

Dep
Col
Thesis
C355

THE UNIVERSITY OF MANITOBA
LIBRARY

AUTHOR *C. H. A. M. B. E. R. S. S. D.*

TITLE *The influence of trade unions on the
economic conditions of labour*

Thesis *M. A. 1915*

Dep
Col
Thesis
C355

SUBJECT:-, "The Influence of Trade Unions on the Economic Conditions of Labour."

Trade Unions have been heard of more during the last two decades and particularly during the last five years than ever before. The growth of population and industries has given wider field for their propagation; greater necessity for their existence, and has naturally created greater interest for and against them. The part that Trade Unions are playing in industrial life is therefore worthy of consideration, for the problems with which they deal are not of temporary but of lasting value.

Schoenberg thus expresses the general convictions of the students of history and of our age: "Never in the history of economics were the questions of economic reform so numerous, nor the demands for the rearrangement of the economic conditions so great as they are at present in all enlightened nations." There is no doubt about the truth of this statement and time alone will reveal what will be the ultimate outcome of the industrial struggles now going on, but one thing is clear, economic conditions are rapidly changing and year by year the changes are becoming more far-reaching and important.

In this great industrial revolution labour organizations must be classed among the dominant forces in the labour agitations and reforms of the day. They are to be found in all civilized countries and are evidently destined to exert on industry a greater influence in the future.

Men have almost ceased to question the right of labourers to combine for the protection and promotion of their interests. Their existence so far as this is concerned is justified. The unions, however, have many enemies who would love to be their friends. This, no doubt, is due to the fact that a few members of some unions have committed excesses in times of peculiar excitement. Public opinion is favoring them more and more. In an article in the Independent September 1901 the writer says, "It is quite unnecessary now to insist that the more thoughtful and dispassionate observers of social tendencies have come, not only to look tolerantly upon the organization of labour but also to see in it elements of positive good, that seem to be indispensable to safe and normal development of democratic institutions." He further states that "employing classes in England and America would become intolerant were they not confronted from time to time with organized resistance." The writer of this article is not a member of a Trade Union.

In order to arrive at a fair estimate of their influence it is necessary to approach the question with an unbiased mind, weighing fairly the facts that exist, and basing our conclusions on the. It should be remembered first of all that the great majority of the members of Trade Unions today have not the privileges and the culture of the better situated classes; that their experience is limited, and that they cannot do otherwise than make their real or supposed grievances, their prejudices and aspirations, the basis of their action.

PURPOSE FOR WHICH THEY EXIST:-

Most of those who say that they believe in Unions if properly conducted, mean to confine their approval to such unions as are purely social or beneficial. Trade Unions

THE UNIVERSITY OF MANITOBA
LIBRARY

generally embody some such features but they are not the central reasons for their existence. If they were, the average employer would be ready to endorse them, but the main purpose for which they are organized is this, as expressed by Mr. and Mrs. Webb: "To provide a continuous association of wage-earners, for the purpose of maintaining or improving the conditions of their employment." This purpose the average employer does not approve. When the union begins to exert its power in regulating wages or hours or conditions of labour, he thinks it is getting out of its sphere and becoming a menace to the social well-being. This, then is the main function of the Trade Union—to organize and express the will of its members in bargaining about terms and conditions of labour. No one can honestly say that he approves of them unless he approves of giving to the men who are organized in them the right of dealing, through their representatives, on equal terms with their employers, concerning the wages they shall receive, the hours they shall labour, and the conditions under which their work shall be done.

BRIEF HISTORY OF THE TRADE UNION MOVEMENT:-

Before we can adequately consider the influence of Trade Unions on the conditions of labour it is necessary to know the origin of the movement, to trace its history and observe its growth down to the present day.

Like all movements which have their roots deeply buried in history it is difficult to state exactly what was the origin of the Trade Union movement, and to say what influence every institution has had on it as it exists today. There are some authorities who trace the movement back to very early times. By the best authorities, however, it is held that the short-lived combinations that existed in the early ages of slavery had very little connection with the origin of the modern movement; that the frequent rebellions of subject races, the slave insurrections, and the Semi-Servile revolts of which the annals of history are full, cannot be seriously regarded as in any way analogous to the Trade Union movement of today. These forms of the labour war fall outside an historical sketch, not only because they in no case resulted in permanent associations but because the strikers themselves were not hired workers, seeking to improve the conditions of a contract of service into which they had voluntarily entered. It is only when we pass from the time of slavery to that of the nominally free citizenship of the medieval town that we are on debatable ground. Here we enter upon the history of a people who are free to work or not to work and only such can form voluntary associations of workmen. In the middle ages there existed alongside of the independent master craftsmen, a number of hired journeymen who occasionally combined against their rulers and governors. These combinations are stated to have existed sometimes for months or even for years. In 1387 for instance, the serving men of the London cordwainers in rebellion against the overseers of the trade, are reported to be aiming at making a permanent fraternity. In 1417 the tailor's servingmen and journeymen in London have to be forbidden to dwell apart from their masters as they hold assemblies and have formed a kind of association. These and other instances derived from the very fragmentary materials at the disposal of authorities, suggest that a more complete examination of the unpublished records might possibly disclose a whole series of journeymen fraternities and enable us to determine the exact constitution of these associations.

Supposing, therefore, that further investigation were to prove that such combinations of hired journeymen against their employers, did actually pass into durable associations of like character, we should be constrained to begin the history of the Trade Union movement with the fourteenth or fifteenth century, but at the present time, basing our conclusions on the evidence that exists, we are convinced that there is no proof of the existence of any such durable and independent combinations of wage-earners during the Middle Ages.

