

U. S. DEPARTMENT OF LABOR  
BUREAU OF LABOR STATISTICS

ROYAL MEEKER, Commissioner

BULLETIN OF THE UNITED STATES } . . . . No. 237  
BUREAU OF LABOR STATISTICS }

LABOR AS AFFECTED BY THE WAR SERIES

INDUSTRIAL UNREST  
IN GREAT BRITAIN

REPRINTS OF THE—

1. REPORTS OF THE COMMISSION  
OF INQUIRY INTO INDUSTRIAL  
UNREST
2. INTERIM REPORT OF THE RECON-  
STRUCTION COMMITTEE, ON JOINT  
STANDING INDUSTRIAL COUNCILS



OCTOBER, 1917

WASHINGTON  
GOVERNMENT PRINTING OFFICE  
1917

ADDITIONAL COPIES  
OF THIS PUBLICATION MAY BE PROCURED FROM  
THE SUPERINTENDENT OF DOCUMENTS  
GOVERNMENT PRINTING OFFICE  
WASHINGTON, D. C.  
AT  
25 CENTS PER COPY

## CONTENTS.

	Page.
Reports of the Commission of Inquiry into Industrial Unrest.....	7-227
Minute of appointment and terms of reference.....	7
Minute of appointment of a special commissioner.....	8
Report by the secretary to the commission.....	8, 9
Summary of the reports of the commission.....	9-14
No. 1 Division. Report of the commissioners for the Northeast area.....	15-32
Causes affecting the general community.....	15-18
Food prices.....	15, 16
Liquor restrictions.....	16, 17
Housing.....	18
Causes specially affecting the working classes.....	18-29
Operation of the Military Service Acts.....	18-20
Operation of the Munitions of War Acts.....	20-25
Dilution.....	20, 21
Recording changes of practice.....	21, 22
Leaving certificates.....	22-24
Restoration of prewar conditions.....	24, 25
Inequality of earnings of skilled and semiskilled or unskilled..	25
Delays in settlement of disputes.....	26
Piece rates or premium bonus system.....	26, 27
Industrial fatigue.....	27, 28
Shop discipline.....	28, 29
Coal miners.....	29
General recommendations.....	29-32
No. 2 Division. Report of the commissioners for the Northwest area.....	33-64
General causes of industrial unrest.....	33, 39
Reforms that are taking place.....	39, 40
General industrial condition of the area.....	40, 41
Condition of the cotton trade.....	41, 42
Condition of the shipbuilding trade.....	42
Causes of unrest.....	42-63
Increase in the price of food in relation to wages.....	43-47
Exercise of Government control in local matters.....	48-54
Anxiety concerning restoration of prewar conditions.....	54-57
Local administration of the Military Service Acts.....	57-59
Liquor restrictions.....	59, 60
Miscellaneous matters.....	60-63
Conclusion.....	63, 64
No. 2 Division, Northwest area. Supplemental report for Barrow-in-	
Furness district.....	65-75
The housing problem.....	67-72
Causes of stoppages in Barrow.....	72-75
No. 3 Division. Report of commissioners for Yorkshire and East Midlands.	76-85
Causes of unrest.....	76-80
High price of food.....	77
War legislation.....	77
Distrust of trade-union leaders and Government departments.....	77, 78

## Reports of the Commission of Inquiry into Industrial Unrest—Continued.

## No. 3 Division. Report of commissioners for Yorkshire, etc.—Concluded.

Causes of unrest—Continued.	Page.
Dilution of skilled labor.....	79, 80
Changes in rules and regulations.....	80
Relations of employers and employed.....	80-82
Recommendations.....	82-85

No. 4 Division. Report of the commissioners for the West Midlands area.	86-104
Unrest before the war.....	87, 88
General feeling of distrust.....	88, 89
Military Service Acts.....	90, 91
Munitions of War Acts.....	91, 92
Munitions tribunals.....	92, 93
Dilution.....	93-95
Inequality of wages between skilled and semiskilled.....	95-97
Delay in securing settlement.....	97
Food prices.....	97, 98
Liquor restrictions.....	98, 99
Industrial fatigue.....	99
Shop discipline.....	99, 100
Relations of employers and employed.....	100-101
An industrial code for war time.....	101
Recommendations.....	101-104

No. 5 Division. Report of the commissioners for the London and South-eastern area.	105-116
Causes of unrest.....	105-112
Food prices.....	105, 106
Profiteering.....	106
Industrial fatigue.....	106
Housing.....	106
Inequality of sacrifice.....	106-108
Minor complaints.....	108, 109
Uncertainty as to the future.....	109
Want of confidence in Government and resentment at interference.	110-112
Tribunals.....	112
Remedies.....	112-116

No. 6 Division. Report of the commissioners for the Southwest area.	117-123
Causes of unrest.....	117-119
Military Service Acts.....	117
Munitions of War Acts.....	117, 118
Increase in food prices.....	118
Liquor restrictions.....	118
Industrial fatigue.....	118
Shop discipline.....	119
Miscellaneous.....	119
Representations.....	119-123
No. 7 Division. Report of commissioners for Wales and Monmouthshire.	124-204
Introductory.....	125-155
The fact of unrest.....	155-158
Causes of unrest.....	158
Permanent causes.....	159-161
Temporary causes.....	161-166
Future relations of employers and employed.....	166-169
Recommendations.....	169-171

Reports of the Commission of Inquiry into Industrial Unrest—Concluded.	
No. 7 Division. Report of commissioners for Wales, etc.—Concluded.	Page.
Trade-union and employers' organizations.....	171, 172
Conciliation boards.....	172
Industrial councils.....	172-175
Enforcement of agreements.....	175, 176
Equalization of wages.....	176
Decasualization of labor.....	177
A shorter working day.....	177
Improved conditions of work.....	177, 178
Improvement of housing conditions.....	178, 179
Improved educational facilities.....	179
Restoration of prewar conditions.....	179, 180
Profiteering.....	180-182
Operation of Military Service Acts.....	182-184
Operation of Munitions of War Act.....	184
Reemployment of discharged soldiers and sailors.....	184
Pensions and separation allowances.....	184, 185
Improved Government machinery for the settlement of disputes.....	185
Restoration of old income-tax basis.....	186
Amendment of Workmen's Compensation Acts.....	186
Provision of employment in certain areas.....	186, 187
Redress of minor grievances.....	187, 188
Recommendations applicable to special industries.....	188-191
Mining.....	188-190
Railways.....	190
Seamen.....	190, 191
Nonproductive industries.....	191
Summary of principal recommendations.....	191-197
Witnesses and persons or associations submitting documentary evidence.....	198-204
No. 8 Division. Report of the Commissioners for Scotland.....	205-227
Causes of unrest.....	205-222
Cost of living.....	206-208
Housing.....	208
Munitions Acts.....	208-209
Delay in settlement of differences.....	209-212
Bad timekeeping.....	212
Systems of payment by results.....	212-213
Income tax.....	213-214
Uncertainty as to agreements.....	214-215
Dilution of labor.....	215
Conditions of employment.....	215-216
Arbitrary methods of foremen.....	216
Unequal operation of Military Service Acts.....	216-217
Miscellaneous causes.....	217-222
Appendix A.—List of persons appearing before the commissioners..	223-225
Appendix B.—Press advertisements and letters.....	226-227
Interim report of the Reconstruction Committee, on joint standing industrial councils.....	228-237
Appendix: Contents of other bulletins relating to labor in Great Britain as affected by the war.....	239, 240

## **PREFACE.**

In compliance with a resolution adopted April 7, 1917, by the Council of National Defense, providing "that the complete reports of the committee appointed by the British Minister of Munitions to investigate conditions affecting the health and welfare of workers be edited so that the salient features thereof may be made applicable to the conditions pertaining in the United States, and printed in condensed form by the Department of Labor," four bulletins have been issued by the Bureau of Labor Statistics. The first (Bulletin 221) contains documents, official and unofficial, dealing with hours, fatigue, occupational diseases, and the provisions of the munitions of war act relating to labor disputes and the restoration of trade-union conditions after the war; the second (Bulletin 222) contains memoranda relating to welfare supervision and welfare work; the third (Bulletin 223) contains reprints of official and unofficial documents dealing with the employment of women and juveniles, and the fourth (Bulletin 230) contains official reports and memoranda relating to industrial efficiency and fatigue.

This bulletin (No. 237) is a reprint of the reports of the British Commission of Inquiry into Industrial Unrest and the interim report of the Reconstruction Committee on Joint Standing Industrial Councils. Although these reports were not issued by the British Health of Munition Workers Committee, and, therefore, are not covered by the resolution above quoted, they deal in such a vital way with labor problems growing out of the war as to warrant their publication along with the reports named specifically in the resolution quoted above.

**ROYAL MEEKER,**  
United States Commissioner of Labor Statistics.

# BULLETIN OF THE U. S. BUREAU OF LABOR STATISTICS.

NO. 237.

WASHINGTON.

OCTOBER, 1917.

## INDUSTRIAL UNREST IN GREAT BRITAIN.

### REPORTS OF THE COMMISSION OF INQUIRY INTO INDUSTRIAL UNREST.<sup>1</sup>

#### 1.—MINUTE OF APPOINTMENT AND TERMS OF REFERENCE.

I appoint the following to serve as a commission to inquire into and report upon industrial unrest, and to make recommendations to the Government at the earliest practicable date:

*For the Northeast division.*—Sir Thomas Munro (chairman), Mr. P. Bright, Mr. H. Davies.

*For the Northwest division.*—His Honor Judge Parry (chairman), Mr. John Smethurst, Mr. J. R. Clynes, M. P.

*For the Yorks and East Midlands division.*—Sir George Croydon Marks, M. P. (chairman), Sir Maurice Levy, Bart., M. P., Mr. J. J. Mallon.

*For the West Midlands division.*—Maj. J. W. Hills, M. P. (chairman), Mr. J. W. White, Mr. J. W. Ogden, J. P.

*For the London and Southeast division.*—His Honor Judge O'Connor (chairman), Mr. Allan M. Smith, Mr. J. Voce.

*For the Southwest division.*—W. W. Mackenzie, Esq., K. C. (chairman), Sir Alfred Booth, Bart., Mr. T. Chambers.

*For the Welsh division, including Monmouthshire.*—D. Lleufer Thomas, Esq. (chairman), Mr. Thomas Evans, Mr. Vernon Harts-horn.

*For the Scottish division.*—Sheriff T. A. Fyfe (chairman), Mr. Noel E. Peck, Mr. A. G. Cameron.

*To be Secretary to the commission.*—Mr. G. M. Hodgson of the Offices of the War Cabinet.

(Signed) D. LLOYD GEORGE.

12th June, 1917.

<sup>1</sup> The divisional reports are issued separately as follows: (1) Northeastern (Cd. 8662), (2) Northwestern (including supplemental report on Barrow), (Cd. 8663), (3) Yorkshire and East Midlands (Cd. 8664), (4) West Midlands (Cd. 8665), (5) London and Southeastern (Cd. 8666), (6) Southwestern (Cd. 8667), (7) Wales, including Monmouthshire (Cd. 8668), (8) Scotland (Cd. 8669).

**2.—MINUTE OF APPOINTMENT OF A SPECIAL COMMISSIONER.**

I appoint Mr. A. I. Wadeson a special commissioner for the Sheffield district, to serve as a member of the Yorks and East Midlands division of the Commission to Inquire into Industrial Unrest.

(Signed) D. LLOYD GEORGE.

3d July, 1917.

**REPORT BY THE SECRETARY TO THE COMMISSION.**

To the Right Hon. G. N. BARNES, M. P.

1. The commission was appointed by the Prime Minister on the 12th June, 1917, and started work at various dates from the 13th to the 25th June. Numerous instructions on points of detail have been issued, but the total number of circulars which have been sent out during the course of the commission is only 18. Most of these dealt with financial and accounting matters. One was, however, of wider importance, and that authorized the communication to witnesses of the interim report on joint standing industrial councils issued by a subcommittee of the Reconstruction Committee. This instruction was issued in consequence of a decision of the War Cabinet whereby the publication of the report was sanctioned, and the result of that decision has been to add very materially to the value of the commissioners' reports.

2. On the 23d June a circular was issued suggesting that, in order to comply with the Prime Minister's instructions, no evidence should be taken after the 10th July, and that the divisional reports should be completed by the 12th July and be forwarded to me not later than the first post on the following day. It is gratifying to record that the majority of the reports were in my hands on the night of the 12th July and by 10 o'clock on the following morning all the reports were in the hands of the printers. I wish to express my thanks to the commissioners for the cordial way in which they cooperated in carrying out the proposed time-table. At the same time, this satisfactory result could not have been obtained without the self-sacrificing efforts of the local secretaries, to whose industry, efficiency and ability I have great pleasure in testifying.

3. Whilst the commissions have been sitting, certain changes affecting them have been made in the Government. A new food controller has been appointed, and one of the commissioners of the Northwest division (Mr. J. R. Clynes, M. P.) has been appointed as his parliamentary secretary.

4. The committee on production has been enlarged by the addition of a chairman and two additional members. The chairman in question is the chairman of the Southwest commission (W. W. Mackenzie, Esq., K. C.) and one of the members is a commissioner for



the West Midlands district (Mr. J. W. White). These additions to the committee on production will render it possible for the committee to have three courts sitting simultaneously, and should have a most beneficial effect in reducing the delays in securing settlements to which all the commissions have drawn attention.

5. The main reports have now all been received and advance copies have been submitted to the Prime Minister to-day. With the exception of a note to the Yorks and East Midlands report, they are all signed by the commissioners appointed for each district without qualification or reservation of any kind.

6. A supplemental report on industrial unrest at Barrow has been submitted by the commissioners for the Northwest division, but printed copies are not yet available.<sup>1</sup>

G. M. HODGSON, *Secretary*.

OFFICES OF THE WAR CABINET,

2, Whitehall Gardens, SW., 17th July, 1917.

### SUMMARY OF THE REPORTS.

BY THE RIGHT HON. G. N. BARNES, M. P.

To the Right Hon. DAVID LLOYD GEORGE, M. P. (Prime Minister).

1. *Introductory.* The Commission of Inquiry into Industrial Unrest, which was appointed by you on the 12th June, has now completed its work. The terms of reference to the commission were: "To inquire into and report upon the causes of industrial unrest and to make recommendations to the Government at the earliest practicable date."

2. The constitution of the commission is shown in the minutes of appointment dated 12th June and 3d July, on page 2.

3. The number of meetings held by the eight commissions has varied from 10 to 30 in each case and the number of witnesses who have given evidence to each commission ranges from 100 to 200.

4. Every effort has been made to carry out your instructions to the commissioners that their report should be issued within a period of one month. It has not, however, been found possible to carry out a full inquiry and submit a report in less than five weeks from the date of appointment. While the limitation of time has to some extent narrowed the scope of the inquiry, it has also operated as a stimulus to everyone concerned to carry out the work with the utmost dispatch compatible with efficiency.

5. A comparison of the reports shows that there is a strong feeling of patriotism on the part of employers and employed throughout the country and they are determined to help the State in its present crisis. Feelings of a revolutionary character are not enter-

<sup>1</sup> This supplemental report was printed later and the reprint appears on pp. 65 to 75 of this bulletin.

tained by the bulk of the men. On the contrary, the majority of the workmen are sensible of the national difficulties, especially in the period of trial and stress through which we are now passing.

6. While the eight reports agree as to the main causes of industrial unrest, important differences appear in the emphasis laid by the various commissions upon specific causes.

7. In order that the principal points of agreement and difference between the eight reports may be readily seen I submit the following brief summary of the commissioners' findings and recommendations:

(1) High food prices in relation to wages, and unequal distribution of food.

(2) Restriction of personal freedom and, in particular, the effects of the Munitions of War Acts. Workmen have been tied up to particular factories and have been unable to obtain wages in relation to their skill. In many cases the skilled man's wage is less than the wage of the unskilled. Too much centralization in London is reported.

(3) Lack of confidence in the Government.—This is due to the surrender of trade-union customs and the feeling that promises as regards their restoration will not be kept. It has been emphasized by the omission to record changes of working conditions under Schedule II, article 7 of the Munitions of War Act.

(4) Delay in settlement of disputes.—In some instances 10 weeks have elapsed without a settlement, and after a strike has taken place, the matter has been put right within a few days.

(5) Operation of the Military Service Acts.

(6) Lack of housing in certain areas.

(7) Restrictions on liquor. This is marked in some areas.

(8) Industrial fatigue.

(9) Lack of proper organization among the unions.

(10) Lack of communal sense.—This is noticeable in south Wales, where there has been a break-away from faith in parliamentary representation.

(11) Inconsiderate treatment of women, whose wages are sometimes as low as 13s. [\$3.16].

(12) Delay in granting pensions to soldiers, especially those in Class "W" Reserve.

(13) Raising of the limit of income tax exemption.

(14) The Workmen's Compensation Act.—The maximum of £1 [\$4.87] weekly is now inadequate.

8. *Universal causes of unrest—Food prices and distribution of supplies.*—All the commissions put in the forefront, as the leading cause of unrest, the fact that the cost of living has increased disproportionately to the advance in wages, and that the distribution of food supplies is unequal. Commissioners are unanimous in regard-

ing this as the most important of all causes of industrial unrest. Not only is it a leading cause of unrest in itself, but its existence in the minds of the workers colors many subsidiary causes, in regard to which, in themselves, there might have been no serious complaint; and the feeling exists in men's minds that sections of the community are profiting by the increased prices.

9. *Operation of the Munitions of War Acts.*—The operation of the Munitions of War Acts has undoubtedly been a serious cause of unrest, in particular the restriction upon a workman as regards the selection of his sphere of labor. If the leaving-certificate restriction is removed the leading cause of dissatisfaction under this heading will cease to exist.

There will still remain, however, one element which is very important, because it projects itself into the after-war settlement. That is the complaint that sufficient attention is not being paid by employers to article 7 of Schedule II of the 1915 act. Changes of working conditions, more especially the introduction of female labor, have been made without consultation with the workpeople.

10. *Operation of the Military Service Acts.*—The reports show generally that the irritation occasioned by the withdrawal of the trade-card scheme within a few months of its initiation and without any previous intimation, has now subsided. At the same time, much anxiety is occasioned by the working of the schedule of protected occupations, and the great majority of the reports emphasize the importance of the greatest care being exercised in the issue of red and black cards respectively, and in the proper treatment of the subject by the local officials intrusted with recruiting.

11. All the reports refer in general terms to what is called the want of coördination between Government departments dealing with labor; but probably much of what is said on this head may have been written under a misconception and without a clear understanding of departmental administration. It seems hardly possible that any single department could during the war carry the whole of the immense problems of the supply departments which have bearing upon the control of labor.

Apart from the suggestion that one central authority should be set up, the reports contain proposals for the formation of informal local boards to settle local disputes, or for the appointment of a local commissioner with technical knowledge to settle disputes other than those arising on questions of wages. A proposal which finds general favor is that workshop committees should be set up.

12. *Acute, but not universal, causes of unrest.*—Causes of unrest which are reported as acute in certain districts, but are not universal, include—

(1) The want of sufficient housing accommodation in congested areas—especially in Scotland, Wales, the Northeast and certain parts of the Northwest and Southwest areas.

(2) The liquor restrictions, which operate as a cause of unrest in some districts, but not in others. For example, in the West Midlands area, the need for a further supply of beer of an acceptable quality is urgent, and to some extent the same is true in London and Swansea; on the other hand, in Scotland the subject was never mentioned.

(3) Industrial fatigue, which is not a universal cause of unrest. There is a general consensus of opinion that Sunday and overtime labor should be reduced to a minimum, that holidays should not be curtailed, and that the hours of work should not be such as to exclude opportunities for recreation and amusement.

13. *Psychological conditions.*—The great majority of the causes of industrial unrest specified in the reports have their root in certain psychological conditions. Want of confidence is a fundamental cause, of which many of the causes given are merely manifestations. It shows itself in the feeling that there has been inequality of sacrifice, that the Government has broken solemn pledges, that the trade-union officials are no longer to be relied upon, and that there is a woeful uncertainty as to the industrial future. The reports abound in instances of the prevailing feeling that pledges are no longer observed as they were in prewar days. Allusions to “scraps of paper” are painfully numerous. Perhaps sufficient allowance has not been made for the difficulties which have beset all in authority through the ever-changing phases of industrial conditions owing to the war.

14. *Special local causes.*—It is noticeable that each of the eight reports has an individual character and lays stress on one or other of the causes of unrest in varying degree. I feel it would be invidious to refer to individual reports; but I would draw attention to the marked contrast in the character of the reports submitted by the Southwest and Wales commissions, respectively. The reports reflect a great many minor causes of unrest, which are local in character, but these are too numerous to specify in detail.

15. *Relations of employers and employed.*—The reports bear a striking testimony to the value of the proposals made in the report of the subcommittee of the reconstruction committee, dealing with the relations of employers and employed. This report was published whilst the commissioners were sitting. Broadly speaking, the principles laid down appear to have met with general approval.

16. *Recommendations of the commissioners.*—(1) Food prices.—There should be an immediate reduction in price, the increased price

of food being borne to some extent by the Government, and a better system of distribution is required.

(2) Industrial councils, etc.—The principle of the Whitley report should be adopted; each trade should have a constitution.

(3) Changes with a view to further increase of output should be made the subject of an authoritative statement by the Government.

(4) Labor should take part in the affairs of the community as partners, rather than as servants.

(5) The greatest publicity possible should be given to the abolition of leaving certificates.

(6) The Government should make a statement as to the variation of pledges already given.

(7) The £1 [\$4.87] maximum under the Workmen's Compensation Act should be raised.

(8) Announcements should be made of policy as regards housing.

(9) A system should be inaugurated whereby skilled supervisors and others on day rates should receive a bonus.

(10) Closer contact should be set up between employer and employed.

(11) Pensions committees should have a larger discretion in their treatment of men discharged from the army.

(12) Agricultural wages in the Western area, now as low as 14 shillings [\$3.41] to 17 shillings [\$4.14] a week, should be raised to 25 shillings [\$6.08] a week.

(13) Colored labor should not be employed in the ports.

(14) A higher taxation of wealth is urged by one commissioner.

17. In addition to the above recommendations, the recruiting system is universally regarded as requiring most careful handling. In some areas an increase in the supplies of alcoholic liquor is demanded. The coordination of Government departments dealing with labor is reported as an urgent matter; and an appeal for increase of publicity and fuller explanation of Government proposals is made in several of the reports. Further, it is recommended that when an agreement has been drawn up between representatives of employers' federations and trade-unions, that agreement should be binding on all in the trade concerned. It is also represented that local arbitration tribunals for the settlement of local disputes on the spot could with advantage be set up.

18. The feeling in the minds of the workers that their conditions of work and destinies are being determined by a distant authority over which they have no influence requires to be taken into consideration, not only by the Government, but by the unions themselves. Taken as a whole, the reports throw a flood of light upon the conditions of work and of life in the various divisions, and the information which they disclose would amply repay the trouble of

perusal of the reports in detail and of a careful comparison one with another.

19. In conclusion, I desire to draw attention to two points—the practical unanimity of the reports, and the remarkable promptitude with which they have been compiled. Had it not been for the whole-hearted cooperation of the commissioners and their local secretaries, it would have been quite impossible for a comprehensive inquiry into the intricate subject of industrial unrest to have been completed within the time allotted.

GEORGE N. BARNES.

G. M. HODGSON, *Secretary*.

OFFICES OF THE WAR CABINET,

*2, Whitehall Gardens, SW., 17th July, 1917.*

## **NO. 1. DIVISION.—REPORT OF THE COMMISSIONERS FOR THE NORTHEAST AREA.**

The commissioners beg to submit the report of their inquiry into the causes of industrial unrest in the Northeast Coast district.

Exhaustive inquiry was made by the commissioners, and full opportunity was afforded to all who desired to do so of submitting to the commission any views which they might hold on the subject of industrial unrest. Numerous meetings were held with representatives of the various branches of organized industry in the Northeast Coast district, employers as well as employees, and interviews also took place with individual unions, societies, and persons who had particular points of view to present to the commission.

The commissioners, as the result of careful consideration of the evidence submitted to them, are of opinion that the causes of industrial unrest are two: One affecting all members of the community, the other more directly affecting the working or artisan classes as distinguished from the business or professional classes.

### **CAUSES AFFECTING THE GENERAL COMMUNITY.**

#### **(1) FOOD PRICES.**

At a very early stage in their investigations it was forcibly borne in upon the commissioners that the question of food prices was the most general, if not, indeed, the most important present cause of industrial unrest. The high prices of staple commodities have undoubtedly laid a severe strain upon the majority of the working classes, and in some instances have resulted in hardship and actual privation. It is no doubt true that in some industries wages have risen to such an extent as largely to compensate for the increased cost of living, but there are workers whose wages have been raised very slightly, if at all, and some whose earnings have actually diminished, and on these the high food prices have borne heavily.

Joined to the sense of actual hardship, there is undoubtedly a deep-seated conviction in the minds of the working classes that the prices of food have risen not only through scarcity, but as the result of manipulation of prices by unscrupulous producers and traders, who, it is alleged, owing to lack of courageous action on the part of the Gov-

ernment, have succeeded in making fabulous profits at the expense of the consumers. It is alleged that importers have made unfair use of cold storage accommodation, and also that the scarcity of certain essential foods, such as sugar, has been accentuated by inequalities of distribution. In support of this latter complaint it was pointed out to us that while the membership of cooperative societies in munitions areas has largely increased since the outbreak of war—in Newcastle and the Northern area alone from 300,000 to 400,000—the distribution of sugar is still made on the basis of prewar membership, with the result that the amount of sugar available for the societies' members is insufficient to allow of more than half the suggested Government ration being given. At the same time no diminution has been made in the quantities available to trades whose customers may have become fewer, and there is consequently in some areas a sugar famine, and in others a more than ample supply. The commissioners understand that the attention of the food controller has already been directed to this grievance, which should in their opinion be promptly remedied. It is generally believed that notwithstanding the increase of wages in certain trades the workmen were better off with the prewar wages and the prices of foodstuffs then in force, the only exceptions being unmarried men without domestic responsibilities. So strong is this feeling that it was repeatedly asserted that if prices were brought down to their former level the workmen would forego all demands for increased pay and would consent to abandon the increases already given. It appears to the commissioners imperative that no further increase in the prices of foodstuffs should be permitted, if this can by any means be avoided, and that every effort should be made to reduce the present high cost of living. Some articles, such as milk, and especially milk foods for infants, are already almost beyond the means of the working classes, although they can still be purchased by those with larger incomes, and this in itself causes a feeling of unrest and gives force to the allegation that the better-off people can buy anything they require while the working classes must want. The commissioners are strongly of opinion that if the Government could devise a plan whereby staple commodities were procurable at prices fixed by the State, coupled with an arrangement for making up from State funds any losses which might fall on producers or traders arising out of such limitation of prices, that policy would meet with general approval. The commissioners commend this suggestion to the attention of the Government as calculated to very materially allay unrest.

#### (2) LIQUOR RESTRICTIONS.

As the result of their investigations the commissioners are able to state that the liquor restrictions have not generally led to the creation



of industrial unrest. There are two aspects of this question, viz.: (a) The effect of the liquor control board's restrictions regarding the hours during which intoxicating liquor can be supplied, and (b) the effect of the shortage of beer in consequence of the limited quantity which may be brewed. As regards the first aspect of the question there is a general consensus of opinion that the board's regulations have done good. It was, however, urged that the order which fixes the evening closing hour for licensed premises in the Northeast Coast area at 9 o'clock called for modification. It was alleged that the usual hour for men working overtime to knock off work was 9 o'clock, and that they ceased work before that hour in order to obtain refreshment before going home, or even refused to work overtime at all—in one instance it was averred that 300 men had declined to work any overtime—with the result in either case of a serious reduction in output. It was suggested to the commissioners that the liquor control board should alter their order for the Northeast Coast, so as to bring it into line with the other parts of England in which the evening opening hours are generally from 6.30 p. m. to 9.30 p. m. Certain employers, however, thought that this would be a mistake, and that the better plan would be to allow the men working overtime to get away at 8.30 p. m. or 8.45, so as to get refreshment before the closing hour. The attention of the central control board has been called to this matter, and their local inspector has been prosecuting inquiries on the subject. The second aspect of the question, viz., shortage of supplies of beer combined with the present exorbitant prices, has led to rather more resentment. Rightly or wrongly the workers are convinced that beer is an indispensable beverage for men engaged in the so-called "hot" or "heavy" trades. If it were demonstrated that a reduction of brewing was necessary in the interests of food conservation, there is no reason to doubt that all classes would loyally acquiesce in whatever diminution was deemed essential, but the belief is prevalent that certain parties are endeavoring to use the national exigencies as an excuse for forcing on prohibition, and to this the great body of workers are bitterly opposed. There was no evidence whatever that excessive drinking existed, and the workers' representatives made it clear that they had no sympathy with men who drank to excess. It is the view of the commissioners that unless the national demands for food require it, no further curtailment of the supply of beer in munition areas should take place, and that if it were possible to give a reasonable supply of beer to the munition areas at more moderate prices, this would in no degree impair the efficiency of the workers, and would have a good effect, as indicating sympathy with the legitimate desire of the workers for reasonable refreshment at a price within their means.

## (3) HOUSING.

Although it was not specifically urged that the housing problem contributed at the present time to greater unrest than formerly, it was explained to the commissioners that in the Northeast Coast district the lack of adequate housing accommodation had been accentuated by the great influx of munition workers into the area. The commissioners were informed that in very many of the houses lodgers were now taken, and as in the majority of cases, the workman's house barely suffices for his own family, it is clear that the practice of taking in lodgers must lead to great congestion and inconvenience. It was frankly stated by the employers that they would welcome any steps taken to improve the housing of their workers, as life in congested and sometimes insanitary surroundings was recognized as calculated not only to impair physical efficiency, but also to produce an atmosphere of unrest which it was undesirable to encourage. It was pointed out that the question of housing was to a large extent bound up with the question of transport. Provided there were efficient railway or tramway facilities available, it would be possible to distribute the industrial population over a much wider area than at present, particularly where, as in the North Coast district, there were large tracts of building land adjoining industrial centers, which might be acquired on reasonable terms. The commissioners do not think it necessary to refer to the housing question in greater detail, as it is prominently before the nation as a problem which must be solved as soon as circumstances permit, but they have thought it right to point out that it was put forward as one of the general causes of industrial unrest, which should in the national interest be dealt with at an early date.

## CAUSES SPECIALLY AFFECTING THE WORKING CLASSES.

## (1) OPERATION OF THE MILITARY SERVICE ACTS.

(a) *Trade-card system.*—It may be taken as agreed that any objection to the abolition of the trade-card system has now disappeared, and that opinion and criticism are now directed to the operation of the substituted system of protected industries. In passing it may be said that we found considerable feeling to exist amongst certain unions that only the Amalgamated Society of Engineers had been consulted when the trade-card system was initiated, and there also exists some resentment in regard to the alleged failure of the Government to confer with the unions before the withdrawal of the scheme.

As regards the substituted scheme, not a few complaints of mistakes in the issue of cards A and B were brought before us. We can

understand the difficulties attendant on the inauguration of a new scheme, but these should be overcome as speedily as possible, for nothing is more apt to give rise to local feeling, than what strikes the public as capricious and unfair selection of men called up for military service. If the scheme is worked with care and circumspection on the part of the officials charged with its administration, and if the recruiting officers are careful to exercise tact in those cases where mistakes have been made, we have every confidence that there will be little friction. But what we say as to methods of execution is an essential condition of success, and we recommend that officials should be warned that the utmost tact must be employed.

The commissioners may be allowed to record their opinion that apart from a small minority, there is no section of the industrial classes who are not prepared to take their part in military service. It is true that a belief has sprung up that certain trades have a right to claim exemption from service, but we think that this belief is not general, and it probably exists as a result of munition workers having been repeatedly told that their work is essential for the winning of the war. That statement has, not unnaturally, been interpreted as implying that all members of the trade are essential, and will continue so to be throughout the war, notwithstanding the relative claims of military service and the demands on industry, as these may from time to time vary and require to be adjusted.

We believe that there will be no reluctance to comply with a call on any of the skilled trades for a contribution to the military arm, but we think it essential that in every case this should be preceded by a frank and full statement of the necessity, and an indication of the proportions in which the demand is to fall on each trade, and especially that everything should be done to avoid the suspicion that skilled men are being taken, while diluted labor of military age is being left to occupy their positions. A clear statement to the effect that although the members of a particular industry had up to the present served the best interests of their country, it was now necessary to make use of their services in the field, would at once meet with a response.

We have discussed this point at various interviews, and the idea now put forward seems to have received general acceptance. As to method, it has more than once been suggested to us that the procedure now followed in connection with the miners' levy might be adopted.

(b) The following, amongst other particular objections to the operation of the Military Service Acts, have been brought to our notice.

Employers are alleged to show a preference for the retention of the younger men, and a readiness to part with the older men. We can not believe this to be a prevalent practice, but one case of unfair

discrimination is often sufficient to cause irritation. The fact can not be ignored that as the demands on older men with family responsibilities in all walks of life, and especially on the commercial classes, have grown more exigent, feeling has arisen against the exemption of young single men. The public can not be expected to fully appreciate the reasons that may render the retention of these young men necessary, and this fact adds force to the suggestion that the Government should so distribute the country's manpower as to be able to say that every man is in the place where he is giving the most valuable service.

(c) Some feeling manifested itself against the employment of Belgians of military age in munition factories, especially in responsible positions, where it is possible they might exercise pressure which would have the result of sending older men into the army, while they remained in comfort. We think that if a clear statement were made as to the Belgian system of army service, it would allay the suspicion that exists that young Belgians are avoiding military service at the expense of others.

## (2) OPERATION OF THE MUNITIONS OF WAR ACTS.

### (A) *Dilution.*

We find little real objection to dilution, which has been accepted in principle and largely applied in practice. Indeed, so far as we can gather, no objection to its extension on an even wider scale will be taken provided the skilled trades are assured, (a) that dilution is really necessary, and that it is not being enforced where adequate skilled labor not required for other purposes is available; (b) that if it is introduced in order to free men for the army, this should be clearly stated, and an assurance given that members of the trade diluted will not be taken for the army so long as militarily fit men who have been taken on under dilution schemes are allowed to remain; (c) that the provisions of the Munitions Acts and Circular L6 as to giving reasonable notice of the intention to introduce dilution are complied with by employers; (d) that the recognized rates of wages are paid in accordance with Circulars L2 and L3, as these have been modified; and (e) that if labor has to be displaced for any reason, the members of the skilled trades should not be discharged while the diluting elements are retained.

Several of these points will automatically adjust themselves if the present system of leaving certificates is abolished, but sufficient will remain to make it desirable to assure the skilled workers that their position will not be undermined now or later, by the introduction of cheap labor under the guise of dilution to meet war-time exigencies. This apprehension is deep-rooted, and has been to some

extent increased by the failure of some employers to give proper notice of their intention to dilute, and to pay the proper rates of wages.

On neither point should any difficulty arise. If notice is not given, an intimation on the part of the men or their unions to the proper Government department in the locality, should, as it generally does, result in immediate investigation and redress. Equally, if the proper wages are not being paid, and if, on similar representation and investigation, the matter is not amicably settled, the point becomes one of dispute as to wages, which can be determined by the national tribunals or by the Board of Trade.

On the whole we have found that there has been a general effort to comply with the proper procedure as to dilution, which was clearly brought before both employers and employed by the Government commission on dilution for the Tyne district, but the fact that the generality of employers have so complied, makes it all the more necessary that all should continue to do so; otherwise, local difficulties will arise which, small perhaps in themselves, are yet capable of causing unrest by reopening old difficulties, and giving color to the suggestion that there is an ulterior motive behind dilution.

Under dilution, various wage questions have from time to time emerged. The wage questions that mainly arise have reference to (a) women doing skilled men's work; (b) members of one skilled trade doing work hitherto done by another skilled trade, and yet being paid only the rate of their own trade, when that happens to be less than the rate of the trade on which they are engaged; (c) apprentices' rates of wage; (d) inadequate pay of skilled men engaged on work of supervision, where dilution has taken place. It is alleged that in many cases such men suffer by being debarred from working piecework or premium bonus, and that even where some extra allowance is made to them it is generally inadequate. We consider that this is a matter which calls for attention, as it must be galling to a skilled man to find that those whom he instructs and supervises are earning more than himself. One remedy would be a bonus on output, or a percentage on the earnings of diluted labor.

Cases have also been brought to our notice of skilled men and unskilled or semiskilled, engaged on the same articles, where the unskilled or semiskilled men earn more wages than the skilled man who is intrusted with the more intricate or accurate part of the work. We consider that cases of this sort—if they exist—should be so dealt with as to reward each workman according to his skill and output.

*(B) Recording changes of practice.*

The recording of changes of practice is one of the many safeguards on which the workmen rely for the protection of the future of their

crafts. We are glad to be able to report that the system of recording in this district seems to be well conceived and carefully carried out. Notwithstanding this, there still seems to be a want of knowledge confined to a few trades, of the methods adopted, and the right to have changes of practice adequately recorded. There is also some objection to alleged changes of practice which are not agreed, being held over for final settlement until after the war. But on the whole we are satisfied that no serious objection can be taken to the method of recording now in force.

(C) *Leaving certificates.*

It may not be necessary to refer at any considerable length to this matter, in view of the proposal to do away with the necessity for the grant of a leaving certificate before a workman can seek work elsewhere than in the establishment where he is for the time being employed. It should however be said that the leaving-certificate system has been one of the most fruitful causes of discontent, amongst which the following may be mentioned:—

(a) Workmen resented the idea that they were tied and as they sometimes put it, virtually in a state of slavery.

(b) Men who alleged that they had gone voluntarily to munition works at a distance from their own homes for patriotic reasons (among them Canadians), informed us that they found it impossible to obtain leaving certificates.

(c) A certain amount of criticism of the action of local tribunals manifested itself, the suggestion being that these tribunals were inclined to lean to the employer's side.

(d) It was freely alleged that not a few foremen took advantage of the fact that the men were tied to the works to make things hard for them, and to use threats of military service. There was considerable strength in these allegations, and there may be some ground for them.

(e) The fact that workmen are tied to one employment, raises the question of wages, as it was stated that in this district tribunals did not take into consideration the point that if workmen were to be restricted to a particular establishment, this should be qualified by paying them the rates prevailing in other similar establishments offering them employment.

(f) Restrictions preventing apprentices out of their time, from obtaining positions as journeymen, by insisting on their serving a probationary period, hardship being caused by the fact that unskilled men and perhaps women were doing similar work, and earning wages which would otherwise have fallen to them.

It may be said that there is a unanimous opinion on the part of workmen in favor of the abolition of the leaving-certificate system. They are, however, very apprehensive of the two conditions which it is sought to import into the new arrangement, viz:—(a) the power conferred on the Ministry of Munitions to veto a workman passing from a controlled establishment to private or commercial work, and (b) the so-called “poaching” clause which prevents the inducement of higher wages being offered and taken advantage of. The workmen say that these conditions mean that “what is being given with one hand is being taken away with the other.”

Employers on their part regard the abolition of the system with considerable apprehension. We see no evidence to lead us to believe that this is due to any partiality on their part to the system as affording them an undue restrictive power over their employees, but they fear a sudden and unsettling disturbance of labor, as it is certain that a large number of men will, for various reasons, immediately seek to change their employment.

Should this prove to be the case it may be necessary for the Ministry of Munitions to freely exercise its power of veto. This will inevitably give rise to many vexed questions, as will also the numerous cases that will undoubtedly occur under the “poaching” clause. It is, therefore, in our opinion, most necessary that the Ministry of Munitions should anticipate the situation, and take such steps as will minimize friction. Otherwise the new procedure may be as fruitful of unrest as the old. It has been suggested that it should be indicated to the trade-unions that the displacement of labor must be so regulated as to be gradual, so that it shall not upset existing arrangements, or seriously diminish the output of munitions or ships.

A very general complaint which may be appropriately referred to under this heading, is that a number of the men who are now in the unions fail to pay their dues or to support the unions. As the unions can not exercise disciplinary measures in such cases by insisting on the men performing their obligations, or bring matters to a head by a threat to strike unless the delinquents are dismissed, it is urged that the efficiency of the unions is being impaired. We have considerable sympathy for the unions with regard to this grievance, but it is hard to suggest a remedy. The suggestion that the employers should deduct the contributions from the wages, is distasteful to most of the unions, and to the employers.

It was also alleged by the unions that the powers which the employers possess of retaining men has been used to keep their employees from leaving when owing to lack of work or want of materials their services would have been welcomed in other establishments which were short of labor, and were actually importing labor from

a distance at enhanced cost. The transfer system has to a certain extent met this point, but we are inclined to think that more might have been done to meet the men's desire to transfer themselves to other works under the circumstances named above.

(D) *Restoration of prewar conditions.*

This is probably the question which most exercises the minds of the industrial community—employers as well as employees. The employees in the skilled trades, willing though they have been to meet the national emergency, and to permit encroachments on what they consider the safeguards for which they have strenuously contended in prewar days, have at the back of their minds the suspicion that their sacrifices will be taken advantage of in the postwar period. We believe that most of the trouble that has arisen would have been avoided had the workers been convinced in their own minds that no one was to take advantage of what has been done in the present emergency, to create an unfavorable position hereafter. Injudicious utterances of individual employers may have given color to the idea of exploitation, but we are satisfied from our inquiries that so far as employers on the Northeast Coast are concerned, the idea of exploitation is foreign to their minds. Indeed, we have frequently regretted that the employers had no opportunity of hearing the reasonable expression of the views of the men on the amelioration of their conditions, and their desire to assist in increasing output, made to us, and that the men had not the opportunity of being made directly aware of the broad outlook of the employers with regard to labor, and their manifest desire to improve working conditions. Where such feelings exist on both sides, all that seems necessary is to bring about some means of closer contact between the two branches of industry. On the Northeast Coast we find that the employers express their appreciation of the unions generally, and desire to see the efficiency of these unions maintained in the best interests of industry. If the Northeast Coast were wholly independent of other fields of industry, it might well be left to employers and employed to settle by themselves any differences which might arise. But as an important part of the industrial world, influences that are exercising the mind of the general industrial community indirectly affect the Northeast Coast, and this question of the restoration of prewar conditions, which is of general application, is of paramount importance.

The vagueness of the expression is apparent. It is meant to cover not only the protection of existing craft industries, but also the improvement of conditions of labor, and the more adequate realization of the right of the worker to secure his fair share of the product



of his industry; all these tending to an uplifting of the social condition of the worker. As we have said, we find no hostility in the minds of employers to these ideals, but rather recognition that the better the social condition of the worker, the more probable an improvement in production, and avoidance of disturbance in industry.

There exists, however, a considerable feeling on the part of the workers that the pledges of the Government as to restoration of prewar conditions will prove illusory. We believe that there need be no hesitation in giving reexpression to any pledge that has been given, as we feel satisfied that the workers will be the first to realize that conditions in postwar times will be such as will call for the full employment at remunerative rates of all skilled artisans, and that they will not press for the reversion to prewar conditions merely because pledges exist, as in many instances it will not be in their interest to do so. But there must in our opinion be no going back on, or varying any pledges which have been given. If circumstances have shown that the pledges were given without realization of the circumstances as they have emerged, it is better to trust to the good sense of the workers than to raise any doubt as to the bona fides of the pledges given.

We believe that the doubt in the mind of the workers as to the bona fides of the pledges that have been given arise, not so much from the belief that the Government are not sincere in their expressions, as from the absence of any tangible signs that provision is being made for meeting the conditions that will arise after the war. The recent issue of the report of the Whitley committee may have a reassuring effect, as although time has not permitted of either employers or employed expressing approval or disapproval of the specific recommendations of that report, the fact that postwar conditions are receiving attention is proved by its issue.

*(E) Inequality of earnings as between skilled and semiskilled or unskilled labor.*

We have already incidentally referred to this highly controversial subject. Circumstances have arisen which have rendered the problem acute, and no one can blame the skilled operator because he feels resentment that he is debarred from earning what his less skilled companion is capable of making. Attempts have been made in various establishments to mitigate the grievance, but nevertheless it still remains, and so long as this is the case friction will continue. We suggest that the problem should be met either by an arrangement on the "fellowship" basis, or by more liberal remuneration to the tool setter or supervisor.

## (3) DELAYS IN SETTLEMENT OF DISPUTES.

Evidence on this point is conflicting. Throughout the Northeast Coast district the existence of employers' and workmen's federations has been productive of much good in effecting speedy settlements of disputes. As regards disputes which were not found capable of local settlement we found a general allegation that the machinery of the Government departments was objected to on two grounds: (1) That it was too slow, and (2) that awards when given were often couched in terms which made them difficult of application.

As regards the first point, the most serious situation created was in connection with the strike amongst the engineers, which took place in the spring of this year, and which is alleged to have been entirely due to the long delay in securing arbitration on the question of wages. On the other hand we had testimony on the part of one union to the commendable celerity with which wages disputes were settled by the Board of Trade. We were, however, told of a strike of bricklayers in certain steel works which delayed 7,000 tons of shell steel, and resulted in the receipt of the arbitrator's award within two days of the strike. We were told that a certain section of the men advocated striking because they were convinced that more speedy decisions resulted.

As regards the second point, the question mainly turned upon one award where a difficult question regarding the application of the Munitions of War Acts was concerned.

On the whole we formed the opinion that unrest arising from delay in settlement of disputes is less evident in the Northeast area than it seems to be in other districts.

## (4) PIECE RATES OR PREMIUM BONUS SYSTEM.

We recognize the antipathy of certain sections of the skilled trades to the introduction of either piece rates or premium bonus. Certain trades are in our opinion of such a nature as to make the introduction of either piecework or premium bonus inappropriate to either the whole of the operations or to parts thereof. Each trade should be judged on its merits. We believe, however, that the main objection to the introduction of piecework, and especially to the premium bonus system, is that the workmen are apprehensive that if they fully exert themselves, prices or times will be cut, especially in the postwar periods, when they fear that the extra efforts which they are prepared to put forward now in the national interest will be used against them. We therefore consider that the expressed intention of the generality of employers not to reduce prices or times in the absence of a change of method, should be clearly brought home to the em-

ployees, with the assurance that no price or time will be reduced unless, on clearly defined lines which it seems to us not impossible to prescribe, a good reason can be shown for such reduction.

(5) INDUSTRIAL FATIGUE.

While there were no actual complaints made to us of overwork or overpressure, it was nevertheless apparent that continued work often carried out under anxieties caused by the war, has tended to cause strain amongst the industrial classes just as it has amongst other classes. The temptation to engage in Sunday work so as to earn the higher rates of pay, has been pointed out to us as being conducive to overstrain, and we believe that it will be generally recognized that Sunday work (which still prevails to some extent) should be discontinued except to meet absolute emergencies. Overtime should also be regulated so as to prevent an excessive amount being worked either by individuals or particular classes of workmen. Where it is required, it should be fairly distributed so as not only to prevent the overstrain of individuals, but also to allay the feeling which sometimes exists that overtime is unfairly allotted, and does not allow individual workers to earn the extra rates paid.

Our attention was directed to the question of the lack of adequate canteen provision. It was explained to us that a serious obstacle in the way of establishing canteens was that however desirous employers might be to provide canteens, they sometimes found it impossible to do so owing to the fact that all the available space at their works was occupied by expensive plant. In some cases canteen accommodation had been provided and it was alleged that it had not been taken advantage of. We believe that two of the reasons which have militated against the success of canteens are:—Inadequate provision of facilities for workmen to wash and tidy themselves, leading to men having to sit down to meals just as they leave their bench or machine; and the difficulty of serving meals with sufficient dispatch without employing an unduly large staff of attendants. There are no doubt other minor causes, such as inability to obtain reasonable refreshment in the shape of beer, which need not be referred to in detail. We are of opinion that notwithstanding the want of success which has in some instances attended the attempt to establish canteens, the provision of adequate canteens would be of great advantage to the workmen. Under present conditions men have frequently to travel long distances to their work, and when employed on overtime this involves the carrying of food for several meals; under such circumstances the food is apt to become unappetizing, if not unwholesome. The existence of a canteen where good meals could be had at prices within the means of the workman,

would materially improve this state of affairs, and might incidentally have an indirect bearing on the housing problem, as tending to remove the workman's objection to live at a distance from his employment.

(6) SHOP DISCIPLINE.

We have already touched upon many aspects of shop discipline, but we may briefly state our views to be that the best way to secure proper discipline is to see that ready and effective means are always available for prompt inquiry into, and redress of grievances, if such exist. Many disputes are merely local and personal, and can be settled between the workmen and the employers, or their responsible managers, and a large proportion of the difficulties that arise can and will be so settled, provided the workmen know that their employers are prepared to hear and deal with all questions that fail to be adjusted by workman and foreman. But in any difference which raises a question of general application or principle, every encouragement should be given to the workmen to bring the difficulty up for consideration by the employers through the agency of their trade unions. We may again repeat that the past experience of the advantages of the trade-unions in adjusting labor difficulties and bringing about good relations between employers and employed on the Northeast Coast, convinces us that nothing ought to be done to interfere with the usefulness of the unions. Indeed we think that in view of the greatly increased duties which have been thrown upon the unions and their officials as a result of the war, a strengthening of the executive machinery of certain of the more important unions is very desirable.

Where it is not possible for employers to arrange for personal access to them by deputations of employees who have difficulties to lay before them, we advocate the establishing of shop committees consisting of representatives appointed by the men to confer with representatives of the employers, at such times as may be agreed upon for the discussion of questions affecting labor as they may arise in the shops. Should such discussions not result in settlement of the points in dispute, then the matter should be reported to the union by the representatives of the men on the shop committee.

It may be appropriate to state under this heading that the commissioners have, as directed, considered the report of the Reconstruction Committee on joint standing industrial councils. Time has not permitted of exhaustive examination and discussion of the proposals, but as will have been gathered from the tenor of our report, we are thoroughly in accord with the underlying principle of that report. But confining ourselves to the conditions of the area on which

we are specially reporting, some doubt exists in our minds as to whether in view of the existing machinery for the settlement of disputes and the discussion of policy affecting the regulation of labor, there would not be considerable danger that the setting up of new machinery might impair the usefulness of that which now exists. In any case we would recommend that any new bodies to be set up should not be too elaborate, lest the elaboration and consequent difficulty of running the machinery should bulk larger than its usefulness.

