C O L L E C T I V E B A R G A I N I N G.

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by

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FOREWORD.

To trace each step of the development of the principle of Collective Bargaining from the obscurity of its origin to its present status in the highly organized industrial system of the economic world of today, would entail much greater time and space than is within the scope of this thesis. For this obvious reason therefore, it is considered expedient here to outline the field of thought covered.

Firstly - No attempt has been made to examine in detail the development of Collective Bargaining in countries other than those comprising the British Commonwealth of Nations. For this reason only casual reference will be made to definite economic facts concerning foreign countries.

Secondly - It has been found that the extension of the movement towards Collective Bargaining in its proper sense has occurred step by step through the further privileges granted by legislative enactments. This of necessity demands some treatment of each piece of legislation in the discussion of the development of the main principle. As far as possible this treatment has been reduced to a necessary minimum so that the economic, rather than the legal, aspect of each step,

becomes apparent.

Thirdly - Obviously any discussion of the Aims and Limitations of Collective Bargaining at the present time would be incomplete without an examination of the economic developments in Russia during at least the past five years. Such an examination here is deemed inopportune for three reasons:
Accurate and reliable information regarding Russia under Communistic government is difficult to collate; the economic conditions are so dependent on the rapidly-changing political developments that even general conclusions formed over so short a period would be open to immediate criticism; there is much doubt in the minds of present-day economists that the weapon of Direct Action as advocated by Socialists and Communists to extend the scope of our present conception of Collective Bargaining will ever gain the support of public opinion. Such a course involves the confiscation of Capital for the use of the community and the individual members of society become the share-holders of the State. Under such conditions the necessity for Collective Bargaining vanishes.

With these general reservations, the principle of Collective Bargaining has been treated from three

viewpoints, i.e.,

1. ORIGIN AND DEVELOPMENT.
2. LEGAL ASPECT.
3. AIMS AND LIMITATIONS.

Winnipeg, April, 1925. H. S. R.

Part I.

--- ORIGIN and DEVELOPMENT. ---

C O L L E C T I V E B A R G A I N I N G.

Historical References.

In the Gospel according to St. Luke - (Chap. X, V. 7,) is found that fundamental truth "for the labourer is worthy of his hire", and were we to delve into the realms of antiquity we would undoubtedly find evidence that this principle was on more than one occasion the cause of labour troubles in ancient civilization. Strikes as a method of enforcing changes in working conditions are as old as history itself. In fact we might say that the revolt of the Hebrew brickmakers in Egypt in 1490 B.C., against being required to make bricks without straw was an example of Collective Bargaining. Viewed at that time such a statement might have been considered reasonably accurate. Today however, such a statement would not be accurate as our modern conception of Collective Bargaining leads us immediately to associate with the term the ideas of discussion, negotiation, and conciliation by accredited representatives of the contracting parties, not those ideas of unreasonable tyranny bringing about open revolt.

Analogy Incorrect.

It is not intended to point ~~the point~~ to any analogy between the rebellions of subject races, slave insurrections, nor semi-servile peasant revolts

in the earlier development of the labour market, and the present day use of strikes and lockouts to enforce readjustments of working conditions. We do not admit that such events are analagous, for the participants in the great majority of these early cases were not employed voluntarily in the first instance. Conditions of slavery and tyranny are not to be compared with the modern democratic free labour market. They are in direct contradistinction to it

Inequality of Individual Bargaining.

In the early history of England the position of the labourer was indeed an unenviable one. His chief form of employment was in the agricultural field where his overlord was not only his master but his magistrate. The landed proprietor was powerful and independent while the villein was not only poor, but was frequently kept in a state of subjection and fear by the abuse of the judicial functions of the overlord. Under such conditions the villein in endeavouring to sell his labour was obviously at a marked disadvantage. Contracts of employment were made between these two individuals when the labourer, seeing little possibility of changing his occupation, nor of emigrating to new lands, was forced either to starve or to accept the paltry wages offered by the land-owner. The amount of these wages was usually sufficiently small to keep the labourer living a hand-to-mouth existence. It was

impossible for him to save any amount to assist him to establish his economic independence. In fact more frequently was it the case that with increasing family responsibilities the poor villein was forced to seek advances, either in wages or in kind, to save his family from starvation. The apparent charitable advances resulting from the landlord were merely a cloak to his plan of enmeshing the labourer with debt to keep him in a continual state of servility. Such conditions as these were not conducive to any semblance of equality of bargaining power between the two individuals, with the obvious result that labour was sold cheaply.

Grouping of Labourers.

With the development of industry, the discovery of new lands, the improvement in education, and the consequent betterment of the standard of living, the labourer developed new thoughts and new ambitions. The fact that within the individual labourer lay the power to create wealth through his labour gradually became apparent. Labourers drifted into groups of various kinds usually formed from those engaged in similar occupations. Journeyman fraternities, gilds, associations, societies and unions all evidence this tendency, and within these organizations was developed the thought that labourers would improve their position in the labour market by dealing, not as individuals but as a group, with their employers. It is impossible to discover any trace of the definite origin of the

principle of Collective Bargaining. It is, however, accurate to state that it was within these organizations that the germ of Collective Bargaining proper was created.

Germ of Collective Bargaining.

Definition.

In the present-day world of economics Collective Bargaining signifies the method of adjusting wages and working conditions by agreement between an employer and the representatives of the employees in his particular business. In its wider application the term also extends to such an adjustment between a group of employers and the representatives of all the employees in their several businesses, which of necessity are similar in nature. Collective Bargaining therefore is diametrically opposed to the conception of the servant making his own terms for employment with his master, independently of all the other employees of that master. In such a case a subsequent variation in those terms of an individual contract is generally unknown to the fellow-workmen and only the individual concerned is affected. But where the contract of service has been entered into collectively, it is similar for each class of employees, and a subsequent variation in the terms for any class, will affect them all.

Let us see then how this present-day definition of Collective Bargaining has been developed from the germ created within the early workmen's organizations.

Journeyman Fraternities.

In the earlier development of the Industrial System in Great Britain the independent master craftsman expanded his business by hiring journeymen and labourers to assist him. Journeymen of a particular trade began to meet at houses-of-call originally in a spirit of comradship. The discussion of their mutual problems gave rise to journeyman fraternities which were looked upon with alarm, for in 1383 the Corporation of the City of London prohibited"all congregations, covins and conspiracies of workmen". In 1387 the serving men of London cordwainers came out in rebellion against the overseers of their trade. These journeymen fraternities were a development of the 14th Century and probably the first one to maintain itself for any considerable period was the "Bachelors" Company of the Merchant Taylors Company which was in existence from 1446 to 1661. The present "Journeymen Hatters Union of Great Britain and Ireland" is traced to the "Feltmakers Company" which was given a charter by Charles II in 1667. Shortly after this, the Company established a workshop organization (similar to the printers' "Chapel") and petitioned the Court of Aldermen against the Warden and Assistant Wardens of the Company. The Court decided that in order "that the journeymen may not by combination or otherwise excessively at their pleasure raise their wages" a piecework list was to be settled annually and presented for enactment by the Court of Aldermen. The journeymen

Wage Scales.

seem to have cooperated with the employers in presenting this list and in preventing the employment of non-freemen. Here would seem to be an analogy to our present-day Trade Union and Arbitration Board fixing a wage scale, which we would consider was an instance of Collective Bargaining. Undoubtedly the main principle was here exemplified for a short period. Soon however the masters invoked legal proceedings and this aspect is obscured, for the laws of England prior to 1824-25 were distinctly adverse to our present conceptions of Collective Bargaining.

