that system being to a great extent determined by soil and climate, modified, however, by such circumstances as the proximity or accessibility of towns, and the convenience of transport; his ethics will be influenced by the administration of the poor law; and his general well-being will depend to considerable extent upon the state of his home.

I think it may be fairly stated that in the series of districts of inquiry, examples of the best and worse conditions under which the agricultural labourer has to live and of many gradations which exist between the two extremes will be found.

8. It seems necessary to offer some definition of an agricultural labourer, though it is by no means easy to use a term which is not either too comprehensive or too exclusive. Definition of agricultural labourer.

The term as commonly used would imply habitual employment in agricultural work for wages, and dependence upon that work for a living, but a great deal of the work in agriculture is done by those who would not be included in such a definition; for example, by casual labourers, who have other occupations and resources; by many small occupiers of land, who work occasionally for other farmers; and by members of the families of farmers who, more especially in Ireland, assist their parents in the work of the farm, and frequently work on the land of others.

9. Any estimate of the actual number of agricultural labourers must be based upon the Census Returns, but that estimate must be regarded as approximate only. Apart from the reasons which have been already given for accepting these returns with some reserve, it must be noted that there is a large class separately enumerated under the head of "general labourers." In Ireland almost universally, and in the rural parts of England, a large number of these are, in all probability, at some period of the year engaged in agriculture, but it would be unsafe, especially in the case of England, to count them as agricultural labourers, since they are generally most numerous where agriculture is least prominent. Thus, in Huntingdonshire, a purely agricultural county, there is not one general labourer to ten wage earners in agriculture, while in Lancashire and Cheshire they are greatly in excess of such wage earners, or at the rate of 245 to 100. Number of agricultural labourers.

But under any circumstances the results of the census must be regarded as understating to, perhaps, a considerable extent, the numbers of those who might legitimately be described as agricultural labourers.

Full and detailed statistics as to the absolute and relative numbers of the wage earners in agriculture at the present time and at former periods, are contained in a memorandum on the subject which I have prepared, and which will be appended to my Report. The main results may be briefly summarised thus:—

The Census Returns for 1891 enumerate under the several descriptions of occupation which include the "wage earners"* in agriculture, about 1,200,000 persons, of whom less than 70,000, or approximately 5½ per cent., were females.

10. Of the whole number about two-thirds were resident in England and Wales, nearly one-fourth in Ireland, and little more than one-tenth in Scotland. Distribution of agricultural wage earners.

11. In ratio to the total population, the class thus designated are little more than 3 per cent., taking the whole of the United Kingdom, 2¼ per cent. in England and Wales, 3 per cent. in Scotland, and less than 6 per cent. in Ireland. Ratio of these wage earners to population.

A more correct idea of the relative importance of the class will, however, be conveyed by the statement that out of every 10,000 adult males, "wage earners" in agriculture are, for the United Kingdom, 841; for England and Wales, 750; for Scotland, 678; and for Ireland, 1,510.

12. During the last 20 years there has been a universal and continuous decline in the number of the class under consideration. In Great Britain this decrease has occurred in an increasing population. In Ireland, notwithstanding a decreasing population, the ratio of wage earners in agriculture to population has decreased in a greater degree than it has in Great Britain, as will be seen by the following figures:— Decrease of numbers.

NUMBER OF WAGE EARNERS IN AGRICULTURE to every 10,000 of total POPULATION.

	1871.	1881.	1891.
England and Wales	434	343	275
Scotland	490	400	300
Ireland	942	650	595
Great Britain and Ireland	531	394	318

* I have included among wage earners the following occupations:—(1) Farm bailiff; (2) agricultural labourer, farm servant; (3) shepherd; (4) horsekeeper, horseman, teamster, carter.

The rate of decrease in 20 years was about 20 per cent. in England and Wales, nearly 27 per cent. in Scotland, and 45 per cent. in Ireland. It ought to be stated that the Census Returns for 1871 included under the several occupations superannuated members of the class who were omitted from the returns for 1881 and 1891. If the figures are adjusted to allow for this difference on the estimate of the Census Commissioners the comparative results would not be materially altered.*

Females decreased more than males.

13. It is a noticeable fact that in every one of the three countries the female wage earners have decreased to a greater extent than the males. Thus in England and Wales they were, in 1871, 5·83 per cent. of the whole number, in 1891 they were only 3·02 per cent. In Scotland they were at the earlier period about 26 per cent. and they are now less than 19 per cent. In Ireland they were more than 12 per cent., and they are now less than 8 per cent. of the total number.

Ratio of wage earners to agriculturists.

14. In comparison with the whole number of persons engaged in agriculture wage earners are more numerous in England than in either of the two other countries. In England and Wales they are nearly three-fourths (73·1 per cent.) of those engaged in agriculture "in fields and pastures." In Scotland they are a little more than three-fifths (62·5 per cent.) and in Ireland they are less than one-third (30·7 per cent.) of the same class. It is apparent that in England a much larger part of the agricultural work is done by hired labourers than is the case in other parts of the kingdom.

Periods of age of wage earners.

15. With respect to the numbers of male wage earners at different periods of age, it appears that in England and Wales more than one-fourth of the whole number are under 20 years of age, nearly two-thirds are between the ages of 20 and 65, and about 8 per cent. are 65 years of age or more. In Scotland 30 per cent. are under 20 and 64 per cent. between 20 and 65 years, and only 4½ per cent. above that age. In Ireland the proportions at each of the three periods named are very similar to those of England and Wales.

Classification of wage earners.

16. The Census Returns give little assistance towards a classification of agricultural labourers in respect of their particular spheres of work, and the reports of Assistant Commissioners contain as a rule little information as to the proportionate number of workers whose occupations can be distinctly defined, the fact being that, while a limited number have their special functions and duties, a large proportion are engaged in a variety of work according to the seasons of the year. The only classes of wage earners who can be separately considered are the foremen, the shepherds, and the men in charge of horses or cattle.

As the general conditions affecting the agricultural labourer differ in some important particulars, it will be necessary to deal with England, Wales, Scotland, and Ireland in separate sections.

* If 2 per cent. be deducted for superannuated labourers then the decrease in England and Wales in 20 years would be at the rate of 18·2 per cent. instead of 19·85 per cent.

SECTION A.—ENGLAND.

17. It has been already stated that the districts of inquiry were distributed over the whole country, and that they had been chosen with a view to include various types of agriculture and of conditions affecting the agricultural labourer. I have in my Report, devoted a considerable space to a comparison of the characteristics distinguishing the several districts, as it is desirable to show conclusively that they are fairly representative. It will be sufficient to give in this place a general idea of the different types of districts represented.

Typical districts selected.

18. The 38 districts of inquiry in England extend into 38 different counties, only four counties being unrepresented. In respect of situation the number in each of the Agricultural Divisions which are adopted by the Board of Agriculture for statistical purposes is approximately equal, there being 10 in the 1st, 2nd, and 3rd divisions or groups of counties, and 8 in the 4th division. The proportionate part of the whole number of wage earners in each of these divisions is approximately 30 per cent. in each of the first two groups, 21 per cent. in the 3rd, and 18 per cent. in the 4th division.

Distribution of districts.

19. In selecting districts for inquiry as to the agricultural labourer, it seemed desirable that the greater number should be distinctly agricultural in character, while some representation of localities where other industries compete with agriculture for unskilled labour should be examined for the purposes of contrast and comparison.

Characteristics of districts.

In the absence of any recent statistics which would permit of a comparison being made between different districts in respect of either the proportionate value which land bears to other rateable property or the ratio of agriculturists to the whole population, recourse was had to Parliamentary Returns made in 1870 and 1871, by the aid of which the relative importance of agriculture in each of the Poor Law Unions of England and Wales was gauged, and this point was taken into consideration with other information which was obtained as to the particular system of agriculture pursued, and other circumstances which seemed material in making choice of districts of inquiry.

As regards "land value" in 15 selected districts in 1870, it formed four-fifths of the whole rateable property, and in 17 other districts it was upwards of two-thirds, the extreme range being from 9½ per cent. in Glendale (Northumberland) to 52 per cent. in Godstone (Surrey).

In respect of the relative number of agriculturists no less than 20 of the selected districts had in 1871 more than 50 per cent. of the adult males classed as agriculturists, while in five of those districts less than 30 per cent. were included in that class. In those five districts other industries considerably outnumbered the agriculturists, while in the remaining 33 districts agriculture was the predominating occupation.

20. Another point which it seemed desirable to have in view in choosing districts of inquiry was the decrease in population. The depopulation of the rural districts which has been very general during the last 20 years has been by many persons attributed to the difficulty which the agricultural labourers have found in obtaining work, the low rate of their wages, the unsatisfactory character of their cottage accommodation, and to other causes affecting the life of the inhabitants of those districts.

Changes in population in districts.

The extent to which the several districts diminished in population and the causes of the migration from agricultural districts to the towns have been carefully investigated by the Assistant Commissioners.

In 28 out of 38 of the districts in England there has been since 1871 a decrease in the numbers of the inhabitants, but in two of those 28 that decrease was less than 1 per cent., and in only 21 was it more than 5 per cent. In 15 districts, it was, however, more than 10 per cent. in 20 years. The highest instance is that of Woburn (Beds) where in 1871 only 52 per cent. of the adult males were agriculturists. The next in order is Truro, a district where the "industrial" class, as distinguished from the "agricultural" in the Census Returns for 1871, were half of the adult male population and nearly twice as numerous as the agriculturists. The distribution of the districts showing the greatest signs of depopulation is capricious. It is difficult to connect the exodus of the rural people with any particular condition of affairs. It is no doubt true that they go with the hope and object of bettering themselves, but this inquiry affords no proof that the migration is distinctly connected with the amount of the wages or earnings in particular localities.

21. I have in my Report, divided the districts of inquiry into four classes in respect of the current rate of weekly wages in 1892. One district in the highest of these classes shows a greater decrease than nine out of the 10 districts which are included

Districts of high and low wages,

compared with respect to decrease of population.

in the lowest class. In another table districts are arranged in the order of the computed average earnings of ordinary labourers, and Glendale, which stands first in this list, shows a decrease of population at the rate of 16.68 per cent. in 20 years, while Langport, which stands lowest in the scale of weekly earnings, shows a decrease of 17.42 per cent. in the same period, but Pershore, which is 37th. or last but one, on the list in respect of earnings, shows a decrease of only 8 per cent.

The mixture of urban and rural population in some of the districts of inquiry renders a general comparison of them in respect of decrease of population difficult, as the increase in even a small town may balance the decrease in many rural villages. This is shown by Mr. Bear and Mr. Spencer to be the case in Basingstoke and Dorchester. It may be taken for granted that the migration is, as a rule, greatest from purely agricultural districts (though it may be observed that in Truro and Monmouth, two out of the six industrial districts, the decrease has been upwards of 10 per cent. in 20 years); but that this migration does not appear to be distinctly connected with the rate of remuneration received by the labourer.

Agricultural characteristics of districts

22. Of the whole number of districts investigated 14 may be classed as arable, not exclusively such, but having about twice as much arable as pasture land; 17 as mixed arable and pastoral, and 7 as distinctly pastoral, with pasture twice as great in extent as the arable area; 19 districts are pre-eminently corn-growing localities; in seven, roots are a marked feature in the cropping. Potatoes, which demand a considerable amount of labour, are largely grown in five districts, and hops are cultivated in five districts.

Eight districts are conspicuous for the number of their Cattle, five of these being distinctly dairy districts. Sheep are more than usually numerous in nine districts, some of which are largely devoted to breeding, and others to grazing and feeding.

It will be seen that the districts of inquiry exhibit a great variety in their industrial and agricultural characteristics, and it may be said that they include types of almost every possible combination of circumstance to be found in this country.

I will now proceed to summarise the results of the Inquiry under the several heads already particularised.

I.—SUPPLY OF LABOUR.

Present supply of labour about sufficient.

23. It would appear that very generally throughout the country the supply is fully equal to the present demand for labour, at any but the busiest times of the year. The demand has been considerably reduced by changes in the system of farming, which are to a great extent due to the low prices of cereals which have ruled for some years past. Labour has been economised by the use of machinery, and dispensed with in consequence of the fact that land has been laid down to grass; and because many farmers are unwilling or unable to spend as much as they formerly did upon neat and trim farming.

Here and there complaints are recorded of the shortness of hands, although the subject of complaint is more generally as to the quality and the character of the labour than as to actual deficiency of supply.

Employment diminished.

The great rise of wages, which occurred between 1871 and 1876, may have had, there seems reason to believe, the effect of diminishing the employment of labourers. Farmers very largely decreased the area of those crops which required the most manual labour; they substituted, wherever they could, machinery and horses for men, and most of them cut off all superfluous and unnecessary labour. The serious and continuous depression in agriculture, which has lasted since 1878, has compelled many farmers to leave much work undone which ought to have been done. The emigration of labourers from rural districts has balanced the reduced demand, and when the reports were written, few men were out of work in the districts of inquiry, but at the close of the survey, more than one of the Assistant Commissioners gave expression to an opinion that the result of the remarkable season of 1893 and the continued fall in prices of almost every description of agricultural produce must have the effect of throwing a large number of agricultural labourers out of employment.

Alterations in system of farming.

24. Though labour is nowhere very scarce, there can be little doubt that if farming were now carried on as it was 20 years ago, there would be considerable difficulty in at once finding the necessary hands.

The general tendency among farmers is to employ a regular staff of the minimum strength required to keep the farm going, and to rely upon casual labourers for help in

busy seasons. On the part of the labourers there is an increasing disposition to choose casual work at comparatively high wages, rather than regular and constant work at a lower rate of pay.

25. The withdrawal of women from agricultural work is almost everywhere reported, and is by the labourers themselves acknowledged to be a consequence of the improved circumstances of their class. In a few districts where market gardening or the growth of certain root crops cause an urgent demand for labour such as women can accomplish, they still work regularly in the fields. In the hop gardens and fruit orchards they also continue to work. Withdrawal
of women
from field

In Northumberland the regular employment of women on the farm still remains a prominent feature of the agriculture. In that county the women are nearly one-fourth of the whole number of wage earners in agriculture. In by far the larger number of districts of inquiry women are very little employed.

26. The efficiency of the labourers at the present time is, generally, but not universally, said to be less than it was in past days, and the result is attributed to the migration of the more active and intelligent labourers. Allowing for the natural habit of depreciating the present and exalting the past, it seems reasonable to suppose that if the class of agricultural labourers is continually drained of its best and most promising youths it must deteriorate in character. It is urged by some that by the system of payment which is usually adopted, too little discrimination is made between the good and bad workmen, and that farmers do not encourage skill and good work by extra payment. An examination of the reports of the Assistant Commissioners will, however, show that in many districts the earnings of a skilled labourer are so greatly in excess of those of the ordinary workman, that they have to be left out of account in estimating the average earnings of the class. Efficiency of
labourers.

II.—CONDITIONS OF ENGAGEMENT.

27. In the Glendale district all, and in the Dorchester district most of the labourers are hired for the year. The remaining districts may be divided into three nearly equal classes. In one class, comprising 11 districts, the men in charge of stock are cottagers engaged by the year while the other labourers are daily or weekly men. In another class, including 12 districts, weekly or daily engagements are the rule. In a third class, comprising 13 districts, the yearly servants are indoor men boarded and lodged either in the farmer's house or at the farmer's cost in the foreman's house, and the other labourers are cottagers engaged by the week. Hiring.

It is observed that the common result of a yearly engagement is a frequent change of service, while men living in cottages with no condition as to their working on a particular farm attached to the occupation of them often continue to work for the same employer for a long period.

At the present time the farmer is more than ever anxious to secure by yearly hiring a certain staff necessary for the care of his stock; many of the labourers on the other hand have a natural desire for independence. The result of the two opposing forces will probably be to divide the labourers in the future, even more than they are now separated, into two classes. Those who will accept service will be retained by a comparatively high rate of pay and a good deal of consideration; those who prefer an independent life will not be sufferers if only they are willing and skilful labourers; while the class of loafers will, in all probability, increase.

28. The hours of actual work and the hours of an ordinary labourer's absence from his home vary considerably. The former range from $8\frac{1}{2}$ to 12 hours, the latter from 10 to $13\frac{1}{2}$ hours in spring, summer, and autumn, the approximate average working time being 10 hours. This working time is, however, extended in cases where the labourers have a considerable distance to walk to their homes. Men in charge of stock have generally longer hours than ordinary labourers. There seems reason to suppose that the average length of the working day as stated above is slightly increased by including among the class of ordinary labourers the milkers in dairy districts where milk is sent away, and the work of milking begins early in the morning and is carried on until late in the evening. In the winter time, or for about three months, the hours of the ordinary labourer are generally only from light to dark, but in haytime and in harvest work is much prolonged, and it would be fair to reckon that the overtime during those busy periods would make up for the shorter hours of winter. Hours of
work.

Wide difference in hours difficult to account for.

29. It is difficult to understand the wide difference which exists between the hours of work in districts which otherwise have much in common. The long hours of dairy districts are easily accounted for and where the ordinary labourer is a casual man called in to work side by side with an indoor farm servant, it is natural that his hours should be the same as those of the boarded servant, but these conditions, which operate in only a few districts, do not explain the fact that in one district of low wages the hours of work are $8\frac{1}{2}$, in four of the same class $9\frac{1}{2}$, in another 10, in two others $10\frac{1}{2}$, and in one $11\frac{1}{2}$ hours.

The Carters and others in charge of stock, unlike the ordinary labourers, have frequently longer hours of work in winter than in summer.

Sunday work.

30. In some districts, and particularly in the dairy counties, the Sunday work of stock-men is often heavy. On large farms there is frequently an arrangement by which some of the men are in turn set entirely at liberty on that day, and the work is by previous preparation diminished as far as possible, and the number of men employed is sufficient to despatch what must be done in the course of a few hours. On the smaller farms, the Sunday work often falls chiefly upon the farmer and his family, but on farms between these two grades, the Sunday work is often severe.

The proportionate number of labourers who have Sunday work to do is variously estimated; in some districts it is said that three-fourths have regular Sunday work, in others that not more than one-fifth are employed on that day, and that many of these are only engaged during the winter season.

Legal working day suggested.

31. The Assistant Commissioners do not report any demand or expression of a desire on the part of the labourers for a compulsory shortening of the hours of labour in agricultural work, and, indeed, those hours do not seem to have been generally the subject of serious complaint, but in one district (Nantwich) where the hours of work are reported as $11\frac{1}{2}$, and those of attendance as from $13\frac{1}{2}$ to 14, the labourers suggested "a legal working day, say, from 6 to 6, with $1\frac{1}{2}$ hour for meals, with a half-holiday on Saturday; any time which they might be required to give beyond these limits should be paid for as overtime."

Richards, B. VI., 25.
Half-holidays.
Chapman, A. 69, 139.
Fox, A. 14.

The granting of a half-holiday either weekly or occasionally is also recommended by Mr. Chapman and Mr. Wilson Fox.

III.—WAGES AND EARNINGS.

Wages distinguished from earnings.

32. The reports of the Assistant Commissioners contain very full information as to the rates of payment for different classes of labourers in the several districts. It is important to distinguish between the term *wages* which expresses the rate of pay, and that of *earnings* which is used to cover all the receipts of a labourer in money or allowances of any description subject to necessary deductions for lost time.

Current rate of weekly wages.

33. The current rate of weekly wages is the standard of payment for ordinary labourers given and taken in the absence of any agreement. This rate varies often by as much as 2s. a week in the same neighbourhood, and frequently by 1s. a week in the same parish.

At the time of the inquiry this rate varied from 10s. a week in Bromyard,* Cirencester,* Dorchester, Langport,* Pewsey and Wantage,* to 18s. in Garstang and Wigton, the average of the 38 estimates of the mean rates for all districts being 13s. 5d. a week.

I have in my Report divided the districts of inquiry into into four classes according to the rate of wages.

Classification of districts.

In the first class having the highest rates of wages, viz., 16s. a week and upwards, there are six districts, which are situate in Derbyshire, Staffordshire, Yorks (W.R.), Lancashire, Cumberland, and Northumberland.

In the second class (with wages between 14s. and 16s. a week), there are 12 districts, viz., in Yorks (2), Lincolnshire (2), Notts, Leicester, Northampton, Salop, and Cheshire, with outlying districts in Kent, Surrey, and Cornwall.

The third class (with wages 12s. to 14s. a week), includes 10 districts, somewhat irregularly distributed in Norfolk, Suffolk, Cambs, Hunts, Beds, Oxon, Worcester, Monmouth, Devon, and Sussex.

The lowest class (with wages under 12s. a week), includes 10 districts, in Essex, Herts, Berks, Hants, Wilts, Dorset, Somerset, Gloucester, Warwick, and Hereford.

* In these districts 10s. was the lower of two rates of wages given as prevailing at the time. In Dorchester and Pewsey it is the sum given as the common rate at the time.

34. If the rates reported as current in the several districts at the time of the inquiry are compared with the rates current in the several counties at the time of the inquiry under the Richmond Commission (1879-1881), there is an apparent decrease on the average. It must be remembered however that the former was an extended survey which took into account the high wages as well as the low wages of each county, while the present selection of districts for the most part of a purely agricultural character, may in some cases give a lower average than would be obtained if the whole of each county had been included. Be that as it may the result of a comparison shows an average of 13s. 5d. in 1892, as compared with 13s. 9d. in 1879-81.

Rates of wages in 1879-81.

The average rate of weekly wages at the period of the inquiry by "the Commission on the Employment of Children, &c., 1867-70," is estimated by me, on grounds which are stated in my Report, at 12s. 3d. a week.

35. The wages of labourers are however very generally augmented to a greater or less extent by opportunities of earning extra money at piece-work, or at certain seasons; by various allowances such as a cottage and garden rent free; by gratuities as rewards or encouragements; by refreshment of meat or drink; by the provision of fuel, and in many other ways—and all these additions must be taken into account in estimating earnings.

Additions to wages.

36. The result of a careful investigation of all the evidence on the subject, leads me to estimate the average earnings of the ordinary labourer as 15s. 11d. a week, with a maximum of 20s. 9d. a week in Glendale (Northumberland) and a minimum of 12s. 6d. a week in Langport (Somerset).

Earnings.

The earnings of shepherds are estimated to range from 23s. 6d. in Glendale to 14s. in Langport, and those of carters, cattlemen, and others in charge of stock from 20s. 9d. in Glendale to 14s. in Langport.

These estimated earnings of ordinary labourers are those of average men who work regularly and diligently throughout the year. In many districts where piece-work is common there is little doubt that a first-class labourer can earn considerably more than the estimated sums.

37. A classification of the districts in respect of earnings does not differ greatly from that in respect of wages. Three districts have estimated average earnings of 19s. a week and upwards. In six districts the estimated average earnings are from 17s. to 19s., in 19 they are from 15s. to 17s., and in 10 they are under 15s. a week.

Classification of districts in respect of earnings.

The materials for a general comparison of the earnings at the present time with those of any former period are not available. In fact there is some reason to suppose that wages and earnings have sometimes been regarded in the past as equivalent terms, and that in consequence wages have, hitherto, been over-estimated in some cases. I have laid before the Commission some estimates compiled from the reports of "the Royal Commission on the Employment of Children, &c." of the estimated average weekly earnings in certain counties in 1867-1870. A comparison of those estimates with those of the present time shows a considerable increase in some parts of the country and an actual decrease in others. The estimates are not, perhaps, fairly comparable in detail, but they tend to confirm a view supported by a comparison of wages at different periods, that earnings have increased more in the pastoral districts than in the corn-growing counties. The most marked increase is observable in the south and south-western counties where the rate of wages was the lowest 20 years ago, and it is in the arable districts that the tendency to a decline is most apparent.

38. It is manifest from a comparison of the current rate of wages with the estimate of average earnings that wages are augmented by various extra payments and allowances to a much greater degree where the rate is low, than where it is comparatively high.

Wages and earnings compared.

I have in my Report compared the weekly wages and earnings of ordinary labourers in each of the four classes of districts already described (paragraph 33) and on the average in the first class (that of highest wages) earnings are 11.4 per cent. above wages, in the second class they are 12.4 per cent. in excess, in the third class they exceed wages by 21.8 per cent., and in the fourth class, comprising the low wage districts, earnings are 33.4 per cent. in excess of wages.

Two extreme instances of the ratio of wages to earnings in different districts may be quoted in illustration of this point. In Uttoxeter, wages are 16s. a week, and earnings are estimated at 17s. The ratio of wages to earnings is therefore as 100 to 106.25. In Pewsey, wages are 10s. a week, and estimated earnings are 14s. 9d.; here the ratio of wages to earnings is as 100 to 147.6.