#### COAL MINERS.

We have deemed it proper to inquire into the circumstances of this industry, which is a most important one in the area covered by our inquiry. The result of our investigation has been that, speaking generally, there is no unrest in the mining community. There exists an arrangement between employers and employees which for a long period of years has secured amicable settlements of contentious questions, and we can suggest no method of dealing with disputes which is likely to meet with more success in this very important field.

One point however emerges, which calls for immediate consideration. Rearrangements rendered necessary for the adequate control of transport facilities are bearing hardly in the case of individual pits where the workers are not fully employed, with the result that their earnings are so materially reduced that they can not earn a living wage. Something must be done to meet this hardship. Either arrangements should be made for the transfer of the surplus labor, or if this is impossible, the workers should be assisted by grants from the Prince of Wales's Fund, which was established to relieve cases of civil distress. Remunerative employment of workers on some form of national work would seem to be the most appropriate remedy.

#### GENERAL RECOMMENDATIONS.

As the several recommendations that commend themselves to us are made in the body of our report, we think it unnecessary to recapitulate them, as their relative importance may be best estimated when they are considered in context with the facts upon which we base them.

We may, however, be permitted to summarize as follows what appear to us to be the more salient points:—

1. The relations of employers and employed have on the whole been, and continue to be good. With few exceptions difficulties that have arisen have been found capable of amicable adjustment. This result is largely attributable to the existence of joint boards of the employers, and federations of trades-unions, which act in matters affecting industry. We were also impressed with the evident desire of the local officials of the Ministry of Munitions and of the Ad-

miralty shipyard labor department to help in the adjustment of local difficulties, and we had testimony borne to their efficiency, tact, and to the good results of their efforts.

The commissioners have been struck by the fact that the employers generally appear to take a broad and sympathetic view of the conditions of the employees, and of the need that in many respects exists for improvement in present as well as in prewar conditions, while on the other hand the employees collectively do not advance any demands that are extravagant, or incapable of being met by friendly cooperation between employer and employee.

2. The exceptional call that has been made upon industry during war time has, however, accentuated the differences that were in existence in prewar days, and has created new difficulties. The demands that have been made on labor; the need for continued exertion; the encroachment on long-established customs (many of them regarded as sacred); the unavoidable changes of policy that have been necessary to meet national exigencies, the necessity for which is not always understood by the workmen; the accentuation of the difficulties and inconveniences attending the housing of the working classes; the increasing cost of living, and the widespread belief that persons other than the working classes are making undue profits out of the war; the disparity in wages, and especially the higher wages earned by unskilled as compared with skilled workmen; the anomalies and occasional unfairness arising out of the operation of the Military Service Act; the restraint on free employment of labor entailed by the Munitions Act, the deep apprehension in the minds of workers that their concessions during war time may be used against them in the postwar period; and the delays that frequently occur in the settlement of differences, the causes of which the workmen often do not understand, have all combined to produce a state not of active unrest, but one capable of forming a fruitful field for the inculcation of ideas that unless controlled, may lead to active and dangerous upheaval. It is to the credit of the industrial classes that they have taken a sane and patriotic view at this time; and the fact that they have done so, is not, we believe, overlooked by the other side of industry—the employers—with the result, we hope, that the relations of employers and employed are generally recognized as not antagonistic.

3. But it is also true that on the one part certain employers have failed to recognize the inherent right of the workmen to fair treatment, while on the other a section of the employees are not slow to aggravate difficulties with a view to working upon them in order to bring about such a state of unrest as will lead to a revolution in industrial relations. What is, therefore, necessary is that no employer shall be allowed to conduct his business in such a manner as

to give cause for legitimate complaint, by acting contrary to the general sense of his fellow employers or to the rights of labor. The complaints against individual employers usually concern trivial matters, but they indicate an absence of the fraternal interest that should influence the relations of employer and employed. When they occur, they are often exploited by those who desire to bring about industrial unrest. The unsympathetic employer is therefore a danger not only to his fellow employers but to the State.

4. The war has introduced a new element into questions affecting labor, viz., the Government. Apart from the fact that the Government has itself become the largest employer of labor, it has been necessary that it should directly intervene in matters relating to the proper utilization of labor so as to secure the best results in the national interest. In both relations the Government has entered upon a new field, and it is not to be wondered at, that the best solution of the inherent difficulties of labor, accentuated as they have been by the abnormal demands of a great war, has not always been found at the first attempt. We have heard many criticisms of the action of Government departments, but while we agree that these criticisms are not altogether uncalled for, we desire to record our opinion that there is general recognition that the officials of the various Government departments have, especially of late, shown a readiness to appreciate the difficulties that exist, and an earnest desire to meet them. We believe that by a careful selection of the right type of official appointed to deal with local difficulties, combined with constant but not irritating control and direction from headquarters, much more can be done to secure harmonious working.

5. But, however efficient the local representatives of Government departments may be, there will always be matters which it is beyond their province to settle, as there will always be a proportion of both employers and employees who object to departmental methods. To meet this aspect of the question, we recommend that some form of independent local advisory board should be established in each large industrial center which would investigate grievances, and also have the power (a) to settle disputes which are merely local in origin and effect, and (b) to direct parties to the proper means of determining disputes which, while local in origin, raise questions of general application. There should be nothing formal about the constitution or procedure of such local advisory bodies, and they should be constituted on a basis independent of preconceived proclivities as to labor questions, so that they may enjoy the confidence of both employers and employees. It should be one of their functions to see that when a dispute has been referred for settlement to any existing department, no unnecessary delay should take place in its settlement. Generally such advisory bodies should keep in touch

with labor conditions, and while not obtrusive in their actions should be accessible in connection with any difficulty that may arise.

6. In regard to the general causes of industrial unrest on which we report, and to our recommendations as to how these should be dealt with, we submit that the situation can be met if employers and employees can be led to realize that they have common interests, and that while employers are entitled to ask for loyal service on the part of their employees, the latter on their part are equally entitled to demand adequate remuneration for their efforts, as well as reasonable conditions of employment, and security against exploitation either at the hands of individual employers or exacting managers or foremen.

7. In order to bring about that closer relation between employer and employee which is necessary for the harmonious working of industry, we favor the establishment in the larger industrial concerns of shop committees, the success of which in certain large establishments has been brought to our notice.

8. Apart from matters that purely affect industry, we consider that the paramount question at present is that of food. We strongly recommend that this question should be settled by the Government, at once, by adopting the suggestion put forth in our report, viz., the fixing of reasonable maximum prices for all essential foods and commodities, with the consequent result that any loss that accrues will be borne by the State, which means that all classes will share according to their means in making good the national deficiency.

The urgency with which the inquiry has had to be conducted, and our report prepared, will doubtless be accepted as sufficient excuse for deficiencies that we are conscious of. We believe, however, that our investigation has been thorough, and that every opportunity has been afforded for the expression of the views of those most concerned. We desire to express our appreciation of the manner in which all classes have given their assistance to the commissioners throughout the inquiry, and to record the opinion already expressed that the spirit of reasonableness that prevails in the area over which our investigations extended, justifies the view that such difficulties as exist are capable of amicable solution.

In conclusion we desire to record our recognition and appreciation of the services of Mr. Robert Bryce Walker, who has acted as secretary of the commission, and whose advice and assistance have been invaluable to us.

THOS. MUNRO, *Chairman.*

PHILIP BRIGHT.

HENRY DAVIES.

ROBERT BRYCE WALKER, *Secretary.*

JULY 12, 1917.



**NO. 2 DIVISION.—REPORT OF THE COMMISSIONERS FOR THE  
NORTHWEST AREA.**

**INTRODUCTORY.**

1. Your commissioners for the Northwest area, His Honor Judge Parry (chairman), Mr. John Smethurst, and Mr. J. R. Clynes, M. P., were appointed on Tuesday, June 12, 1917. The terms of reference were "To inquire into and report upon industrial unrest, and to make recommendations to the Government at the earliest practicable date." The Prime Minister instructed us that he desired the inquiry to be conducted in a broad spirit without unnecessary formality, and as rapidly as was consistent with thoroughness. These instructions we have endeavored to carry out.

2. We held our first meeting on Wednesday, June 13, 1917, when it was agreed that the chairman should at once proceed to Manchester, make arrangements to give publicity throughout the area to the work of the commission, and interview leaders of labor, employers, and others, as to giving evidence.

3. The chairman proceeded to Manchester on June 14, 1917. He appointed Mr. William Finlay Macdonald, secretary to the commission, and arranged for a meeting of the commissioners with the labor leaders of the Manchester district. This was held on Monday, June 18, 1917, when the following were invited, most of whom, in spite of the short notice, were kind enough to attend:

Councillor Fox, Labor Amalgamation; Councillor J. Binns, Amalgamated Society of Engineers; T. I. Holt, Amalgamated Society of Engineers; Fleming Eccles, National Union of General Workers; R. H. Coates, United Machine Workers' Association; A. A. Purcell, furnishing trades; J. Rowan, Electrical Trades Union; Councillor W. Mellor, National Union of Bookbinders; Councillor A. Legge, Trades Councils Federation; George Ashcroft; R. O. Jones, Amalgamated Society of Engineers; R. Coppock, Building Trades Group; W. H. Johnson, Metal Trades Group; W. Hunt, Typographical Society; Councillor Titt, Workers' Union; S. J. Bardsley, Trades Councils Federation; R. Lundy, Operative Printers' Assistants; Jesse Butler, miners; Tom Grenall, miners; W. Mullin, Card and Blowing Room Operatives; F. Birchenough, Operative

Spinners' Society; Joseph Cross, textile trades; A. Schofield, Amalgamated Society of Engineers; Mrs. Pearson, Women Workers' Union.

Questions of procedure were discussed, and it was considered that the most convenient course would be for deputations to meet the commissioners to discuss and elaborate by verbal evidence written statements which were to be prepared and sent to the secretary. This procedure was afterwards approved by the employers and others, and was adopted throughout the inquiry.

4. The commissioners also made it known that statements in writing sent to the secretary would be used as material for their report, and a considerable number of these have been received from representative associations and citizens with special knowledge of industrial conditions.

5. The chairman was received by the right honorable the lord mayor of Manchester, and the right honorable the lord mayor of Liverpool, who gave the commissioners valuable advice and assistance, and placed at their disposal accommodation in the town halls.

6. The commissioners also held important interviews at the headquarters of the commission, the Midland Hotel, Manchester, to obtain general information upon the situation. The following gentlemen gave us much practical assistance in the initial stages of the inquiry, and we desire to acknowledge the services of all classes of citizens in the area, whose hearty cooperation made it possible to hear such a considerable body of representative views in so short a time:

Councillor T. Fox, Manchester; Councillor J. Binns, Manchester; Councillor F. J. West, Manchester; Councillor W. Mellor, Manchester; W. Mullin, cotton trades; Col. Cooper, Admiralty, Liverpool; representatives of press, Manchester and Liverpool; J. E. Baker, Barrow; H. Smith, Warrington Labor Bureau; O. Mee, Manchester Labor Bureau; Bishop Welldon, dean of Manchester; Rev. S. F. Collier, Wesleyan Mission; A. Foster, Dewhurst & Co.; Hans Renold, Manchester; J. F. Watson, H. M. stationery office, Manchester; John H. Toulmin (T. Coulthard & Co.), James Connor, William Dryden (Dick, Kerr & Co.), T. Phillips Conn (Leyland Motors, Ltd.), representing Preston and District Engineering Employers' Association.

7. Sittings were held on the following dates and at the following places, when witnesses were examined and deputations received:

## TOWN HALL, MANCHESTER.

Date.	Name.	Society, firm, or department represented.
1917. June 21	J. Watson, H. McGregor, J. Foy...	Shop committee, heavy gun boring department, Armstrong Whitworth's.
	W. Robinson, H. Williams, A. Johnston.	National Warehouse and General Workers' Union.
	J. H. Wilson.....	Ex-president, Manchester and Salford Boot and Shoe Trades Association.
	B. Ling.....	Messrs. Black & Green, provision merchants.
	Coun. W. Forshaw.....	Lancashire and Cheshire Enginemen's and Boilermen's Federation.
	C. Byrne, A. Smith.....	Armor plate department, Armstrong Whitworth's.
	Mrs. Pearson.....	National Federation of Women Workers.
	A. J. Cousins.....	Amalgamated Society of Carpenters and Joiners.
	J. Bailey, T. Parton, R. Cooper, R. Shakeshaft.	Ammonia Soda Co., Lostock Grlam.
	H. Cliffe.....	Secretary, Oldham Master Cotton Spinners' Association.
	A. Hill.....	Secretary, Bolton Master Cotton Spinners' Association.
	G. W. Fielding.....	Secretary, Ashton Master Cotton Spinners' Association.
	C. A. Cave.....	Messrs. Best & Co., engineers.
June 22	B. Brooke, D. Sheard.....	National Union of Life Assurance Agents.
	A. Rawlinson, J. Fiddiham, J. Smith, T. D. Owen.	National Association of Prudential Assurance Agents.
	J. R. Thomson, H. Hughes, J. Benson.	National Association of Wesleyan and General Assurance Agents.
	D. Plinston.....	Associated Society of Engineers, and secretary, Warrington local labor advisory board on war output.
	E. J. Howarth.....	Newton Heath Branch, Amalgamated Society of Engineers, and secretary of Shop Stewards, Hans Renold (Ltd.), Burnage, Manchester.
	A. Fletcher, J. Whiting.....	National Union of Railwaymen (Bridgewater Canal Co. Carters and Ostlers), Manchester 20 Branch.
	Geo. Peet, G. C. Ashcroft, E. Kemp.	Joint engineering committee, Shop Stewards.
	G. Hall (secretary), Miller (organizer).	Manchester and Salford District Retail Fruiterers' and Fishmongers' Association.
June 23	J. Elsmore, H. Warburton, J. Dag-gatt, W. Miller.	Shop committee, Messrs. Mather and Platt (Ltd.).
	T. W. Skerrett, T. Jackson, T. Bowden.	Associated Society of Locomotive Engineers and Firemen.
	H. Wheatley, J. Cunningham.....	Northern Districts League of Beer, Wine, and Spirit Trades Association.
June 25	R. Tootill, M. P.....	Bolton.
	Miss M. Quaille.....	Manchester and Salford Women's Trade Union Council.
	Mrs. Dickinson.....	Women's Trade and Labor Council.
	Miss Welch.....	Sewing Trades.
	Miss Shear.....	Shop Assistants.
	Mrs. Tomlinson.....	Women's War Interests Committee.
	Mrs. Robinson.....	Women's Labor League, Manchester, Salford and District Women's War Interests Committee.
	J. Pye.....	President, Bolton, and District Master Wheelwrights, Smiths, and Motor Body Builders' Association.
	G. H. Morris.....	Chairman, Bury Branch Wheelwrights, Smiths, and Motor Body Makers.
	Rev. S. F. Collier.....	Wesleyan Mission.
	Coun. J. Kendall, J. P.....	Secretary Manchester, Salford and District Grocers' Association.
	W. T. Miller (president), T. Eden (vice president), P. Darbyshire (secretary), H. S. Mather, H. Ashcroft, J. O'Brien, F. Ry-lance.	Lancashire and Cheshire Colliery Firemen's Association.
	H. Taylor.....	Shop committee, W. J. Bates & Co., Denton.
	A. Mason, J. Gregory, G. Casey...	Associated Society of Locomotive Engineers and Firemen.
	J. Kempster, W. Tyrer, T. Rob-inson.	Preston Engineering Joint Trades' Committee.
June 26	A. Hopkinson.....	Engineer, employer, Ryecroft Hall, Audenshaw.
	T. O. Williams, J. M. Lucas, D. Merson.	Amalgamated Society and General Union of Carpenters and Joiners, Manchester, Salford and District.
	S. Hird.....	Friendly Society of Iron Founders.
	E. W. Buckley, M. I. M. E.....	Mather & Platt (Ltd.).
	J. Rider, J. Howarth.....	Iron and Steel Wire Manufacturers' Association.
	T. Foster (Burnley), B. Talbot (Bolton), S. Wigham.	Northwestern Federation of Building Trade Employers.
	F. Collins, ——— Wilson, ——— Early.	Provincial Grand Lodge of Manchester and District.
June 27	W. Chapman, J. Morgan, T. H. Simpson.	Central Board of Licensed Traders.
	R. Graham.....	Chairman, Produce Section, Manchester Chamber of Com-merce.
	F. Eccles, R. Storey, C. Parker, G. Hawksworth, W. Longley, C. Sanford, C. Maher, Miss Mac-lenan.	National Federation of General Workers.
	Maj. Maples.....	Barrow.

## TOWN HALL, MANCHESTER—Concluded.

Date.	Name.	Society, firm, or department represented.
1917. June 28	L. R. Williams..... R. Johnson..... A. Schofield (Oldham), T. Parkinson (Rochdale), T. Whitworth (Bury), G. Gorman (Manchester), W. Hawkins (Stockport), A. Lamb (Manchester), T. J. Holt (Manchester), J. Binns (S.E. Lancashire). Sir Daniel McCabe, Capt. Wade.. F. J. West (president)..... H. Mensforth (vice president)..... R. Matthews..... Sir Kenneth Crossley, bart..... F. G. Goodbehare..... T. Coventry..... F. Yates (secretary).....	Agent, Estate Office, Alderley Park, Chelford. North of England Wholesale Grocers' Association. Amalgamated Society of Engineers.  Markets committee, Manchester Corporation. West Gas Improvement Co., Ltd. General works manager, British Westinghouse. Armstrong Whitworth's, Ltd. Crossley Bros., Ltd. Brooks & Doxey, Ltd. Smith & Coventry, Ltd. Manchester District Engineering Trades Employers' Association.
June 29	Rev. F. L. H. Millard (Carlisle), J. Graham (Carlisle), C. H. Whitely (Carlisle). W. Cotton, E. Porter..... A. Gill.....  W. C. Robinson..... E. Duxbury..... G. W. Jones.....  H. Boothman..... J. Billington..... F. W. Birchenough..... P. Bullough..... J. Cross..... Coun. W. Davy..... H. Colgars, H. Gardner..... W. Lander..... A. A. Purcell (president), Coun. R. J. Davies (vice president), Coun. W. Mellor (secretary), R. Coppock (executive council), W. H. Johnson (executive council), R. Wallace (trade council delegate), Miss M. Quaile (Women's Trade Union Council).	On subject of Carlisle liquor control from point of view of public inconvenience.  Blackburn Local War Advisory Board of War Output. Amalgamated Street Masons, Paviers, and Stonedressers' Society. Beamers and Drawers' Amalgamation. Loom Overlookers' Amalgamation. Bleachers, Dyers, and Finishers' Amalgamation. Spinners' Amalgamation. Spinners' Amalgamation. Spinners' Amalgamation. Spinners' Amalgamation. Weavers' Amalgamation. Railway Workers' Union. National Federation of Discharged Soldiers and Sailors. Cooperative Wholesale Society, Ltd. The Manchester and Salford Trades and Labor Council.

The United  
Textile Factory  
Workers' Association.

## TOWN HALL, LIVERPOOL.

Date.	Name.	Society, firm, or department represented.
1917. July 2	B. B. Moss.....  W. A. Robinson, J. Cleary..... T. W. Stuart..... E. R. Thompson (president), W. Chrimes, J. Summerhill (secretary). J. Francis..... C. Barker, Mrs. McARD, A. McARD, Miss De Charles, Miss Gabrielson. T. H. Boscow.....	Secretary, Liverpool Master Builders' Association, Warrington Master Builders' Association, National Federation of Sawmill Proprietors of Great Britain and Ireland, Liverpool Sawmill Proprietors' Association, Liverpool Cabinet Makers and Employers' Association, Local Branch of the National Federated Electrical Association. National Warehouse and General Workers' Union. The United Alkali Co., Ltd. Liverpool Retail Grocers and Provision Dealers' Association.  St. Helens Trades and Labor Council. Liverpool Kensington I. L. P.  St. Helens and District Allied Engineering Trades Association.
July 3	A. Halsall, S. F. Gould..... G. Nelson..... H. Rose..... F. Hoey..... W. Robinson..... W. Citrine..... J. Shannon..... Williamson..... Ald. H. Wilson, Coun. C. Pearson, Coun. R. Rutherford, J. P., P. Wall.	Association of Engineering and Shipbuilders and Draftsmen. Typographical Society. President, Trades Council. Plumbers' Society. Warehouse Workers' Union. Engineering and Shipbuilders' Federation. Ex-secretary, Trades Council. National Amalgamated Union of Labor. Liverpool Wholesale Grocers and Provision Merchants' Association.

Liverpool  
Trades  
Council.

## TOWN HALL, LIVERPOOL.—Concluded.

Date.	Name.	Society, firm, or department represented.
1917. July 3	Chas. Booth (chairman), W. A. Jones (secretary), Galbraith (steamship supt.), J. F. Gobey (organizers' committee). G. H. Petter..... Chas. Barnes..... J. Evans (secretary)..... J. H. Perkins..... J. Smythe, C. Wilson, H. Council, W. M. Citrine.	Shipowners' General Labor Committee.  Chairman Mersey Ship Repairers' Federation.  Employers' Association of the Port of Liverpool. Railway Clerks' Association, Liverpool Branch. Federation of Engineering and Shipbuilding Trades.
July 4	G. J. Carter..... Col. H. Concanon (chairman), Austin Jones (secretary). A. B. Cauty, Harrison Hughes.....  R. H. Davies, W. Dunham..... T. Heskeith..... Col. Cooper.....	Managing director, Cammell, Laird & Co. (Ltd.). Dock Labor Organization Committee.  Seafarers' Committee, Employers' Association of the Port of Liverpool. Liverpool Shipwrights' Trade and Friendly Association. National Union of Railwaymen, Liverpool No. 1 Branch. Admiralty representative, Port of Liverpool Shipyard Labor Department.
July 5	J. M. McElroy..... H. Smith (divisional officer)..... Coun. R. J. Davies (vice president), C. Priestley (executive), G. Fearnley (executive), Mrs. W. E. Taylor (executive), J. A. McGee (executive), Coun. W. T. Jackson (secretary).	Shipyard Labor Department, Admiralty. Ministry of Labor, Warrington. Manchester and Salford Labor Party.

8. Written statements were received by the secretary and used as material for the report, of which the following is a list:

1. National Asylum Workers' Union.
2. The Urban District Council of Padiham.
3. The Association of Engineering and Shipbuilding Draughtsmen, Manchester Branch.
4. Dr. E. S. Reynolds, Manchester.
5. Dr. A. T. Lakin, Moston, Manchester.
6. British Cotton and Wool Dyers' Association, Limited.
7. The Sheet Metal Workers' Ems' Association.
8. Workmen's Committee, Armstrong Whitworth's, Openshaw.
9. Messrs. Yates and Thom, Blackburn.
10. Edward G. Herbert, Ltd., Levenshulme.
11. National Union of Railwaymen, Liverpool No. 3 Branch.
12. No. 1, Makers-up Trade Sick and Burial Society.
13. Amalgamated Association of Tramway and Vehicle Workers.
14. Fitters and Machine Drillers, Armor Plate Erecting Shop, Armstrong Whitworth's.
15. "A" Punch Dept., British Westinghouse, Trafford Park, Manchester.
16. The Rev. Canon Green, Salford.
17. The Rev. S. Liberty (Barrow).
18. The Rev. Canon W. G. Edwards Rees, Gorton, Manchester.
19. Chief Constable, Lancashire County Police, Preston.
20. Amalgamated Association of Card and Blowing Room Operatives.

21. United Carters and Motormen's Association of England.
22. The Working Men's Clubs Association, Manchester and District Branch.
23. R. Tootill, M. P., Bolton.
24. Lawrence Holt, Liverpool.
25. The Provincial Entertainment Proprietors and Managers' Association, Limited.
26. Preston and District Engineering Employers' Association.

9. Beyond this, a vast quantity of correspondence was received from individuals, much of which it might be interesting to analyze more thoroughly had we the time at our disposal. These letters have all been read by the chairman, who considered that they did not deal with the subject on those broad lines on which we were instructed to carry on the inquiry. They are useful, however, as corroborative evidence of the more important material on which the report is based.

#### GENERAL CAUSES OF INDUSTRIAL UNREST.

10. We desire to preface our observations by saying that we have directed our inquiries to causes of immediate unrest in the local area. The basic social and historical aspects of industrial unrest are not matters that we consider we can usefully discuss. In setting out these local causes we do not pretend to have decided that in fact the complaints we refer to are well founded, but we have endeavored to report faithfully what working men and women have told us is troubling their minds. Wholly unfounded suspicions of the motives and actions of the Government, or of departmental agents, or of employers, are often causes of unrest, and these things can only be allayed by prompt and frank treatment, by discussion and publicity, and by a readiness of every one in authority to offer open explanations.

11. Industrial unrest is no new thing. Mr. A. A. Purcell, president of the Manchester and Salford Trades and Labor Council, declared that it was not caused by the war, but that it had been greatly aggravated and intensified by war conditions. The Rev. Canon Peter Green, who has lived and worked for 25 years among the poorer class of workers in the Old Kent Road, London, and in the East India Dock Road, East London, and at the back of the Market, Leeds, and now for 15 years in the Greengate and Islington districts of Salford, tells us that for many years before the war there had been a discontent among skilled and unskilled workers alike. "They do not see," he says, "why their hours should be so long and their wages so small, their lives so dull and colorless, and their opportunities of reasonable rest and recreation so few"; and he asks: "Can

we wonder that with growing education and intelligence the workers of England are beginning to contrast their lot with that of the rich and to ask whether so great inequalities are necessary?" Undoubtedly the main causes of unrest, which no Government can allay, arise from human selfishness in all classes, a narrow outlook on the possibilities of cooperation, and forgetfulness of the Golden Rule to do unto others as you would be done by. We have, however, found fine examples of businesses run on lines not narrowly commercial. There are many employers and firms who fully recognize the human needs of their workmen, and we have heard from the lips of workmen themselves their appreciation and desire to cooperate in the splendid efforts of such employers. Government departments would do well to study carefully these experiments, which have done a great deal in this area to allay unrest, and the authorities might do much more by moral influence to level up other firms to adopt more humane methods and call on workmen and unions to meet these efforts in a cordial spirit.

#### REFORMS THAT ARE TAKING PLACE.

12. We find from the evidence given before us that many matters which have caused serious unrest have already been dealt with by the Government, and workmen have freely admitted their satisfaction that this has been done. This has been invaluable to us in explaining to the men personally that the Government are really in earnest in pushing through without delay reforms to remove existing grievances. We trust that it will be impressed on the permanent officials of all departments in London that it is essential that they should deal with the complaints they receive promptly, sympathetically, and in a business spirit. If this idea is thoroughly carried out it will have a great effect, and improve industrial conditions in this area.

Of the matters we have in our mind we may mention the following:

A. The question of "leaving certificates," which were certainly the cause of great unrest. Although on the whole it was probably understood by the more intelligent of the workmen that they were not introduced from any ill motive, but merely as a war measure, yet among the rank and file a belief got about that they were the beginning of industrial conscription.

B. The trade-card system was regarded as ill conceived by all those workmen who were left out of the scheme, and the new list of scheduled occupations will require very careful handling, and the rights of workmen to appear before the enlistments complaints committee will have to be dealt with tactfully, or there will again arise

trouble, owing to the suspicion of the men that the system may be unfairly used to their disadvantage. We have written to the Munitions Ministry on this subject during the sittings of the commission, because we found that the procedure did not inspire confidence in the minds of the men, and we felt that in a new system the matter is one of urgency. The idea seems prevalent that employers may use the system for victimization, and the procedure of all these committees must be watched very carefully, since the men suspect that their cases may be decided upon the written statements of the employer as to their status in scheduled occupations without their having the right to explain personally what they alone can only know—namely, the education and training they have gone through, and the position in the workshop which in fact they have attained to.

C. In the matter of the food supply we find that already the Government have taken big steps toward eliminating those who are speculating and cornering certain food supplies. There are today, as we understand it, only three profits allowed by law before the food of which the price is fixed reaches the consumer—namely, the reasonable trade profits of the producer or importer, as the case may be, the wholesaler, and the retailer. This has been clearly described to us by men engaged in various food trades, but the public seem to know little of it, and it would put an end to much natural unrest if the Government in this matter would take immediate steps to advertise to the man in the street the good work that they have done.

#### GENERAL INDUSTRIAL CONDITION OF THE AREA.

13. In submitting our report, which is necessarily a recital of troubles and grievances, we wish to emphasize the fact that on all occasions the witnesses before us prefaced their evidence with an expression of their determination to assist the Government of the country and their fellow citizens at the front to the best of their endeavor in prosecuting the war to a satisfactory conclusion. Throughout the area the patriotic spirit of men and employers was manifest and clearly expressed. They dealt with their difficulties on the lines of the Prime Minister's declaration, which was heartily echoed in Lancashire, that it was the common duty of all good citizens at the present moment to get rid of "the grit in the wheels" which is obstructing our common purpose.

14. To illustrate what we mean we have appended a short statement of the general condition of the great trades of cotton and shipbuilding which are carried on in Manchester and Liverpool. We had evidence of the highest authorities, as may be seen from the names of the deputations of employers and men who came before



us, to the effect that their personal relations were in very many cases entirely satisfactory, though they concurred in recommending many important reforms, which they hoped would be dealt with rapidly and effectively.

15. At the same time, although the atmosphere of the area is patriotic, the long continuance of the war has certainly brought about an altered feeling. Men begin to ask themselves whether the sacrifices they are making are really necessary. They chafe under the restraints upon individual liberty, and are made angry at the high cost of living. Moreover, they fail fully to understand that stoppages which often bring about reforms are a serious hindrance to military operations. All these matters are causes of unrest which the unpatriotic seek to magnify in a desire to injure the stability of government. All causes of unrest therefore that can be and are not removed are inflammable material which will be made evil use of by those whose desire it is to promote disorder.

#### CONDITION OF THE COTTON TRADE.

16. Representatives of the cotton industry, both employers and operatives, gave evidence before the commission, and satisfied us that the machinery set up by agreement between the two sides for dealing with disputes was speedy, efficient, and satisfactory. There appears to be the most cordial relations between the employers' organizations and the operatives' unions, with the result that very little difficulty is experienced in dealing with and settling the vast majority of disputes in their initial stage. These disputes may be divided into two categories—viz:—

(a) Those which involve undue physical strain on the work-people.

(b) All other classes of disputes.

17. In the first class (a) the whole procedure of negotiation can be, and almost invariably is, gone through in 7 days, whilst in the second class (b) the procedure may take 14 days. If satisfaction has not been obtained as the result of these negotiations, either party to the dispute is at liberty to take whatever action they think proper. At least 90 per cent of the disputes (which might be more properly described as adjustments) are settled locally in their initial stage, and less than 1 per cent of the disputes result in stoppage of work.

18. The representatives of the Operative Spinners' Amalgamation reported a grievance in connection with the working of the Military Service Acts, which merits the consideration of the authorities. Many of their members, working as spinners, coming within the scope of the certified occupation list, and who hold exemption certificates, are being informed in many cases by local tribunals that ex-

emption can only be continued on their enrolling in volunteer training corps. It should be remembered in this connection that the atmosphere of a spinning room in a cotton mill ranges from 70 to 100 degrees, that the spinner is scantily attired, and works in bare feet. In the course of a day's work, the character of which necessitates constant walking about, a spinner will walk on an average from 15 to 20 miles. It is contended by the operatives' representatives that after a day's work under these conditions the spinner is not fit to engage in military drill. Representative employers agree with this view, and express the hope that something will be done to meet an undoubted grievance.

19. It is further contended that when a workman comes within the scope of the certified occupation list, a military representative should not have the power to challenge the right of such a man to continue in his ordinary civil employment.

#### CONDITION OF THE SHIPBUILDING TRADE.

20. In both the building and repairing branches of this trade there was a unanimous expression of opinion that, generally speaking, harmonious relationships existed between the employers of the Port of Liverpool and the men employed by them, and that they were very ready to meet each other and discuss difficulties and troubles as they arose, or even before they arose, the employers being ready to meet the accredited members of the different trade-unions as ambassadors of the men, and both parties were inclined to lay the blame for such unrest as exists upon the departmental control which war conditions have rendered necessary.

21. We might cite also the evidence of the system of dealing with disputes in the chemical trade, and the good understanding that exists in the main in the engineering trade, but for the purposes of this report all we wish to make clear is that the matters upon which we are called upon to report are only at present matters of serious but minor importance. These can be set right by prompt and energetic treatment if the authorities in London can find men who are ready to come into the area and learn the local conditions from those who are engaged in the great industries, and help employers and men to continue and perfect their harmonious relations, which are so essential to-day for national purposes.

#### CAUSES OF UNREST.

22. Coming to the local and temporary causes of unrest in this area, which require the immediate attention of the Government, the following are the matters which seem to us to require consideration and reform:

1. The great increase in the price of food in relation to any increase in wages.
2. Exercise of Government control in local matters, including the delay in settlement of industrial disputes, and the inability of the Government to interfere with the refusal of some employers to meet their workmen or submit causes of complaint to arbitration, and the working of the Munitions Acts. This includes all trouble about dilution, inequality in wages between skilled and semiskilled labor, the adjustment of piecework rates, and other similar matters.
3. The anxiety concerning restoration of prewar conditions, which includes a consideration of reconstruction schemes.
4. The local administration of the Military Service Acts.
5. Liquor restrictions.
6. Miscellaneous matters.

INCREASE IN THE PRICE OF FOOD IN RELATION TO WAGES.

23. There is no doubt that this is the chief cause of industrial unrest, and that if the Government can solve this problem satisfactorily, and can assure to all workers and their women and children a fair portion of the necessities of life, it would go far to solve the problem of industrial unrest.

24. All the witnesses we examined put this in the forefront, and stated very emphatically that in their opinion the problem had been too long neglected. Although in many things there was a tendency to blame the Government for the way in which they had handled the matter, yet satisfaction was expressed at the recent changes in the Ministry of Food Control, and it was hoped that those in authority there would be given a free hand. The Government will be expected to fulfill their promises and deal firmly with any and every vested interest which stands between the food supply, which the public does not believe to be insufficient, and its distribution to the workers in the country, especially to the poorest of them, and so remove a deep cause of industrial unrest. No effort can be too great, no expense can be considered bad economy which conduces to this end. The best and most thoughtful of employees—men, women, and social workers—all tell us that if we intend to win in this war we have got to supply the necessities of life to the working population. They believe that it can be done, and they expect the Government to do it.

25. The business proposition, as we understand it, is that the Government should undertake the full control of all necessary foodstuffs, in which we include milk and domestic coal, and that they must understand that the people will expect them henceforth to control the supply and deliver the goods. If they fail to do this there will not only be unrest before the winter, but something much worse; nor can

we honestly say that the frame of mind of the working classes is altogether hopeful about the position. They grumble a great deal, and not without reason, about the result of Government control in the matter of sugar. They consider, rightly or wrongly, that their interests in this matter have been neglected, and it has been put to us that the real value of the experiment of sugar control in relation to the distribution of sugar to working-class households is an example of how not to do it. It is certain that in the future, if bread and flour and coal and milk are to be controlled and distributed as sugar has been controlled in the past, it will be disastrous. We have gone very seriously into the question of sugar control, which has been in existence since 1915, treating it as a working example of Government control over a necessary foodstuff. The question we have asked ourselves is, how far this has been satisfactory to the working classes, and we regret to say that they are of opinion that their interests have not been adequately safeguarded by those in authority.

26. It is unnecessary to describe the system of supply adopted by the Royal Commission on Sugar Supply and the Ministry of Food, because that will be well understood by the War Cabinet. It is sufficient to say that it seems to provide very adequately for the control of the sugar supply, the distribution to wholesale dealers, and the distribution to retail dealers. There it seems to end. We have been unable to discover that any effective means have been adopted by the authorities to guarantee to the resident householders of the community the rations of sugar which, according to public announcements in the press, the Government considers they are entitled to.

27. It has been a matter of surprise to us that there is no official in this district who could give us any information on the subject, and we desire to thank the Ministry of Food for allowing a representative from London to attend before us and explain the system on which they work. With regard to the machinery of distribution, as far as it concerns traders in sugar, there seems to be no great cause of complaint. But our outlook on the matter is confined to the consideration of how far the control of sugar has been satisfactory from the point of view of domestic households, and we feel bound to report that the method of distribution to the workers and their women and children has been a cause of unrest.

28. Nor can we wonder at it when we hear their story face to face, and try to put ourselves in their place. Their position is this. A working woman with young children wants to obtain a ration of sugar which she reads in the newspaper the Government say she ought to have. She hunts from shop to shop to get it, and she is very often refused. Some receive it, some do not. The belief among many working people is that rich people receive it and poor people do not. This is probably incorrect, but the belief exists, and ob-

viously it is a cause of unrest. When the husband returns from long hours of labor, and he hears the complaints of his wife, he is naturally indignant, and blames the Government for not carrying out their widely advertised promises. Now, if you multiply this picture in thousands of working-class homes, you have a cause of dissatisfaction and unrest which has been going on for a considerable time in this area, and it has surprised us that the authorities have not discovered this, and done something to inquire into the working of their system, and to better it. If during the coming winter other necessities of life are controlled and distributed in a like manner the position would, in our opinion, become exceedingly dangerous.

29. Even when the authorities had machinery to their hand they have made no thorough use of it. The Wholesale Cooperative Society, which deals in one year with 174,000 tons of sugar to the value of £6,000,000 [\$29,199,000], has not received sufficient rations to distribute to its working-class members and their dependents, who number over 12,000,000. Unorganized consumers have been even worse off, because they have been left to look after themselves.

30. In the future, therefore, from the point of view of distribution to the households of the country, some entirely new system must be adopted to meet the wants of the working classes, and in carrying this out we consider that the principle which ought to be kept in view should be that as regards sugar and all other necessities of life, the resident householders of the country who are doing the work of the country must be the first mortgagees, as it were, of the available supply.

31. Once this principle is granted, and all the witnesses before us—employers, wholesalers, retailers, and leaders of the working classes—unanimously concur that it is the right principle, then the only thing to be done is to create a machinery to carry it out. We take sugar as an example, but what is true of sugar is equally true of any other necessary of life. We agree that resident householders and their families, who cover the vast majority of the people, ought to be first mortgagees of the available supplies. The next thing is that, having the control of supplies, the duty of the Government is to deliver the goods to those who must be trustees to see that the first mortgagees get their rights. In the case of the cooperative societies the machinery exists and can be made use of, and the Government might well consider the question of helping them to extend their services to the community in areas where their good work is too little known.

32. But the problem is an immediate one, and we think it will be best dealt with not by setting up new agents of distribution, but by taking up and controlling those that already exist. The average

householder deals with a retail shop, and working people generally do so by means of weekly books, which are counterparts of actual shop ledgers. If, therefore, resident families were to register with their usual retailer the number of men, women, and children in their household, the shopkeeper should be able to receive in trust for his registered customers such rations as are weekly available, and be bound to deliver to his registered customers, as first mortgagees, their share of the supplies he receives.

33. Some such system as this would enable the Government in control of supplies to serve them out automatically, without fear or favor, to all families alike, and it should be forbidden to registered customers to obtain supplies of similar foodstuffs from any other source than their shop of registration.

34. The Government, who alone can form the opinion of what are the available supplies, will of course deal with the army first of all, who may be compared to debenture holders, and will then go on to deal with the resident householders as first mortgagees, and they will then, and not before then, deal with such surplus as they have in endeavoring to supply manufacturers, casual customers, hotels, restaurants, and others who are entitled to consideration. We fully appreciate that even when resident householders have been dealt with, there would remain the difficulty of dealing with the casual and floating population. But this is not so serious as in normal times, since traveling facilities have been reduced and the removal of workers restricted. We are of opinion that similar machinery to that we have described could be adapted to meet the wants of these classes. In any case, we are of opinion that this difficulty, however serious, should not interfere with the setting up of machinery for dealing with the resident population by means of registration. Once the Government announce that registered resident householders are to be first mortgagees on the supplies of the necessities of life which the Government are to control, you may trust the common sense of the workers to see that they get put upon the register.

35. The point we wish to emphasize is that in the distribution of food necessities, the only scientific way to proceed is to settle clearly the priorities of the right to receive food, and for our part we place in the forefront the rights of the resident householders, who include the vast majority of the women and children in the country. The grave mistake, as it seems to us, that those in control of sugar have made is that they have ignored this principle of priorities, and, while satisfying to a great extent the business necessities of wholesalers, retailers, and manufacturers who use sugar as a raw material for making profit, have left the claims of the men, women, and children, to whom sugar is a necessary food, without adequate machinery for dealing with them.

36. Assuming that the Government are successful in making and carrying out a plan to distribute the necessities of life to domestic households at fixed prices, this will go far to render unnecessary the constant applications for increases in wages and bonuses, the differences over which are themselves a great cause of unrest.

37. The statistics on this subject are well known to the Government. The following are quoted to us as the increases in the cost of food and total living, taken from the Board of Trade Labor Gazette for June, 1917, as compared with July, 1914:

Increased cost of food-----	102 per cent.
Increased cost of living-----	70-75 per cent.
Increased cost of food on economical basis-----	70 per cent.

The evidence as to increase of wages varies enormously in different trades and employments. Some have received little or nothing; others have done better; but probably the highest figures put before us only showed an increase in earnings of something like 40 per cent or 50 per cent of prewar rates.

38. In relation to the question of profiteering, the wholesalers and retailers, who are in the main patriotic men working under difficult conditions, feel that much of the criticism directed against them is unfair. A director of the Manchester Chamber of Commerce, and chairman of the produce section, Mr. Robert Graham, pointed out that many other causes contribute to the present high prices. Of these the most important were the high cost at points of production both at home and abroad, and he cited as a cause of this the Government buyer for the army in Montreal competing against civilian buyers who were purchasing foodstuffs for the industrial world, and by this means we ourselves were raising prices against ourselves. This is a matter which evidently needs more careful control. Then again, he referred to the high freight rates on the Atlantic routes, the great increase in war-risk insurances, the difference in exchange rates, and the inflation of the currency. In his view, he expected in the near future smaller imports, for which higher prices will have to be paid to attract goods from abroad, and he was more concerned that we should have an adequate supply of foodstuffs even at high prices than not have enough. He thought that these matters ought to be put authoritatively before the public, who are led by newspaper articles to believe that the profiteer is the sole cause of high prices.

39. We think this point of view deserves consideration, for, of course, if the public are allowed to believe that profiteering is the sole cause of high prices, they will naturally continue to blame the Government for not dealing with profiteers so long as high prices continue.

## EXERCISE OF GOVERNMENT CONTROL IN LOCAL MATTERS.

40. There is no doubt that throughout this area there is grave discontent with the way in which the departments in London exercise the control that is necessary during the war to maintain the upkeep of munitions. The complaints are that every little detail has to be referred to London, that there are wholly unnecessary delays in taking up and settling disputes that have arisen, that contradictory orders and directions are sent out from different departments, and that the industries in this area are being interfered with by London officials who do not understand local conditions, and that this is very detrimental to industrial peace.

41. The employers are even more outspoken in their discontent about matters than the workmen. They complain very much of what they call the vacillating and uncertain policy of the Government in dealing with labor problems. Promises are given one day, threats are used another, and things that are said to be decided upon and which are already half acted upon are withdrawn and altered without any consultation with leading local employers. They point out that since strikes were made illegal, many strikes have occurred without penalty, and thereby the law and the Government are brought into disrepute. The men complain that their grievances do not receive a hearing, or that the hearing is delayed, or that it is brought before tribunals and arbitrators who are unsympathetic and untrained in the history and practice of modern industrial conditions.

42. We ourselves have not been without experience of what they mean. We wish to thank Mr. Hodgson for the great assistance he has rendered to us by constantly supporting our endeavors in the execution of our mission, but on one occasion we received a notification from the Treasury calling upon us to cancel our advertisements, and on another we were informed by the stationery office officials in Manchester, who were within a few doors of our headquarters there, that they had been instructed by their London office to refuse us further assistance. These blunders were promptly set right by Mr. Hodgson, but it involved our wiring to London, and putting before Mr. Barnes petty details about which he ought not to have been troubled. Moreover, if we had acted on the Treasury instructions and canceled advertisements in Barrow, we should ourselves have been a cause of unrest there. We can not understand how it is that officials in London, who must be assumed to have known that we had received express orders to carry out our duties with all possible speed, are permitted to interfere with our carrying out those instructions by putting "grit in the wheel." We put this forward in no spirit of hostile criticism, but merely because these



little instances of interference coincide with the great mass of evidence we have heard from employers and men about what is hampering their patriotic efforts to secure an adequate output of munitions.

43. Nor do we wish it to be thought that we are laying wholesale blame on the general body of officials in London, whose splendid services and devotion are well recognized in this area. But we think that the system which tries to regulate every petty detail of the industrial machinery of the area from offices in Whitehall imposes upon the men who are asked to work it an impossible task. The trenches of industrial warfare are in Lancashire, and other like centers, and, in our view, it is not a business proposition to try and command the great industrial army of these areas with a staff 200 miles from the base, and nearly all the generals and commanding officers capable of giving direct orders and taking immediate responsibility when labor troubles arise, away from the battlefield.

44. We have been surprised that in this area there are so few high officials on the spot ready to undertake the settlement of disputes and the determination of matters of administration, and that so much has to be referred to London for decision. It seems to us that there is overcentralization, and that this is a cause of unrest, and that it should be considered whether it would not be possible not only to leave employers and workmen to settle more matters themselves, but to arrange that high officials of labor and munition departments should reside in the area, and be within close touch and ready to visit at a moment's notice localities where unrest manifests itself at the earliest possible moment.

45. On this question we desire to refer to the evidence of Mr. Stuart, the general technical manager of the United Alkali Co. (Ltd.), to show what is possible in a well-conducted business to deal promptly and efficiently with labor unrest. He tells us that his company employs about 10,000 men and 1,000 women. The bulk of the works are at Widnes or St. Helens, but the company has other works at Newcastle, Glasgow, London, etc. Practically all their men are trade-unionists, with whom they work in harmony. Mr. Stuart's main business in life is to handle labor questions, in which he has had 50 years' daily experience on the Tyne and in Lancashire. This experience, he claims not without justice, has taught him all there is to know and all there is to avoid in handling labor questions. It is interesting, therefore, that in the forefront he places promptitude in dealing with troubles directly they arise. "When," he says, "applications for advances in wages, or for the adjustment of any grievances, are made, they are all forwarded at

once to me in Liverpool. I then, figuratively speaking, take the next train to Widnes, St. Helens, Newcastle, Glasgow, or wherever the communication comes from, and meet the men quietly in the office, all sitting around the table. I attach the highest importance to seeing the men immediately after their application is received, without a day's delay." The success of this system, as worked by Mr. Stuart, is undoubted, and the lesson to be learned from it seems to be this: The company finds that it is a business proposition to appoint a powerful works director to deal with their labor troubles. He has no legal or police sanction to back up his efforts. He comes to the men, or their trade-union, directly he is required, not as a judge or an arbitrator or an official, but rather as a friend and conciliator. He has no cut-and-dried procedure, no printed rules and orders to fetter his discretion and promote quibbling discussion, and the following statement of how he does the business forms a concise gospel of the whole duty of official man in dealing with labor matters:

"I sympathetically hear the men's side of the case, look at it from their point of view, and imagine myself for the time being one of the workmen, asking myself what would be my opinion of their contention if I were one of them. Then I place before them the case for our company, discussing the two sides of the question in a courteous and friendly spirit, taking care always to recognize the important fact that to manage men successfully you must learn to manage yourself."

46. The question which has forced itself upon your commissioners is, Why can an individual succeed in promoting peace in the industrial world when Governments have for many generations failed to do so? It is at least interesting that three men of widely different experiences agree with absolute unanimity that what is at the bottom of the trouble is that Governments have relied too much on the aid of judges, tribunals, and officialdom, guided by cast-iron rules and orders, with the sanction of police force at their back.

47. It would take a historical treatise on the law of labor, going back to a discussion of the early history of trade-unions, and the decisions in the courts relating to the doctrines of common employment and other like matters which your commissioners have talked over together, to explain how they have arrived at their conclusion. But, unfortunately, there is no doubt that one cause of labor unrest is that workmen have come to regard the promises and pledges of parliaments and Government departments with suspicion and distrust. Many an instance has been put before us of what seemed on the face of it to be a clear announcement amounting to a distinct promise, which has afterwards been interpreted by

judges and officials to be something quite otherwise. It was painful to hear the common use of the phrase, "a scrap of paper," so constantly used by workmen in describing what they felt about Government promises.

48. As was pointed out by a labor representative in talking with us about the judicial history of the Workmen's Compensation Act, many decisions on questions of principle have been decided against the workmen in the court of appeal, and cost the unions considerable sums of money to take to the House of Lords and get rectified. The workingman does not understand the vagaries of judicial interpretation. All he feels is that the result is against him, and he becomes naturally distrustful and suspicious. No doubt one cause of this is that matters are handed over to lawyers of learning to decide, which really require the consideration of men with a full knowledge of the modern outlook on industrial problems. Be this as it may, there is no doubt that when arrangements are made between Government departments and workmen, the greatest care should be taken to set them down in language clear and simple, and incapable of misinterpretation even by legal minds, or otherwise we are in grave danger of instilling into the people what is not the fact, that in some way or other the tribunals which have to decide these matters are taking sides with employers or the Government against them.