It may be asked, why has the growth of stable combinations among the workmen been so slow? If today they must combine to protect themselves why did they not form permanent labour combinations long before the modern organization began? The answer to this must be sought in the conditions of the times. Before the introduction of machinery, industry was carried on, on a very much smaller scale, and nearly every skilled workman possessed the prospect of economic advancement. So long as industry was carried on by small masters, each employing but one or two men, the period of any energetic man's service as a hired wage-earner could not, in the natural order of things, have exceeded a few years, and the industrious man might very well hope to set up in business for himself, hence he would have no desire to belong to a permanent organization of wage-earners.

There were some labourers or certain classes of skilled manual workers, it is true, who had no chance of ever becoming employers and combinations were formed by these, but they were put down by law. This was so with the masons in the early part of the fifteenth century who had their "yearly congregations and confederacies" but these were expressly prohibited by Act of Parliament in 1425.

Each act of combination amongst the workpeople, as they were found out by the employers, companies, or corporations, was brought before Parliament in some form or other, and in almost every case an Act was passed prohibiting that particular form of combination. If further researches were to throw more light upon the constitutions and workings of these associations they might be found to possess many points of resemblances to the Friendly Society of Operative Stonemasons today, which was established in 1832. No trace, however, of its existence is found later than the fifteenth century and there is now no hope that more light is forthcoming.

When we come to the eighteenth century there is no lack of information regarding combinations of workmen in almost every skilled trade. Parliament was besieged by employers who came to lodge complaints about the misdeeds of their workmen. These combinations, nevertheless, increased till, by the middle of the century, we find there are journeymen's associations in nearly all trades. These received their birth not from any particular pre-existing institution but from the circumstances of the time.

The Consolidated Society of Book-binders seems to have originated, according to Webb, from the gathering of journeymen "To take the social glass of porter" together. Other permanent unions arose from strikes, while some grew out of the repeated unions of workers to petition the House of Commons and to carry on an agitation for some reason.

The essential cause, however, we find in the economic revolution through which certain industries were passing. In all cases in which Trade Unions arose the great majority, of the workers had ceased to be independent producers, themselves, controlling the processes and owning the materials and products of their labour. When more capital is needed to establish a given business, than a journeyman can easily accumulate in a few years it is then we find the opposition of interest between employer and employed. The latter begin to group themselves together and trade societies arise. Thus we find that at the beginning of the eighteenth century the "typical journeyman tailor" of London and Westminster had become a life long wage-earner. It is not surprising therefore that one of the earliest instances of permanent trade unionism occurs in this trade. The master tailors in 1720 complains to Parliament that "The journeymen tailors in and about the cities of London and Westminster to the number of seven thousand and upwards have lately entered into a combination to raise wages and leave off working an hour sooner than they used to do." From that time onward the journeymen tailors of these two cities have remained in effective, though sometimes formal combinations.

An equally early instance of permanent trade combinations is the wollen manufacture of the West of England. Here the rise of a class of life-long wage-earners took a form altogether different from that of the London tailoring trade, but it produced the same result of combinations among the workers. These men combined because their employers were often merciless and the law of the land unjust. Strikes and any organized resistance to the employers were put down almost cruelly. Legal persecutions were common and trade unionists regarded as rebels and revolutionists. Nevertheless the unions increased and the opposition they encountered seemed to give them new life. Later on, the movement elicited the sympathy and support of one of the High Court Justices, - Joseph Hume M. P. - who was chiefly instrumental in bringing about the repeal of the Combination Laws in 1842. The assembling of Parliament in 1825 found the employers of the country thoroughly aroused. Hume and Place had warned the unions against a possible reaction. Early in the session, Huskisson, President of the Board of Trade and member for Liverpool, moved for a Committee of Inquiry into the conduct of the workmen. This committee was appointed and Hume placed on it as a representative of the workmen. The original intention was to have only a few of the employers to give evidence and to exclude altogether evidence from the other side. Hume and Place, however, arranged for committees to represent all unions, and these kept up a persistent agitation against the reenactment of the Combination Laws. These committees testified to the good result of the Act of the previous year. The result was, the Shipowner's Bill, under which Trade Unions and friendly societies would have been impossible, was abandoned, and the House of Commons was recommended to pass a measure nominally reestablishing the general common law prohibiting combinations, but specifically exempted from persecution associations for the purpose of regulating wages and hours of labour.

This was like a charter to the organized workers and great activity was displayed between this and 1832. In 1845 there was started what is called the "National Association of United Traders." It was useful as an example of what consolidated trades could accomplish. In 1844 the Co-operative Movement began and was stimulated in 1858 by the great strike in the London Building Trades.

The carpenters, masons and bricklayers had presented a petition for certain demands, and one of the employers promptly dismissed the man who presented the memorial. Two weeks later every master builder in London had closed his shop against the men and 2400 men were thrown out of work.

This declaration of war against trade unionism, gained the men enormous support and revived the feeling of solidarity. Out of it grew the London Trades Council. By 1860 councils had been formed in Glasgow, Edinburgh, Sheffield and Liverpool. In 1867 a Royal Commission was appointed to enquire into the conduct and actions of the Trade Unions. On this committee the trade unionists had a true friend and sympathizer in Mr. Frederick Harrison. Mr. Harrison's opinion has been of great value in the more recent movement for restoring the position of Trade Unions to the Ante-Taff Vale decision. In 1869 he drafted a bill, embodying the principles contained in his minority report which was introduced by Messrs. Mundells and Hughes. It received the denunciations of the employers, but the hearty support of the unionists, and the government, finding it difficult to evade the question any longer, abandoned its hostility and allowed the second reading to take place, upon the understanding that a Government Bill should be introduced next year. In the meantime a provisional measure, giving temporary protection to Trade Union funds was hurried through at the end of the session pending the introduction of the large bill.