The rate of current weekly wages does not therefore represent the actual receipts within the reach of the labourer, nor does it supply the basis for the comparison of the position of the agricultural labourer in different parts of the country or at different periods of time.

Wages of women and boys.

39. The wages and earnings of women in districts where they still work in the field have increased very considerably of late years, and boys earn very much more than they did 20 years ago.

Family earnings.

40. The united earnings of a family of workers frequently amount to a considerable sum, instances being given in the Reports of the Assistant Commissioners of as much as 200*l.* a year being received by one family, living together and clubbing their resources. This family, of course, included more than one adult male. These may be exceptional cases, but numerous instances of family earnings of 100*l.* to 130*l.* a year are reported.

Supplementary employment.

41. In several districts, the disengaged agricultural labourers are not entirely dependent upon farm work. Some supplementary industries are open to them. Among the most important of these may be mentioned woods and underwoods, which in some districts employ a large number of labourers at a period of the year when farm work is slack.

Competing industries.

42. Very generally, industries such as mines, iron-works, &c., which compete with agriculture for labour, have an injurious effect upon the character of agricultural labour of a district.

The fitful demand of these industries, at one time absorbing all the strongest and most capable men, and at other times throwing upon the labour market a large number of their least competent workmen, thus glutting the market with unskilled labour, has the effect of disorganising the labour of the farm.

IV.—COTTAGE ACCOMMODATION.

Supply of cottages.

43. The subject of the housing of the agricultural labourers has been investigated very thoroughly by the Assistant Commissioners.

The evidence collected shows that as a rule cottages are sufficient in number for the present population, but that they are unevenly distributed and consequently too numerous in some places and scarce in others.

Where a deficiency is complained of it is sometimes stated that cottages on farms are required, while, on the other hand, several instances are reported where good cottages on farms are uninhabited because residence in a village is preferred. In most parts of the country a large proportion of the labourers live in villages, and where these are numerous and widely scattered little inconvenience is experienced on account of the distance from work, but generally, wherever large tracts of land have been reclaimed and brought into cultivation, and villages are distant from each other, a considerable addition is made to the burden of a day's work by the labourer having to walk some miles night and morning. In one district (Glendale) where a large proportion of the land has been brought into cultivation in modern times, a full supply (in number) of cottages has been provided on the farms for all the labourers regularly employed, but in no other part of England than Northumberland is this arrangement completely carried out, though in several of the districts of inquiry a good deal has been done towards housing a portion of the farm staff on the farms. On the whole, however, village life is the rule with agricultural labourers, who have a great and increasing objection to the isolation of a farm cottage.

Close and open villages.

44. In villages which are owned, chiefly or entirely, by one landlord, or where cottages have been provided as part of the equipment of a landed estate for the housing of those who work on that estate, the cottages are almost invariably superior in character to those in open villages, or wherever they are held apart from land, and of owners who depend to some extent upon cottage rents for their living.

Standard of comparison in different localities.

45. The standard of excellence or defect by which the house accommodation is measured by different observers and in different localities is a purely relative standard. A cottage which by reason of its superiority to the average of a district is classed as good would, if transferred to another district where a higher level has been reached, be looked upon as a second rate dwelling, and what is considered a bad cottage in one country would rank as far superior to the average in another country.

In England, generally a higher style of accommodation in respect of the number of rooms and out-houses, the fittings and conveniences, and the surroundings of the

dwelling of the agricultural labourers is required to qualify them for commendation than is the case in Scotland, while Wales ranks below the latter country in this respect. In Ireland a still lower average condition prevails, and, with a few exceptions which may be made in favour of those on some demesnes, the best cottages, which would be characterised as good by comparison, would be ranked by anyone familiar with English cottages, as very inferior; and those of the lowest class, which are very numerous, are far below the worst representatives of the class in England.

There is evidence that in all the three countries there has been some progress in public opinion as to what are the absolutely necessary requirements and the minimum of accommodation which ought to be given. A comparison of the plans and descriptions of houses which were deemed superior and even excellent 40, 30, or 20 years ago will show what a considerable advance has been made in this direction.

In England and Scotland the improvement and the recognition of a higher ideal are in a great measure due to the example which has been set by a number of landowners, who have for many years pursued a consistent policy of bettering the condition of the labourers on their estates. In many cases these landowners have kept in advance of the wishes and demands of the labourers by building better cottages than they can at present appreciate.

In Ireland such improvement as there has been may be attributed to the building which has been carried out under the Labourers Acts. Though the houses which have been built under these Acts would not be conspicuous in England, they are very superior to the ordinary dwellings of the labourers in Ireland.

46. The Assistant Commissioners frequently report that an improvement in the character of the accommodation has taken place, and is still in progress, but that very great improvements are required, and there is abundant evidence to show that a large proportion of the cottages inhabited by labourers are below a proper standard of what is required for decency and comfort, while a considerable number of them are vile and deplorably wretched dwellings. Progressive improvement.

47. The Census Returns for 1891 contain statistics as to the number, in each sanitary district, of tenements which have less than five rooms. An examination of these statistics with reference to the several districts of inquiry, shows that in respect of small tenements and the number of rooms which they contain, and the population resident in such habitations, the districts of higher wages show no superiority over those of low wages, but on the contrary, the district (Glendale) where the labourer is, perhaps, taking all things into consideration, the most prosperous, is pre-eminent for its one and two-roomed cottages, and for over-crowding. Census returns as to small tenements.

48. The Reports of the Assistant Commissioners contain descriptions, based upon their own observation, and strengthened by reports of officials of the local sanitary authorities, of the prevailing defects of cottages as regards their original construction, their state of repair, the sanitary condition, and drainage, the provision or want of sanitary conveniences, the insufficient water supply. It is difficult to condense or abridge these statements without exaggerating or diminishing the effect of the evidence. But it is impossible to read these reports without experiencing a painful feeling that too frequently, and too commonly, the agricultural labourer lives under conditions which are, both physically and morally, unwholesome and offensive. Defects of cottages.

49. It appears that in many places the sanitary authorities have been active in their efforts to improve the sanitary condition of villages and cottages, but it is alleged that the work of reform is impeded by various obstructions. Action of sanitary authorities.

In the initial stage of discovering and disclosing insanitary dwellings, it is said that too often the medical officer of health is not in a position of sufficient independence to enable him to disregard the consequences of the very active prosecution of his duties. He holds his office at the will of those who, either as cottage owners or ratepayers, may resent his action, and he is generally paid such a salary for his duties as leaves him dependent upon his private practice for his livelihood, and he may sometimes have to consider whether he can afford to offend his clients.

Another and formidable obstacle in his path is this. He has too frequently to deal with cottage inhabitants who are indifferent, if not actually hostile, to improvement.

But the action of the sanitary authority desirous to discharge its duties is rendered difficult by the knowledge that the owners of cottage property are frequently unable to make the alterations which are necessary, and the authorities have to choose between closing the houses and turning the inhabitants into the street, or the adoption of

a half-hearted and palliative treatment of the evils which they recognise. And further, these authorities shrink from incurring any expenditure which will add to the rates in districts where the rural ratepayers, who are mostly farmers, are little able to bear increased burdens.

Ownership
and tenure.

50. The owners of cottages may be divided into four classes:—

1. Estate owners who provide cottages for some of those who work on their estates.
2. Private owners who let their cottages at the best rent they can obtain.
3. Leaseholders or lifeholders.
4. Occupying owners.

A few instances occur where the parish or the trustees of a charity own cottages.

Estate cottages are sometimes, and, on the larger estates generally, let by the owner directly to the labourer, with or without condition as to his working on the estate of the owner; but they are in many cases held by the nominee of a tenant farmer. The tenure of these cottages is generally for a definite period, with short notice to quit. Where they are situate on farms they are generally let to the farmer, and the labourer either holds the cottage as part of his remuneration, or he pays a small rent, but in either case they are held subject to continuance in the employment of the farmer.

The labourer has a very strong preference for the direct tenancy from the estate owner. The farmer on the other hand generally demands, as a condition of his holding a farm, that a certain number of cottages shall be placed at his disposal, as in the case of an outlying farm he might be left without the necessary assistance for feeding his stock, if the cottages on his farm were occupied by those who no longer worked for him.

Private owner's cottages are generally held directly from the owner, though in some districts where farm cottages are not provided for the estate, the farmer hires and sublets some of them. Where held from the owner a month's notice is very common, but every possible term, from a week to a year, is to be found.

Leasehold or lifehold cottages are mostly of the worst type and in the worst condition.

Cottages owned by *bond fide* agricultural labourers are rare.

Rents.

51. The rents of cottages range from 9d. to 7s. a week, the most usual sum charged being either 1s. 6d. a week or 4l. a year. Estate cottages are almost always let at a cheaper rate than others. Those in the hands of farmers are either given rent free as part of the labourers' wages, or they are let at a nominal rent. The amount of rent has no relation to the character of the cottage, the accommodation supplied, its state of repair, its sanitary condition, or even the financial position of the occupant. It is, apparently, as high in the low wage districts as it is in those of the largest earnings.

Cost of
building.

52. The cost of building decent cottages is variously estimated in different localities at from 100l. to 200l., including the value of the land on which it stands and the area of a small garden. The cost of the most economically constructed cottage may be put at 130l. Even a customary rent of 4l. a year, out of which the landlord pays rates, repairs, and insurance, would give the owner a very low rate of interest on a perishable security, and the building of good cottages is not directly remunerative.

I venture to express my conviction that no great and general improvement of cottage property can be anticipated until some means are devised for making cottage property more directly remunerative as an investment.

Possible
adjustment
of outlay
and return.

53. There would seem to be four methods by which it might be possible to effect a more satisfactory adjustment of outlay and return—

(1.) The reduction of the original cost of building, by the adoption of the best plans for economising space, and by the use of materials locally available.

Loans for
cottage
building.

(2.) Government loans to landowners at such a rate of interest as would secure the State from loss, might diminish the difficulty which many proprietors experience in keeping down the interest on loans for cottage building. It is found possible to lend to local authorities in Ireland, upon terms which involve an annual charge of 4·825l. per cent. for repayment of a loan with interest, if the period of repayment is 35 years, while, if that term is extended to 50 years, the annual instalment of principal and interest is reduced to 4·46l. per cent.

- (3.) The payment of an increased rent by the labourer would, however, facilitate the provision of new and better cottages more than anything else. Increased rents.

Where estate cottages are let at a rent which is much below their commercial value the landowner or the farmer, or both conjointly, pay the labourer more than he believes that he is receiving; the low rent is a bonus on wages, but it is not so regarded by the labourer who unfortunately prefers to pay a high rent for a bad cottage in a village rather than a low rent for a good cottage on a farm.

Some of the Assistant Commissioners think that the labourer does appreciate and would pay a higher rent for additional and better accommodation, but the evidence on this point is not very conclusive and will scarcely weigh against these facts that the highest paid districts of inquiry are sometimes those where the labourers' cottages contain the least accommodation; that good cottages on farms are deserted for bad ones in villages; and that increased accommodation is too frequently unused or misused. In view of these facts it seems impossible to acquit the labourers of some share in the blame for the present condition of the cottages which they inhabit.

- (4.) The provision of a good garden, where land is available, may be made the means of obtaining for the cottage and garden combined something like a remunerative return for outlay. I should recommend that wherever it can be done a garden of 40 perches should be attached to the cottages of ordinary labourers. In many villages it would, however, be impossible to do this. Larger gardens.

54. It appears that as a rule cottages which are let by estate owners to labourers are let free of rates, but that it is not unusual for independent owners to let subject to the payment of rates by the occupier. A few instances are noted in the reports where landowners insist upon their cottage tenants paying rates directly, thus giving those tenants a direct interest in the proper administration of local rates. Rates on cottages.

55. Summarising the evidence contained in the reports, I beg to submit the following conclusions with regard to cottage accommodation :— Recapitulation and summary conclusions.

The supply of cottages is not now generally defective in respect of numbers, owing partly to the decrease in the rural population, and partly to the large number of cottages which have been built by large landowners and others who can afford to build without an expectation of a profitable return for their outlay.

The distribution of cottages is irregular, and their situation often very inconvenient for the inhabitants.

The accommodation provided in respect of the number, size, and comfort of the rooms, the sanitary condition, and the water supply is lamentably deficient generally and requires amendment.

The action of the local sanitary authority, though vigorous in some districts, is in many places ineffective, and it is everywhere impeded, and sometimes arrested by the knowledge that the owners of insanitary dwellings have not the means to remedy the defects, and that the consequences of closing such dwellings would be to make the present inhabitants homeless.

The rent which is received for cottage property in rural districts is not sufficient to make the building of good cottages directly profitable; and this rent has generally no relation to the size of the cottage, the cost of its construction, the accommodation which it affords, its condition as regards repair or sanitary arrangements, or to the earnings of the occupier, and finally that the subject is one which deserves the gravest consideration, with a view to the suggestion of remedial action.

56. Suggestions as to amendments of the sanitary laws have been made by the Assistant Commissioners, or reported by them as proceeding from other persons, but it does not seem to be fresh legislation that is required, so much as exercise of their existing powers by the sanitary authorities. Recommendations.

57. There is, in addition to a general indifference and indisposition to reform, a very prevalent want of knowledge on the subject, and the powers of sanitary authorities are often latent and unused, because so few people are acquainted with the existence of them. The powers which rural sanitary authorities possess, either absolutely or potentially, with regard to cottages, their structure, accommodation, sanitary condition, and arrangements may be briefly described in the following terms. General want of knowledge as to powers of sanitary authorities.

58. Under the Public Health Act of 1875 the Local Government Board may, upon an application from a rural sanitary authority (or from a certain number of ratepayers representing a definite proportion of the rateable property), invest that authority with Public Health Act, 1875.

the powers which urban authorities possess with regard to the building of houses ; and many rural sanitary authorities have availed themselves of the opportunity of acquiring such powers.

Public Health Act, 1890.

Circular letter to rural sanitary authorities by Local Government Board, 12th November 1890. No. 43, App. A., Report 1890, 1891.

59. The Public Health Acts Amendment Act, 1890, gives to all rural sanitary authorities. *if they choose to adopt so much of Part III. of the Act as is made applicable to rural districts*, powers with respect to new buildings, but with this condition: " If the authorities adopt at all, they must adopt all the sections thus made applicable. " They cannot adopt some of these sections without adopting the others, nor can they " adopt for a portion of their district only."

Under this part of the Act, if adopted, a rural sanitary authority is enabled to make byelaws—

- (a.) with respect to the structure of walls and foundations of new buildings for purposes of health ;
- (b.) with respect to the sufficiency of the space about buildings to secure a free circulation of air, and with respect to the ventilation of buildings ;
- (c.) with respect to the drainage of buildings, to waterclosets, earth closets, privies, ash-pits, and cesspools, in connexion with buildings, and to the closing of buildings or parts of buildings unfit for human habitation, and to prohibition of their use for such habitation ;
- (d.) with respect to the structure of floors, and the height of rooms to be used for human habitation ; and
- (e.) with respect to the keeping waterclosets supplied with sufficient water for flushing.

The byelaws thus indicated apply to new or reconstructed buildings only, but byelaws relating to the drainage of buildings, and to waterclosets, earth closets, privies, ashpits, and cesspools, &c. may be made so as to affect buildings erected before the Act was put into operation.

Housing of the Working Classes Act, 1890.

60. The Housing of the Working Classes Act, 1890, enables the Rural sanitary authority to close insanitary dwellings, to compensate the occupier, at the expense of the owner, for compulsory disturbance, and in the event of the defects not being remedied, to demolish the building without any further compensation to the owner than the proceeds from the sale of the materials, minus the expenses of demolition and removal.

Powers of County Council in default of sanitary authority ; may sanction scheme for building cottages.

Fox, B.I. 76.

61. If the rural sanitary authority are remiss in their duty after complaint or representation, the County Council may themselves take the necessary proceedings with the object of closing and demolishing insanitary dwellings.

Under the same Act a Rural sanitary authority desiring to adopt Part III. of the Act, which authorises the building of houses for the working classes, may apply to the County Council, who after public inquiry, may issue a certificate, after which the Rural sanitary authority may put in force the powers conferred by the Act. It is under the provisions of this Act that the West Suffolk County Council have sanctioned the action of the rural sanitary authority of Thingoe in building cottages at Ixworth, reference to which is made by Mr. Wilson Fox in his Report on that district.

Implied condition in letting habitations for working classes.

62. One provision in Part III. of the Housing of the Working Classes Act, 1890, may be specially noticed. By section 75 it is provided that " in any contract made " after the 14th August 1885 for letting for habitation, by persons of the working " classes, a house or part of a house, there shall be implied a condition that the house " is, at the commencement of the holding, in all respects reasonably fit for human " habitation." *

It would appear, then, that even the Rural sanitary authorities may exercise very considerable powers with regard to the construction, accommodation, and arrangements of new buildings, that they can absolutely close insanitary dwellings, and that they can acquire powers to deal with drainage and the sanitary conveniences of existing houses.

Annual return as to cottages desirable.

63. I thoroughly concur with a suggestion made by Mr. Wilson Fox that the owners of all houses let at a rental of less than 10*l.* a year should make a return to

* The expression letting for habitation by persons of the working classes, means the letting for habitation of a house or part of a house at a rent not exceeding, in England, the sum named (*8*l.**) as the limit for the composition of rates by section 3 of the Poor Rate Assessment and Collection Act, 1869, and, in Scotland or Ireland, *4*l.**

the sanitary authority every year, stating the number of persons in each cottage, their sex and age, whether the house is provided with a proper water supply and a closet, and whether the premises are in good repair.

64. I desire also to endorse a recommendation made by several of my colleagues that the medical officer of health should not be engaged in private practice, that he should give up his whole time to the duties of his office, and that he should not be removable without the consent of the Local Government Board. In order to secure a properly qualified man under these conditions it would be necessary to offer such a salary as would be a heavy tax upon many small sanitary districts—while such districts would not afford sufficient work to occupy the whole time of the officer; but this difficulty would be overcome by combining two or more sanitary districts, and the independence of the officer would be increased if he were appointed by the county council, subject to the approval of the Local Government Board.

Medical Officer of Health, appointment, duties.

65. I think that under the circumstances which have been described, it is desirable that loans should be advanced to landowners, at the lowest rate of interest which would secure the State from loss, for the purpose of building cottages. Such loans might be made subject to express conditions as to the character of the cottages and the arrangements, the provision of attached gardens, and the maximum rent to be charged.

Loans for cottages to landowners.

66. It may be asked why, with the example of the Labourers Acts, Ireland, in view, I do not propose the adoption of similar means for providing adequate and proper house accommodation for agricultural labourers in England.

Reasons for not recommending action similar to that taken in Ireland.

In the first place I would urge that any general application of the principle of providing house accommodation by popularly elected local bodies would open the door to an unlimited amount of jobbery, favouritism, and corruption which might find scope in the choice of sites, the allocation of houses, the rents charged and enforced. And for these reasons it is only as an ultimate resort, and after the failure of all other possible means of supplying decent accommodation, that recourse should be had to a system of building largely by local authorities. It must also be observed that the adoption of the system would put a stop to all private enterprise in supplying cottages unless the rents charged were such as to secure the ratepayers from loss. It is clear from the evidence with respect to the working of the Labourers Acts in Ireland that every house which is built under the provisions of these Acts is the cause of a considerable annual loss to the ratepayers, even if the rents are regularly collected, which is not the case. The knowledge of this fact, and the objection to increasing the burdens of the ratepayers, have prevented a large number of local authorities in Ireland from taking any action in the matter, and a demand is now made that these authorities shall be compelled to exercise the powers which they possess.

But, further, it seems very doubtful whether local authorities are capable of judging dispassionately whether it is desirable, or even possible, to retain the present number of inhabitants in the rural districts. If corn prices remain at the level which they have now reached, it is certain that large tracts of land will go out of cultivation, and employment will be much more restricted than it is now. If good houses had been sufficiently supplied in all the rural districts 20 years ago, many of them would now be unoccupied.

And, lastly, any action by a local authority in the way of purchasing land and building cottages must, in the interest both of the ratepayers who have to bear the risk, and also of those individuals who might be injured by the action of that authority, be subject to such an amount of control and formality that the cost of the work accomplished must be materially increased.

67. On the other hand if a loan be made to a landowner, the executive of the State has only to consider whether the property to be charged is a sufficient security for the advance. The applicant acts upon his own judgment as to the number of cottages which are required, and what is the best situation for them. If he makes a mistake, he or his successors are the only sufferers. The security being sufficient, the comparative simplicity of the process of dealing with an individual instead of a representative body is obvious.

Comparative simplicity and safety of loans to individuals.

68. I must also express my firm conviction that no great and lasting improvement will be effected in the housing of the agricultural labourer until his sense of self-respect, and his regard for his family impel him to demand better cottages, and inspire him to make some sacrifice in order to obtain them.

No great improvement until labourers desire better houses.

V.—GARDENS, ALLOTMENTS, AND LAND HELD BY LABOURERS.

Gardens.

69. As a rule, estate cottages whether on farms or in villages are provided with gardens. In open villages, if gardens exist, they are generally too small to be of much service. In the North and also in some of the dairy districts there is little demand for gardens, but in some of the low wage districts the position of the labourer is considerably ameliorated by the possession of a good garden, and this is particularly the case where the soil and climate are suitable for fruit growing, either in the shape of standard orchard trees or bush fruit. Instances of the rent of the cottage and garden being paid by the sale of fruit are not very uncommon. Invariably where gardens are attached or contiguous to cottages, the rent of the cottage includes that of the garden. It is computed from the Reports of two of the Assistant Commissioners, Mr. Fox and Mr. Spencer, who have given particulars as to gardens attached to cottages personally inspected by them, that out of 331 cottages, 250 have gardens, 43 have none, for the remainder particulars are wanting. Only 13 per cent. are absolutely stated to be without gardens, but 20 per cent. of the whole number have less than five perches each.

Allotments

70. With regard to allotments, the Reports of the Assistant Commissioners contain very little evidence of an unsatisfied demand. As to seven districts out of the whole number, it is stated that more are required, and in one other district an insufficiency is complained of. Of 15 districts out of the whole 38, it is said that there is little or no demand for them; in nine of these the reason for this want of demand is that good gardens are provided, and in four of the nine, potato grounds are provided in addition to gardens. In three districts, Belper, Bromyard, and Nantwich, the expressed desire is for small holdings rather than for allotments. In one district (Garstang) the system of boarding the labourers in the farmhouses is said to diminish the desire for allotments. In another (Glendale), the system of hiring with an agreement to provide the labourers with a definite quantity of potatoes, makes them indifferent as to acquiring any land. With regard to three districts, it is reported that the supply is in excess of the demand, or that allotments have been given up.

Supply.

71. The supply of allotments is said by Mr. Spencer to be most ample where the rate of earnings is lowest, and certainly where the higher rates of wages prevail there is the least demand for them. Attention has been drawn to the tendency of the labourers to prefer independence and irregular employment to a definite engagement and regular work. It may be a debatable question whether the increased opportunity for obtaining allotments has reconciled the labourer to casual work for wages, or, on the other hand, whether the increase in the number of labourers who are not in constant work has produced the demand for land. It is certain that an allotment is a great advantage to an industrious man who is from any cause unable, or unwilling, to undertake constant work under one employer; but a natural consequence of large allotments and disengagement must be that the farmer will only employ the casual labourer when he wants him.

Size.

72. The size of allotments appears to vary from $\frac{1}{8}$ th part of an acre, or $3\frac{1}{8}$ perches up to five acres. The general size would appear to be from 20 perches to half an acre, but in 13 districts they are said to run up to one acre or more.

Rent.

73. The rents also vary to an extraordinary degree, viz., from 2s. 6d. to 9l. 12s. an acre, but the last-named rent is charged upon small plots of 100 square yards close to a town (Melton Mowbray). In 10 districts the maximum rent exceeds 4l. an acre, but in all of these there are minimum rents given.

It is a matter of general complaint by labourers that allotments are let at a much higher rate than the rent paid by farmers. Those who complain do not always take into consideration that situation, accessibility from a good road, proximity to a village, enormously enhance the value of land which is at all suitable for spade cultivation; that the farmer's rent is generally for a quantity of land varying in quality and much of it not advantageously situated; and that it is exclusive of rates, while the allotment rent usually includes all outgoings; and that letting in small plots, like selling goods by retail, justifies a somewhat higher charge; but when all that can be urged has been said, it remains a fact that in many cases the rents of allotments are apparently very high.

Allotment
syndicate.

74. In some places syndicates or associations have been formed and land has been let by landowners to these bodies who manage the allotments, subletting the land to the tenants and covenanting with them and the landlord. Mr. Richards' report on the

Brixworth district contains full particulars of the terms upon which one of these syndicates holds and lets land. Richards, B. II., 85.