49. An instance of this was cited before us in the case of *Binns v. Nasmyth, Wilson & Co. (Ltd.)* (VI Munitions Appeals, p. 177). It is quite easy for a lawyer to understand the grounds of the decision and to see that it was correct, but you can not expect a workingman to regard it in an academic light. The story of the matter is this. On March the 25th, 1915, the Government and the labor leaders signed an agreement on the subject of "The acceleration of output on Government work." This was followed by the passing of the Munitions of War Act, 1915, in July. In Schedule 2 (7) of this act it is enacted that "due notice shall be given to the workmen concerned wherever practicable of any changes of working conditions which it is desired to introduce as the result of the establishment becoming a controlled establishment, and opportunity for local consultation with workmen or their representatives shall be given if desired." In November, 1915, a circular, L6, was issued by the Ministry of Munitions, setting out how clause 7 of Schedule 2 of the Act of 1915 was to be carried out. It was headed "Procedure." In the case before the court the procedure does not seem to have been carried out, and the workmen took the matter up to the high court, where it was held that Circular L6 was not "an order within the meaning of the section," and was not legally binding on the employers. This, as we understand it, was the effect of the decision,

and it is very probable that it was legally correct, but we doubt very much whether it is advisable to leave to a court of law matters of this kind relating to industrial agreements between Government departments and workingmen, and whether they would not be more satisfactorily disposed of by the industrial councils which the reconstruction committee now propose should be set up to manage the affairs of specific trades, where they would receive the attention of business men and workmen's representatives thoroughly conversant with the circumstances under which the agreements have been arrived at, and the industrial conditions to which they refer.

50. We do not pretend that we have been able to do more than give a patient hearing to the complaints of the various witnesses. These were illustrated by many interesting examples within the personal knowledge of those who gave evidence of actual facts that had occurred in the shops where they worked. Nor would it be possible to express an opinion on many of these matters without hearing a great deal of further evidence from officials who, as we have pointed out, are not available in this area, to explain to us why these things have happened. But the general headings under which complaints may be arranged are these. The workmen object to continual changes and overfrequent suggestions of coming changes, which are made without due regard to and consultation with the trade-union representatives. There is much dissatisfaction with payment by results and the adjustment of piecework rates, and clearly the worker should be heard before a decision is come to. Then, there are delays in securing decisions not only by officials in London, but by the management in some of the works; and there are also many complaints that workers engaged on the same work are not receiving similar wages, and that different rates prevail in different parts of the country.

51. The whole question of dilution necessarily renders trade-union members very uneasy, and they complain that they ought to be more consulted about the necessity and methods of its adoption. The leaving certificates were undoubtedly a grave cause of unrest. The whole system has been entirely unsatisfactory, and the men no doubt regarded them as a gross interference with the liberty of the subject, and a form of industrial conscription. The workers complain that the Munitions Acts have diminished their opportunities of settling differences with their employers. Employers tell their men that Government control prevents their meeting them, and when the men put forward complaints to the different offices in London they do not get attended to. The awards under the Munitions Acts are too limited in their application, and once given are not applicable to the whole of the industry concerned.

52. It would be quite impossible for us, with the limited time at our disposal and without hearing the official explanations of those who are in control of these affairs, to offer any useful opinion as to who, if anyone, is to blame for the state of things that exists, or how in each particular case a remedy is to be found. We thoroughly appreciate the fact that the officials who look after these matters are probably giving them their most earnest consideration, but we can not say that this view is shared by the working people of this area. They have a vague and uneasy feeling that the authorities are not really working in their interests, and that if they permit various things to be done which are new to them they will after the war find that their conditions are altered for the worse. Nor do the employers approve of a great deal of Government control and its methods. They, too, agree that it is the cause of unrest in their works, and there seems to be no doubt that there is a hearty desire in this area to get rid of it, wherever this can be done with safety to the State.

53. We have, however, had very full evidence of the working of one department—namely, the Admiralty shipyard labor department—and this seems to show that, as far as Government control can be successful in its necessary interference with labor and employers during the war, this department has succeeded and is working on right lines. We wish to express our gratitude to Mr. J. M. McElroy, the director of shipyard labor, who, as we think rightly, volunteered to give evidence before us in this area, although he was, of course, not bound to do so. He described to us what in his view were the true principles upon which Government regulation should proceed, and we have no hesitation in saying that unless some such system exists in the other Government departments which control labor, or is put in force immediately where it does not exist, the causes of unrest will continue. We can not do better than refer to the report, Part IV, The Admiralty's Recommendation for Efficient Labor Regulation, the proposals in which meet with our hearty approval.

54. We set out the synopsis of Mr. McElroy's evidence because in our view it contains in a businesslike and concise form the proposals we should have desired to make. It may be said that from a departmental point of view these suggestions are revolutionary, and, no doubt, in a sense this is true; but we urge their consideration from a firm belief that a departmental revolution is the only kind of revolution that the people in this area desire.

55. The essentials of Government control, Mr. McElroy states, are: The efficient and harmonious regulation by Government, during the

war period, of labor in munitions industries, which involve three fundamental and distinct things—

1. Formulation of policy.
2. Administration—i. e., application of the policy.
3. Determination of industrial disputes.

He then tells us that a cardinal principle of his proposals is that policy should be formulated by a superior authority. The nature of the policy should be—

1. Conciliatory and sympathetic.
2. Considerate toward trade customs not involving restriction of output.
3. Uniform.
4. Promptly determined from time to time.
5. The policy should recognize and provide for special local circumstances.

He then proceeds to describe how the policy must be administered. As to this he explains that—

1. Policy must be administered by the departments concerned in production.
2. There must be consultation and cooperation between the administering departments.
3. Local decentralization of administration is necessary.
4. Simplicity of regulations and procedure is essential.
5. The fullest information as to, and the necessity for and nature of, the policy must be afforded to the employer, the workmen, and their trade-union organizations.
6. All necessary action to give effect to the policy should, as far as possible, be taken by representatives of the departments concerned, and not by the employers.
7. Disputes between management and men which can not with the assistance of the superintending Government department be adjusted must be referred to arbitration, which in cases of merely local questions should be conducted locally. In all cases the decisions should be given with the utmost promptitude.

56. It is not to be expected that on all these important matters we could in the time at our disposal have prepared reasonable suggestions of useful reform. No human beings, after listening to the mass of evidence we have heard, and reading very rapidly the interesting statements that have been put before us, could possibly imagine that they were in a position to assimilate and digest the material that we possess. Still, we have formed some general conclusions on which we are agreed. There is no doubt that after the war, and even before the war is concluded, a great deal will be heard about "scientific management." Unfortunately, this phrase, which should have a

common meaning to men and employers, is already regarded with distrust by the former. It is being put to them that the employers mean by it a system which is to exact the last ounce of labor from them for the sake of profit. As long as it means that to any worker, it is a bad phrase to use; but if it meant to the employers—and they could persuade the men that this was the true meaning of it—namely, that “scientific management” was a way to shorten the hours of work and to return the worker to his home happy and contented—who could doubt that “scientific management” would be the industrial election cry of the future?

57. What is wanted in industry is a reconstruction of ideas, and both capital and labor have got to meet together and carry on the machinery of industry on the principle that they must be ready to reject all prospects of gain which involve loss to others. That this ideal can be reached in the immediate future is no doubt something of a dream, but practical steps are, we believe, being taken by the Government toward this ideal. We have been very much impressed by the report of the Reconstruction Committee on the “Relations between employers and employed.” We have had the opportunity of putting before important deputations of employers and men these proposals, and asking their opinion upon them. Although they all expressed a natural desire to consider them more fully, yet the principle at the bottom of them was received with cordial approval. This principle, which seems to us to be a statesmanlike proposal of the best method of dealing with unrest, and includes within its scope much that we have already said about the necessity for decentralization and local control, is set out in section 14, which, to our mind, is exactly what is wanted in this area to allay many causes of industrial unrest.

58. Section 14 suggests, after alluding to the national industrial councils, which are to be the parliaments of industry—

(a) The district councils, representative of the trade-unions and the employers’ association in the industry, should be created, or developed out of the existing machinery for negotiations in the various trades.

(b) That works committees, representative of the management and of the workers employed, should be instituted in particular works to act in close cooperation with the district and national machinery.

59. As it is of the highest importance that the scheme making provision for these committees should be such as to secure the support of the trade-unions and employers’ associations concerned, its design should be a matter for agreement between these organizations.

60. We have no doubt that it would be a great message of hope in this area, both to men and employers, if conferences were called to-

gether, consisting of the leaders of trade-unions and the directors of employers' federations in each trade, to discuss how the program of the reconstruction committee can best be made a living fact. We have only one suggestion to offer, and that is that in explaining it to workingmen (*b*) should be placed before (*a*). The man at the bench is not greatly interested in district councils, and national industrial councils are to him as far removed from his ambition as the House of Lords, but the shop or works committee is another thing altogether, and this we think should be put right in the front when any endeavor is made to explain the scheme to the workingman. We know this by experience, because we have tried to explain the scheme in the "order of going in" assigned to the various councils by the reconstruction committee. When we approached the matter by describing national councils first, the workingman was not interested, as, indeed, why should he be? But when we began to describe the scheme, starting in the shop and gradually by a natural evolution blossoming out into district councils and finally national councils, he got a real grip of what we were telling him, and seemed to think there was a lot in it, and that it was a practical business affair touching his daily life which he would like to take a hand in. We therefore suggest that the Government should approach the national organizations of men and employers and ask them without delay to consider and report upon the reconstruction proposals and advise with the Government on the best methods of putting them in operation. We can conceive no better method of impressing the people that the Government is in earnest in helping to allay industrial unrest than by asking representative bodies of men and employers to start a national mission to the country to explain to workingmen that in the future handling of labor the workers themselves are to be part and parcel of industrial control. We consider that this is an important suggestion to make, because there is an uneasy feeling that prewar conditions, in spite of all promises, are not going to be restored and that the employers will get the best of the struggle when reconstruction takes place after the war. It is only fair to say that in our area this is not the opinion of the more thoughtful leaders of employers and labor. Generally speaking, labor leaders of intelligence believe that the Government promises as to prewar conditions were honestly given and will in the last resort be honestly kept. But, as we understand it, they hope that they will be kept in the spirit and not in the letter. That is to say, that the prewar conditions will be the minimum that can be restored to workers for their patriotic endeavors and sacrifices and long hours of labor which they have placed at their country's disposal. These things are too little recognized by those who know nothing of the conditions of industrial life and do not



understand or appreciate the great work that has been done by the working classes in this area and their desire to cooperate with the Government and their fellow citizens in the prime necessity of bringing the war to a satisfactory conclusion.

61. After the war we have abundant evidence that the real hope of the best workers of this area is not a restoration of prewar conditions, but a far, far better thing. As a modern social reformer writes, "We want life raised to a higher level, and while the keenness of our sufferings and the height of our exaltation are still with us, the larger vision prevails," and what they are waiting for here is that someone should announce from the housetops that this is what the Government are ready to carry out with the power of the nation at their back. We have been face to face with men and women who are working for their country, and if the right message comes from those in authority, we can assure the Government that they are ready to cooperate with them in bringing about a better condition of things in the industrial world.

#### LOCAL ADMINISTRATION OF THE MILITARY SERVICE ACTS.

62. We propose to deal with these matters very shortly, because we feel that criticism of army matters would be entirely out of place from this commission; still, we can not faithfully fulfill our mission without saying that they largely contribute to industrial unrest. Although we have not been privileged to hear evidence from the War Office as to why certain things which to the civilian mind seem eminently undesirable, are in some places typical of army administration and in other places not so, we feel that we can best help the War Cabinet by setting down concisely the class of complaint that we have listened to, and assuring them that many things are resented by working people, who feel that in some of their dealings with civilians there are army officials who do not bring to bear upon their duties a tact and discretion and humanity that the people have a right to expect from them.

63. We find that there are many complaints that Government promises made to the people by ministers in parliament have not been kept. They say that the Government word was given, that national registration would not be used for military conscription, that the widow's only son would not be taken for the army, that rejected men would be allowed to settle down to work or business and not called up again, that conscientious objectors, some of whom in this area are trade-unionists, would be entitled to exemption that they have not received, and that businesses built up by one individual would receive consideration from the tribunals that has been denied to

them. Instances were also cited to us of artificers who had tendered their services for special skilled work, passed trade tests at Woolwich, and were afterwards drafted into line regiments, despite the official promises that had been given to them when they were invited to join the army.

64. With regard to men who have fought for their country and been discharged, the feeling is very strong throughout the area that in calling them up again there is a breach of faith, and that the methods by which it has been done were wanting in humanity and common sense. The Government having set up a special commission to consider these matters, it is unnecessary for us to report the details which have been brought to our notice, and we have in all cases advised men who stated their grievances to us—and we may say that we feel these were very real grievances—to report them without delay to the commissioners who are now sitting.

65. Trade-union officials have complained to us very strongly that some army officials refuse to meet them, and throw obstacles in their way when they are dealing with the affairs of their men. Here we think the War Cabinet might interfere, because there is abundant evidence that in other places the army officials work well with the trade-unions, and the cooperation brings about good results for the army. The army has plenty of officers to-day who have had civilian and business training, and are well fitted by their education to deal sensibly with labor. Within our own knowledge there are many officers who have been wounded or invalided, and are left doing nothing instead of being employed on these tasks, and the War Office might well consider whether there is any truth in the criticism constantly repeated to us, that it is itself one of the greatest wasters of man power in the administration.

66. In relation to the red and black trade cards, which constitute a new system, we have already received complaints that are worthy of attention, because it is said that their working is typical of military methods, and there is certain to be further unrest unless without delay the promises made to the men are fully adhered to. It is said that a man has been promised a right of appeal to enlistment complaints committees, but that in fact this appeal is not a real appeal. It may have been unwise to promise such an appeal at all, but as it has been done the promise should be kept. To our mind the use of the word appeal includes the right to be heard, but it seems to be the practice to decide an appeal against a man without hearing him, and we think this a denial of justice. To send a man a printed form stating that his appeal has been decided against him is bound to be a cause of trouble. It may be that appeals in many cases are

dilatory and frivolous, but it passes our comprehension how any man can claim that he is possessed of a judicial instinct acute enough to decide this question merely by reading an official form filled up by an uneducated man. The workman is suspicious that in deciding the question at issue his statement in his notice of appeals receives no real consideration, whilst the written testimony of his employers is accepted as the only thing that counts. It is contended, not without reason, that this does not fulfill the promises which have been widely advertised by the Munitions Ministry in leaflets which have been distributed in the works.

67. We think that in all matters of recruiting, the conduct of which may give rise to industrial unrest and thereby delay the prosecution of the war, the War Office would be well advised to take the advice of civilians who understand industrial conditions more thoroughly than they do, and make a greater use of officers in the army who have had business training in the area where they are called upon to exercise these duties.

#### LIQUOR RESTRICTIONS.

68. While we consider that the liquor restrictions are a cause of unrest and are disliked as an interference with liberty by all classes, we consider that they contribute to unrest rather than cause it. As an employer sensibly observed to us: "I should not call the liquor restrictions a cause of unrest, but I should unhesitatingly say they are a source of a considerable loss of social temper." This, we think, was wisely said, and the matter should be sensibly dealt with, not from the high ideals of temperance reformers, whose schemes of betterment must be kept in their proper place until after the war, but from the human point of view of keeping the man who has to do war work in a good temper, which will enable him to make necessary sacrifices in a contented spirit.

69. Now, from the days of that good Christian Socialist, Charles Kingsley, until this present, there have been a large number of human beings, some of the best citizens in the country, to whom beer is not only a beverage but a sacred national institution. They think, perhaps wrongly, that it is necessary for their work, and when you want them to give the nation their best work, it is an utterly stupid thing to deny to them a small luxury which throughout their lives they have been used to receive. There would be much more sense in depriving England of tobacco, but it would not help to win the war.

70. The way the matter has been put before us by sensible men and women who are not faddists—and it is only fair to say that the

teetotalers who have spoken to us on the subject recognize, like sensible men, that this is not the time to seek to enforce their political mission—is that a reasonable amount of beer for workers who are used to it and want it should be given to them. We find that the hours of restriction are not seriously objected to by the community. The women decidedly approve of them, and the men generally are inclined to accept them during the war, but they consider that they work hardly on certain classes of men. Workers in foundries, such as molten-metal carriers and others who work under terrible conditions of heat and have hitherto been used to a pint of ale when they leave work, say, at 5.30, hang about waiting for the houses to open, and this is very undesirable. Again, in Liverpool and other places it is found impossible to keep men on urgent work overtime at nights past 9 o'clock, because they desire to quench a natural human thirst in the way they are accustomed to do. Societies of Buffaloes and Oddfellows and similar institutions, who are used to meet after their day's work and take their ease at their inn and settle business over a social glass, can no longer do so. The problem is a human problem, and must be dealt with at the moment not from any ideal standpoint, but by recognizing that you can not get the best work out of a human being by unnecessary interference with the course of life to which he has been accustomed.

71. Far more important than hours of restriction, which could probably be easily arranged by giving local privileges to special classes of men, is the more serious cause of unrest about the price of beer and the quality supplied. Government control, if it allows the public houses to be open at all, should at least insist that the quality of the beer is good, and that reasonable quantities of it are supplied at fair and reasonable prices. The chief constable of the county of Lancaster, who thoroughly understands the conditions of this industrial area, writes to us that it would be a good thing if public houses remained open until 10 p. m., and he considers that "the workingmen—especially colliers, iron-workers, and men engaged on the land—have had a legitimate grievance in not being able to procure a good wholesome beer at a reasonable price." With this opinion your commissioners heartily agree.

#### MISCELLANEOUS MATTERS.

##### *Warehouse workers.*

72. These men, especially in Manchester, seem to have serious grievances causing unrest. The chief of these is their low wages, the average of which they say is not more than 30 shillings [\$7.30] per week. Such advances as they have had amount only to about 15 per cent to meet the 100 per cent rise in food prices. They are expected to work

overtime without payment, though sometimes they get a shilling as tea money, or they are given bread and jam and tea without money. Nevertheless, when their employers lend their men, as they sometimes do, to subcontractors, they are paid overtime by the subcontractors. In order to maintain their families, many of them have to obtain work after hours at cinema shows and other places. Where they are employed by a controlled firm they have sought arbitrations, and complain of delays in the settlement of their claims. They state that the firms who employ them have a mutual agreement not to take on each other's employees should they seek better conditions. They also say that many firms refuse altogether to meet their trade-union representatives, even while all the employees of the firm are members of the National Warehouse and General Workers' Union. There seems to be no federation of warehouse employers, and it would have been impossible for us, therefore, to have satisfied ourselves as to the genuineness of these complaints, but the alleged conditions of employment are applicable, it is said, to many thousands of general warehousemen in Manchester, and this class of worker is probably one of the largest in any class of industry in the district. We suggest that this is a case where much good might be done by a general inquiry into the conditions of labor in Manchester warehouses, and that the moral influence of the Government might be brought to bear upon the employers to meet the union representatives on the lines suggested in the reconstruction proposals, and see if some of the grievances can not be speedily remedied.

*Women workers.*

73. We had a great deal of interesting evidence of the condition of women workers in this district, and their representatives gave us valuable assistance. The chief causes of complaint seem to be that the promises to pay women the same rate of pay as men for the same work, and to give them the minimum wage which they are entitled to, have not been carried out. Details of shop discipline, such as the closing of lavatories, were rightly complained of, and there seems to be an opinion among working women that the welfare workers are not always drawn from a class that really understands the needs and habits of the girls whose interests they are appointed to safeguard. The position of women in these workshops is, however, a new experiment, and we can not honestly say that the matters which are mentioned here are a grave cause of industrial unrest. At the same time, we feel sure that the authorities will agree with us when we state that, in our opinion, all matters connected with the health of women who have volunteered in the present crisis to do munition work are worthy of minute and sympathetic attention.

*Insurance agents.*

74. The complaint of the insurance agents was put before us by several societies, representing many thousand men. These men visit the homes of the working class week by week, and have important duties to perform in connection with national health insurance. Their case is that their remuneration is inadequate; that the offices refuse to grant them a war bonus; that the companies are pushing forward new systems of collection injurious to the agent's interests, and imposing new agreements upon agents which cut down their remuneration, and will injuriously affect agents who have gone to the front. They have endeavored by means of petitions, resolutions, and meetings of protest, to obtain a hearing from their companies, but, as they say, without result. It seems to us clearly inadvisable that men who have a good deal of influence in working-class homes should be left in this condition. They are unrestful themselves, and a cause of unrest in others. Here we think the Government, either by legislation or moral influence, should compel an inquiry into their conditions of work, or an arbitration upon their complaints by the industrial commissioner. If, as has been threatened, despair in having their grievances attended to resulted in an interference with the working of the national health insurance scheme, the public would be naturally indignant. The men put forward their case with moderation; they are patriotic and law-abiding, but there is no doubt, both in Manchester and Liverpool, they are in a state of unrest.

*Railway men.*

75. We had several deputations from railway men who made complaint about their conditions of work, and, although these were individual complaints rather than statements of general causes of unrest, yet the gist of them amounts to this: The old system of conciliation boards seems to have fallen into disuse, and new systems which are being discussed have not yet been adopted. Meanwhile, the men consider that they are under Government control, and that the Government is directly responsible for any grievances from which they believe they are suffering. They do not complain of the way in which the important railway officials receive their complaints and decide upon them. On the contrary, they say that the decisions given are generally fair and reasonable, but they are not carried out and put into practice in a fair spirit by those who have local control. We think that nearly all the matters of complaint of which we have heard could be easily remedied if the chief officers of the railway world were to insist upon their decisions and settle-

ments being strictly carried out by their lieutenants, not only in the letter but in the spirit in which they have been given.

*Railway clerks.*

76. The Railway Clerks' Association has for many years been agitating for better wages and conditions generally. They, too, are a patriotic class of men, who have no desire to take advantage of public troubles to exploit their grievances. They have therefore the stronger demand on Government sympathy. Their position is this: that although they have received a similar bonus to other railway workers, the companies refuse to meet their representatives. As the railways are now in effect a Government department, they contend, and we do not see the answer to their contention, that the Government, as employers, if only for the sake of good example, should treat their association in the same way that they are calling upon other employers to treat the associations of all workmen.

CONCLUSION.

77. We have completed our report on the general conditions of unrest in this area on Saturday, July 7, and as we were only able, owing to important public engagements of two of our members, to hold our first meeting to hear witnesses on Thursday, June 21, we claim that, though we may have exceeded in the letter the time limit of three weeks laid down for us by the Prime Minister, we have succeeded in obeying the spirit of his instructions.

78. We are now proceeding to Barrow in Furness, which has special problems for our consideration, and when we have heard the evidence there, we hope to make a special report upon these local conditions at the end of the week.

79. We wish to testify to the serious interest that has been taken in our mission not only by the workers, both employers and men, but by all classes of earnest people who take a practical interest in social matters. We desire to offer them our gratitude for the help they have given us in our work. The people in this area replied enthusiastically to the call of the Prime Minister, and have done their best to make the commission a useful success in investigating the causes of industrial unrest. We feel that it is our duty to say that if the work we have done is to have a real immediate value to the workers in this area, we are of opinion that the substance of our report should be published. We do not urge this because we are under any vain delusion that what we have been able to do in this short period of time is of any great public value. But we do think

that the men and women who have come before us and given us their confidences and their advice should at least know that we have faithfully reported without fear or favor the things that we have heard.

80. We desire to express our gratitude to Mr. William Finlay Macdonald for the devotion, energy, and secretarial ability which he has displayed, and without which it would have been impossible for us to have achieved such measure of success as we have attained.

EDWARD A. PARRY.

JOHN SMETHURST.

J. R. CLYNES.

W. FINLAY MACDONALD, *Secretary.*

JULY 9, 1917.



## NO. 2 DIVISION, NORTHWEST AREA.—SUPPLEMENTAL REPORT FOR BARROW IN FURNESS DISTRICT.

### INTRODUCTORY.

1. Your commissioners proceeded to Barrow on Monday, July 9, 1917. On the evening of that day they received the Rev. Stephen Liberty and Mr. J. H. Brown, of the Barrow in Furness Labor Party and Trades Council, and Messrs. G. Taylor and G. Henderson, of the Barrow Shop Stewards' committee. These gentlemen made a strong point of their witnesses giving their evidence in public. To this we consented, and it was arranged that meetings should be held on Tuesday evening, July 10, 1917, for that purpose. Later on the Barrow Engineering Trades joint committee desired to give evidence in public, and arrangements were made to carry out their wishes.

2. The mayor of Barrow placed at our disposal the council chamber of the town hall, and the following depositions were received and witnesses examined:

#### TOWN HALL, BARROW IN FURNESS.

Date.	Name.	Society, firm, or department represented.
1917. July 10	Paul List.....	General works manager, Barrow Hematite Steel Co. (Ltd.).
	J. E. Baker.....	Ministry of munitions, Barrow.
	E. Price, R. Jackson.....	Amalgamated Society of Carpenters and Joiners, Lancaster Branch.
	G. Gunning, A. Milne.....	Barrow Workmen's Institute.
	J. McKechnie, managing director; A. Miller, director; G. H. Banister, director; J. Barr, T. Fender, works superintendent; E. Graham.	Vickers (Ltd.).
	Mrs. Mills, Mrs. Hutchinson, Miss E. Tyson, Miss M. Murning.	National Federation of Women Workers.
	Rev. Stephen Liberty, ——— Heaton, Councilor C. G. B. Ellison J. P., J. H. Brown.	Barrow in Furness Labor Party and Trades Council.
	G. Taylor, G. Henderson, P. McKeating, F. Bollans, G. White, G. P. S. Sharpe.	Barrow Shop Stewards, committee.
	R. Croall.....	National Union of Railwaymen, Barrow Branch.
	J. Holmes, J. Hill, T. Smith.....	United Kingdom Society of Amalgamated Smiths and Strikers.
	J. Tyson, G. Ward, A. Barrie, J. Breen, J. Price, T. Morton, W. Moore, W. Hazelton, S. Langford.	Barrow Engineering Trades joint committee.
	G. A. Harris.....	For laboring classes.
July 11	G. Wynn, J. Revell, A. Bird, F. Postlethwaite, T. Macgregor, R. Henry.	Barrow Boiler Makers, Iron and Steel Ship Builders' Society.
	—— Butterworth, S. Lowry, —— Jackson, J. W. Martin, —— Whitehead, —— Stand- wood, —— Smith.	Barrow Local Shipbuilding and Engineering committee.

3. The general propositions as to industrial unrest are the same in this town as in the other portions of the area about which we have already reported. Barrow, however, has special problems of its own to which it is our duty to call special attention. It is geographically a very isolated place. It has had a very large influx of new population coming into the town to work at munitions for Vickers, and the wants of the citizens have undoubtedly been gravely neglected.

When we say this we want to preface our report by a just appreciation of the great services that have been rendered to the interests of industrial well-being by Mr. J. E. Baker, representative of the Ministry of Munitions in all dilution and labor matters at Barrow, and also for the past six months as Admiralty representative of the shipyard labor department at Barrow. With the exception of Col. Cooper, who is the representative of the shipyard labor department in Liverpool, and Mr. J. M. McElroy, of the Admiralty, who, although a London official, saw the necessity of volunteering to come down to Manchester to give evidence before us, Mr. Baker is the one official that your commissioners have met who seems to be endowed with the power to deal with things on the spot. How far these powers are due to official regulations and orders from London or are due to his own initiative and personality and the common sense of the higher authorities under whom he acts, who recognize that it is their duty to give him a free hand, we are unable to say. It is sufficient to state that whether his position in Barrow is due to Government control or to the sane outlook of himself and his superiors, who recognize that in Barrow red-tape methods must be suspended during the war, the result of his work and the backing that he has received in London is the most hopeful thing that we have met in the whole course of our inquiry. His work should be extended, men of similar broad outlook should be discovered and they should be placed in command, and their decisions should be upheld, and it should be known in every department in London that during the war what they say is to be done must be done, and done at once without any unnecessary departmental interference. This, to our mind, is the only way to deal with industrial unrest.

In saying this we do not desire to criticize the excellent efforts that have been made by other representatives of departments who have given evidence before us, because we feel that every official we have met is inspired by a real and serious determination to do his best in the circumstances in which he is placed. But the evidence submitted to us invariably leads us to the conclusion that whereas local men are ready to do good work, they are constantly hampered

in their efforts to do what is right by officials in London who are no doubt equally desirous to do what is right, but are naturally ignorant of local conditions and possibilities. The problem, therefore, seems to us a simple and clear one, and the solution of it is necessary to winning the war.

#### THE HOUSING PROBLEM.

4. We found a most unsatisfactory condition of things existing in relation to this matter. For nearly three years the population of this important working center has been constantly increasing, and there was no evidence before us that either the Government or the municipality had up to now taken any practical steps to deal with the problem that has been urgent during all this time and has now become a crying scandal. We venture to suggest that it is a matter that the War Cabinet should at once hand over to some really authoritative person to deal with. What is wanted is someone entirely different in status and powers from the inspectors and other officials who have from time to time visited Barrow and made reports to London. Someone might well be sent down without delay, with a proper staff, to formulate an emergency housing scheme and carry it out with the full force of the cabinet at his back and with power to insist upon every department in London, including the treasury, obeying his orders promptly. It is a bit of work for the war that wants doing—and wants doing at once. These may seem strong statements to make, but we believe that if inquiry is made from those officials whose duty it has been to report upon these matters it will be found that they are in agreement with us.

5. The simplest method, as it seems to us, of bringing home to the minds of those who are so far removed from the real conditions which are largely responsible for industrial unrest in this town is to set out without comment or criticism the facts of the case. The first point to appreciate is the numbers of the population and the number of houses to contain that population. To those who have the rare power of translating statistical figures into the facts of human life the following figures will be convincing. In order to understand what a terrible indictment they form against the rulers and governors, whoever they may be, who are responsible for providing homes for the workers, many of whom are legally prevented from leaving their employment without permission of a tribunal, it must be remembered that at the outbreak of war there was a well-recognized shortage of houses in Barrow, and this was, or ought to have been, understood by the authorities. The following are the official figures as given by the borough treasurer of Barrow for the last six years:

## Population December 31:

1911	64, 594
1912	65, 257
1913	68, 523
1914	75, 368
1915	79, 206
1916	85, 179

## Number of houses March 31:

1912	12, 902
1913	13, 259
1914	13, 626
1915	13, 983
1916	14, 588
1917	14, 791

6. But for the fact that Barrow lies in a very isolated position and that it is considered inadvisable to inform the public through the medium of the press of many of the evil conditions of industrial life, we can not believe that the facts we propose to set down could so long have remained actual conditions of domestic life in England in the twentieth century. We had no power to examine witnesses from London as to why no remedy had been attempted nor do we desire to lay any blame upon officials for what has happened and is still happening. The fault lies, of course, in the centralization in a corner of the south of England of the only people who have any power to set things right, and their ignorance of the problems they are supposed to deal with. The witnesses from whose evidence we quote a few statements were not drawn from any one class and indeed no decent person who understands the conditions of housing in Barrow could do anything but condemn them. One who thoroughly understands these conditions made a report to us at once when we were first appointed. "I put," he writes, "the housing question in the forefront. For the majority of the workers here, there is no home life. In some instances the wife is engaged on munition work, but in the majority of cases she is occupied with looking after lodgers. The housing question is acute. The number of beds occupied by night and day on the Box and Cox principle is very high and runs into thousands. The married man returns home to find his wife clearing up for the lodgers and his own meal not ready—in fact, with children, lodgers, and husband the wife has her hands full—with the result that one or other is neglected, and naturally becomes dissatisfied. Also I would point to the very inadequate provision for maternity cases. In many homes it is impossible to deal with them, at any rate, with decency. Cases have been brought to my notice where 9 persons have lived in one room, 16 in one small house, and a bedroom is occupied by two grown-up sisters and their two brothers, 16 and 17 years of age. The alteration in the train service

and the reduction in the number of trains has made the housing question even more acute, in consequence of the withdrawal of trains to and from Ulverston, people in business have had to come and live in Barrow, as otherwise they could not have got to work in time."

7. Mr. Councillor C. G. B. Ellison, J. P., gave us the following instances within his own knowledge of bad housing conditions which require no comment from your commissioners:

(1) Wife five weeks off confinement. Husband working on munitions. They were given notice to leave their apartments. A fortnight after they were refused admittance, and their belongings were put in the back yard and they were told to take them away and clear off.

(2) House was sold over the people's heads, and they had to go into a one-room apartment. Six children, one working. The mother was confined in this one room.

(3) Married woman, working on munitions until shortly before confinement. Husband fighting in France. Landlady could not do with her over confinement, as she had other lodgers. The woman tried to get a fresh lodging in Barrow, but no one would take her in as she was expecting confinement. She finally had to go to some friends in the south of England.

(4) A woman was confined in Barrow recently in one room, in which were her husband, one child, and a man lodger.

(5) Father and mother and eight children, two of whom, a boy and a girl, were over 17 years of age. All living in one room. The mother was confined of the ninth child in this same room.

(6) Husband in France fighting. Wife expecting confinement. Told she must leave the apartments. Offered 25 shillings [\$6.08] a week to be taken elsewhere, but was refused. Had to leave the town.

(7) Husband on munitions, earning good wages. No place for the wife to be confined. Guardians had to take her into workhouse. Husband paid the guardians for her maintenance.

8. A workingman who had taken some trouble to give us actual facts stated the following instances of overcrowding: "A house rented at 4 shillings 6 pence [\$1.10] a week and consisting of one bedroom 12 feet by 12, kitchen 18 feet by 12, and a pantry 9 feet by 6. The bedroom is sublet to a man and his wife and four children at 7 shillings [\$1.70] per week. The family consists of three boys, aged 18, 16, and 9 years, respectively, and a girl 4 years. The man and the two elder boys are working at Vickers (Ltd.) In the same street there is a similar house with four men, one woman, one girl 16 years and a girl of 4. A colonial, from Australia, had to live at Ulverston and paid 16 shillings 6 pence [\$4.01] a week and 2 shillings 6

pence [60.8 cents] for railway fare. He asked to be transferred to Lancaster or Morecambe, but got instead a transfer from the department he was in to another with the result that he had in his earnings a reduction of 8 per cent. Ejectment orders have been applied for and served in some cases. People not engaged on munition work have bought the houses. Men who have been employed by Vickers (Ltd.) have also been served with orders for ejectment."

At the same time the total of the ejectment orders is not large. Mr. Major, the clerk to the magistrates, made us the following returns:

*Statement of cases under the Small Tenements Act brought before the justices during the 18 months succeeding the passing of the increase of Land and Mortgage Interests War Restriction Act of 1915.*

Total number of cases entered.....	88
Deduct number adjourned.....	17
	<hr/>
Total cases dealt with.....	71
	<hr/>
Dismissed, withdrawn, or settled.....	29
Orders made.....	42
	<hr/>
Total.....	71

NOTE.—The number of cases in which orders were made include several where an arrangement was made for the incoming tenant to take the outgoing tenant in as a lodger.

We acknowledge that the magistrates and the county court are called upon to deal with very difficult matters, and these courts are being brought into disrepute, not so much by the decisions they have to give as by the law which shackles them in making decisions which are sensible and humane.

9. What adds to the troubles of the worker is that he must find accommodation somewhere he is bound to pay any price, however exorbitant, for lodgings when he can not obtain a house of his own. A witness pointed out that although "the house owner is prohibited by act of Parliament from raising his rents in munition areas, there is no prohibition as regards tenants increasing the price they ask for lodgings or rooms, and I have come across many cases where 12 shillings [\$2.92] per week is the charge for one room unfurnished in a house of which the rent is from 7 shillings 6 pence [\$1.83] to 9 shillings [\$2.19], and I believe in many cases even more than that is being charged."

10. While the State, either in the form of Government or department or municipality, has as far as we could learn, failed to grapple with this problem up to the present, we ought to record that Vickers as employers have done a great deal to provide houses in healthy situations for their workers. Since the war the workpeople of the Vickers' establishment at Barrow have increased from 16,000 to 35,000, of whom 6,000 are women. It was therefore necessary for

Vickers to take some steps in their own interests to see that their workpeople were properly housed. From what we saw of their work we were much impressed by the spirit in which it was carried out. Those who seek for an ill motive when any good thing is done suggested that in the housing scheme of Vickers excess profits might be hidden away and that the rents they charged were exorbitant, but we are not in a position to express an opinion on this suggestion. Perhaps it might have been better if there had existed some department or municipality who could have done a tithe of the good work Vickers have done. Apart from any political or economical criticism to which it may be subjected we are of opinion that the building of Vickerstown was a great public benefit to the inhabitants of Barrow.

11. At all events it did not take Vickers three years to discover that there would be such a thing as a housing problem in Barrow. When the war had only been in progress two months the company foresaw that a scarcity of houses was bound to arise, and although they were already the owners of 1,000 houses, or about one-fourteenth of the whole town of Barrow, they took steps to have 150 cottages erected on their own account, and by financial inducements to builders had 120 others put up close to the works. By the time 150 were under way the plan was developed, and 250 further cottages were ordered to be erected, so that by the end of 1915 the Vickers Co. had seen to the creation of no less than 520 modern cottage houses, each containing three bedrooms as well as two rooms on the ground floor. Advantage was taken of the summer of 1916 to supplement the new houses by another 90, making a total of 610, and in addition they subsidized the building of another 111 houses belonging to the Cavendish Syndicate, which otherwise would not have been erected. The erection of so many new houses, nearly all of which were within the area of Vickerstown, promoted new responsibilities for the owners, if contented, healthy and vigorous workmen, able to withstand the strain of war work pressure were to be the inhabitants. The firm recognized this, and concurrently with the housing scheme they erected in the center of Vickerstown a theater. This was opened November, 1915. Further indoor recreation of another type was also considered desirable, in the result that a new institute with reading rooms, card rooms, billiard tables, etc., was put up and opened December, 1916.

12. This, then, is the housing problem at Barrow. To anyone who can read this bald statement of it without appreciating what it must mean to a workman to be tied to such conditions of life and to find himself, his wife, and his children forbidden under the force of a penal statute to get away from such a place without the leave of a tribunal, is incapable of understanding the origins of industrial unrest. To us it seems that if these conditions are beyond the power of the Government to alter they ought to take steps to make the mu-

nitions they require under more humane and decent circumstances. We can not believe, however, that this problem is insoluble. On the contrary, we feel sure that there are many able men among the departments who could deal with the matter in a practical and businesslike spirit if the system allowed them to do so. The condition, to our mind, is a very serious and urgent one, and if not dealt with at once will naturally be the cause of serious unrest in the future.

#### CAUSES OF STOPPAGES IN BARROW.

13. To this serious housing problem, which is a special feature in considering the troubles which have arisen in Barrow, we must remember that the isolated position of the community makes the question of food prices a very acute one. A civil administrator of Barrow, if such a person can be imagined by the official mind, would have full power to deal with the question of food supply and to our mind the engineers engaged day by day in the supply of munitions are worthy of a similar sympathy from the Government in this matter to that given to the army in the field. At present there are great complaints that the prices here are abnormally high. Even fish, which is caught on the coast and arrives at the harbor or by rail, is said to be cornered and sold by individuals at enormously high prices. A herring was said to be priced at 3 pence [6 cents]. Instead of vegetables being brought into the market from the neighboring country and sold at reasonable prices, these things are exploited by private persons and sold at unreasonable prices. This the Food Controller should stop at once, and owing to the peculiar position of the locality it should be as easy for him to corner the supplies as it seems to have been to those who in time of war have placed their own interests before those of the State.

14. The beer question, too, is one which causes great industrial unrest among the people. They complain that the amount of beer coming into Barrow is the same now or less than it was prior to the war; that the public houses are apparently closed to the public, but that favorite customers can obtain entrance by the back door and consume not only their own share, but more than is good for them. The result of all this is to drive such men as are in receipt of good wages to buy bottles of spirits, take them home, and consume them too rapidly. This evil, it is said, is also spreading among women. In the present crowded state of the houses, if this be true, it is a tragic picture, and the remedy for it is to reopen the public houses, consider carefully local needs in settling the hours of opening, and supply an honest beer at a fair price to all well-conducted clubs and public houses. Nor do we find that the more thoughtful of the real temperance men differ from ourselves in their outlook upon this important matter. The same view upon it was well expressed by a workingman



who said to us: "I have yet to taste my first pint of beer, but I think it a great hardship that those of my mates who desire it can not get it."

15. Men who are living under the conditions we have described, some young and thoughtless, others young and thoughtful, and all undoubtedly infected by a spirit of revolt that is not altogether unnatural, are inspired by a feeling that the Government and the departments so far away from them, are not taking any human interest in their affairs. They therefore attempt to remedy their grievances and bring about a better condition of things by calling attention to their wrongs by methods of stoppages and strikes which interfere with the output of munitions, but which in their lack of knowledge they consider is the only language that reaches Whitehall.

16. In order to fully appreciate the way in which some of these men regard their rights and their position in the State as helpers in the war we must not forget the early history of recruiting, and if it is necessary to call to the colors the younger engineers of this district to serve in the line great discrimination should be used by the army in calling up the men. Those who have come into the industry since the war should be called up before those who were in it when war was declared. It must be remembered that at the outbreak of war there was a rush to the colors of all classes of workpeople, including skilled mechanics. Their enlistment was then encouraged by employers in so far as special conditions by way of half pay, etc., were given. Early in September, 1914, however, it was realized that if the enlistments continued at the then rate there was likely to be a great shortage of workpeople, which would render employers unable to cope with their orders for war material. A notice was posted intimating that after the beginning of September no allowance would be made by Vickers on behalf of workmen joining the army after that date, and it became necessary to convince workpeople that they were doing national service by remaining in the workshops, and Lord Kitchener wrote to Vickers to the effect that he would "like all engaged by this company to know that it is fully recognized that they, in carrying out the work of supplying munitions of war, were doing their duty for their King and country equally with those who had joined the army for active service in the field."

This communication was printed on a card, on the reverse side of which read the following:

"Vickers (Ltd.) require your services for the manufacture of munitions, without which your comrades in the trenches can not fight. Your services therefore can not be spared.

"For VICKERS (LTD.),

"V. CAILLARD,

"*Director.*"

This card was addressed individually to workmen. Although these things may perhaps have been forgotten by those who thoroughly understand the changed condition of the present, yet they are well remembered and dwelt upon by the workers who regard messages so delivered to them as promises for all time. This may be an unreasonable outlook, but it is a very human one, and should not be disregarded.

17. The taking away the right to strike has greatly destroyed the influence of trade-unions and thrown the power into the hands of irresponsible people, who make the most of the unhappy conditions of the town to press forward very extreme views of social and political reconstruction which we do not think they themselves fully understand, and which we are sure have at present no great hold upon the loyal and law-abiding community of Barrow. Moreover, many of the extreme men approached us in a kindly spirit and stated their views with reasonable moderation. They made a great point of their loyalty to the country and repelled openly and with indignation the suggestion which they said had been made against them that "they were bought with Prussian gold." Still, the causes of unrest, as we have shown, are serious, and the Government should without delay do something very clear and evident on entirely different lines to the way in which things have been allowed to drift on in the past to show the people that they are in earnest in shouldering their responsibility. If not the Government will only assist the extreme men by leaving inflammable material to their hand and they will lose the support of the large body of moderate sensible workingmen, who will feel that they have been deserted and thus even these men may in time become adherents of a wild cause in which at present they have no real belief.

18. From the shopworkers' point of view the best practical method of abolishing unnecessary stoppages is to set in motion at once that portion of the reconstruction proposals which deals with the establishment of works committees. In reference to this, we might call attention to the fact that on April 25 of this year an agreement was made between Vickers and the representatives of the Barrow Engineering Trades joint committee for a procedure to be observed in connection with "the adjustment of premium bonus basis times."

19. Complaints were also received from day waged workers, doing highly skilled work, that their case was not fairly dealt with, owing to their earnings not being regulated in some way by the increased earning power of pieceworkers, which was largely due to their work as day-wage men. Their wages, they state, were much below those of pieceworkers. This matter undoubtedly deserves consideration.

20. We can not but believe that if in the different departments joint works committees dealing with detailed matters connected with

the industry were to be set up it would be a message of hope to those who are rightly dissatisfied with their conditions. Many a sensible young man who now thinks that the only hope of betterment for himself and his class lies in the spreading of advanced doctrines would understand how far more useful he would be to himself and his fellow men by taking a seat on the shop committee and doing direct work in improving the conditions of the shop. We think that what is driving many well-meaning enthusiasts into very extreme propaganda is the hopeless feeling that they have no place or voice in the management of the work they are doing, and that the only way in which they can assert their knowledge and individuality is by promoting disorder and thereby calling the attention of the authorities to things which all reasonable men agree are wrong. It would do away with a great deal of industrial unrest if these shop committees were formed and seriously and honestly worked. The reconstruction proposals of the Government have been well received throughout the area by men and employers, and as to these we can only again refer to what we have said in paragraph 57 of our former report on the whole area.

EDWARD A. PARRY.

JOHN SMETHURST.

J. R. CLYNES.

W. FINLAY MACDONALD, *Secretary*.

JULY 16, 1917.

(Printed under the Authority of His Majesty's Stationery Office. By Percy Bros. (Ltd.), the Hotspur Press, Whitworth Street West, Manchester, and 317 High Holborn, London.)

**NO. 3 DIVISION.—REPORT OF THE COMMISSIONERS FOR THE  
YORKSHIRE AND EAST MIDLANDS AREA.**

JULY 12, 1917.

To the Right Hon. D. LLOYD GEORGE, M. P., Prime Minister.

SIR: We have the honor to submit the following report on industrial unrest as affecting the Yorkshire and East Midland areas.

1. Having in view the varied industries carried on in the different areas, we decided to advertise in the Yorkshire and district papers, publicly inviting any desirous of attending before the commission to communicate in writing to the commission at the town hall, Leeds, and in addition, the chairman personally invited the trades-unions, employers' federations, trades councils, chamber of commerce, and other persons and associations likely to be affected, to send representatives or delegates to the meetings of the commission.

2. The commissioners selected as centers for their sittings, Leeds, Keighley, Halifax, Nottingham and Sheffield, hearing evidence not only from witnesses resident in those districts, but from delegates sent from Bradford, Castleford, Derby, Huddersfield, Hull, Leicester, Rotherham, and other places; 167 persons in all attending and stating in detail their views and experiences upon the questions involved in the investigation. Written communications were also received from some societies and bodies of workers and employers setting forth opinions as to the causes of unrest existing in their own industries and localities.

3. The commissioners found the greatest willingness upon the part of the officials and all those attending before them, in whatever capacity, to give with the utmost frankness and sincerity their convictions and views as to the causes of industrial unrest and the present widespread injurious effect of the same upon the national, and particularly the poorer class, life of the community.

4. The causes of industrial unrest as demonstrated by all those whom we examined and confirmed by the statements sent us, are clearly associated, not only with the industries and the technicalities related thereto, but to the wider social, domestic or national questions affecting the homes and domestic concerns of the people, It became unnecessary to ask each witness to state in detail many of their points, it being found that in every case from every district and

class, the primary causes were asserted as being relative to the common domestic difficulties and actual privations following upon the high price of food and the necessary commodities of life with, in many cases, the utter inadequacy of wages, even though higher than the prewar rates, to secure the bare essentials for living at a much lower standard of comfort than was considered essential in their homes before the war.

5. In connection with the high price of food, complaints were general as to profiteering coupled with statements that the discomforts experienced would be borne with comparative composure were such felt to be necessary to win the war, but from the published results of trading and shipping companies and from speeches and other information everywhere obtainable, the conviction was general that insufficient steps had been taken by the Government departments to prevent profiteering, exploiting and plundering, such as made the poor contribute heavily to the abnormal advantages of those traders and others, who by their selfishness secured immense gains from the sacrifices and sufferings of the poor.

6. Were the food problem immediately and drastically dealt with, a very large measure of the unrest, it was stated, would be allayed, and there might then be restored some measure of faith and confidence in the Government, such as unquestionably does not appear to exist either in employers or employed in any one of the various industries we have investigated.

7. Apart from the overshadowing question of food and the economic and domestic questions involved, the industrial position has been, and continues to be, seriously affected by causes associated with war legislation, and the numerous and conflicting departmental regulations following thereon, which, added to some disturbing conditions and irritating experiences that were accumulating before the war in the relationship of employers and employed, have given to a minority of very advanced and visionary workers their desired occasion to inflame practically the whole body of skilled men in the engineering and other trades, in a manner that has already produced strikes and serious retardation of the output of hundreds of thousands of workers in our essential industries.

8. The Munitions of War Acts, the Military Service Act, and the Defense of the Realm Act, in that they have necessarily restricted personal liberty and restrained the protection that a trade-union was assumed to secure for its members, have been enforced and employed by methods that are deeply resented, and a belief has been engendered in practically all the members of the Amalgamated Society of Engineers and kindred societies we have examined, whether of the advanced or moderate section of thought, that the executive officers of their unions are now powerless to assist them in their present diffi-

culties, while the continuous delays that have been experienced by masters and men alike in securing attention from the Ministry of Munitions has caused that department's instructions and methods to be distrusted. The distrust has become so general that men who were indignant at the strikes brought about by those who promoted the "shop stewards" or "rank-and-file" movement, contend that they have lost all confidence in their trade-union officials, and consider that the Government, when dealing with such officials, have not been dealing with the general body of workers, of whose real opinions, the executive or London officials of the unions are now in no way representative.

9. The result of this apparently universal distrust alike of the trade-union executive and of the Government departments who act with, and through them, has led to the formation of a vigorous defensive organization for the protection of the workmen inside their own separate workshops, known as the "shop committee" or "rank-and-file" movement, with shop stewards elected from the workers in every shop. These men take upon themselves the duties of swiftly protecting and safeguarding whatever questions are involved, whether of wages or working conditions, that may arise between the workers and the management, without requiring to lose time by communicating with any executive or central headquarters group to intercede or negotiate for them. From the success secured by this movement, great bodies of men who originally stood aloof, have joined, and now are in accord with the methods until the "rank-and-file" organization threatens to become, in our opinion, a most serious menace to the authority and entire work of the Amalgamated Society of Engineers and other skilled workers' unions.

10. The distrust of the trade-union leaders, and entire want of confidence in Government promises concerning the workers' interests and the recognition of trade-union aims and objects, is felt by other unions than those of the skilled engineering and electrical trades. Members of the National Union of Railway Men, the Carpenters and Joiners, the United Pattern Makers, the Enginemen and Firemen's Mutual Protection Association, the Boilermakers, Iron and Steel Ship Builders' Society, the Association of Tramway and Vehicle Workers, the National Union of General Workers, the Workers' Union, the Ironfounders, the National Amalgamated Union of Labor, the Colliery Surface Workers, all alike, without a single exception, expressed distrust in, and total indifference to, any promise the Government may make, while some referred to Russia and openly declared the one course open for labor was a general "down-tools" revolutionary policy to secure reforms that constitutional action was failing to effect.