This was the first triumph of the political action of Trade Unions. The following year, the Government conceded that no Trade Union was to be illegal because it was "in restraint of trade." Every union was entitled to be registered and union funds were to be protected. In 1872 an appeal was made to the Government to have the Criminal Law Amendment Act repealed, for it nullified the main principles of the Trade Union Act of 1871. Mr. Gladstone, however, as Prime Minister, refused to admit that there was any necessity for further legislation. Greater efforts were put forward by the unionists and an opportunity was afforded by the approach of the general election. The result was that the Criminal Law Amendment Act was unconditionally repealed in 1875. The Master and Servants Act 1867 was replaced by the Employers and Workmen Act.

Collective bargaining with all its necessary accompaniments was, after half a century of hard struggling, recognized by the law of the land. This was indeed a great triumph for the trade unionists. They were now free to do what they could to improve the conditions of the toiling masses and to raise their standard of life.

THE NECESSITY OF ORGANIZATION:-

Perhaps the fullest recognition of the power and necessity of Trade Unions is furnished by the organization of employers. Just as labour was obliged to organize in order to secure fair terms from capital so employers have found it advantageous to form themselves into combinations in order to adjust their relations with their workmen.

There is little doubt today that the organization of labour is an absolute necessity if the working men are to have fair play in the keen competition of modern industrial life. By the use of a concrete illustration we can see why organization is necessary.

If there are one thousand labourers available for a certain piece of work at which only nine hundred are required. The one hundred superfluous ones may, where there is no organization, reduce the wages of those who find employment, without securing work for the unemployed. The employer deals separately with each labourer and fixes his wages. The hundred idle ones are used to make every man employed yield to the employer's conditions. Whoever refuses to accept the terms is rejected because the hundred needy, hungry ones are anxious for the place.

The labourers, as mere unorganized units are helpless. Their very necessities oblige them to compete with one another and to accept any terms that will secure them and their families a livelihood. After they are employed they cannot expect to improve their condition but may have to submit to a reduction of wages. There are still one hundred idle, constantly pressing for work. Besides, there is no united action. If one or a few make complaints, they are discharged, and their places are filled from the ranks of the unemployed. Even if they retain their places what means have they to prevent ill treatment? In their unorganized state they are simply at the mercy of their employer who may or may not be kind and just.

Labour is indeed made a commodity but it is not true that like other wares it can be taken to market and sold at the owners price or else retained. The labourer must sell his labour or starve, and so long as he is isolated, if there is a surplus of labour, he cannot control the market, while the buyer who finds more than he requires, controls him and fixes the price of his labour. It is now universally agreed Professor Marshall tells us "that manual labourers as a class are at a disadvantage in bargaining" and he further says "the effects of the labourers disadvantage in bargaining are cumulative in two ways. It lowers his wages and thereby lowers the normal value of his labour and in addition, it lowers his efficiency as a bargainer, and thus increases the chance that he will sell his labour for less than its normal value."

Let us now suppose that the thousand workmen combine, nine hundred are needed as before. They now face their employer as a united body and as such they must be bargained with. Capital wants labour as labour wants bread, and now capital and labour enter into the bargain on more equal terms. The nine hundred will not submit to unfair wages because one hundred are idle, but with fair wages they will help the hundred, and assist them in getting employment in some other place. They are now in a position to resist every attempt to reduce their wages unjustly or to treat them unfairly in any way. It is true, labour may be selfish and unreasonable in its demands, equally so with capital, but the very organization may protect employers against unjust demands and the turbulence of a few unruly workmen.

Labourers are learning every day that their cause depends largely on the sympathy of the community and this they are sure to lose by unreasonable demands or violence. The fact, is employers usually find it easier to deal with organized labour than with an unorganized mob, and many prefer to deal with the organization because it speaks and acts with authority.

When we take into consideration the position in which individual workmen are placed; their powerlessness to obtain any redress in case of oppression by their employers, and their utter inability to demand fair play if those who employ them wish to withhold it, we are convinced that a thorough organization of the entire working class, is the most vital necessity of the present day.

Trade Unions are the organizations which have been formed to meet this urgent need and it now remains to be shown to what extent they have succeeded and what their influence has been on the economic conditions of labour.

WAGES:-

One of the outstanding aims of trade unionism is the maintenance of the standard of wages and one of the greatest benefits conferred upon wage-earners has been the elevation of the standard of living. John Mitchell in "Organized Labour" says "the history of American Trade Unions in the nineteenth century has been the story of a gradual increase in the wages of American workmen."

It is true, all the advances in wages have not been due wholly to trade unionism. The greater skill and effectiveness of workmen, the invention of machinery, the improvement and increased productions of manufacturing have all contributed to this result and yet, the fact remains, that the increase which has marked the progress of American industry during the past century would not have taken place without the intervention of the unions. Every day in the newspapers we may read the account of increased wages obtained in the organized trades. In many cases workmen, who had hitherto been unorganized and had no opportunity to compel increases, found their wages suddenly raised as soon as they had perfected an organization in their defense. In the various building trades, in transportation, in mining, in the several sections of our highly developed manufacturing industries, wages have been greatly increased through the activity of Trade Unions. In the United States Industrial Commission report of 1902 it says; "An overwhelming preponderance of testimony before the Industrial Commission indicates that the organization of labour has resulted in a marked improvement of the economic condition of the workers."

The principal means adopted to secure a reasonable living for the workman is the fixing of a minimum wage for the trade, the restriction of the number of wage-earners in the trade and the attempt to obtain advances in wages or to prevent reductions, by requests and representations addressed to the employers. If these should fail there remains the power to withhold labour.