75. Cow gates or pastures in which labourers graze their cows in common, with apportioned lots of mowing grass, are numerous in Driffield and Easingwold; they are also noticed in the reports upon Brixworth and Nantwich. In the last-named district, and also in Atcham, small holdings of grass are attached to cottages which are occupied by labourers. These arrangements for enabling a labourer to keep a cow are said to be a great boon to thrifty men with industrious wives. In North Witchford, the grass sides of the highways and byeways are let annually by the surveyors of highways, and hired by companies of labourers, who club together to pay the rent and the wages of a herdsman. Cow pastures.

VI.—BENEFIT SOCIETIES.

76. In no less than 34 districts out of the 38, a large proportion of the labourers are said to belong to some benefit society, and this is particularly the case with the younger men. Very frequently the older men, who are not now members of such a society, have formerly belonged to some club which was founded upon an unsound financial basis and has been broken up. Local or village clubs are still numerous, but the younger men have a distinct preference for the larger societies, such as the Oddfellows, Foresters, &c., which have branches or affiliated lodges generally distributed over the country. County societies are noticed in the reports upon Basingstoke, Dorchester, Maldon, Pewsey, and Wantage. Large proportion of labourers members.

In Glendale, which seems to occupy in every respect an exceptional position, there are no benefit societies insuring a labourer payment in sickness, for the simple reason that the men being hired for a year are paid wages whether at work or sick.

In Melton Mowbray, Monmouth, and Truro the labourers are said to be less inclined to become members of a club than elsewhere, but no explanation of the fact is offered. The usual objects of the clubs or benefit societies are to secure a certain weekly payment during sickness, to provide for medical attendance during illness, and to insure a certain payment for burial at death. Not infrequently, the funeral expenses of the member's wife are covered; but medical attendance on the wife and family of the member is not provided for. Distinct family medical clubs, however, exist in many districts. One instance is reported of a club for securing a pension or annuity after the age of 65, in addition to a weekly allowance in case of sickness. This club has been in operation in Hertfordshire ever since 1832, but since 1871 the practice of insuring for annuities has entirely ceased. In a few instances, notice is taken of labourers insuring their own and their children's lives; coal and clothing clubs for banking periodical deposits and adding a substantial bonus at the end of the year to the sum saved are very general. Old age pension. Chapman, B. vii., 95. Wilkinson, A. 96.

With respect to the registration of benefit clubs, it may be stated, as a general rule, that the public-house clubs, dividing clubs, and the smaller local clubs are unregistered, while the larger societies and those which have extended operations are registered.

VII.—TRADES UNIONS, STRIKES, &c.

77. There are only six districts in which the Assistant Commissioners found any evidence of a trades union of agricultural labourers. Those districts are Hollingbourn, Langport, Maldon, Stratford-on-Avon, Swaffham, and Thingoe. The two last named are the only ones where the organisation seems to be particularly strong, and the power of the union considerable. In Swaffham the National Agricultural Labourers' Union, and in the Thingoe district the Eastern Counties Federation claim to have enrolled a large number of labourers. No strike of any importance is reported to have occurred in recent years. In Norfolk a federation of farmers has been formed for the purpose of defence. Districts where trade unions exist.

VIII.—RELATIONS BETWEEN EMPLOYERS AND EMPLOYED.

78. The relations at present existing between the farmers and the labourers are said by the Assistant Commissioners to be as a rule less friendly than they formerly were; without being distinctly hostile the two classes have less cordial feelings towards each other. The labourer has become more independent and less satisfied, and he has been by circumstances placed in a position to enforce his demands. The farmers complain of the labourers' indifference and want of pride in their work. The bond between the two Less friendly without being hostile.

Richards,
A. 29

Spencer,
A. 53.

has become a commercial one, or to quote an expression used by Canon Bury "merely a cash nexus." But if the Assistant Commissioners have recorded several expressions of distrust and bad feeling on the part of the labourers, and some complaints of the farmers as to the inefficiency and remissness of the labourers, their reports also give evidence of fairly friendly feeling widely spread. In 13 out of the 38 district reports, the relations are said to be "good" or "satisfactory." In 17 the expression is modified, and they are described in some such terms as "fair," "amicable," "not unfriendly," but in eight districts the report is less favourable. Mr. Spencer says that such ill-feeling as was shown in the districts which he visited was "rather more marked in districts such as Kent, Surrey, and Essex, where the rate of pay is comparatively high, than in the lower paid districts of Wilts and Dorset."

IX.—GENERAL CONDITION OF THE AGRICULTURAL LABOURER.

Improve-
ment uni-
versal.

79. Upon one point there is an almost unanimous opinion expressed by the Assistant Commissioners and by every class of persons from whom they received evidence, and that is as to the great improvement which has taken place in the labourer's condition during the last 20 years. If in some parts of the country wages are now lower than they were 10 years ago, they are certainly higher than at any period previous to 1873-4, and there is reason to believe that the average earnings within the reach of a willing and capable worker are in most districts considerable in excess of what they were 20 years ago. Any comparison of the present conditions with those prevailing 30 and 40 years ago would be still more favourable to the present period. Machinery has relieved the labourer of much of the hardest work. The hours of labour have been sensibly diminished. Regular employment is not difficult to obtain by those who are willing to engage themselves. The acquisition of allotments has been facilitated. Before the passing of the Elementary Education Act, 1870, it was very generally believed that the labourer could not dispense with the earnings of his young children. That difficulty was, however, surmounted, and at the same time the wives of the labourers very generally withdrew from field work and the family became dependent in many cases upon the single wage earner for its maintenance. Notwithstanding these changes the evidence is conclusive as to the labourers and their families being better fed and better clothed than formerly. If the state of the cottages is still far from what is desirable, it cannot be denied that the average condition of the dwellings of the poor is better, and that the standard of comfort is higher than it was.

Cheapness of
necessaries
of life.

80. The most effective agent in bringing about the improved condition of the agricultural labourer has undoubtedly been the cheapness of all the prime necessities of life. His wages will purchase more bread, meat, butter, cheese, sugar, tea, and clothing than could have been bought for the same money 20 years ago, and it is probably no exaggeration to state that 16s. will buy as much of the principal commodities which a labourer consumes in the proportions in which he requires them as could have been bought for a sovereign in 1871-2.

Moral im-
provement.

81. Several gentlemen who were placed in a position to enable them to take a dispassionate view of the circumstances have expressed to the Assistant Commissioners their opinion that it is not only the material condition of the labourer that has improved, but that there has been a moral advance, and that he is more sober, more provident, and less dependent upon charity or poor law relief.

Wants of
labourers.

82. The wants and wishes of the labourers vary with the particular conditions under which they live. While some desire continuous engagements and the payment of wages during "wet and dry," others desire complete independence and freedom to work on their own allotments when it suits their purpose; houses held without any condition as to their working for a particular employer. Some wish for more piece-work, others for a steady wage. Naturally all desire higher wages and shorter hours of work; occasional holidays and opportunities for rational recreation; and the means of rising by a gradation of small holdings to a higher social position.

Those outside the ranks of the labourers desire for them better cottages, larger gardens, improved sanitary arrangements, more thrifty habits, and facilities for securing old age pensions.

Notwithstanding the improvement which has unquestionably taken place in every part of the country there are, it is to be feared, too many of the class under consideration who partly by their own fault and partly by misfortune are in a chronic state of poverty and distress, but in this respect the agricultural labourers will probably compare

favourably with those of any other class, and the lot of the least fortunate is in many respects better than that of many dwellers in town.

83. Whether the progress which has been made can be maintained, seems at the present moment doubtful. It is hopeless to expect that wages can rise above their present level in the districts of lower wages while the prices of produce remain what they now are. Everything seems to point to less employment of labour, and unless the rural population be further reduced in numbers, it is difficult to see how they can be employed upon the land. On the other hand, if in the future greater encouragement should be given to farmers by an increase of prices, a great demand for labour would arise, and the depopulation of the rural districts might be arrested, though there is little probability of the recall of those who have abandoned agriculture for other pursuits.

Future prospects.

SECTION B.—WALES.

84. The position of the agricultural labourer in Wales differs in some respects from that of his fellow labourers in England. The agriculture is much more pastoral in character, and crops requiring a considerable amount of labour are much less grown. A large proportion of the farmers are working men, who are little removed in social position from those whom they employ. Members of the small farmers' families not uncommonly take service under others of the same class, and the daughter of a farmer will, without losing caste, marry a labourer who hopes to become a farmer, and who occupies the same position as her father, perhaps, once held. The labourer is often himself a small holder, and thus the distinction between labourers and farmers is less marked than is generally the case in England.

Position of the Welsh labourer.

85. Taking the whole of Wales, the agricultural population is relatively larger than in England, but those who can be described as wage earners in agriculture are in ratio to the population very slightly in excess of those in England. In Wales they are less than one-half of the agriculturists; in England they are more than three-fourths of that class. The total number of wage earners in agriculture in Wales, which was in 1891 44,448 persons, has decreased by 6·3 per cent. since 1881, but in a group of North-western counties—Anglesey, Merioneth, and Carnarvon—it has increased by 11½, 5, and 2½ per cent. respectively.

Number and proportion of wage earners.

In ratio to the area of cultivated land wage earners are about half as numerous in Wales as they are in England.

Females are more engaged in agriculture than in England generally, but not to the same extent as in Northumberland and some other Northern counties.

86. In consequence of the agricultural conditions, and the prevalence of small farms, the labourers have not generally any specially defined work, and foremen, shepherds, carters, and stockmen are less distinct classes of labourers, though in some parts of the country, where larger farms are found, there are grades and separate classes of labourers as in England.

Classes of labourers.

87. The population of the purely agricultural counties of Wales shows the same signs, though somewhat exaggerated in degree, of the great and continuous decrease observable in English counties of a similar character. The movement of population has some peculiar features. There has been a considerable emigration to foreign countries, but the principal cause of decrease, where it has occurred, has been the migration of the rural population to the coal fields and the "works" of South Wales, and to English towns and industrial districts. But in the agricultural districts of South Wales, on the other hand, there has been a considerable influx of labourers from the Southern and Western counties of England in order to supply the place of the native population who have gone away. It is said that these new comers are after a while drawn into the vortex of other industries, and their places have in turn to be filled by fresh drafts of labourers from England.

Decrease of population.

88. The districts of inquiry in Wales have been selected on the same principles as those adopted in the case of England.

Districts of inquiry.

There are eight of these districts, seven of which were visited and reported upon by Mr. D. Lleufer Thomas, after whose retirement Mr. Cecil Chapman surveyed the district of Builth. The reports upon the several districts, and the final report by Mr. Thomas,

with analytical and general indexes, form Vol. II. of the series relating to the agricultural labourer.

Of the eight districts reported upon, three are in South Wales, and five in North Wales. They extend into 10 counties out of the 12, and they comprise nearly one-fifth of the cultivated area of Wales, and more than that proportion of the arable land, of the corn crops, and the cattle.

Three of the eight districts of inquiry may be classed as distinctly agricultural in character, viz., Builth (S.W.), Ruthin, and Llanfyllin (N.W.). In four districts, Anglesey, Dolgelly, and Pwllheli (N.W.), and Narberth (S.W.), though agriculture is the largest interest, the industrial characteristics are mixed. In one district (Bridgend and Cowbridge (S.W.)), the industrial class (as distinguished in the census returns) was 20 years ago twice as numerous as the agriculturists, and no doubt this disproportion has greatly increased since that period. But within and adjacent to this industrial district lies a rather noted agricultural tract of fertile land known as the Vale of Glamorgan.

In all these districts, except Bridgend, the population has decreased during the last 10 years, and in five of them the decrease has been continuous for a longer period. That decrease has been most marked in Ruthin, and Llanfyllin, two purely agricultural districts, where it has been 16 per cent. and 14·8 per cent. respectively in 20 years.

I.—SUPPLY OF LABOUR.

Supply generally insufficient.

89. In no part of Wales does there seem to be a superabundance of labour, and in some districts a decided scarcity is reported. This is most noticeable in the district of Bridgend already described as industrial, and next to it in this respect is the Union of Builth, which is purely agricultural in character. In other parts of the country the deficiency is only felt at particular seasons; but everywhere the difficulty of obtaining female farm servants for dairy and domestic work is spoken of.

Alleged causes of decrease.

90. The decrease in the supply of labourers, which is complained of very generally, is attributed by Mr. Thomas partly to changes in the system of agriculture, such as the substitution of stock grazing for arable cultivation, the use of labour-saving machinery, the enlargement of farms, the want of confidence between landlords and tenants, and the employment of younger farm servants in the place of older and more experienced hands. This argument seems to me rather an inverted one which puts the effect in the place of the cause. A great increase of the cost of labour was the consequence of the migration of the labourers to the mines and works of South Wales; the farmer was compelled by the scarcity and dearness of labour to adopt additional machinery, to reduce the area of cultivation, to accept the service of raw lads in the place of seasoned men, and to submit to a reduction of the hours of work. The fall in the prices of agricultural products has forced him still further to reduce his labour bill; he cannot reduce wages where there is not a man unemployed, and he therefore reduces his staff.*

Thomas, A. 12.

It is stated in Mr. Thomas's final report that in no part of Wales is there at "any time or season of the year any appreciable number of agricultural labourers out of employment if they are willing to work at all."

With the exception of the importation of labourers from England into South Wales, there appears to be no immigration of workers. In some parts of the country there are men who move temporarily from one district to another at busy seasons, and those who have left agriculture for the "works" frequently return to their former homes for the harvest.

Efficiency of labourers. Chapman, B. VIII. 40, 41.

91. A want of efficiency on the part of the present labourers is by some alleged, but Mr. Thomas is of opinion that the complaint is not well founded, and Mr. Chapman speaks in terms of high commendation of the work done by the farm labourers in Builth.

II.—CONDITIONS OF ENGAGEMENT.

Engagements.

92. The farm workers in Wales may be divided into two classes: the farm servants who are boarded and lodged on the farm, and the married labourers. Farm servants are hired and engaged for a half-yearly or yearly period. Married men are generally engaged and paid by the week; in many districts they receive their food on week days though they have their separate homes. For all who desire it employment is said to be continuous; but some labourers prefer catch work, and they, of course, lose time in wet weather and in winter.

93. The hiring, which used formerly to be accomplished at a "hiring fair," is now frequently a private arrangement, and this is said to give opportunities for underhand dealings, and to lead to frequent breaches of agreement, for which the employer has no remedy. It is urged that the law of contract between farm servants and masters requires some amendment or modification.

Mr. Thomas says upon this point:—

"The agreement is always a verbal one, but a small sum of money, 1s. or 2s., is given as 'earnest' of the contract. In the Narberth Union the practice of disregarding the engagement by not entering on service if anything unsatisfactory is heard of the character of the new place has of late become deplorably common. In such cases the 'earnest' money is generally returned, and there is no legal remedy for the breach of the contract, as it does not satisfy the requirements of the Statute of Frauds.

Thomas,
A. 25.

Legal effect
of ordinary
agreement.
Narberth
(B.II.18,19).
Breaches of
contract.

"Neither party to the contract has an optional right to determine the engagement by a month's notice, unless it be by *mutual* consent. If an agricultural servant or labourer, however, leaves his employment before the end of the term and without notice he cannot, it appears, recover any of his wages, as the contract of service for a period is one and indivisible, and the principle of *quantum meruit* is not applicable. Anglesey labourers suggested that their half-yearly engagement should be terminable at a month's notice, though they did not wish to make this applicable to harvest-time. If a servant left without notice, they suggested that only one month's wages should be forfeited. On the other hand it appears that employers have no remedy against servants who leave their service in the middle of the year. At all events it is so held by the county magistrates, and it was mentioned to me as a grievance, especially in the Narberth Union, where such breaches of contract are of frequent occurrence."

Thomas,
A. 28.

94. It appears that the normal day for ordinary labourers, exclusive of meal hours, ranges from 10½ to 11½ hours, except in winter, when it is from sunrise to sunset. The hours are shortest in districts which are near to large centres of active industry, and where wages are highest.

Hours of
work.

The working hours are said to have been curtailed during the last 20 years.

Indoor servants and those in charge of stock have 12½ to 13½ hours of attendance, inclusive of meals. Maids have the longest hours of all those who are engaged about the farm. Sunday work in winter is said to occupy the stockman the whole day.

A. 20.

III.—WAGES AND EARNINGS.

95. A large number of the farm labourers are paid partly by food, and it would seem that the character and value of the food provided must vary considerably, as Mr. Thomas estimates the weekly value in one district (Narberth) as between 3s. and 5s., in another (Dolgelly) at 4s. 6d., and in a third (Pwllheli) at 6s. to 6s. 6d.

Many
labourers
boarded;
cost of
board.

96. The rate of wages where food is provided is said to range from 7s. 6d. to 10s. a week, the lowest rate being paid in Narberth (Pembroke and Carmarthen), and the highest in Dolgelly (Anglesey), and Pwllheli (Carnarvon). Where the labourer finds his own food the rate of wages ranges from 12s. in some parts of Narberth to 18s. in the district of Bridgend, which is in an adjoining county to the former district, the two extremes being thus found within a distance of 50 miles. The average of the mean rates in the eight districts is 14s. 10d. a week.

Rate of
wages.

The wages of labourers are not generally much augmented by piece-work or by payments for overtime or extra work. A number of casual labourers let themselves for the harvest; and a few stockmen and shepherds have allowances. In Builth there are, however, considerable allowances, many labourers receiving them in one or more of the following forms, viz., house and garden free, potatoes, skim milk, firewood, butter, keep of an ewe and lamb. In Narberth the labourers are some of them retained by the possession of a small holding, which is sublet by the farmer with the condition that the occupier shall work for the farmer.

Chapman, B.
VIII 62, 63.

97. Upon the *data* supplied by the reports the total earnings of labourers may be estimated to range from 14s. a week in Llanfyllin to 18s. 6d. a week in Builth, both of which are purely agricultural districts. These estimates apply to ordinary labourers.

Estimated
earnings.

Indoor servants' wages are said to be from 18*l.* to 36*l.* a year in addition to their board and lodging, the highest rate given being in the district of Anglesey. A peculiar system of payment for labourers in this class is found in Narberth where some of the unmarried farm servants are partly paid by the pasturage of a sheep.

Dairymaids, wages range from 11*l.* to 28*l.* or even 30*l.* a year, the latter rate being reported from Anglesey, the usual range appears to be from 11*l.* to 16*l.*

Wages, 1870. 98. In 1870 the rate of wages in certain counties, which include seven of the present districts of inquiry, appears to have been on an average about 12*s* 6*d.*; there has thus it would seem, been a rise of about 20 per cent. in 20 years; but as compared with 1879 there has been a fall in the weekly wages.

IV.—COTTAGE ACCOMMODATION.

Thomas, A. 47. Cottages unsatisfactory. 99. On the subject of cottages Mr. Thomas reports in the following terms:—
“There are very few districts, if any, of those visited where the cottages are satisfactory from the point of view of condition and construction. Their worst feature, common to all parts of the country, is the want of separate bedroom accommodation. Structural and sanitary defects are also most common.”

Accommodation. 100. It appears that one type to which many of the older cottages conform contains only one room, in which the whole family have to live and cook, wash and sleep; this room, though undivided by partitions, is in some degree separated into compartments by box-beds. A better and newer type of cottage has two rooms downstairs and a loft in the roof above. A third and still more modern type has from four to five rooms. In a very large proportion of the cottages there is no opportunity for males and females to occupy separate rooms. In the Reports of Assistant Commissioners upon the English districts there are few which do not record some efforts of landowners to improve the condition of cottages upon their estates. The Welsh Reports contain few notices of similar conduct. It is said that too frequently no attempt is made to keep up existing cottages or to supply new in the place of old ones. Mr. Thomas states that “some landlords are known to have adopted a consistent policy of never repairing a cottage, but to allow all that tend to get out of repair to fall into ruins.”

A. 43.

Sanitary defects. 101. The drainage and sanitary accommodation of cottages are described as being very generally defective or unsatisfactory, and overcrowded dwelling-houses unprovided with privies, refuse heaps in close proximity to dwellings, surface drainage, and an impure water supply seem to be the characteristics of almost every village described.

Thomas, A. 49. Action of Sanitary authorities. 102. With regard to the sanitary authorities Mr. Thomas reports in these terms:—
“Several county councils have lately taken an important step forward in appointing one medical officer of health for the whole county, as the system of subdividing areas among ordinary practitioners has not proved very satisfactory. The next necessity appears to be a trained staff of sanitary inspectors. I am not aware that the inspector of a single union visited by me had received any special training in sanitary matters. Turning to poor law guardians, I did not, as a rule, find them taking any great interest in sanitation, and I was assured that in many unions, when the board resolves itself into a sanitary authority, it is the general practice of most of the guardians to withdraw themselves, and in some cases the periodical reports of the medical officers of health are read in the presence of the Chairman and Vice-Chairman only.”

And he recommends the publication of these Reports with the annual or half-yearly accounts of the union.

Thomas, B. III., 48. Over-crowding. 103. On the subject of overcrowding, Mr. Thomas says in his report on Llanfyllin, “there is seldom but one bedroom for the use of the whole family, having no subdivision so as to admit of the separation of the sexes; overcrowding is the unenviable result, and to remedy or prevent it, the local authority is utterly helpless, for a rigid application of sanitary principles would at once render more than half the cottages in the union tenantless.”

Insufficient number of cottages. 104. Frequent complaints are made of the insufficient number of cottages, notwithstanding the decrease of the rural population. Old houses have gone to decay, and they have not been replaced. Farm cottages appear to be as distasteful to the farmers as they are to the labourers, and, as in England, there is a strong preference on the part of the labourers for village life.

Thomas, B. III., 43. B. II., 32. Mr. Thomas thinks that the chief cause for the labourers congregating in villages is the owner's inability or unwillingness to repair cottages dispersed on farms; but he admits that “there is a growing tendency to congregate together so as to live near the school-house and the chapel, while proximity to the village shop is undoubtedly a consideration for the labourer's wife” Between the farmer who does not want to

have the labourer's family housed on his farm, and the labourer who prefers to live in the village, the landowner may well find an excuse for not repairing farm cottages.

105. Mr. Chapman reports deserted outlying cottages in Builth as "quite habitable, but there is nobody to occupy them." In one district, Pwllheli, the deficiency of cottages is so great as to be productive of much hardship. Married men work at such a distance from their homes that they prefer to sleep on the farm premises, returning home only once a week. Possibly the custom of feeding the workmen at the farmhouse makes the men more indifferent on the subject of their homes than they would otherwise be. It would seem that bad as the cottage accommodation is in some parts of England, it is far worse in Wales. The general standard of accommodation is lower, and there is much less evidence of progress and improvement.

Deserted
cottages.
Chapman,
B. VIII., 66.

106. But if the cottages in Wales are far from satisfactory the accommodation provided for the farm servants, either in the farmhouses or in the farm buildings, is apparently still worse. A large number of farm servants are boarded and lodged by the farmer. In some districts the men are quartered over a stable or cow house, in a compartment which is often only partially separated from the rest of the loft. Even at the present day, the bed is perhaps only the body of an old cart filled with straw; and where beds are provided, the bed-clothes are sometimes washed only once in six months; no sanitary utensils are supplied; and the men often go to bed in their working clothes, without taking even their boots off.

Farmhouse
accommo-
dation.

Thomas,
B. II., 30.
B. VI., 38.

Where a different system prevails and the farm servants occupy rooms in the farmhouse, the accommodation is said to be very limited, many complaints having been made as to the want of proper partitions for effectually separating the sexes, the approach to the men's bedrooms being frequently through the sleeping apartments of the women servants. Contrasting the two systems of out-door and in-door lodging of men servants, Mr. Thomas makes the following observation "*whether the absolute freedom of the out-door system, or the semi-promiscuous crowding of the indoor system is the worst appears difficult to decide.*"

Thomas,
B. IV., 41.

107. Cottages which are not situated in villages belong generally to owners of estates. In four of the districts of inquiry, they are mostly let with the farms and held by the labourers, subject to the condition of working on the farm. In the remaining four they are generally let directly to the labourers by the owners. In villages, the cottages chiefly belong to independent owners. There are few instances of cottages owned by labourers, and these are generally cottages of the lowest possible type, some of them being without chimney, fireplace, or ceiling. Cottages belonging to the parish, or to Charity trustees, are mentioned in one or two cases as very bad in character.

Ownership.

Thomas,
B. III., 50.
B. VI., 36.

108. Rents of cottages range from 6*d.* a week to 7*l.* or 8*l.* a year; the latter rate being paid for those in villages or small towns.