11. The dilution of skilled labor has brought about everywhere very intense disappointment and dismay in the minds of the skilled workers, who are fearful as to the subsequent status of the industry. The skilled workers are further perturbed by the very high wages earned by the unskilled and semiskilled workers being so greatly in excess of the earnings of the highly skilled men and actual instructors, who willingly assisted in dilution, and who have been constantly assured that their work was of far greater national value. In every district typical instances were given in which unskilled workers, laborers, women and girls, were earning more than double that of the skilled men, thus provoking discontent and acute unrest, not only in the ranks of the skilled men and in their homes concerning the inadequacy of their pay, but also in the other grades of ordinary unskilled labor, where the earnings of the workers have been but slightly increased, and thus made a demand for higher rates of pay, such as would provide the bare necessities of living at the present exorbitant prices.

The methods followed in fixing the prices for the pieceworkers appear to have been of a very haphazard and careless character, arrived at generally without conference with those who could have suggested more scientific and equitable methods of securing that the greatest output could have been insured by advancing skill and the employment of new and improved means of production. Unskilled workers in some factories are earning from £10 [\$48.67] to £18 [\$87.60] per week, and could easily earn more but are afraid to.

As an illustration of how one piecework rate was fixed, the director of a very large controlled firm explained that when invited to tender for work then being done at Woolwich he visited the arsenal and found that 130 could be taken as the standard output for one shift; he, therefore, assumed that an additional 50 per cent might be expected from those in his works, but believed far more would be secured by better plant. Instead of being permitted to thus produce all that was possible and then to fix the prices, the price was quickly fixed on the basis of 200 as the unit. At the present time, over 500 is the output, which could easily be exceeded, but for the fear of price reduction.

The skilled men appreciate that the system of paying unskilled workers the rates previously payable to the skilled workers they replace was demanded by their own trade-union officials, but they consider too little attention was given by their executive to the details, in that they failed to provide against the skilled men's earnings being reduced when transferred to do more highly skilled national work. It is alleged that the men had no opportunity of expressing any opinions or pointing out their fears upon the subject before they were

finally barred by official rules and regulations approved by their executive, in a manner that has provoked universal distrust in any further action they may take as the assumed representatives of the men in the unions concerned.

The present system of payment by results, while advantageous to one class of worker engaged in a shop, is essentially unfair to fixed-time rate classes who work equally hard and who have to keep up their labor to suit the increased effort of the pieceworkers.

A system of "fellowship" or shop bonus payment to all concerned in speeding up the output is recommended by representative workmen and employers.

12. The many and constantly varying rules and regulations and requirements of the Ministry of Munitions and the War Office, have produced, alike in the employers and in the workers, serious irritation and unrest. "No one knows when one regulation of to-day is going to be canceled by another issued to-morrow," so that a feeling of suspicion, anxiety and uncertainty pervades all working under such instructions. There is evidence of delay and of the absence of local authority in dealing with matters affecting output, and the conditions of working. The power permitted to employers under the various acts has been in some instances very greatly abused by their foremen and others, who have threatened men either with the munition tribunal or the trenches when dissatisfaction has been voiced, or when they have been in any way perturbed. The constant issue of threats to the workers has led to a feeling of contempt for the actual necessity concerning the man-power needs for our army, the workers having been led to feel that it was an introduction of their much-dreaded "industrial compulsion."

13. The relations of employers toward their men, on the whole, appear to have undergone in many districts changes for the better, and there is evidenced a like improvement in the men's attitude. Many have expressed a willingness to cooperate with the management and with those concerned in the industry to assist in a movement for establishing more permanently some system that would make for the betterment of the industry, as a whole, while safeguarding their positions as those just as interested and as essential for success as the financial investors or principals of the firms to whom they contribute their effort in the form of skill and labor.

Profit-sharing schemes have not been generally approved by all to whom the question has been put, while, on the other hand, some have considered their fellows fortunate who happen to be engaged with firms having such systems in force.

Trade-union district officials have confirmed the men's statements as to there being far better relations and no cause for outside inter-



ferences in relation to points affecting the customs and conveniences of those workers engaged with firms who give, in addition to standard wages, a fair share of their balance-sheet profits, after a minimum of 5 per cent has been paid upon the capital of the firm, to all their works on a pro rata wages basis.

14. Workshop committees of management and men exist in some industries, and those undoubtedly make for smoother and better working relations and conditions.

The shop stewards, as distinct from the constitutional shop stewards, or "rank-and-file" movement, is everywhere asserted by members of the Amalgamated Society of Engineers and other skilled workers' unions to be founded on lines brought about primarily by the war legislation, but a feeling had evidently existed prior to the war that some closer touch and a greater measure of local control was needed than is possible under the existing trade-union rules that impose central executive control.

The aims and methods of some of the shop stewards acting unconstitutionally are condemned, but the feeling is widespread that the machinery they have created, if based on constitutional lines, would assist trade-unions to live up to the demands of those who are employed in modern specialized workshops.

15. We are convinced that the causes of industrial unrest are not local or peculiar to any particular industry, but are of a national character, and a remedial policy must be adopted by the Government quickly and vigorously, if the incipient and growing dangers now threatening the industries for the victorious ending of the war are to be averted.

The workers have been for three years working at high pressure during too long hours and under strenuous workshop conditions never before experienced. They have been denied all opportunities of relaxation and recuperation, and this, too, at a time when there was an ever-growing physical weariness and fatigue. There is among some of them a regrettable amount of uncertainty and suspicion as to the aims and objects of the war, the issues of which do not stand out as clearly as they did in the autumn of 1914. The nerves of the men and their families are racked by hard workshop conditions, low and unfair wages in some cases, deficient housing accommodation, war sorrows and bereavements, excessive prices of food, the vagaries of the recruiting officer, and withal by a feeling that their privileges as members of certain trade-unions had been given up only to better the condition of others who had not served any apprenticeship to their trades. Upon all these disturbing causes of disquiet has grown proof upon proof that their sacrifices were greater than those selfishly controlling the supply of food, that the Government made promises

that were not kept, that pledges were broken, that constitutional trade-unionism was no longer of any avail, and that the authorities in command were ignoring their grievances and troubles and threatening them instead with military service by withdrawing their protecting badges and trade cards, after they had been repeatedly assured that their skill and labor were more needed in the shops than in the army.

Following upon all these causes of weariness, sorrow, disappointment and suspicion, came a further proposal from the Government that had ignored their complaints and refused to listen to their grievances as skilled workers and that had secured a voluntary surrender of their right to strike or to maintain trade customs and practices—to extend the system of dilution and trade sacrifice, made for war purposes only, to all work intended solely for commercial undertakings, and enriching private owners, at the same time as they proposed to destroy the system of trade cards which had seemed to be the corollary of the assurances which had been given that skilled men were and would be indispensable to their own trades at home.

Protests were in vain when made to their trade-union executive committees, with the not surprising result that the shop stewards seized upon the occasion as one in which to assert their power and to secure a following of hundreds of thousands of men over whom the dread of ultimate trade and craft destruction had long been apparently impending.

We were assured by the testimony of responsible heads of controlled firms, from employers' associations, from representative workmen, from trade-union officials and from craftsmen engaged in different districts in the various industries concerned with the strikes, that such strikes were entirely preventable, and that the long and repeated delays, constant indifference and neglect shown to the complaints of the men, fostered the belief that nothing but a stoppage of work would secure their attention and redress.

We recommend as proposals for dealing with the industrial unrest we have thus ascertained, the following:

1. Prompt measures for lowering the retail prices of the essential foods, even if the Exchequer has to be further appealed to for financial assistance.

2. The control for the period of the war of all essential food supplies and a limitation of profit placed upon all transactions and sales relative thereto.

3. To prevent the present very serious delays in connection with differences that have been in the past referred to the various Government departments in London for adjustment or advice, it would appear to be essential to appoint for the period of the war, a commissioner, preferably with technical knowledge, to be resident in the

district, with power to hear and settle all questions and disputes on matters concerned with the workers, other than of wages in each district.

4. The immediate introduction and setting up of workshop committees, composed of equal numbers of workers and of the management, the workers being elected by those employed in each works, for the consideration of questions affecting the industry. Where agreement is not arrived at, or where it may be desired, the committee may refer any matter to a similarly constituted district committee, who, in turn, may refer to a like national committee.

(a) To a subcommittee of the workshop committee appropriately composed, offenses such as that of bad timekeeping, should be in every case referred, prior to the submission of the offense, to a munitions tribunal.

5. The inauguration of a system of an overhead bonus to be distributed among datal workers, and the recommendation to all trade-unions where mixed pieceworkers and day workers are employed, that they assist their members by working out some scheme or proposal involving a sharing or pooling of the results secured by pieceworkers, so that all day workers skilled and unskilled who are assisting, contributing, or connected with the job, plant or workshop, may participate in the results pro rata of their standard day-work earnings.

6. The Government should immediately take steps to dispel certain allegations now current that the aims of the allies are imperialistic and illiberal, by a declaration of these aims in the spirit of the various pronouncements of the past and the present prime minister, and of the formula that the object of the Allies is "to make the world safe for democracy."

7. That the Government should at once and emphatically renew their pledge to the unions that at the end of the war the prewar practices of the workshops shall be fully restored.

8. As the questions of military service and dilution on commercial work seem to be interrelated and it appears that the removal of uncertainty with regard to the one would facilitate the acceptance of the other, a new detailed and precise list of protected occupations should be issued, and the unions which include men in these occupations should be empowered to distribute exemption cards to their members, cases of dispute being referred to an authority before whom a representative of the executive of the union of the particular worker concerned should be allowed to appear.

9. The district committees of the various unions, preferably cooperating, should be asked to convene regularly representatives of the various shops in the district at which a Government official should

attend to explain new regulations of the various departments, and to receive suggestions and complaints.

10. No change either in orders, working conditions, rules and regulations, should be made without first conferring with this committee and with a similar body of local employers, so that a clear explanation in simple terms may reach all those affected, prior to such rules being enforced.

11. That periodic holidays should be recognized as necessary to the maintenance of the health of the worker, and should be given on a systematic basis, and that where spells of employment are abnormal, there should be a substantial reduction of hours which need not involve any diminution of output, and therefore, should not be accompanied by any decrease in time rates of wages.

12. Where munition workers are employed away from their homes, they should be allowed to return there at reasonable intervals at reduced railway fares, and the action of various municipalities in increasing tram and bus fares should be deprecated.

13. It should be desirable that assurance should be given by the Prime Minister that at the end of the war a large program of social reform will be introduced by the Government, this including especially sufficient increase in, and improvement of, housing accommodation, and provision for the prevention and relief of unemployment.

We have the honor to be, sir, your obedient servants,

(Signed)

GEO. CROYDON MARKS, *Chairman.*

MAURICE LEVY.

JAMES J. MALLON.

ARTHUR J. WADESON.

IVY M. HARMER, *Secretary.*

JULY 12, 1917.

NOTE BY MR. J. J. MALLON.

As two of my fellow members of the Industrial Unrest Commission for Yorkshire and the East Midlands do not see their way to agree to the insertion in our joint report of the subjoined recommendation, I should be glad if this note could be attached to it over my own signature.

It may be true as Sir George Croydon Marks and Sir Maurice Levy may hold that the evidence submitted by witnesses appearing before us was not specifically directed to the matter to which the recommendation in question refers. The reason, however, is in my opinion that by many of the witnesses the view that a more substantial contribution by the rich could equitably be called for was regarded as so obvious as not to need express reference. In my opinion it would be a failure in our duty, however, to ignore it and to base recommendations on any narrower ground than those with which

we have become acquainted from any source whatsoever, whether actually embodied in witnesses' statements or in the facts relating to working-class opinion as gained by us in our individual capacities.

On the matter in question I feel very clear. The hardship following upon the inflation of the currency, the increase in the rate of interest due to the extension of credit and the consequent upward movement in prices and the redistribution of national income in favor of those who were already wealthy, is a profound and indeed fundamental cause of industrial unrest, causing, as it has, a more acute sense of social inequalities.

I therefore think that no recommendations would be complete without the inclusion of a proposal such as the following:

To satisfy the feeling prevalent among the wage-earning classes for more drastic demands on the rich, which is usually expressed by the phrase "conscription of wealth" the income tax should be carefully reviewed and substantially increased as regards those incomes which are capable of curtailment without any real loss to the amenities of life.

J. J. MALLON.

JULY 12, 1917.

**NO. 4 DIVISION.—REPORT OF THE COMMISSIONERS FOR THE  
WEST MIDLANDS AREA.**

The commissioners appointed for the West Midlands area, namely, Maj. J. W. Hills, M. P., chairman; Mr. J. W. Ogden, J. P., Mr. J. W. White, with Mr. G. Shann as secretary, have the honor to present the following report:

1. The commission held 18 sittings at Birmingham, 4 each at Coventry and Stoke and 3 at Wolverhampton, and examined 138 witnesses, both men and women, drawn from all sections of the industrial world. The associations who appeared before us were as follows:

**OPERATIVES.**

Birmingham Trades Council.

Wolverhampton Trades Council.

Coventry Trades Council.

South Staffordshire and Worcestershire Federation of Trades Councils.

Amalgamated Society of Engineers.

Carpenters and Joiners.

Amalgamated Society of Gas, Municipal and General Workers.  
Workers' Union.

National Federation of Women Workers.

Deputation of Shop Stewards.

Amalgamated Society of Toolmakers.

National Union of Railwaymen.

Steam Engine Makers' Society.

Prudential Staff Federation.

National Association of Prudential Assurance Agents.

National Brassworkers and Metal Mechanics.

Cradley Chain Makers' Association.

Engineering and Allied Trades Societies' Federation.

Temporary Employees of Post Office Association.

Birmingham Operative Tin-Plate, Sheet Metal Workers and Bra-  
ziers' Society.

Boiler Makers, Iron and Steel Ship Builders' Society.

The Amalgamated Committee of Unofficial Shop Stewards.

Coventry Building Trades Federation.

North Staffordshire Miners' Federation.

United Potters' Packers' Federation.

United Ovenmen's Society.

Deputations of Housewives, and Individual Workmen and Women.

#### EMPLOYERS.

Midland Employers' Federation.

National Federation of Building Trades Association of Great Britain and Ireland (Midland Center).

Messrs. Cadbury Bros.

Wolverhampton and District Engineering Trades Employers' Association.

Coventry and District Engineering Trades Employers' Association.

Birmingham and District Engineering Trades Employers' Association.

Malleable Ironfounders' Association.

Warwickshire Colliery Owners' Association.

North Staffordshire Colliery Owners' Association.

The Staffordshire Pottery Manufacturers' Association.

The English China Manufacturers' Association.

#### OFFICIAL.

Prof. Tillyard, chairman, Birmingham Munitions Tribunal.

Mr. Parker, chief dilution officer, Birmingham district.

Mr. McElroy, and Capt. J. Langmaid, Admiralty representatives.

#### AREA.

2. The West Midlands area comprises Staffordshire, Shropshire, Warwickshire, Worcestershire, Herefordshire. It is divided into five districts: Birmingham, Wolverhampton, Coventry, North Stafford, and lastly Hereford and Worcester. In the first three by far the most important trade is that of engineering with its allied metal trades. The building trade is also of importance. In the fourth district, Stafford, are the coal trade and the pottery trade.

The area generally has been free from strikes during the war, which we attribute to the wise and patriotic action taken by the employers' federations and by the trade-union leaders, and by the public generally.

#### UNREST BEFORE THE WAR.

3. Before dealing with the more particular matters which underlie industrial unrest, we wish to make a few general observations.

Unrest is no new feature. It existed before the war, and will exist after. Nor is it a sign of unhealthy conditions, but on the con-

trary of a vigorous and growing community. Indeed, the war has not essentially changed its character. It has no doubt accelerated its course; it has brought certain features into special prominence, and it has created its own peculiar problems. But the fundamental causes of unrest are the same in war as in peace—a struggle by the workers to secure a larger share of the profits of industry and a greater control over the conditions under which they work and live. At the same time we have no doubt that unrest is present to-day to an excessive degree, but more in some industries than in others. It is hard to say precisely how far it prevails, but we have satisfied ourselves that it exists to a sufficient extent and intensity to merit the immediate and serious attention of the Government, and that some of its causes are removable. What these causes are we shall describe later; but we wish first to call attention to a general feeling of distrust which we find prevalent.

#### GENERAL FEELING OF DISTRUST.

4. The war has involved restrictions on personal liberty; the war has involved changes in policy whereby an agreement entered into at one time has had subsequently to be varied; the war has involved secrecy; and lastly, the war has entailed blunders and failures. These four causes—restriction of liberty, alteration of agreements, failures of Government and want of publicity are root causes of the distrust to which we refer. To deal with them in order: It is obvious that war involves restrictions on liberty, and this is just as obvious to the workers as to anyone else, but what the workers are entitled to ask, and do ask, is that sacrifices should be equal and that they should be imposed for national and not class interests. We see little trace of disloyalty or a slackening of the national determination to finish the war. The distrust which exists is due to other causes—to the fact that the Government and the men's leaders have failed to some extent to convince the people that the sacrifices demanded are necessary, and that they bear equally on all.

We select leaving certificates as an example. Restrictions on migration of labor were necessary; but the actual result of leaving certificates is that men can not leave their employers, whereas their employers can discharge them. We shall explain later what changes in the system we think are advisable; we are here only concerned to point out that though the restrictions have reasons in their support, these reasons have not been understood. The same remarks apply to the second heading: The alteration of agreements entered into. Now we fully recognize that when a country is fighting for its life, arrangements made at one moment have subsequently to be changed; but here again the Government and the men's leaders should take



great care to explain the reasons for the change and to prove that it is required in the national interest. As an example we take the trades-card scheme. This was certainly a doubtful experiment and, in our opinion, worked unsatisfactorily; but still it was offered by the Government and used by the trade-unions as a solution of a difficult question. It had no doubt to be withdrawn, but it should not have been withdrawn without a complete explanation of the reasons of its withdrawal, and then the Government would have avoided the suspicion, which undoubtedly exists, that the present system of protection was introduced because it was more in the interest of the employers. On the third head, that of mistakes, everyone recognizes that a gigantic undertaking such as converting the country from a peace to a war basis can not be carried through without many mistakes. But mistakes are one thing, incompetence another. Men forgive mistakes, but what causes distrust is incompetence such as was shown by the bewildering variety of contradictory orders issued by the late food controller's department. Incidents such as this cause serious trouble, particularly when they closely affect men's daily lives.

This brings us to the last head—Want of publicity. The Government have all through been too much afraid of the public. They have not realized how solid and unbroken is the determination to finish the war, and they seem to have been led by a few spasmodic outbreaks and irresponsible utterances to the opinion that there was a dangerous element who might misuse any information it obtained. The result has been that the public has been kept in the dark not only on military matters, but on matters on which no necessity for secrecy existed.

We take man power as an instance. A great part of the unrest caused by the Military Service Act would have been avoided had the Government been more open with the public. We have had witnesses before us who have emphasized the degree to which ministers and trade-union leaders have lost the confidence of their followers. We believe this is largely due to the want of publicity. Many actions of the Government which were essential in order to win the war have not been understood by the people and have lent themselves to misrepresentation. In war even more than in peace the Government must at every step bring the people along with it.

In saying the above we have no wish to impute blame, for we fully recognize the heavy burden which war has laid on ministers, not least on such as are labor leaders. At the same time we should be doing less than our duty if we failed to point out that the distrust to which we refer is both widespread and deep.

**A.—MILITARY SERVICE ACTS.**

5. Though conscription has been generally accepted, the Military Service Acts are causing disturbance. We think this largely due to the secrecy in which the man power question is wrapped. Men, being told nothing, naturally believe that there are plenty available without taking any more. We think the Government should take the country more into its confidence and tell it how many men are required and how they will be secured; and if more are wanted how they will be found.

The objections taken to the acts were chiefly—

- (1) That they lead to industrial conscription.
- (2) That they are unfair between one man and another.
- (3) That promises are broken and all security destroyed; and lastly
- (4) There is the pacifist objection and that of those who, while not pacifists, dislike the army.

We consider that greater publicity would be of immense service; more particularly, if arrangements once made have to be varied (and we recognize that they have), the reason for the change should be fully explained, or else it is open to misrepresentation. Furthermore, the greatest care should be taken to secure and to demonstrate that the decision whether a man joins the army or stays in civil life is one, not for employer or employed, but for the State.

**TRADES-CARD SYSTEM.**

6. The system operated unfairly and in addition it was not always properly worked by the trades-unions. It operated unfairly because it assumed that skilled men were found in certain unions and certain unions only. These unions received trades cards and could protect their members. Other unions, containing a large number of skilled men, could protect none. This caused bitterness and dissatisfaction. But a further cause of dissatisfaction was the way in which trades cards were undoubtedly used in some cases. Many unions made a proper use of the high responsibility intrusted to them but some did not. The cards were used for increasing membership and men were told that if they joined certain unions they would be protected, while if they joined rival organizations they would not. Further, even where this was not the case, the cards were issued by the unions in a manner which, to say the least of it, was haphazard. Altogether the scheme was a bad one, and we welcome its withdrawal; but we are bound to point out that the actual withdrawal caused discontent among those whom the system protected. This is more especially the case since the system now introduced—that of the schedule of pro-

tected occupations, with "A" and "B" certificates, does not at present work satisfactorily.

We consider that its working requires great care. What is happening is that men entitled to "A" certificates are receiving "B," and vice versa. This has cast on the employer the wholly unjustified suspicion that he has shown favoritism in the lists sent in. We are satisfied this is not the case. Great unrest is being caused and the matter should be righted at once.

#### B.—MUNITIONS OF WAR ACTS.

7. The Munitions of War Acts have revolutionized industry. In normal times the workman is free to leave his employment, whether to secure better wages or on personal grounds, now he can do neither unless his employer consents or the munitions tribunal grant a certificate. In normal times, an employer can discharge a man; now, owing to labor shortage, that power hardly exists. In normal times the man has the weapon of the strike and the employer that of the lockout, now both are illegal. In normal times wage changes are settled by collective bargaining; now they are settled by the State. In normal times the employer disciplines his own men, now discipline is enforced publicly in a criminal court. Lastly, the trade-unions have fought, rightly or wrongly, and in the engineering trades have fought successfully, for the principle that certain men or certain unions alone were entitled to certain work. Now this has been swept away and men and women of rival unions or of no unions at all work alongside skilled craftsmen. These changes are strongly resented as infringements of personal liberty, to which men are deeply attached. But beyond this they affect profoundly everyday industrial life. In many cases they are the renunciation of the gains of years, and what renders the renunciation more bitter is the feeling that all changes bear more hardly on the men than on the employers. This is obviously the case. The employer has to submit to hardship; he can not run his business in his own way, he is perpetually controlled by the Government and he has a serious shortage of labor and limitation of profits; but his grievances are not comparable to those of the workman who sees his cherished possessions taken from him. From this feeling, that the workman has lost more than his employer, it is an easy step to the feeling that the restrictions have been definitely imposed in the employers' interest. The more thoughtful men may not feel this; they are content with stating that as a fact the restrictions do bear unequally on the workman and they do not impute any base motive; but it will readily be seen that the fact lends itself to misrepresentation, and that when men are smarting under a real loss it is not hard to insinuate that that loss was imposed with an improper intention.

The upshot of this is that, in our judgment, all restrictions on liberty of action demanded from the workman should be scrupulously reexamined to ascertain whether they are necessary in the country's interest; if they are, they must be retained, if not, they must at once be abolished. But the Government have more to do than to convince their own minds and the mind of Parliament that these restrictions are necessary, they have to convince the men themselves, and this up to the present they have failed to do. Many men, perfectly reasonable and educated, are not convinced that this is the case, and this want of conviction naturally becomes greater when you approach the less educated ranks. We can not too strongly impress upon the Government the need of publicity. No method should be neglected in bringing all cases before the people. If the cause is a good one it will find acceptance.

8. The effect of the acts on trade-unions has been equally marked and the acts have weakened authority all round. The munitions tribunal settles questions which were previously adjusted in consultation between the trade-union secretary and the manager. But a still profounder effect has been the prohibition of the right to strike. This has undoubtedly taken authority out of the hands of the responsible officials and given it to shop stewards, and therefore the acts have greatly stimulated the shop steward or "rank-and-file" movement. Altogether, owing to the feeling of distrust mentioned in a preceding paragraph, coupled with the effect of the Munitions Act, the trade-union world is in a state of flux and ferment.

#### MUNITIONS TRIBUNALS.

9. This tribunal consists of a chairman, appointed by the Minister of Munitions, and two assessors, both chosen by the minister, one from a panel representing employers and the other from a panel representing workmen. The working of the tribunal depends on the chairman, who is all powerful. We heard complaints against some tribunals, but there was a general agreement that the Birmingham tribunal worked with fairness. The employers generally were satisfied, but complained of loss of time. On the men's side the following objections were urged:

- (1) That breaking of rules, often trifling, becomes a crime.
- (2) That the chairman is all powerful and the assessors powerless.
- (3) That he belongs to the employing class.
- (4) That he is usually a lawyer.
- (5) That bias is shown both in the composition of the men's panel and in the choice of assessors therefrom.
- (6) That fines are excessive, and especially harsh on women.
- (7) That no proceedings are taken against employers.

(8) That meetings are held in a law court or even a police court, where there is an objectionable criminal atmosphere.

(9) That women particularly dislike it, and rather than face its publicity will submit to injustice.

(10) That attendance involves loss of time and wages.

With regard to these we recommend that the work of all chairmen be periodically reviewed and compared, and that an unsatisfactory one be removed. He should preferably be versed in business and not a lawyer. The names of both panels should be chosen after consultation with the organizations concerned, and the panels should be public with a definite rota. The meetings should not be in a court of law, certainly not in a police court.

We also consider that the system should be modified. The employer's and men's time which should be spent on munitions, is wasted in attending the tribunal, often on trifling cases. The total time lost each year runs into immense figures. The tribunal should only be used in the last resort. Offenses in the first instance should be discussed by the management with the trade-union secretary (or shop committees if such are approved) and not taken to the tribunal as a matter of course. We find that many of the best employers hardly use the tribunal at all, and the rest should be brought up to their level. Women should always be allowed to see the woman assessor in private.

#### B (i).—DILUTION.

10. Dilution must always be unpopular, but it has been accepted by nearly all trade-unions. Opposition was and is shown by some, but this has been largely overcome and at the moment the position is fairly satisfactory from the employers' point of view. From the men's standpoint, it has been recognized that some change is necessary. Considerable dissatisfaction is felt at the greater earning power of men and women on repetition work compared with the skilled men on a time rate, but we deal with this under another head. All agree that women's work has been extremely successful. The men are still suspicious of women's work, partly because it is an innovation and partly because they feel that it will reduce rates. We are satisfied that in some instances the employment of women is used to reduce rates. The readjustment after the war will be difficult and will call for prudent statesmanship, but at the moment we can not find that dilution causes much unrest. Such unrest as exists is due rather to a suspicion that the Government are not in earnest in their promise to restore prewar conditions.

If dilution has to be carried further and applied to private firms, great caution is necessary. We recommend that the Ministry of Munitions should consult those actually engaged in the trade, by

conference and other methods, and not only their leaders; no step should be taken without full explanation.

#### LEAVING CERTIFICATES.

11. Section 7 of the Munitions Act (1915) as amended by section 5 of the act of 1916 provides that a person shall not give employment to a workman who has within the previous six weeks been employed on munition work unless he obtains either from his employer or from the munitions tribunal a certificate that he is free to accept other employment. The intention of this provision is to assert the right of the State to decide where a man works in war time. It is not a matter for decision either by employers or workmen, but must be settled in the national interest, and the tribunal by its constitution represents such interest. Whether it fulfills its object is another matter. It can not be said that the leaving-certificate system works satisfactorily. The employers who came before us were nearly unanimous in saying that some restriction of liberty is essential if we are to avoid dangerous dislocation of industry, and while most of them pressed for a retention of the existing system, others were satisfied that some modification is possible. The men's witnesses, on the other hand, were unanimous in condemning it. Some asked for the immediate repeal of section 7; others, while wanting a modification, admitted that restrictions are necessary.

We are glad to see that the Government intend to repeal section 7. We consider that a system can be devised which will secure the national interest, satisfy the employer, and meet most of the men's objections.

#### RESTORATION OF PREWAR CONDITIONS.

12. We are not concerned with the legal meaning of the pledges contained in the Treasury Agreement of 1915 and in the Munitions Acts, which is ambiguous, but with their broad effect. Nor have we to consider in what manner and to what extent complete restoration is possible. We are concerned with industrial unrest alone, and have to consider restoration in its relation to that. Viewed from that standpoint, three broad considerations emerge. First there is a belief, how widely prevalent we can not say, that immediately on the declaration of peace wages will drop to the prewar level, bonuses will be withdrawn, and piece rates universally reduced. This belief is no doubt erroneous.

Secondly, statements have been widely made that complete restoration is impossible, and this has led to the belief that the promise was never meant to be kept. This belief is encouraged by the general distrust of the Government, to which we referred in para-

graph 4, and by reference to pledges on military service which had to be withdrawn.

Now, whether restoration is possible or not, there is no doubt that a pledge was given and that it is unconditional. If, therefore, it has to be varied, this must be with the assent of those to whom it was given. We do not think that any immediate action of the Government is called for, but we wish to point out that nothing should be said or done to encourage the belief that the pledge is not binding.

Thirdly, the difficulty is not mainly one between the Government on one side and workmen on the other, or indeed between employers and workmen, but rather between different classes of workers. On the one side are the "craftsmen" and their unions; on the other, men and women belonging to the "general" or "unskilled" unions. These men and women have attained skill since the war, and are in many cases doing the same work as "craftsmen." They will certainly object to any proposal to expel them from the higher grades of industry.

**B (II).—INEQUALITY OF WAGES BETWEEN SKILLED AND SEMISKILLED.**

13. The outbreak of the war found the craftsmen's unions, such as the Amalgamated Society of Engineers, working mostly on a time rate as against a piece rate. This was the case even where a piece rate was applicable and would have paid the men better. This feature of trade-union policy is so well known that we need not enlarge on it. The war caused changes which can be grouped under three heads:

First. The introduction of semiskilled and unskilled men and women into work previously regarded as skilled men's work.

Second. The largely increased output of existing processes giving a greater earning power for the same piece rate.

Third. The introduction of many new processes easily learnt and yielding a high wage at the agreed piece rates. To this must be added the great speeding-up which the beginning of the war called out, and the fact that it was very wisely determined that piece rates existing before the war should not be reduced. The result has been as great a revolution in industry as any similar period has witnessed. The output has been vastly increased, old processes have been scrapped and new and more efficient ones introduced. Our industries stand on a different plane from the pre-war period. Now the effect of increased production coupled with a fixed piece rate has been a great increase of the earning power of workers doing repetition work. The rates were fixed in peace time, when not only were conditions more leisurely but orders were re-

ceived in dozens and grosses where they are now received in thousands and tens of thousands. Hence the machine can now be worked for a longer productive period, the output is enormously increased, and the wages earned have reached a height hitherto undreamt of. In the engineering trade £4 [\$19.47] a week for a man or woman, who has entered the trade since the war, is not an unusual wage; whilst in many cases the wage reaches £6, £8, and £10 [\$29.90, \$38.93, and \$48.67] a week or even more, all, be it understood, by workers with no previous experience. At the same time the toolmaker and the gaugemaker, both skilled men whose skill is the basis on which the machine operates, are still working on a prewar rate, plus the bonuses and advances received since the war, but, taking all these into account, are receiving considerably less than the pieceworker.

The result may be imagined. The skilled man with a life's experience behind him sees a girl or youth, whom perhaps he himself has taught, earning twice as much as he does. The injury to his self-respect is as great as that to his pocket. His grievance is aggravated by the fact that the leaving-certificate system prevents him from taking up repetition work himself. The hard case of these men is recognized by the employer equally with the workman. Many employers would welcome any scheme whereby a bigger share of the wages paid went to the toolmaker. Their difficulty is that they are forbidden to take anything from the pieceworker and give it to the day worker, for this would in fact be to reduce piece rates, and unless they can do this they do not see their way to increase wages. Various methods have been suggested:

(a) That the Government should withdraw the prohibition on reducing piece rates, and that the amount saved should go to the timeworker.

We can not recommend this. Not only would it cause more unrest than it allayed, but it would mean breaking a Government pledge—a most undesirable proceeding.

(b) That all wages, or those in certain processes, should be “pooled” and a larger share given to the toolmaker.

This in effect involves a reduction of the piece rate and is open to the same objection as (a).

(c) That he should receive a bonus on the output of the factory or some department of it.

This is being tried in some works. It involves, of course, an increase in the wage bill.

(d) That the toolmaker should work on a piece rate.

The men's witnesses were nearly unanimous that this was impossible. Possibly the well-known opposition of some trade-unions to piecework colored their view; but we are bound to add that the



employers, who naturally prefer piecework, are by no means unanimous in thinking that it is practicable in the toolroom.

We think that, where piecework is possible, it will meet the difficulty. Where it is not, we are in favor of (*c*)—a bonus on output.

**B (iii).—DELAY IN SECURING SETTLEMENT.**

14. It is notorious that appeals to the committee on production and the Ministry of Munitions have met with great delay. This is recognized in the reorganization which we understand is taking place in the constitution of the committee on production in order to speed it up. This is essential. Nothing causes more unrest than that a demand for a bonus or wage increase, admitted to be just by the employer, should be held up for weeks or months by the body with whom decision rests. We see no reason why awards should not be announced within a fortnight or three weeks, which is the usual limit assigned for industrial arbitrations, and we think that this should be a rule from which no exception should be allowed.

A further delay arises from the ambiguous terms in which these awards are sometimes drawn, for this involves a reference back and great delay and uncertainty. It was freely stated by both employers' and employed's witnesses that some awards must have been drawn by men ignorant of the trade, so difficult were they to interpret; but as we had no opportunity of calling the officials concerned, we can not say on whom the blame should rest. We are satisfied, however, that awards in the past have been ambiguous, and this should be remedied. It should be considered whether local tribunals should not be set up for differences local in character.

**C.—FOOD PRICES.**

15. All witnesses concurred in considering this the chief cause of unrest, and we agree with them. The men's witnesses were unanimous, though the employers' were not, in saying that the cost of living had risen to a greater degree than wages. This, of course, is not universal, as many people are getting high wages who before the war earned little or nothing; but taking wages as a whole, and ruling out exceptional cases, it is doubtful whether workmen are anything if at all better off than they were before the war. We have witnesses who quoted with assent the statement of the Right Hon. J. Thomas, M. P., that the railway men would gladly give up bonuses if prices could be reduced, and this opinion is pretty general. Some witnesses went so far as to say that we

had got into a vicious circle; that every rise in wages was followed by a corresponding or greater rise in prices, calling in its turn for a further rise in wages, and they expressed the view that the only remedy was to force wages up to such a point as would compel the Government to deal with prices. Anyhow, the general opinion undoubtedly is that prices are more important than wages. Very few witnesses were in favor of a rationing system, for its difficulties are recognized; most favor fixed prices, with control by the Government of food production. But besides the actual anger caused by finding their increased wages all going in increased cost of living, there is a further feeling of bitter resentment at the thought that some one is making an excessive profit out of them. This feeling is both widespread and dangerous. It is supported by many cases in which companies connected with food or transport have paid enormously increased profits since the war. It is believed that these are only examples of a large class, and that intentional and organized profiteering is going on unchecked. The action of the late Food Controller did nothing to remove this impression. It is absolutely necessary that the Government should take immediate steps to reduce prices and to prevent profiteering. We shall no doubt be told that this is an easy thing to say but difficult to do. We are, however, not concerned to find a remedy, which is the business of the Food Controller, but we are concerned to point out that the present uncertainty and confusion are doing untold mischief and that the question should be tackled at once in a resolute manner. We wish to add that the measures taken should be fully explained to the public.

#### D.—LIQUOR RESTRICTIONS.

16. The commission were frankly amazed at the strength of the objections to the liquor restrictions. These came not only from the men in the habit of drinking beer, but from those who were life-long teetotallers and yet recognized the need of beer to those working on certain occupations. The question is threefold—one of hours, price, and scarcity. Of these the last is by far the most galling. The limitation of hours, though unpopular, has been accepted as a war necessity. The increase of price is resented chiefly because it is felt that brewers are making an undue profit, but the real grievance is the difficulty of obtaining the article. It must be remembered that we are dealing with men who all their lives have been accustomed to drink beer when they want it. We hold no brief either for or against beer drinking, but we are convinced that that is a question which men must settle for themselves, and that it must be recognized that beer is more than a drink. Without going into the

thorny question of whether it is a food, it certainly is a social habit or a custom of life, as two witnesses expressed it. We recommend to the Government that the supply should be largely increased. We recognize that this may entail some weakening of the article, but we wish to impress upon the Government that besides supplying beer they must supply the sort that men want, and that quantity alone will not meet the case. In allotting the new supply special regard should be had to areas which show largely increased population.

#### E.—INDUSTRIAL FATIGUE.

17. There is no doubt that the workmen are tired and overstrained, and this is not the only result of their work, but is also due to the nervous strain of the war. We consider that overtime and Sunday work should be reduced as much as possible. We do not believe that they increase production in the long run. We recognize that things are much better in this respect than they were, but there is still room for improvement. Holidays should not be curtailed, and every effort should be made to provide suitable recreation.

#### F.—SHOP DISCIPLINE.

18. A great deal of evidence was taken on the question of shop stewards and shop committees. There was a sharp conflict of opinion on the subject. The case for shop committees is as follows:

There are advantages in having a committee elected from the organized labor in the shop. It can meet the management and discuss and settle grievances which are small and local. It can also meet employers and bring them in touch with their men. It works more quickly than trade-union machinery, and it has a local knowledge which trade-union officials sometimes lack. It is in touch with all the changing conditions in the shop, whilst the trade-union secretary is not. It decentralizes trade-union procedure which at present is too much "officialized" and too little controlled by the rank and file. It creates solidarity among the workers and breaks down trade-union particularism. By agreement between employer and workmen, its operation can be extended to such questions as discussion of piece rates and control of minor breaches of discipline. It gives the workmen more control over the conditions of life.

On the other side, it was urged that the system of settling grievances by discussion between the management and the local trade-union secretary works well. A shop committee would inevitably weaken trade-union authority. It would be composed of the wilder and less responsible spirits who were out to make mischief. It would weaken or destroy the employer's authority and keep the shop

in continual turmoil. It would waste time. It would lead to unauthorized strikes. The local trade-union secretary is in touch with conditions in the district. He settles small questions with the management and reports larger ones to his union for adjustment in the ordinary course.

In view of the conflict of opinion and of the fact that the commission are not unanimous, we do not feel able to make any recommendation. The weight of evidence on both sides is against the change, but on the other hand, the local organizing secretaries both of the Amalgamated Society of Engineers and of the Workers' Union, as well as some employers, were in favor of it.

#### RELATIONS OF EMPLOYERS AND EMPLOYED.

19. The best security for industrial peace is organization of both employers and employed. If the men are badly organized the result is unauthorized local strikes; if the employers are not strongly federated, you have a minority who refuse to pay the district rate.

It is this minority which causes trouble. We are glad to say that the large majority of employers in this area are good employers, but there is here as elsewhere a minority who are not, and they cause unsettlement and disturbance out of all proportion to their numbers. This may occur in several ways of which we select two. Certain employers, few in number, neglect to grant the increases awarded by the committee on production. The fact that one or two employers do this unsettles a whole district. Again the position of works foreman, always important, has greater importance since the war; for he largely decides who is to be prosecuted before the munitions tribunal and also has some weight in determining who is to be exempt from military service. Now, most employers are extremely careful in choosing foremen, and only appoint those possessing character and skill, but some employers act otherwise and appoint men ignorant of the trade and incapable of handling their fellows. The evils which result are not confined to the workshops affected, but disturb the whole district.

We therefore recommend that employers' federations representing a substantial part of an industry should have disciplinary powers over their own recalcitrant members. We also approve of the conclusion in the Report of the Industrial Council into Industrial Agreements (Cd 6952 of 1913) that "an agreement entered into between associations of employers and of workmen representing a substantial body of those in the trade or district should, on the application of the parties to the agreement, be made applicable to the whole trade or district concerned," provided that the conditions contained in that report are fulfilled (see pars. 58 and 61 thereof).

In this connection we have read with approval the report dated March 8, 1917, of the subcommittee of the Reconstruction Committee on Relations between Employers and Employed, under the chairmanship of the Right Hon. J. H. Whitley, M. P. (commonly called the Whitley report). We express a general approval of that report. We are also impressed with the advantages in large works of frequent meetings between men and their employers, not merely managers or foremen. This takes place in several works where men, either through a shop committee or otherwise, have regular and frequent opportunities of meeting a partner, if the business is carried on by a firm, or a director, if by a limited company. This excellent practice should be made universal; it brings employers and employed into touch, gives a chance of settling incipient grievances, and affords the employed some say as to the conditions under which they work.

#### **AN INDUSTRIAL CODE FOR WAR TIME.**

20. War has necessitated a new industrial code, and this is contained in the Defense of the Realm Acts, Military Service Acts, Munitions of War Acts, and other acts, as well as innumerable orders, rules, and regulations issued under those acts or by Government departments and officials concerned. The result is a chaos of rules and orders, often issued without any guiding principle, so numerous, intricate, and confused that few, if any, understand them. We think that these laws, orders, and regulations should be examined and codified; the result would be greater brevity and clearness. The resulting rules should be reduced to the simplest language and pains should be taken to explain them, and the reasons for their issue, to those whom they affect.

#### **RECOMMENDATIONS.**

21. The commission make the following recommendations. The order in which they are given is that contained in the "Outline of proposed arrangements" issued to the commissioners and dated June 12, 1917. Our additional recommendations are at the end, and, finally, we have stated what we think the most urgent problems.

#### **A.—OPERATION OF MILITARY SERVICE ACTS.**

22. There should be greater publicity on man power and the need for military service and particularly on need for any change. The decision whether a man joins the army should always and demonstrably be that of the State and not of employer or employed. (See par. 5.)

*Trades-cards scheme.*

23. We concur in its withdrawal, but the reasons should be more fully explained. The working of the new system, the protected occupations schedule, should be closely examined. (See par. 6.)

## B.—OPERATION OF MUNITIONS OF WAR ACTS.

24. The reasons for all restrictions on liberty should be reexamined and more fully explained. (See par. 7.)

*Munitions tribunals.*

25. The chairman should be a business man.

The panels of assessors should be settled in consultation with the organizations concerned, and should be published and have a definite rota. The tribunal should not meet in a court of law, certainly not in a police court. All offenses should in the first instance come before a body representing employer and employed, and the tribunal should only be used for serious offenses as a last resort. All women appearing should be allowed to see the woman assessor in private. (See par. 9.)

## B (i).—DILUTION.

26. Any further steps required should only be taken after full publicity, consultation, and explanation of the national necessity. (See par. 10.)

Care must be taken that women's labor is not used to cut piece rates.

*Leaving certificates.*

27. We approve of their withdrawal. (See par. 11.)

*Restoration of prewar conditions.*

28. No immediate action by Government is called for, but if occasion arises it should be stated that the pledge exists, and that it will not be altered without the consent of the men's organizations. (See par. 12.)

## B (ii).—INEQUALITY OF WAGES BETWEEN SKILLED AND SEMISKILLED LABOR.

29. No reduction of piece prices can take place in view of the Government's pledge. Where possible, the skilled man on time rate should by agreement work on piece rate, but this may not be possible in such trades as the toolmaker. In such trades he should receive bonus on the output of the factory or department. (See par. 13.)

## B (III).—DELAYS IN SECURING SETTLEMENT.

30. We welcome the proposed speeding up of the committee on production. Awards of this committee and of the Ministry of Munitions should be given within 14 or at most 21 days. All awards should be drawn by men acquainted with the trade, and be free from ambiguity. (See par. 14.)

## C.—INCREASE OF FOOD PRICES.

31. An immediate reduction is essential, and this is the most urgent matter of all. (See par. 15.)

Profiteering must be rigidly checked.

## D.—LIQUOR RESTRICTIONS.

32. No increase in existing hours is required. A further supply of beer of an acceptable quality is urgently needed. The price might probably be considerably reduced without injustice to the producer. (See par. 16.)

## E.—THE EFFECTS OF INDUSTRIAL FATIGUE.

33. Overtime and Sunday work should be reduced to a minimum. Holidays should not be abolished or shortened. All possible amusements and relaxations should be provided. (See par. 17.)

## F.—SHOP DISCIPLINE.

34. The commission make no recommendation. (See par. 18.)

## PUBLICITY.

35. Every means should be used to inform the public of the reason for all orders importing change or restricting liberty, and their necessity and fairness should be shown on all occasions.

Information about all such questions as man power, food supply, and munition requirements should, wherever possible, be given. (See par. 4.)

Besides the usual methods, such as the press and public speeches, the Ministry of Munitions should hold periodical conferences in different areas. The labor department of that ministry should have a publicity section.

## INDUSTRIAL CODE FOR WAR TIME.

36. The various acts of Parliament, regulations, orders, etc., should be examined, amended, or withdrawn where necessary, codified in simple language, and then fully explained. (See par. 20.)

## RELATIONS OF EMPLOYERS AND EMPLOYED.

37. Federations of employers and organizations of men should be encouraged. The machinery outlined in the Whitley report should be discussed, and if agreed to set up. Where a substantial body of employers and employed in a trade or district agree to a wage, it should be made compulsory on the dissentient minority. Employers should frequently and regularly meet their workmen either through shop committees or otherwise. Employers' federations should have power to discipline recalcitrant members. (See par. 19.)

## VARIATION BY GOVERNMENT OF SCHEMES ONCE IN OPERATION.

38. Great caution should be exercised in varying an arrangement once entered into by Government. These arrangements are, rightly or wrongly, regarded as Government pledges, e. g., the trades-card scheme, and their variation as a breach of faith, with disastrous results. Such variation should only be made from urgent national necessity, and then the reason for the change should be exhaustively explained. (See par. 4.)

## RELATIVE URGENCY OF PROBLEMS.

39. We consider the food question and profiteering by far the most urgent. Next in order we place want of publicity, variation of agreements, liquor restrictions, and leaving certificates.

40. The commission appointed Mr. George Shann, M. A., their secretary. His wide knowledge of industrial problems, particularly in this area, were of the greatest service and the commission are deeply indebted to him.

We have the honor to be, sir, your obedient servants.

(Signed) JOHN W. HILLS, *Chairman.*

JOHN W. OGDEN.

JOHN W. WHITE.

(Signed) GEORGE SHANN, *Secretary.*

JULY 11, 1917.



**NO. 5 DIVISION.—REPORT OF THE COMMISSIONERS FOR THE  
LONDON AND SOUTHEASTERN AREA.**

**UNREST.**

The unrest is real, widespread and in some directions extreme, and such as to constitute a national danger unless dealt with promptly and effectively. We are at this moment within view of a possible social upheaval or at least extensive and manifold strikes. No tinkering schemes will meet the requirements of the situation. It is necessary to secure to the workingman a fair share of the product of his labor, and a just participation in the establishment of the conditions of industry. The workmen consider that they should be dealt with as men.

**CAUSES OF UNREST.**

The causes are various, some of them manifest. Some are important and pressing, requiring to be dealt with at once; others are minor or more remote but contribute effectively to the existing results.

In the order of importance these causes may be ranked more or less as follows:

- (a) Food prices, and in connection with this—
- (b) What is called profiteering.
- (c) Industrial fatigue.
- (d) Inequality of sacrifice.
- (e) Uncertainty as to the future.
- (f) Want of confidence in the Government and resentment at undue interference.
- (g) Various minor causes.

**1. FOOD PRICES.**

This is at present the chief factor among the immediate causes of unrest.

The men realize the impossibility of maintaining prewar supplies or prices; but they are convinced that the present prices are far higher than they should be, and they ascribe the difficulty in obtaining adequate food and fuel to the failure of the Government to establish adequate machinery for fair distribution. Advances

in wages and a very considerable increase in earning power have failed to enable the already overworked men to maintain their standard of living which has suffered a grave decline, and this in spite of the overtime worked without which, as they say, they could not "pull through." And this is more marked in the case of the lower paid grades. Statements of prices and profits in the newspapers, admissions made in Parliament, their own sources of information and their personal and family experience make them feel, to use their own language, they are "being bled white." This threatens to create a very grave situation.

#### 1. (A) PROFITEERING.

The feeling just mentioned is intensified by the belief, which is general among the workpeople, that a large proportion of these high prices is due, not to the necessities of the case, but to "profiteering." The sense that many individuals are benefiting through the war at the expense of the community, and especially of the poor, generates a bitterness which intensifies the unrest.

#### 2. INDUSTRIAL FATIGUE.

Only the workman can speak with first-hand authority on the incidence of strain. There is ample evidence to show that the continuous labor and unduly extended hours during the war have caused a state of nervous exhaustion in large numbers of workers which has made them more susceptible to influences contributing to unrest.

Even in the case of retail shops and warehouses in which restriction has been placed on the hours during which such establishments may be open and carry on trade, these restrictions do not affect the hours during which shop assistants may be required to be at work.

The want of proper ventilation in many places of employment is a contributory cause of exhaustion.

#### 3. HOUSING.

Further, owing to the large influx of labor into areas where munitions work has been largely carried on the housing accommodation has been a problem of considerable gravity, the accommodation being wholly inadequate and the prices charged unduly inflated.

#### 4. INEQUALITY OF SACRIFICE.

Another important element in the prevailing unrest is the sense of inequality of sacrifice.

Of the patriotism of the overwhelming majority of the workmen and their families there can be no question. The experience of

voluntary recruiting and the surrender of cherished trade customs are sufficient to show their spirit to be at least as sound as that of any other part of the community. But since the beginning of the war there has gradually arisen a sense of injustice, and a feeling that there is a tendency to treat them as though they were rather the instruments of the community than members of it.