There are some who object to the fixing of a minimum wage, contending that by doing so some men are prevented from being paid according to their merit while others are paid more than they are worth. The result is that a dead level is established for the superior and inferior workmen and individual efficiency and interest are lessened. There is nothing in the history of Trade Unions, however, to show that this effect has been produced. The union does not prohibit a man from being paid more wages for less hours than his fellows, but it does claim that no man shall work in union shops for less than a certain rate, for more than a certain number of hours, or with less than a given amount of protection to his health, comfort, safety, and well-being. The employer may, if he wish, make special provision for the health of a favorite workman, just as he may pay above the union rate or allow him to work less than the maximum number of working hours prescribed by the union. What the union insists upon, and it is good for both labour and capital that it does, is that certain minimum requirements be fulfilled for the health, comfort and safety of all, in order that the workmen shall not be obliged to compete for jobs by surrendering their claims to a reasonable amount of protection for their health, and for their life and limbs.

Thus to recognize the union is to recognize the right to bargain collectively and to insist upon a common standard as a minimum. The welfare of the working classes, as of society, depends upon the recognition of this principle of the right of employees to contract collectively. The denial of this right is tyranny. The only argument that would establish a dead level for inferior and superior workmen is that which asserts the existence of a fixed and unalterable wage-fund. The exponents of the Wages Fund Theory maintained that it was impossible for combinations of workmen to raise wages, holding that wages depend on the labouring population and the capital or other funds devoted to the purchase of labour. If wages are higher at one time or place than another, it is for no other reason than that capital bears a greater proportion to population.

In the "Principles of Political Economy" by John Stuart Mill it is thus stated: "Wages cannot rise but by an increase of the aggregate funds employed in hiring labourers, or a diminution in the number of the competitors for hire; nor fall except by a diminution of the funds devoted to paying labour or by an increase of labourers to be paid." Few economists, however, now assert to this doctrine when stated in this way, and John Stuart Mill himself later changed his mind in regard to it. It is true, there is at any given moment a Wages Fund which consists of all the money available there and then for paying labour, but this sum is not in any sense fixed; it is constantly fluctuating, according as employers find it worth their while to set a greater or a smaller amount of labour at work. This argument against minimum wage is not a valid one.

Trade Unionists have never told employers that they must not pay a maximum wage. What they have asked for and demanded is a minimum wage by which is meant a wage sufficient to enable men to maintain themselves and their dependents in good physical health and industrial efficiency, and to give them in addition a fair proportion of the ordinary comforts of life. It is a wage not above which but below which they shall not be paid. If therefore, a workman is not deserving of more he need not be paid, but if another workman proves more efficient and industrious, the employer is not prevented from paying what he considers him worth.

A standard rate of payment for the work actually performed is a necessary condition of collective bargaining but this in no way interferes with the possibility of workmen receiving pay most widely differing in amount. The standard rate insisted on by most trade unionists is not any definite sum per hour, but a list of piece-work prices. It is seldom realized how largely these piece-work lists extend over the industrial field. In many trades, such as basketmakers, bootmakers, brushmakers, coopers, tailors, and others, there are lists of prices revised from time to time, and signed by both employers and employed, and since in all these trades the standard rate is drawn up in the form of a schedule of piece-work prices, there can be no question of equal earnings.

The standard rate again does not imply any equality of wages in industries in which it is a definite wage per hour, and not per price. Very often we find the weekly pay of the workmen in these trades very different from that of those who have worked the same length of time. For example, a uniform rate per hour is paid for ordinary bricklaying, masonry and plumbing, but it is to the advantage of the employer to pay a higher rate to a man engaged in work demanding special skill—a course warmly supported by the Trade Union.

I have found on inquiry that there are men in Winnipeg who are paid from ten to forty per cent above the standard for such jobs as brickcutting, furnace-building, or sewer construction work, with the result that the man of superior skill seldom works at the minimum wage.

In other trades where the superior and inferior workmen are paid the same rate, the superior workman has the advantage of working under more agreeable conditions. Take, for instance, the case of a large building; the best stonemasons are appointed to do the carving, - a work which admits some personal liberty and does not require great muscular exertion, while the ordinary workmen are setting stones under incessant supervision.

So in the carpenters trade. The heavy work, such as laying down flooring, is given to the inferior workmen, leaving the better workmen to perform in the workshop the finer work thus combining variety and lightness.

Indeed the differences in the efforts and sacrifices actually made may be great and therefore the rate of remuneration may be very different though the actual money at the end of the week may be the same. To have a minimum standard, therefore, is necessary both for the welfare of the workman and the efficiency of his work. Governor Johnston of California, in a recent article said; "Strongly do I favour a minimum wage which shall be just to the employer, and be a living wage for the employee." It is possible there are some employers anxious enough to encourage the skill and industry of their workmen, to increase their wages, but in the majority of cases, those who are free from the compulsion of Trade Unions, and who enjoy to the fullest extent the pleasure of free labour have not shown an example of such ideal conditions in regard to wages in their particular establishments. The fact is the average employer, whether he employs union or free labour, simply thinks of the profit and loss account and with a few honorable exceptions takes no interest or pains to know their individual workmen or their ability, hence they have neither the knowledge nor the desire to reward them according to their individual merits. The time may come when employers universally will be honest and honorable enough to pay their workmen according to principles of justice, but that day has not yet come and until it comes, men cannot trust to the possibility of receiving remuneration for their labour.

We see then, thus far, the influence of the Trade Unions in regard to wages. They have raised and maintained the standard, and the result in the life and efficiency of the workmen has been noticeable. There is not the slightest doubt today that the conditions of workmen outside the unions are worse, with few exceptions, than those who are within them. Even the would be were Trade Unions not in existence. We find a good illustration of this in Wales. In comparing the conditions of men employed in the engineering trades in the North, where every man is in the union, with the conditions of men in the same trades in many of the large works in the South, where very few are in the union, we find that the men in the North are paid from ten to twelve shillings a week more than the men in the South. And the thing that is most noticeable is the fact that other conditions are proportionately better. The skill, physique, intelligence and independence of the men in the North are greater than the same qualities in the men of the South. There is found a vast difference in their homes and surroundings. Better class of houses and more improvements in the sanitary conditions and all these things have their far-reaching influences. They are conducive to the general welfare of the community and ultimately to the nation.