Rents.

109. Rates on cottages held under a farmer and rented by him with his farm are almost always paid by the farmer, but where the labourer hires directly from the owner he not uncommonly pays rates.

Rates.

V.—GARDENS, ALLOTMENTS, &c.

110. Gardens are very commonly attached to cottages, except in large villages. The size varies extremely, but the estimated average extent is 20 perches.

Gardens, &c.

In South Wales the gardens are said to be particularly well cultivated; but in Anglesey they are described as having a neglected appearance. Where village cottages have no attached gardens they have sometimes allotment gardens of small size on the outskirts of the village. The demand for these is not great, and in default of labourers occupying them they are taken by small tradesmen, and an instance is given of one being held by a Member of Parliament. The rents of these plots are sometimes very high, being at the rate of 6*l.* 8*s.* to 10*l.* an acre, and this fact may partly account for the indifference of the labourers with regard to them.

Allotments.

Thomas,
A. 52.

Mr. Thomas reports that "Allotments are not popular in Wales, nor can it be said that there is much demand for them."

In the Union of Bridgend a number of pieces of land have been set out under various inclosure awards for allotment grounds; where these are conveniently situated and the soil admits of cultivation, they are occupied and well cultivated, but in many instances they are too far distant from the village to be of any use as allotments, and it would seem desirable, if possible, to exchange them for a smaller area of suitable land more conveniently situated.

Potato grounds are to be found everywhere, though held under very different conditions. In some places the ground is given in return for manure from the labourer's pig; in others it is understood to be a payment for the work of the labourer's wife's harvest; in one district a charge is made for the land simply; in another the farmer finds seed, labour, and manure, and makes a corresponding deduction from the labourer's wages.

Cows, pigs,
and poultry.

111. Cows are kept in many districts by those who have small holdings, and work for wages, and the system is said to be of great benefit to the labourer and his family, but the successful or unsuccessful result depends almost entirely on the industry and cleanliness of the labourer's wife. The custom seems to be most common in the districts of Dolgelly and Pwllheli. In Builth several farmers find cows for the use of their labourers, charging them 3s. a week.

In a few instances, sheep are kept by labourers, either on a common or with the employer's flock. In Builth farm servants and labourers buy sheep, and the farmer keeps them for one-half share of the wool and lambs produced. Pigs are kept to a considerable extent, except by those who live in villages, where pigstyes have been condemned as nuisances. Poultry are largely kept by labourers in Ruthin and Anglesey, and very generally by those who are small holders of land.

VI.—BENEFIT SOCIETIES, &c.

Clubs.

112. In Bridgend, Llanfyllin, and Builth, a considerable number of labourers are enrolled as members of friendly societies, but in other districts this does not seem to be the case. This result is attributed by Mr. Thomas to the mismanagement and failure of such societies in the past, to the dishonesty of members in drawing upon their funds when they could very well follow their employment, and to the fact that in some parts of the country the parish is regarded as the natural provision for the labouring class in sickness or old age. Some employers expect their labourers to join a benefit society, and they then add to the sick pay so much as is required to make a sum equal to a week's wages.

A. 62.

B. III. 59.

VIII. 92.

The practice of holding the meetings of such societies at public-houses is generally condemned.

Mr. Thomas reports suggestions that Government should be far more stringent in seeing that none but the soundest actuarial tables should be adopted by any society, that their accounts should be subject to periodical audit by a Government auditor, and that rules should be laid down as to the classes of securities in which the funds could be invested.

VII.—TRADE UNIONS.

Trade
unions do
not exist.

Thomas,
A. 64.

113. "There is a total absence of any organisation of the nature of a trade union among the agricultural labourers of Wales. Some combinations have from time to time been attempted, but the most successful have had only a short-lived career. With the exception of these combinations have aimed almost solely at the reduction of the hours of labour, and a slight concession has, as a rule, been followed by the collapse of the movement."

B. VII. 48.

In one instance an object aimed at by the promoters of a labourers' union was to secure the improvement of the sleeping accommodation, but "the labourers stopped short of paying any subscriptions."

VIII.—RELATIONS BETWEEN EMPLOYERS AND EMPLOYED.

A. 65, 66.

Varying from
sour feeling
to exception-
ally good.

114. Mr. Thomas reports that in some districts "a certain sourness of feelings" and "an absence of good will" are to be found, while in others, as in Dolgelly and Narberth, where holdings of all sizes are intermixed, and the son of a farmer is often employed as a servant on a neighbouring farm, a much better feeling prevails; and everywhere men are more independent, and "the indoor servants often cause immense trouble to their employers. The two great causes of discontent and disaffection are the food and accommodation, and in both respects . . . there is in most cases much room for improvement."

Chapman

B. VIII. 98.

Mr. Chapman says of Builth that the relations there are exceptionally good—"the class distinction between the two is very slight, and they meet each other more as partners than as masters and servants."

115. The accommodation of the indoor servants has been already noticed.

Diet of boarded labourers.

The diet of farmers and their servants boarded with them is very inferior to that of farm labourers in England generally. In the Narberth Report the following table is given of the ordinary diet in a farmhouse:—

1. Breakfast.—Coffee, bread and butter.
2. Dinner.—*Winter*—Broth, salt meat, and potatoes.
Summer—Flummery, milk, bread and cheese.
3. Supper.—Broth, bread and cheese.

The bread is generally made of wheat and barley, though sometimes oats are added. The cheese is made from skim milk and is said to be tough and leathery. The meat is bacon. In some districts a fourth meal of tea and bread and butter is interposed, but nowhere is it the custom to give meat more than once a day.

It is curious to note that in Builth, which is more or less of an English-speaking district, the labourers will have nothing but the finest and whitest of wheat flour.

IX.—GENERAL CONDITION OF THE AGRICULTURAL LABOURER.

116. The labourer of South Wales is said to be “in a better position than he has even been before, while in North Wales he was slightly better off, perhaps, about 1879, though his condition at present is fairly satisfactory. The total amount of wages is not the only element to be taken into account: allowances or gifts in kind were more frequent in former years than at present. The tendency to leave farm cottages for villages has also affected the position of the labourers; in the latter case they pay a higher rent and probably find that they cannot keep a pig or poultry. On the other hand all necessaries of life are cheaper than formerly, though this can scarcely be said of clothes, as those bought at present, though of less price, are more shoddy and do not last so long. School fees have also been abolished, but the opportunities for members of the family other than the husband to earn money have greatly diminished.”

In South Wales better than ever before. In North Wales slightly improved. Thomas, A. 67.

But with all the qualifications which can be suggested, it seems impossible to doubt that a great advance has been made in the past 20 years. If wages of outdoor labourers have increased by 20 per cent., and those of indoor servants by 30 to 50 per cent., and if the purchasing power of money has increased by 20 per cent., as it probably has done, there is a considerable margin for expenditure on other than the bare necessities of life.

It is admitted that the hours of labour have been reduced, while the more arduous toil has been relieved by the use of machinery. If the expenditure in rent has increased the social advantages and the convenience of village life must be regarded as giving the labourer some return for his money. The withdrawal of women from field work is a consequence of the labourer's improved position, as he can afford to dispense with the earnings of his wife and daughters. The district Reports contain evidence of the opportunities which indoor servants at least enjoy of saving money, and strictures upon the improvidence of this class of labourers. The married labourer is, perhaps, in a worse position than the farm servant, because he receives so large a part of his wages in food. He consumes in six days of the week from 30 to 40 per cent. of his earnings, and the other members of his family suffer from this system of payment. Mr. Chapman's report on Builth states that the labourers generally acknowledge that their position has improved, but they make it a subject of complaint that land was more easily procurable in the old days, and some say that the extra money at harvest time was “then more commonly paid than now.”

R. I., 20.

Chapman, B. VIII., 102.

Employers in the same district are unanimously of opinion that there has been a steady improvement in the condition of the labourer, who is in many respects better off than the small farmer. “In education, in dress, and in manners, the agricultural labourer of to-day is superior to the average farmer of a few years ago.”

Chapman, B. VIII., 101.

Suggestions for improving condition.

117. Mr. Thomas, at the conclusion of his report, makes a number of suggestions for improving the condition of the agricultural labourer, and establishing his relations with his employer on a more satisfactory footing. Many of these deserve attention as social reforms, to be effected voluntarily under the pressure of an enlightened public opinion. They do not—with the exception of those which refer to hiring agreements and the stricter Government supervision of benefit societies, both of which have been already noticed—seem to require any legislative sanction.

As in the case of England, the housing of the labourer seems to be the most pressing subject for reform. There seems to be little evidence of a disposition to build

improved cottages, and where the population is continuously decreasing, there is no inducement to build with a view to profit. If, as the labourers desire, cottages are to be held independently of employment, and subject to no restrictive conditions to work, landowners will have little inducement to build cottages on their estates for the proper housing of the labourers who are required for the cultivation of the land.

If the sanitary authorities are in many cases supine, they are often powerless to compel an improvement without resorting to the extreme measures of closing insanitary dwellings and demolishing them, and the result of energetic action on their part would be in many places to make a large number of families homeless.

I am of opinion that the evidence from Wales strongly supports the suggestion made by Assistant Commissioners for England, that the Medical Officer of Health should be placed in a position of greater independence; that he should devote his whole time to the work of his office, and that, in order to carry out this object without pressing too heavily upon the ratepayers of the smaller sanitary districts, the number of his duties should be enlarged.

SECTION C.—SCOTLAND.

Wage
earners in
agriculture
in ratio to
population.

118. The wage earners in agriculture in Scotland are a larger proportion of the total population in Scotland than they are in England and Wales. Out of every *thousand* persons 300 in Scotland are in this class, while in England and Wales there are 275 only. The agriculturists are also relatively more numerous in Scotland than in England, but a larger proportion of them are farmers and farmers' relatives, and consequently a smaller proportion of them are wage earners in Scotland than in England and Wales. The relative proportions of the wage earners to the agriculturists are about 73 per cent. in the latter and about 62 per cent. in the former country.

Decrease
in number.

119. As is the case in England, Wales, and Ireland, the number of wage earners in agriculture has considerably decreased in recent years. In 1871 they were 165,096, in 1881 they were 149,765, and in 1891 they had been reduced to 120,770. Admitting for reasons stated previously, that the figures for 1871 and 1891 are not strictly comparable, those for 1871 and 1891 are practically made up on the same system and they show a decrease during the last census decade of 19·4 per cent. which is at a far greater rate than the decrease in England and Wales during the same period, which was 10·25 per cent.

Wage
earners in
ratio to agri-
culturists.

120. The ratio of wage earners to agriculturists varies from 92 $\frac{3}{4}$ per cent. in Edinburghshire to 33·64 per cent. in Sutherland. In a group of seven counties which extend from Fife to the English border, including besides that county, East and Mid Lothian, Berwick, Roxburgh, Peebles and Selkirk, they average 85 per cent., while in the seven northern and western counties, from Caithness to Bute, the wage earners are on an average only one-half of the agriculturists.

Large pro-
portion of
females.

121. The proportionate numbers of females in the ranks of wage earners in agriculture has always been very large in Scotland as compared with the other two countries, though the number of them has enormously diminished. In 1871, females were 25·9 per cent. of the class, in 1881 29·5 per cent., and in 1891 18·3 per cent. of agricultural wage earners. In England and Wales they were in 1871 only 5·8 per cent., and in 1891 only 3·0 per cent. of the class. It may be observed that in England a decrease of 40 per cent. on the number of those who represented only 5 per cent. of the wage earners is small in comparison with a decrease of more than 50 per cent. in Scotland where it affects more than one-eighth of the whole class.

The number of female wage earners shows some curious fluctuations. It increased positively as well as relatively from 1871 to 1881, since which time it has fallen from 44,172 to 22,055, or at the rate of more than 50 per cent. In the same period, the number of male wage earners decreased from 105,593 to 98,718, or at the rate of 6·5 per cent. The diminution of the workers in agriculture by nearly 30,000 persons must have had a powerful effect upon the agriculture of the country.

The alterations in the boundaries of counties in Scotland have been so considerable since the census of 1881, that it would not be safe to draw any conclusions from the figures relating to counties taken singly, but speaking broadly it may be said that the decrease has been the greatest in the pastoral counties of the north and west, and least in the east and south.

122. It is worthy of notice that among male wage earners the numbers of those under 15 years increased between 1881 and 1891, while the greatest decrease occurred in those over 65 years and after them in those between the ages of 20 and 45. Among females in the class the greatest decrease was in those under 20 years of age among whom it was at the rate of 57 per cent., and it was least among those of 65 years and upwards.

Ages of wage earners.

123. The agriculture of Scotland, widely as it varies in character as the result of the physical features and climate of the country, is more distinctly divisible into arable and pastoral districts than that of England, where it is as a rule of a mixed arable and pastoral character while in Scotland there are immense tracts of country entirely pastoral and other parts of the country where a very large proportion of the cultivated area is arable land. The arable portion of the country is mainly concentrated in a few groups of counties in the east and south of the country, while the whole of the northern and western counties, stretching from Cape Wrath to the Mull of Cantire, with two-fifths of the whole area of the country, have on an average less than 3½ per cent. of that area under the plough. On the other hand, in six of the north-eastern counties to the right of a line extending from Fort George to Dundee, and including Nairn, Elgin, Banff, Aberdeen, Kincardine, and Forfar, more than nine-tenths of the cultivated area is arable. Measured by the proportionate extent of the total area which is occupied in growing crops that require the largest amount of labour, namely, corn and green crops, the counties which have been just named are less conspicuous than those of Fife, Haddington, and Berwick; while Linlithgow, Edinburgh, Kinross, and Clackmannan rank with them in respect of these crops. In the 13 counties above named nearly one-half of the whole number of wage earners are employed.

Agriculture of Scotland.

124. It has been already stated that it was found advisable to pursue in Scotland a somewhat different course, with regard to the inquiry under the Commission, to that which had been adopted in England and Ireland. In the absence of any well-defined local areas of administration the Assistant Commissioners were directed to pursue their inquiries in groups of counties, and the late Mr. G. R. Gillespie, an Assistant Commissioner, prepared a scheme of inquiry which, having been submitted to Committee B. and approved by them, has been carried out.

Scheme of inquiry.

125. Under this scheme Scotland has been divided into 14 districts, of which 11 are agricultural and largely arable; one includes both arable and pastoral districts and the other two are mainly pastoral in character.

Groups of counties.

126. Of these districts three were surveyed by Mr. Gillespie, five by Mr. H. Rutherford, four by Mr. Hunter Pringle, and two by Mr. E. Wilkinson, who had been previously engaged in England. The Reports upon the several districts form Par. I. and II. of Vol. III., and the Indexes to the Reports which were prepared on the same plan as those relating to Vols. I. and II., form the third part of the volume.

Assistant Commissioners' Reports.

127. In some respects the conditions affecting the agricultural labourer in Scotland are far more uniform than is the case in England and Wales. It might be said that possibly the more general and extended character of the survey as compared with the minute survey of small districts in other parts of the country tended to obscure differences in detail, but whether this is so or not it is clear that in one very important particular the Scotch system is the same all over the country and that is in respect to the definite engagement of all the regular labourers whether married or single. Again, it is very common and usual to house the labourers on the farm, and villages are the exception, whereas in England they are the rule. And further, labour is much more organised in Scotland than it is generally in England. Each man of the regular staff has his special duty. The ploughmen have each of them two horses and no more under their care, they work this team and feed and tend them. These ploughmen may be graded as first or second ploughmen, but they have all of them the same duties. Even the women workers have for the most part definite and particular duties.

Conditions affecting labourer more uniform in Scotland than in England.

Dealing with the principal subjects in the order of the notes for inquiry, the first to be noticed is the—

I.—SUPPLY OF LABOUR.

128. The complaint of an insufficient supply of labourers is very general. Bearing in mind the facts which have been already stated with regard to the decrease in the number of labourers, and especially in the number of women workers, it is evident

Supply insufficient.

- Pringle,
A. 15. that if the system of farming formerly pursued had been still carried on, labourers must now be insufficient in number, or otherwise they must have been in former times much in excess of the demand. But there is no evidence of any great superfluity of hands at any period within recent times. The decreased supply has been met by a change of system in farming. Although the arable land remains about the same in extent as it was, a large proportion is left in rotation grasses, and crops requiring the greatest amount of labour have diminished in area by nearly 10 per cent.; by the use of machinery labour is economised, and a certain amount of work is left undone. Mr. Hunter Pringle does not "think that an alarming scarcity of labourers has yet arisen," and he regards it "as a healthy sign that there are no unemployed agricultural labourers, and no farms " without sufficient servants to perform the necessary work," that "there is no surplus, but that there is nothing like a famine of labourers anywhere." These remarks apply only to the districts which he surveyed; but these were some of the most important agricultural districts in Scotland, including, as they did, East and Mid Lothian, and Fife.
- Rutherford,
A. 19. Mr. Rutherford found all over the districts which he visited in the north, west, and south-west of the country, that "in one class of labour or another, the supply of " hands required for agricultural operations was insufficient." In the northern counties the demand was urgent, and in the south, where the supply was sufficient, it was no more than sufficient, while the exodus of the people still continued. Mr. Gillespie reports a scarcity in two out of three districts which he reported upon, including Aberdeen, and a group of counties in the north-east. Mr. Wilkinson says that in the pastoral districts of Peebles, Selkirk, and Dumfries, no difficulty was experienced in getting shepherds, though ploughmen were short. In Berwick and Roxburgh the supply of men was about equal to the demand. Very generally women workers, and particularly dairymaids, were difficult to obtain.
- A 21. Wilkinson,
B. V. 9.
B. VI. 12.
- Immigrants. 129. The immigration of Irish labourers, though greatly diminished, is still considerable in those counties where potatoes and corn are largely grown, and some girls from Skye and the Hebrides migrate annually though in decreasing numbers. In the neighbourhood of towns and seaboard villages a large amount of casual labour is obtained at busy seasons of the year.
- Efficiency of labourers. 130. Complaints as to inefficiency of the present race of labourers were frequently made; but these were chiefly in districts where competing industries absorbed many of the better labourers and exerted an unsettling influence upon others. Generally the complaint was that the labourers were less willing and less industrious than formerly but not that skill or capacity were wanting.

II.—CONDITIONS OF ENGAGEMENT.

- Yearly hiring general. 131. Throughout the whole country the regular practice of farmers is to hire shepherds, cattlemen, and married labourers by the year. The single men who are lodged on the farms, whether they are boarded or not, are hired by the half year. This universal custom of engaging all the regular staff of workmen by the year distinguishes the Scotch system from the English—under it the labourer receives regular wages throughout the year; he loses no time on account of weather, and if he is sick and unable to work his wages are paid, at least for a period, which seems to have become fixed by custom at six weeks. A few extra labourers are taken on when required by the day or week, and the immigrants, whether Irish or others, who are employed at special work, have no hiring; but these are exceptions to the general rule. In some districts women workers are engaged by the half year, in others the hired cottager undertakes to find a woman worker (generally a member of his own family), when her services are required, for a definite sum per day, or per week.
- Method and terms of hiring. 132. The engagement with the labourers is usually made at hiring markets, the commencement of the term being either Whitsuntide (26th May), or Martinmas (Nov. 28th). Very commonly the engagement is a verbal one only. It is supposed to be rendered binding by the acceptance of earnest money or "arles," but of late years great and general complaints have been made of a growing practice among the labourers to repudiate engagements, in many cases without notice to the farmer, who expects the hired servants to come at the term-time, and has no opportunity of filling the vacant place when disappointed by the failure of the hired servant to keep his engagement. The farmer's remedy, which is to sue for damages, is not very effective, and an amendment of the law is suggested by Mr. Hunter Pringle, who appends to his report on the Fife district a legal opinion which he obtained upon the subject of the
- Desertion of service.
- Pringle,
B. I. 206.

farmer's means of redress, and the amendment which might be effected in the law as to breaches of contract.

133. The difficulty appears to arise in the first instance from the engagement being generally verbal and not written. If, however, the farmer sues, and is awarded damages, he can only recover by seizing or by arrestment of wages, if these exceed 20s. a week. The complaint appears to be that up to 1875 there was power to imprison the defaulter if he did not pay the damages awarded or find caution for the fulfilment of his contract, but the effect of the Conspiracy and Protection of Property Act of 1875, and of the Employers and Workmen Act, 1875, has been to make the master's only remedy a claim for damages which can only be recovered in the ordinary way. The remedy suggested is that written contracts only should be recognised, and that upon a breach of such contract the sheriff should have power to order the respondent to find caution for performance, and in default to order imprisonment for a period not exceeding 14 days.

Agreements generally verbal.

Pringle, B. I. App. B. 3. Suggested amendment of the law.

Mr. Gillespie reporting on the subject of desertion of service, including failure to begin a term of service according to engagement, which he says had been found common of late years, contented himself with suggesting a milder form of remedy by the arrest of wages in execution of a sheriff's decree for any damages that might be incurred by desertion.

Such an amendment of the law as Mr. Gillespie suggested could not be regarded as unfair to the servant; while imprisonment for any but a flagrant offence or for contempt of court would be regarded by many as too severe a punishment for the offence.

Gillespie, B. VII. 22.

134. One result of the hiring system is, strange to say, the frequent change of situation by labourers both married and single. It seems as though the fixing of a definite term operated to encourage men to move. Very generally the restless disposition, the fashion of flitting year after year is spoken of and deplored by the employers as not merely inconvenient and wasteful, but as tending to destroy the labourer's interest in his home or his work, and to prevent the growth of any feelings of attachment between him and his employer. The habit is said to be much encouraged by the neglect of many farmers to make inquiries as to the antecedents of the men before hiring them.

Frequent changes of services.

135. Various suggestions have been made with a view to the mitigation of this habit of constant change. In his Moray, Aberdeen, and Forfar reports Mr. Gillespie notices one suggestion which was pressed upon his attention very frequently, and it was that of indefinite engagements terminable by a short period of warning as a month or a fortnight. Without expressing any very decided opinion as regards the single men who are farm servants, Mr. Gillespie expresses "grave doubts whether the system could be applied to married men, at all events while houses are so scarce as they are."

Indefinite contracts suggested. Gillespie, B. VI. 11, VII. 13, VIII. 15.

Mr. Rutherford found both masters and men divided in opinion upon this point.

Rutherford, A. 34.

Mr. Hunter Pringle directs attention to a system adopted on one farm of paying a bonus in respect of each year's service after two years have been completed. The plan is said to have proved successful, and if continuity of service can be promoted by the payment of a bonus that only amounts to 5s. after two years' service and to 20s. on entering the eighth year of service the system would be a cheap remedy for an acknowledged and growing evil.

136. There is less variation in the hours of labour and the hours of attendance in Scotland than in England, though the time for commencement and leaving off, and the meal hours differ somewhat. Horsemen, and a considerable proportion of all male workmen are included under that term, have about 14 hours from start to finish, but out of these they take half an hour for breakfast and two hours for dinner. The hours of work in the fields (except in winter) are from 9 to 9½ hours, the journey to the field from the stable being counted in the time, but not the journey home. Unlike a large number of the English labourers the homes of these horsemen are near the stables, and they are able to take their mid-day meal as well as breakfast at home.

Hours of work.

In some districts, or rather upon some farms, the horsemen are required to visit the stables at 8 p.m., and this is everywhere considered a grievance, and the objection has been met in many instances by imposing the duty upon the men in rotation or by the farmer personally or by his deputy, the "grieve," undertaking it.

The hours of stockmen vary more than those of ploughmen. In some districts they are extended to 13 hours of attendance, or where milking at dairy farms is carried on they may be further prolonged.

Ordinary labourers, as understood in England, few in number.

137. The ordinary labourer as understood in England does not exist in Scotland. In estimating the hours of labour in the former country it was thought the safer plan to fix the hours of this class and to add to those hours more or less to make up the hours of work of carters and stockmen, but in the case of Scotland it is only by reference to the hours of the horsemen that the working hours of the casual men and the women workers can be ascertained in many instances. It appears to be the rule that "orra" or casual men, women workers, and boys work the same hours as the teams in the fields, that is, 9 to 9½ hours.

Sunday work.

138. Horsemen very generally divide the Sunday work, all of them attending in the morning, after which the work is attended to by one man out of four or five, the rest being set at liberty.

Cattlemen during the winter season have very frequently a full day's work, and Sunday brings them no relief. In summer, except in the dairy districts, they have little to do on that day.

Obligation to find woman worker less common than formerly.