(a) While prices rise and those who control the necessities of life are making fortunes, the men can not obtain by negotiation with the employers a single rise in wages without the consent of the Government. The leaving-certificate system, which bound the men and left the employers free to discharge them; the Military Service Act, which enabled an employer to part with a man for the army, but left him free to refuse his transfer to another firm where he was wanted and where perhaps he would have earned more; the vexatious experience of the men haled before local tribunals for trivial offenses; the cruel suspension without pay of women engaged far from home, because the employer is not furnished with material, or for some other cause over which the employer has no control; the fact that nonassociated firms could disregard any increase of wages agreed to in associated firms, and yet keep the men; all these things and many other provocations rankle bitterly in the minds of the men.

(b) Again, another instance of inequality of sacrifice is to be found in the fact that workmen of the highest skill are mostly engaged on day work, while semiskilled workmen and unskilled workmen and women are for the most part engaged on a system of payment by results. Under this system the earnings of the skilled men are much less as a whole than the earnings of the semiskilled pieceworkers. As this has gone on since the beginning of the war, and there does not yet appear any satisfactory solution of the topsy-turvy arrangement, the effect on the skilled men has been far from good. There is a serious fear that the contract with the Government as to the restoration of prewar conditions regarding dilution may prove impracticable and not be carried out.

(c) Further, the operation of the fair wages clause was enforceable in peace time by the threat to remove the offending firm from the list of Government contractors. Such a step has become impracticable in war time, and the workman has the impression that many cases which could have been dealt with promptly under the fair wages clause have for this reason not been properly dealt with.

(d) Besides this, invidious distinctions are apparent in so far as awards made in respect of differences between organized bodies of employees and workpeople are not applicable to men in the employment of unorganized employers.

(e) Irritation is manifested also owing to the impression entertained by the workmen that the provisions of section 7 of the Muni-

tions Act result in industrial servitude. The employer is able to dismiss or detain at his pleasure, while a workman is unable to leave except under a penalty of six weeks' idleness. This of course is a restriction of the workman's power to sell his labor in the best market, and they further complain that the tribunals before which they are brought, as if criminals, pay no attention to the fact that while a man may have sought work at the beginning of the war in existing factories far from his home under the impression that work and employment would be temporary, and now he may be able to obtain work in a converted or new factory nearer his home, the leaving certificate system debars him from bettering his environment while still working for his country. It is also pointed out that while the opening of new factories, or the reopening of old factories with new work, necessitating the employment of men of experience as charge hands or foremen, affords opportunities for advancement of such experienced men, they are refused leaving certificates because their value to their present employers is held to justify their detention. The ratio decidendi of this ruling inflicts special hardships in the case of those whose apprenticeship has ended.

#### 5. MINOR COMPLAINTS.

Of these there are several, such as:

- (a) Liquor restrictions.
- (b) Welfare—excessive interference with personal liberty.
- (c) German prisoners.
- (d) Enemy propaganda.

(a) *Liquor restrictions.*—There is general recognition that the restriction on the sale of beer and the increase in the price of it has produced hardship, ill feeling, and irritation among the large industrial population accustomed to take beer at their principal meals. Even a teetotaler objected on behalf of his union to the bad effect the restrictions had on men against whom no reflection of intemperance could be suggested.

In trades where heavy labor and heat rapidly exhaust the moisture of the body the withholding of beer results not only in a sense of hardship but also in bad effects upon health.

The institution of canteens has not had the effect of reducing the feeling of irritation in regard to cost of food, and the inability to procure suitable foods. In many cases the food provided at the canteens has not been satisfactory, and the sameness of the food has militated against the success of the movement. No adequate arrangement has been made to meet the reasonable requirements of workers in the matter of refreshment, a difficulty which is in great part due to the large influx of outside labor. In the large munition areas

difficulties have been experienced owing to the limitation of hours during which liquor traffic is permitted, particularly in the case of overtime and nightwork. There appears to be inequality amounting to absurdity in the distribution of supplies, e. g., in Woolwich, a place to which there is an enormous daily immigration, public houses are frequently closed for days together on account of want of supplies.

(b) *Welfare*.—The workpeople do not altogether approve of the activities of welfare superintendents, particularly when these activities are directed not so much from the general as from the individual standpoint, and in reference to what the workpeople choose to do in the way of occupying their time when away from the factory. The proceedings of the welfare superintendents are in many cases considered, and are, inquisitorial, personal, and unduly interfering.

Instances have been given of women and girls being suspended without pay for reasons over which such women have no control. In a large proportion of these instances the women are engaged far from home, and are living in lodgings. In the national interest it is intolerable that women and girls under such circumstances should be so stranded, and in the opinion of your commissioners it is a matter which calls for serious and urgent attention of the Government. And although it may seem that we here trench on what does not come within the strict terms of reference, we feel bound to suggest that in the national interest the Government should immediately concern themselves with the problems which arise from the temporary promiscuous employment of females in factories.

(c) *German prisoners*.—The employment of German prisoners in conjunction with British workmen, and the better conditions which they enjoy while so employed, have been sources of great irritation.

(d) *Enemy propaganda*.—Although we are aware that general statements have been extensively, but without proofs, made that some of the troubles with which we are concerned is due to enemy propaganda, we feel bound to say that no title of proof of anything of the kind has been adduced before us.

#### 6. UNCERTAINTY AS TO THE FUTURE.

Dilution was agreed upon by the unions only in respect of munition work and on the undertaking that it would not be extended to private work. The Government now proposes to take power to enforce dilution on private work. The men look upon this as a further breach of faith which fills them with anxiety as to the extent to which they can depend upon the Government's undertaking to restore prewar conditions. If the work of dilution had been carried through on any well-defined principle, and not haphazard, there would, perhaps, not have been the difficulties which have in fact been experienced.

## 7. WANT OF CONFIDENCE IN THE GOVERNMENT AND RESENTMENT AT UNDUE INTERFERENCE.

(a) Owing to the number of cases in which the Government have, in the judgment of the workmen, departed from undertakings given to the men there appears to be only a fading confidence in Government departments; and from the evidence it would appear that the recent stoppages of work were directed rather against the Government than against the employers. The danger lies in the possibility that the example set by the Government may be regarded as an inducement to and a justification for the adoption by the men of the same line of conduct and the treating of their own undertakings as "scraps of paper."

(b) The growth of officialism, the multiplication of departments and the continual changes in personnel have resulted in delay and in loss of confidence as to satisfactory dealing with labor problems. There is a distinct opinion amongst both employers and workmen that the Government has intervened to a much greater extent than is desirable, or useful, in the relations between employers and employed, and that it would have been much better had the parties been free to come to agreements and settle their difficulties between themselves. This feeling is accentuated by the fact that some of the Government departments now dealing with labor are of recent creation, and are not, at any rate in some cases, equipped in the matter of experience or personnel for dealing with labor questions.

(c) Representatives of both the employers and the trade-unions concur in the complaint about the multiplicity of departments. Much of the difficulty arising from this would appear to be due to the want of complete coordination of the provinces or activities of the several offices. Variations, and to some extent conflict, in regulations and methods as well as instructions have been recognized, and much uncertainty exists as to the department to which communications relating to labor should properly be addressed. Delay and consequent irritation have resulted from this embarrassing position.

(d) The Military Service Act has not tended to allay the unrest which has existed—

The trade-card scheme appears to have been devised by the Government to safeguard the skilled men from recruitment. Pledges given by the Government that skilled men should not be taken into the nontechnical units of the army have been consistently ignored. The trade-card scheme was presumed to be a solution of the difficulty and its introduction was a matter of agreement with the trade-unions. Before it had been completely put into operation, but not before it had involved one organization in the expenditure of £10,000 [\$48,665]

it was withdrawn by the Government without any previous intimation to the parties concerned.

(e) The schedule of protected occupations was then introduced; but, whereas the trade-card scheme gave specific exemption to certain classes, the schedule of protected occupations gave protection only where a claim for protection was made out, thus throwing the onus of proof on the workman who had not borne it before.

The administration of the scheduled occupation order and the confusion of red and black cards has been a source of much irritation, and the action of the Government in connection with this matter has intensified the belief that the workpeople can not depend on pledges given by the Government.

(f) This loss of confidence in the Government is unfortunately associated with a diminished reliance on the power and prestige of the trade-unions, and the impairment of the authority and influence of these executive bodies. In many cases the trade-union representatives have by constitutional methods endeavored, but in vain, to procure the settlement of difficulties. The workpeople have gained the impression that if they wish for any improvement in their conditions they must take the matter into their own hands and bring pressure to bear upon the Government. Action by the men themselves has been able to force the Government to do that which they have refused or delayed to do when approached in a constitutional way by the trade-union representatives. The result has been a loss of confidence in the trade-union itself.

(g) The shop steward movement is a comparatively recent development in trade-union activity, and its policy and objects vary at present in different centers. The movement is broadly divided into two sections, one of which seeks to strengthen and sustain the constituted authority of the trade-union, and to improve and ameliorate the condition of the trade unionist by a policy of negotiation; the other, consisting of more ardent and less responsible spirits is frankly revolutionary and does not admit the possibility of improvement in the workers' condition without a radical alteration of the social and industrial systems. The latter section consisting for the most part of "workers' committees" is at present in a small minority; but there is a danger that unless some satisfactory arrangement be made for representation of the workpeople in shop negotiations a large section of the shop stewards proper will make common cause with the revolutionary group.

(h) Again the workmen have the impression that not all changes in working conditions have been recorded by the employers in accordance with the provisions of the Munitions of War Acts. It does not indeed clearly appear whose duty it is to see to this being done;

and the men, in view of what they consider broken pledges in other directions, are anxious as to the effect of this failure in postwar conditions.

(i) Delays unintelligible and vexatious to the men in procuring settlement by Government departments have undoubtedly contributed to unrest. In some cases the settlement of questions has been procured only by stoppage or threat of stoppage of work. For example, in one case in which employers and men had agreed to raise a maximum from 20 to 60 per cent (the Ministry of Munitions having failed to consent) and the matter had been placed before the committee on production, it took 14 weeks to get a decision. The men affected stopped work twice in consequence; and it required all the influence of the union officials to induce the men to resume and continue work.

#### TRIBUNALS.

These tribunals are considered by the men peculiarly obnoxious. They find it difficult to distinguish them from a police court and they resent the stigma which appears to attach to them. From information placed before the commission there would seem to be some justification for the complaint that personal feeling has been the cause of some of the prosecutions, many of which are brought on frivolous or insufficient grounds.

#### REMEDIES.

(1) The recently circulated report on joint standing industrial councils is a document of a very authoritative character as being the unanimous pronouncement of a really representative body. It has met with general approval and appears to indicate the direction in which natural and healthy development of the existing situation is to be sought.

We recommend that whatever steps may be taken by the Government should be in the same direction.

Accordingly we urge the policy of immediately reducing all Government interference between employers and employed to an unavoidable minimum and restoring gradually, but with all practical expedition, the prewar conditions as far as may be found feasible. This would of course involve the early abolition of leaving certificates.

#### MILITARY SERVICE ACT.

(2) We have already in our statement of the causes of unrest partly dealt with this matter. To this we would make the following addition:



We recommend that for the purpose of correct distribution of the cards, the dilution officer should confer with the employers and the representatives of the workpeople in each establishment and decide what card should be received by each man having regard to the skill he possesses irrespective of the occupation in which he is engaged for the time being.

## MUNITIONS ACT.

(3) The principal grievance of the men under this head is in connection with "leaving certificates" already referred to. It has been a sore point from the commencement, and is felt to be very unfair to the workmen. We suggest that it would be desirable to do away with them at the earliest possible moment, subject to reasonable safeguards against "poaching," or inducing workmen to exchange employments, and also to insure that an undue amount of change of employment shall not take place. For this purpose we would suggest as one of possible provisions that the war munitions volunteer subsistence allowance should be given to those, who prior to the institution of the war munitions volunteer scheme, took employment away from home; and this for so long as they remain in such employment.

No well-defined scheme of dilution appears to have been arrived at. The dilution which has taken place so far operates unevenly in different districts and in different shops in the same district.

With regard to the proposed extension of the system of dilution to private work we are from a review of the evidence strongly of opinion, and we recommend, that a much more convincing justification of such extension is necessary than has hitherto been given by the Government. But as an alternative to the extension of dilution to private work we would, in view of the shortage of war material for national work, recommend that no raw material should be issued for private work so long as such shortage continues.

We recommend also that where dilution is to be introduced the provisions of Circular L6 regarding prior consultation with the workpeople should be strictly observed.

## MUNITIONS TRIBUNALS.

(4) We further recommend that in future the prosecutions before these munition tribunals should be undertaken only by and in the name of the Government, and confined to really serious cases, and conducted in the national interest and not in that of the employers.

We think too that any man against whom the prosecution fails should be allowed costs to cover all the loss which the man may have suffered by it, including pay.

## 5. INEQUALITY OF WAGES.

(a) Fair-wage clause; inequality as between skilled and semiskilled labor.

(a) Under this heading the first point which forces itself into notice is the invidious contrast as between federated and nonfederated firms, and we therefore recommend that where organized bodies represent a majority of the employees in any district any award applicable to them should extend to and be enforceable against any employer engaged in the same trade in that district.

We submit that the fair-wage clause should be strictly enforced and the nonfederated firms compelled to pay at the least the wages paid under award by the federated firms.

But this principle should be acted upon by the different departments of the Government itself, and no disparity of treatment should occur as between men engaged under different departments but on similar work in the same area.

(b) Skilled and semiskilled.

Your commissioners are of opinion that the difficult problem presented by the inequality of wages as between skilled and semiskilled labor does not admit of a solution which shall be applicable generally. They suggest that the point requires settlement preferentially by agreement between the employer and employed in each particular case, but failing such settlement then by prompt and final decision by the State authority.

In this connection we must express our firm conviction that where any question arises as to working conditions the parties themselves should have in the first place an opportunity of meeting together with a view to settling the question, and that the Government should not intervene until the parties have failed to arrive at a settlement within a reasonable time; and that when such settlement has been arrived at it should be adopted by the Government.

## 6. DELAYS IN SETTLEMENT.

That there has been in the past an amount of delay in dealing with the cases and questions referred to the different Government departments can not be denied. It is equally beyond question that much improvement has recently taken place; but we can not too strongly emphasize the importance of the utmost possible dispatch in dealing with industrial complaints. Delay in the past has bred misgivings; for the future promptitude should be a cardinal feature in departmental administration.

Much of the delay is traceable to the uncertainty existing as to the department properly to be approached in any particular case.

We would suggest that there should be one recognized channel for all communications of the kind, and that every letter or application should be directed in the first instance to the Ministry of Labor, whose duty it would be to transmit it at once to the department concerned, and the necessary intimation to the applicant or correspondent that the future dealing with the case would be in that department. With a view to this it would be necessary to secure a co-ordination of all the departments, and clear demarcation of the functions of each, so as to avoid overlapping and the danger of inconsistent decisions.

(7) ADJUSTMENT OF PIECEWORK RATES.

We have no observation to make upon this point.

(8) FOOD PRICES.

But the matter which is of most urgent importance is the reduction of the price of the necessities of life.

It is clearly unjust that the retailer should be limited to a maximum selling price if he can not obtain from the wholesale dealer the goods which he has to sell at such a price as will enable him to realize a modicum of profit; and similarly the wholesale dealer must be able to obtain from the producer that which the retailer buys on such terms as will secure to him (the middleman) another modicum of profit. The control by the Government of the distribution of these necessities involves therefore a fixing of three prices. Extreme as this measure may appear we do not shrink from recommending it wherever it is found necessary; that is one price for production, one for wholesale distribution, and one for retail sale.

Another matter of essential importance is the provision of adequate food supplies in the various employment areas, having regard to the labor immigration as well as the resident population.

(9) LIQUOR RESTRICTIONS.

Some relaxations of the existing restrictions on the use of beer might, we think, be made with advantage in cases of prolonged and exhausting labor, especially where men are exposed to great heat.

It is obviously necessary that the administration should see to the more equitable distribution of the supply, having regard to the number of the day population as distinct from the resident population.

(10) INDUSTRIAL FATIGUE—HOURS—HOLIDAYS.

We are clearly of opinion that prolonged hours of work are not calculated to secure a corresponding increase of output, while they

have a deleterious effect upon the health and efficiency of the workmen.

The amount of overtime and week-end and Sunday work should be reduced to a minimum, subject to the exigencies of the national requirements.

The present system of fixed single-day breaks (called holidays) could be beneficially replaced or augmented by a substantial period of rest of several days (say a week) taken together in the summer time.

(11) SUSPENSION OF WOMEN.

Of all the suggestions offered in this report there is none which we desire more strongly to urge than this, viz, that women suspended where they are not at fault should be provided with continuing pay or furnished with sufficient means to enable them at once to return home.

(12) MULTIPLICATION OF ORDERS.

The multiplication of orders issuing from multiplied departments bewilders at once employers and employed and results in confusion, irritation, and consequent unrest and ultimate disregard of them.

Before closing this report we desire to express our appreciation of the zealous and valuable service rendered by our secretary, Mr. J. J. Chase.

ARTHUR O'CONNOR, *Chairman.*

ALLAN M. SMITH.

J. VOCE.

J. J. CHASE, *Secretary.*

JULY 12, 1917.

NO. 6 DIVISION.—REPORT OF THE COMMISSIONERS FOR THE  
SOUTHWEST AREA.

We have the honor to submit the following report:

In pursuance of our terms of reference—"to inquire into and report upon industrial unrest and to make recommendations to the Government at the earliest practicable date,"—we held sittings at Bristol, Plymouth, Swindon, Southampton, and London on June 19, 20, 21, 26, 28, 29 and 30 and July 2, 3, 4 and 11, 1917, when we heard witnesses and received statements on the subject matter of our inquiry.

Several persons who appeared before us or sent us statements dealt with matters which may be described as matters of chronic unrest, such as the endeavors of workers to improve their working conditions and the nonrecognition of unions. In this report we do not propose to deal with matters of this description but to confine the report to such matters as are peculiar to the war period.

We find the following facts:

(1) *Military Service Acts*.—The operation of these acts is a cause of irritation. Those workers who are not in "protected trades" fail to see the justice of their being required to enlist while others who are bad timekeepers and indifferent workers escape merely on the ground that they happen to have chosen as their occupation a "protected trade."

Another complaint is that owing to changing regulations, those who are entitled to exemption do not know where they stand and are put to much worry and inconvenience in not knowing to whom to apply for protection when called up.

The withdrawal of the trade card undoubtedly caused irritation among members of the "protected trades"; on the other hand it has given satisfaction to members of the nonprotected unions and to nonunionists.

There is a considerable body of opinion among the "protected trades" that the schedule of protected occupations (M.M. 130), with its inevitable anomalies, does not carry out Mr. Asquith's statement that no skilled mechanic will be taken into the army.

(2) *Munitions of War Acts*.—There is no unrest due to the operation of these acts except in the following respects:

*Dilution.*—There is undoubtedly a suspicion in many quarters that dilution may be used to release men for the army and to prejudice the position of skilled men after the war.

*Leaving certificate.*—We found very serious grievance on this head. The chief grounds were two: (1) Men were prevented from leaving to better themselves or to take up more important work and men who, at coming into operation of the Munitions of War Act, 1915, were employed at a distance from home were prevented from leaving and from obtaining work nearer their homes where work for them was to be had, the result being that they had to keep two homes going on wages which were sufficient only to keep one home going.

(2) The manner in which leaving certificates have been refused by munitions tribunals. For example, when there was little work in a workshop men were kept on in anticipation of plenty of work turning up, and on this ground the munitions tribunals would refuse a certificate. It was pointed out to us that this was not a proper exercise of discretion under the statute, and that the decision was an injustice to the men, to the employer who was in need of men and also to the nation in relation to national output.

*Restoration of prewar conditions.*—There is a general fear among union workers that prewar conditions will not be restored.

*Record of changes.*—Some of the unions do not believe that proper records are being kept of changes in practice as required by the act.

*Inequality of wages between skilled and semiskilled labor.*—Any grievance on this head is quite restricted in extent.

*Delays in securing settlements.*—Complaints were made by workers in controlled establishments. On investigation we found that many of these complaints were due to misunderstandings, and to the confusion caused by the number of departments dealing with labor questions. With respect to others, much was said against the Ministry of Munitions. The chief industrial commissioner's department was also mentioned, but we found that differences when reported to that department were referred to arbitration with dispatch.

(3) *Increase in food prices.*—The one outstanding cause of unrest which we found everywhere is the high cost of living, especially with regard to food. This is accompanied by complaints of exploitation, profiteering, and bad distribution.

(4) *Liquor restrictions.*—The limiting of the hours during which licensed premises may be opened for the sale of intoxicating liquor is no cause of unrest. There was some complaint, but not much, as to the price and scarcity of beer in certain localities.

(5) *Industrial fatigue.*—Considerable evidence was given of industrial fatigue, especially among the classes who have been kept continuously on long hours.

(6) *Shop discipline*.—There is no complaint on this head beyond what is to be found in normal times.

(7) *Miscellaneous*.—The following are minor causes of unrest:

(a) The anomalies arising out of subsistence allowances.

(b) Low wages in agriculture. Evidence was given that the present rates of agricultural laborers in parts of Somerset, Gloucester and Wilts are between 18 shillings [\$4.38] and 20 shillings [\$4.87] per week with a garden plot. We had no evidence before us as to the rates in other counties in the southwest district.

(c) Autocratic management of dockyards by the Admiralty.

(d) Anomalous position of railways under the Munitions of War Acts.

(e) Shortage of housing accommodation.

(f) General opinion among workmen, union officials, and employers that the representatives of the Ministry of Munitions, shipyard labor department and Admiralty are not sufficiently conversant with labor problems and labor difficulties.

(g) We were assured that there is a deep feeling of resentment among wives who, with rising prices, can with difficulty make both ends meet and who have husbands, sons or relations in the army, and that this was particularly noticeable in rural districts where recruiting has been high and wages are low and war advances are much behind those which have been given in industrial centers.

(h) The belief that labor news from independent sources is suppressed.

#### REPRESENTATIONS.

We premise this part of our report by the statement that in every district into which we went we found that the relations between the majority of employers and the unions and workpeople are on the whole happy and harmonious. In particular in the Bristol area, relations between certain of the employers and certain of the unions are enlightened and progressive. A scheme is on foot in the Bristol district to set up industrial councils to deal with rates of pay, and working conditions, on the lines of the Whitley report.

(1) *High prices of foodstuffs*.—The initial cause of the rise in prices was the financial policy of the Government, which has relied too much on loans—largely credit loans—and too little on taxation designed to check unnecessary consumption. The result has been a great inflation of credit followed by a very serious inflation of the currency. So long as the present financial policy is continued prices will continue to rise. It is admitted that income tax and supertax could not be substantially raised in general, or even more steeply graded, without a comprehensive reform with regard to the treat-

ment of family incomes. The problem will in any case have to be faced after the conclusion of peace, and it should be tackled now in order to reduce our dependence on further inflation as a means of financing the war.

The secondary cause of the rise in prices, which has become much more marked during the last nine months, is actual shortage of supplies. The only cure for this, apart from more production at home, is a diminution in the rate of submarine losses and a much bigger program of mercantile shipbuilding. With regard to submarine losses the present Admiralty plan of bringing all ships into areas of concentration which are insufficiently patrolled has proved a disastrous failure. With regard to shipbuilding, the present program is ludicrously insufficient, and no definite steps have as yet been taken by the Government. There is an uneasy feeling that we are living from hand to mouth, and that no practical forethought is being taken of the immediate future. A full program should be put in hand forthwith and carried on with the same force and vigor as the Ministry of Munitions carry on their great work.

Inflation and real shortage inevitably produce conditions favorable to what is commonly called profiteering, which is really only a symptom of the disease from which we are suffering. Treatment of the symptom may produce some alleviation but can not effect a cure. The danger of fixing prices for any commodity is, of course, that the supply may cease. The general rule, therefore, should be not to fix prices unless the whole supply is controlled. When this can be done the control should extend from the field of production to the shop counter, and intermediate charges should be limited to a fair remuneration for services rendered.

There is undoubtedly a widespread feeling among the working classes that too great a share of the financial burden of the war is falling upon their shoulders. They have never been told plainly enough that we can not get through without sacrifices on the part of all, and that the old standard of expenditure can not be maintained. We have committed a serious mistake in making the excess-profits duty the corner stone of our war taxation. This tax does not take money out of the rich man's pocket in the same way that direct tax on his income would have done, and it has consequently failed in its moral effect on the working classes as a symbol of equality of sacrifice.

(2) *Sugar, beer, coal.*—There ought to be a more equitable distribution of such articles as sugar and beer. The test of the proportion of the quantity which was supplied to a district in 1914, is not a fair one, as the bringing into a district of many workpeople engaged on munitions work increased the consuming population of that district. The supply to such a district has not proportionately



kept pace with the increased population, whereas the districts from which the workpeople have come have proportionately benefited.

In Southampton and the Isle of Wight the price of coal is for no apparent economic reason very high compared with other districts which we visited.

(3) *Trade card*.—The trade card ought not to be restored. When it becomes necessary to enforce the schedule of protected occupations, M.M. 130, this should be done with discretion and circumspection. We were warned by the representatives of the Amalgamated Society of Engineers at some of our meetings that the moment the schedule is enforced by calling up any of their skilled members the members generally will “down tools.” Such a course is without justification; at the same time, to avoid any excuse for a policy of this kind care should be made in putting the schedule into operation. Loss of faith in the “pledges” of the Ministry of Munitions and of the Government is most deplorable. The moral of the trade-card scheme and its withdrawal is that the Government should not commit itself to any policy without consultation with all sections of labor and employers concerned, but once adopted, a policy should be carried through.

(4) *Prewar conditions*.—It would be well if workers received some definite assurance by statute that prewar conditions which have been suspended under the Munitions of War Acts will be restored.

(5) *Whitley report*.—The general principle of the Whitley report, which we indorse, is acceptable to employers and workers.

(6) *Dilution and payment by results*.—Dilution and payment by results can not be carried on to the best advantage without the cooperation of the workers. The Ministry of Munitions has set a good example by establishing workshop committees on the lines recommended in the Whitley report in their own munitions factories. We recommend that similar steps be taken in the Admiralty dockyards, in the railway workshops and, as far as possible, in all controlled establishments. District councils in the various munitions areas should also be instituted. Many of the smaller difficulties, which now give rise to differences and have to go to arbitration, would thus be settled on the spot. The settlement of problems arising in connection with dilution, payment by results and inequality of wages, would be facilitated by the institution of such machinery.

(7) *Industrial differences*.—There should be one central authority to deal with all industrial differences which can not be settled by the parties themselves.

The evidence showed that in addition to boards already set up in certain industries there are at least four different authorities at present authorized to deal with differences:

(a) The Ministry of Labor, including the chief industrial commissioner's department.

(b) The Ministry of Munitions.

(c) The Admiralty shipyard labor department.

(d) The Admiralty.

These different authorities dealing with the same thing create delay and confusion as well as a waste of time and public money.

The setting up of workshop committees and district councils should diminish the number of differences which now have to go to arbitration. For the rest the right course is not to institute local arbitration courts, but to strengthen the central authority above referred to.

(8) *Orders and regulations of Ministry of Munitions.*—Both workers and employers are confused and bewildered by the number of orders and regulations issued by the Ministry of Munitions. They complain that they can not keep pace with the literature; some also complain that the language is too formal and technical for them to understand. We find nothing to complain of in the language of the orders, but we think that it would be advisable that each order should be accompanied by a memorandum expressing in simple and popular language the purport of the order.

(9) *Leaving certificate.*—We are of opinion that the principal grounds of unrest in this connection would be removed if it were provided that leaving certificates should not be withheld from men who desire to return to their own homes or from men who can show that they are offered more important work elsewhere.

(10) *Agricultural laborers.*—A clause should be introduced in the corn production bill now before Parliament that able-bodied agricultural laborers (whether time or piece workers) shall receive a minimum cash wage of 25 shillings [\$6.08] per week as from the date of the bill receiving royal consent, without prejudice to any decision as to a minimum rate which the agricultural wages board may hereafter fix and safeguarding all present conditions of employment. It is absurd to expect these skilled workers to be content on 18 shillings [\$4.38] to 20 shillings [\$4.87] a week and garden, with food prices at the figure at which they have been during the last 18 months.

(11) *Extravagance, taxation and forced loans.*—Our attention was called to the contrast between the man who is compelled to serve as a soldier and the man who voluntarily lends to the Government. It was tersely put to us that the soldier is compelled to serve at 1 shilling [24 cents] a day, while the man with money voluntarily lends to the Government at 5 per cent. This it was pointed out is irritating and unjust. Another cause of irritation is the apparent luxury and ostentatious display of wealth.

It is evident that after an experience of nearly three years many persons will not curb their extravagance and show of luxury.

In order to remove the sense of irritation among workers and to assist the national exchequer all unnecessary expenditure of the individual ought to be checked, and this can only be done by taxation or by forced loans.

WILLIAM W. MACKENZIE.

ALFRED BOOTH.

T. CHAMBERS.

W. D. SOUTHWOOD, *Secretary*.

Dated the 12th of July, 1917.

**NO. 7 DIVISION.—REPORT OF THE COMMISSIONERS FOR WALES,  
INCLUDING MONMOUTHSHIRE.**

To The Right Hon. D. LLOYD GEORGE, M. P., Prime Minister.

SIR: The members constituting the panel for Wales and Monmouthshire on the Commission of Inquiry into Industrial Unrest appointed by you "to inquire into and report upon industrial unrest and to make recommendations to the Government at the earliest practicable date" have the honor to present the following report:

On June 12, 1917, a preliminary meeting of the entire commission was held in London. A separate panel of three members was allocated for each of the eight districts into which Great Britain was divided, the area of each district being coterminous with that established for the administration of munition tribunals. Wales and Monmouthshire form one such area. Throughout this report we shall use the expression "Wales" (unless otherwise stated) as including Monmouthshire also.

On the day following the preliminary meeting we appointed a secretary for our panel, made arrangements for offices and issued to 60 newspapers circulating in Wales an announcement as to the scope of the inquiry and as to our procedure in the matter of taking evidence. During the next few days we communicated a like announcement to some 80 trades and labor councils and 60 trades-unions or trade-union branches throughout Wales. We also addressed letters of invitations to tender evidence to officials of all the chief trade-unions that have any considerable body of members in Wales, to all the chief associations of employers, and to many individual employers and employing firms. We also put ourselves at once in communication with all Government departments concerned in our inquiry and represented in Wales. To supplement this we inserted an advertisement in 10 daily newspapers, giving a time-table of our proposed sittings for the reception of evidence and inviting prospective witnesses to communicate with our secretary forthwith.

We held 10 sittings for the hearing of evidence, 7 of them being held in Cardiff and 3 at Swansea. We had arranged to visit north Wales and to devote two sittings at Chester to hearing evidence from that part of the country. This arrangement we found it necessary to cancel mainly owing to the shortness of time at our disposal.

Those who had signified their desire to give evidence at Chester, however, forwarded us statements of their views, while representatives of both the Coal Owners' Association and the Miners' Association of North Wales came at our request and gave their evidence at Cardiff. The witnesses who appeared before us included 40 employers or representatives of employers' associations, 97 workers, trade-union officials and other representatives of labor, and 7 Government officials. In addition we received a large number of written statements and memoranda; a classified list of the witnesses and of those who communicated memoranda to us is given in the Appendix.

#### INTRODUCTORY.

##### A REVIEW OF SOME OF THE CHIEF INDUSTRIES IN WALES AND THEIR DISTRIBUTION.

Though the war has produced a great shifting of the population and very extensive changes in occupation so as to render the census returns of 1911 less applicable to the present state of things than would otherwise be the case from mere lapse of time, still these returns are the best guide at our disposal for the purpose of any analysis of the population and the occupations pursued by them. Moreover, we have reason to think that (apart from recruiting) the changes in occupations, except in the case of women, have been less numerous in Wales than in other parts of the country. From a table (see Table A) which we have compiled from the returns for 1911 (in which we have grouped together the figures for certain occupations of a somewhat like character), it will be seen that of the total male population aged 10 years and upward enumerated in Wales in 1911 the industrial class formed 53.84 per cent of the total as compared with 10.06 agricultural, 9.87 transport, 3.84 professional, 2.84 commercial, 1.55 domestic, and 18.90 unoccupied. Those engaged in industrial occupations and in transport work together amounted to 62.81 per cent. The industrial class in England formed 47.07 per cent of the population of 10 years and upward at the same period, and those engaged in the transport service 10.25 per cent.

TABLE A.—ANALYSIS OF OCCUPATIONS OF THE MALE POPULATION OF WALES.<sup>1</sup>

[Based on Table 15A in Census Returns, 1911, Vol. X, Part I.]

County.	1. Professional.		2. Domestic.		3. Commercial.		4. Transport.		5. Agriculture.		6. Industrial.		7. Unspecified and retired.		Total male population.
	Sections 1, 2, and 3, Census Returns, 1911.	Percentage to male population of county.	Section 4, census returns, 1911.	Percentage to male population of county.	Section 5, Census Returns, 1911.	Percentage to male population of county.	Section 6, Census Returns, 1911.	Percentage to male population of county.	Section 7, Census Returns, 1911.	Percentage to male population of county.	Sections 9 to 22, Census Returns, 1911.	Percentage to male population of county.	Total.	Percentage to male population of county.	
Anglesea.....	917	4.7	468	2.4	249	1.3	2,456	12.6	6,234	32.0	4,922	25.3	4,216	21.7	19,462
Brecknock.....	1,083	4.6	709	3.0	429	1.8	1,270	5.4	4,834	20.3	11,073	46.5	4,392	18.4	23,790
Cardigan.....	1,154	5.3	466	2.2	364	1.7	1,014	4.63	7,914	36.2	6,027	28.0	4,933	22.0	21,872
Carmarthen.....	2,136	3.4	823	1.3	1,190	1.9	3,747	6.0	11,284	18.0	31,881	50.7	11,768	18.7	62,829
Carmarvon.....	2,433	5.2	1,103	2.3	1,157	2.4	3,664	7.7	7,606	16.0	22,149	46.6	9,443	19.8	47,555
Denbigh.....	2,490	4.4	1,714	3.0	1,451	2.6	2,899	5.1	10,143	18.0	26,163	46.1	11,825	20.8	58,685
Flint.....	1,433	4.0	903	2.5	918	2.6	2,350	6.5	5,155	14.4	17,349	48.5	7,691	21.5	35,799
Glamorgan.....	15,250	3.43	4,271	0.96	15,886	3.6	48,376	10.9	9,489	2.1	271,440	60.9	81,015	18.2	445,757
Merioneth.....	833	4.7	506	2.9	296	1.7	987	5.6	4,728	26.6	6,825	38.6	3,538	19.9	17,713
Montgomery.....	903	4.3	671	3.2	348	1.7	1,013	4.9	8,501	40.9	5,305	25.6	4,034	19.4	20,775
Pembroke.....	2,905	8.4	710	2.1	559	1.7	2,851	8.3	8,309	24.2	11,263	32.9	7,704	22.4	34,300
Radnor.....	413	4.6	377	4.2	123	1.4	428	4.7	3,951	43.5	2,111	23.2	1,677	18.4	9,800
Monmouth.....	4,698	3.0	2,071	1.3	4,087	2.6	14,426	9.1	7,819	4.9	96,839	61.3	27,932	17.6	157,872
Totals for and percentage of each class to total male population of—															
Wales and Monmouthshire.....	36,679	3.84	14,792	1.55	27,057	2.84	85,481	8.97	95,966	10.06	513,347	53.84	180,168	18.90	953,489
England and Wales.....	822,019	6.0	387,677	2.83	663,316	4.89	1,399,394	10.25	1,140,515	8.34	6,431,630	47.07	2,817,649	20.62	13,662,200

<sup>1</sup>The term "male population" throughout this table means males aged 10 years and upwards.

As to the geographical distribution of the industrial population—and therefore also of industries—in Wales, they are mainly confined to and, in fact, found congested in two main areas:

(a) Southeast Wales, i. e., Glamorgan, West Monmouth, East Carmarthen, and the southern and southeastern fringe of Brecknockshire, or, roughly speaking, the area extending from Newport and Pontypool on the east to Kidwelly and the watershed between the Gwendraeth and Towy on the west, constituting in short the south Wales coal field and its dependent seaport towns.

(b) Northeast Wales, i. e., East Denbighshire and the north-eastern portion of Flintshire on the littoral of the estuary of the Dee.

A reference to Table A bears out this statement. In Glamorgan just over 75 per cent of the population of 10 years and upwards are shown to have been engaged in commercial and industrial occupations (including transport); in Monmouthshire 73 per cent, in Carmarthenshire 58.6 per cent, and in Flintshire 57.6 per cent. The industries carried on in other parts of Wales outside the two main industrial areas referred to are of minor importance, especially for our present inquiry. They include the quarrying industries of Carnarvonshire and Merioneth, lead mining in Flintshire and Cardiganshire, textile industries in the valley of the Severn, and in some isolated centers in Carmarthenshire and Cardiganshire. In south Wales the coal measures also extend into Pembrokeshire, but the numbers engaged in coal mining there are only 543. There is also a Government dockyard at Pembroke Dock.

The chief industrial occupations (or, in other words, the chief subdivisions of the class described as “industrial” in Table A above) which will demand our attention are coal mining, the metal industries (chiefly iron and steel manufacturing), and engineering. To these should be added the transport services, which form a class of their own in the above table. The numbers of those engaged in the three classes of occupations referred to, in the six industrial counties of Wales, are shown in the following table, extracted from the last census returns:

TABLE B.—OCCUPATIONS IN 1911.

[Drawn from Table 15A in Census Returns, Vol. X, Part I.]

County.	Coal mining.	Iron, steel, etc., manufacture. <sup>1</sup>	General engineering and machine making.
Glamorgan.....	146, 111	24, 993	14, 840
Monmouth.....	51, 583	10, 339	5, 706
Cardiff.....	10, 792	6, 810	2, 048
Brecknock.....	5, 562	175	448
Total.....	214, 348	42, 317	23, 042
Flint.....	4, 138	2, 763	1, 166
Denbigh.....	10, 594	572	1, 156
Total.....	14, 732	3, 335	2, 322

<sup>1</sup> Including the manufacture of iron, steel, and other or unspecified metals, and work in making tools and miscellaneous metal trades.

1. *Coal mining.*—It is at once seen that coal mining stands out as preeminently the most important of the industries in Wales, and especially of south Wales. Next to agriculture, coal mining is also the most profitable industry; profitable, that is, to the community at large, not merely to the producer. In south Wales—and we shall now confine our attention to that part of the principality—it directly employs a larger proportion of the population than any other industry, while its needs have to be supplied and its output handled by large numbers engaged in the transport industry (e. g., railways, shipping); indirectly it has contributed materially to the establishment and development of a variety of industries which, in its absence, could not possibly have attained their present large proportions. Thus, to mention only three points, it is the very basis of the great shipping industry of the south Wales ports, and it has been observed that from 1841 downwards the population of Cardiff has, roughly speaking, increased 10,000 or thereabouts for every additional million tons of coal shipped from its port. The fact that coal provides cargo in such vast quantities as it does for outward bound vessels contributes most substantially to the reduction of freights for all imports into this country, a fact of the greatest significance to our industrial and commercial position as an island State. Secondly, the conveyance of the coal to the ports, to the various works, and inland generally has necessitated the construction of a vast network of railways and involves the employment of large numbers of railway men; and thirdly, the proximity of ample supplies of fuel is a most important factor in all the metal industries.

Omitting the small detached portion situated in Pembrokeshire, the south Wales coal field may be said to include (1) the greater part of Glamorgan except the purely peninsular part of Gower, and the



fertile agricultural tract known as the Vale of Glamorgan, between the mountains and the sea, (2) the whole of West Monmouthshire, (3) the southern and southeastern fringe of Breconshire, and (4) the greater part of East Carmarthenshire. It extends from Pontypool to Kidwelly (again omitting Pembrokeshire), and its width, at its widest point, is about 18 miles. Its surface is carved into a series of deep and narrow valleys by the forces of denudation, and "a map (of it) showing the rivers and railways resembles closely a gridiron, or a series of gridirons," a configuration which, as we shall see later, greatly influences conditions in the coal field.

Geologically, the strata are more disturbed than those of any other British coal field. Besides the frequent "faults," i. e., actual fractures or displacements of the strata, there are also "washouts" where the coal becomes very thin or disappears altogether for a few yards without there being any "fault." In the anthracite area this disturbed condition is generally so serious as to render it difficult to work the coal on a very large scale, that is, in pits employing anything approaching the numbers of men employed in the steam coal collieries. It also renders operations in this area more speculative and the adoption of standardized rates of wages more difficult than elsewhere. Next, the character and quality of much of this south Wales coal give it a practical monopoly in the markets to which the bulk of it is dispatched. Thus, the best steam coal, so essential for the navy, is absolutely unrivaled in any part of the world; the best bituminous coals, owing to their hardness, can stand all kinds of climates, while the anthracite coal of the west has no serious rival anywhere except that of Pennsylvania. Now "the same causes which have given Welsh coals their superiority are also responsible for having made mining in this coal field more costly and more dangerous than in the other coal fields of the United Kingdom. The Welsh coal is dry and fiery, and owing to the dryness of most of the mines the fine coal dust is a constant source of danger. Loose-jointed coal and loose or rotten roof are also more frequent in south Wales than elsewhere, so that there are numerous accidents, frequently fatal, from falls of the face of coal, as well as from falls of the roof."<sup>1</sup> Most of the collieries are also worked on a large scale, about 80 mines employing more than 1,000 persons each, and the larger ones over 3,000, though not all on the same shift, consequently when explosions or floods occur a much larger death roll usually ensues.

The death rate from accidents in the south Wales coal field exceeds that of any other in the United Kingdom; for the years 1901-1910, it

---

<sup>1</sup> For several of the above statements we are indebted to *The British Coal Trade*, by H. Stanley Jevons.

averaged 1.78 of every 1,000 persons employed, as compared with 1.03 in Yorkshire and 1.08 in Northumberland and Durham. The average for the United Kingdom was 1.35. In 1915 the Scotch and south Wales divisions, though employing only about 54 per cent of the number of men employed in the remaining coal fields of Great Britain and producing only 52 per cent of the output, had more than twice as many explosions from the use of naked lights. To what extent this excess may be due to preventable causes is a question that considerably exercises the minds of the miners.

The number of persons returned in the last census as employed in coal mining in south Wales was 214,891 (including the Pembrokeshire figures). The number employed underground in 1915 was 169,779 and the output was 36,226,805 tons—the output for Glamorgan, taken by itself, being in 1915, 2,737,137 tons less, for various reasons, than in 1914. The industry is well organized. There is a Coal Owners' Association, of which all the chief owners are members. The great majority of the miners belong to the South Wales Miners' Federation, the actual membership of this federation in 1913 being 153,813. From 1875 to 1903 wages were regulated by a sliding scale agreement. In 1903 a conciliation board was formed with an independent chairman, who gives his casting vote when the parties fail to agree. In addition to the Miners' Federation there are four craft unions—the South Wales Colliery Enginemmen and Surface Craftsmen's Association (about 6,000 strong), the Winding Enginemmen's Association, the Colliery Examiners' Association, and the South Wales Colliery Officials' Union (which includes clerks, hostlers, farriers, etc.). In April, 1916, it was agreed between the Coal Owners' Association and the Miners' Federation that during the war the workmen employed at the colliery shall be required to become members of one or other of the recognized trade-unions.

A notable feature of the industry, on the miners' side, of recent years has been the rapid growth of combinations. The first step in this direction to attract the notice of the public, and probably also to affect seriously the relations of employers and employed, was the grouping together of a number of important Mid-Rhondda collieries into what is popularly known as the Cambrian Combine, under the direction of Lord Rhondda. During 1916 this movement was continued by the acquisition by members of the same group of the controlling interest in the Ferndale Collieries of D. Davis & Sons, the Coed Ely Colliery of the Welsh Navigation Steam Coal Co., North's Navigation and the Celtic Collieries in the Maesteg and Tondy districts, the International Coal Co. in Ogmere Vale, and—in the anthracite district—the Gwaun-cae-gurwen Colliery. Similarly in Monmouthshire, the Ebbw Vale Co. and the firm of T. Beynon & Co. acquired the collieries of Powell's Tillery Co.

Other instances of like combinations in recent years might be given such as that of the United National Collieries and Burnyeat, Brown & Co., but enough has been said to show how strongly this tendency has set in in the industry.<sup>1</sup>

2. *The metal industries (iron and steel and tin plate).*—Though coal mining now occupies the premier position among the industries of south Wales this position was not attained until the special excellence of the smokeless steam coal of the district became generally recognized about the beginning of the second half of the nineteenth century.

The large scale industrial development of south Wales began not with coal mining but with the revival of copper smelting at Neath and its extension to Swansea about the beginning of the eighteenth century, and the establishment during the next half century of iron works in Monmouthshire and north Glamorgan, the noted Dowlais works being established in 1760. At Pontypool the manufacture of tin plate was also introduced about the same period and extended shortly afterwards westward into Carmarthenshire. The earliest

<sup>1</sup> The following particulars relating to the three combines above mentioned are given to show the enormous extent of their activities. The combined annual output of the three concerns exceeds 40 per cent of the total output for south Wales:

(1) Lord Rhondda's group—		Output, tons.
Cambrian Collieries	-----	986, 000
Albion Steam Coal Co.	-----	375, 000
Glamorgan Coal Co.	-----	905, 000
Naval Colliery Co.	-----	595, 000
Britannic Merthyr Co.	-----	230, 000
D. Davis & Sons (Ltd.) and Welsh Navigation	-----	1, 900, 000
North's Navigation	-----	1, 219, 000
Cynon	-----	180, 000
Celtic Collieries	-----	160, 000
Gwaun-cae-gurwen	-----	310, 000
Imperial Navigation	-----	315, 000
International	-----	180, 000
Total	-----	7, 355, 000
(2) United National (Watts, Watts & Co.)		1, 450, 000
Burnyeat, Brown & Co.	-----	1, 000, 000
Total	-----	2, 450, 000
(3) T. Beynon & Co.—		
Ebbw Vale	-----	1, 820, 000
J. Lancaster & Co.	-----	1, 120, 000
Powell's Tillery	-----	800, 000
Fernhill	-----	500, 000
Newport Abercarn	-----	570, 000
Total	-----	4, 810, 000

In addition to the above, mention may be made of two very large firms, not in any combine, which also have very large outputs:

	Output, tons.
Powell Duffryn Steam Coal Co.	4, 000, 000
Ocean Coal Co. (Ltd.)	2, 250, 000

iron works were thus located on the northern fringe of Glamorgan and Monmouthshire, not with the object of utilizing the coal found there—for the smelting at first was done with charcoal—but for the reason that in that district there existed abundant supplies of the raw material, namely, the clay ironstone which occurs in the coal measures and was capable of being most economically worked where these measures come to the surface along the north and northeastern edge of the coal field. Here, also, the two other requisites of iron-making—limestone and furnace sandstone—were to be had in abundance on the spot. In a very short time coal naturally came to be used for smelting, and this gave a great impetus to the iron industry of the district, for all the requisites were then to be found in the closest possible proximity to the works.

We thus discover the reasons for the “localization” of these industries in south Wales. “The iron industry was first attracted to that part by the presence of iron ore and the plentiful supply of wood for making charcoal. Later, when pit coal was introduced (for smelting), the district possessed still greater attracting power. The tin-plate industry was first established to provide a market for the iron produced locally; it was in every way subsidiary to the iron industry. The tin-plate mill was but an appendage to the forge.

\* \* \* Gradually after the middle of the nineteenth century steel displaced iron in many markets and the forge became increasingly dependent upon the tin-plate mill. Early in the eighties, steel was also substituted for iron bar used in tin-plate manufacture, and the iron industry dwindled.”<sup>1</sup> Thus the iron industry attracted the tin-plate industry and the latter in turn created the steel industry.

On the discovery in Cumberland and elsewhere of richer ores than the ironstone of south Wales the working of the latter was gradually abandoned, and many of the far inland works had to be closed down as they had now lost their earlier advantage of having the raw material at their door. They were replaced by new works established on the seaboard where the raw materials could be more economically assembled and the output more readily placed on the market. The most notable instance of this was the transference of the Dowlais Works of Messrs. Guest, Keen & Nettlefold from Dowlais to Cardiff.

The changes here indicated account for the relative decline of the pig-iron industry in south Wales. We understand that the only works in south Wales that now manufacture pig iron are those at Ebbw Vale, Blaenavon, Cwmbran, and to some extent Dowlais (Merthyr)—all inland works—and Dowlais (Cardiff), Landore (Baldwin's) and Briton Ferry, on the seaboard. The inland works,

---

<sup>1</sup> The Tin-plate Industry, by J. H. Jones, p. vii.

especially in so far as they continue to handle the raw ores and make pig iron, have lost the benefit of the natural facilities which they enjoyed at the outset. In a lesser degree this is also true as to all their other output consisting of Bessemer steel. This may in time result in burdening them with such costs of inland carriage as to render it difficult for them to stand the competition of their more favorable rivals, without attempts to reduce their labor bill, or if the owners should be federated, it might tend to reduce the general rate of wages in all their works to such a level as the least favorably situated steel works would be able to pay. For all the higher grade work of the tin-plate trade and tube-making steel produced by the Siemens process or some modification of it is used. The result is that, as the tin-plate trade has by this time become very largely localized on the coast in and around Swansea, that too is the district where all the Siemens steel works are to be found. Broadly speaking, the position, therefore, is as follows: The blast furnaces which manufacture pig iron, and the Bessemer steel works are scattered about in various inland centers in north Glamorgan and west Monmouthshire, as well as on the seacoast at Cardiff and (as to Bessemer steel) at Newport. The highly specialized Siemens steel industry (of which tin plate and steel bars form almost the only product) as well as most of the tin-plate works and a considerable number of the galvanized sheet works on which they depend have their centers at Swansea.

This group of interdependent industries have proceeded far in the direction of "vertical integration," in which the interests of the steel and tin-plate manufactures will be fully interlocked. These trades are also well organized in so far as the relations of employers to employed are concerned. Thus, the tin-plate manufacturers formed themselves into an association called the Welsh Plate and Steel Manufacturers in April, 1899, which at present consists of 77 works with a total of 546 mills, or about 97 per cent of the whole trade.