The non-unionists are simply machines. They go to work day after day, and work as long as their employers tell them, having no desire to better their own conditions or to take an active part in the affairs of their community. They dare not complain of their condition lest they lose their jobs. It is fortunate today that we are no longer controlled by Ricardo and most of the old political economists, who held that the condition of the labourer is inevitable.

It seems to have been Ricardo's deliberate opinion that a substantial improvement in the condition of the mass of mankind was impossible. He considered it the normal state of things that wages should be at the minimum requisite to support the labourer in physical health, and to enable him to bring up a family large enough to supply the demands of the labour market. Society has now dismissed such a belief, and discovered that in the labourer there is the man, and in the man the image of God, which is worthy of respect, justice and the most exalted privilege of humanity. What makes efficiency in workmen is good wages to enable them to have proper nourishment, reasonable time to rest, and the necessary comforts of life that will render them physically fit to perform the duties which they are called upon to do. There is no doubt, then, that anything which secures for the workman the just reward of his labour is beneficial not only to himself but to humanity at large, and Trade Unions have assuredly had this influence. When The Royal Commission was appointed in 1867 to enquire into the nature of Trade Unions and the charges brought against them, they received in almost every report, evidence of an advance in wages in every trade, and this advance was attributed by the workers themselves to be due to the influence of their organization. The stronger the organization the greater had been the advance, showing the close connection between the two. Very seldom does the advance in wages depend on prosperity in trade. It depends upon organization. When we compare the organizations of the masons and carpenters in Winnipeg, and Winnipeg may be taken to represent Western Canada, we find that the masons are organized much more thoroughly than the carpenters, with the result that the masons are receiving about twenty cents per hour more than the carpenters. It is true the working season of the mason is shorter than that of the carpenter, yet the difference in this respect does not account for the difference in pay. It is due to the strength of organization. There is always a large number of "hammer and saw" carpenters not in the union, who are ready to undertake certain kinds of work at a rate comparatively low, hence the union is prevented from obtaining what they could demand were they thoroughly organized.

It may be interesting here to state what men, prominent in the industrial world, have said about the unions.

Railway companies are amongst the bodies most antagonistic to Trade Unions. Sir George Gibb, who is one of the leading railway men in England, sometime ago in an interview with a Labour Commissioner, who was collecting for the United States Government, information regarding the relations between employers and employed "It is a fact to be recognized, that the Trade Unions have been to a very large extent the means of obtaining for their members higher wages, for their employers better workmanship, and for the workmen better conditions, and while an unwise labour leader might be the means of working untold mischief, yet the right of men to combine and form themselves into unions must be admitted and accepted."

Mr. Woll, of Harland and Woll's Shipbuilding firm Belfast recently said "I know the good work which the unions have done. If it had not been for them, the hours of work would be longer, and the wages much lower than they are now."

One more opinion, this time not from a representative of either labour or capital, but one of the Judges of the High Court in England. In 1906 Lord Justice Vaughan Williams, addressing a large assembly in The Rhonda Valley, and dealing with the trade societies said "I am a firm believer in their influence and always have been. I do not believe that Trade Unions make it more difficult to compete with foreign countries, nor do I believe that successful competition is possible for a country where labour cannot combine against capital."

There are many others who have borne equal testimony to the influence of the unions and to the power to raise wages. Those whom I have quoted are men eminently qualified to speak with authority on the question, having gained knowledge and experience of the operations of Trade Unions in connection with various industries and on the bench.

There are some people today who cannot understand why workmen are constantly demanding a raise in wages. They forget that one dollar today has not the same purchasing power that it had some years ago. Within the past fourteen years there has been a raise of considerably over one third in the general level of prices and in order that consumers have no change in circumstances and real cost of living, it is necessary that wages and salaries keep even pace with this raise in prices. This is one influence the unions have.

So far we have dealt with the influence of Trade Unions from the point of view of the workmen. Can we go further and say that they are a real benefit to the employers themselves and that the work of the whole industrial world is greatly improved?

It has been conceded by most investigators that a high purchasing power among the many, increases home decencies and comforts, morals and education. Sometimes the saloon is chiefly benefited by high wages and short hours but usually the reverse is true. Edward W. Bemis in an article in the Independent May 1900 on "The Ethical side of Trade Unionism" says "In the light of the experience of England and America, few are so bold as to deny that the Trade Union movement has to a great extent improved the industrial condition of labour. As a result have come great social and ethical advantages." Anything that helps to improve the character of the workmen benefits industry. Mr. Geoffrey Drage in this connections says; "The very fact of association renders necessary the cultivation of certain moral qualities, such as submission to regulations and discipline, and loyalty to their leaders and to one another and to take part in the government of a union calls forth a sense of responsibility."

It is Trade Unions that are responsible for the gradual disappearance of the old idea that labour stands in the same category as raw material and machinery, and the more they are able to raise the standard of labour, the more they raise the standard of living and the general character of all. In so far as a union succeeds in promoting the general and technical education of its members, and in raising their moral character and habits, they are helpful to employers, and industry is helped in every way.

In regard to the relationship between employers and workmen, the unions have rendered inestimable service. This has been brought about not through sentiment or artificial arrangements, but has grown up as a part of the organic system. The growth and consolidation of trade combinations amongst workmen forced employers to organize also, and from these two powerful organized forces, a new order of things has been brought about.