Statute of Apprentices.

During the reign of Elizabeth, the Statute of Apprentices was enacted (1563), which provided for the reference to magistrates of wage scales for apprentices and labourers. It is doubtful if it accomplished its purpose at least during the period immediately following its enactment, and the presumption is against the view that it was a means of bringing about a general increase in money wages. It tended however to provide a form of compulsory arbitration where Collective Bargaining failed. Research shows that even in the earlier period, but most particularly in the 18th Century, the wage contract was not purely an individual contract. Although labourers were not banded together in elaborate associations the individual wage earner was not obliged to bargain with his employer as an isolated individual. Lack of consistency in the decisions of magistrates, petitions of employers, and counter-petitions of workmen for amendments to this Act

Repealed.

brought about its repeal in 1814.

The rise of the Trade Union.

It is unnecessary fur us to deal at length with that period of transition in the world of labour organizations when the trade union replaced the journeymen fraternity, and the craft gild, and the way was paved for the employers' association to replace, in one sense, the gild merchant. Suffice it to say that as a result of the Industrial Revolution, the Trade Union became the recognized organization of the wage-earner, and the champion of the principle of Collective Bargaining.

Causes of Trade Unionism.

The inventions of Watt, Arkwright, and Boulton, all contributed to the establishment of new industries, and the textile industry received an almost revolutionary change when "Crompton's mule" was introduced. The creation of new fields of employment brought about changes in the economic viewpoint of the wage-earner. Unskilled labour entered industrial fields and obtained increased wages under skilled labour conditions. The Industrial Revolution stimulated economists to consider the new problems presented by the great industrial movement. The "Condition of England" question evoked serious thought. The era of reform dawned with the almost universal adoption of the Benthamite doctrine of utility - "the greatest happiness to the greatest number" -, and the Reform Act of 1832 paved the way

for the establishment of democratic government in England. These various factors, both economic and political, acted and reacted on one another, resulting in a vastly changed standard of labour from that of the unorganized England of former days.

Early Development.

Professor Brentano in his "Origin of Trade Unions" tells us that Trade Unions were not the directly logical growth of craft gilds nor of journeymen fraternities, but were a new species of association brought about by the needs of the changed conditions resulting from the gradual industrialzation of England. One of the earliest instances of Trade Unionism is found among the woolen operators of the West of England of which complaints were made in 1675. This is not an isolated case for the chief development of the Trade Union movement took place in the latter half of the 17th Century. It was some years however before the almost univarsal adoption of this instrument of Collective Bargaining was accomplished.

Possibly the clearest method of appreciating the use of Trade Unions in the sphere of collective action is by considering a series of examples. The lack of proper organization, of wise leadership, and of centralized control, in the earlier stages will be painfully apparent. Efficiency however, is generally paid for in advance by unfortunate experiences, and Trade Unionism proved no exception to this rule.

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Spitalfields Act 1776.

One of the earliest gains of the Protectionists in Parliament came as a result of Collective Bargaining. In 1765 the Spitalfields weavers protested that they were driven out of employment by the importation of foreign silks. Large crowds of them paraded to Westminster, riots occurring sufficiently serious to induce Parliament to prohibit importations. Even this failed to maintain a satisfactory rate of wages, and after a further period of violence Parliament passed the Spitalfields Act (1773) by which the justices were empowered to fix and enforce the rates of wages. The Union organization of the weavers at the outset of this trouble was weak and poorly led. It resulted in establishing the Union with a large membership on a firm footing to see that the proper rates of wages were maintained by the justices. Testifying before the Lords Committee fifty years after the passing of the Spitalfields Act Mr. Hale stated as regarding the effect of that Statute -

Effect of Act.

" A committee of masters generally met a committee of journeymen, perhaps three or four or five on each side, and, after they have argued the matter, they come to an agreement as to what they think should be a fair price for labour. It is then taken before a magistrate who ratifies it and it becomes by law a fixed price until altered by subsequent agreement. If we cannot come to an agreement we go before the magistrate

at Quarter Sessions. We each of us take witnesses on each side and after mutual deliberation and viewing the measure in all its consequences on both sides the magistrates determine it. Of two instances of disagreement, in one case the magistrates decided in favour of the employers and in one case in favour of the workmen." Another witness before the same Committee, Mr. Buckerridge, who had been engaged in the trade upwards of fifty years, first as an operative weaver and later as a master, had assisted at determining nearly all the list prices during that period, and expressed his opinion that "the Act had been a success, preventing either weavers or masters from taking an undue advantage of the other." This statute was thus a form of collective bargaining under magisterial supervision, designed primarily to ensure observance of the lists. Actually however, there was a tendency on the part of the magistrates to look more to the maintenance of a constant status of the workers rather than considering increases of their wages. Improved technique of the workman resulting in increased profits to the employer did not result in a corresponding increase to the wages if the price of bread remained constant. This form of collective action therefore apparently did little else than ensure the wage-earner a minimum wage which would, at that period be little else than the subsistence minimum. The continuation of this policy contributed greatly to the

Legal Supervision.

"Status" of wage-earner helped Capital.

growth of Capital in England. It was only after experience that Trade Union officials gradually realized the result of such methods and the ideas of profit-sharing took form. Here we note however that whereas the Statute of Apprentices gave a certain authority to the magistrates to consider individual cases of wage-disagreement, the Spitalfields Act gave them power to determine the wages of all the workers in that craft at one decision. This then appears to be the first legislative recognition of collective action.

First recognition of Collective Bargaining.

Shortly after the prohibition of the importation of silks (1766), the ribbon manufacture became established at Coventry. The price of weaving remained constant for many years. Increased demand for ribbon with purl edges in 1812 attracted many workmen from other industries. In 1813 the single handworkers, as a body, petitioned the masters for higher wages. The masters agreed to the proposals and prepared a list which all the principal masters of Coventry signed, - the first printed list of wages known in the Coventry trade. The depression following the Napoleonic wars (quite similar to the period following the Great War a Century later) resulted in further experiments with Collective Bargaining. "The City of Coventry Weavers Provident Union for Trade and Burial" was established by an assembly of frame-weavers in 1816, the purpose of which was to assist

Coventry ribbon industry.

Wage Lists.

persons who were out of work or compelled to receive half pay. The price of labour was unstable. Masters and men both held meetings and appointed representatives to prepare a list. It did not survive a fortnight.

Attempts at Legal Sanction of Agreements.

Here was a new problem, What was to be done to enforce a bargain brought about by collective action? After a further meeting the list was sent to London for registration in the Court of Chancery so that legal sanction would bind all those who had signed. When even this method failed and other expedients were of no avail the weavers petitioned Parliament in 1818 to extend the provisions of the Spitalfields Act to the Coventry trade.

Coventry petition denied.