On the other side tin-plate workers are now said to be the best organized in the country, and over 99 per cent of them belong to one or other of six unions. This is all the more remarkable as about one-eighth of the total number of employees are women, this being the only large-scale manufacturing industry in south Wales which largely employs women. A conciliation board for the industry was established in June, 1899, on which the masters' association and all six unions are represented.

The subsequent history of the trade "provides an excellent example of extremely successful collective bargaining under difficulties so great that at first they appear to be almost insuperable."<sup>1</sup> During the 18 years of the existence of the board the industry has never

---

<sup>1</sup> The Tin-plate Industry, by J. H. Jones, p. x.

once been dislocated by any dispute or difference that the board has failed to settle, and all its decisions have been loyally carried out. A factor that makes it considerably easier for the conciliation board to legislate, so to speak, for the whole tin-plate trade as, in fact, it does, is that it is only on a very small scale that the industry is carried on anywhere in Great Britain outside south Wales. In fact, about three-fourths of the total tin plates manufactured in Great Britain are made within 12 miles of the port of Swansea.

There were in 1905 some 453 tin-plate mills in England and Wales.<sup>1</sup> Of that number England had 25, namely, Staffordshire 3, Worcestershire 8, Gloucestershire 14. The English mills were thus scattered and comparatively few in number. Of the remaining 428, which were all in Wales, Glamorgan had 266, Monmouthshire 50, Carmarthenshire 105, Breconshire 3. Flintshire also had 4 mills. Since 1905, 146 new mills have been erected and their distribution illustrates the strength of the tendency toward the geographical concentration of the industry, for of the new mills 105 are in Glamorgan, 33 in Carmarthenshire, only 6 in Monmouthshire and 2 in Staffordshire. Fifty-seven of the mills in existence in 1905 and 50 of the new mills are for the manufacture of sheets and block plates, while all the others are for tin plating. It should be stated that owing to Government restrictions as to the supply of steel the output of these mills is reduced to only 33 per cent of their normal capacity. Pieceworkers are in a great majority in the tin-plate trade, as well as in the steel industry generally.

The Siemens steel manufacturers have also their association and most of the workers are members of the British Steel Smelters' Association. It is the only union so far recognized by the association, though a small number of the men belong to other unions. The organization is likely to be strengthened in the near future—on the side of the owners by the taking in of three large works now outside, on the men's part by making membership of the predominant union a condition of employment—a policy strongly favored by the employers. No formal conciliation board exists, though one is likely soon to be established. A meeting of the Siemens Steel Association always follows the annual meeting of the Tin-plate Conciliation Board and generally adopts the decisions of the latter as to rates of wages.

The north Glamorgan and Monmouthshire iron and steel manufacturers (producing pig iron and Bessemer steel) are not, we understand, associated and have no conciliation board, but work under an old sliding-scale agreement about 30 years old. There is a standing sliding-scale committee, on which masters and men are repre-

---

<sup>1</sup> The Manufacture of Tin Plates, by R. Beaumont Thomas.

sented, but no trade-union officials are allowed to sit on the committee. This is a source of some dissatisfaction. There is no joint organization for considering general conditions of employment or for dealing with disputes; union officials are, however, recognized by individual owners and managers for the purpose of discussing and settling disputes. In connection with the Mannesmann Tube Works at Landore, Swansea, where the employees number 1,776, there is also a conciliation board which works most satisfactorily. It is not only a wages board but is a final court for the settlement of all disputes between owners, management and workmen. All the employees belong to the General Workers' Union.

The extent, distribution and the relative importance of these and other metal industries in south Wales may be seen from the following statistics drawn from the census returns for 1911:

TABLE C.—PERSONS ENGAGED IN METAL INDUSTRIES, 1911.

	Glamorgan.	Monmouth.	Carmarthen.	Total.
Iron and steel manufacture.....	6,858	6,641	852	14,351
Tin-plate manufacture—				
Males.....	12,052	1,785	4,840	18,677
Females.....	1,821	167	731	2,719
Galvanized sheet.....	523	840	144	1,507
Copper (including brass and bronze) <sup>1</sup> .....	2,266	.....	575	2,841
Zinc.....	974	.....	.....	974
Other or unspecified metals.....	718	.....	12	730
Total.....	25,212	9,433	7,154	41,799

<sup>1</sup> The figures include 165 workers in brass and bronze in Glamorgan; also 7 females in Glamorgan and 13 in Carmarthen.

As might be expected, the tin-plate workers of the Swansea district (and, to some extent, the steel workers of the same area, especially those in works that are closely "interlocked" with the tin-plate trade), while having many characteristics in common with the miners, have also developed traditions and standards of their own. The special skill of the tin plater is somewhat of an inherited quality. That the existence in the district of a supply of labor possessing this special skill is a "vital consideration is abundantly proved by the difficulty experienced by the Americans in establishing the industry in their country" some 20 years ago, and it is a difficulty that has also been experienced in other countries. The more this fact is recognized the greater should be the effort to maintain and develop the present spirit—the practice of cordial cooperation between all the parties engaged in the industry.

Without adopting it in its entirety, we reproduce the following description of the Welsh tin-plate worker from the pen of one who is intimately acquainted with the industry, and as a trained economist has carefully investigated its conditions:—

"The average tin-plate worker is highly intelligent and a keen politician. Many of his class read widely, and are enthusiastic book collectors. As a body they form perhaps the largest group of Welshmen employed in manufacture—for the industry is still mainly in the hands of bilingual descendants of natives. They possess the well-known Welsh characteristics, imagination, enthusiasm, and lack of perseverance; they also possess the lesser known but equally pronounced ones—they are as cynical as most people imbued with the spirit of idealism, and they possess a capacity for organization and construction which has not yet been fully recognized. It is to the combination of imaginative and constructive powers \* \* \* that the sustained success of the present method of collective bargaining is probably due."<sup>1</sup>

3. *Other metal industries (copper, spelter, nickel, etc.).*—We have already mentioned that copper smelting is an old established industry in the Swansea district. It dates in fact from the reign of Queen Elizabeth. In the census returns of 1911, some 2,841 persons are returned as being engaged in this industry and in the treatment of other "yellow metals"—brass and bronze—between Port Talbot and Llanelly; of these 20 were females. Work is carried on at eight establishments, two of them being owned by the same firm. Two firms also have chemical works attached partly for the production of the chemicals required in the industry. There are other chemical works without sulphuric acid plant in the district.

The workers in these industries (including the chemical workers) are organized in a special branch of the Dockers' Union. There is no conciliation board, but the project of establishing one is being considered. Though the work done in the copper works is largely of the same kind as that of a steel works (e. g., rolling), the wages of the men are said to be 50 per cent below those of tin-plate workers and 100 per cent below those of steel workers. This was entirely attributed by the representative of the Dockers' Union to the poorer organization of the workers, whose attitude to their employers was described as of a quasi-feudal character.

As to spelter, which is the commercial name for zinc, Swansea produces about nineteen-twentieths of the total manufactured in Great Britain, and close upon a thousand men are engaged. It is expected that this industry will be greatly developed in the near future. The work is disagreeable and exhausting; the men work excessive hours with no Sunday rest and are paid considerably lower wages than are earned by the steel and tin-plate workers. The employees at four of the works are attached to the Workers' Union, those at the other two belong to the general Workers' and Dockers' Union, respectively. At

---

<sup>1</sup> The Tin-plate Industry, by J. H. Jones, p. xi.



present the work is carried on at eight establishments; with one or two exceptions these are old-fashioned and the conditions of working highly unsatisfactory. Better organization is required; there are works committees at the various works, but a conciliation board for the whole industry would further help matters.

Nickel refining and the manufacture of copper sulphate and nickel salts are carried on by the Mond Nickel Co. at Clydach, 5 miles north of Swansea. The number of persons employed is 1,270, including 140 women and 80 boys under 19; they are mostly attached to the Workers' Union. There is no conciliation board. The wages paid are recognized as being higher than those paid by other works in the district for a similar class of labor. There are no piece rates as the industry is not suitable for piecework. There is a scheme of long service bonuses commencing on the completion of the first six months. The company has built some 200 houses for their workmen and there are welfare institutions.

It will have been observed that in so far as the metal industries of the Swansea district are concerned—steel, tin plate, sheet, tube, copper, spelter, and nickel—they all enjoy a high degree of “geographic concentration.” This has a most important bearing on the relations of employers and employed. This concentration simplifies the task of the various conciliation boards, secures greater uniformity and renders easier the enforcement of agreements. It insures that the men intrusted with the task of legislating for each industry are acquainted both with its technique and its personnel. What has been said of the Tin-plate Conciliation Board is applicable to those who have to negotiate agreements in the other industries, namely—that “the precise conditions obtaining in nearly all the factories are well known to most of the members of the board, and such knowledge tells in every discussion.” Further, most of the captains of industry live in the near vicinity of their works and are in almost daily contact with their men.

4. *Engineering*.—In 1911 Glamorgan had 14,840 persons engaged in engineering work and machine making, Monmouthshire, 5,706, and Carmarthenshire, 2,048. A large proportion of these are employed in the engineering workshops of the railway companies (chiefly at Cardiff, Barry, Caerphilly, Pontypool, Newport, Neath, and Swansea), while the others would be distributed among the various other industries of the country. Their industry is therefore not localized; it has not the advantages of geographical concentration which the other industries already dealt with possess. So far, engineering in south Wales is an almost entirely subsidiary industry. The trade-union of those engaged in the industry is the Amalgamated Society of Engineers. It is one of the six unions which have

representation on the Tin-plate Conciliation Board in virtue of the fact that many of the artisans in the tin-plate works are members of it, though there are two other unions to which some of them belong. In the event of the workers organizing themselves on the lines of industrial union, the engineers who are distributed among the various industries—a few here and a few there—would inevitably have to join the dominant union of the industry to which they might happen to be attached.

5. *Ship repairing*.—A considerable ship-repairing industry has been developed at Cardiff and Newport (and to a lesser extent at Swansea) of recent years, but the number of men employed is not yet very large. On the employers' side there has recently been a considerable centralizing of control in a few hands by the fusion of numerous companies. The men have made no corresponding advance in organization. There is no conciliation board or other joint machinery for settling disputes and no disposition to adopt one.

6. *Transport*.—The persons enumerated in 1911 as engaged in the various branches of the transport services in Glamorgan amounted to 48,376, in Monmouthshire to 14,426, and in Carmarthenshire 3,747. Those employed on the railways probably form the largest group in this total. Most of them are members of the National Union of Railwaymen, which has an organizing secretary for Wales. The locomotive engineers and firemen, as well as the railway clerks, are organized in unions of their own. In consequence of the report of the Royal Commission on Railway Conciliation, etc. (1907), there is in connection with each railway a conciliation board to deal with general rates of wages and conditions of employment. The multiplicity of railways operating in the south Wales coal field render it difficult to secure anything approaching uniformity of conditions, and disparity in wages and differences as to conditions of working cause much irritation. At least one of the local railway companies shows decided hostility to trade-unionism. In other cases a trade-union official if not an employee of the company concerned is not allowed to accompany an employee when questions of discipline or individual grievances are investigated. It was urged that the spirit of paragraph 72 of the report of the royal commission is not being carried out.

The next important group of transport workers are the dockers and wharf laborers. Between 1901 and 1911 their numbers went up in Glamorgan from 4,289 to 6,256 and in Monmouthshire (i. e., in effect, Newport) from 911 to 1,848. They are organized in the Dockers' Union, now one of the constituents of the Transport Workers' Federation. Intermittently during 1915, and 1916 there was some unrest among the cargo workers at the various ports. This was most accentuated at Swansea during the latter part of 1916, where

there were also disputes with the coal trimmers. All the ports have had for some years conciliation or dispute boards of their own and a central conciliation board was established in 1915 to which matters unsettled by the local boards are referred. Toward the end of 1916, the employers at Swansea initiated the policy of meeting the men from time to time in friendly conference. Since then there has been no friction.

Just as we saw that the interests of the metal industries—especially those engaged in steel, tin-plate and galvanized sheet manufacturing—were becoming continually more and more interlocked, so also are the interests of the miners, the railway men and other transport workers. To some extent they have the advantage of geographical concentration, as their spheres of interest meet in the coal fields, ports and railway termini—at the very pivots of the industries concerned. The significance for south Wales and for the country at large of the establishment of an “alliance” between the labor organizations representing these three great groups of workers, can not easily be exaggerated.

It has been pointed out that this movement toward solidarity is based on remarkable similarities between the three groups as regards their economic position and their trade-union structure and policy. For instance (to illustrate the former point only) the industries concerned are essential public utilities (being legally considered such in Canada) occupying a monopolistic position, through their relation to natural, legal, and economic conditions, e. g., the limited supply of coal, the necessity for it and the lack of substitutes, and through their operations being “closely regulated by legislative enactments giving the employees a common interest in increasing their political power.” (G. R. Carter in *Economical Journal*, September, 1916, page 390.)

7. *Coal mining in north Wales.*—There are no other industries in south Wales which it is necessary for us to give an account of in this review, but a few words must be said as to the coal-mining industry of north Wales. The coal gotten in this coal field, which though small is of growing importance, is used mainly for manufacturing gas and for household purposes, and hardly any is exported. The miners are organized in the North Wales Miners' Association (with a membership in 1914 of about 12,000) and there is also a North Wales Coal Owners' Association whose membership represents collieries producing 54 per cent of the total output of coal in north Wales—or for Denbighshire alone 68 per cent: North Wales does not, however, constitute an entirely independent unit like south Wales either on the owners' or on the men's side, but is linked up with a number of federated organizations in the various English coal fields. There is a conciliation board with an independent chairman for the whole federated area consisting of representatives of both owners

and miners for Lancashire, Yorkshire, North Staffordshire, Cannock Chase, Nottinghamshire, Derbyshire and Leicestershire as well as north Wales, there being only one owner from north Wales on the board. There is, however, a joint district board with an independent chairman for north Wales alone under the Minimum Wage Act, 1912, and also joint committees of management and men at each colliery. The only complaint made as to either board had reference to delays in getting the boards to meet or in the publication of awards.

PHYSICAL AND GEOGRAPHICAL CONDITIONS; THEIR INFLUENCE ON THE INDUSTRIES  
OF SOUTH WALES AND ON SOCIAL CONDITIONS.

We have already seen how the geology of the coal measures, the disturbed condition of the strata, and the dry and fiery character and the consequent high quality of the coal, have affected the past development of the coal field, as well as the present conditions of working. We have also seen how the geographical concentration of the metal industries in the Swansea district has produced a high degree of inherited skill among the workers, and has given the industries many advantages, not the least being a smoothly working system of conciliation boards. We have now to consider the wider influence of geographical conditions on the workers generally, and in particular on those engaged in the mining industry.

We limit ourselves to the case of the mining industry as it is the most important. It is certainly the key industry of south Wales. There, to use a colloquialism, "Coal is King." The public have been slow to realize the full significance of this fact; they are far from adequately realizing it even yet, but the miners themselves are fully conscious of the supreme position which their industry occupies. So, too, of course, are the coal owners. Both are well informed as to their position, and both are well organized. The need, and the duty of acquiring a better insight into the economic and social conditions of the industry, are therefore paramount, both for the Government in its corporate capacity and for all who recognize the social obligations of citizenship. We would be traveling outside the limits of our inquiry if we attempted any full analysis of these conditions in our present report; we can only deal, and that all too briefly, with such aspects as concern the subject matter of our inquiry. To that, however, we desire to add an expression of our strong conviction as to the necessity of an exhaustive investigation at an early date into the social and economic conditions prevailing in the south Wales coal field.

A fundamental fact as to this industry in south Wales, is that the life of the workers engaged in it is conditioned at every point, and

in every form of activity, by the physical and geographical conditions of the district itself. The physical configuration of the coal field is markedly different from that of any other coal area in Great Britain, and is a factor that profoundly affects and largely conditions the social life of the inhabitants.

All the other British coal fields have fairly level or gently undulating surfaces. In south Wales the coal field used to be spoken of as the "hills," the earlier development having been on the higher land of the outcrop—but of more recent years "the valleys" is the commonly accepted synonym. Scooped out by impetuous streams which start from the central mountain range of Brecknockshire, or one of its southern spurs, those valleys are for the most part extremely narrow, with inconveniently steep sides, some of them indeed being so narrow at some points that there is scarcely space enough on the level for main road and railway in addition to the river itself. Nevertheless, it is into these valleys, shut in on either side by high mountains that the mining population is crowded, and it is in this same narrow space, and often right in the midst of the dwelling houses that the surface works of the collieries and any by-product plants have also of necessity been placed.

With the dwellings and other buildings ranged in streets that run along the length of the valleys in monotonous terraces, instead of approximately radiating from a common center as would be possible on fairly level sites, the civic and corporate life of the community has suffered owing to the absence of "town centers" and of any conveniently centralized institutions. For instance, dignified municipal buildings are extremely rare; not a single municipally maintained public library is to be found in the central Glamorgan block of the coal field<sup>1</sup>—it is only on the seaboard and in the older towns of Merthyr, Aberdare and Pontypridd, that any exist. There are, it is true, many workingmen's institutes, most of them with collections of books, attached to different collieries; there are also many clubs, but we believe not a single trade-union or cooperative hall for large gatherings and with offices for various labor organizations. Finally, the Rhondda has an abundance of cinemas and music halls, but not a single theater. Owing to this absence of municipal centers and centralized institutions, the development of the civic spirit and the sense of social solidarity—what we may in short call the community sense—is seriously retarded.

There is no part of the United Kingdom, with a population at all comparable in numbers with that of the south Wales coal field, where the surface is so broken up by deep and narrow valleys. No part, therefore, stands in greater need of having its building development

---

<sup>1</sup> See Report on Library Provision and Policy to the Carnegie U. K. Trustees (1915).

scientifically studied and properly planned. Excepting the area drained by the Ogmore and its tributaries, all the valleys in East Glamorgan and West Monmouthshire run in a southeasterly direction, while those in West Glamorgan and East Carmarthenshire take a southwesterly course, but as both sides of each valley are usually built upon, the right-hand (or southwestern) slopes throughout the former area have an approximately northeastern aspect for their houses, while the left-hand (or southeastern) slopes throughout the latter front northwest.

In several of the valleys (e. g., the two Rhonddas and that of the Cynon and its tributaries, and Rhymney) most of the houses have been built on the less sunny side, often, indeed, in positions where it is impossible for any sunshine to penetrate the houses. A serious burden is thus thrown on the community owing to the ill health, and consequent reduction of efficiency, including the greater predisposition to fatigue, resulting from living in such sunless houses and in dark back rooms giving on to the excavated portions of so many hill sites. Of recent years the houses in the valleys and on the lower slopes are still further overshadowed by the huge coal tips which are being piled on the breasts and upper slopes and which, besides making the landscape hideous, will in time endanger the very lives of those dwelling in the valleys below. The cost of building is also much enhanced by the expense of excavating sites on the slopes and of road construction generally. Subsidence owing to mining operations prejudicially affects the habitable conditions of the houses owing to the injury to the gas, water, and sewerage systems. It also adds greatly to the cost of repairs and reduces the "life" of all buildings, while much heavier rates are necessitated owing to the damage by subsidence, heavy floods, and occasional landslides, to the sewers and other mains, and to the roads, tram lines and public buildings generally. The subsidence in the Rhondda Valley has been ascertained by the Ordnance Survey Department to have amounted in some localities to 8 feet during the 12 years from 1898 to 1910.

Land of a suitable kind, available for garden and allotments, is extremely limited. This enhances the cost of living, and is of course a factor in the wage rate; it also largely deprives the miner of a profitable and healthy open-air recreation which would react beneficially upon his temperament and his relations with nature generally. Similarly there is a great scarcity of recreation grounds for adults and of open-air playgrounds (other than asphalted ones) for children, a state of things which is serious in its effects from the moral, social, and public health point of view.

Such physical considerations as we have mentioned and the kind of development which they have imposed upon the district account for

the fact that the level of wages in the south Wales coal field is necessarily higher on the whole than that of any other British coal field. The geographical position of south Wales also makes it more isolated from the large centers of population than any of the English coal fields, so that the supply of labor from the adjacent counties, and from towns like Bristol, is quite insufficient from the colliery proprietor's point of view.

The high quality of the coal produced—especially the steam and anthracite coal—and the virtual monopoly which these coals enjoy, have created such a demand for them as has proved a sufficient inducement for the continual sinking of new pits, but, in order to attract the requisite labor, good price lists have to be offered, and this in turn has leveled up the rates paid at the older collieries. "If the coal had not been so valuable, the development would have proceeded more slowly, limited by the supply of labor which would have been available at a lower rate."

The development of the coal field has therefore been very rapid, the population of Glamorgan being increased from 171,188 in 1841 to 511,433 in 1881, and 1,120,910 in 1911. During the last intercensal period, the number of coal and shale mine workers increased by 53.8 per cent in Monmouthshire, 40 per cent in Glamorgan, 69.6 per cent in Carmarthenshire, and 55.9 per cent in Breconshire.

The higher cost of living in the valleys, and the inadequate housing accommodation, we have already seen, are also primarily dependent on the physical conditions, and will have to come under our consideration at a later stage.

To give greater concreteness to our general description of the coal field in its geographical aspects, we append some extracts from the report for 1914 of the medical officer of health of the Rhondda Urban District Council.

The district (that is, the Rhondda urban district) as a whole consists of two narrow tortuous valleys, which gradually approach each other, in their course southward and join at Porth, and thence the single valley so formed runs a short course before merging into the upper end of Pontypridd urban district at Trehafod. The two valleys are so arranged that they resemble an irregularly shaped Y. The stem of the Y is formed by the portion of the district extending from Trehafod to Porth, and is over a mile long. The limbs of unequal length are formed by the Rhondda Fawr Valley, which is about  $9\frac{1}{2}$  miles long and by the Rhondda Fach Valley, which is of a length barely  $6\frac{1}{2}$  miles. Both the valleys at their upper extremities end blindly or form a cul-de-sac; their lateral boundaries are formed by steep hills which vary in height from about 560 feet on either side of Trehafod to 1,340 feet on the northeast side of Mardy and 1,742 feet on the southwest of Treherbert. The Rhondda Fawr and the Rhondda Fach valleys are separated by a steep ridge—Cefn, Rhondda—which rises from a point 600 feet just above Porth to an elevation of 1,692 feet near the upper extremity of the district. The Rhondda River—formed at Porth by the junction of the Rhondda Fach and Rhondda Fawr rivers—is 240 feet above the

sea level at the lowest point in the district, at Trehafod, while the Rhondda Fawr River attains an elevation of 720 feet at Blaen Rhondda, and the Rhondda Fach River the still greater elevation of 920 feet at Mardy. The highest point in the district is Carn Molsau, which is 1,950 feet high, and is situated at the upper end.

The valleys are very narrow, and allow in many places only sufficient space for river road and railway. Although the district is a large one, the area actually built upon is comparatively small, for the most suitable and convenient building ground is situated in more or less close proximity to the river. Here and there, however, as at Treorchy and Ton, the valleys open out a little, and it is mainly at these expansions that considerable numbers of houses have been erected. Leading out of the main valleys are a few side valleys, of which Cwmparc, Clydach Vale, and Cymmer are the most important.

Dr. Jenkins has also been good enough to supply us at our request with some further statistics in illustration of the statement made in his report that "the area actually built upon is comparatively small," whence the density of the population in certain parts must be excessive.

Excluding metropolitan areas-(London and Middlesex) the county of Glamorgan has, next to Lancashire, the greatest density of population of any county in England and Wales, notwithstanding its extensive agricultural areas in Gower and the Vale of Glamorgan, and its central mountain range. In 1911 it had 1,383 persons in the square mile, compared with 2,554 in Lancashire, and 618 for the whole of England and Wales. In the Rhondda urban district, taken as a whole, the number was 4,480, while in Mid-Rhondda it was as high as 6,400 persons within the square mile. Dr. Jenkins has subdivided the urban district into five natural groups of mining centers, and the figures for each and for the whole area are given in the table below. It is noteworthy that the districts which have suffered most from labor disputes of recent years are those where the population is most congested. Thus the prolonged strike of the "Cambrian Combine" miners in 1910-11 was in the Tonypandy district. Disputes have been frequent also in the Porth district.

TABLE D.—SHOWING THE DENSITY OF POPULATION IN DIFFERENT PORTIONS OF THE RHONDDA URBAN DISTRICT.

Locality.	Population.	Total area in acres.	Acres per person.	Persons per square mile.	Area built upon in acres.	Acres per person in area built upon.	Persons per square mile in area built upon.
Rhondda-Fach (Ynnyshir, Tylorstown, Ferndale and Mardy).....	45,971	5,852	0.13	5,056	1,125	0.024	26,240
Pentre Ton, Gelli and Ystrad.....	25,207	3,210	.13	5,056	635	.025	25,600
Llwynypia, Clydach Vale, Tonypandy, and Trealaw.....	31,847	3,194	.10	6,400	875	.027	23,296
Porth, Cymmer, and Hafod.....	18,000	1,899	.10	6,080	500	.028	23,040
Treherbert, Treorchy, and Cwmparc.....	33,938	8,466	.25	2,560	1,030	.031	20,480
Rhondda urban district (including small portions not in the above).....	166,873	23,871	.14	4,480	4,500	.027	23,680



SOCIOLOGICAL FACTORS:—RACE CHARACTERISTICS—RAPID INCREASE OF POPULATION—  
LANGUAGE—EDUCATIONAL AND POLITICAL ACTIVITIES.

The next group of factors which should claim our attention are of a sociological nature, and may be said to constitute the human, as distinct from the physical, geography of the Welsh industrial areas. We can deal, however—and that very briefly—with only a few of the more important.

1. *Race admixture.*—The two main industrial areas of Wales are geographically “border districts.” In pre-industrial times, a great admixture of races probably occurred in northeast Wales—the present industrial area of Flint and Denbigh—than in any other part of Wales. Several waves of conquest and reconquest swept over it; nearly every invasion of north Wales was made through it; and the successive shifting of the boundary between Wales and England is evidenced by the existence of the parallel dykes bearing the names of Wat and Offa, respectively. But the different racial elements in the district were fairly thoroughly assimilated several centuries ago. Quite recently, however, a new wave of migration, mainly from Cheshire and Lancashire, has penetrated the seaboard in this district, especially the neighborhood of Shotton and Queensferry, where a large metallurgical industry is now carried on.

Events took a different course in southeast Wales. In early times the mixture of races was considerably less in that area, owing largely to the protection which the Severn and Wye afforded it from the east. The racial characteristics of the native tribes, known in Roman times as the Silures, but generally described by ethnologists as Iberians, are still predominant among the mining population. Speaking of this Iberian type, Prof. Lloyd, in his “History of Wales” (p. 15), says: “Its features and build are represented in modern Britain by the short, dark Welshman of south Wales, possibly its very qualities of soul and mind in the typical collier and ‘Eisteddfodwr,’ impulsive and wayward, but susceptible to the influences of music and religion.”

During the last 50 years or so the rapid development of the coal-mining industry, as also, to a less extent, of steel and tin-plate manufactures, and the transport service, has attracted to this district exceptionally large numbers of immigrants from all parts of the United Kingdom, with even a sprinkling from beyond the seas. The resultant mixture of people in any particular district often presents great differences in their traditions and antecedents, in their speech, habits, and temperament, in their mental and moral make-up generally. Until some 15 to 20 years ago, the native inhabitants had, in many respects, shown a marked capacity for stamp-

ing their own impress on all newcomers, and communicating to them a large measure of their own characteristics; of more recent years the process of assimilation has been unable to keep pace with the continuing influx of immigrants.

The census statistics as to the birthplaces of the inhabitants, and of the language spoken by them furnish striking evidence as to the existence and extent of their racial and linguistic diversities. We should explain, however, that we use the expression "racial" as a convenient term to indicate characteristics associated with different counties or provinces of the United Kingdom rather than with distinct races of people.

The following figures extracted from the last census returns show, for the counties of Glamorgan and Monmouth, the proportion of the native to the immigrant inhabitants in 1911:

TABLE E.—NATIVE AND IMMIGRANT POPULATION.

Of the enumerated population, number born in—	Glamorgan.		Monmouthshire.	
	Total.	Percent- age.	Total.	Percent- age.
County where enumerated.....	729,969	65.13	251,269	63.5
Other counties of Wales (or Wales, but county not stated).....	151,877	13.55	42,408	10.7
Other parts of the United Kingdom, colonies, and at sea....	215,940	19.25	95,079	24.1
Foreign countries.....	11,419	1.02	2,501	0.6
Birthplace not stated.....	11,705	1.05	4,462	1.1
Total.....	1,120,910	-----	395,719	-----

It is thus seen that of the total population enumerated in Glamorgan and Monmouthshire in 1911, only 65.13 and 63.5 per cent, respectively, were returned as having been born in the county where they resided. Other parts of Wales contributed 13.55 and 10.7 per cent of the population of each of the two counties. About one-fifth of the population of Glamorgan and one-quarter of that of Monmouthshire were, however, English born or born outside Wales.

2. *Rapid growth of population.*—The extent to which similar migration into this area had taken place during the last 40 years may be inferred from the fact that the population of Glamorgan went up from 397,859 in 1871 to 687,218 in 1891 and to 859,931 in 1901 and reached in 1911 the total of 1,120,910, an increase of 182 per cent in 40 years. The other coal-mining counties have also grown very rapidly in population during the same period though not to the same extent.

A large proportion of the male immigrants are unmarried men; this is naturally so for it is the unencumbered man that can most easily migrate to a distance. In many cases, however, married men come alone, leaving their families at the old home. The proportion

of females to males in the mining counties is consequently very low. Monmouthshire stands lowest of all the counties of England and Wales in this respect with only 912 females to each 1,000 males, Glamorgan comes next with 924, Carmarthenshire is sixth from the bottom with 987, and Brecknockshire eighth with 991. Flint and Denbigh, the two coal-mining counties of north Wales, are third and ninth from the bottom.

The full significance of such a state of things we can not investigate, but the low proportion of females to males tends to increase the economic dependence of women in the mining community. On the other hand the high proportion of unmarried men and also of young men (whether married or otherwise) may to some extent account for the tendency to rash and impulsive action on the part of certain sections of the community.

3. *Language*.—The linguistic conditions of the six counties of Wales which contain any considerable industrial population is also shown in the following table:

TABLE F.—LANGUAGE SPOKEN, 1911.

County.	Monoglot Welsh.	Monoglot English.	Bilinguals.	Unknown or foreign.
	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>	<i>Per cent.</i>
Brecknock.....	5.45	57.1	36	1.45
Carmarthen.....	20.5	13.35	64.5	1.65
Denbigh.....	10.05	41.66	46.62	1.67
Flint.....	3.5	55.35	38.75	2.4
Glamorgan.....	3.07	58.90	35.03	3
Monmouth.....	.41	86.27	9.25	4.07

Most of the characteristics, both geographical and sociological, hitherto alluded to—the physical configuration of the coal field, and its racial and linguistic diversities—have a divisive effect on the population, and present obstacles to the growth of social solidarity. Even religion is able to produce less of the spirit of unity than might perhaps be expected. Apart from the long-continued conflict between the Church of England and Nonconformity, cooperation between the various Nonconformist bodies themselves is, on the whole, but spasmodic and confined to but few forms of common action, such as in connection with temperance, while the difference of language cuts clean across almost all denominations, separating those who habitually speak Welsh from the English-speaking people in the matter of religious worship.

Many of the immigrants, cut off from their old religious associations and other restraining influences, drift into indifference, and some, flushed with their larger earnings and freer life, into self-indulgence. Others are attracted by the more idealistic principles of socialism, while not a few of the more active spirits throw all

their energy into the work of their trade-union, aiming perhaps too exclusively at the merely economic welfare of their own class. In the life of the old-fashioned collier religion continues to play a large part; his preoccupation with the affairs of his church or chapel, and his other-worldliness of spirit cause him to hold aloof from active participation in the work of his lodge or in trade-union politics. Possibly the tone and spirit in which the business of the lodge is sometimes, or in some instances, carried on, might be distasteful to him, and, in former years, the fact of its meetings being held in licensed houses also proved a stumbling block. The ever-recurring nonunionist trouble is at least partly due to the constant influx into the district of immigrants, ignorant for the most part of the benefits, and unversed in the methods of trade-unionism, for those who refuse to join are mostly newcomers drawn from agriculture or some other ill paid or unorganized industry.

The introduction into the district of managers and other officials who have no experience of the Welsh outlook and temperament and, of course, no knowledge of the Welsh language, and who have had their vocational training in some other coal field is also productive to some extent of misunderstanding and friction. Broadly speaking, collieries manned by officials of Welsh sympathies and trained in the traditions of the Welsh coal field are much less troubled with labor disputes than those managed by officials of a different training and outlook. In this connection we must also mention the fact that the Welsh collier, even though possibly addicted to bluntness of speech in conversation with his fellow workmen, is quick to resent any ebullition of temper or violence of language towards himself on the part of those placed in authority over him. He is equally sensitive to any disparagement of his nationality or native county, or to any invidious comparison between the Welsh miner and those of other coal fields. Much avoidable friction is due to lack of self-control in language and temper and the want of tact generally on the part of officials, though circumstances may often be such as to test them severely in this respect. The more the personality of the worker is respected the greater the likelihood of industrial harmony.

4. *Political education and trade-unionism.*—In the earlier stage of the development of the trade-union movement the union was not regarded as a political instrument, nor even as a social unit. It was largely a club into which subscriptions were paid and from which benefits were received. Gradually, however, owing to the recognition of a need of having the views of labor voiced in the House of Commons the nature and spirit of the work performed in the lodges became changed. Yet in the early days there was none of the separatist class—conscious program characteristic of the modern working-class movement. The elected representatives in Parliament were Lib-

erals in spirit and policy, elected for the main purpose of safeguarding the special interests of workers in a particular industry. The broader aspects of social and political reform or action were left to the initiative of each member; just as to-day the cooperative movement is pressing for direct representation in Parliament, not with the avowed object of developing a broad scheme of social reform along cooperative lines, but rather for the purpose of safeguarding the interests of cooperators.

With the spread of elementary education and the slow development of the desire for a clear understanding of the conditions under which the workers live, a change has spread over the spirit of the lodges. The younger generation, fed upon the writings of the Fabian Society, the Independent Labor Party and the works of Continental and American writers, has tended more and more to formulate a theory of reform and of political action which is almost entirely opposed to that of the old. It demands that its representatives in Parliament shall be first and foremost representatives of labor, not labor as portion of communal life but labor as the majority in the country, as an economic and productive force of vital and therefore paramount importance, with a program of social reform involving the reconstruction of the whole basis of society. The effect upon the lodges and upon the trades councils to which they send delegates has been twofold. In the first place, they have become centers of educational work from which lectures and classes on political and social subjects have been organized, and secondly, they have become centers of social and political activity more potent perhaps than any other of the social movements in the community. Indeed it is often within the lodges that the men seek and cultivate that spirit of brotherhood and good will which they have failed to discover in the world outside. In this wider sense, then, political action means "Labor representation upon any public body from the smallest parish council up to the House of Commons, and the agitation and organization necessary thereto."

One effect of this phase of industrial evolution has been the widespread movement for participation in local government and the creation of a labor party in Parliament. The other has been a movement for reform within the trades-unions themselves. This has been notably the case among the south Wales miners. The "advanced" men, holding no official rank, but often exercising great influence among their fellows, have of late years been advocating a form of industrial unionism. They deny the efficacy of political action and devote their efforts to the elimination of the small craft and trade-unions and to the amalgamation of all labor within a particular industry into one general industrial union. Believing

that the final and root causes of the conflict between employer and employee lie in the relation between capital and labor, they see in the strengthening of the union a means of forging a firmly welded weapon which will ultimately be sufficiently powerful to overcome and reorganize the capitalist forces ranged against them. To these men political action is of temporary and deluding value; to them legal enactment is but a means either of oppression or of stupefaction. Political government, they maintain, will have no effect when faced by industrial unionism in the control of production. In no part of the country is this creed so widely held and constantly preached as among the miners of Glamorgan and Monmouthshire.

Between these two movements, then—the one of direct political action, the other of industrial unionism in its various aspects—there is at present a distinct cleavage. But each is profoundly affecting the other. Political action to-day is conceived of in quite a different spirit from that of a generation ago. Not only is the working class alive to the need for political action in the wider sense, but its elected officials and representatives are taking an active part in the local life of the community, and throughout south Wales labor plays a very prominent part in local government. To-day, the activities of the labor member of Parliament are of a wider and more general scope than the mere safeguarding of the special interests of an industry. On the other hand, the domination of the trades-unions by their officials, whose expert knowledge and intimate experience render them essential to the unions, and give them an almost unassailable position, has engendered a spirit of unrest and suspicion which found one outlet in the recent demand in the S. W. M. F. for a “lay executive” and for the relegation of the official to the position of adviser shorn of executive power. An educated body of men, with a clear perception of the function of their union and conscious of the disabilities—apparent or real—which seem to press upon them, is thus capable, though often in a small minority, of changing the nature and scope of the trade-union movement in any industry.

And this leads us to our next point—the question of education. The comparatively late development of industrialism in Wales has hindered the growth of such working-class organizations as the cooperative movement, while university extension lectures, or the teachings of the younger school of Oxford democrats, have had no direct appeal to the Welsh workers. In contradistinction to the workers of Durham and Northumberland, or those of the potteries, where university work has been carried out with great effect, the closely packed, easily accessible valleys of Glamorgan have been given over to propagandist work of a political nature, at first of somewhat unorganized character. The I. L. P. has some scores of branches in the Welsh coal field, each branch a center of political educational ac-

tivity. Lectures are arranged and classes conducted in political and social subjects, while there is a large sale of propagandist literature. To these branches the younger men, disappointed with the conventions of church and chapel, have flocked; these, too, have become the centers of the labor movement in local government which is so characteristic of south Wales.

The I. L. P. branches have, however, concerned themselves mainly with political work. But the ill success of the strike movement, the menace of combines of employers, with the consequent centralization of capital, and what an advanced section of the workers regard as the apparent failure of Parliamentary representation, have all brought home to the worker the imperative need for organization. Organization is, however, impossible to a community only partially, if at all, educated. Hence the leading spirits in the trade-unions have of late years been devoting themselves to an active if restricted form of educational propaganda. The workingman, it is held, must organize his own education, train his own teachers, and work steadily for reform within his own union. Thus, to-day, the South Wales Miners' Federation and the National Union of Railwaymen have jointly assumed financial responsibility for a workingman's college (the Central Labor College) where the workers may be taught the social sciences free from the bias and prejudice of the upper-class conception of history and economics. In March, 1917, the college conducted 41 classes, of which 19 were in south Wales, 8 being in the Rhondda. The number of students at that time in south Wales would not be less than 500. Since March, 1917, however, the number of the classes has largely increased, and steps have been taken to organize classes in almost every district of the South Wales Federation. The subjects taken are almost invariably confined to economics, industrial history, and the modern working-class movement.

These classes, then, together with the transformation of industry into the combine on the one hand, and the fool-proof machine on the other, have had their part in the revolution which has taken place in the minds of the workers. While in the old days the road to reform appeared to lie in the direction merely of the consolidating and care of local interests, of late the workers have both widened and narrowed their outlook. Improvement of status, rises in wages, have all proved ineffective against the more obvious pressure of capitalist economy and the patent gambling in the necessities of life. This has been taken advantage of by teachers and leaders, and out of it has developed a form of class consciousness increasingly powerful and deliberate of purpose. The worker, as a class, has, they maintain, been exploited; as a class, he must seek and win his freedom; it is this

which explains the general desire for tuition in economics, not the prejudiced economics of the older school, but a theory which will give some explanation of the conditions under which the workers live and hold out some promise of immediate reform. Thus the education which he asks for and receives tends, though intensive, to be partial. Its motto is "I can promise to be candid but not impartial." He studies along certain restricted lines, reads little outside his own particular field, and grasps too readily the shibboleth for the reality. Economics is often degraded into a gross materialistic conception of cause and effect, and the essential spirituality of education is neglected or forgotten.

Against this steadily increasing weight of powerful determined opinion, however, the employers are helpless. They may combine in opposition, in which case each side fights with increasing bitterness as the tide of battle ebbs and flows, or they may endeavor to offer some solution of the more immediate problems. In both cases the result is usually the same. The workers offer no immediate panacea, whilst they tend to regard every innovation as detrimental to the narrow interests of the particular trade. Thus between the employer and the worker a great gulf is fixed. On the one hand the worker suspects and watches each movement of the employer or his combination, he finds himself tied to the drab monotony of arduous toil, relegated to housing conditions which have despoiled the once lovely valleys of all their natural beauty; on the other hand (as a distinguished Welsh writer familiar with Welsh conditions has pointed out) "the employers and managers of labor, too, are as a rule, cramped by their industries, and not seldom the victims of ignorance and of hard prejudice. They are as a class not much more liberally educated than the workers; they are not less responsible for the barbaric relations which now prevail in the economic world; and in any case their ignorance and distortion of mind is a graver danger to the community. \* \* \* We do not wisely in committing hundreds and thousands of workers in the great centers of industry to the charge of ill-educated men. The service which such men are rendering to their country by anticipating and meeting its economic wants is incalculably great. They should receive their reward; the spirit of citizenship should be awakened and fostered within them by means of a more generous education so that their services shall be on a better level and be to them what his profession is to the minister of religion, or the doctor, or the man of learning and science, a thing to live for, and not merely to live by."<sup>1</sup>

Whilst during the war the country in general has been somewhat slow to recognize the importance of education (except in the field

---

<sup>1</sup> Round Table, June, 1917, No. 27, p. 488.



of applied science), the recognition amongst the workers of south Wales of the importance of educational reconstruction has been immediate and remarkable. Old authorities have been destroyed. The remote has been shown to have intimate and personal importance. The trade-unions have therefore been forced, owing to the wider claims of the war, to recognize conditions other than those of mere industrial organization. Not only (it is asserted) has the worker to organize against the employer, he is now told that he has to organize against governments, against those who wage war upon him in the shape of high prices and poor food. Throughout south Wales the need for some form of better organized education has therefore been much emphasized. We would suggest that further facilities should therefore be granted for the spread of education and of knowledge—not knowledge in the narrow limited sense of equipment but knowledge sought in the spirit of truth and pursued for its own ends.

#### 1. CONTINUED EDUCATION.

In the past the local authorities have done much good work by their various methods of evening education for the adolescent. But these are open to two main objections. In the first place most local authorities have regarded these schools as existing almost solely for vocational purposes. They have been required to turn out good clerks, engineers, or draftsmen, but little attention has been paid to those broader, more humane subjects which relate man to life and living. In the second place these schools have been held in the evening, when the students are often too fatigued for proper work; they are voluntary, and tap but a very small percentage of the workers. Means should be devised for remedying these defects and placing continued education on a more satisfactory basis. The type of education should not be merely technical, but should lay stress upon civic and national responsibilities, should have regard for proper physical development, and should bring the pupils into touch with the great traditions both of their own and of other races. Where education of a technical nature is required, the training should be broad and humanistic: industry should be studied in relation to other industries and to the community. The keynote of the training should be "the conception of the industrial system as the handmaid of society" and of work as "a form of public service."

#### 2. ADULT EDUCATION.

But the field of adolescent education by no means exhausts the problem. After eighteen the worker is still capable and often desirous of education. But it is of another type. If the education he

has received has been worthy of the name, it will have been chiefly formative in character developing those qualities of initiative, adaptability and resource upon which industry and life depend. For the adult worker, however, the problem is somewhat different. Experience riper than that of youth has given him opportunities for suggestion, comparison and reflection, and it is here that the university should prove of peculiar value. Not only does the university prepare for the professions, institute and carry out research, it should also be the center of the life of the community, gathering to itself its aspirations and hopes, fulfilling its deepest needs and ever shaping it to nobler purposes. We may assume "that university teaching is teaching suited to adults; that it is scientific, detached and impartial in character; that it aims not so much at filling the mind of the student with facts or theories as at calling forth his own individuality and stimulating him to mental effort; that it accustoms him to the critical study of the leading authorities \* \* \* that it implants in his mind a standard of thoroughness and gives him a sense of the difficulty as well as of the value of truth. The student so trained learns to distinguish between what may fairly be called matter of fact and what is certainly mere matter of opinion. \* \* \* He becomes accustomed to distinguish issues and to look at separate questions each on its own merits and without an eye to their bearing on some cherished theory. He learns to state fairly and even sympathetically the position of those to whose practical conclusions he is most stoutly opposed. \* \* \*

Upon the university then must depend the training of the adult mind. The scope and work of the university colleges should be expanded so that they may, by means of classes and lectures, supply the demand which is constantly arising. Already work of this character has been successfully attempted in England where university tutorial classes have for some years been run with considerable success.<sup>2</sup>

A sufficient number of these classes have also been established in Wales to justify the belief that university education of this type may be carried on with benefit to the community. It would also supply a valuable corrective to all methods of study of a purely partisan character undertaken for propagandist objects. In Wales every industrial center should have its university class in close contact with the life and culture of the university.

---

<sup>1</sup> Special report of H. M. I. on W. E. A. Classes, Board of Education, 1910.

<sup>2</sup> For further information on this subject see "University Tutorial Classes for Working People," or "What can the University do for the Higher Education of the Adult Workers in Wales." (D. Lleufer Thomas.)

Also evidence given on the subject before the Royal Commission on University Education in Wales.

## (3) JOINT SCHEMES OF LECTURES.

Many plans have been suggested for breaking down the barriers which exist between the employer and employed. Perhaps one of the most promising is that where a recognized expert is called in, preferably by a joint committee consisting of representatives of workmen and officials, to make a detailed study of the methods of working the factory. (Compare the Garton Foundation Report, Appendix B.) After some preliminary study series of lectures are arranged, at which the whole of the staff attend. These lectures are intended to be explanatory of the working of the business. The lecturer goes in detail into the costs of the working, the methods and difficulties of buying and selling, the history of the industry and those technical details through ignorance of which misunderstanding often arises. Such lectures can but succeed in mutual exchanges of opinion and advice. The difficulties of organization reveal the difficulties of employment, and masters and men learn by mutual experience. Above all, such lectures should teach both parties that each is not merely working for wage or profit, but that each in turn is performing common service for common needs. Arrangements are in course of being made for the delivery of such a course of lectures under the auspices of the University College, Cardiff, in connection with a large tinplate works in the neighborhood.

**THE FACT OF UNREST.**

A considerable amount of unrest existed in south Wales for some years previous to the war and the unsatisfactory relation existing between employers and men frequently manifested itself in disputes, many of which attained serious proportions. As a result of these conflicts a somewhat bitter antagonism has grown up between employers and workers in certain industries, and this has to some extent been fostered by extremists and tactless partisans on both sides. A sense of irresponsibility has thus been created, and the men have shown a tendency to strike on the slightest pretext, despite the advice of their accredited leaders. Such class antagonism has been especially pronounced in the mining industry, and in a much lesser degree in the transport industries. Amongst the reasons for the greater discontent manifested by miners as compared with other classes of workers may be mentioned the following:

(a) South Wales coal, being of a specially superior quality, commands very high prices, and the men therefore believe that the industry can afford them a higher standard of living. The prices of small parcels of coal quoted in the press give them an entirely erroneous view of the value of colliery produce as a whole, and they draw

conclusions as to the disparity between the selling price per ton in such press quotations and the amount paid to them for cutting—conclusions which a little investigation would show them are not warranted by the actual facts.

(b) During recent years there has been a pronounced tendency for colliery concerns to be amalgamated or interlinked together under the ownership of comparatively small groups of people. This tendency toward monopoly has aroused considerable alarm in the minds of miners, and many regard the combine movement as being directed toward their industrial subjugation.

(c) In the mining areas, practically the chief exceptions being at Ebbw Vale, Tredegar, Dowlais, and on the seaboard in the Swansea district, coal-mining is almost the sole occupation of the men. There is no variety of industries and no choice of occupation other than coal-mining. This fact tends to induce in the men's minds an exaggerated view of the importance of their industry and of their indispensability to the employers and to the nation. The sameness of occupation also induces an attitude of mind which is distinctive from that of workers in areas where occupations are numerous and varied in character. In mining districts the "Federation" is ever present in the minds of the men, and although they often refer to the organization in harsh terms, their belief in it as a means of securing their economic emancipation is deep rooted.

(d) There is a further fact, that most of the other industries of south Wales are situated in or near large towns—in places where intercourse with the inhabitants of such towns and participation in their public life and activities has an educative effect in correcting any excessive bias as to the importance or special grievances of their own industry, and provides a variety of interests other than those which are purely vocational or concerned with their own trade-union. This is markedly so in the case of the workmen in the metal industry in and around Swansea, where also the physical configuration of the district does not constitute obstacles to such free intercourse as we have referred to. Disputes in other industries than mining are comparatively rare, and they never assume such serious proportions as those which have characterized the latter industry during recent years. In the metallurgical industries, for example, almost unbroken peace has prevailed for about twenty years, and the relations between masters and men are of the most cordial character. This is largely due to the fact that the conciliation board machinery in these industries is of a very superior order, and has been worked on both sides by men who realize that the welfare of the industries depends to a considerable extent on the maintenance of a spirit of "give and take" on both sides.

Much unrest, however, has existed on the railways, due to low wages, long hours of work, and the refusal in some instances of employers to recognize the leaders of the respective trade-unions. Broadly speaking, however, such unrest has not been purely of a local character, and any action taken by way of strike has, for the most part, been of a national character. The refusal on the part of some of the railway companies to recognize trade-unions, seem to us very unwise, as being unnecessarily provocative of discontent. We are convinced that a change of attitude in this respect is essential if industrial peace is to be maintained both now and during the difficult period following the war.

With regard to industries organized on a more local basis, the chief disputes have occurred in the seaport towns, and more especially in the port of Swansea. It should be mentioned that the work of unloading certain ores that are imported to Swansea is of a highly disagreeable character and is extremely trying to the health of the workers, and this is probably a factor in the unrest among cargo workers in that port. It is pleasing to record, however, that recently a much better spirit prevails in the latter town. This is, we believe, largely to be attributed to the fact that the managements have adopted a policy of meeting their men more frequently and discussing with them difficulties as they arise. A similar policy has also been adopted with much success in the port of Newport. We are convinced that frequent meetings between employers and employed is an essential condition for the establishment of good relations between both parties.