139. In former days it was a very usual condition in engaging hinds or married labourers that the man should find a woman worker, at such times as the farmer might require her services, at an agreed wage *per diem*. Although this system is noticed as still prevailing in some parts of the country, it appears to be much less common than it was when the Reports of the Assistant Commissioners and the Royal Commission on the Employment of Children, &c., were written (1867-70). At the present time it is said to be expected of the man that he will find the worker, and in a few districts he is bound to do so. In others the man who has members of his family prepared to undertake field work has a decided advantage in the "feeing" or hiring market inasmuch as every farmer is anxious to secure the contingent advantages of his residence on his farm.

Obligation a grievance.

140. Where the obligation to supply a worker exists, it is looked upon as a grievance by the labourers. In some counties the wives of labourers are required to undertake the work of milking night and morning, and this is much complained of.

III.—WAGES AND EARNINGS.

Earnings.

141. In dealing with the subject of the remuneration received by labourers in England it was found necessary to insist upon the fact that *wages*, meaning by that term the weekly sum paid to ordinary labourers, very inadequately represented the possible receipts or total earnings of capable men willing to work, and that such wages afforded no safe basis for the comparison between different districts or different parishes. In that part of the kingdom the weekly wages are simply the minimum rate of payment for a time bargain; they are augmented not only by perquisites but frequently by opportunities of earning extra sums or by an increase of the rate at special seasons. In the case of Scotland it is equally necessary to disregard mere money wages as a standard of payment, though the reason for doing this is not exactly the same.

Wages constant and regular.

142. The wages in Scotland are constant and regular throughout the year; but in many districts the earnings are largely made up of perquisites and allowances and to a still greater extent by payments in kind.

Payments in kind.

143. The last-named form of payment, though less common now than it was 20 years ago, is still sufficiently widespread to make it impossible to form any idea of the actual receipts of the labourers in many parts of the country without putting a value upon the kind payments. This subject has been examined by the Assistant Commissioners with great care, and the Reports of Mr. Hunter Pringle, Mr. Rutherford, and Mr. Wilkinson contain a great number of examples showing in detail all the items which have to be brought into account with the value which may fairly be attached to them, while Mr. Gillespie's Reports supply the materials for a comparison between the three districts which he surveyed and other parts of the country, though his premature death deprived the Commission of the advantages of receiving from him a summary estimate of the comparative results.

No materials for estimating earnings of

144. It is not possible in the case of Scotland to make the wages and earnings of the ordinary labourer the basis of comparison for the simple reason that in many districts there are not a sufficient number of that class to supply an estimate. The ordinary

married ploughman will best represent a type which will be found in all the agricultural districts, and it may be considered that his earnings will serve to gauge pretty accurately those of other classes, excepting the shepherds.

ordinary labourers.

145. A comparison of the mean rates of a large number of estimated weekly earnings shows rates ranging from 13s. 10d. in Orkney and Caithness to nearly 23s. in Lanark, with an approximate average of 18s. 9d. Commencing with the north, where the minimum rate is found, there is a gradual increase to about 17s. 3d. a week in the Moray and Aberdeen groups of counties, with a further rise to about 19s. 3d. in Forfar, Fife, and the Lothians. In the central counties of Stirling, Dumbarton, Renfrew, and Lanark the highest level of 22s. to 23s. is reached. Ayr, Bute, and South Argyle are about on a level with the Lothians. Berwick appears to be slightly below these, and in the three counties in the extreme south-west the rate declines to about 17s.

Comparative rates of average weekly earnings.

146. The lowest rate of earnings prevails where the payment is most largely in kind and least in cash. Thus, in Caithness, it would appear that little more than one-third of the receipts of a ploughman are in money, while in Lanark, where a much higher rate prevails, the payment is chiefly in cash, the only additions being the house rent, and the carriage of coals. Again, in the Report on Berwick, some instances are given where less than 30 per cent. of the earnings are paid in cash. At the present value of meal the earnings of labourers paid largely in that commodity will naturally be depressed in comparison with those where money is paid, but so long as the payment in kind is made only in such commodities as can be fully consumed, and are required for the sustenance of the labourer's family, the fluctuations in value make no sensible difference to the receiver.

Lowest rates where payments in kind form largest proportion of total.

147. The compulsory abolition of payments in kind has been one of the planks in the platform of agrarian reform. The evidence contained in the reports leads to the conclusion that the change is pressed by outsiders rather than by labourers, and that a large majority of the labourers, at least of those who are married, prefer the present system, while some of the farmers are quite willing to substitute money for produce. One theoretical objection to the system, namely, that the farmer supplies the labourer with produce of an inferior quality, meets with absolutely no support.

Payment in kind less common than 20 years ago.

148. With regard to milk, which is a very usual allowance in kind, the substitution of money for that article would practically result in depriving the labourer's family of any opportunity of obtaining it.

Allowance of milk common.

149. The payment of shepherds exhibits considerable variety. In many of the arable districts the class is unimportant if not unknown, but in the purely pastoral districts they are almost the only agricultural labourers. Mr. Pringle gives a range of earnings in his districts of inquiry from 16s. 6d. to 29s. 3d. a week. These earnings in many districts are made up partly by the keeping of one or two cows with their followers, partly by other perquisites, the cash payment being only a small part of the whole. The system of payment by a shepherd's pack; that is by the keep of a certain number of sheep with the master's flock, once very common, has been largely discontinued, but it still exists in Peebles and Selkirk. In consequence of the great fall in the value of wool and also of the lambs and ewes, the shepherds who are thus paid have suffered considerably. In one instance, given by Mr. Wilkinson, the proceeds of the shepherd's pack decreased in the years from 1889 to 1892 by 19l. 13s. or 7s. 6d. a week.

Shepherds.

150. Young unmarried ploughmen who are boarded and lodged, receive as wages from 12l. to 18l. per half year, the highest rate being reported from North Lanark. As a general rule, these labourers are not now boarded, they receive wages and allowances on the same scale as the married men if fully competent, and in some districts, a large number of them are lodged in bothies.

Young men and "half-lins."

151. Women receive from 1s. to 2s. a day at ordinary work, and in some places 3s. or 3s. 6d. a day in harvest, the wage varies according to the demand for them for particular descriptions of work. In Berwickshire where they are much employed, they earn from 25l. to 28l. a year, and instances are given by Mr. Wilkinson of as much as 32l. being earned by a woman worker, but this included the rent of a house. Dairymaids get from 20l. to 30l. wages besides board in the dairying districts. Boys, until they can manage a team of horses, get about the same wages as women.

Women.

Wilkinson, B. II. 21.

152. Comparing the present rate of earnings with those reported to the Duke of Richmond's Commission on Agriculture, 1879-1882, it would appear from an abstract

Present earnings.

compared
with those
of former
periods.
1879-82.

of the evidence given before that Commission which I have prepared for the use of this Commission that in the most important agricultural counties, the earnings of the ploughmen are very similar in amount. In Aberdeen, the estimates for the two periods are precisely the same in both cases. In Forfar, they are now 19s. 4d. against 18s. 5d. formerly. In East and Mid Lothian, they are 19s. 1d., and they were 19s. in 1880. In Berwick they are 18s. 6d. against 18s. 3d. In the Moray district, they have apparently risen from 14s. 10d. to 17s. 3d., and in Ayr from 16s. 6d. to 19s. 3d.

1867-70.

153. As compared with the earnings of 20 years ago, those of the present day are considerably higher. An abstract of the evidence collected by the Commission on the Employment of Children, &c. in Agriculture (1867-70), which I have laid before the Commission, shows a rise in Aberdeen from 12s. 8d. to 17s. 3d. In Fife from 14s. 11d. to 19s. 3d. In the Lothians from 15s. 4d. to 19s. 1d. In Berwick from 15s. 8d. to 18s. 6d. In Ayrshire from 14s. 8d. to 19s. 3d., and in Stirling from 15s. 4d. to 22s. Taking these as typical counties, the increase of earnings would be at the rate of 30 per cent.

IV.—THE HOUSING OF THE LABOURER.

Farm
cottages.

154. The system of housing the agricultural labourers in Scotland differs in some essential features from that which commonly prevails in England. The married labourers instead of being for the most part located in villages occupy farm cottages, the supply of a sufficient number of dwellings for the regular staff of the farm being considered as much a part of the proper equipment of a farm as the supply of stables, barns, or byres.

Farm
kitchen and
bothy
systems.

155. But in many parts of the country a large proportion of the hired labourers are unmarried, and they require no house of their own; their accommodation is provided for in one of two ways, which are distinguished as the "farm kitchen" system and the "bothy" system. Under the "farm kitchen" plan the men servants are boarded and lodged in the farmhouse, or upon the farm premises; under the "bothy" system lodging is found for them in barracks on the farm, but they make their own arrangements as to meals. Formerly, the hired servants were inmates of the house and members of the household, but very frequently where the practice of boarding the men is still kept up, the men sleep in barracks on the farm, while they take their meals in the farmhouse.

In the Lothians, Berwick, and Roxburgh the farm cottage system appears to be the rule. The bothy system is extensively developed in Fife, Clackmannan, Kinross, Perth, Forfar, Kincardine, Moray, and Nairn; it is also found in Inverness, Ross, Sutherland, Caithness, and Orkney. The farm kitchen system prevails in Aberdeen and Banff, and in all the Midland and South-western Counties.

Supply of
cottages.

156. With regard to cottages, it appears from the reports of the Assistant Commissioners that there are few counties where at present there is any great complaint as to the number of cottages available for labourers under the existing circumstances, but the continued survival of the bothy system in certain districts must be regarded as an indication of an insufficient number of houses in those districts, and in those counties where it prevails extensively, a deficiency of cottages is reported.

Progress
made.

157. Generally it is stated that great improvements have been made in recent years both by building new cottages and improving existing ones. But the impression which is conveyed by the reports and the evidence which they contain is that very much remains to be accomplished to render the existing cottages fit habitations. With the decrease of population the worst class of houses is being abandoned, while, on the other hand, new cottages of a better class are being continually added. The county councils, who are the sanitary authorities and their medical officers of health, have in many counties been very active, and under their orders extensive repairs and improvements have been effected.

Accommo-
dation.

158. In respect of accommodation the average cottage in Scotland is far inferior to that of England; but the building is generally more substantially constructed than in the latter country. The great defect noticed in almost every locality is the dampness of the cottages owing to the low level of the floors, the situation in contact with a bank of earth, and the absence of drainage. The number of rooms in rural cottages is very generally two, with, perhaps, the addition of a closet. The older houses have only one room divided by means of the furniture into two compartments. The Census Returns as to the number of families and inhabitants in different classes of accommodation for

1891, though they exhibit a considerable advance since 1881, show that more than one-half of the families and nearly one-half of the population of the rural districts of Scotland live in tenements with not more than two rooms, and fully 10 per cent. of them in tenements of one room, whereas in England little more than 6 per cent. of the population in similar districts have to put up with such limited accommodation as two rooms. Many of the modern houses are single storeyed, and where bedrooms upon an upper floor have been supplied they are not liked by the inhabitants, who prefer to make the kitchen the sleeping place. Upon some estates cottages equal to the better English type have been built, but the average of cottages in Scotland must be considered inferior, and the people seem to have even less appreciation of the necessity for separate sleeping apartments for persons of different sexes than those of the same class in England.

Census returns as to house accommodation.

159. In the matter of sanitary conveniences Scotland is also far behind England. In some districts privies are said to be "conspicuous by their absence," or, if present, by their non-use for the purpose for which they are intended. In one report from a medical officer of health, 73 out of 95 cottages are said to have no accommodation of the kind, while 11 only have a satisfactory provision.

Sanitary conveniences.

Pringle, B.I., App. C.

160. The bothies in which the unmarried men are quartered are described by Mr. Hunter Pringle in his report on Fife and the adjoining counties, and also by Dr. Nasmyth, Medical Officer of Health for Fife and Clackmannan, in most unfavourable terms, as "the most inferior of all houses," conspicuous in discomfort, filthy and disgusting in character, and demoralising to the young men who occupy such quarters; and Mr. Gillespie speaks in very similar terms of those which came under his observation.

Bothies.

Under this system from two to four men occupy a building of one or two rooms. The men cook for themselves. The rooms may be occasionally visited by a woman for cleansing purposes, but these visits are irregular and uncertain. The men and young lads are under no restraint, and they become accustomed and inured to discomfort and dirt.

161. Although the farm kitchen system is still common in many counties of Scotland it is for the most part in a modified form, the men sleeping in barracks which resemble bothies in character, except that no cooking has to be done there. The nature of the accommodation provided for these farm servants is described by Mr. Rutherford as being frequently above or alongside a stable, and the medical officer of health for Dumfries-shire states that they are "occasionally even over swine." The furniture is said to be generally scanty. Some of these places are spoken of as deplorably uncomfortable, others as fairly convenient and roomy.

Farm kitchen system.

Rutherford, A. 73.

162. The county councils have not confined their attention to cottages alone; they have caused in some counties at least an inspection of bothies and sleeping-places to be made, condemning those that were found to be unsatisfactory.

Action of county councils.

In Aberdeenshire they have appointed a committee to consider the best plan for a model sleeping-place in order that they may let proprietors know what the council are prepared to recommend and insist upon.

Gillespie, B. XII. 32.

163. Throughout the whole of Scotland, farm cottages, which comprise a very large proportion of those occupied by farm labourers, are let with the farms and are held by the occupants rent free. Mr. Hunter Pringle, in estimating the addition to wages represented by the provision of a house and garden rent free, puts the value of these at from 2*l.* to 6*l.* per annum, according to the age and condition of the house, but he says the largest proportion occupy houses of the class which he considers worth 4*l.* per annum.

Ownership and tenure of cottages.

The tenure of the farm cottages is for one year, the period for which the men are hired, and the condition upon which they are held is that of the servant working for the farmer who has hired his services.

V.—GARDENS, ALLOTMENTS, &C.

164. Cottages are universally provided with gardens which are, however, in most districts small, 200 square yards (6-7 perches) being a usual size; they do not appear to be generally well cultivated, or to be much desired. The common custom of allowing a hired labourer a certain quantity of potatoes, which is enough for the consumption of his family, makes him indifferent to the possession of a large garden, and his habit of changing his situation so frequently prevents his taking any interest in the surroundings of his home.

Gardens.

Allotments. 165. The same remarks apply to allotments which are, as far as the agricultural labourers are concerned, unknown and undesired. Potato grounds are provided in some districts, but as a rule a definite quantity of potatoes is provided as part of the wages agreed upon.

VA.—COWS AND COW-RUNS, &c.

Cows kept by labourers. 166. It appears that cows are much less kept by labourers than was the case formerly. In the pastoral districts the keep of one or two cows with their "followers" is a very usual form of payment. In the more agricultural districts the hinds and ordinary labourers seldom possess cows of their own, except in the counties of Berwick, Roxburgh, and the Lothians. Where they are found the farmer keeps the cow, summer and winter, for an agreed sum of 2s. or 3s. a week, or 8*l.* a year. The diminution in the number of cows kept in this way is regretted by many employers and others. By the labourers, it is said to be caused by their inability to provide the money for the purchase of the cow, but it is clear that this difficulty was overcome in past days when wages were lower than they are now. While some farmers object to keeping cows for their labourers, others are so convinced of their being an advantage to them and their families that they have advanced the money required for the purchase of the animal. In several counties where wages are not paid entirely in cash a daily allowance of new milk (two to three imperial pints) forms a part of the payment in kind.

Pigs. Pigs are not largely kept by farm labourers, many employers having a feeling that labourers, being in close proximity to the farmyard, might be tempted to dishonesty if they were allowed to keep them.

VI.—BENEFIT SOCIETIES.

Benefit clubs not numerous. 167. The regular and continuous employment at fixed wages with the security that those wages will be paid during sickness makes the labourers in Scotland very generally indifferent to benefit societies such as those in England, which are mainly patronised by those who desire to provide against a total loss of income by sickness or disablement. In a few localities, however, membership of a benefit society is common, and in others men insure against accident or to provide for their funeral expenses, and in the extreme north a certain number are said to insure with the object of receiving a fund at the end of a fixed term of years.

Rutherford, B. I. 55.

VII.—TRADE UNIONS, STRIKES, &c.

Strikes unknown. 168. There is not in the Reports of the Agricultural Commission any record of a strike among agricultural labourers, except an unsuccessful attempt by women in Stirlingshire. The Scottish Ploughmen's Federal Union has a considerable number of members (said to be 6,000) widely distributed, and a few local organisations, like that of the Farm Servants' Union of Aberdeenshire, are spoken of in the Reports. The objects of the Federal Union are to obtain weekly payments and money wages, weekly half-holidays, and a suitable number of whole free days, a week's work of 56 hours, with 6*d.* an hour for overtime, the abolition of feeing (or hiring) markets; better housing and bothy accommodation. The union has also for its objects to provide a sick benefit and funeral society, and a superannuation fund for aged members.

Gillespie, B. VIII., App. 35.

VIII.—RELATIONS BETWEEN EMPLOYERS AND EMPLOYED.

Relations fairly good. 169. While the general effect of the Reports of the Assistant Commissioners is that the relations between the two classes, the employers and employed, are fairly good, there is evidence that, in some parts of the country, there is a want of good feeling and sympathy. The masters complain of the restless spirit which leads men to change their situations frequently, of the breach of agreements, and desertion of service. On the other hand, the men complain of long hours; they desire to have holidays and half-holidays secured to them; they would many of them prefer short and indefinite engagements to a yearly hiring. It does not appear that there was much complaint as to the amount of earnings (except with regard to women's wages), or the form of payment, the demand for money instead of kind payments, meeting with little support from the men themselves, and being apparently entirely pressed by outsiders; the farmers are said to be less averse to the change in this system than the men themselves. Mr. Pringle says the relations are most strained where the land is inferior, and the farmers

Pringle, A. 61.

are "small men," and that wherever bad bothies, bad cottages, and proximity to mining villages and manufacturing towns occurred, the relations were anything but cordial.

170. Mr. Hunter Pringle proposes a board of conciliation which should authoritatively decide questions submitted to it by persons, employers or employed, having a grievance in any matter not directly connected with the value of labour.

Proposed
board of
conciliation.
Pringle,
A. 72.

The subjects upon which the proposed board might adjudicate are not particularised. It would be difficult, perhaps, to find any in which the value of labour is not more or less involved, *e.g.*, hours of labour, half-holidays, &c. It may be that an arbitration between individual parties upon some disputed point might lead to more definite agreements as to the conditions of service, but it is not probable that a decision of such a board would be accepted as unconditionally binding upon others than the parties applying or concerned. If a large proportion of the labourers on one side, and of the farmers on the other side, were combined together in different trade associations, which could agree to submit matters in dispute to such a board with a binding engagement to accept its decision, it might be worth while to establish such a body, but a decision between two individuals would scarcely be accepted generally as a precedent to govern all similar cases.

IX.—GENERAL CONDITION OF THE AGRICULTURAL LABOURER.

171. The unanimous expression of opinion by all the Assistant Commissioners, an opinion which is confirmed by the evidence of a large majority of witnesses, is that the material condition of the labourers has immensely improved of late years. Wages have increased, the hours of work are shorter, the work is easier; the average condition of cottages has improved. Mr. Hunter Pringle states that in all his travels he never heard of any person willing to work who had failed to get it; and he adds "the surroundings of the labourer's home are cheerful; that all traces of care and want are gone, and the thoughts of the labourer are now directed to the improvement of his position in other respects."

Improved
condition.

Pringle,
A. 75.

Mr. Rutherford is equally of opinion that in means and comfort the position of the agricultural labourer has greatly improved, and that his condition is good "even when compared with that of working men with higher wages."

Rutherford,
A. 93.

172. Mr. Wilkinson, whose districts of inquiry in England lay chiefly where the earnings of the labourers are decidedly above the average of that country, compares the condition of the labourers there with that of those in the border counties of Berwick and Roxburgh, and the adjoining pastoral counties, Peebles and Selkirk, and he concludes that "the farm servant is at present better off in Scotland than in England. Whether paid all in cash or partly in kind, or by way of allowances, his wages are, as a rule, somewhat higher, and, being sure of them whether well or ill, he is released from any great anxiety as to the future as well as from the necessity of making provision for that future by subscribing to clubs to the diminution of his income."

England and
Scotland
compared.

Wilkinson,
A. I. 10.

173. It is said that as the labourer's material condition has improved there has been a corresponding progress in his moral condition, that he is more temperate, and that illegitimacy, though still a great stain upon the morality of the rural classes, has steadily and largely decreased, and, further, that very few of the paupers of Scotland are drawn from the ranks of the agricultural labourers.

Moral con-
dition
improved.

Rutherford,
B. III.,
App. B.

174. On the other hand there is some reason to believe that the present race of labourers is less thrifty and less inclined to save than its predecessors—that the opportunity of accumulating money which the unmarried farm servants undoubtedly enjoy is too much neglected, and that domestic economy is much less practised than formerly. At the same time the reports record many instances where considerable savings have been made by labourers, and notices of men who commencing as farm labourers have risen to be capitalist farmers or professional men.

Labourers
less thrifty.

175. The absence of a strong inducement to save is put forward as one of the reasons why men do not oftener lay by money; and the general decay and disappearance of crofts in some districts, and the paucity of small holdings in others, are subjects of regret, because the encouragement which such holdings might give to thrift is wanting. Various opinions are expressed as to the possibility of crofters and small holders succeeding, but there is evidence to show that where the occupation of small holdings can be combined with other work they are advantageous, not only because they offer

Want of
object for
saving.
Gillespie,
B. VII. 24.

Gillespie,
B. VII. 40.

to the farm servant a palpable object for saving, but also because they form "a useful reservoir and nursery of labour." The children of the crofters are said to be "trained to be the best class of farm servants."

Improve-
ment of
dwellings
desirable.

Pringle,
A. 83.

176. It would appear that, as is the case in England, the cottage accommodation is the principal matter in which something may be done to improve the condition of the agricultural labourer, and I agree with Mr. Pringle and others in suggesting that State loans should be made to landlords upon easy terms with the object of promoting the supply of better cottages. An increased supply of cottages would diminish the number of bothies, and thus effect a great improvement in those counties where the bothy system still exists. The administration of the various Acts relating to public health must result in great benefit to the occupants of inferior and insanitary dwellings. The policy of the Board of Supervision in refusing to sanction schemes by which medical officers of health for counties, or chief medical officers of districts, are permitted to engage in private practice, and the efforts which the Board, in conjunction with the various county councils, have made to establish a more efficient sanitary organisation, supply an example of what might be accomplished, and has already been suggested as desirable, in England.

Amendment
of law of
master and
servant.

177. It seems desirable to make such an amendment of the law of master and servant as would enable either party to obtain, by a process of summary jurisdiction, damages sustained in consequence of a wilful breach of contract.

SECTION D.—IRELAND.

Number of
wage
earners
in agricul-
ture.

178. The number of wage earners in agriculture in Ireland, included in the Census Returns under the occupations of, (1) agricultural labourers, cottagers; (2) shepherds; and (3) farm servants, probably falls far below the number of those who work for wages on farms in that country, not only because of the large numbers of those who are enumerated as "General Labourers," and who work on farms at some time or other, but also on account of the large number of persons included under the designation of farmers, and farmers' male relatives without a specified occupation. These farmers and farmers' sons, &c. are generally little, if at all, above the position of agricultural labourers, and many of them work for wages on the farms of others when they have an opportunity of doing so. The total number of the wage earners in agriculture was in 1891 280,086, while that of the general labourers was 118,980 persons. At the same time, farmers numbered 417,003 and farmers' sons, &c. were 212,731. The gross total of those included under the four occupations mentioned was 1,028,800, or nearly 22 per cent. of the whole population of Ireland.

Paramount
importance
of agricul-
ture in
Ireland.

179. The paramount importance of the agricultural industry in Ireland is shown by the fact that nearly one-fifth of the whole population is classed among agriculturists, while in England and Wales that class forms less than 4 per cent., and in Scotland less than 5 per cent., of the whole population. Of the whole number of adult males in Ireland 54 per cent. are agriculturists. Among the agriculturists, as a class, the wage earners are less important in respect of numbers than in England and Wales or Scotland, inasmuch as they are only about 30 per cent. of that class in Ireland, while they are more than 73 per cent. in England and Wales, and 62½ per cent. in Scotland.

Decrease in
number of
labourers.

180. It has been already pointed out that agricultural labourers have decreased more rapidly than the whole population of Ireland. This decrease was much more noticeable in the case of females than in that of males, the former having diminished at the rate of 38 per cent., and the males by about 14 per cent. between 1881 and 1891, so that whereas the female wage earners were in 1881 10·7 per cent., in 1891 they were only 7·9 per cent. of the whole number.

Periods of
age.