Investigation by a Parliamentary Committee showed that through changes in economic conditions and public opinion, this Act was already incapable of solving the problemand Parliament denied the petition. The masters then believed that they also were being discriminated against and requested that the Act be repealed, which request was unopposed, the Act, marked "obsolete", dying in 1824.

Spitalfields Act repealed 1824.

These events give us a curious indication of how little workman kept abreast of the advance in economic thought. The petitioners from Coventry believed the Spitalfields Act to be merely a means of validating mutual wage agreements found difficult to enforce. The relation of this Statute to the obsolete ideas of rigidly defined status were entirely overlooked. After the denial of the petition they resorted to their old practice of

list-making, which was most unsatisfactory, until a permanent committee was appointed in 1831.

The question naturally arises as to what prevented the principle of Collective Bargaining, modified though it was, as exemplified in the Spital-fields Act, being extended to other industries. The cause of the answer lies within the field of politics rather than economics. Extreme reaction to the Jacobinical doctrines carried out during the period of the French Revolution brought about the fear that within various organizations of workmen lay the hidden danger of political action. Hence the retrogressive legislation evidenced by theCombination Laws of 1799-1800. These drastic statutes if interpreted and enforced literally would have stifled Collective Bargaining in its infancy. That of 1799 strengthened the hands of the magistrates and was framed to maintain the status of the workman which had existed some time previously. That of 1800 even prohibited "societies for the collection of funds for the benefit of fellow-workmen". Apparently public opinion was not so far stampeded as to insist on the rigid enforcement of this measure. In existence at this time were the two statutes ralating to conspiracy - Ed 1 (1305) and Ed VI (1509) both embodying the law that certain kinds of associations could be deemed conspiracies. The primary purpose of the latter was to prevent increase of prices to consumers. It was aimed directly at crafts-men and contained provisions against combinations to

Reactionary influences.

Combination laws 1799-1800

raise wages. With such enactments already in force the addition of the radical provisions of the Combination Laws made further progress in the direction of collective action practically impossible. That such a condition could long exist is difficult today to believe, yet it was not until 1824-25 that the condition was remedied.

Francis Place.

In considering the development of Collective Bargaining the necessity of recognizing individual effort in furthering the cause will rarely appear. The credit for overcoming the reactionary legislation of 1799-1800 however must be largely ascribed to Francis Place, a master tailor who initiated and directed the attack against these unfair measures. Commencing in 1814 Place assembled information from many sources regarding labour conditions, and in 1818 turned over his business to his son so that his whole effort might be devoted to the campaign. Joint-editor with Bentham of "The Gorgon", a trade society newspaper, he did much to influence public opinion, and with the assistance of Joseph Hume in Parliament, Place made this question a live issue throughout the whole country. Hume's Committee to consider the question was confronted by deputations of working-people from all over England, skilfully instructed and directed by Place. The delegates created a profound impression upon the Committee and the three bills drawn as a result of their deliberations were milestones in the progress of Collective Bargaining. With much questionable ingenuity under the generalship of Place, the master lobbyist, the following bills were

Combination Laws 1824.

enacted in 1824: "An Act to Repeal the laws Relating to Combinations of Workmen", "An Act to Codify and Amend the Laws Relative to the Arbitration of Disputes between Masters and Workmen", and "An Act to Repeal the Laws Relative to Artisans Going Abroad". The general anticipation of the effect of this legislation was, that as the organizations of the workmen were largely defensive measures against the tyranny of the law, once the obnoxious laws were repealed, the organizations, losing the cause which cemented them together, would die a natural death. The value of Collective Bargaining as a means of raising the general level of wages and improving working conditions was little appreciated at this period.

by Place

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Reaction.

The economic result of the Acts of 1824 is most interesting to the modern observer. During a period of industrial contraction the workmen utilized their newly acquired freedom to engage in strikes and boycotts on a scale not previously experienced. Employers, greatly alarmed, firmly believed that only a return to the prior legislation would stablize conditions, and they set out to achieve this end. Place and Hume again came to the fore, petitions and deputations being presented to the Parliamentary Committee from thousands of workmen, resulting in the employers' accusations being refuted and their bill receiving an adverse report. The bill finally enacted differed only slightly from its

predecessor, but the variation, while minor on the face of it, had a much greater result. The guarantee of an open shop principle, and the prohibition of the essentials of a closed shop were not so serious but, whereas the Act of 1824 had granted immunity from prosecution "under Common or Statute Law", the new Act omitted all reference to the Common Law. Hence workmen could be prosecuted for conspiracy if the objects of the combination were not restricted to the questions of wages and working conditions. Prosecutions for conspiracy became a serious menace to members and leaders of the unions. Much publicity was given to this danger by the trials of five Glasgow cotton spinners in 1837 and also the officers of the friendly Society of Journeyman Steam Engine Workers in 1846. The opinion of Mr. Justice Crompton given in 1856 that "all combinations which tended directly to impede and interfere with the free course of trade were not only illegal, but criminal", exhibited a tendency towards interpretations of the judiciary hostile to the principles of Collective Bargaining. This situation was somewhat curbed by the Statute of 1859 which defined more clearly the offenses of molestation and obstruction. Then a new doctrine appeared in the view that the agreements of workmen in combination were conspiracies "in restraint of trade", and therefore the constitutions of all unions were unenforceable contracts. This doctrine struck a serious blow to the very vitals of all workmen's organizations. Their officers could not be called to account, and their

Combination Act - 1825.

Hostile Judiciary.

Unions "in restraint of trade" illegal.

funds were in peril. Hence much difficulty and dissatisfaction was experienced until the Act of 1871 provided for the registration of Unions, which, when completed, conferred on each the right to hold certain properties. In order to escape liability for the acts of its members, full corporate capacity was not obtained by the Unions. The legislation of 1871-76 thus granted the opportunity for organization for the purposes which were made legal in 1825.

Union registration 1871.

With this appreciation of the several steps in legislation affecting collective action before us, let us examine the extension of the use of Collective Bargaining which took place during the period covered. The first significant point is that Trade Unionists discovered that Collective Bargaining was an effective method of bringing about improvements in working conditions. In 1847 we notice the Ten Hour Bill became law as a result of Trade Union agitation. In 1871 however the Unions with their newly granted powers accomplished a notable victory, not through agitation resulting in legislation, but by Collective Bargaining, in some instances resulting in strikes. In this manner the Nine Hour Day was forced upon the employers throughout England and Scotland. Commencing with the Engineering Trades in Sunderland the movement spread, and under the leadership of John Burnett, embraced Unionist and Non-Unionist alike in the popular demand. The shipbuilders on the Clyde even bettered this example and succeeded in

Use of Collective Bargaining extended.

Ten Hour Bill 1847.

Nine Hour Movement.

forcing a fifty-one hour week on their employers. Faith in trade combinations and Collective Bargaining was greatly strengthened by this Nine Hour Movement.