Instead of fighting and quarrelling over every subject of difference between them, they have developed consultations and deliberations; mutual understanding and respect, instead of ill-feeling and antagonism which were hitherto injurious to all concerned. The result is, few strikes and lock-outs take place, and those that do are generally settled without any serious results. Men today are beginning to learn that capital and labour depend on each other, that they ought to be co-operative and not antagonistic and that the employer and the employed are partners. It is only by recognizing this principle, and by faithfully applying it, that the right basis of industries can be established.

STRIKES:-

It is generally in connection with the question of wages that strikes occur, and therefore fitting that they should be dealt with here. John Mitchell in "Organized Labour" thus defines a strike, "It is a means of bargaining and the exercise of the rights of "employers and employed." He adds also that it is "a barbarous method of settling industrial controversies." This is admitted on every hand. It is just as unfortunate that a strike should be necessary to settle a dispute between two bodies of men, as a war to settle a question between two nations, and men today are becoming aware of the evils of both. It is only fair to say however, that Trade Unions were not formed for the purpose of strikes but for the right to strike, and they are a means adopted only when necessary and generally only when unavoidable.

When we seek the causes of strikes we find them in capitalists, in labourers, in the present industrial system, in the failure of the law to organize properly our industries, and to determine the relation of the employer and employed. So long as the prevalent suspicions and antagonisms prevail, so long as selfishness is the law of business, so long as might takes the place of right, so long we must expect strikes with all their unfortunate results.

If the employer insists on saying "my business is mine and I will run it as I like, my object is to make profit regardless of the labourer," the labourers will say "our labour is ours, we will insist on getting all we can for it, and we combine to secure the highest price." The natural result of this is, force meets force and history teaches us that the outcome of this clash is devastation. Happily strikes are becoming less frequent every year and we confidently look forward to a time when they will be only a record of history. But at present occasional strikes are inevitable and they must be dealt with. The union arose when production passed into the factory stage and the employee knew not his employers except as he heard of them through his heads of departments. To the employer they were an impersonal mob who collectively got results. In this way injustices became rife that would not have been thought of under the "small shop" system. Individual men protesting were impotent. The first step to remedy wrongs would be for the workers to counsel together and formulate their demands or their desires. The justice of this course we can easily see if we admit that men have no right to submit to industrial despotism. The cardinal tenet of unionism has always been that the worker shall have an effective voice in determining the con-

ditions under which the workman shall sell his labour, and when this right is refuted than a strike is likely to be the result. It cannot be denied, of course, that the demands of the men are sometimes extravagant. While their claims may with slight modifications generally be justified, there are times when they are hasty and inconsiderate. The right to strike is a valuable weapon but the weapon in action is dangerous and the influence of the unions in industrial disputes will always be injurious unless reason is appealed to in every one. When there is a difference between the employers and their men, if negotiations are conducted in a business-like manner there will not likely be a strike. When the representatives of both factions are brought face to face and enter upon a free and frank discussion of views there is a disposition on the part of all to consider questions on the merit, and the result is, common sense and reason supplant misunderstanding and its consequent rancor and bitterness. Wherever tried this system has been beneficent to all. It gives stability to employment on the one hand and steadiness to the labour market on the other. To the public it is also a guarantee against unsettled conditions.

There are those who object to collective bargaining on the ground that it has sometimes led to conspiracies which had for their object the fleecing of the people, but this has not been the usual outcome of trade agreements. Indeed the public are more frequently wronged by those industries in which the trade agreement does not obtain. It is as citizens and not as industrialists, that people give battle against dishonest conspiracies.

Wherever organized capital and organized labour come together in a reasonable way the benefit of the unions are apparent. The more recent and apparently most satisfactory of all is the Canadian method. The Canadian Act for the maintenance of industrial peace in all public utilities, including mines went into effect on the 22nd day of March 1907 and the result of proceedings under the Act are very important. It is called The Industrial Disputes Investigation Act, and its chief feature is the requirement that in the event of a dispute arising in any industry known as a public utility, it should be illegal to resort to a strike or a lock-out, until the matters in dispute had been made the subject of an investigation before a Board of Conciliation and Investigation. This Board is to be established under specified rules by the Canadian Minister of Labour. Under this Act, each party to the dispute may nominate one member of the Board, and these two may select the third who serves as chairman of the Board of three. The proceedings of every board appointed, and its final report are published throughout the Dominion in the most complete manner. During the two years from March 22, 1907 to the end of March 1909 fifty five applications for the appointment of boards were received and forty nine were appointed. In the remaining six cases, the disputes were settled, either during the discussion arising out of the applications, or during the formation of the board. Of the fifty five cases only two resulted ultimately in strikes. It may be asked if these Canadian disputes were on a large scale or if they were trivial affairs. The official report published in the Labour Gazette April 1909 shows that they were serious, affecting large numbers of persons, and indirectly threatening the common welfare. Among the strikes in mines may be mentioned that in connection with the Cumberland Coal Company with 1700 men concerned, that on the Crows Nest Pass Coal Company in January 1908 which effected 700 men. Among the disputes in Transportation companies the most important were the Canadian Pacific Railway Company and railroad telegraphers with 1700 men involved. The same company and the carmen

employed on the eastern lines numbering 1500. In another instance the men in the mechanical departments of the Company numbered 8000. These were all serious matters affecting large numbers of persons and the general welfare. There is no doubt that this is the most successful method of dealing with industrial disputes and the success that it has already had is its best recommendation. The Act requires that every application for the appointment of a Board shall be accompanied by a statement of the nature, cause or subject of the dispute. In the fifty five applications already referred to, the alleged nature of the dispute covers the usual sources of industrial strife, such as the employment of non-union men, the hours of labour, the terms of the joint agreement concerning wages, the conditions of employment, the reinstatement of former employers and the introduction of machinery. The Canadian workmen themselves have obviously acquired great confidence in the just operation of the Act, otherwise they would not have applied in forty six cases out of fifty five, and while the employers applied in only seven, they did not ultimately reject, in a single case, the advice of the boards. The Act absolutely abandons arbitration and relies exclusively on discussion, conciliation, publicity and public opinion. Employers cannot lock out their men without notice and a strike cannot be declared suddenly. It is generally about six weeks before work can be stopped, so that time for passions to cool has been given and the cost of war counted by both parties. The public also have time to get some sort of effective expression and when the report of the board is published, public opinion, being well informed, usually expresses itself with force and clearness. Indeed the Act relies solely on the ultimate reasonableness of the parties concerned and on the fairness of the public which pays for the greater part of the cost of industrial warfare.