The more or less chronic unrest which arises from the conflict between capital and labor and which is so characteristic of the south Wales coal field is at the moment not so very active. The working classes as a whole are strongly loyal and patriotic, and their belief in the national cause has been clearly demonstrated by the fact of the heavy recruiting that took place from their ranks during the earlier months of the war. We are entirely convinced that there is absolutely no foundation for the allegation sometimes made as to the pro-German influences in engendering the unfortunate labor disputes that marred the peace of the coal field during 1915. That strike, and others which have occurred during the war period, we believe to be largely due to the suspicion that employers of labor were exploiting the national crisis for personal gain. It is the suspicion of profiteering also, especially as conducing to the rapidly increasing cost of living, that mainly accounts for such acute manifestation of unrest as are now observable, and we are convinced that if this suspicion could be removed, and if food prices could be brought down to a reasonable level, no serious disturbance is likely to occur during

the period of the war, though we take a grave view as to the situation that is likely to develop immediately after.

#### CAUSES OF UNREST.

As has already been pointed out unrest has become almost a permanent condition in so far as the south Wales coal field is concerned, and it is, therefore, necessary to consider causes other than those of a purely temporary character which at most have merely aggravated the position during the war. Thus the south Wales miners have for some years manifested a disposition to "down tools" on very slight grounds, but it must not for this reason be supposed that the disputes are necessarily of a trivial character. Often the immediate cause of an outbreak merely marks the culminating point of a series of troubles, most of which in themselves are of trifling importance, but the cumulative effect of which in view of the unfriendly relations between both parties, constitutes a serious menace to industrial peace.

We desire strongly to emphasize the view that most of the disputes that have taken place during recent years in the south Wales coal field could and would have been avoided if both sides had approached one another in a conciliatory spirit, and it is our strong conviction that the first step toward industrial peace lies in a change of disposition on the part both of employers and men. From the evidence we have received from both sides we are led to conclude that the cleavage between employers and men is not sufficiently great, in spite of the bitter hostility often manifested by one side towards the other, to prevent more amicable relations being established, and we most earnestly hope, in view of the serious industrial situation that must be faced after the war, that both sides will make every effort to come together in a less antagonistic and more reasonable spirit for the purpose of considering the economic and other problems relating to the industry. If the representatives of both parties on the conciliation board of the coal field could meet together for the purpose of friendly discussion of any points at issue before formulating their respective policies many disputes could be adjusted without much difficulty.

Considerations of time and space will not permit us to discuss at length all the numerous and varied causes that contribute to labor discontent in Wales. We can only enumerate briefly those which are known to have been largely responsible for the many strikes or threats of strikes of which so much has been heard during recent years. We class these as "permanent" and "temporary," the latter being causes arising chiefly out of war conditions.

**PERMANENT CAUSES.****ECONOMIC.**

(a) While there has been an advance in money wages during recent years, more particularly since 1895, there has been a decrease in real wages and concurrently with this there has been a steady movement for the raising of the standard of living which naturally necessitates an increase in real wages. Employers have, of course, resisted the demands of the workmen for wage increases for the reason that the concession of such demands tended to reduce the margin of profits or were not otherwise justified. This conflict of forces has resulted in a spirit of antagonism between capital and labor.

(b) The adoption by the workers of the principle that wages should be fixed on the basis of a satisfactory standard of living, and the advocacy of a still further view that even with the wage rate based on the standard of living workers should also share in the prosperity of their particular industry.

(c) The adoption by a section of the workers of the theory that the restriction of output is in the interest of their class.

(d) The concession of wage advances to one industrial class has accentuated the disparity of wages between that class and a lower-paid one in another industry or in another section of the same industry, and this has resulted in a demand by the latter for wage advances.

(e) The machinery for settling disputes and fixing rates of wages in certain industries has not always worked smoothly and the delays that occur in the settlement of disputes tend to exasperate the men and cause them to resort to extreme measures.

(f) The refusal on the part of a small section of workers to recognize their obligation to join the trade-union of their industry, though deriving the full benefit of all advantages gained through the union, is one of the most prolific causes of sudden stoppages and of threats to strike. The difficulty is especially pronounced in the coal-mining industry of south Wales, but is not confined to that industry.

(g) Some of the employers, also, have occasionally manifested an unsympathetic attitude towards trade-unionism, and this has confirmed the men's impression that the employers are hostile to them and their organization. Irritation is frequently caused also by the fact that facilities are rarely given by the employers to enable the unions to bring nonunionists into membership of their lodges.

(h) In addition to the above general causes there are a number of causes special to particular industries or groups of industries. Of these we can only enumerate the following:

(1) In addition to lowness of wages, railway workers feel aggrieved at their long hours of labor.

(2) The casual nature of the employment of dock and wharf laborers and general-cargo men produces an often paralyzing uncertainty which tends to a certain irregularity of habits and to reckless and impulsive action.

(3) The employment on English ships of cheap Chinese labor while British seamen are unemployed is said to cause great indignation amongst sailors and threats of serious strikes are being freely made. The feeling with reference to this matter is intense and is likely to lead to serious trouble—almost at any time—unless the matter is promptly attended to.

#### SOCIAL.

The conviction that capital and labor are necessarily hostile, a conviction engendered by conflict on industrial matters, has been accentuated by the fact that the social conditions of the working classes are of an unsatisfactory character. This fact was brought out by numerous witnesses both on the employers' side and the men's side, and there can be no doubt that, although not always expressed, the workers feel deeply discontented with their housing accommodation and with their unwholesome and unattractive environment generally. The towns and villages are ugly and overcrowded; houses are scarce and rents are increasing, and the surroundings are insanitary and depressing. The scenery is disfigured by unsightly refuse tips, the atmosphere polluted by coal dust and smoke, and the rivers spoilt by liquid refuse from works and factories. Facilities for education and recreation are inadequate and opportunities for the wise use of leisure are few. The influence of the social factors on the creation of industrial unrest can not easily be measured, but that their influence is great is undeniable.

#### POLITICAL.

The sense of antagonism between capital and labor has been considerably deepened during recent years by the propaganda of a small but earnest group of men whose teachings are rapidly permeating the entire trade-union movement. Advanced causes feed on discontent, and the indisposition of employers to concede the claims of the workers to a higher standard of life has provided fuel for the propaganda of the Independent Labor Party and, more recently, of the enthusiasts of the Central Labor College movement.

The influence of the "advanced" men is growing very rapidly, and there is ground for belief that under their leadership attempts of a drastic character will be made by the working classes as a whole to secure direct control by themselves of their particular industries. Hostility to capitalism has now become part of the political creed of the majority of trade-unionists in the mining, if not in other indus-



tries, and unless the employers are prepared to meet the men part of the way disaster must overtake the mining industry in the south Wales coal field. Nearly all movements initiated by the South Wales Miners' Federation during recent years, consciously or unconsciously, are directed towards the overthrow of the present capitalist system and the establishment of a new industrial order under which the workers will have a greater measure of control over their industry and a larger measure of the produce of their labor.

Opinions are as yet divided as to whether such overthrow is to be accomplished by political or industrial action or by both. Until recently the political method was most popular, but industrial action is now in the ascendant. This is possibly due to the fact that the miners have been disillusioned by the failure of the labor party to bring about a complete change in the industrial fabric during the past 10 years in which they have held a number of seats in the House of Commons. The lack of confidence in Government action, moreover, is not confined to the men. The employers are even more emphatic in their condemnation of governmental interference, and the coal owners of south Wales allege that the chief cause of trouble in the coal field has been the "action of the Government in assisting the men to break their agreements." They further state that the men collectively never broke their agreements until the Government first "interfered" in 1915.

#### TEMPORARY CAUSES.

Amongst the causes of unrest due to war conditions may be mentioned the following:

(a) The suspicion that a portion of the community is exploiting the national crisis for profit. This suspicion, rightly or wrongly, was one of the factors that brought about the south Wales strike of 1915. The allegations of profiteering were applied at first to employers in various productive industries, especially coal mining and shipping. Latterly the indignation has been focused on the agencies engaged in the production and distribution of food commodities. This is undoubtedly the chief immediate cause of unrest, and nearly every witness raised the question. The abolition of profiteering and the provision of adequate food supplies at reasonable prices are essential if industrial peace is to be maintained. The workers are prepared to bear their portion of the war burden, but they decline to do so whilst, as they believe, a favored few are exploiting the national necessity.

(b) Lack of confidence in Government pledges generally. The view is also widely accepted that the Government has encouraged profiteering by their policy in respect of the excess-profits tax. The

imposition of this tax instead of the prohibition of all war profits on commodities is regarded as tantamount to the Government's connivance with profiteering.

(c) In some industries inequalities of wages as between skilled workmen in cognate industries, or skilled and semiskilled or unskilled workers, have been greatly accentuated since the war, and this has given rise to much discontent. The disparity, for example, is particularly pronounced in the shipyards, where ship repairers and boilermakers working on piece rates receive often three or four times the wages of equally skilled engineers. The high wages paid to boys, again, as compared with skilled men of many years' experience has induced considerable unrest. In regard to boy labor, also, it may be said that owing to the high wages they are able to command the lads lose all sense of proportion, and frequently get out of control both at their work and in their homes, and this fact must lead to future as well as to present unrest.

(d) A condition of nervous strain produced by overwork, uncertainty as to coming out, restrictions on liberty and the like, has also tended to ruffle the tempers of the men and to make them highly sensitive to real and fancied injustice. Similar nervousness on the part of officials, produced by overinspection by Government departments and the dislocation of industries, likewise reacts on the men under their charge.

(e) A fruitful source of unrest also is to be found in the restrictions on individual liberty necessarily imposed, for the safety of the State, under the Defense of the Realm Act, the Munitions of War Act, and the Military Service Act. Amongst other causes in this group may be mentioned the following:

(1) The imposition of military service and the coming out from various industries. The actions of the recruiting authorities have not always been characterized either by discretion or justice.

(2) The suspension of trade-union rules and practices, and the dilution of labor in various industries.

(3) Delays in securing awards relating to wages and other disputes. Numerous complaints were made under this head.

(4) The leaving-certificate system.

(5) Prohibition of public meetings, alleged unfair treatment of pacifists, and conscientious objectors, and sympathy with such people as have undergone terms of imprisonment for their principles.

(f) Dislocation of industry consequent on the war producing unemployment, e. g., in the anthracite and adjacent mining districts.

(g) Lack of coordination between Government departments.

An outstanding feature of our inquiry has been the unqualified hostility on the part of witnesses both on the men's and the em-

employers' side to Government interference. This has arisen from two main causes:

(1) The multiplicity of Government departments dealing with labor and the lack of coordination between them.

(2) The delays that have arisen in the settlement of disputes by the committee of production and other Government bodies and the interference of departments with settlements that have already been amicably arranged by employers and men.

The extent to which overlapping exists between Government departments dealing with the reinforcement, the transfer and substitution of labor may be gathered to some extent from a perusal of the following list:

*The Ministry of Labor* (employment exchanges) deals with all classes of labor—men, women and juveniles, soldiers discharged through medical unfitness or wounds, soldiers in low medical categories, surplus to military requirements, Irish labor and colonial workmen. It also keeps a professional and business register of National Service volunteers, and cooperates with the Board of Agriculture in dealing with farm labor.

*The Ministry of Munitions* (labor supply and demand section) deals with the transfer and supply of labor to munition works, including controlled establishments and explosive factories, generally in consultation with the Ministry of Labor, the release of skilled men from the colors, substitution in munition factories under the new substitution scheme. The Ministry of Munitions consults the Admiralty in all cases where firms are engaged on Admiralty work. Enlistments complaints committees have been set up by the Ministry under the new substitution scheme to deal with applications from workmen who claim to be exempt under the new schedule of protected occupations.

*The Admiralty shipyard labor department* deals with the transfer and reinforcement of labor in the shipbuilding and ship-repairing yards.

*The Board of Trade* (port labor committees) provides for the retention of sufficient labor at the ports to deal with transport work and the release of surplus labor for service with the colors. Substitution at the docks is carried out on the authority of the respective committees.

*The Board of Trade* (coal controller) deals with the transfer of surplus men in the mines in conjunction with the National Service Department.

*The national service general department* deals with the enrollment of National Service volunteers, and placing them in employment in trades of primary importance. Special committees have been estab-

lished for effecting the transfer of men from essential trades. These men will be known as substitution volunteers. In addition, committees are set up in various towns to deal with the transfer of volunteers not dealt with by the trade committees. Substitution and reinforcement in munition works are dealt with from National Service volunteers, if and when the Ministry of Labor fail to effectively deal with the vacancies in a specified period.

*The National Service agricultural department.*—Agriculturists (men) are dealt with by a special department of the National Service, i. e., the agricultural commissioners and subcommissioners in consultation with the various county war agricultural committees.

*The National Service (women).*—The National Service women's section deals with volunteers for the women's auxiliary corps for France and enrolls women for work on the land. The placing of women in the auxiliary is done through the National Service and the War Office. Women for the land are found employment through the cooperation of the Board of Agriculture and the Ministry of Labor.

*The Board of Agriculture.*—War agricultural committees are established in all counties for dealing with labor on the land. The board has appointed special officers in connection with women workers for the land, and established training centers for selected applicants. The Ministry of Labor has appointed cooperating officers to assist the department.

*The Home Office.*—Home Office inspectors advise the Ministry of Munitions in regard to the dilution of labor in factories, and make recommendations as to transfer and substitution of surplus labor.

*The board of education,* in cooperation with the Ministry of Labor, set up choice of employment committees to deal with juveniles of school-leaving age.

*The War Office (military authorities).*—Military authorities deal with "man for man" substitution without consultation with other Government departments.

The employers of labor, as well as the workers, find considerable difficulty in knowing which department to approach, and not infrequently when, after a long quest, they have found the right department and interviewed or otherwise approached the local representatives they find that the latter have no power to act without the consent of headquarters. Overinspection by Government representatives is, too, a frequent cause of complaint both by men and employers, while the latter also object to the large number of official forms which they are called upon to fill.

The delays on the part of the Government in effecting settlements of disputes have proved a frequent source of irritation and in more than one instance have led to stoppages of work in industries of

national importance. The machinery set up to deal with disputes and claims for advances is too cumbrous, and the men who have to deal with the matters are often entirely ignorant of the conditions obtaining in the industry affected. This latter disqualification on the part of persons selected by the Government to deal with matters of this kind is a serious grievance on the side of both employer and employed, and is productive of serious blunders in the carrying out of industrial operations.

In one case brought to our notice—that of the Mond Nickel Co.—a claim was made in the beginning of February. On March 31 the workers held a mass meeting and passed a resolution to the effect that unless an arbitrator was appointed and a date fixed for arbitration by April 10 they would cease work. The resolution was sent to the chief industrial commissioner, but apparently the matter was left in abeyance, and on April 10 a stoppage duly occurred. Another important instance of trouble caused by Government interference and delay was that of the recent serious strike of engineers employed in tin-plate works in south Wales. This was a case in which employers and men had agreed on wage increases, which the committee of production would not sanction. The delay by the committee in dealing with the matter caused a stoppage of the works. Numerous other instances of a less serious but no less irritating character have been brought to our notice and, in our judgment, some radical improvement in this respect is desirable.

Even after settlements of disputes have been arranged through the agency of the committee of production or otherwise, difficulties arise owing to the interference of other departments. Thus, after a settlement had been arrived at in the case of the Mond Nickel Works referred to above, an attempt was made by another department of the Ministry of Munitions to prevent it from coming into operation. Moreover, when an arrangement for the payment of time and a half for Sunday work had been arrived at between employers and men in a neighboring undertaking based on a similar clause in the Mond arbitration award, the Ministry of Munitions refused to sanction it, and the trade-union officials experienced considerable difficulty in preventing the men from stopping work immediately. There may perhaps be good reasons for such interference by Government departments in settlements arrived at between the various parties to disputes, but these are not clear either to the employers or the men, and, in our view, differences over matters of policy should be dealt with without delay in order that possible causes of irritation may be removed.

Another complaint of which we have heard a great deal relates to the dates at which awards become operative. The men urge that

awards should be retrospective to the dates on which the claims are made, and that they should not be penalized for any delay on the part of Government departments. It has been represented to us also that any advances made in accordance with awards should be paid immediately by the employers and not as now frequently happens weeks after the settlements have been arranged. It has, moreover, come to our knowledge that attempts have been made to whittle down the advances due from awards by making reductions in rates or wages which do away with any benefits which may accrue from such awards.

#### FUTURE RELATIONS OF EMPLOYERS AND EMPLOYED.

Having described the conditions now prevailing in south Wales, and particularly in the coal field, we feel it necessary before we formulate specific recommendations for modifying such conditions, to draw special attention to the extreme gravity of the situation more especially in relation to the events that may happen after peace is restored. We do not anticipate any considerable measure of industrial strife during the war. We have full confidence in the loyalty and patriotism of the workers, and we believe that by adjusting wages to meet the increasing cost of living or by reducing the prices of foodstuffs all industrial trouble can be averted while the nation is at grips with the enemy.

When the patriotic motive is removed, however, and the ordinary economic forces are again allowed full sway, serious trouble is to be anticipated unless measures are taken without delay to establish better relations between capital and labor. We do not think that prewar conditions can be restored, and labor be induced to resume its old relations to capital. There is good reason to believe that labor will demand after the war a larger place in industry and we strongly urge that efforts be made without delay to bring about a readjustment of relations by peaceful means rather than to subject the nation to internal strife at a time when all her energies should be concentrated on the important work of reconstruction.

We have come to the conclusion, as already stated, that apart from the unrest, both acute and widespread, attributable to the high cost of living and the suspicion of profiteering in connection therewith, and the less vocal but very general disquietude springing from lack of confidence in Government pledges, together with the general tension and nervous strain produced by-war conditions generally, there exists in Wales, to no appreciable extent, any purely temporary unrest to which temporary remedies can be applied. There does exist, on the other hand, a widespread unrest of a permanent and chronic character and it is our duty to ascertain and recommend what meas-

ures, therefore, should be adopted for the removal not merely of the temporary, but also, and chiefly, of the fundamental and permanent causes of such unrest.

Unless we take this larger view of our duty, it might be that any measures recommended by us for dealing with temporary grievances only would have the effect of aggravating the more permanent causes of mischief, or would otherwise render more difficult their effective treatment at a later date. But we had to submit ourselves to the strictest limitation as to the scope of our inquiry in this respect. We feel it, however, to be our duty in this connection to report very briefly the existence in Welsh industrial circles of various schools of thought as to the ultimate solution of the industrial problem, inasmuch as the views held by each school affects the relations of their respective adherents to the employers and indeed to all other classes. But beyond reporting such views, in so far as we are able to interpret them correctly, we shall not attempt to offer any judgment upon them.

We have mentioned earlier that with reference to trade-union policy in the coal field there are two distinct and divergent movements—one for political action, the other for industrial unionism, and what is called “direct action” outside politics. Broadly speaking, there is a corresponding difference as to ultimate objects and ideals:

(1) The believers in political action have generally looked forward to and advocated State ownership and control of the mines—as indeed also of the railways and land—and ultimately of the means of production generally. This was to be achieved by purchase, not by confiscation. A bill for the nationalization of the mines was drafted for and introduced into the House of Commons on behalf of the Miners’ Federation of Great Britain. In this it was proposed that the interest on the purchase money should be made payable not by the nation at large but by the industry itself. The adherents of this view, once in a considerable majority, may be described as collectivists or advocates of State socialism.

(2) Those who believe in direct action and industrial unionism are opposed to the nationalization of the mines, and to their control by the State, contending that the transfer of ownership from the present owners to the State would not only not improve matters, but actually worsen them by handing over the control to bureaucrats and by dragging the workers into the meshes of the “servile State.” They look not so much to the State as to the trade-unions, and place more emphasis on voluntarism. They advocate a policy of gradually absorbing the profits of the coal owners and thereby eventually eliminating them, the functions which they have hitherto discharged

in managing and controlling the industry to be in time discharged by the miners themselves through their trade-unions. This school has gained considerable strength of recent years owing to the growing suspicion of Government action, and the belief that the miners can work out their own salvation. Its policy is summed up in the motto, "The mines for the miners," as distinct from that of "The mines for the nation" or "The land (including the mines) for the people."

Here, however, comes a further divergence; one section, syndicalists who have adopted industrial unionism, advocates a very drastic limitation if not the elimination of the political functions of the State, urging that the whole community should be organized industrially as producers, i. e., in trade-unions, and not politically as consumers in the State; that the needs of the nation should be considered and the means of supplying them agreed upon in a national congress of all trade-unions—a truly national trade-union congress. The other section, whose tenets are those of guild socialism, while aiming at the greatest possible freedom for the self-development of each industry by the workmen in that industry exercising complete control over it, nevertheless recognize the need of the State and of cooperation with it in developing the nonindustrial life of the nation. In this latter case the ownership of the mines would remain in the State, but it is not clear what the view of the syndicalist section is in this respect.

These different schools of thought, and various blends and confusions of them, are found in the coal field. It would appear that the policy of "The mines for the miners" (apart from any definite agreement as to the details of putting it into operation) is now so generally accepted by the miners' leaders that its underlying principle governs all proposals and demands put forward on behalf of the men. A particular demand may appear to be fully justified on other grounds, but unless it harmonizes with the ultimate ideal or tends to facilitate the realization of that ideal, it would not be put forward. The owners, conscious of this fact, regard each claim on the part of the workers and each concession made to them as merely a starting point for a further advance toward the ultimate goal of altogether eliminating the owners, who therefore resist each claim all the more strenuously.

With reference to the miners' strike after the expiration of the old conciliation board agreement in 1915, we are however assured, and have every reason to believe it to be the fact, that far from allowing considerations of their ultimate aim to lead them to use the national crisis as a means of extracting better terms from the employers, the men were driven to strike by the belief on their part that the owners were "exploiting" the patriotism of the miners, believing it would inevitably prevent them from pressing home their claim by actually



striking. It was this suspected exploitation of their patriotism for the gain of others, and not any lack of patriotism or of failure to appreciate the national difficulties, that caused them to strike. We mention this, because it is our opinion that, strong as is the men's attachment to certain views as to the future of their industry, their patriotism is stronger, and is likely to override their industrial faith in any moment of national danger if the reality of that danger is adequately brought home to them.

In leaving this statement of the various views held among the miners as to the industrial policy of the future, we may mention a proposal submitted to us by a commercial gentleman not directly concerned in the employment of labor. He urged the imposition of statutory restrictions and limitations on the profits of owners of industries, so that the wages, so to speak, of capital, as distinct from those of management and labor, should be fixed and not variable as at present. We, however, merely report this suggestion and do not deal further with it. Other suggestions dealing more directly with the regulation of industry and modifications of, rather than fundamental changes in, our industrial system have received much consideration at our hands.

#### RECOMMENDATIONS.

We have repeatedly referred to the spirit of antagonism that has sprung up—the hostility to capitalism and the employing class on the one hand, and the too prevalent hostility to trade-unionism on the other. To adopt a common platitude, but one that nevertheless emphasizes a most important truth, we feel that what is wanted is a new spirit; a more human spirit, one in which economic and business considerations will be influenced and corrected, and, it is hoped, will be eventually controlled by human and ethical considerations. To bring this about it must be realized that the main cause of unrest lies deeper than any merely material consideration, that the problem is fundamentally a human and not an economic problem. Theoretically, industry is carried on by the cooperation of capital and labor; in practice it is carried on by a system of checks and balances, one in which the equilibrium is easily upset by a little additional momentum on one side or the other. It often appears as if it were the resultant of the constant conflict of forces rather than of a cooperative effort.

A new spirit of partnership is therefore essential. The precise mechanism of that partnership, especially its details, can be left to be invented and developed at a later stage under the influence of the new spirit. It must be a growth from within, not something imposed from without, and it will doubtless take different forms in different industries and possibly in different localities also. But there should

be a clear perception at the start of at least the leading principles on which that partnership or cooperation of the parties engaged in industry is to be based.

Two such principles, if we may so call them, appear to us to be fundamental:

(a) That the present system should be modified in such a way as to identify the worker more closely with the control of the industry in which he is engaged.

(b) That every employee should be guaranteed what we may call "security of tenure"; that is, that no workman should be liable to be dismissed except with the consent of his fellow workmen as well as his employer.

The frank acceptance of these two principles would, we believe, constitute such a recognition of the personality of the worker as would instantly appeal to the better and nobler side of his nature, and would furnish a strong and steady stimulus to the development of a sense of responsibility within him. It would tend to remove the impression which so widely prevails in the ranks of labor that, to the ordinary employer, labor is but a commodity to be bought cheap in the same way as its output is to be sold dear.

If we may adopt the language of political philosophy it would give industry a large measure of constitutional government in place of what in theory was an autocratic and absolutist system, but has long since ceased to be so in practice.

The modification of the present system which we suggest with a view to identifying the worker more closely with the control of the industry in which he is engaged is a modification for the adoption of which industry has been in many ways prepared by the changes brought about during the war. The trade-unions have time and again been called in to cooperate with the Government in giving effect to decisions jointly agreed upon between them. The whole of the trade-card scheme was in principle a devolution of certain self-governing powers by the State to the industries concerned. Labor as such has been represented on an infinite variety of committees, both central and local, and has amply justified the trust so reposed in it. With a view to the prompt settlement of disputes and discussion of differences—vital at all times, but infinitely more so during the war—a steadily increasing use has been made during the last three years of joint committees of employers and employed, and of joint conferences for the discussion of difficulties, and with the happiest results. Outstanding instances of this came under our notice with reference to dock labor at Swansea and Newport, but there were many others. These new relations, this method of common conferences, must be maintained and extended. Means should be evolved, gradually and experimentally it may be, but steadily and consistently all the same,

for enabling the workers to participate in the control of those conditions of work which most vitally affect themselves.

In view of the growing distaste for Government and departmental interference, including even official inspections, the trend of feeling on the side of both employer and employed is strongly in favor of leaving all matters in difference to be settled between the parties concerned rather than by any external authority, and obviously this can only be done by the method of common discussion which necessarily includes in our judgment the far closer identification of the worker with the future in the control of his industry than has been the case in the past. As to the measures to be adopted to secure this end, we have already suggested that they should develop naturally, out of existing institutions so far as possible, and that they should possess considerable elasticity.

We shall now pass on to the consideration of what machinery now exists for this purpose and how it can be developed and improved.

(a) TRADE-UNION AND EMPLOYERS' ORGANIZATIONS.

All who appeared before us were agreed as to the advantages of both employers and employed being thoroughly well organized. That this should be so is essential. Both sides should be able to act collectively—the trade-union in the name and on behalf of all the workers concerned: the employers' association on behalf of all the owners. We, therefore, recommend:

(1) That it should be a statutory obligation on all workmen to belong to a recognized union of their particular industry, in other words, that this should be a condition of employment. Without compulsory unionism there can be no stability in industry.

(2) That at least in certain industries, especially large-scale industries, all the employers engaged in a particular industry should belong to an employers' association, or if not, they must accept the terms and conditions agreed upon by such an association.

(3) That where more than one union exists in any particular industry, an effort should be made either to amalgamate or to federate them, so that there should be one organization to act and speak for the men as a whole. "One industry—one union" is, generally speaking, the most satisfactory arrangement. It eliminates all disputes as to demarcation and overlapping, and reduces the possibility of divided counsel and sectional jealousies on the part of the men. Where amalgamation is impossible, trade-union subscriptions should be made uniform, so that "poaching" be discouraged. In certain classes of industry, industrial unionism—that is the organization in one union of all the workers in that industry—is not only easy of accomplishment, but is essential. That is obviously the case with

coal miners, seamen, and railway men. In more complex industries, e. g., the metal industries, this is more difficult, and in such cases means might be devised for federating the various craft unions. Even with industrial unionism, i. e., the "one union" scheme, there could well be, and indeed probably should be, sectional representation of the various crafts and grades of workers in the collective body.

(b) **CONCILIATION BOARDS.**

We are not in favor of compulsory arbitration, but believe that the method of conciliation is capable of great extension. Efforts should be made without delay to establish conciliation, arbitration, or wages boards in all industries which do not possess such at present, such as the spelter, copper and chemical industries in the Swansea district, the baking industry, all dock labor, ship repairing, gas workers and municipal employees. Wherever possible one conciliation board for the whole of the particular industry throughout south Wales is preferable to a separate one for each works or town.

As to the existing conciliation boards, e. g., in coal mining and railways, their machinery should be improved with a view to securing greater promptness in dealing with disputes. The more concentrated geographically an industry is the easier it is to avoid delay, but all obstacles to prompt action should be removed. Such delays as at present occur are for the most part due to the fact that the representatives both of employers and workers are usually very busy men, and find considerable difficulty in arranging mutually suitable dates for inquiring into and arbitrating upon grievances. We do not offer proposals for meeting this difficulty. The matter is one for domestic adjustment. In our judgment, however, it is highly essential that means should be devised for the speeding up of the machinery of conciliation, and in every case where the parties may fail to agree they should at once voluntarily submit their differences to arbitration.

(c) **INDUSTRIAL COUNCILS.**

Conciliation boards have, as the name implies, limited themselves mainly and perhaps too exclusively to the settlement of disputes and the fixing of the general rates of wages. They rarely, and perhaps in some instances not at all, meet to consider any questions of general interest to the industries at large, but the feeling has grown up of recent years that means should be devised for insuring consideration of questions of common interest by representatives of the workers assembled in common council with the management and owners. We have invited opinions from witnesses with reference

to the proposals for the establishment of joint standing industrial councils made in the report of the Whitley committee. Quite a large number of witnesses drawn from the ranks of both employers and employed have declared themselves in favor of the principles underlying its recommendations.

The representative of the North Wales Coal Owners' Association reported to us that his association, after considering the report, had agreed that the experiment of establishing such councils is one well worth trying. The South Wales Coal Owners' Association had asked three of its members to consider the report and present their views thereon to us. Unfortunately only one of them was able to attend before us for this special purpose, and he had been unable to meet his colleagues to discuss the matter. His view, however, and we have reason to think that it would substantially represent those of his colleagues, was that the situation after the war in the coal-mining industry would be so full of peril, and the relations between the parties so strained, that it would be absolutely essential to try some experiment on the lines of the Whitley report. This might be said to be a counsel of despair, still the witness in question had no better suggestion to offer.

Indeed he recognized that in the existing machinery of joint committees for the purpose of the Minimum Wage Act, and any other joint committees established during the war, as that for dealing with absenteeism, there existed at least a germ of such an organization as is outlined in the Whitley report. Up to the time of submitting our report no statement has reached us with reference to the proposed councils from the South Wales Miners' Federation. This was probably due to the pressure of other work at the meeting of their executive council, on the agenda of which we understand the matter had been put down for consideration. A series of resolutions bearing on the subject has, however, reached us from the South Wales Branch of the National Association of Colliery Managers. The more important of these represent:

(a) That though there was a diversity of opinion as to whether some of the suggestions if adopted would be instrumental in attaining the desired effect, it was the unanimous opinion that several of the suggestions would tend to a permanent improvement between the relations of employer and employed.

(b) That the coal-mining industry is at present so highly organized that any machinery for the proper working of any joint scheme for the attaining of better relations could be easily set up.

(c) That the joint councils suggested in the report are the best means of securing a better relationship, but that some of the questions suggested for their consideration should not be relegated to them.

The view put forward by the coal owners' representative that the extreme gravity of the situation necessitated an experiment of the kind was also adopted by the colliery managers in the following resolution:

That although working under the stress of war and with the consequent difficulties arising therefrom, this matter should not be unduly delayed but dealt with promptly.

They further pointed out that such councils could be of great assistance in meeting difficulties consequent upon demobilization.

A still more emphatic and significant approval of these principles was given by a representative of the Cardiff Master Builders' Association, who brought to our notice the draft scheme for a builders' national industrial parliament.

There was, however, one striking exception to the general indorsement of the proposals of the report; the owner of a large steel and tin-plate works, well known for his interest in the welfare of the workers, expressed very strongly his own personal view that the establishment of such councils would be fraught with much danger. He thought that in his own industry it would tend to the manufacture of grievances on the part of the men's representatives on such a council. Being elected presumably by their trade-union or lodge they would wish to be able to report that they had succeeded in winning concessions for them on the councils, and as the result of desiring to report something at each such meeting they might be led more or less unconsciously to make much of, if not actually to manufacture grievances. We think on the whole that this view is probably governed too largely by the idea that like the conciliation boards the main function of these councils would be to consider grievances. The report itself, however, makes it sufficiently clear that other questions should bulk far more largely among the duties of such councils, and that in so far as wages, for instance, are concerned the councils should limit themselves to the consideration of general principles rather than the actual fixing of definite rates.

We are ourselves of opinion that the machinery of the proposed threefold councils—works committees, district councils, national councils—would provide the means for the developing of the policy we have already advocated of identifying the worker more closely with the control of his particular industry. We therefore gladly adopt the main principles underlying the whole of the report and believe that the adaptation and extension of the existing machinery in the coal-mining and metal industries on the lines therein recommended would be likely to contribute very substantially to improved relations.

It is not expected that any particular works committee or district council would immediately endeavor to undertake the consideration

of all the matters which are enumerated in section 16 of the report. Most would recognize that they could do better work by devoting their attention to a limited number of subjects, though in course of time and as occasion would arise they could extend and vary the scope of their deliberations and activities. We shall indicate later on, more especially in dealing with the mining industry, a certain number of subjects which we think should from the start be delegated to the local or colliery committees. One, however, is of sufficient importance to be specially mentioned at this stage. We have expressed a view that no employee should be dismissed without the consent of the workers as well as the employers. We think that the consent of the workers on a matter of this kind should be ascertained through the joint standing council of the particular colliery or works. The intrusting to the council of such a highly important duty at the very start would contribute immensely to giving its members a sense of responsibility.

In our judgment the appointment and dismissal of all colliery firemen, examiners and deputies should also in future be intrusted to those joint committees. Their duties as defined by statute (Coal Mines Act, 1911, s. 14) are to inspect the state of the mine as to the presence of gas, ventilation, state of roof and sides, and its general safety. To discharge these duties impartially, it is desirable that neither their original appointment nor their dismissal should be at the sole will of either employer or employed, but inasmuch as the safety of the mine is a matter of common interest, the guardians of that safety should be chosen by the joint vote of both parties. We contemplate that in future the duties of examiners should be strictly limited to that of looking after the safety of the mine.

#### (d) ENFORCEMENT OF AGREEMENTS.

Owing to the frequency during recent years of sudden stoppages and "down-tool" strikes in certain localities, more especially in the coal field, suggestions were made to us by employers and officials in favor of rendering the trade-unions liable in damages for the losses resulting to the owners from such action. At present, the owner's remedy is to sue the offending employees individually for damages in the county court or a court of summary jurisdiction under the Employers and Workmen's Act, 1875. We see no reason for recommending any alteration in this respect. The prevention of such strikes—recognized by most people to be, as a rule, if not always, indefensible, can best be secured, however, not by frequent appeals to courts of law or by the assumption of a too legalistic attitude on the part of employers toward their men, but by the fullest possible recognition of the authority of the trade-unions as the proper court for disciplining its own members in respect of breaches of agreement,

as well as for other misconduct of a like nature. We do not suggest the particular form which such disciplinary measures should take, but feel convinced that the more the trade-union is looked to for the exercise of such powers it will discharge that function both justly and effectively. The establishment of the joint industrial committees would also in most cases provide an important check on the disposition to "down tools" without the previous submission of every supposed grievance for the consideration of the such committees.

As all these sudden stoppages are decided upon without consulting the union officials, still less the executive council of the Miners' Federation, their occurrence often is cited as an illustration of what is regarded as a growing tendency on the part of the men to repudiate their leaders. Such repudiation is, however, not so prevalent as is sometimes represented; indeed it is of exceptionally rare occurrence. The functions of the executive council are somewhat strictly defined, and it has plenary powers only in so far as is conferred on it by the rules of the federation or specially intrusted to it by the general conference of delegates from the lodges. The seat of all authority is therefore the conference and not the executive council. It is true that from time to time the executive council recommend certain measures or a certain policy for adoption by the conference, but it is recognized that the conference is perfectly free to adopt or reject them as its members may see fit, and that this rejection is by no means equivalent to a vote of no confidence in the executive council collectively or its members individually. It would be difficult to cite an instance in which any decision or act of the council as to which it has plenary executive power has been repudiated by the men.

(c) **EQUALIZATION OF WAGES.**

As we have already pointed out disparities of wages in similar occupations constitute a very important cause of discontent. The differences usually arise because some work easily lends itself to the application of the principle of payment by results—a principle which certain Government departments are endeavoring to apply more generally—whereas a day wage system alone is practicable in others.

In our judgment some effort should be made by the employers or the trade-unions, or by both jointly, to remove as far as possible the chief disparities. This may be done in some industries by abolishing the system of subcontracting whereby one man may possibly obtain wages in excess of those paid to half a dozen more men of very little less skill than himself who act as his assistants. We have been urged to recommend the abolition of the piecework system and the adoption of a system under which every worker will receive a day wage based not on the value of his work but on an approved standard of life. This, however, we do not feel justified in doing.



(f) **DECASUALIZATION OF LABOR.**

We have already referred to the fact that the casual character of employment in the shipyards and around docks is a factor which contributes to unrest, and we desire strongly to recommend that methods should be devised for regularizing such employment, partly, perhaps, on the lines of arranging for the interchange of any surplus labor between various departments and firms at such centers of industry.

(g) **A SHORTER WORKING DAY.**

The need for a shorter working day in industries where the work involves considerable strain on the men has been recognized by the enactment of the Miners' Eight-Hour Act. The effect of this measure has been most beneficial, and we believe the time has come when similar legislation should be enacted for limiting hours of work in other industries. We do not propose to make any specific recommendations as to the length of the working day in different industries or to enumerate all the industries in which shorter working days are necessary. We desire, however, to mention the cases of railway men, spelter workers, and surface workers other than those handling coal at the mines.

(h) **IMPROVED CONDITIONS OF WORK.**

Much progress has been made during the war in regard to employers' welfare work, and at many factories engaged in the manufacture of munitions of war, a variety of institutions for the improvement of the conditions of the workers at their employment have been set up. We are convinced that further development along these lines will prove of great advantage in establishing better relations between the workers and their employers. In our judgment, if greater regard were paid by employers to the health, safety and comfort of their employees, industrial troubles would be far less frequent and the expenditure incurred in carrying out such improvements would be recouped by the increased efficiency of labor. In many cases, however, the whole of the cost of such welfare institutions would not need to be borne by the owners of industrial concerns; in some instances, if the employers manifest a good spirit, the men will respond and will themselves bear their share in the establishment of better working conditions. The provision of baths at mines and factories, of messrooms, of canteens, of overalls for men and women employed in dirty occupations—these are some of the improvements which, in our judgment, ought to be set up wherever practicable.

In connection with canteens, we desire to state that we have received singularly little evidence of any resentment on the part of the men against the imposition of restrictions on the sale of liquor. Only one witness referred to the subject, and in the instance quoted by him the need was felt only by the dock laborers employed at the Swansea docks in the unpleasant task of unloading calamite and other ores. To meet such special cases we think it desirable to establish canteens near the place of employment and possibly to permit limited departures from the specified times of opening.

Closely related to the question of improved working conditions is the question of workmen's train facilities, especially in colliery districts. Some of the trains provided for the conveyance of men to and from work are of a most unsatisfactory character, the men being herded in the coaches with no regard for health or comfort. Many of the trains are not heated in the depth of winter, and the dangers to the health of the men, traveling in cold, draughty coaches in a damp and perspiring condition, is a source of much irritation and discontent. This is much accentuated in cases where the men have to wait a considerable time for their trains at bleak stations often without shelter of any kind and without any means of heating themselves. In our view the provision of better facilities for traveling to and from work in the colliery districts would improve the relations between masters and men.

(1) **IMPROVEMENT OF HOUSING CONDITIONS.**

It is clear from the large amount of evidence received that unsatisfactory surroundings and the inadequacy of housing accommodation in Wales and Monmouthshire, and especially in the south Wales coal field, is a factor of great importance in the causation of unrest. It is estimated that the shortage of houses in the period immediately preceeding the war was between 40,000 and 50,000, and owing to the practical suspension of building operations since the war the position is becoming daily more serious. We recognize the great difficulty of carrying on housing schemes under present conditions. In our opinion, however, the matter can not be ignored and we therefore strongly recommend action on the following lines:

(1) In certain areas where an abnormal shortage of dwellings exists facilities should be provided for enabling local authorities and other approved agencies to proceed immediately with the erection of dwellings, a substantial measure of Government assistance by way of grant being made to cover all or part of the extra cost necessitated by the operation of war conditions.

(2) The Government should also without delay urge local authorities and other agencies to prepare town planning and housing schemes to be carried into effect immediately after the restoration of peace, and should make an immediate statement as to the terms on which State loans for the purpose will be available.

(3) The Government should, too, either directly or through the medium of some approved body subsidized by the State, proceed forthwith to organize house-building schemes, and to stimulate and assist local authorities and other agencies to prepare plans and schemes to be carried out after the war.

**(j) IMPROVED EDUCATIONAL FACILITIES.**

We have referred in an earlier portion of our report to the lack of proper educational facilities as a condition making for industrial unrest. Lack of knowledge in regard to the social conditions of the workers and inability properly to appreciate the industrial and political issues involved in questions of daily importance are both expressed in the form either of sullen discontent or open rebellion. Evidence has been brought before us to show that the workers view with alarm the shortage of teachers and the consequent failure of the local authorities to provide proper education for the children.

The need for uniform methods of adolescent and adult education has also been urged upon us. We would suggest that continued education should be further extended, that the scope of studies should be widened to include courses in subjects bearing upon the duties and privileges of citizenship, and that due attention should be paid to proper physical development. We would further suggest that the university is the proper medium for the education of the adult, and that university tutorial classes should be established in every center of industry in Wales in which political economy, industrial history, and such other subjects as bear upon the conditions and interests of the workers, can be studied impartially under the guidance of skilled and recognized authorities.

**(k) RESTORATION OF PREWAR CONDITIONS.**

We have to report the existence of a deep-seated fear lest the restrictions on liberty necessitated by the war, and especially those which limit the freedom of industrial organizations, may not be removed when peace is restored. The psychological effect of such a feeling is most profound and we believe that, although possibly not fully and freely expressed, this may be a potent and ever-present factor in the creation of unrest. We therefore strongly recommend that the Government should reiterate in clear and unequivocal terms:

(1) That all measures enacted by Parliament for the safety of the State and the organization of industry for war purposes such as the Military Service Acts, the Defense of the Realm Act, and the Munitions of War Acts should be repealed at the earliest possible moment after the restoration of peace.

(2) That all the rights and privileges of trade-unions which have been suspended during the war shall be restored immediately after the restoration of peace, except in so far as the trade-unions themselves may otherwise desire.

(1) **PROFITEERING.**

In dealing earlier with the causes of unrest, we stated that one of the factors which brought about the coal strike of 1915 was the suspicion that a portion of the community was exploiting the national crisis for their own profit. Numerous events have since occurred which, to the minds of the workers and the public generally, appear to confirm the suspicion. The accounts in the press of the constant rise in freights, the huge prices obtained for ships, the high price paid for small parcels of coal, the activity of the stock and share market, especially as to collieries, and the formation of combines, notably in coal, but also in ship repairing, and to some extent in shipping—all lent color to this view. Even the wave of philanthropy that swept through the business community, and the repeated announcements of large contributions to war charities and hospitals, and to educational institutions, had the same effect on the public mind. Still more so, perhaps, the ostentatious parade of wealth and fashion in the streets of Cardiff, Newport, and Swansea. More recently public resentment has been more particularly directed toward all and sundry who are supposed to be making excessive profits out of the food supplies. We have been largely baffled in our efforts to discover who and what causes are really responsible for the great increase in the cost of our food supplies. We have, however, succeeded to the extent of eliminating certain possibilities and so narrowing the field still to be explored. As a result of the most searching examination that we were able to make, we are unable to find evidence of any considerable profiteering on the part of the retail trade generally, nor do we think, for reasons to be stated presently, that any large part of the increase is attributable to excessive freight paid to shipowners. In so far as bread is concerned, we have similarly to exonerate bakers, but we were unable to obtain any evidence from millers and wholesale grain importers. It has been suggested to us, and we are inclined provisionally to adopt the view that the major part of the increased cost of food is due in part directly and in part indirectly to the destruction of tonnage by enemy submarines.

The great bulk of the British mercantile tonnage is requisitioned by the Government at prewar rates of freight, although since the commencement of the war the cost of repairs has trebled, the cost of marine insurance, inclusive of war risks, and also the cost of stores and provisions have increased in the same proportion. As a result we are informed that the total profit for 1917 of a fleet of steamers, requisitioned by the Government, will not exceed one-fifth of the prewar profits or datum line of 1912-13.

Neutral tonnage on the other hand is being chartered at 50 shillings [\$12.17] per ton per month, as against 6 shillings 6 pence [\$1.58] per ton per month paid by the Government to British ship-owners under requisitioned conditions. Most of the food is brought into this country by British-owned steamers at the above requisitioned rate and it is authoritatively stated that freights only account for three-fourths pence [1.5 cents] in the price of the 4-pound loaf and 1 pence [2 cents] per pound in meat. The price of wheat, however, at its export source has doubled since the war. The cost of insurance also against war risk has increased enormously since the submarine peril became acute and its effect is to double the already increased export price of wheat. Thus Lloyds now demand 25 per cent for war-risk insurance on a three months' voyage, and though the Government does not actually pay premiums for insuring its requisitioned shipping it has to see that its risks are covered and its losses recouped. The effect of a 25 per cent war-risk insurance on a cargo worth £50,000 [\$243,325] carried in a ship worth £150,000 [\$729,975], that is a total of £200,000 [\$973,300], with superadded cost of insurance £50,000 [\$243,325], is to double the cost of the cargo. If this be the method adopted by the Government then we think it has the effect of placing on the cargo, that is on the food supplies, the cost of war-risk insurance, which, however, in our judgment ought not to be borne by the cargo but should be regarded as general war expenditure and should be met accordingly.

So supremely urgent is the need of reducing the cost of food from the point of view of preventing the spread of unrest, apart from other considerations, that we desire to represent the urgent necessity of immediate action on the part of the Government with the view of reducing the cost of food and of effectually stamping out all profiteering in connection therewith wherever it may be found. We also recommend that—

(a) All excess profits derivable from the sale and distribution of commodities for home consumption should henceforth be appropriated by the Government, so that the incentive to charge inflated prices for such commodities be removed;

(b) That the Government should, in so far as possible, purchase all imported food supplies direct from the producer, or at least in the country where produced, and convey them to this country in ships requisitioned for the purpose; and

(c) Where this is not practicable that the Government should take over all food supplies at the port of landing in this country, and in any case should fix the prices to be charged by wholesale dealer, middleman, and retailer respectively in respect of each article, as has already been done with reference to cheese.

While we recommend the total appropriation of all excess profits made from the home consumer, we believe a different principle should be adopted in the case of trade with foreign countries and that every encouragement should be given to the bringing of wealth into this country.

It has been suggested to us that at present the business man trading in foreign markets is restricted to such an extent by Government departments that he can not develop his business to meet the very heavy taxation. He is unable, it is said, to make or invest any further capital because, however successful he may be, the 80 per cent to 95 per cent excess war profits tax with the income tax added, leave him, possibly, with an actual loss for his risk and labor.

It has been further suggested that it must be of the utmost importance to the nation's welfare that shipowners, coal owners, and others should be encouraged rather than discouraged to do everything possible "to bring wealth into the country"; that the Admiralty, Board of Trade, and other departments should peremptorily be instructed by the Government to do all in their power to assist the commercial classes to this end, and that some business men should be appointed on advisory or other committees to see that this policy is carried out.

Without necessarily adopting this view in its entirety it is in our judgment most essential that every possible encouragement should be given to wealth-producing departments and industries and that a strong check should be exercised on spending departments. The wealth which it is desired to create or bring into this country by these means is not only required for prosecuting the war, but also to help in maintaining our commercial supremacy after the war, and more especially that of our mercantile marine.

#### (m) OPERATION OF MILITARY SERVICE ACTS.

The imposition of military service on the civil population has naturally given rise to a considerable amount of disquiet, but on the whole the fact has been loyally accepted as a national necessity. Where manifestations of unrest have been of a general character

they have arisen because of some injustice, real or assumed, in the administration of the measures. Amongst other factors which have led to discontent the following should be mentioned—

(1) Resentment against the classification by medical boards of men notoriously unfit in medical categories which render them liable for active service, and against the calling up of such men by the military authorities. This resentment is very widespread, and we desire to urge that greater care should be taken both by the medical boards and the recruiting officers to secure an improvement in this respect.

Another matter closely related to this to which our attention has been drawn by more than one witness is the treatment to which men are subject while undergoing medical examination. Instances have been brought to our notice where men, absolutely nude, have been kept waiting for long periods in cold and draughty corridors or ante-rooms. We do not think that men should be subjected to such indignities and inconvenience, and we desire to recommend that more satisfactory conditions should be arranged.

(2) Frequent complaint was also made of the unfairness of calling up married men from mines and factories whilst single men are sheltered, and also of the injustice of combing out old employees whilst leaving newcomers free.

(3) The system of exempting men in various industries has also been severely criticized. The withdrawal in May of this year of the trade-card system, which was only instituted and agreed to in November, 1916, has been viewed with disfavor by the Amalgamated Society of Engineers, which organization we were informed had spent about £10,000 [\$48,665] on the issue of cards. Except from this body, however, no complaint has been made to us on behalf of any other union. Some amount of misapprehension has been caused by the new scheme for the release of men from the munition factories for service in the army. Under this scheme two forms of exemption certificates are issued to all employees of military age in munition works. Certificate A.F.W. 3476e, entitled "Scheduled occupation certificate," is issued to men protected from military service under the schedule of protected occupations. Certificate A.F.W. 3476b, entitled "Certificate of protection," is issued to men not so protected. The title of the latter certificate, however, is misleading, and has caused a considerable amount of misapprehension in the minds, not only of the men, but also of members of tribunals. The withdrawal of the latter certificate, we are informed, would remove a prolific source of irritation.