From the establishment of a local union in one trade to the joining with it of a union of the same trade in a nearby labour market seems only a natural step. This was accomplished in the early stages of Trade Unionism. But the conception of a nationwide Union embracing all workmen in all trades, is a much larger step, made more difficult by many obstacles. Such was the dream of Robert Owen, who, in January, 1834, organized "The Grand National Consolidated Trades Union". Even agricultural workers and women were numbered among its members, all of whome were inspired by their leader's illusive hopes of immediate results. With an elaborate scheme of federated lodges, sick, funeral, and old-age benefits, even the employment of persons on strike in other industries was numbered among its worthy objects. This organization was of a mushroom growth and gathered a membership of over half a million within a few weeks. Opportunity to display its strength was soon presented. A strike of farm labourers in Dorsetshire resulted in the arrest of six of the leaders for administering the oath to members of Owen's National Union. The hasty trial of these unfortunates was a scandalous perversion of the law, and within thirty days of their arrest they had been sentenced to seven years' transportation and were on their

National Unions.

Webb H.T.U. p.135

Dorsetshire Labourers Case.

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way to Botany Bay. A storm of protest arose. Petitions with 250,000 signatures accompanied by a parade of 30,000 members of the Union were presented to the Government demanding remission of the sentence. The Government refused. This was the peak of the influence of this Union. There followed a tailor's strike in London for shorter hours. Twenty thousand men were out. The Grand National endeavoured to provide strike pay, but levies on its lodges only produced discontent and insufficient funds. The strike was broken and the Union began to break up in July, 1834, after an active life of six months. Thus an effort to extend Collective Bargaining to operate on a large scale proved unsuccessful.

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Failure of Grand National Union.

This experiment was not entirely without sequel, as Owen salvaged the rapidly declining structure of the Grand National by converting the remnants into the "British and Foreign Consolidated Association of Industry, Humanity, and Knowledge". Here for the first time we meet the possibility of internationalizing labour movements, the addition of "Foreign" strength opening up a new field of thought. This particular association was but short lived and resulted in a few futile experiments in cooperative production, which we note is also a further step in the possibilities of Collective Bargaining. Production for use and not for the profit of the employer thus becomes a further instrument in improving the position of the wage-earner.

P.167 (Owen loved long titles)

"International" idea.

Cooperative movement.

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in 1845 the "National Association of the United Trades for the Protection of Labour" was founded (also through Owen's work). While it only undertook to give a partial measure of assistance in Trade Union struggles, it's other and more significant object was "the care of labour interests in the House of Commons". Here we see the first large organization to definitely espouse the Labour cause in the political field. The obvious necessity of removing the obstacles to the free exercise of the principles of Collective Bargaining brought about the belief that this could be accomplished through proper representation in Parliament. If the desired result could not be obtained by the exercise of collective action against the capitalist employers in the labour market, then the possibility of forcing the result by approaching it from the legislative end with the exercise of that collective action through the ballot-box seemed a wise alternative. Unfortunately however, this Association found difficulty in raising a strike fund, and the employers skilfully played off the local branches against the central body, creating sufficient friction to kill the organization in 1851. But this seed of collective political action fell on good ground and was later nursed from a tender shoot to a full grown plant, resulting in a complete Labour Government in England. The Utopian hopes of Owen were thus successively dashed to the ground and labour as a class gave up further attempts at national organizations embracing all trades, for some time.

Political possibilities.

National Unions fail.

The organizations which met with the greatest success were the Craft Unions. These had prospered and become somewhat national in their scope. Amalgamations resulted, the best example being that of the Amalgamated Society of Engineers, which body served as a model for others. A strong Central Executive over the branches, combined with a single fund collected to cover all purposes, proved the two features chiefly responsible for the success of these Amalgamated Socities. The ultimate weapon of Collective Bargaining, - the strike - had been weakened heretofore through lack of funds to provide strike pay for the men. The adoption of the single fund for all purposes overcame much of this difficulty, and when the London Builders strike occurred in 1858, 24,000 carpenters,masons and bricklayers being out, the sensation of the time was the grant by the Amalgamated Society of Engineers of £1000 for three successive weeks. The employers yielded, and this action of the Engineers did much to increase the influence of the Alamgamated Society idea. Here was an example to a certain degree of the "sympathetic" movement of labour. While this was by no means a sympathetic strike, there is no doubt but that these contributions were strong factors in the ultimate result. Advocates of direct action, and the organization of unskilled labour to participate in a general strike if their demands were refused, received the rebuke of public opinion when the Chartist movement failed in 1848.

Amalgamations Societies.

"Sympathy of labour.

Failure of Direct Action.

During the period between the Combination Acts of 1824-25 and those of 1871-76 then, the possibilities of employing Collective Bargaining to accomplish other ends than merely the maintenance of a uniform level of real wages became apparent. Improvements in working conditions, reduction of hours of labour, international assistance, cooperation to eliminate the employers' profit, and the employment of political power, the sympathetic strike, and direct action to accomplish these ends extended the sphere, and added complications to the use of Collective Bargaining. To properly appreciate the advance in its development during this time we must consider at least some of the difficulties which provided the opposing influence.

For half a century after the 1824-25 legislation the controversy regarding the legal position of Trade Unionism was always muddled with the question of physical violence. Magistrates frequently treated any warning uttered by a Trade Unionist to an employer or a non-unionist workman as "intimidation", and therefore a criminal offence, even if the consequences alluded to were of the most peaceful kind. The opinion of Mr. Justice Crompton previously quoted, tends to amplify the evidence that judicial interpretation was entirely prejudiced against the actions of wage-earners. In 1867 when a boilermakers' union sued one of its officials for misappropriation of its funds the court dismissed the action without hearing, declaring the union "an

illegal society incapable of bringing suit in court". Confronted with such opposition it is not to be wondered at then, that the economic ideas of labour leaders sought relief in diverse avenues. The condition required remedial treatment of some nature and the ingenuity of the plans utilized to achieve that end brought to light further attributes of Collective Bargaining as an instrument of progress for the wage-earner. The need for leaders of knowledge and experience was marked. The weaknesses and difficulties of union organizations and amalgamations evoked much thought, so that the unions might strengthen themselves as a result of their experiences. This period then was one of opposition and experiment which later served as a steadying influence when attacks on the position of Unions were made subsequent to their liberation under the Acts of 1871-76.

The offence of "intimidation" was not confined legally until 1891, to the threat of committing a criminal offense against a person or tangible property. From this time forward attempts to suppress collective action through the agency of criminal law were practically abandoned. The civil law was next resorted to as a means of curbing the strengthening power of collective action.

Civil actions vs officials.

Union officials found themselves sued by their employers for damages caused by Trade Union actions. Activities which if undertaken by an individual would have been considered most peaceful and lawful, were, under the

figment of "conspiracy to injure", made wrongs of uncalled-for magnitude when carried out by two or more in concert. Thus Union officials found judgments entered against themselves, and sheriffs seizing their homes and property under executions. To such an extreme was this turn of law carried, that even for a Trade Union official to request one firm to refrain from supplying goods to another, was held to be punishable in damages. Although this extreme development of the Law of Conspiracy and the Law of Torts went far to render ineffective the intention of Parliament in 1871-76 to make lawful a deliberately concerted strike, the position of the Trade Union as regards its corporate funds was still unassailed. This unquestioned immunity granted in 1871 however, was rudely upset thirty years later by the decision in the Taff Vale case which awarded the Taff Vale Railway Co. £23,000 damages against the Amalgamated Society of Railway Servants for loss suffered by the Company during a strike directed by the officers of the Society. Trade Union officials and members throughout the country were thrown into consternation over this momentous decision. Employers quickly took steps to break down the defences of Labour, and Trade Unionism became from the viewpoint of independent action, almost impotent.