181. The number of wage earners under the age of 15 years has sensibly diminished since 1881, and it is now less than 5 per cent., while all those whose age does not exceed 20 years form 26 per cent., and those between 20 and 65 years are about 66 per cent. of the whole number.

Distribution
of labourers
and agricul-
turists.

182. Taking the four provinces of Ireland separately the wage earners are most numerous in ratio to population in Munster, while agriculturists form the largest proportionate part of the whole population in Connaught, but wage earners in ratio to

agriculturists are most numerous in Leinster. The relative importance of the agriculturists and wage earners in the four provinces in 1891 is shown by the following table:—

	Connaught.	Leinster.	Munster.	Ulster.	Ireland.
Agriculturists in ratio to population - -	26·57	15·57	19·36	19·09	19·42
Wage earners in ratio to population - -	5·02	6·27	7·11	5·29	5·95
Wage earners in ratio to agriculturists - -	18·91	40·80	36·73	27·74	30·65

But within the provinces, taking the counties separately, there is a wide variation, as is shown by a memorandum on the Irish Census Returns, which I have prepared for the Commission.

183. It has already been stated that the inquiry in Ireland was carried out in 30 different districts. By the courtesy of the Local Government Board (Ireland), a series of short minutes by the different Local Government inspectors, as to the characteristics of the different poor law unions in the country, was furnished to the Commission, and these proved of great assistance in determining the selection of fitting districts for inquiry. In these minutes the population of the several unions was broadly classed as "agricultural," "mixed industrial," and "migratory."

Districts of inquiry.

The districts which were selected extend into every county in Ireland. Owing to the overlapping of union and county boundaries, several counties are represented by more than one district of inquiry. Five of the districts are situate wholly or partly in Connaught, ten in Leinster, eight in Munster, and nine in Ulster. According to the classification adopted in the minutes of the Local Government Board formerly mentioned, nineteen of the districts have a population which is mainly "agricultural," ten have a "mixed industrial," and one a "migratory" population. The thirty districts include one-fifth of the whole area, and nearly one-eighth of the population and the agriculturists of the whole country.

184. These selected districts exhibit great variety in respect of density of population, distribution of the population upon agricultural holdings, size and value of holdings, agriculture, and live stock. In every district there was between 1881 and 1891 a decrease in the population varying from 17½ per cent. in Castleblayney (Monaghan and Armagh) to 7½ per cent. in Naas (Kildare and Wicklow). The two districts just named as exhibiting the maximum and minimum decrease in population, happen also to be those which have respectively the greatest and the least proportionate part of their population engaged in agriculture. In Castleblayney 76 per cent., and in Naas only 38 per cent., of the whole population are agriculturists. But it would not be safe to infer from these two examples that the decrease in population has generally been greatest where the agriculturists are most numerous.

Characteristics of districts.

185. The character of Irish agriculture differs in some important respects from that of England and Scotland. The holdings are generally much smaller in extent and in value, and the crops which require most labour occupy a much smaller portion of the total area and also of the cultivated area. Thus more than two-thirds of the agricultural holdings do not exceed 15*l.* in annual value, and nearly one-third of the total area is in holdings of less than that value. The area of crops of all kinds including lay is less than one-fourth, whereas in England it is about 45 per cent., of the whole area. In Ireland only about 18 per cent. of the cultivated area is in Corn or Green crops or Flax, while in England more than 35 per cent. of that area is under those crops. These facts have a very important bearing upon the employment of the agricultural labourer. Small farmers can rarely find continuous employment for hired labourers. If they require more labour than their family can supply it is only during a busy season such as hay or harvest, and at other periods of the year they frequently become competitors with the labourers for employment.

Characteristics of Irish agriculture.

186. In some of the districts of inquiry the statistics as to holdings of different classes show a remarkable prevalence of small holdings. Thus, in Westport and Castlerea, more than 90 per cent. in number of the agricultural holdings do not exceed 15*l.* in annual value, and in nine districts of inquiry three-fourths of the whole number of holdings are in the same category. In Kenmare nearly 70 per cent. of the total area is in holdings of the same class, and in six other districts, more than one-half of the land is in holdings of this description. Again, in respect of cultivation, in Westport

Size of holdings as affecting employment.

less than one-tenth of the cultivated area is in corn or roots; in Castlerea these crops are only 15 per cent., and in Kenmare they are little more than 6 per cent. of that area. It is true that these are extreme instances; but there are not a few districts where the circumstances are somewhat similar, and even in some of those districts which represent the other extreme of comparatively large holdings, the prospects of the continuous employment of labourers are not encouraging. Thus, in Kilmallock (Cork), where little more than one-third of the holdings and only 7 per cent. of the area are in the class not exceeding 15*l.* annual value, while nearly 40 per cent. in number and about the same proportion of the area are in holdings of 100*l.* value and upwards, the corn and green crops are only 6½ per cent. of the cultivated area.

Circumstances do not favour continuous employment.

No general classification of labourers.

187. The dependence of so large a part of the population upon agriculture, the nature of the holdings and the character of the farming largely influence the condition of the labourer. Very generally throughout the country the circumstances are not such as to require the continuous or constant employment of labourers.

188. Except in the north-eastern counties and a few districts in other parts of the country where large farms are to be found, the agricultural labourers have not, as a rule, definite occupation. Carters and Stockmen are not distinguished from others, and "the care of the horses and animals falls to the lot of the ordinary labourers." The labourers may be divided into (i) ordinary labourers, (ii) indoor farm servants, and (iii) herds or shepherds; and in the Census Returns they are enumerated under those heads, about 56 per cent. of the wage earners being classed as "Agricultural labourers or cottagers," about 42 per cent. as "Farm servants," and 2 per cent. as "Shepherds." Nearly 11 per cent. of the indoor farm servants and nearly 6 per cent. of the agricultural labourers (of the Census Returns) are females.

I.—SUPPLY OF LABOUR.

Present supply.

O'Brien,
B. I. 33, 38.

Richards,
B. III. 8, 12.

Richards,
B. IV. 12, 13.

189. It appears that in 15 out of 30 of the districts of inquiry there is, at some period of the year, more or less prolonged, an insufficient supply of labourers, but that in most of these districts there are, at times, too many labourers for the work to be done. In only one district, Downpatrick, is there an alleged general and decided scarcity. In two districts, Bailieboro' and Westport, the supply of labourers is said to be in excess of the demand. In nine districts, supply and demand appear to be balanced, but in some cases the balance is obtained by there being almost no labourers and almost no employers, as for instance in Kenmare, where the labourers are said to be few in number, and in places almost extinct, employment is casual and intermittent, the farms are too small, and the farmers too poor to employ hired labour. In other districts, as in Balrothery, the supply and demand are about upon a par, and employment is regular and continuous. As an instance of an excess of labourers, relatively to the work to be done, the district of Bailieboro' may be noticed; there the demand is said to be of a fitful and precarious character, a few weeks potato planting and a few more weeks during harvest give employment, but those who are not hired farm servants cannot rely upon more than four months' work on the farm in the course of the year, notwithstanding the fact that the decrease in the population of this union has been at the rate of 15½ per cent. since 1881, and of 24 per cent. since 1871. In Downpatrick, where a balance between supply and demand has been established, the decrease has been not much less than in Bailieboro', as it was 12 per cent. between 1881 and 1891, and 21 per cent. between 1871 and 1891.

Decreased demand.

Immigration.

190. Concurrently with a general decrease of population throughout the country there has been a decreased demand for labourers.

191. In eight districts there is some immigration of workers at busy seasons of the year, the most notable instance being Kilmallock (Cork) to which district a number of young men and women go regularly from the adjoining county of Kerry. These immigrants, 300 and probably more, are hired by the dairy farmers as indoor servants for about nine months in the year (March to December), after the expiration of which period they return to their homes. Into Letterkenny and Limavady there is a constant stream of male and female farm servants from West Donegal, and a few other instances of an influx of workers from the mountainous and uncultivated districts into cultivated parts in harvest time and at other busy periods are mentioned in the Reports of the Assistant Commissioners.

Migration.

192. From nine districts migration to England and Scotland for a portion of the year regularly takes place. The most conspicuous example of this migratory population

among the districts of inquiry is Westport, from which it is said that 32·7 per 1,000 of the population migrate regularly in search of work. This proportion is, however, far exceeded in another union in the same county (Swineford) where 80·6 per 1,000 of the population are regular migrants.

193. Emigration of the younger and more active people has been very considerable in the past from a large majority of the districts and still continues from at least one-half of them, and it does not appear to be less noticeable in the districts where the conditions affecting the labourer's life are more favourable than in those where they are worst.

Emigration.

194. There is a very general complaint of the inefficiency of the labourers and of their inferiority as compared with those of past days, and they are said to be less hard working. The alleged inferiority is attributed to the emigration of the more able and intelligent of the class—the decrease of tillage gives less opportunity for skilled workers, and the increase of education creates an indisposition and dislike to farm work—while a deterioration in physical power is by some persons ascribed to modern diet, white bread and tea having very generally replaced oatmeal stirabout, and milk.

Alleged
inefficiency
of labourers.

Fox, A. 31.

II.—CONDITIONS OF ENGAGEMENT.

195. It has been already stated that about 42 per cent. of the wage earners are farm servants, and a little more than 2 per cent. shepherds. For both these classes work is regular and continuous: With regard to the agricultural labourers it seems that in 10 districts work is fairly constant. In eight other districts the employment is described as in part regular and continuous and in part casual and intermittent. In 12 districts work is said to be intermittent and in some cases of a most casual character. Labourers assert in some districts that they are idle from one quarter to one half of the year. Of the 12 districts where employment is least regular, five are on the seaboard of the Atlantic, one is in Ulster, and three are in Leinster.

For farm
servants and
shepherds
continuous,
for others
casual.

From any general statements as to irregularity of employment labourers on home or demesne farms must be omitted. It is stated distinctly that on large farms, and in those districts where the greatest amount of tillage is to be found, the employment is most regular. On the other hand, the small farmers, who depend to a considerable extent upon wages earned on the land of others, are less likely to be regularly engaged than ordinary labourers.

O'Brien,
B. XI. 24.

196. Farm servants, herds, and shepherds are hired by the quarter, half year, or year. For ordinary labourers the engagement is generally by the week or day—subject to some exceptions in respect of large farms and home farms, and also of a few districts in Ulster where cottagers are engaged for the year or half year. In the case of immigrants who go annually from Kerry to Kilmallock, and, perhaps, other districts in Cork, they are usually hired into the farmhouses for nine months of the year, and they return to their homes as winter quarters.

Hiring
periods.

197. The normal hours of attendance by labourers in Ireland are from 6 a.m. to 6 p.m. in summer and from 8 a.m. to dark in winter, though instances are reported where men begin work at 6 a.m. and leave off at 7 p.m., having had an interval of only one hour for meals. From the usual hours of attendance a deduction of 1½ to 2 hours may be made for meals, leaving the average working time from 10 to 10½ hours in the summer and about 8 hours in winter. In about one-third of the whole number of districts the working hours are reported as averaging 10 hours, in another third as 10½ hours, and in the remainder as 10¾ hours, with one exception, Bailieboro' where the hours are said to be from 11 to 11½. Horsemen and cattlemen, where these are distinct classes, have longer working hours, particularly in winter. Farm servants, herds, or shepherds have no fixed hours of labour. The irregularity of employment and the general absence of organisation seem in some districts to lead to unpunctuality, men who are supposed to begin the working day at 6 a.m. arriving at 7 or even as late as 8 o'clock.

Hours of
work.

Fox, A. 38.

198. Men in charge of horses and cattle have Sunday work, feeding and watering the stock. This duty generally falls to the hired indoor servants. In a few districts the proportionate number of men having Sunday work is said to be considerable. The work is heaviest in dairy districts, and next where roots are largely grown and consumed by cattle; where the animals are fed on hay in winter there is the least to be done. In Balrothery the proportionate number of Sunday workers is said to range from one-half of the labourers on some farms to one-tenth on others.

Sunday
work.

Women.

199. Women very generally are indisposed to work in the fields except on their own holdings. A limited number take part in hay and harvest, and in the flax-growing districts they are in demand. In some dairy districts females form a large proportion of the indoor servants. In Kilmallock, according to the Census Returns for 1891, females are more than 27 per cent. of the farm servants, 5½ per cent. of the agricultural labourers, and 13 per cent. of the wage earners.

In Castleblayney, which is a flax-growing district, females are 15½ per cent. of the outdoor labourers, nearly 12 per cent. of the indoor servants, and 13·7 per cent. of all wage earners in agriculture; the average proportions for Ireland being 7·87 per cent. of the wage earners, 5·88 per cent. of labourers, and 10·83 per cent. of indoor servants.

III.—WAGES AND EARNINGS.

Weekly or daily wages.

200. It is very difficult to fix upon any definite sum as the current rate of weekly wages in a large number of the districts of inquiry in Ireland. Many of the labourers are very irregularly employed; they are engaged by the day in many districts, and paid partly by food which varies from one meal a day to complete board; partly by perquisites, including the grazing of cows and sheep; and there is in some cases a very wide difference between winter and summer wages. Variations of a similar character occur in different districts of England and Scotland, but in those countries the number of labourers receiving a weekly wage is usually sufficient to afford a definite basis of estimation; and in those parts of the country where allowances are made they are of a more uniform character, and are, therefore, more capable of appraisal than is the case in Ireland. It seems necessary, under the circumstances thus stated, to give some examples of different rates and forms of payment prevailing in certain districts. Mr. O'Brien reports generally as follows of the eleven districts which he visited, and which all lie in the south of Ireland, five of them being in Leinster, and six in Munster, that—

O'Brien,
A. 14.

“The usual rates, where diet is not supplied by the employers . . . range from 8s. to 12s. a week, but 9s. and 10s. constitute by far the most common scale in the case of the ordinary labourer . . . Where the labourer is dieted, . . . the usual practice amongst the smaller class of farmers, the scale is from 4s. to 7s. a week, with either two or three meals, but 5s. and 6s., with two meals, appears to be the arrangement most commonly followed.”

It appears from Mr. O'Brien's district reports that a weekly rate of 12s. is occasionally reached in Carlow, Ennistimon, Kanturk, Kenmare, Kilmallock, and Lismore.

Mr. McCrea, who pursued inquiries in eleven districts, one of which is in Leinster, eight are in Ulster, one in Connaught, and one partly in Connaught and partly in Leinster, gives rates of wages, without food or perquisites, ranging from a minimum of 6s. to 8s. in Dromore West (Connaught) to a maximum of 10s. to 12s. in Downpatrick (Ulster). Where a cottage and garden are provided, the rates range from a minimum 7s. or 8s. in Ardee, to a maximum of 9s. or 10s. in Ballymena and Limavady; where board is given the rates of money wages range from 5s. to 8s. a week.

Mr. Wilson Fox, reporting on four districts, two of which are in Connaught, one in Leinster, and one in Munster, gives rates ranging from 7s. to 8s. in winter, and 9s. to 10s. in summer, in Delvin (Leinster), to 9s. or 10s. all the year round in Castlerea (Connaught).

Richards,
B. I. 17.
B. II. 16.
B. III. 16.
B. IV. 22.

Mr. Richards, whose four districts extended into as many provinces, one being wholly in Leinster, another in Connaught, a third in Ulster, and one partly in Leinster and partly in Munster, gives 1s. 3d. to 1s. 6d. a day (equal to 7s. 6d. or 9s. a week) in Loughrea (Connaught), and 10s. to 12s. in Balrothery as the two extremes. Where food is provided, 5s. to 8s. a week are given.

The rates of wages given above do not include those paid in harvest or exceptionally busy periods. In some cases, at such periods from 2s. 6d. to 4s. a day, with food in addition, is given. In Ardee as much as 30s. a week is sometimes given in harvest time.

In some of the districts where a comparatively high rate of wages is reported as occasionally reached, the number of agricultural labourers as distinguished from indoor servants is so small that the average wages cannot be appreciably affected by a high rate. Thus in Kenmare labourers in some cases get 12s. a week—but the whole number of them is equal to only 7½ per cent. of the agriculturists and to 41 per cent. of the wage earners. On the other hand, however, in Dromore, which is the district of lowest wages, only 6 per cent. of the agriculturists, and less than 40 per

cent. of the wage earners are agricultural labourers, the indoor farm servants being in excess of the outdoor labourers. Where the agricultural labourers are most numerous, either in proportion to the agriculturists, or to the wage earners in agriculture, the rates of wages are as a rule somewhat higher than they are where the labourers are fewest in number. Taking all these circumstances into consideration, it may be estimated that the wages of ordinary agricultural labourers who have continuous work do not, on the average throughout the country, exceed 9s. 9d. a week, while the mean rates of such weekly wages in districts range from 7s. to 11s.

201. Very few opportunities are offered to the ordinary labourers for increasing their earnings by piece-work, as not much work is done by contract, except in hay and harvest, and in those cases it is chiefly done by casual men. In a few districts a cash bonus of 20s. or 30s. is given to the regular labourers for their extra work in harvest.

Ordinary labourers have few opportunities of adding to wages.

202. Indoor farm servants who form more than 40 per cent. of the wage earners in agriculture in Ireland and more than 50 per cent. of that class in Connaught, are probably somewhat better paid than the ordinary day labourers. They have board and lodging, and wages ranging from 8l. to 24l. a year, the two extremes being exceptional, the lower rate probably including some of those who are not fully competent men, and the higher rate being paid to specially skilled ploughmen. The higher rates of wages are paid in Ulster and the county of Louth (Ballymena, Ardee, Downpatrick, Cookstown, Letterkenny, Clones), the range in these unions being from 12l. to 20l., with a mean of about 17l. The lowest rate given is in Mountmellick, where it is said to be from 7l. to 10l. Other districts of low rates are Westport, Kanturk, and Kenmare, where the range is from 8l. to 12l.

Farm servants.

203. Ploughmen and stockmen, where they are a distinct class of outdoor labourers, get continuous employment, and from 1s. to 2s. a week more wages than other men where they have no perquisites, but very generally they have some allowances; frequently, however, they are indoor servants, and it is men of this character who receive the comparatively high rate of wages previously spoken of as prevailing in the north-east part of Ireland.

Ploughmen and stockmen.

204. One or more of the following perquisites and allowances are often enjoyed by ordinary labourers as well as ploughmen, viz. :—turf, coal, milk, food, potato ground, tillage and meadow land, and the grazings of cows and sheep at a cheap rate. These allowances are more liberal on demesnes or large farms.

Perquisites and allowances.

Fox, A. 47.

205. Shepherds and Herds are in some counties a distinct class of labourers, and their payment in the pastoral districts is often entirely made in the form of free grazings, the herd being a stock owner, and frequently a cattle dealer, who undertakes the entire supervision and care of the stock, and provides, either by the employment of members of his own family, or by hiring, such additional labour as may be necessary.

Shepherds and herds.

The class is mentioned in the reports upon 16 of the districts, but in only 7 of these 16 do the wages seem to differ from those of stockmen.

In Ballyshannon Mr. McCrea reports that they get a free house, one Irish acre (=1.62 Imperial acre) potato ground, and the grazing of two or three cows and their calves and pigs.

McCrea, B. II. 20.

In three of the districts visited by Mr. Wilson Fox, and one of those visited by Mr. Richards, the system previously alluded to prevails, and the herds are generally a distinct class, and they have been able, by combination, to secure to themselves the high scale of remuneration demanded in 1881 by the League of Associated Herds in Roscommon, and ultimately conceded by the masters. Under this scale herds in charge of less than 100 acres receive a house, 2 acres of land, and the keep of 3 cows; those in charge of 100 to 150 acres receive 3 acres of land and 3 cows, and those who have the care of more than 150 acres receive 4 acres of land and 4 cows.

Fox, B. II. 55.

A somewhat similar though more elaborate system is reported to be in operation in Loughrea (Galway), where the herd is allowed so many acres of potato ground and so many "collops" or "freedoms" of grazing in respect of a certain area of ground which he has the care of—a "collop" is a stinted quantity of stock, the grazing of which is of approximately equal value, as for instance a cow and calf; or a mare and foal (up to November); or three yearling stirks; or four ewes and their lambs for each collop. A herd having charge of 400 acres of grazing now gets seven acres of arable land and eight collops, so that a man in such a position may possess a large head of stock of considerable variety.

Richards, B. I. 20.

Fox, B. II.

Mr. Wilson Fox gives several examples of different combinations of "cash" and "kind" payments which came under his notice. The difficulty of estimating the value of the herd's various emoluments is almost insurmountable, although the gross receipts may be arrived at. These receipts are partly farmers' profits and interest upon capital, and they are subject to deductions for hired labour, or the value of the assistance rendered by the members of the herd's family; but there seems reason to believe that this class is a prosperous one occupying a position of much greater comfort and independence than that enjoyed by any other labourers.

Estimated annual earnings of different classes.

O'Brien, A. 19.

206. The total annual earnings of the different classes of labourers are estimated by the Assistant Commissioners at various sums ranging in the case of the ordinary labourers from 17*l.* 10*s.* to 40*l.* a year.

Mr. O'Brien estimates the earnings of those constantly employed at from 23*l.* 8*s.* to 26*l.*, but for those whose employment, though continuous, is subject to deduction for broken weather, church holidays, &c., the working days are estimated to be reduced to 265 days in the year, and the annual earnings calculated on this basis would be from 19*l.* 17*s.* 6*d.* to 22*l.* 1*s.* 8*d.*

Mr. McCrea estimates the earnings of first class men in Downpatrick and Limavady at from 30*l.* to 35*l.*, and at the other extreme he puts Ballyshannon and Dromore, where the earnings of the ordinary labourer would be 20*l.* or less. The districts from which the lowest minimum rates are reported are Dromore, 17*l.* 10*s.*; Ballyshannon, 18*l.* 10*s.*; and Loughrea, 18*l.* 10*s.*, and in no others is a minimum of less than 20*l.* given as an estimate. The districts in which the highest maximum rates of earnings are given are Balrothery and Roscrea with 40*l.* as an outside limit, and Naas comes next with 39*l.* Taking in each district the mean between the maximum and minimum the highest rates are found in Balrothery and Roscrea where they amount to 33*l.*, and next in the list is Downpatrick where it is 32*l.* 10*s.* The three districts having the lowest mean rate are those mentioned previously as having lowest minimum rates, Dromore with a mean rate of 20*l.* 8*s.*, Ballyshannon with 20*l.* 10*s.*, and Loughrea with 20*l.* 19*s.* The average of the mean rates of estimated annual earnings of ordinary labourers is a fraction above 26*l.*, or at the rate of 10*s.* a week.

Where the labourers are boarded and even where they receive only one or two meals a day their position is probably better than where they receive payment entirely in cash. The usual deduction from wages made where food is provided is 3*s.* a week, but in some cases there is a difference of only 1*s.* 6*d.* or 2*s.* between wages with, and wages without, food.

Earnings of farm servants.

207. Servants who are boarded, and they form a large per-centage of the total number employed, are still better off than the ordinary labourers who get more or less food, as their board and lodging cannot be estimated at less than 6*s.* a week or 15*l.* 12*s.* a year which, with an average money wage of about 13*l.* (or a total of 28*l.* 12*s.* a year) with certainty of continued support, compares favourably with 26*l.*, when it is borne in mind that in the class are reckoned many who are not fully competent men.

Fox, B. I. 59.
B. II. 57.
B. III. App. A. 3.
B. IV. 76.

The diet provided by the farmer varies with the position of the employer, in some cases meat (either beef, mutton, or bacon), or fish, is given every day for dinner; in others it is seldom seen, and bread, butter, potatoes, and milk are the principal articles of consumption, but whatever the food may be it is the same as that of the farmer's family.

Earnings of women.

208. Where women do engage in field work there is less disparity between their rate of pay and that of men than is generally the case in England and Scotland. In Wexford they are paid 8*d.* to 1*s.* a day, in Westport 9*d.*, and in Cookstown 10*d.* is given as the usual wage, but these are the only districts where the rate appears to be less than 1*s.* a day, and the rate is increased to 1*s.* 6*d.*, 2*s.*, and 2*s.* 6*d.* at harvest time or at flax pulling.

Comparison of present earnings with those of former periods.

Reports of poor law inspectors 1870.

209. A comparison of the present wages and earnings of the various classes of labourers at the present time with those of former periods is extremely difficult, since such records as are accessible deal with all classes of labourers on the same footing.