The gravest charges brought against the unions are in connection with the enforcement of their demands for improved conditions by means of strikes that include violence. There are those who deny altogether the right of the unions to use the weapon of the strike, asserting that it is a wholly unjustifiable method of industrial warfare. We are agreed that if one man may decline to work for less than a certain wage or more than a certain number of hours, several men may unite in this refusal, hence a strike is justifiable. What we are inclined to condemn wholly is the violence and brutality which frequently attend industrial conflicts. It might be better, however, not always to condemn the method but to lament the necessity of such a course. It has often had a bad influence on industry as in the case of the great strike in 1897 when the English iron and steel workers injured England's industrial primacy very much. But on the other hand, the ultimate outcome of such a course has often been beneficial to the greatest number.

Reversion to barbarous methods is abhorred by labour leaders and shunned by the great majority. To quote John Mitchell again "Above all and beyond all, the leader intrusted with the conduct of a strike must be alert and vigilant in the prevention of violence. The strikers must be made constantly aware of the imperative necessity of remaining peaceable.

Some of the greatest and most successful strikes have been attended by little violence. This was true of the strike of the cloakmakers in New York which occurred a few years ago. Frequently where violence does occur, it is the work, not of the strikers themselves but of disorderly and turbulent persons who seize upon this opportunity for indulging their destructive tendencies.

The charges made against unionism in regard to strikes

are not essential parts of the system, and they are not incurable. All are perversions of its true function,- mistakes which may be purged away, and leaders in the industrial world are endeavoring to solve the problems of labour disputes and to hasten the day when strife between labour and capital will be peaceably settled and justice be done among men of every land.

HOURS:-

The question next in importance to the maintenance of wages, is the reduction of hours, An increase in the rate of wages means more of the comforts and luxuries of life; a decrease in hours means the opportunity to enjoy these comforts and luxuries. During the nineteenth century American Trade Unions reduced the length of the working day from twelve, and in some cases fourteen, to ten, nine and eight hours. At the beginning of the century man worked from early morning till late at night, but in one industry after another the Trade Unions secured a reduction in the hours of labour.

During the past thirty years there has been in progress the same steady reduction in nearly every branch of industry and this is claimed by the unions to be in most cases the result of their intervention. In many cases reductions in hours are shown to have been granted by the employers in response to representatives from the unions. It is true there have been other causes at work. The growth of public opinion on the question, and the effect of factory legislation have contributed to the movement, nevertheless the unions have played an important part as may be seen in the fact that in almost every industry in which the hours are now excessive, organization in that industry is either very weak or entirely absent. How does the reduction of hours affect industry and economic conditions? Is it helpful only to the workmen and injurious to the employers or is it beneficial to all concerned? A curious feature about the history of the reduction of hours is that in almost all cases the Trade Unions have been obliged to force employers to grant reductions, which have ultimately proved to the employer's advantage. The English mill owners in the nineteenth century claimed that they would be ruined if the hours were reduced. The same complaint was made by the New England manufactures, but wherever the reduction was made there was a decided benefit not only to the workmen but also to their employer. A reduction in hours means a strengthening of the workman, the growth of a keener intelligence and an improvement in his home life. In most industries it has been clearly seen that a workman really accomplishes more in ten hours of regular work than he formerly accomplished in twelve; and in many industries the reduction of hours has meant increased production as well as greater profits to the employer. Witnesses before the Industrial Commission testified to the fact that in their establishments output increased with the shortening of the working-day. The unanimous testimony of all competent observers, teachers, ministers and sociologists has been to the effect that shorter hours means an improvement in the whole moral tone of the community and a diminution, not an increase, in drunkenness, violence and crime. Owing to the fact that the work of the modern world is becoming more and more matter of nervous energy, of skill and intelligence the reduction of hours is not only an advantage but an absolute necessity.

The effects of these improved conditions of labour, higher wages, shorter hours, etc., are not limited to the workman, Anything that helps the workingmen; that raises the standard of efficiency helps also the employers. The fixing of a minimum wage guarantees for each employer a wage cost as low as the most favoured employer in the trade and district, whereas in unorganized trades, the honorable employer is at a great disadvantage with an employer who

will resort to all manner of dishonest tricks in order to secure trade. The establishment by Trade Unions of a definite and irreducible minimum of pay and an equally definite maximum of time, places competition upon a plane of legitimate business activity, and upon a basis of business foresight. Furthermore, the unions have increased the manufactures ability to sell their products. To an ever increasing extent the working classes are becoming consumers of the nations products, and with every increase in their wages, there comes an increase in their ability and willingness to purchase the products of labour. The industries of the country flourish best when there is a large and constant demand for these products and this demand can best be stimulated by increased wages and shorter hours.