Taff Vale case.

The reaction to this retrogressive decision has proven to be the greatest forward step that the forces of Labour have ever taken. Rallying to the defence

of its very existence, the number of unions doubled within the following two years and trebled by 1906. Collective political action was the means adopted by the Unions to reverse this decision. The Labour Representation Committee changed its name, and the Labour Party of the United Kingdon was born. A canvass was made of every prospective Parliamentary candidate in the field as to his stand on a bill to undo the Taff Vale judgment. It resulted in the Labour Party putting fifty candidates in the field, twenty-nine of whom headed the polls. (Twelve workmen were also elected under Liberal colors who later joined the Labour Party in 1910.) What is the significance of this history-making election? Obviously it proves, that if the principle of Collective Bargaining is challenged by law, that public opinion will demand a change of that law. The entrance of the Labour Party as an independent factor in the political life of Great Britain was a declaration that the masses of the wage-earning population were determined to see that this principle was accorded the recognition it merits. The Trade Union has been recognized, at least since 1871, as the wage-earners champion of the principle of Collective Bargaining. Where the principle has been attacked, the Unions have defended. But, for the Trade Union to become not merely an instrument of defence, but an actual organ of government, required a great advance in public opinion. Greater tribute to the power of Unionism was never more dramatically portrayed than at the passing of the Trade Disputes

1906 Elections.

Trade Disputes Act 1906.

Act of 1906, which reversed the Taff Vale judgment. Member after member arose from different sections of the House to pledge his support. Nothing but complete immunity for the Unions would suffice, and the most powerful government hitherto known in the United Kingdom, was forced, in spite of the protests of lawyers and employers, to enact this measure, which granted inter alia, immunity to the Unions from civil actions based on acts of their members in furthering a trade dispute. Collective Bargaining once more takes a decided step forward.

This signal victory for the wage-earners, obtained through collective political action, brought a reaction also of a political nature. Large corporations found it embarrassing to their plans to have officials representing their employees sitting in the House of Commons. In an attempt to overcome this condition they induced W. V. Osborne to petition the courts for an order restraining his society, the Amalgamated Society of Railway Servants, from paying out any of its funds for political purposes. Members of Parliament at this time were not in receipt of any indemnity and consequently Labour members were financed by their Unions. To cut off the finance, the corporations believed, would cut off the Labour Party in the House. Although Osborne's petition was granted and sustained by the House of Lords in 1909, this possibility was entirely nullified by the granting in 1911 of a sessional indemnity of £400 to all

Osborne case.

Members of Parliament. The resentment of the Unions against the Osborne judgment soon bore fruit, for in the Trade Union Act of 1913 they received power to include in their constitutions any lawful purpose whatsoever so long as the principal objects were those of a Trade Union as defined by the 1876 Act, and to disburse monies for any purpose thus authorized.

Trade Union Act 1913.

The question may well arise in the reader's mind, "Why is so much time and space devoted to the discussion of Trade Union progress, in an article professing to deal with the Origin and Development of Collective Bargaining"? The answer however is obviously simple. Admittedly, the principle of Collective Bargaining is of interest to, and is used by, unionist and non-unionist alike. It is also an indisputible fact that without the leadership of Trade Unionism in championing the cause of Collective Bargaining, the recognition of the principle would certainly not be as universal as it is today. Undoubtedly Collective Bargaining is wider than Trade Unionism, but, without the Unions as spokesmen of organized wage-earners, the efforts to approach an equality of bargaining power in the buying and selling of the wage-earners' services, would indeed be feeble. The strength of the employer lies in his ability to establish a reserve of Capital upon which he can draw in case his income is temporarily cut off by the withdrawal of his employees, in their endeavour to force a bargain more favourable to them-

Trade Unionism and Collective Bargaining.

Employer's Reserve Capital.

selves as regards wages and working conditions. The weakness of the wage-earner lies in his inability to withold his labour for any lengthy period through his necessity for wages to supply him with the necessaries of life. But the development of the Trade Union has altered his position materially. As the powers of the Unions were extended, point by point, the wage-earner found his strength increased by adding power to the number of his supporters, and the accumulation of Union funds for his maintenance enabled him to withold his services for a much longer period. Today the failure of an employer to negotiate with his employees results in a contest of endurance of the reserve funds of the two parties. The various assaults on the progress of Trade Unions, and the further extensions in their powers which later resulted, are thus inextricably bound up in any attempt to trace the development of Collective Bargaining

Wage-earner's Reserve - The Union.

To consider the economic effects of each step in the development of this main principle, whether such step be one of progress or retrogression, would involve the inspection and consideration of extensive data. One example however, will assist us to formulate some general appreciation of just what the progress of the movement has involved. The successive legal assaults upon Trade Unionism between 1901 and 1913 laid the brunt of the attack on the Amalgamated Society of Railway Servants. The temporary crippling of Trade Unionism through the

Economic effects of legal assaults 1901-1913.

Taff Vale and Osborne decisions resulted in financial advantage to that generation of employers through the railwaymen being held at bay for something like a decade. A rise of wages to the extent of only one penny per hour for their whole body, would have cost the companies, in the aggregate, nearly £6,000,000 annually. Thus the railway shareholders enjoyed a gain of approximately £60,000,000 by staving off such an advance, which, in the opinion of most economists, would have been an impossibility had the Amalgamated Society not been rendered impotent. The legal costs to this organization alone in defending the status of Trade Unionism amounted to £50,000. It is conceded that if in the temporary set-back to trade in 1903-5 and its immediate improvement, or in the recurring depression of 1908-9 and the subsequent revival, the whole body of wage-earners in the kingdom were deprived of only one penny per hour, or gained less than they otherwise would have done to the extent of no more than a penny per hour, through the effect of these iniquitous decisions, their financial loss in one year alone would have exceeded £100,000,000. Whatever the amount, it was lost not merely for one year, but for several at least, and in many cases at least a decade. No doubt the capitalist employers considered the legal costs of instigating such litigation an investment which paid handsome dividends. To estimate the economic effect on the next generation of employers and wage-earners would be a much more difficult task. The final result of this litigation was to establish Trade

Unionism on the firmest possible basis in statute law. With its hands unfettered by fear of molestation its position as the spokesman of Collective Bargaining became unassailable. This has undoubtedly been a potent factor in the raising of the Standard of Life, and corresponding improvement in the efficiency and remuneration of the wage-earner since that time. It has also resulted in the increase of political power of the Labour class, a factor which is of material assistance to the maintenance of the present status of collective action. Greatly accelerated by the increased power of the Unions during the Great War, Trade Unionism has won its recognition by Parliament and the Government, by law and by custom, as a separate element of the community, entitled to a distinct recognition as a part of the social machinery of the State, its members thus being allowed to give not only their votes as individual citizens, but also their concurrence as an order or estate.

Present status of Unions.