210. I have laid before the Commission a memorandum upon a series of reports made by inspectors under the Poor Law Commission (Ireland) as to the wages of agricultural labourers in 1870. These reports, however, deal in most cases with large areas they affect all classes of agricultural labourers, and they present average results; they are not therefore easily comparable with the results of a survey of particular districts. Two of the inspectors who reported in 1870 tabulated the results of their inquiries

under the names of the several unions forming their districts, and a third gave the names of unions in his district having the maximum and minimum rates of wages. These reports give a basis for comparison of the wages of 1870 and 1892 in nine poor law unions, which have been selected as districts of inquiry by this Commission. Five of these districts are in Ulster, and four of them in Leinster. The weekly wages in these nine districts averaged 8s. 8d. in 1870, and in 1892 the average of the mean rates was 9s. 6d. In the earlier period they included, apparently, all classes of agricultural labourers. In 1892 the wages given refer exclusively to ordinary labourers. In the case of indoor servants, the rise since 1870, as shown in four districts which can be compared, has been such that a minimum wage of 14l. has taken the place of one of 8l., and a maximum of 21l. in 1892 has to be compared with one of 16l. in 1870. The mean of 1892 in those four districts is 17l. 10s., while in 1870 it was only 12l. It must be admitted that results of this comparison are not very conclusive, since it leaves entirely out of account the conditions as to regularity or continuity of employment.

211. The evidence collected by the Richmond and Bessborough Commissions between 1879 and 1882 contains some scattered notices of wages in different parts of Ireland, but no sufficient information to support a comparison of wages at that date and those of the present time. Professor Baldwin, an Assistant Commissioner under the Richmond Commission, stated that the average wages of an agricultural labourer would not at that time be more than 7s. a week, while the total earnings in thousands of cases would not be more than 10l. a year.

212. In 1886 Dr. Grimshaw, Registrar General (Ireland), prepared for the Cowper Commission statistics of the rates of pay then current in certain unions. These statistics give a not very wide range of wages without any definite information as to the class of labourers to whom they were paid. It ought to be stated that Dr. Grimshaw did not in his evidence attach any great value to the statistics which he had collected. Estimates of the daily rate of pay are given in the table referred to as to 12 unions which have been the subject of inquiry under this Commission. These districts are widely distributed, five being in Leinster, two in Munster, three in Ulster, and two in Connaught. The average of the mean rates of daily pay in those 12 unions in 1886 was 1s. 6d. a day, or 9s. a week, if six days' work were obtained. The average of the mean rates of weekly wages for 1892 in the same unions was 9s. 6½d.

213. The evidence to be derived from the statistics of former periods, though not conclusive as to the amount of increase, does corroborate the statement that wages have risen; the amount by which earnings have increased must depend upon the comparative frequency or constancy of employment at different periods. There is a great probability that statements as to rates of daily wages may exaggerate the average weekly pay, and in support of this conclusion it may be stated that the annual "Agricultural Statistics" for Ireland contain a table showing the daily rates of wages in a large number of unions in that country. In this table the rates given are a maximum and minimum rate for winter and summer respectively. The table includes 24 out of the 30 unions of inquiry. If the average of the mean rate of summer *minima* and winter *maxima* be taken for those 24 unions it will exceed the average of the mean rates deduced from the reports of the Assistant Commissioners in 1892. The average of the mean rates in these 24 districts deduced from the reports is 9s. 5d. The minimum summer rates of the table referred to average 10s. 9½d.; the average of the maximum winter rates is 10s.; and the mean of these two rates is 10s. 4½d. per week.

It may be assumed that any estimate of the earnings of Irish labourers, which is based upon the current rate of a day's pay, will considerably exaggerate his average weekly earnings.

214. The industries which compete with agriculture for labour are not numerous in Ireland. Coal mines in Kilkenny and Carlow, and linen factories in the north-east of the island are the chief among them. But there are very generally supplementary industries which find employment for some of the labourers during part of the year. In all the districts which are on the sea-board fishing is pursued, and in many cases by those who during part of the year work as farmers or labourers. In these districts the collection of seaweed for sale as manure or for kelp manufacture also employs a number of men. Turf cutting either for sale or for their own use by the labourers is very general. Flax scutching and weeding in the north-east, quarrying, stone-cutting, lime-burning are also spoken of as finding employment in several districts for those

Richmond and Bessborough Commissions, 1879-1882.

Memorandum by Mr. Little on proceedings of Richmond Commission.

Cowper Commission, 1886.

Rise of wages.

Competing and supplementary industries.

Labourers
(Ireland)
Act, 1886,
49 & 50 Vict.
c. 59.

who are qualified to participate in the advantage of the Labourers Acts under the definition of an agricultural labourer adopted in the amended Act of 1886, and including hand-loom weavers and fishermen doing agricultural work for hire at any season of the year.

Want of
employment
and conse-
quent migra-
tion.

Fox, A. 14.

215. For the want of sufficient employment at home a very large number of labourers both male and female annually migrate from the western counties to England and Scotland. Mr. Wilson Fox gives figures compiled from parliamentary returns showing that "about six-sevenths of the whole number of migratory labourers go from "Connaught, and of these almost two-thirds from the county of Mayo." Among the districts of inquiry are Castlereagh from which about 40 per thousand, and Westport, from which 32 per thousand annually migrate. About one-third of the migrants are landholders, some of them occupying as much as 25 acres; they begin to go in March and many of them do not return before November or as late as Christmas. Only about 2½ per cent. find work in other parts of Ireland, the remainder go to England or Scotland. Those from Castlereagh go chiefly to Cheshire, Warwickshire, and Lancashire, while those from Westport find their way to the same counties and also to Yorkshire, Northumberland, and Scotland.

Women go in considerable numbers from Westport to Glasgow, and thence to those districts of Scotland where potatoes are largely grown. Many of these women are collected and exported by contractors, or "gaffers" as they are called, who engage with merchants in Scotland to provide hands. The majority of these young women go in May and June and return in the autumn.

The number of migratory labourers is greatly decreasing, and is now confined to a restricted area instead of being spread over the whole country as it once was, because there is now less demand for their services in Great Britain.

Earnings of
migratory
labourers.

216. Mr. Wilson Fox was able to trace some of these migrant labourers to the scene of their work and to obtain particulars as to their actual earnings. The men are said to clear from 9*l.* to 15*l.* during a five or six months' visit, or as much as 20*l.* if they stay nine months; and the girls in some instances save as much as 9*l.* or 10*l.* in five months. The migratory labourers of the west of Ireland are the subject of a most interesting section of Mr. Fox's final Report.

Fox, A. 18.

Another casual source of income to the small farmer labourers of the west is that of remittances from children and other relatives abroad. These are in the aggregate very large in amount. Mr. Fox gives an instance of a fisherman farmer who had received from two of his girls aged 13 and 11 years as much as 7*l.*, and other instances where the only cash transactions between a small farmer and the general storekeeper are the result of remittances from abroad.

IV.—COTTAGE ACCOMMODATION.

217. Mr. O'Brien commences the section of his final Report which deals with cottage accommodation, with the following sentence:—

General
low level.
O'Brien,
A. 21.

"It will probably, I think, be accepted as a fairly well-established position that in few, if any, of the countries with the affairs of which we are conversant, has the condition of the class of agricultural labourers, in regard to house accommodation, ever been known to sink to a lower level of general wretchedness than that very largely reached in Ireland in this respect, in even comparatively modern times.

Great im-
provement.

"On the other hand, and as some counterpoise to this, perhaps it may be now added with not less justice, that nowhere has the same progress been recently made in the effort to grapple practically with and reduce the dimensions of the evil that has been experienced, in at least the two provinces with which alone it has been my duty to deal, under the healthy impulse of the remedial legislation of the last 10 years on the subject."

Many bad
cottages still
existing.

O'Brien,
B. III. 41.

218. Notwithstanding the progress which is thus recognised, there is abundant evidence of the present existence of a large number of dwellings which are unfit for human habitation.

In his district Reports, Mr. O'Brien describes some of the dwellings which came under his notice. In the union of Naas the relieving officer of one district deposes as follows:—

"The houses in Kilmeague, north and south, and Rathernan electoral divisions are the worst I ever saw. . . . Often I had to creep on hands and knees into them to give outdoor relief when their wives would be sick; they are built of bog sod and thatched; in some cases sodded on top instead of thatched."

Mr. O'Brien adds:—

“ The houses thus described appear to have been built by the occupiers themselves, who are bog labourers.”

He then gives typical illustrations of these houses. No. 1 has one apartment, 10' x 8', with three adult persons and one child as inmates. No. 2 has one room, 12' x 10' in which reside father, mother, and six children. No. 3 has two rooms, 10' x 8', with father, mother, and five children.

In the town of Kilcullen, in the same union, Mr. O'Brien visited some cottages which he describes: In one of these, containing only one room, bad and smoky, and 14' x 9', lived a man, his wife, and eight children.

219. Mr. McCrea reports that in the districts which he visited, cottages are “ sufficient in number, and a good many are unoccupied, but a large proportion of them are deficient in space, in the number of apartments, and in sanitary arrangements.” He states that improvement has taken place in some districts and on some estates.

McCrea, A. 12. Northern districts, number sufficient; quality bad.

220. Mr. McCrea calls attention to the very little use which has been made in the districts of inquiry visited by him of the powers conferred upon rural sanitary authorities by the Labourers' Act, with reference to the building of cottages for agricultural labourers. The inaction of the authorities is not attributable to the satisfactory condition of the cottages, for they are described as bad. In Ballymahon, where 124 cottages have been already built, Mr. McCrea says, “ the accommodation of the majority is still poor, and that of many simply vile.” He describes a row of huts built by squatters in that union, most of which contain only one apartment, some have no window, and several have about 100 square feet or less of floor space.

Inaction of rural sanitary authorities.

McCrea, A. 13.

221. Mr. Wilson Fox describes the houses of the small holders in Westport. In that district “ there are no labourers' cottages in the ordinary sense of the word, as the agricultural labourers are either small holders or their sons.” He says that the condition is “ frequently deplorable,” and he sees “ little chance for improvement so long as the present system of the tenants building their own houses continues.”

Houses of small holders in Westport. Fox, A. 73.

Mr. Fox gives a detailed description of the typical cottage of that district, which has one principal room, generally about 15' x 12', and a bedroom sometimes of the same size but generally smaller. The roof is open to the beams and the floors are sometimes stones or concrete, but as often as not bare ground. In the living room a niche contains a bed near the fire, and at the opposite end of the room the live stock of the farm are accommodated—two cows and as many calves, with the addition occasionally of a horse, a pig or two, and some hens share the living room of the family. “ Such a thing as a closet is unknown, and there is no drainage whatever.” In front of the door the manure heap is frequently placed.

Typical cottage.

Fox, B. I. 49.

222. Mr. Fox found, however, that “ ill-constructed, badly repaired, and comfortless as were many of the cottages in the Westport Union, they cannot be compared in wretchedness . . . with some of the miserable hovels inhabited by labourers in the comparatively small country towns of Castlereagh and Skibbereen.” And he describes some of these cottages and their overcrowded state.

Houses in small towns. Fox, A. 74.

223. Mr. Richards, comparing agricultural labourers' cottages in Ireland with those in England, says: “ Monmouth was by far the worst of the English unions visited, and in describing what I had seen there, I felt it my duty to draw attention to the lamentable condition of the cottages and the absolutely joyless condition of the agricultural labourers. Were it possible to translate the Loughrea labourers into the Monmouth cottages, bad as they are, they ought to be happy. I have, of course, regarded these cottages from our English standpoint and made comparisons in my own mind with English models.”

English and Irish cottages compared.

Richards, A. 16. B. I. 23.

The cottages are described as built of mud or stone, splashed with mud or mortar, with a roof of thatch, the living room varying in size from 10' x 10' to 20' x 15', the sleeping room a narrow strip 6 or 7 feet wide, and divided by partitions into little boxes. The floors, often below the level of the outer ground, are of mud or native concrete worn into holes in which water accumulates. The thatched roof is frequently out of repair, the walls are often cracked, and the building structurally unsafe. When it is added that drainage is in most cases altogether neglected, and that sanitary conveniences are generally unknown, the picture of misery and squalor is complete.

224. The several districts of inquiry are not all of them on the same level of wretchedness in respect of house accommodation. Some of them contain examples of excellent cottages built on English models, but the Reports of the Assistant Commis-

Districts not all on the same level of wretchedness.

sioner leave little room for doubt as to there being in every part of the country a considerable proportion of dwellings which are thoroughly unfit for habitation.

Classification of houses, Census Returns.

225. The Census Returns for Ireland contain tables classifying the houses in respect of their extent, quality, and construction in four classes, the lowest of which comprises houses containing only one room with one window, built of mud, or other perishable material.

Without going into detail it may be stated that in Ireland 2·4 per cent. of the whole number of houses are in the lowest or 4th class, while in the county of Kerry 10 per cent. of the whole number of dwellings are of this wretched character.

Houses upon agricultural holdings.

226. It is not practicable to follow the inquiry into separate unions. The Census Returns give particulars as to the number of houses of each class upon agricultural holdings, and this may be some criterion of the conditions under which the agricultural population live in different districts. The Returns, however, do not supply any information as to the proportionate numbers of inferior houses in the small towns which both Mr. Wilson Fox and Mr. Richards characterise as far worse than the cottages in the open country. Taking the whole of Ireland the per-centage of the whole number of houses on agricultural holdings which are of the lowest class is 2·94. In Kerry the per-centage is 8·4, and in Limerick 6·3. Among the districts of inquiry Kanturk (county Cork) has the largest proportion (9·68) of houses of the 4th class; Kilmallock comes next with 6·55 per cent., and then Kenmare with 6·43 per cent.

General improvement in accommodation in last 30 years.

227. It should be stated that in the last 30 years there has been an enormous improvement in respect of house accommodation in Ireland. In 1861 there were 89,374 houses of the 4th class inhabited by 93,978 families. In 1881 these numbers had decreased to 40,665 houses with 41,025 families resident in them, and in 1891 to 20,617 4th class houses with 20,729 families inhabiting them, showing a decrease in the number of these mud cabins of 77 per cent. since 1861, and of nearly 50 per cent. in the last Census decade. During the same period houses of all classes decreased by only 12½ per cent. while the population decreased by 19 per cent.

There were thus at the date of the last Census not only fewer inhabitants per house than in 1861, but those houses were on the average of a higher class.

Number of cottages not a subject of complaint.

228. As a rule there is very little complaint as to the number of cottages or as to their situation, though some instances are given of men who walk long distances to their work, and in nine of the districts of inquiry there is said to be a demand for more cottages. This demand is, however, generally for houses of a better class, in fact, for "Union cottages," as the houses built by the rural sanitary authorities under the Labourers (Ireland) Acts are called. Although there has been throughout Ireland a large and long continued decrease in the number of houses, that decrease has been less than that of the population, and the average extent of accommodation per house has constantly risen, thus there is a larger space on the average for each individual and for each family than there was 10 years ago, or probably at any former period in recent times. Again, in every part of the country there are a considerable number of uninhabited houses—about one in every 14 taking the whole country through, and one in 18 among those which are upon agricultural holdings. Possibly these uninhabited dwellings are not habitable, and this may account for the overcrowding which exists. But it is difficult to imagine that the Census enumerators could have described as "a house" any building which was inferior to some of the huts described by Assistant Commissioners.

Examples of bad cottages.

McCrea, B. XI. 25.

229. In Ballymahon Mr. McCrea visited—

"a mud cabin of two apartments, about 14' × 13' and 14' × 9', with 13 props to the walls outside, six props holding up the kitchen roof, and three or four more in the bedroom ;"

and in the same place—

"a cabin, 11' × 9', with no chimney, window, or furniture, occupied by a man and his wife, who had taken in as lodgers a woman and her five children."

McCrea, B. X. 21.

Again, in Dromore, Mr. McCrea, found—

"a cabin of one apartment, 15' × 12', into which were crowded a man and his wife, six boys, and three girls, or eleven persons in all."

Mr. Richards, speaking of the town of Loughrea, says—

Richards, B. I., 22.

"With the exception of the four new cottages built under the provisions of the various Agricultural Labourers' Acts, there is not one of the cottages visited at the present moment in a sanitary condition and fit for habitation."

“Eliminating those cottages which could be made sanitary, and the new ones built by the guardians, and some comparatively modern ones, built by Lord Clanricarde, the rest are beyond redemption; they are utterly unfit for human habitation, and cannot by any amount of patching be made fit.”

Mr. Wilson Fox visited a house in Skibbereen, containing a living room, two bedrooms, and two lofts, in which 19 inhabitants of three generations dwelt. In one loft slept three sisters, aged 18, 13, 9, and three brothers, aged 22, 16, and 12.

Fox,
B. III. 40.

Again, in Castlereagh, he reports a cottage with two rooms on the ground floor about 14' x 14'. In the living room sleep two sons, aged 21 and 16. In the bedroom, sleep in the same bed, a man, his wife, two girls, of 11 and 8, and a baby. On the bare clay floor of the same room sleeps a female lodger, with a boy of 8, and a baby.

Fox II. 42.

It must be remembered that these are not solitary instances, they are examples of what, it is to be feared, is too common to excite much surprise or disgust.

230. Reference must be made to the Reports of the Assistant Commissioners for full particulars of the defects of the cottages inhabited by labourers and farmers; defects in construction, in the state of repair, in the size and number of rooms, and in the sanitary conditions. It is sufficient to say, in this place, that those Reports contain the most painful evidence of the miserable condition of a large number of dwellings in different parts of the country.

Defects of
cottages.

231. As a proof that the standard applied in classifying houses as good or bad is not absolute, but relative, it may be pointed out that in one place, cottages which are described as *fairly good* contain only two apartments, one of which is 14' x 14' and the other 14' x 9'.

McCrea,
B. X. 21.
Standard of
excellence
relative.

232. It may be asked, naturally, under these circumstances, whether the sanitary authorities have statutory powers which would enable them to provide a remedy for the overcrowded and insanitary condition of the cottages? It appears that the local authorities have similar powers to those which are entrusted to sanitary authorities in England, while the medical officers of health are not removable by the boards of guardians.

Powers of
the sanitary
authorities.

233. Mr. Richards says with reference to the action of the sanitary authorities:—

Alleged
indifference
and incom-
petence of
officials.

“In Ireland the indifference and incompetence are much greater than are found in England; the medical officers are not so entirely at the mercy of property owners; and by the Labourers Acts the guardians have not only ample powers to replace property which is not habitable, but on certain representations being duly made the obligation is laid upon them to build cottages at the cost of the union.”

Richards,
A. 19.

“In England zealous and independent officers and conscientious guardians are often deterred from a rigid enforcement of sanitary obligations by the fear of driving the occupier from his house and village, as might be the result. In Ireland, indifference to the labourers' condition, or the fear of improving it at the expense of the rates, often leads the guardians not merely to acquiesce in sanitary conditions absolutely intolerable, but also to place every possible obstacle in the way of those labourers who, having at length learned the method of procedure under the Labourers Acts, have put their representations in due order and brought them before the board of guardians.”

Richards,
A. 21.

234. Mr. O'Brien devotes a considerable section of his Reports to the legislative measures relating to labourers' dwellings, which were passed during the period 1883 to 1891. After describing the conditions which prevailed generally before the passing of the Labourers (Ireland) Act, 1883, and noticing the action of some local authorities and the inaction of others in the exercise of the powers conferred upon them by this Act and various amending Acts; affirming the necessity for a wide expansion of operations, and testifying to an intense and earnest desire on the part of the labourers to acquire possession of cottages under the provisions of these Acts, he proceeds to notice some objections which have been made to some of the administrative details of these measures and to report suggestions of amendment which have been offered by gentlemen who are practically conversant with the subject.

Legislative
measures
relating to
labourers'
dwellings,
1883-1891

235. I have laid before the Commission a memorandum upon these Acts appending to it communications which have been made by the courtesy of the Local Government Board (Ireland) from officials who have been engaged in the department which is charged with the administration of the Act. Mr. M. O. Sullivan has contributed a memorandum upon the objects of the Acts and the extent of the work which has been done, and Mr. R. O'Brien Smyth, Engineering Inspector to the department, has

Memorandum on
Labourers
Acts.

presented a memorandum upon the rules and regulations laid down by the Local Government Board, and the work which has been undertaken by the local authorities. It appears from Mr. M. O. Sullivan's Report that up to July 1892, the Local Government Board had sanctioned schemes for building 11,774 cottages and repairing 97. Of this number, 8,899 cottages had been built while 656 were in progress. Of the whole number which had been built, nearly 99 per cent. were in the provinces of Leinster and Munster, the latter having 62.2 per cent., and the former 36.6 per cent. of the total number. In these five provinces there are only four unions in which no cottages have been built under these Acts, and of these, three are in the extreme parts of Kerry. The counties of Cork, Limerick, and Tipperary alone have one-half of the cottages built. The cost of the cottages is said by Mr. O'Brien Smyth to average from 70*l.* to 120*l.* The loans sanctioned amount on an average to 106*l.* per house. The present terms upon which money is advanced by the Treasury to local authorities for the purposes of the Acts involve an annual payment of 4*l.* 9*s.* 2*d.* to 4*l.* 16*s.* 6*d.* per annum for interest and instalments of principal according to the length of the term over which the repayment is extended.

Operations under Labourers Acts in districts of inquiry.

236. Action in this matter has been taken by the local authorities in 15 out of the 30 districts of inquiry. The number of cottages sanctioned by the Local Government Board in these districts is 2,635, and of these 2,189 had been built or were in course of erection at the date of the Report. The rents charged for those cottages, including land, not less in any case than half an acre, and sometimes extending to a statute acre, varies from 8*d.* to 1*s.* 6*d.* a week, only about 12 per cent. being let at more than 1*s.* a week.

Cost of cottages built under those Acts.

237. The actual cost of these cottages, including all expenses is stated in some of the Reports. It ranges from 150*l.* in Ennistimon to 100*l.* in Wexford and some other places, the average of the instances given being something less than 120*l.* The amount of accommodation contained in these cottages varies considerably. In Mountmellick they are exceedingly cramped dwellings, containing only three rooms of the uniform size 9 ft. x 7 ft. 6 in., without any other outhouse than a privy; these cottages cost 122*l.* each, and they are let with half an acre of land at 1*s.* a week. In Carlow a much better class of house is being built. It contains kitchen, 14 ft. 6 in. x 11 ft., three bedrooms, storeroom, piggery, fowl house, privy, and one acre of land. The cost is about 120*l.*, and the rent is 1*s.* a week; that is exactly the same sum as is charged in Mountmellick for far inferior accommodation with half the quantity of land.

O'Brien, B. X. 48-45.
O'Brien, B. XI. 41.

Liabilities of ratepayers.

238. The liabilities which have been imposed upon the ratepayers for the carrying out of these improvements are very considerable, and they have no doubt deterred boards of guardians in some of the poorer districts from taking action.

O'Brien, B. V. 38-40.

Mr. O'Brien, in his Cashel Report, states that 22,057*l.* have been spent in that union. This capital has been borrowed on terms of repayment in 50 years, the annual charge for that period being 983*l.* 3*s.* 4*d.*, which is equal to 4*l.* 15*s.* 11*d.* for each cottage per annum. They are let for rents of 3*s.* 4*d.* and 3*s.* 9*d.* per month. The rent received for the year ending September 1892 was 448*l.* 15*s.* 10*d.*, the arrears were 191*l.* 4*s.* 6*d.*, or about 30 per cent. of the whole amount. The expenditure by the guardians for repairs, taxes, and cost of collection was 239*l.* 3*s.* 8*d.*, so that these net receipts were little more than 200*l.*, the loss to the ratepayers in the current year being 773*l.*

O'Brien, B. IX. 37, 42.

In Kilmallock, where the largest amount of work under the Acts has been done, each cottage represents an annual loss to the ratepayers of 5*l.* 1*s.* 6*d.* At the time of the Report 460 cottages had been built, at an average cost of 130*l.*, and it was proposed to build 350 more. If these should involve an equal loss to that under the former scheme the ratepayers will lose more than 4,000*l.* a year if all the rents are regularly paid. This would amount to a rate of 7½*d.* in the *l.* on the assessment.

O'Brien, B. II. 44.

Again, in Kanturk, the guardians have to pay 1,537*l.* a year in respect of their loan; their rents receivable are 634*l.*, of this they only received in 1891 about 400*l.*, out of which they had to pay 2*s.* in the *l.* for cost of collection, and in addition repairs, insurance, rates, and taxes. Thus, if all rents were punctually paid the ratepayers would lose at least 1,000*l.* a year, which is equal to a rate of 3*d.* in the *l.*

Complaints as to construction and arrangement.
O'Brien, B. II. 45.

239. Mr. O'Brien records several complaints by the inhabitants of union cottages as to their construction and arrangements, and he expresses the opinion in one Report that the guardians had been very badly served by the contractors. The labourers have "a wide and deeply rooted feeling to the effect that the selection of sites for the cottages, of contractors to build them, and of labourers to occupy them, has not been

“ properly conducted, and that the decision arrived at on these points has been, for O'Brien,
 “ the most part, governed by private influences, and other equally objectionable B. IV. 41.
 “ considerations.”