BENEFITS:-

The beneficiary aspects of unionism are very important though they are not by any means the central reasons for their existence. They are sufficiently important, however, to be worthy of mention here. The man who knows that when work fails or when sickness or old age takes away the power of labour, he will not be altogether deprived of the means of holding on to a free life, is sure to become a more contented as well as an independent man. The benefit system in Trade Unions is for the purpose of rendering the unionists stronger in disputes with their employers. This is specially observable in the unemployment or out-of-work benefits, established as a form of relief for the distressed, and to remove the surplus labour from the market, thus putting the unemployed man beyond the necessity of selling his labour too cheaply.

There is perhaps no other respect in which Trade Unions have a greater influence on the labour market than in this. One man after another has been withdrawn from the employment of an antagonistic employer and maintained on out-of-work benefit until that employer has been willing to come to terms. The same is true of a different form of this benefit. When a man is out of work, and decides to seek employment in another place, he receives a "travelling benefit" which prevents him from accepting wages below the standard. According to Professor Beesly, in an article in the Fortnightly Review, "The out-of-work benefit does for the workman what the capitalist will do for him when society is more firmly based on the principles of justice. It secures for him steadiness of income and employment."

This benefit system, again, converts the union into an employment agency. It is to the interest of the organization to keep the number of unemployed men at as low a figure as possible. Professor Beesly says again, "It is the business of the secretary of every branch to know if any work is to be had in the community and to send it to members on donation." The members who do not tell of such work are fined, and slackness of work in any locality must be immediately reported. Experience shows that this system works admirably. Secretaries and private members alike are anxious to keep donations as low as possible and will therefore do everything possible to secure work for the unemployed.

The question of benefits is intimately connected with the influence of the whole Trade Union movement, and there is a marked difference between unions which have good benefit systems and those which have not.

CONDITIONS OF LABOUR IMPROVED:-

In the statement of Mr. and Mrs. Webb regarding the main purpose of Trade Unions, emphasis is to be laid upon the last clause "for the purpose of maintaining or improving the conditions of labour."

During the latter part of the eighteenth century when the factory system came into England and England began to change from a country of farms and pastures to a land of manufacturing towns, the actual conditions became so terrible that they warranted the most dismal and pessimistic outlook. The attitude of manufactures under the stress of competition was that of masters towards slaves. The birth rate was high; the change from manufacturing by hand to manufacturing by machine released a large surplus of labour force, and the cruelly oppressive poor law tended to depress the real wages of agricultural workers and to force them into the factories.

The condition of these workmen in the textile and other factories was incredibly bad. Wages were lowered, hours were increased, and provision for the safety and health of the workmen was scarcely dreamed of. These conditions left them with no desire for healthful pleasures and unfitted them for moral and mental development. Much of the burden of these evil conditions fell upon the shoulders of women and children for the factory know no regard for sex or weakness. Equally bad were the physical conditions of work. The air of textile cotton and linen factories was injurious in the extreme and disease and premature death were the cruel result. At an early age children of the working classes were compelled to enter these factories and, like their parents, had to stand through the whole course of their employment in constrained and confining postures which crippled body and mind. The condition of the miners of that day was even worse than that of the factory hands. They were collected in miserable, lonely villages beyond the reach of justice and of public opinion. When we compare all these things with conditions as they exist today, we feel that some great uplifting force has been at work to better the life of humanity.

The task of converting the factories from noisy, dusty dungeons into the cleaner and more sanitary workshops of today, fell to the lot of organized labour. In England, in the United States, and in Canada, the unions have had more success in obtaining from the government legislation improving sanitary conditions than in any attempt to reduce by law the hours of work.

It is true they have not been alone in demanding this reform. From the very beginning public sympathy has been with the workmen in their attempt to make their working places less dangerous to life, limbs and health, because the public knew that the preservation of its own health and strength depended on the improvement of sanitary conditions. Gradually the legislatures passed laws providing for a number of reforms tending to make conditions better in factories and mines. There is nothing which so justifies the existence of Trade Unions as the work they have done and are still doing in this direction, and unless the state takes the initiative, the solution of these problems can be left to no one but the organizations of labour. The individual workman cannot do it. As individuals their voices would not be heard, nor their influence felt. They must be organized and as an organized body they have already benefited the worker and raised his whole intellectual and moral tone by the emphasis which it has laid upon the welfare of the workman. They have thrown the emphasis not on the goods, but on the men by whom and ultimately for whom, they are produced, thus men generally have learned to acknowledge the importance of the workmen, and the moral tone of the workmen has been raised by the infusion of the dignity of labour.

So great has been the influence of Trade Unions on the conditions of labour and on the community at large that Professor Thorold Rogers, of Oxford, declared that if he had the making of the laws he would exclude from the franchise all workmen who were not members of some union. Their in-

fluence has been thus summed up by John Mitchell "Trade Unions have justified their existence by good works and high purposes. They have elevated the standard of living and conferred upon the workingman higher wages, and more leisure. They have increased efficiency, diminished accidents, averted disease, kept children at school and raised the whole moral tone of factories."

I am an impartial observer and reader of the Trade Union movement, and while there are many unreasonable demands made by the men and many hasty and unwise things done to secure these demands, yet I feel that, on the whole, their influence has been overwhelmingly on the side of improvement, and I also believe that they have yet a greater work to do in the future in connection with the economic conditions of the labour of the world.

BIBLIOGRAPHY.

- Bell, Richard: Trade Unionism (1907)
Cole, G. D. H: The World of Labour (Published by Bell and Sons 1913).
Cunningham, Wm. Industrial Revolution 1908 - Putman.
Drage, Geoffrey: Trade Unionism.
Ely, R. T: The Labour Movement in America (1890).
Gompers, Samuel: Labour in Europe and America (1910).
Mitchell, John: Organized Labour (1903).
Mill, John Stuart: Principles of Political Economy.
Marshall, A: Principles of Economics (1907) MacMillan.
Webb, Beatrice and Sidney: History of Trade Unions.