If these conditions, economic, political and social have arisen, even in part, from one step in the development of the principle of Collective Bargaining, then it logically follows that each prior step must have assisted to a greater or less degree in the ultimate result. Whether progressive, or reactionary, each phase of the development of Trade Unionism, in its fight for recognition of collective action, had its economic effect not only on the period of its occurrence, but on the period

Necessity of Background.

of today, for without each prior phase how could we justify the existence of present conditions? Hence our discussion of the various steps which brought about the modern conception of Collective Bargaining is a necessary background to an intelligent appreciation not only of its present legal status, but the more so for a portrayal of its Aims and Limitations.

Part II.

--- LEGAL ASPECT. ---

Laws as result of Public Opinion.

One of the most powerful factors in the creation of the laws of today is public opinion, but such was not the case in England prior to the 19th Century. The governing classes made the laws to suit firstly, the governing classes, all other considerations being merely secondary. Thus the trend of society from status to contract has usually been accelerated by the growth of democracy. The transfer of the legislative function from the few to the many has resulted in law being created firstly for the benefit of the many, consideration for the minority being secondary. Thus we see how the movement towards freedom of collective action advanced more rapidly after the granting of Household Suffrage in 1867 than before that time. The opinion of the masses became a large factor in determining legislation, and the "collectivist" idea prevailed.

The advocates and opponents of Collective Bargaining have fought a steady fight, the tide of battle at first favouring the opponents, and later under democratic government the advocates obtained the advantage. Like two skilful fencers in a ring they have advanced and retreated, testing each other's strength, have taken periods of rest, as between rounds, and finally in the heat of conflict, strength has outpointed knowledge, and the decision has been awarded to the contender to whom it meant the most. The consideration of the wage-earner as a contender was tolerated by the governing class when the Statute of Apprentices was enacted. His formal entry

as a representative of collective action was tacitly accepted by the passing of the Spitalfields Act. The tide of battle ebbed and flowed through the various Combination Acts of 1800, 1824 and 1871. The science and knowledge of the art of self-defence were exemplified in the Taff Vale and Osborne decisions, but the recuperative powers added to the experience gained during the contest resulted in the judges' decision in the Trade Disputes Act of 1906 and its confirmation by the Trade Union Act of 1913. It might be said today that the wage-earner having now found his feet, has developed an international viewpoint and is looking abroad for further worlds to conquer. Collective Bargaining is an almost universal agency in reconciling Labour and Capital in the industrial nations of the world today and is so recognized by law. Throughout the development of this collective principle, legal enactments have played an important role, to which must be added the further factor of judicial legislation, through the legal interpretation of the several positions of acts collateral to Collective Bargaining, by the various courts. Thus the successive phases of the growth of Trade Unionism are marked by the passing or repeal of some enactment, or the judicial decision of some specific case. The examination of the law regarding Trade Unions at any given time should therefore be a reflection of the status of Collective Bargaining at that particular period. As we have already given a fairly comprehensive review of the more important enactments and decisions which marked the development

Law effects Collective Bargaining.

of the principle of Collective Bargaining, it is not deemed necessary to examine in detail the exact provisions of each piece of legislation, whether governmental or judicial, to analyze the effect of each on the ultimate result. Suffice it to say, that as we must look to the law to properly estimate the rights of individuals, so we must consider the law to determine the rights of those individuals when they act collectively. Thus to ascertain the present position of Collective Bargaining, recourse must be had to the law of the land, as defined by statute, affecting both the rights of individuals as against other individuals, and as against the State, considered in the light of the judicial interpretation of those statutes.

Law defines Rights.

The Magna Charta of Collective Bargaining is contained in the Trade Disputes Act of 1906. Its provisions embody the following concessions to freedom of collective action:

Trade Disputes Act 1906.

1. No civil action shall be entertained against a Trade Union in respect of any wrongful act committed by or on behalf of the Union.
2. When committed in contemplation or furtherance of a trade dispute:
   (I) Any act done in concert shall not be actionable if the same act done by an individual would not be actionable.
   (II) Attendance solely in order to inform or persuade peacefully shall be lawful.
   (III) An act shall not be actionable merely by

reason of its inducing another person to break a contract of employment or of its being an interference with another person's business or with his right to dispose of his capital or his labour as he chooses

To these provisions must be added the right of Trade Unions to undertake whatever political or other activities their members might desire, wich was granted by the Trade Union Act of 1913. Hence the anomolous position of members of Trade Unions which had been the cause of prior decisions such as Temperton vs Russell 1893, Lyons vs Wilkins 1896, Duke of Bedford vs Ellis 1901, (which overruled Temperton vs Russell), Taff Vale Railway Co. vs Amalgamated Society of Railway Servants 1901, and Osborne vs Amalgamated Society of Railway Servants 1909, was forever done away with, and the members were free to exercise their prerogative of collective action with little or no restriction.

Trade Union Act 1913.

The Conspiracy and Protection of Property Act of 1875 granted immunity from criminal prosecution to those who have acted in concert in furtherance of a trade dispute, where their actions were of a non-criminal nature. Thus immunity from criminal prosecution for conspiracy preceded a similar immunity from civil action, not accomplished till the Trade Disputes Act 1906. This same Act of 1875 however, contained penalties for persons wilfully breaking contracts of service where the probable consequence of them doing so might endanger human life, or the

Protection of the Public.

destruction of property. The provision is of course aimed to prevent the disruption of necessary public services such as water, light, heat, etc; which might easily result in causing serious injury or death to the members of a community. Summarizing then, we see that the law of the United Kingdom today recognizes the following means of bargaining collectively: The right of combination for any lawful purpose, the strike, with its "restraint of trade" and interference with profits and business, peaceful picketing even on an extensive scale, the persuasion of workmen to break contracts of employment, complete immunity, both criminal and civil, from damages or punishment for lawful combined action, and the pursuance of political of other objects by combinations.

Summary of English Law.

Let us examine briefly the law of the United States of America with regard to this matter. In a highly industrialized democracy of nearly 120 millions, their labour problems have been many and serious. The development of the method of Collective Bargaining has no doubt been consummated more rapidly in this complex civilization than in Europe. Its status today may be summarized thus: Trade Unions may, by federal authority, and also by the authority of a number of states, be incorporated. Some states have passed laws excepting unions from restrictions on combinations and conspiracies, imposed by other statutes or the common law, and especially from the operation of anti-trust laws. Other laws prohibit employers from making

Laws of United States re Collective Bargaining.

it a condition of employment that their employees should not be members of a union. Peaceful picketing is allowed. Most states recognize by law the use of the union label. The exact legal status is somewhat involved through the fact that individual states have enacted legislation differing from that of others. The "sympathetic" strike is termed "probably unlawful", as it would involve the tieing up of important railway systems which would interfere with business generally and the mail service. Such a condition is unlawful under statutes relating to interstate commerce, the mail service, and the Sherman Anti-Trust Act. The abandonment of public utilities by employees under contracts of service, is unlawful for the same reasons as in the United Kingdom. It is fair to state however, that United States legislation is friendly to Trade Unions and their objects. Their purposes are regarded as lawful by the courts, and if the means employed to accomplish these purposes do not involve injury to property, intimidation by threats, personal violence or boycotts enforced by terrorism, collective action may follow its own course.

Canadian Law.