240. The principal complaints as to the forms of procedure prescribed by the Acts in question which are reported by Mr. O'Brien are— Complaints as to forms of procedure.

- (1.) The delay involved or entailed in practice in putting the Act into operation, it being estimated that an interval of about two years usually elapses between the inception of a scheme and the acquisition of sites. O'Brien, A. 24.
- (2.) The expenses for incidental charges; the outlay most complained of being the cost of appeals heard before the Privy Council, Dublin.

It may be noted in passing that by the Act of 1885 the appeal against a provisional order to take land compulsorily was transferred from Parliament to the Privy Council of Ireland, in accordance with the recommendations of the Select Committee of the House of Commons, 1884. 48 & 49 Vict. c. 77.

As regards the action of the guardians it is made a matter of complaint, that in no case have they made use of the powers which they possess for the purchase and repair of existing houses.

241. The suggested amendments reported by Mr. O'Brien include a scheme for substituting an official of the Local Government Board for the board of guardians. It is proposed by one gentleman that a sub-commissioner should prepare a complete scheme for a union, that after local inquiry and due publication of the scheme the Local Government Board should be empowered to make an order to carry out such a scheme, and that such order should be subject to appeal to the Court of Appeal of the Irish Land Commission. Another proposal is the purchase of every labourer's house in the country, and reletting such as are fit for habitation with half an acre of land, on the plea that all should have the same advantages as those enjoyed by the fortunate few who have succeeded in getting cottages under the Labourers Acts. The other suggestions are principally with regard to formalities which have to be observed, and in the opinion of some might be dispensed with. Suggested amendments.

One witness proposes to make it compulsory on a farmer to give up for cottage sites a certain proportion of his farm, say, 1 acre in every 60 or 80 in the holding.

It is also suggested that the recovery of rent from defaulting tenants would be facilitated and rendered less expensive if the clerk to the union or the rent collector were empowered to appear at Petty Sessions on behalf of the guardians. And it is proposed that the labourer should have the option of purchasing his house and plot by payment of the needful instalment.

Mr. Richards also reports complaints as to the selection of sites, the formalities which occasion delay, and the personal considerations which are said to sometimes outweigh public advantages and he records a suggestion which has been made for the appointment of independent Commissioners clothed with full powers to adjudicate upon all representations and to determine on sites.

242. The action of some of those boards of guardians which have been most liberal in the application of their powers has not fully satisfied the demand for better dwellings with land attached, and it is scarcely to be expected that those who do not enjoy these advantages, provided to a great extent at the cost of the public, will be content without some similar provision. Thus, wherever action is taken it will probably have to be followed up by increased demands which it may be difficult to refuse. Demand for cottages unsatisfied.

In those unions where the guardians have been deterred by fears as to the burdens which may be imposed upon the ratepayers, and where they are not satisfied of “ the sufficiency of their resources,” a matter which they are bound by the Statute to consider, the labourers will have reasonable grounds for dissatisfaction with their position as compared with that of the labourers in other districts.

243. I have in the memorandum on the Labourers Act already referred to raised the question “ whether the natural result of a large provision of cottages under the Acts will not be to fix upon the land a much greater number of labourers than can be profitably employed in the purely agricultural districts of Ireland.” Possible effect of the Acts to retain population where there is not employment.

Mr. Richards, writing of Loughrea Union, says that “ the two conditions, apart from the low rate of wages, or perhaps not altogether unconnected with such rate, which most materially affect the agricultural labourer in Loughrea are—

- “ 1st. The lack of continuous employment.
- “ 2nd. The dilapidation of his home.

Richards,
B. I. 35

“ As matters now are the work is not there, and the labourer must either leave the district or remain earning such money in the busy time as will keep him decently in idleness during the winter or drag on in a condition of pauperism as he does now, or have further work provided for him. It was recommended that this could best be done by providing each labourer with about 2 acres of land.”

Extension of gardens under Act of 1892.

244. The Act of 1892 has extended the size of a garden allotment which may be attached to a cottage from half an acre to a statute acre; if this quantity should in the future be assigned to newly built “ union cottages ” it is not improbable that the occupants of those already existing, and provided with half an acre only, will feel some jealousy of their neighbours.

Union cottages better than small farmers' houses.

245. There is every reason to believe that where the Labourers Acts have been made use of, the accommodation provided for the labourers and that at the expense of the farmers and landowners, is of a far better character than that to which the small farmers are accustomed.

People not trained to appreciate improved sanitary conveniences, Richards, B. IV. 37. or increased accommodation.

246. It may be said fairly that the great mass of the population have not yet been educated to appreciate sufficiently the advantages of good cottages properly provided with sanitary conveniences. Mr. Richards, after visiting a large number of union cottages, declares that in no single instance was this kind of outhouse used for the purpose for which it was built.

247. As regards the number of rooms required for the decent bringing up of a family, when a schoolmaster is found occupying a house which contains only two rooms, each of which is only about 10 ft. square, and in which he, his wife, and three daughters, aged respectively 23, 20, 11, with a boy of 14 live, a high standard can scarcely be expected to prevail among those who are presumably less educated and refined.

Ownership of cottages.

248. The ownership of cottages is, as in England, divided between estate proprietors and independent owners who let them, and squatters who own what they occupy. But there are two kinds of tenure of cottages which are certainly rare, if not unknown in England. In Ireland, many houses have been built by small occupiers upon land which they rent, and these are generally of the same miserable character as the squatters' houses; and a considerable number are held by middlemen who sublet them. The middle man, often a farmer, takes cottages from an estate owner, not for the purpose of housing labourers to whom he gives constant employment and regular wages, but mainly with the object of making a profit, and partly with that of securing labour at busy periods of the year, without, however, subjecting himself to the correlative obligation on his part of providing regular employment.

Tenure.

249. In some such lettings the rent is paid by one day's labour in respect of each week's occupation, and it is alleged that this system gives the opportunity of exacting the day's labour just when the tenant could earn the largest wages. In such cases the labourer may be subjected to a very oppressive and unfair rent. A rent which is equivalent to an average day's wage throughout the year might not be excessive; but if the 52 days' work were claimed in hay time and harvest, when the labourer could easily obtain work at comparatively high wages, a great injustice might be done. In Bailieboro', Mr. Richards was told that labourers who left the district for harvest work elsewhere were called upon to return for the purpose of working off arrears of rent which had accumulated when no work had been provided for them.

Richards, B. IV. 38.

Many estate cottages and those on the larger farms are held rent free during the engagement of the labourer. Others are held by the week, month, quarter, and year. Mr. Richards gives particulars as to 96 cottages in two of his districts of inquiry, and of these 51 were held at a weekly rental, and probably therefore by a weekly tenure.

Rents.

250. The rent of the 96 cottages referred to varies from 5s. a year to 4s. 6d. a week, or 11l. 14s. per annum, the larger sum being paid for a four-roomed house, two of which rooms are 8' x 8', and the other two 8' x 5'. Four shillings a week appears to be a not uncommon rent in small towns for tenements of one room. In Mr. Richards' list of 96 cottages those having three rooms are let at an average rent of 1s. 6d. Mr. Wilson Fox gives particulars respecting a number of cottages in Skibbereen and Delvin districts. In the former union, 1s. a week seems to be the full rent of a two-roomed cottage. In Delvin some four room cottages in good repair are let at 32s. 6d. a year.

It is generally said that 1s. a week is as much as a labourer can afford to pay for rent, and the union cottages are let with half an acre of land for about that sum, while many men are paying 50 per cent. more rent for miserable cottages without any garden at all. It is pointed out by Mr. Richards that many labourers pay more for naked land than is charged for the same extent of ground, with the addition of a good cottage.

251. In the case of all tenements or holdings with a valuation not exceeding 4l Rates on cottages. rates are legally due and payable by the landlord; when over that amount the rates are divided between landlord and tenant. Union cottages are, in all cases, let free of rates, and it does not appear probable that any rates are paid by labourers who are not occupiers of land.

V.—GARDENS AND ALLOTMENTS.

252. Cottages in the country districts have usually land attached to them, except in Gardens. the north of the country, where it is said that many have been abolished and potato grounds substituted for them. In towns many houses have not even a yard much less a garden. Union cottages are provided with half an acre of ground, and some of the more recently built ones have an acre. Some estate cottages have not only large gardens, but meadow land attached. Mr. Wilson Fox says that "in Westport, Fox, A. 90. "Castlereagh, and Skibbereen unions the small holders and cottagers seldom have "flower gardens, the space generally occupied by the garden in English cottages "being monopolised by the manure heaps, and also used as a run by the pigs and "fowls, but then, of course, the small holders, and in many cases the labourers, have "land adjacent, on which they grow potatoes and vegetables for consumption." The gardens appear to be almost entirely given up to the growth of potatoes and cabbages, with an occasional crop of oats.

Only two or three reports notice the growth of flowers or fruit, or a variety of vegetables. Mr. O'Brien deploras the fact, and he quotes the evidence of "a close observer of the general situation," who says: "It is greatly to be regretted that the O'Brien, A. 29. "labourers have no idea of the cultivation or use of other vegetables, so as to make "soup and pies of vegetables and potatoes, which would thus greatly improve their "diet."

253. Allotments, as understood in England, scarcely exist. Mr. O'Brien points out Allotments. that no practical effect has been given to the provisions of the Labourers Acts, 1885, and 1886, enabling local authorities to provide allotments for labourers resident in adjacent towns and villages. He says, "In only one instance that came under my O'Brien, A. 30. "notice, Kilmallock, had anything been actually done in this way, and there it was "only on a very limited scale."

254. Potato grounds are very generally provided for those who wish to have them, Potato grounds. but the terms on which they are supplied vary considerably. In some places these are liberal, a hired labourer getting from one to two roods free of rent; the ground being sometimes manured and tilled by the farmer. In other parts the labourer finds manure, McCrea, A. 14. and pays as much as 4l. or 5l. an acre for the use of the land for one year, as much as 12l. an acre being sometimes charged. This system of hiring land for one year is known as the "con-acre" system.

255. Cow runs or cow pastures in the English sense of the term, as describing Cows. pastures in which the occupants of certain cottages have a right or privilege of pasturing their cows, do not exist, but, apart from the small holdings occupied by those who are sometimes labourers for hire, it is not unusual for estate owners or large farmers to allow their labourers, who are permanently engaged, the grazing of one or more cows, either as an allowance in lieu of wages, or at a fixed sum, which, it may be added, is generally a small sum compared with the cost of the keeping, or the value of the privilege to the owner of the cow. The grazings by which the herds in some of the pastoral districts are entirely or chiefly remunerated are the most prominent instances. These are most common in Castlereagh, Delvin, Dromore, and Loughrea, but they are found in many other districts. In some parts of the country, as in Ballymahon and Letterkenny, ordinary labourers are not uncommonly paid in part by grass for a cow and calf. In other places the labourer's cow is taken in to graze for a moderate sum. Thus the Earl of Longford allows any of his men to have the grass of a cow for 12 months at 2l. 10s., that of a "two-year-old" for 2l., of a yearling for 25s., Fox, A. and that of a calf for 5s. Another landowner will keep a cow for any of his labourers

Fox,
B. IV. 69. for 4*l.* a year. In another part of the country, as in Naas, a farmer will keep a cow from May to October for 4*l.* or 5*l.*, or as in Balrothery for 4*s.* a week.

Pigs and poultry.
Richards,
A. 31. 256. Pigs are very generally kept by the labourers, and poultry still more commonly. Indeed, in many places, eggs and fowls are an important source of income to the labourer. It is said that in Bailieboro' the average profit made from this source by the labourers probably amounts to 5*l.* per annum.

VI.—BENEFIT SOCIETIES.

Almost unknown.
O'Brien,
B. XI. 49. 257. Societies for insurance against loss of income by reason of sickness, burial clubs, clothing clubs and other similar organisations, which are so numerous and so important in their effect upon the condition of the agricultural labourers in England, are almost unknown in Ireland. There are said to be a few subscribers to the Prudential Assurance Company in Downpatrick and Balrothery, two of the most prosperous districts of inquiry. There are also a few estate clubs established by landowners for the benefit of workmen employed upon their property, *e.g.*, a clothing club started by Sir Thomas Butler at Ballin Temple, Carlow, which has however a very limited number of members. This, Mr. O'Brien says, was the only benefit society which he found in existence in his districts of inquiry. Mr. Fox reports that upon Lord Longford's Pakenham Hall estate, Delvin, there are estate clubs for the benefit of the workmen employed.

Fox, A. 96. Mr. Wilson Fox expresses a doubt as to whether the labourers in the poorer districts could afford to subscribe to any institutions of this character.

VII.—TRADES UNIONS, STRIKES, &c.

Not largely supported.
258. There are some organisations of agricultural labourers in different parts of Ireland, but they do not appear to be very largely supported or at all active. In the past two movements of some importance have occurred.

259. Mr. O'Brien says on this subject—

O'Brien,
A. 36.
Notices of some movements.
“Some years ago the Agricultural labourers showed a tendency to establish organisations for the protection and advocacy of their own special interests, and in one union in particular, Kanturk, where the movement assumed for a while considerable dimensions . . . very substantial concessions were wrung by the labourers from the farmers in that quarter in the year 1880, entirely through the agency of their local labour leagues. Since that time, however, it may be said that nearly all such bodies have been gradually on the wane in this country. In the unions visited by me recently, where they had a previous more or less active existence, I found them to be at the present time either entirely extinct or possessing in their altered condition little vitality or real force. This result was probably attributable in the first instance to the fact that about the year 1879 these local organisations became gradually overshadowed by the far more important one of the then established Land League. In more recent times, however, they were often materially weakened, I think, by the operations so largely undertaken under the Labourers Acts, which had the effect of redressing, in great measure, the principal grievance the movement had been directed against, by providing a considerable number of the labourers with improved house accommodation.”

O'Brien,
B. II. 19. Mr. O'Brien, in support of this conclusion, cites the cases of Kanturk and Wexford, where measures under the Labourers Acts had been applied in a considerate and generous spirit, as those where local labour agitation has subsided; while in Queen's County, where the local authority has failed to satisfy the aspirations of the labourers in respect of house accommodation, these organisations still retain vitality. A reference to Mr. O'Brien's Report on the Kanturk Union will show that up to 1880 the efforts of the Labour League were mainly in connexion with the miserable condition of the house accommodation, but in that year the agitation was “directed entirely against the farmers and rested on the question of the inadequacy of the scale of wages then in vogue.” A general strike at the commencement of harvest “brought matters to a crisis, with the result that the entire question was referred for final settlement to three arbitrators, one representing the landowners, the second the farmers, and the third the labourers.” The settlement arrived at made an all round addition of 2*s.* a week to the wages of the labourers, that is, from 4*s.* a week to 6*s.* where food was provided, and from 7*s.* to 9*s.* a week for those hired without food.

260. Another successful combination of a certain class of labourers may be noticed. In 1881 the herds of Roscommon formed a league with the object of obtaining a higher rate of pay, and the employers started a defence fund, but after a short strike the demands of the men were conceded. Fox,
B. II. 55.

VIII.—RELATIONS BETWEEN EMPLOYERS AND EMPLOYED.

261. The tenor of most of the Report is to the effect that the relations of masters and their labourers are satisfactory, and even friendly. There are, however, some exceptions to this general rule, thus Mr. O'Brien says in his Report on Kanturk :— Generally
satisfactory.

“ The relations . . . are, generally speaking, described as being ‘fairly good,’ O'Brien,
B. II. s. 7.

“ but judging from what I have heard, and what I have myself observed, I should be Some
exceptions.

“ disposed to doubt *much* if this is really the case in and about the town of Kanturk. Some
exceptions.

“ The embers of the old feud are palpably still there, and might, I apprehend, be Some
exceptions.

“ easily enough fanned again into a state of active and dangerous vitality.”

And again, in Kilmallock, he expresses the opinion that, although—

“ There is certainly nothing like overt hostility anywhere manifested, . . . the B. IX. 52.

“ feeling entertained is rather the reverse of a cordial one.”

With these exceptions the dissatisfaction of the labourers with their employers appears to be chiefly in respect of a want of continuous employment and of low wages, while the employers generally complain that the labourers are less industrious and willing than formerly.

IX.—GENERAL CONDITION OF THE AGRICULTURAL LABOURER.

262. With regard to the general condition of the class under consideration, there is an almost complete uniformity of testimony as to a great improvement having taken place in recent years, but in a majority of the districts of inquiry the Reports represent conditions which are far from satisfactory. Condition
improved.

Mr. O'Brien, who states, “with some confidence,” that “a marked and substantial improvement has taken place within the last 10 or 15 years,” ascribes that result to the “combined operation of several distinct causes. Of these, the three principal may be stated to be (1) the increased demand for labour occasioned by emigration; (2) the sensible decline that has been experienced during the time in the general cost of living; and (3) the benefits conferred upon a considerable number of labourers by the remedial legislation of recent years in regard to their house accommodation and surroundings.” O'Brien,
A. 38.

263. With regard to their actual condition Mr. O'Brien reports that a wide disparity exists. “In those districts where the continued pursuit on a more or less substantial scale of tillage farming is combined with other industries, all fairly capable and industrious labourers can, generally speaking, reckon on reasonably constant employment throughout the year, and where, in addition to this, they are in possession of either the plots of ground attached to the cottages provided under the Labourers Acts, or are able in the absence of this to secure the accommodation of a piece of ‘con-acre’ potato ground from some neighbouring farmer, their general condition may be pronounced to be a fairly comfortable one, and on the whole quite equal to that of the small farmers. In certain districts, however, tillage has been . . . reduced to a minimum, while there is . . . an almost entire absence of important industries . . . In such cases . . . a large proportion of even the best and most industrious labourers have to endure a more or less considerable period of enforced idleness during certain seasons of the year,” and he proceeds to point out that while what has been stated applies to even the best of their class, the case of the aged, infirm, and in different labourers is still more unfavourable. Wide
dis-
parity in
condition.
O'Brien,
A. 38.

264. Mr. McCrea classifies the 11 districts which he visited in respect of the condition of the labourer thus :— Northern
districts
classified by
Mr. McCrea.

Good.—Downpatrick, Limavady, Ballymena, Cookstown.

Fair.—Ardee, Letterkenny, Castleblayney, Clones.

Bad.—Ballymahon, Ballyshannon, Dromore West.

The four districts which are placed in the first of the above classes are rather less agricultural in character than the other districts with which they are compared; they have on an average larger holdings and a greater area of corn crops, and these are all circumstances which increase the demand for labour and tend to make their demand fairly constant.

Mr. McCrea states that "the rate of wages of regular labourers does not appear as yet to be much affected by agricultural depression, but there is an attempt nearly everywhere to work with less help than formerly; permanent improvements are almost at a standstill, more land is being put into pasture, and in many cases fences, roads, &c. are not so tastefully kept. These causes have affected, and during the continuance of the present depression must affect, the employment of the casual labourer particularly in the poorer districts, and as there seems little prospect of improvement, his only resource will be migration to town or emigration."

McCrea,
A. 19.

Mr. Fox's
Report.
Fox, A. 100.

265. Mr. Wilson Fox says:—

"Generally speaking the labourers in the four unions visited must have a great struggle for existence. Indeed, it is marvellous how those who have irregular employment can feed and clothe their families at all, when even on farms where employment is regular, of which there are many in the Castlereagh, Skibbereen, and Delvin Unions, the problem of making both ends meet must frequently be a difficult one to solve.

"It is, however, satisfactory to be able to state that though the wages are low and many of the houses are bad, the condition of the people has on the whole improved during the last 20 years, with the exception of those in the Westport Union."

Mr. Fox goes on to point out that there are no tillage farms of any size in Westport, and therefore few labourers supported by wages; the agriculturists are small holders, obtaining work elsewhere. It is a fact worthy of notice that the population of Westport has decreased during the 20 years, 1871–1891, less than in any of the 30 selected districts of inquiry; it is also the pre-eminently district of small holdings and holdings of the lowest average value.

Mr.
Richards'
Reports.

Richards,
A. 35, 66.

266. Mr. Richards reports that as regards his four districts of inquiry, "the condition of the labourers is in one essential, . . . that of house accommodation, bad. . . a want of certainty or continuity of employment . . . tending to lower the condition of the labourer . . . presses most heavily at Loughrea on the more populous centres in each district. Many of the labourers living in Loughrea (town) cannot obtain employment for more than seven months in the year. Their earnings during this time are such as will only enable them to provide the most ordinary necessaries, and are quite inadequate to cover such necessaries, and also provide a fund for maintenance during the winter months. The result is that a considerable portion of such men have every year to come on the rates for outdoor relief. The condition of such men and their families is wretched in the extreme."

Summary of
evidence.

267. It appears that in 15 districts out of 30 the present condition is described as fairly satisfactory, in 10 it is acknowledged to have improved, but it is not satisfactory; in five districts it is distinctly bad. The five districts thus characterised are Bailieboro', Ballymahon, Ballyshannon, Dromore, and Loughrea.

Want of
continuous
employment
chief cause
of bad con-
dition.

The absence of a continuous demand for labour is everywhere the chief cause of unfavourable conditions, and unless employment can be increased the building of cottages will be of little service to the labourers unless they can be supplied at the same time with a sufficient quantity of land to make them independent of wages. The condition of the small holders is scarcely so prosperous as to give much encouragement to a further expansion of their numbers.

Sanitary
condition of
houses
deplorable.
Richards,
A. 50.

Fox, A. 107.
Facilities for
drinking too
numerous.

Richards,
B. I. 34.
B. II. 37.
Fox, A. 105.

268. The sanitary condition of the labourers' and small holders' cottages is, by universal testimony, deplorable. Mr. Richards and Mr. Wilson Fox express opinions in favour of periodical inspection of dwelling-houses, and an official certification of fitness for the accommodation of a specified number of inhabitants.

269. Mr. Richards draws attention to the too abundant facilities for obtaining drink as a circumstance unfavourably affecting the condition of the labourer. He states that in Loughrea town there are 52 licensed houses out of a total number of 483 inhabited houses, with a population of 1,800 persons; and in other districts he observed a very considerable and excessive number of these houses and some insobriety among farmers and labourers. Mr. Fox, on the other hand, credits the labourers of his district of inquiry with sobriety, and certainly the number of licensed houses in proportion to population is in those districts in great contrast to the facts described with regard to Loughrea. In that town the proportion is one house to about 34 inhabitants; in Skibbereen it is one to 237, and in Castlereagh, it is one to 350.

CONCLUSION.

I have stated, as I believe, fairly and impartially the results of the very wide investigation which has been made as to the conditions and circumstances affecting the life of the agricultural labourer. I am quite aware that I have omitted to notice many interesting and important matters which are mentioned in the Reports of Assistant Commissioners. I trust that in my Final Report I shall do fuller justice to the work of my colleagues and to the subject of inquiry. Conclusion.

In conclusion I would venture to state very briefly what seem to me to be the principal conclusions to be deduced from the evidence which has been received.

1. The number of those competing for employment in agriculture has everywhere decreased.
2. The decrease in the number of wage earners in agriculture has been most marked in Ireland; but the effect of a decrease has been most felt in Scotland, where only there is a general complaint of a scarcity of labourers.
3. In England a general contraction of employment in agriculture has proceeded concurrently with the decrease of wage earners and to some extent balanced the supply and demand.
4. The decrease in the number of labourers has improved the chance of obtaining regular work by those who desire it.
5. The universal withdrawal of women from field work is an evidence of an improvement in the circumstances of the labourers.
6. The material condition of the labourers has everywhere improved, though there are still very wide and striking differences as to the amount of remuneration received by them in different localities and parts of the United Kingdom.
7. This improvement, though in some measure due to an increase of earnings, is, however, very largely the result of the cheapening of commodities which are the necessaries of life.
8. The least satisfactory circumstance affecting the life of the labourers is the condition of the dwellings which a considerable number of them are compelled to live in.

With these remarks I beg to conclude.

I have the honour to remain,

Sir,

Your obedient servant,

(Signed) WILLIAM C. LITTLE.

Resolution with regard to the Services of the Chairman.

At the Meeting of the Commission on April 27th, 1894, the following Resolution unanimously adopted:—

Proposed by Mr. Livesey. Seconded by Mr. Tom Mann.

That the Members of this Commission desire to place on record their appreciation of the great ability, the absolute impartiality, and the unwearied patience with which the Chairman has conducted the proceedings of the Commission.

The Commissioners directed that this Resolution should be entered on their Minutes and published as part of their proceedings.

GEOFFREY DRAGE,

Secretary

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