The examination of the law respecting Collective Bargaining in the Dominion of Canada involves a preliminary knowledge of the peculiarities of our constitution. Under the British North America Act 1867 each province was given the right of enacting legislation regarding "property and civil rights". To the federal government was reserved the right of dealing with the criminal law for the whole

Dominion. Some provinces adopted the laws of England as they existed in 1867. Others admitted to Confederation at a later date adopted a later set of English law. Since then each has made its own laws. Comparisons of conditions in different provinces therefore, must always be viewed in the light of the variances in their laws. In Manitoba e.g. we adopted the laws of England as they stood on July 15th, 1870. Therefore the English Trade Union Acts of 1871-76 are not incorporated in our civil law of today. Their provisions however, with little alteration, are now embodied in the Criminal Code of Canada as sections 496, 497, 498, 499, 501 and 590. The most important features of these sections are as follows:

"Conspiracy in restraint of trade" is defined as an agreement between two or more persons to do or procure to be done any unlawful act in restraint of trade. But the purposes of a trade union are not, by reason merely that they are in restraint of trade unlawful within the meaning of that term. It is forbidden for a person to wilfully break any contract made by him, the result of which may be to endanger human life, or expose property to serious injury. Municipalities and corporations as well as individuals are prohibited from wilfully breaking contracts for the supply of electric light or power, gas or water. It is unlawful to break a contract to carry His Majesty's mails. Malice as a motive of such acts is not a necessary ingredient to a successful prosecution. The offence of intimidation is dealt with by Sec 501, and reads in part:

"Every person is guilty of an indictable offence

who, wrongfully and without lawful authority, with a view to compel any other person to abstain from doing anything which he has a lawful right to do, or to do anything from which he has a lawful right to abstain,-

(a) Uses violence to such other person, or his wife or children, or injures his property; or,

(b) intimidates such other person, or his wife or children, by threats of using violence to him, her or any of them or of injuring his property; or,

(c) persistently follows such other person about from place to place; or,

(d) 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,

(e) with one or more other persons follows such other person, in a disorderly manner, in or through any street or road; or,

(f) besets or watches the house or other place where such other person resides or works or carries on business or happens to be."

From the above provisions it is apparent that extreme care must be exercised in influencing wage-earners to cooperate in collective action. Even peaceful picketing has been construed as an actionable wrong civilly, at the instance of the employer who suffers damages as a result of it - Vulcan Iron Works Co. vs Winnipeg Lodge No. 174 Ironmoulders Union. 1909 - 10 W.L.R. 421, and Cotter vs Osborne et al 1906 - 18 M.R. 471.

Industrial Disputes Act 1907.

The Canadian Industrial Disputes Act of 1907 provides that in any case of disagreement between employers and labourers, that either may request the Minister of Labour to appoint a Board of Investigation and Conciliation to consider the matter. Thirty days' notice of contemplated changes in conditions of employment must be given, and no strike or lockout is to be declared until the expiry of this period. During this time the Board investigates conditions and makes its report which is made public. Public opinion is thus brought to bear on the merits of the case, and efforts to settle the matter before the possibility of the cessation of work arises, have more weight. The aim of this Act is not to replace Collective Bargaining but to supplement the system by its machinery devised to prevent deadlocks. Thus Canadian law recognizes the right of workmen to combine in their bargaining, their right to strike, and to adopt any means to achieve their ends which do not contravene the provisions of the statutes, chiefly the Criminal Code.

Laws respecting Arbitration and Conciliation are not within the strict limits of a discussion of the principle of Collective Bargaining. They are methods devised to bring about the settlement of disputes which Collective Bargaining has failed to solve. Other panaceas for preventing deadlocks have also been advocated, but their discussion here is not deemed necessary.

With a knowledge of the development and the legal

status of Collective Bargaining to assist us, the discussion of its Aims and Limitations is greatly facilitated.

Part III.

--- AIMS and LIMITATIONS. ---

Collective Bargaining in its narrowest sense could be exemplified by any small establishment where of two employees, one was chosen as the representative of both, to bargain with the employer as regards their contract of service. From this unit of measurement of the principle it naturally extends to larger establishments employing hundreds or thousands of employees who bargain through their chosen representatives with their employer. The next logical enlargement is seen in the combination of all the workers in one particular industry within a given locality, to mutually support one another in bargaining with their several employers. Here when negotiations are required with any one employer, or all of them, as the case may arise, the members of the combination or union instead of appointing a mere "shop committee" to represent them, will usually authorize the officers of their Union to act for the best interests of the union as a whole. From this phase we find the next step to be a nationally organized craft union, with its various branches all under a central executive. Under such an organization the negotiations might result in a demonstration of the strength of the workers by the whole membership of the craft throughout a country withdrawing their labour until their position was recognized. Still further we can conceive of such a national craft union uniting with the similar craft unions of one or more other nations, and thus becoming not only international, but world-wide. As factors in the labour market each of these steps represents a different degree of bargaining power in

Measuring Bargaining Power.

Craft Unions.

International Craft Unions.

the adjustment of contracts of service. The representative of two employees is not as formidable as he who represents 10,000, nor the official who speaks for the total number of workers in that particular craft on the whole continent.

Then there is still a further method of increasing the bargaining power of the wage-earner. It is founded on the belief that the wage-earners in all walks of employment are mutually dependent on one another, i.e., that the wages accepted by each, help to determine the total amount of real wages received by all. Thus a union of all workers, regardless of ability or craft, could mutually support one another and provide a larger degree of bargaining power. The degree of power would depend on whether such a union was organized in a locality, a country, or was international, or world-wide. An intermediary step between these two types of organizations is taken by the "Amalgamations" or "Federations" of craft or trade unions which are closely allied in their operations.

One Union for all.

Allied or Federated Unions.

Opinions of economists and leaders in Labour Union organizations, differ widely as to just where the Aims and Limitations of Collective Bargaining shall terminate. A large field for argument lies between the view of the pessimist and the Utopian dreams of the theoretical Communist. Testing various theories by the practical test of economic expediency we may arrive at some intermediary position of reasonable action.

Test of Expediency.

The interests of the wage-earners lie in their desire to participate more equally in the division of the profits of their labour with the employer. The aims of Collective Bargaining are therefore to exert its powers in every possible manner to achieve this result. To improve the position of the wage-earner in the marketing of his labour is the fundamental basis for the existence of Collective Bargaining. How then can the greatest possible efficiency be obtained to carry out these aims?

Local craft union inefficient.

The organization of wage-earners of a particular craft in a combination which merely covers a small locality is not a very effective agent in increasing the bargaining power of its members, for, if employers in that locality refuse to bargain with them, workers in their craft from other localities, or workers in other crafts in that locality, may be obtained to replace the mambers of such a combination. If such a craft union extends throughout the whole country, the possibility of replacement is reduced to a minimum, for, workers in other crafts in changing over would generally bring about a long period of inefficiency. But if there are workers in other countries contiguous to the disaffected area, workers in that craft may be induced to emigrate by promise of steady employment. Thus we see that to strengthen the bargaining power of a craft union it should be organized along international lines, at least in all contiguous labour markets. Such an organization unites all the workers in that particular craft in the common cause, and

International craft union better.

thus solidifies their forces when collective action is required. If every worker in the craft could be prevailed upon to become a member of the union this would give 100% strength behind their representation to the employers.

Method of the One Big Union.

Combinations of workers of all crafts united in one common bond naturally have greater possibilities numerically, and if mutual support is of any value this method of organization is of great importance. This type of Union involves the "sympathetic" quality of labourers, for, it is easily conceivable that where difficulties in bargaining with employers might arise in one craft, twenty other crafts might be perfectly satisfied with their contracts, yet, to support the one weak brother, the whole number must act in concert to exert the full power of the combination. Organized on a branch basis in various localities, such an organization might function reasonably well, but on a national, international, or world-wide basis the difficulties are many. Strikes as a method of forcing the bargain are the ultimate weapon of collective action, and in such an event the laws of the United States and Canada contain many obstacles to this type of concerted sympathetic action. The "One Big Union" with headquarters in Winnipeg, made an attempt along these lines, and found that their theories were somewhat faulty when carried into practice. If the law were altered to suit such actions, their economic position would be more easily determined. Experience shows however, that all the workers cannot with-

Handicaps to sympathetic action.

draw from labour. A goodly percentage must work to merely keep the remainder of the populace alive, and to prevent the serious deterioration of property.

Advantages of Allied Trades methods.

As far as the Amalgamated Society, Allied Trades, or Federated type of organization is concerned, it follows the intermediary course, believing that craft unions which are closely united in practice, should bargain with employers as a collection of unions, not by each craft separately representing its totality of workers in separate bargains. The tendency of employers to play one craft off against another, brought internal strife in the shop, and if one craft accepted an unfavourable bargain this was used by the employer as a club to force further unfavourable bargains on the remaining crafts at various times. Acting as a concert of federated crafts, wage scales and working conditions for each craft can be drawn up at one time and the bargain made with the employer for the whole schedule, or not at all. International organizations of this nature exist and also meet with a fair degree of success in their bargaining.

The theoretical conception.

A much wider conception of Collective Bargaining has arisen during and since the Great War, consisting in a theoretical view of the workers of the world organized along economic lines which would give them a considerable advance of real wages. This theory involves a division of labour along the lines of the least resistance, the readjustment or abolition of tariffs, the establishment of

some central investigating and governing executive to direct the process, and the granting of a voice in the management of industry to the representatives of the workers. Certain industries would only be carried on in certain countries, where it was found production could be carried on at the minimum cost. Skilled labour to effect such production would be imported if necessary, to add the factor of efficiency in determining the minimum of cost, tariffs would be removed entirely if possible, and exchange of commodities would be regulated to eliminate unnecessary expense of transportation. The workers would be advised by experts as to what their just share of profits should be, and collective action throughout the world would force the owners of capital to resognize the merits of the plan. General profits should be increased through elimination of the previous wastage, and hence the real wages of the worker should also be increased. Truly a clever picture.

What does our test of economic expedieney show the limitations of these various methods of Collective Bargaining to be?

Local craft unions are ineffective in obtaining the best results in collective action. Craft unions organized on a national scale are much better, but the international union is the more powerful agent in presenting the case of its members before employers. Witness the great Typographical Union of America. Craft unions without

any other support however, are not the most effective means of securing better bargaining conditions even for its own members. The very union cited, considered the richest on this continent but a few years ago, has gone down to defeat.

Craft Union Results.

Universal unions embracing all workers, organized even locally, can concentrate greater strength in bargaining than any sole craft union. By refraining from ordering its members engaged in serving public utilities, mail service, etc, to withdraw their labour, such an union can bring public opinion, including that of employers of other crafts, to bear on the employer who fails to recognize his duties to his employees. The sympathetic protest of all workers in a given area, if carried out lawfully, is a most potent factor in assisting the aggrieved wage-earner to obtain a fair bargain for his services. If the element of seditious conspiracy, and events outside of Winnipeg, are withdrawn from the Winnipeg strike of May and June, 1919, that event might be cited as an example of this type of bargaining. Where the ambitions of such an organization expand to a national viewpoint, a very different problem confronts us. Just why the street-railway employees of Halifax should join in a protest of conditions confronting the sewer-diggers of Dawson City, is a little difficult to understand. Public opinion and economic conditions in Halifax resulting from such an event would be of very little use in increasing the bargaining power of a group of labourers 4,000 miles away. Although

Localized One Big Union Advantages.

Difficulties if organized nationally.

the situation is not analagous, it is painfully obvious at the present moment that public opinion, active as it is throughout the whole of Canada, is having little or no effect in improving the bargaining power of the miners of Nova Scotia with the British Empire Steel Corporation. A universal union functioning in a national way is economically unsound.

Allied Trade defeats.

The Allied Trade or Federated method is undoubtedly an improvement over the craft union even in the international sense. It also has had its serious reverses, notably among which are the Pullman strike originating in Chicago in 1894, and the Illinois Central and Harriman Lines strike 1911-1915. The former brought the employees of the Pullman Company and the Railway Unions out in protest to the number of 150,000. The Pullman Company and the General Managers Association took the opposing side, and before the sympatheticeffort failed, troops were found necessary and the country estimated its loss at $80,000,000. The latter trouble involved the bargaining power of 38,000 men of the various crafts on these lines. It has since come to light that through the inefficient centralization, and corruption of the officials of the Federation the bargaining power of the men was dissipated, not however before the Companies lost $315,000,000 covering a period of 45 consecutive months

Limitations to the extension of the principle of Collective Bargaining from its present position are many

Other limitations.

and varied. First comes the difficulty of ensuring that all wage-earners will join one of several trade organizations. Different types of organizations also hinder efficient progress. The non-unionist and the extremist are two of the greatest limitations to the progress of collective action. Lack of education, at least in economic principles, both in the rank and file and in the officials and leaders of labour organizations impedes the advance of the movement. Differences of race, religion, nationality and language, craft jealousies, politics, obsolete laws, and lack of enforcement of good ones, all tend to strew obstacles in the path of improvement of the wage-earner's lot. In the meantime employers, strengthened by the enormous growth of capital, gain further knowledge of deterrent agents to the bargaining power of the worker. The wise distribution of privilege, detective systems, the elimination of agitators, the support of recreational employees' associations, savings and investment plans, to foster happiness and contentment, and bribery where necessary, all make their appearance to assist the employer in his machinations.

Summary.

In the final analysis of the fundamental basis of all labour organizations is the furtherance of collective action, whether it be by bargain, ballot or battle. Where the first method is granted, the resort to either of the remaining two, to achieve that end, is unnecessary. In England this recognition of the right of the wage-earner to attempt an equality of bargaining power with the

employer, in the sale of his services, was sought by constitutional means. In some other countries the advocates of Direct Action have swayed the masses until they have revolted against the authority which denied them this right. It is a principle which makes for improved conditions both economically and socially. Failure to concede its benefits to any civilized nation cannot but fail to emphasize the jarring note of discord in its economic development.

Conclusion.

The industrial conditions most conducive to economic peace and prosperity are exemplified when a powerful trade union is face to face with a representative employers' association, both under guidance of wise but moderate leaders and neither feeling it beneath its dignity to treat on equal terms with the other. This may well portray the ultimate aim of the principle of Collective Bargaining.

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