(4) Complaints have also been received of intimidation exercised by officials in protected industries. At some works men are threat-

ened that they will be released from the industry if they persist in their trade-union activities, or if they resent the imposition on them of some injustice. We can not too strongly condemn actions of this kind, and recommend that such intimidation should be made a punishable offense.

(n) **OPERATION OF MUNITIONS OF WAR ACT.**

The difficulties in connection with the operation of the Munitions of War Acts arise mainly from the fear of industrial conscription, dislike of the leaving-certificate system and the introduction of dilution. The first two of these grievances are closely related and we believe that the fear of industrial conscription can not be removed until the leaving-certificate system is entirely abolished. In our judgment the time has now arrived when the restrictions on the freedom of workers in such matters as that of changing their work should be removed. We, therefore, strongly favor the abolition of leaving certificates, the early dissolution of munitions tribunals, and the repeal of the penal clauses of the Munitions of War Acts. It has also been represented to us that greater care should be taken in introducing substitutes into various industries, and that steps should be taken to consult and call in the aid of the trade-unions when the dilution of labor is thought desirable.

(o) **REEMPLOYMENT OF DISCHARGED SOLDIERS AND SAILORS.**

Growing resentment is felt among the workers against the failure of the Government or of the employing classes to make adequate provision for the training and employment of men discharged from the army and navy. We therefore desire to emphasize the importance of making early and adequate provision whereby such men may be absorbed into industry and their prewar economic positions be restored to them.

(p) **PENSIONS AND SEPARATION ALLOWANCES.**

There is a pressing and urgent need for the provision of adequate allowances for discharged soldiers' and soldiers' dependents. The separation allowances as well as the pensions granted to widows and dependents are, owing to the great increase in the cost of living, quite inadequate to provide families with a reasonable standard of living, and much misery is caused amongst soldiers' families owing to lack of means. Moreover, much discontent is caused by the inability of the local pensions committees to deal with cases where local knowledge is essential. Considerable hardship is, for example, occasioned by the fact that separation allowances are based upon pre-



war dependency, that the committees are prevented from assisting the dependents of soldiers who become ill while home on leave, from distributing grants to men in receipt of temporary pensions and from assisting men transferred to class W, whose allowances are stopped on their return home, and whose families have no means of subsistence until the first week's wages are brought home. Such men have—in coal mining—to wait often a fortnight before receiving any wages. It is felt that provision should be made for the soldier and his family in such a manner as to enable these men to enjoy a few days' rest before resuming work. It is felt, too, that sickness grants should be payable to wives and dependents in special cases when extra expense is involved. Cases such as the foregoing can only be decided by local committees possessing the necessary knowledge, and in our judgment the local pensions committees should have greater powers conferred on them in order that they may exercise their discretion in deciding cases where a knowledge of the local circumstances is essential.

**(g) IMPROVED GOVERNMENT MACHINERY FOR THE SETTLEMENT OF DISPUTES.**

We strongly recommended that immediate steps should be taken to centralize all the Government agencies dealing with labor in one department, say the Ministry of Labor, and that the local representatives of such department should have a larger measure of authority to deal with matters submitted to them without reference to headquarters.

Delays in the settlement of disputes, especially when such delays as usually happen are accompanied by the ultimate granting of the original demand, are dangerous, and we think that, instead of all disputes being referred to London to be decided after considerable delay most probably by men who are not conversant with the conditions prevailing in any industry, some simple machinery should be set up to deal locally and promptly with matters at issue between the employers and men as they arise. We favor the delegation of the powers possessed by the committee of production for settling disputes to a special court for Wales which shall consist of persons possessing a practical and intimate knowledge of the industries involved and which shall be granted powers for the enforcement of the awards. It is desirable that Government departments should interfere as little as possible with any arrangements made between employers and men either directly or through the medium of other Government departments and that when such interference is necessary any differences should be adjusted with the minimum amount of delay.

(r) **RESTORATION OF OLD INCOME-TAX BASIS.**

The lowering of the income-tax basis from £160 [\$778.64] to £120 [\$583.98] has, we find, caused a large amount of discontent amongst various classes of workers in south Wales, and there is reason to believe that unless the old basis is restored organized resistance will be offered to the collection of the taxes imposed on the lower basis. The South Wales Miners' Federation has pressed the Chancellor of the Exchequer for the restoration of the old standard of assessment, but without avail. The workers contend that the present equivalent value of a prewar wage of £120 [\$583.98], the point at which taxation commences, is only £60 [\$291.99], while a prewar wage of £160 [\$778.64] would be equivalent to about £80 [\$389.32] to-day. It is claimed that the latter basis is sufficiently low for taxation purposes.

In view of the serious situation that is likely to arise if the demand of the workers in regard to this matter is refused, we recommend that the old basis of £160 [\$778.64] should be restored.

(s) **AMENDMENT OF WORKMEN'S COMPENSATION ACTS.**

Witnesses representing the mining industry have advocated the following amendments in the Workmen's Compensation Acts:

(1) That every workman if totally incapacitated by accident should receive as compensation a sum equivalent to his full earnings before the accident.

(2) That every workman who is partially incapacitated by accident, or who has so far recovered from total incapacity as to be able to undertake light employment, should be paid as compensation a sum equal to the difference between his earnings before and after the accident.

We report these suggestions but do not submit any recommendations with reference thereto.

In view of the increased cost of living, we think, however, that the maximum weekly compensation of £1 [\$4.87] payable under the compensation acts has now become inadequate, as the purchasing power of that sum is so greatly reduced. We recommend that the above maximum limit be entirely done away with, and that power be given to the courts, on application, to vary all existing orders with a view to making them adequate to cover the increased cost of living of the injured workmen, subject, however, to the proviso that they should not exceed the amount of the earnings previous to the accident.

(t) **PROVISION OF EMPLOYMENT IN CERTAIN AREAS.**

Much discontent exists in the anthracite and bituminous mining areas of west Glamorgan and east Carmarthen owing to the unem-

ployment arising from lack of shipping facilities. The port of shipment for coal from these districts is Swansea. Since the war there has been a great scarcity of tonnage at this port due in part to the diversion of boats to the port of Cardiff for the shipment of admiralty coal. It was represented to us by leading commercial men in the Swansea district that the congestion of shipping at Cardiff and Barry, with the resultant delay, could be avoided if greater use were made of the shipping facilities existent at Swansea.

The cost of exportation would be increased, if at all, only very slightly, while, it was claimed, a considerable saving of tonnage would be effected which would tend to ease matters in the adjacent colliery districts. The South Wales Miners' Federation, too, are greatly concerned over the unemployment that exists and suggest that the Government should provide facilities by way of subsistence allowances and cheap train fares to enable the unemployed men to be absorbed into the mines in the more favored parts of the coal field.

We are only able to report these suggestions without necessarily indorsing them.

#### (u) REDRESS OF MINOR GRIEVANCES.

In the present highly nervous state of the population grievances of an apparently trivial nature assume large proportions and frequently, unless dealt with, lead to serious trouble. In our judgment, therefore, it is essential for the maintenance of industrial peace that an effort should be made to deal with minor grievances as well as with those of a more important character. Among such grievances may be mentioned the following:

##### (1) TAXES ON ENTERTAINMENTS.

A number of witnesses have mentioned this as being a source of some irritation, especially in cases where amusements are organized for purely educational purposes and not for profit making. We recommend that the taxes on lower-priced tickets, say those below 1 shilling [24 cents], should be abolished.

##### (2) CHEAP TRAVELING FACILITIES.

Strong representations have been made to us by influential bodies representing both employers and men in favor of the provision of cheaper traveling facilities. The increased prices, it is claimed, restrict traveling only by the lower-waged and harder-worked manual laborers who stand in especial need of occasional holidays. The evidence seemed to us to demonstrate clearly that the imposition of higher fares has pressed hardly on such classes, and we recom-

mend that, in view of the fact that railway congestion has to a considerable extent been relieved, fares should be restored to their pre-war level, or, if this is found impracticable, that special arrangements for cheap traveling should at any rate be made during specified periods.

(3) RIGHT OF FREE SPEECH.

We have had no evidence that the great majority of the workers have any sympathy with pacifist views, nevertheless when cases come within their knowledge in which conscientious objectors have been harshly treated, even those who have no sympathy with the pacifist attitude show considerable resentment with the harsh treatment meted out. Much irritation, particularly at Llanelly, Port Talbot, and Cardiff, has been caused by this and by the injudicious handling of public meetings. We suggest that people holding unpopular views should not be singled out for differential treatment either by the military and police authorities or by local councils. It is further desirable that full police protection should be afforded as much to the promoters of unpopular meetings as to those of a less disturbing character, as it is essential to preserve as far as possible, and in so far as the safety of the State will allow, freedom of speech and the right to criticize public action. All encroachments upon this right are very jealously watched by the workers and are a source of much disquietude.

(v) RECOMMENDATIONS APPLICABLE TO SPECIAL INDUSTRIES.

Apart from the recommendations of a more general character made above we desire to submit the following suggestions for the improvement of conditions in special industries:

(a) MINING.

1. Many of the price lists for pieceworkers operating in the collieries of Wales were prepared many years ago, when conditions were quite different from those which prevail to-day. In large numbers of cases the lists have become obsolete and allowances have to be made to supplement the list rates. Much trouble arises over these allowances as the men frequently dispute the fairness of the additional payments proposed to be made to them by the managements. There does not seem to be any particular reason why the lists should not be revised, except that in some districts the making of new lists frequently leads to friction and stoppages of work. In our judgment, however, this possibility is of less importance than the recurring and irritating disputes which arise over the question of the adequacy or

inadequacy of allowances. We, therefore, recommend that an effort should be made in the direction of modernizing and standardizing colliery price lists throughout the Welsh coal field.

2. In south Wales price lists do not usually provide for the payment of the miners for small coal brought out of the collieries. Such coal was formerly regarded as of very little value, and in order to discourage its production the owners adopted the policy of paying for large coal only. During the past 30 years, however, its value has increased from about 2 shillings 6 pence [60.8 cents] per ton to about 17 shillings [\$4.14], and although the payments to the men for cutting large coal are supposed to cover what they lose through non-payment for small coal, the men feel deeply aggrieved. We recommend, therefore, that some direct method of payment for small coal should be adopted. Our proposal is that all price lists should contain alternative prices for "large" coal and "through" coal (that is, large and small combined), and that if the proportion of small coal exceeds, say, 30 per cent of the whole, the men shall have the right to be paid on the "through coal" basis, whereas if the percentage is below 30 per cent, the owners shall have the option to pay on the "large coal" rates.

3. A third matter which causes much dissatisfaction, especially at the present time, is that of delay in the delivery of house coal to miners. By agreement miners are privileged to receive at reduced rates periodical supplies of coal for their own consumption. For various reasons considerable delays continually occur in the delivery of these supplies, with the result that the men feel very discontented. The difficulty is one which can be dealt with only by the coal owners themselves, and we feel sure that if the matter is brought to their notice action will be taken to improve the organization of delivery.

4. Much trouble has arisen in several collieries in south Wales during recent years owing to the men insisting on leaving the mines when a fatal accident has occurred, and legal proceedings have been instituted against the men for so doing. We are convinced that the feeling of the miners in this matter is very deep-seated, and that any attempt to suppress the practice by resort to legal machinery can have the effect only of irritating the men without achieving any good result.

5. Recently considerable progress has been made in regard to the organization of colliery examiners and other officials, and much information has been placed before us as to the conditions under which these men work. We find that the rates of wages paid vary considerably from colliery to colliery, and that these disparities conduce to disaffection amongst those who are lower paid. In our judgment it is desirable that more uniform payments should be arranged, and we recommend that wages boards be formed to deal with this

matter. It is essential, however, if the boards are to be successful that the men should be secured the right to organize and that the officials of their unions should be recognized by the employers.

6. Various other matters affecting colliery workers have also been brought to our notice, upon which we do not propose to express an opinion. We think these are subjects which may properly be referred for consideration to the industrial councils. As examples we may mention—

(1) The right of the men with the employers to select an equal number of the workers engaged in carrying out tests in new seams before price lists are arranged.

(2) Proposals as to the abandonment of old-established customs in mines.

#### RAILWAYS.

Numerous proposals were submitted to us on behalf of the railway employees, but these were for the most part of a general character and have already been dealt with. Of the more special proposals made to us perhaps the most important was that put forward on grounds of safety in favor of the compulsory provision of the track circuit system and the withdrawal of Rule 55. While we realize that the provision of a track circuit system involves great expense we would, however, recommend that as far as practicable steps be taken to further the establishment of the system on all railways.

Two other grievances of a minor character brought to our notice should, we believe, be rectified without delay, viz:

(1) Arrangements should be made whereby railway men going off duty away from home and at a late hour should have facilities for purchasing food supplies after shop hours or should have food provided for them at their leaving-off stations.

(2) The men should also receive from the companies a more generous allowance of "lodging money" when away from home overnight on railway service. The present amount allowed is only 1 shilling 6 pence [12.2 cents] per night, a sum which is quite inadequate.

#### SEAMEN.

The grievances of seamen were placed before us in considerable detail by a number of representatives of the National Sailors and Firemen's Union, and we fully indorse the following rather reasonable demands which they make:

(1) The prohibition of the employment of Chinese labor on British ships while British seamen are available.

(2) The prohibition of the practice of importing labor from one port to another when local supplies of labor are adequate.

(3) That sailors' discharge books should be deposited with the Board of Trade during voyages, and that copies only should be issued to the men.

(4) That the maximum amount for which seamen's effects may be insured should be increased from £5 [\$24.33] to £12 [\$58.40].

(5) The amendment of the Merchant Shipping Acts in the direction of requiring shipowners to pay wages to shipwrecked seamen from the date of the sinking of their vessels to the date of their landing in the United Kingdom.

#### NONPRODUCTIVE INDUSTRIES.

Numerous offers of evidence were made to us by workers not actually engaged in the manufacturing and transport industries, such as clerks, insurance agents, shop assistants, and teachers. Owing to the limited time at our disposal we were reluctantly compelled to decline personal interviews to such persons, but on our invitation many of them submitted written statements for our consideration. As in most of the oral evidence submitted to us, the chief grievance was the inadequacy of wages to meet the increased cost of living. We can not, of course, make any specific recommendation as to whether and what increases of wages should be made to such classes, although we fully recognize that as a result of the war their position may be relatively much worse than that of manual workers, many of whom, at any rate, have been able to claim increases or bonuses. We desire, however, to point out that discontent among such classes is often a source of great danger, for their influence with manual workers is frequently very great.

Unrest is contagious, and it appears to us, for example, that the hundreds of discontented insurance agents visiting thousands of homes at frequent and regular intervals may infect a large portion of the community in a comparatively short time with their own spirit of discontent. We think it desirable that some action should be taken to deal with the grievances of "clean" workers. In some instances, for example, among shop assistants and clerks, wage boards might be established and arrangements made collectively to deal with any peculiar conditions that may prevail in such industries.

#### SUMMARY OF PRINCIPAL RECOMMENDATIONS.

##### FOOD SUPPLIES AND PROFITEERING.

1. Immediate action to be taken by the Government to bring about a reduction in the cost of food, and to stamp out all profiteering in connection therewith.

2. All excess profits derivable from the sale and distribution of commodities for home consumption to be appropriated by the State.

3. The purchase by the Government, in so far as possible, of all imported food supplies in the country where produced and the conveyance thereof to this country in requisitioned ships.

4. The fixing by the Government of the prices to be charged by wholesale dealer, middleman, and retailer, respectively, in respect of each article of food sold in this country, as is already done in the case of cheese.

5. All war risks insurance in respect of food supplies brought into the country by the Government in requisitioned ships, as suggested above, to be henceforth regarded as ordinary war expenditure, to be met and provided for in the same way as all expenditure directly incurred in prosecuting the war, instead of being added, as is now believed to be the case, to the price of such food supplies.

6. In the event of its proving impracticable to bring about a substantial reduction in the cost of living, wages in all the lower paid industries to be increased proportionately to the increase in the cost of living.

7. That while all excess profits made out of the home consumer should be appropriated by the State, the Government should place no obstacles in the way of, but should in every way encourage, all such undertakings and commercial activities with foreign countries as are calculated to result in the bringing in of additional wealth into this country, such policy being deemed to be specially necessary in the shipping industry, with a view to the rehabilitation of our mercantile marine and the reestablishment of our commercial supremacy after the war.

#### INDUSTRIAL CONDITIONS AND ORGANIZATION.

8. The modification of the present system of industry in such a way as to identify the worker more closely with the control of the industry in which he is engaged.

9. The guaranteeing of security of tenure to every worker by providing that he should not be liable to be dismissed except with the consent of his fellow workmen as well as his employer.

10. Every workman to belong to a recognized union of his industry, and this to be a condition of employment.

11. All employers, especially in large scale industries, to be similarly associated in an employers' association or, if not, to be bound by the decisions of such association.

12. "One industry, one union" to be the ideal aimed at as far as practicable in all large scale industries, and especially in those of public utility, such as coal mining and the transport service. The prevention of all "poaching" on the part of competing unions.



13. Conciliation boards to be established in all industries which do not already possess such boards, e. g., in the spelter, copper, and chemical industries, for all dock labor, gas workers, municipal employees, in ship repairing, and in the baking industry.

14. The speeding up of the consideration and settlement of all disputes and differences by existing conciliation boards, and the improvement of their machinery wherever this is found necessary, e. g., by the establishment of standing committees with executive powers that can promptly deal with disputes or difficulties.

15. The establishment of joint standing industrial councils, as recommended in the report of the Whitley committee, or the adaptation and extension of existing machinery (e. g., conciliation boards and works committees) to enable them to undertake the duties suggested for such councils in the report.

16. The removal, in so far as practicable, of all great disparities between the wages earned on similar work, and especially the abolition of subcontracting wherever it is productive of such disparities.

17. An improvement in general conditions of work by means of greater attention to the health and safety of the workers, and the establishment of welfare institutions, e. g., clubs and canteens, and the organization of recreative facilities in connection with works and factories.

18. A reduction in the hours of labor in the case of railway men, spelter workers, and surface workers at collieries other than those handling coal.

19. The regularizing of the hours of employment of dock laborers and ship repairers, partly by the interchange of any surplus labor between different firms.

20. The raising of the limit below which incomes should be exempted from the payment of income tax to £160 [\$778.64] instead of £120 [\$583.98], as at present.

21. The amendment of the Workmen's Compensation Acts by abolishing the maximum weekly compensation payable, and giving power to the courts to vary existing orders with a view to making them adequate to meet the increased cost of living.

#### MUNITIONS OF WAR ACTS.

22. The abolition of leaving certificates.

23. The early dissolution of munitions tribunals and the repeal of the penal clauses of the Munitions of War Acts.

24. The acceleration of the settlement of all disputes in munition works and controlled establishments.

25. The substitution for the committee of production, in so far as Wales is concerned, of a committee to be constituted of members pos-

sessing practical and intimate knowledge of the conditions prevailing in Welsh industries, and the conferment on such committee of powers to enforce and put into operation all awards made by it.

26. The centralization in the Ministry of Labor of the powers of the various Government departments now dealing with labor and the delegation to the local representatives of that department in Wales of larger discretionary powers to deal with matters promptly as they arise.

27. Whenever dilution is deemed necessary the trade-unions concerned to be first consulted.

#### MILITARY SERVICE ACTS.

28. The exercise of greater care and discretion on the part of the military authorities in the medical classification and the calling up for service of unfit men and others in low medical categories, and also in the "combing out" of married men before single.

29. The immediate repression of a too general practice on the part of medical boards to keep numbers of men herded together for long hours in a nude state, and in comfortless places, pending their medical examination.

30. The discontinuance of the unnecessarily harsh treatment often meted out to conscientious objectors, and especially the release from the obligation to military service of those who, by serving a long term of imprisonment or otherwise, have given adequate proof of the genuineness of their objection to such service.

31. To render it a punishable offense on the part of any employer or official to intimidate an employee by threatening to "release" him for the army.

#### SEPARATION ALLOWANCES AND TREATMENT OF DISCHARGED SOLDIERS.

32. A revision of the scale of allowances to soldiers' dependents and widows, so as to have regard for the increased cost of living, and more speedy provision on the part of pensions committees for the training and employment of men discharged from the services.

#### RESTRICTIONS ON FREEDOM AND THE RESTORATION OF PREWAR RIGHTS.

33. An emphatic declaration on the part of the Government of its intention to repeal immediately on the termination of the war, the Military Service Acts, the Munitions of War Acts, and the Defense of the Realm Act, together with all regulations made thereunder with a view to the complete restoration of the liberty of the subject.

34. A similar declaration that the Government will also on the conclusion of peace restore all trade-union rights and privileges, except in so far as the unions themselves may otherwise desire.

35. The more judicious handling on the part of the police of all meetings organized and addressed by pacifists or others holding like unpopular views with reference to the war, so that the protection of the law may be equally enjoyed by all law-abiding citizens, irrespective of whether their views may be popular or unpopular.

36. The removal, partial or total, of the restrictions imposed on traveling, by means of increased railway fares, particularly with a view to enabling workers to take an occasional week-end or other holiday, accompanied by members of their families.

37. The abolition of the tax on all lower-priced tickets for entertainments, especially those organized for educational and nonprofit-making purposes.

#### SPECIAL INDUSTRIES.

##### *Mining.*

38. The appointment and dismissal in future of colliery firemen, examiners, and their deputies by joint committees of the management and the men.

39. The revision of old price lists with a view to the abolition of the "allowance" system.

40. The provision of direct payment in respect of small coal by the adoption of rates for "large" and "through" coal respectively.

41. Standardization of rates of wages for colliery "officials" and the recognition of their unions by the employers.

##### *Railways.*

42. The extension as soon as circumstances will permit of the "track circuit" system over all railways.

##### *Seamen.*

43. The prohibition of the employment of Chinese on British ships.

44. Provision to meet circumstances of hardship in the case of the crews of vessels, torpedoed or otherwise destroyed or disabled, e. g., the raising of the limit for insuring a sailor's outfit from £5 [\$24.33] to £12 [\$58.40], and the making of provision for the deposit of sailors' discharge books with the Board of Trade, giving each man instead a card with a copy of all essential particulars. Also the amendment of the Merchant Shipping Act so as to entitle seamen to claim wages from the date of the sinking of their vessels to the date of their landing in the United Kingdom.

#### HOUSING.

45. Government assistance (including the necessary facilities and authorization) to local authorities and other approved agencies for

the immediate erection of a number of houses in certain areas where there exists an abnormal shortage, and the taking of measures, by the preparation of housing and town-planning schemes and otherwise, for the provision immediately after the war of at least 50,000 houses in Wales.

#### EDUCATIONAL.

46. The extension of the system of continued education for young persons between the ages of 14 and 18 and the widening of the scope of studies to include subjects bearing on the duties and privileges of citizenship and of right living.

47. The development of adult education by the establishment through the joint agency of the university colleges and of labor organizations, of classes in industrial centers in which subjects of general human interest may be studied in an impartial and systematic manner under expert guidance, whereby the relations of industry to the community and the desirability of a broad and sympathetic outlook upon the complex factors of modern society may be adequately realized.

48. The provision of lectures, by arrangement with the university colleges or other independent bodies, to the employees and management of works and factories, dealing with the nature of the industry, the costs and methods of working, and such cognate subjects, as a basis for a mutually clearer understanding of the methods and conditions of employment.

#### PROVISION FOR FURTHER INVESTIGATION.

49. Finally, the institution by the Government at an early date of a royal commission or other committee of inquiry to conduct a thorough investigation into the social and economic conditions of the south Wales coal field.

We desire to express our acknowledgments generally to all who have so freely assisted our labors by submitting to us both oral evidence and written memoranda; also to the lord mayor of Cardiff, and the mayor of Swansea, for placing at our disposal accommodation at the law courts, Cardiff, and at the guild hall, Swansea, respectively.

We regret the many defects of the report as to form and arrangement. Had there been a longer time and a larger staff at our disposal a more concise and orderly presentation of the facts and a more logical arrangement of our recommendations would have been possible.

To cover so vast and complex a field, and to investigate problems of such difficulty as we have had to do, would have been impossible

but for the invaluable assistance which our secretary has been able to render us. We have had the benefit of his intimate knowledge of industrial conditions, and of the personnel of industrial organization in Wales. To this he has added unremitting industry in all the exacting duties that have devolved upon him as secretary.

It is a matter of profound gratification that we have arrived at our conclusions with complete unanimity, and that we are therefore all able to sign this our report without any individual reservation or qualification whatsoever.

(Signed)

D. LLEUFER THOMAS, *Chairman.*

THOMAS EVANS.

VERNON HARTSHORN.

(Signed)

EDGAR L. CHAPPELL, *Secretary.*

JULY 12, 1917.

**APPENDIX.—LIST OF WITNESSES AND OF PERSONS OR ASSOCIATIONS  
WHO SUBMITTED DOCUMENTARY EVIDENCE.**

**COAL MINING.**

**EMPLOYERS.**

*Oral.*—Monmouthshire and South Wales Coal Owners' Association.

Mr. Fred L. Davies, president.

Mr. Finlay Gibson, secretary.

Mr. Howel R. Jones.

Mr. Evan Williams.

North Wales Coal Owners' Association.

Mr. W. D. Haswell, secretary.

**OFFICIALS.**

(i) *Oral.*—South Wales and Monmouthshire Colliery Officials' Association.

Mr. Jacob Ray, past president of association.

Mr. Tudor Davies, president of Merthyr branch.

Mr. W. W. Hood, secretary.

South Wales and Monmouthshire Colliery Managers' Association.

Mr. John Kane, president.

Mr. D. L. Thomas, member of executive.

Mr. Rees Howells.

South Wales and Monmouthshire Colliery Officials' Union.

Mr. W. M. Lewis, general secretary.

(ii) *Written.*—South Wales and Monmouthshire Colliery Examiners' Association.

Mr. Tom Morgan, agent.

North Wales Mining Officials' Association.

Mr. John Davies, secretary.

Eastern Valley Colliery Examiners' Association.

Mr. Isaac Powell, president.

Mr. W. Ferris, secretary.

South Wales and Monmouthshire Colliery Managers' Association.

Mr. E. S. Williams, vice president of National Association of Colliery Managers.

**EMPLOYEES.**

(i) *Oral.*—South Wales Miners' Federation, executive council.

Mr. Noah Ablett.

Mr. Frank Hodges.

Aberdare district, South Wales Miners' Federation.

Mr. Francis Leach.

Mr. Noah Tromans.

Maesteg district, South Wales Miners' Federation.

Mr. Edwin Barnett and two other representatives.

- (1) *Oral (concluded).*—Anthracite district, South Wales Miners' Federation.  
 Mr. S. O. Davies.  
 Western district, South Wales Miners' Federation.  
 Mr. D. R. Grenfell, district agent.  
 Mr. William Jones (Gwilym Bedw), secretary.  
 Copper Pit Lodge, South Wales Miners' Federation.  
 Ten members of works committee.  
 North Wales Miners' Association.  
 Mr. Thomas Rowland, president.  
 Mr. Hugh Hughes, secretary.
- (ii) *Written.*—Statements from districts or lodges of South Wales Miners' Federation.  
 Taff and Cynon district, ————.  
 Caebryn Lodge, Llandebie, Mr. Eben Griffiths.  
 Cwmaman Lodge (Aberdare), Mr. G. E. Jones.  
 Gwauncaegurwen Lodge, Mr. Tom Jones.  
 Mountain Lodge, Gorseinon, Mr. J. Powell.  
 Ty Trist Lodge, Tredegar, Mr. Fred Bennet.  
 Tynybedw Lodge, Mr. T. Phillips.  
 Wernddu Lodge, Pontardawe, Mr. Gwilym Davies (checkweigher).

#### STEEL, IRON, TIN-PLATE, AND KINDRED INDUSTRIES.

##### EMPLOYERS.

- Oral.*—Siemens Steel Manufacturers' Association.  
 Mr. Frank W. Gilbertson, J. P.  
 Tin-plate and Sheet Manufacturers' Association.  
 Mr. Henry Clement, secretary.  
 Mond Nickel Co.  
 Mr. D. Owain Evans, secretary.  
 Mr. F. J. Bloomer, works manager.  
 Mr. — Gibbon, works accountant.

##### CONCILIATION BOARD.

- Oral.*—Mannesman Tube Conciliation Board.  
 Mr. A. Hethy, Mr. E. S. Smith, representing employers.  
 Mr. Victor Morgan, Mr. Phillip John, Mr. Thomas Clarey, Mr. Thomas Norman, representing employees.

##### EMPLOYEES.

- (i) *Oral.*—British Steel Smelters' Association, South Wales district.  
 Mr. M. R. Rees, district organizer.  
 Mr. George H. Morgan, Ebbw Vale, chairman of executive.  
 Mr. G. Davies, ex-chairman of executive.  
 National Union of General Workers.  
 Mr. Victor Morgan, Swansea, district secretary.  
 Mr. W. H. Morris, Cardiff, district president.  
 Mr. Frank Quick, Newport, member of executive.  
 Workers' Union.  
 Mr. Matt Giles, divisional organizer.  
 Mr. Evan James, organizer (Swansea and Dowlais district).

- (i) *Oral (concluded)*.—Dockers' Union, (tin-plate section).  
     Mr. W. Pugh, organizer.  
     Mr. S. James, executive member.  
     Port Talbot (metal trade) branch.  
     Mr. H. S. Batey.  
     Mr. J. A. Brown.  
     British Steel, Iron, and Kindred Trades Association—Newport (No. 10) branch.  
     Mr. W. H. Morris.  
     Mr. A. B. Fennell.
- (ii) *Written*.—Associated Society of Molders—Llanelly branch.  
     Mr. Tom Charles.  
     British Iron, Steel and Kindred Trades Association—Llanelly branch.  
     Mr. F. H. Harris.  
     Dockers' Union—Connahs Quay branch.  
     Mr. G. H. Bennet.

#### TRANSPORT INDUSTRIES (INCLUDING RAILWAYS AND DOCKS).

##### EMPLOYERS.

- (i) *Oral*.—Great Western Railway Co.  
     Mr. R. P. Glover, chief assistant to general manager and permanent member of various conciliation boards.  
     Mr. J. C. Pole, secretary, G. W. R. conciliation boards.  
     Newport and Alexandra Docks & Railways Co.  
     Mr. J. H. Vickery, general manager.  
     Swansea Harbor Trust.  
     Mr. P. W. Phillips, acting general manager.  
     Maj. C. S. Harris.  
     Swansea Trimming Board.  
     Mr. A. W. E. Wynne.
- (ii) *Written*.—Port Talbot Docks & Railway Co.  
     Mr. E. Lowther.  
     Barry Railways & Docks Co.  
     Mr. H. J. Rendell.

##### EMPLOYEES.

- (i) *Oral*.—National Union of Railwaymen.  
     Mr. Arthur J. Williams, district secretary for south Wales and Monmouthshire.  
     Councillor E. Charles, president of South Wales council of National Union of Railwaymen, and employees' secretary to Great Western Railway Conciliation Board.  
     Mr. G. B. Smith, Cardiff railway tippers.  
     Mr. W. T. Evans, Cardiff No. 9 branch.  
     Mr. H. H. Rosser, Barry branch.  
     Mr. W. East, Barry branch.  
     Mr. Gwilym Davies, Barry railway tippers.  
     Mr. J. Cole, Barry railway tippers.  
     Mr. M. Curtis, T. V. R. shopmen.  
     Mr. J. Cox, T. V. R. shopmen.  
     Mr. A. G. Jones, T. V. R. shopmen.  
     Mr. Tal Davies, T. V. R. shopmen.  
     Mr. B. Dupree, Swansea No. 1 branch.  
     Mr. W. H. Williams, Swansea No. 1 branch.



- (i) *Oral (concluded).*—Associated Society of Locomotive Engineers and Firemen.  
 Mr. W. J. R. Squance, member of executive.  
 Mr. J. Sweeney, secretary G. W. R. delegation board.  
 Mr. Sam Smith, secretary Pontypool road branch.  
 Councillor Percy Davies, chairman Pontypool road branch.  
 Dockers' Union, Swansea district.  
 Mr. Jonah Charles.  
 Mr. George H. Hollett.  
 National Sailors' and Firemen's Union.  
 Mr. James Henson, secretary, Bristol Channel district.  
 Mr. Matt. Tearle, secretary, Cardiff branch.  
 Mr. George Jackson, secretary, Newport branch.  
 Mr. G. Marston, secretary, Barry branch.  
 Mr. James Griffiths, member of executive.  
 National Union of Ships' Stewards, Cooks, Butchers, and Bakers.  
 Mr. W. W. Jones, district secretary.  
 Mr. C. Harburn, secretary, Barry branch.  
 (ii) *Written.*—Penarth Branch, National Union of Railwaymen.  
 Mr. Bert Halton.

#### ENGINEERING AND SHIP REPAIRING.

##### EMPLOYERS.

- Oral.*—Bristol Channel Dry Dock and Ship Repairers' Employers' Association.  
 Mr. W. H. Diamond, chairman.  
 Mr. Robert Munro, honorary secretary.  
 Mr. T. Allen Johnson (Cardiff).  
 Mr. H. Simpson (Newport).

##### EMPLOYEES.

- (i) *Oral.*—Amalgamated Society of Engineers.  
 Cardiff district.—Mr. W. Hughes, secretary.  
 Barry district.—Mr. P. W. Thompson, member of committee.  
 Newport district.—Mr. T. Thomas, member of committee.  
 Pontypool district.—Mr. Thomas Jones, member of committee.  
 Steam Engine Makers' Society.  
 Cardiff and Barry district committee.—Mr. William Thomas.  
 (ii) *Written.*—National Amalgamated Laborers' Union.  
 Mr. John Twomey, secretary.  
 Cardiff Railway Boilermakers, Holders-up, etc.  
 Mr. C. J. Lewis.  
 Amalgamated Society of Smiths and Strikers.  
 Pontyclun branch.—Mr. W. Watkins.  
 The Fitters, Blacksmiths, and Coppersmiths of the G. W. R. in the Newport Division.  
 Mr. C. W. Alford, secretary.  
 (ii) *Written.*—Associated Society of Locomotive Engineers and Firemen.  
 Mr. H. Parfitt.  
 Pell Wagon Works Repairers, Newport.  
 Mr. B. Halton.

**BUILDING INDUSTRY.****EMPLOYERS.**

- (i) *Oral*.—Cardiff Master Builders' Associations (contractors).  
     Mr. Watkin Williams, chairman.  
     Cardiff and District Builders' Association (speculative builders).  
     Mr. Charles Hoare, chairman.  
     Mr. Henry Jones, ex-chairman.
- (ii) *Written*.—Electrical Contractors' Association, South Wales branch.  
     Mr. H. Wintle.

**EMPLOYEES.**

- (i) *Oral*.—South Wales Building Trades Federation.  
     Mr. William Williams, president.
- (ii) *Written*.—Operative Bricklayers' Society, Newport branch.  
     Mr. W. Smart, secretary.  
     Operative Stonemasons' Society, Swansea branch.  
     Mr. T. Williams, secretary.  
     Electric Trades Union, Swansea branch.  
     Mr. W. Hewlett, secretary.  
     Amalgamated Society of Carpenters and Joiners.  
     General Union of Carpenters and Joiners.  
     Statements from members employed at factories and shipyards at Queens-  
     ferry and Saltrey, Flintshire.

**MISCELLANEOUS TRADE-UNIONS.**

- (i) *Oral*.—Amalgamated Union of Operative Bakers, South Wales district.  
     Mr. H. Hiles, organizing secretary.  
     Mr. J. Hall.  
     Mr. J. C. Julian.  
     Municipal Employees' Association.  
     Mr. Rees Llewelyn, organizing secretary.
- (ii) *Written*.—National Amalgamated Furnishing Trades Association.  
     Mr. Alex. Gossip, general secretary.  
     North Wales Quarrymen's Union.  
     Mr. R. T. Jones, secretary.  
     National Association of Shop Assistant, Warehousemen, and Clerks—  
     Cardiff branch.  
     Mr. F. C. Howells, secretary.  
     Railway Clerks' Association, Cardiff district.  
     Mr. E. C. Millard, executive member.  
     Glamorgan Federation of Teachers (N. U. T.).  
     Mr. D. H. Williams.  
     County Court Clerks and Officials' Association.  
     Mr. J. Keane.  
     National Union of Life Assurance Agents, Neath branch.  
     Mr. W. Lewis.  
     National Association of Prudential Assurance Agents.  
     Cardiff district.—Mr. L. Ridgeway.  
     Swansea district.—Mr. W. J. Owen.  
     Chester district.—Mr. W. Brown, Mr. F. Gawthorne.

**MISCELLANEOUS ORGANIZATIONS.**

- (i) *Oral*.—Cardiff Chamber of Commerce.  
     Mr. T. E. Watson, president.  
 Newport Chamber of Commerce.  
     Mr. J. H. Vickery.  
 Newport and District Labor Party.  
     Mr. William Holder.  
 Swansea Food Control Campaign Committee.  
     Mr. John W. Davies and others.  
 Swansea and District Master Bakers' Association.  
     Two representatives.  
 Cardiff and District Master Bakers' Association.  
     Mr. John Elkington, secretary.  
     Mr. Idris Evans, Mr. W. D. Saunders, Mr. H. Thomas, members of  
     committee.  
 Swansea Grocers' and Provision Dealers' Association.  
     Mr. Henry F. Hood, secretary.  
 Welsh Housing and Development Association.  
     Mr. S. O. Davies.  
     Mr. William Harris.
- (ii) *Written*.—National Master Farriers' Association, Swansea district.  
     Mr. Evan Evans.  
 Independent Labor Party, Cathays (Cardiff) branch.  
     Mr. Pryce James.

**TRADES AND LABOR COUNCILS.**

- (i) *Oral*.—  
 North Wales.—Mr. Hugh Hughes, Mr. Thomas Morris.  
 Cardiff.—Mr. H. Hiles, president, Mr. J. Edmunds, secretary, Mr. J. T.  
     Clatworthy, Mr. Jas. Henson, Mr. H. Ridgway.  
 Newport.—Mr. W. J. Davies, J. P., Mr. S. G. Watts.  
 Swansea.—Mr. W. H. Clement, president, Mr. J. G. Davies, secretary.  
 Abercarn.—Mr. William Harris.  
 Abertillery.—Mr. W. Bowen.  
 Ebbw Vale.—Mr. David Evans, Councilor George Davies.  
 Pontypool.—Mr. A. Gay, Councilor G. Evans.
- (i) *Written*.—  
 Aberdare.—Councillor E. Stonelake, secretary.  
 Barry.—Mr. H. H. Rosser.  
 Bedwas.—Mr. W. J. Milson.  
 Brynmawr.— ——— ———.  
 Gelligaer.—Mr. Fred Lloyd.  
 Llantrisant, Llantwit-Fardre and Cowbridge.—Mr. A. Jones, secretary.  
 Morriston.—Mr. Maurice Davies.  
 New Tredegar.—Mr. W. Jones.  
 Pentre.—Mr. T. C. Morris.  
 Pontardulais.—Mr. D. Jeff. Williams.  
 Port Talbot.—Mr. David Rees.  
 Ystalyfera.—Mr. W. Guerrier.

**GOVERNMENT DEPARTMENTS.**

- Ministry of Labor*.—Wales and Monmouthshire division.  
     Mr. Owen W. Owen, divisional officer.  
     Mr. Charles, assistant divisional officer.

*Ministry of Labor.*—Wales and Monmouthshire division—Concluded.

Mr. John Chappell, inspector.

Mr. T. Owen, manager, Llanelly Employment Exchange.

*Ministry of Munitions.*—Wales and Monmouthshire division.

Mr. George P. Simpson, chief investigation officer for Wales.

Capt. E. Latham, chief dilution officer for Wales.

*Munitions Tribunals.*—

Swansea district.—Mr. Vaughan Edwards, chairman.

Cardiff and Newport districts.—Alderman J. T. Richards, chairman (written statement).

North Wales district.—Mr. J. Glyn Jones, chairman, Mr. Charles A. Jones, clerk (written statement).

*Admiralty Shipyard Department.*—

Mr. McElroy, Capt. Pellow, Mr. W. Y. Seath, documentary evidence only.

#### INDIVIDUAL WITNESSES.

(i) *Oral.*—

Mr. William Evans (of Messrs. Thomas & Evans, provision merchants, Porth).

Mr. H. T. Jones (Cardiff), member of A. S. E.

Mr. William Rees (Llandeibie), ex-colliery manager.

(ii) *Written.*—

Mr. W. Alford (Newbridge-on-Wye).

Mr. G. Bowden (Cardiff).

Mr. J. Brown (Pembroke Dock).

Mr. T. R. Campbell (Johnstown).

Mr. S. E. Edbrooke (Cardiff).

Mr. C. H. Eden (Swansea).

Mr. J. J. Ellis (Milford Haven).

Rev. J. D. Evans, M. A. (Pontypridd).

Mr. John Evans, insurance agent.

Mr. T. H. Evans, M. E. (Fishguard).

Mr. H. T. Hatherley (Penarth)

Mr. W. Gray.

Mr. W. A. Jones (Whitchurch).

Mr. Herbert Jones (Prestatyn).

Mr. F. H. Lambert, ex-president Cardiff Chamber of Commerce.

Mr. E. P. Lawlor (Newport).

Mr. T. Lewis (Cardiff).

Mr. James Meadows (Trehafod).

Mr. E. Morgan (Cardiff).

Mr. E. G. Nicholls (Bridgend).

Mrs. Lydia Morgan (Tumble, Carmarthenshire).

Mr. J. W. Parry (Carnarvon).

Mr. A. D. Perkins (Swansea).

Mr. Jas. Phillips (Ruabon).

Mr. Fred. Potter (Swansea).

Mr. F. J. Rathley (Cardiff).

Mr. Tom Rees (Newport).

Mr. Ephraim Thomas.

Mr. G. B. Thomas (Kilgerran).

Mr. R. Thomas (Aberavon).

Mr. J. T. Wright (Bynea, Llanelly).

Also numerous other statements, anonymous or unsigned, or where the publication of names is forbidden by the writers.

## NO. 8 DIVISION.—REPORT OF THE COMMISSIONERS<sup>1</sup> FOR SCOTLAND.

The terms of the remit to the commissioners by the War Cabinet were—"to inquire into and report upon industrial unrest, and to make recommendations to the Government at the earliest practicable date."

The commissioners by public advertisement invited all employers and workmen in Scotland to state their desire to be heard, and in response to requests the commissioners held 10 sittings, at Glasgow, Edinburgh, Dundee, and Aberdeen, and they have interviewed, as well as received representations in writing from, a large number of federated associations of employers, trades-unions, individual employers and workmen, and persons possessing knowledge of industries, and of labor conditions.

These are set forth in appendixes.

The commissioners have the honor to present the following report to the War Cabinet.

1. The commissioners desire in the first place, gratefully to acknowledge the great assistance they have received from the representatives of both workmen and employers, without whose prompt, and cordial, cooperation it would not have been possible to undertake this inquiry in the limited time available. One result of the commission having to be overtaken within a brief time has been that the workers' and the employers' representatives have discussed the various points together. The proceedings have taken the form of round-table conferences, which is a very much more satisfactory mode of inquiry than the formal examination of witnesses, outside the presence of each other. We venture to think that for workers and employers to sit down and reason together is, in itself, a valuable means of preventing that failure to understand each other's point of view, which is so great a cause of industrial unrest. If confidence in each other, and good will, could take the place of the present suspicion and ill feeling, that would go very far to remove industrial unrest.

2. That a certain amount of unrest exists in Scotland is undoubtedly true, although it is not so acute as it was at an earlier stage of the war. It arises from various causes. There is an aspect of the matter which is not a result of the war, although probably accentu-

---

<sup>1</sup> Commissioners—Sheriff T. A. Fyfe, Glasgow, chairman; Mr. Noel E. Peck, Glasgow; and Mr. A. Gordon Cameron, Manchester. Secretary—Thomas F. Wilson, Glasgow.

ated by it. Within some unions, in some districts, there exists an element inclined to methods tending to undermine the authority of the duly authorized executive councils and district committees of the unions, and who are desirous of using the machinery of the unions to further their own extreme views. This tends to aggravate, rather than to allay, industrial unrest.

3. Quite distinct from this revolutionary element there is another class who perhaps do something to create a form of unrest, not altogether to be deprecated, although the middle of a war may not perhaps be the appropriate time to air such views. We refer to the growing class among the workers of this country who are taking an interest in economic questions, and are studying the principles of political economy. This class, who are not at all in sympathy with the extremists first referred to, are, it is recognized, inspired by a genuine desire to better the conditions of the workers, by obtaining for them a larger share in the results of industry. A strong feeling exists that the workers are not fairly treated in the apportionment of the results of the joint efforts of employers and employees. The commissioners, however, do not consider that they are called upon to deal with the political aspect of unrest, which is not confined to the industrial circles in the community.

4. There is no doubt that the chief, and fundamental, cause of the existing unrest is the increased cost of living, which, in the mind of the workers, is the result of the Government having failed timeously, and effectively, to control the production, supply, and distribution, of food and thus opened the door to what the worker terms "profiteering," by which he means the amassing, by a few people, of abnormal wealth out of the necessities of the country. The actual increase of the cost of living does not appear to be so important a factor in the workers' mind as the belief that "profiteering" exists. No doubt wages have been greatly advanced, but the feeling of the general body of workers is, broadly speaking, that wages not having advanced corresponding to the increased cost of living the worker is really worse off than before the war, instead of greatly better off, as is frequently supposed. It was stated that workmen would gladly give up their war-time increases, if the cost of living could be reduced to prewar figures. These are indications, indeed, that, despite high prices of commodities on the whole among the industrial workers, there is no serious difficulty in meeting the cost of living, at least among the workers engaged in the largest industries in Scotland. The experience of shopkeepers and cooperative societies, the reduction of cases in the small debt courts, the savings-banks returns, the reports of poor law authorities, etc., seem to indicate that, on the whole, the aggregate weekly incomes of industrial workers keep pace with the cost of living, a conclusion which seems

supported by knowledge of the large amount of overtime worked, of the large amount of money paid to women workers not previously engaged in industry; of the numerous families in receipt of separation allowances, and sums from the sailors' and soldiers' funds, and other agencies. The grievance of the workers is not so much in regard to the money coming in, but rather that the increased receipts (in many cases arising from increased exertion or prolonged hours of work) are absorbed by the increased living costs, a state of affairs which they believe to be owing to certain privileged classes not sharing in the general sacrifice, and indeed profiting by the sacrifice of others.

5. The publication in the press of the balance sheets of trading and shipping companies, showing large dividends, and occasional reports of the increase of the price of commodities having been caused by intermediate agency commissions, etc., tend to create in the workers' minds the belief that the few are making fortunes at the expense of the many. The worker sees in the press, for instance, that beef from abroad can be laid on a British wharf at  $6\frac{1}{2}$  pence [13 cents] per pound, and he knows that his wife has to pay three times more per pound for it. He naturally thinks that somebody is making undue profit out of the consumer. He reads reports of bacon lying rotting at the port of London, or herring in the north of Scotland, or of potatoes being in some places superabundant, and in others nonexistent; and he has a feeling of deep resentment that the possibility of such things was not timeously prevented. This matter of the increased cost of living overshadows and aggravates all the other causes of unrest. Many complaints which, in themselves, are of small account, and many increases and even privations, which have to be borne on account of the war, would be cheerfully accepted as forms of war sacrifice, were it not for this overshadowing element of the increased cost of living, which in the workers' mind ought to have been a preventable evil.

6. It is not to be lost sight of that labor unrest is not a new thing and not by any means a creation of the war, but that its causes have deep roots, and its remedy covers a wide field of operation. While special measures may be taken perhaps to ease the immediate tension, we feel that its complete dissipation will be a matter of considerable time, and that the main direction in which relief can be looked for in the future is a better system of education, with a greater insistence on the corporate spirit and recognition of the principle that there is a national, as well as a personal, element in all industry. This may, we hope, in course of time remove that ignorance and lack of perspective on the part of both employers and employees, which is at the root of so many of the labor troubles.

7. As the Government is dealing with the food question direct, the commissioners do not think it necessary to enter in detail upon the possible remedies for this cause of unrest except to say that they are most emphatically of opinion that the prevailing unrest is likely to grow more acute, unless the matter of food control is promptly dealt with, in the direction of either—(a) taking steps to reduce the cost of the necessities of life, or, if this is not possible (b), convincing the public that the prevailing high prices are inevitable. The increased cost of living presses with great hardship upon old-age pensioners, and is a cause of unrest among their relatives and friends.

8. Closely related to the cost of food, is the question of housing. We have had startling revelations of the acute need of houses in industrial centers. The want of housing accommodation is undoubtedly a serious cause of unrest, as well as a danger to public health. This is specially acute in Lanarkshire (including the city of Glasgow); in the city of Dundee; and in the district of Rosyth dockyard. In round numbers, the present situation appears to be that in Scotland there is immediate need for somewhere about 100,000 workers' houses, that practically no building has taken place during the war, and that, for some years before that, the number of such houses built was not sufficient to meet the increasing demand for them. The industrial unrest attributable to this cause, it is strongly represented, can only be allayed by the Government taking steps to grapple with a problem which appears to have grown too great for private enterprise now to meet, by in some way having land in the near neighborhood of congested industrial districts made available on reasonable terms for building working-class houses, and by rendering financial aid for building expeditiously the urgently wanted houses.

9. A cause of unrest which has been everywhere emphasized is Government interference with the conduct of industry, notably the Munitions Acts having in the workman's view deprived him of his right to sell his labor in the market of his own choice. The leaving certificate has been endured, because the Government said it was necessary, but it has never been cordially accepted, and the feeling now exists among the workers that, whether it was necessary or not in the early stages of munitions production, it is not necessary now. In view of the fact that it has been publicly announced that the Government, in the munitions amendment bill, has decided to repeal section 7 of the 1915 act, the commissioners do not feel warranted in offering any opinion on this already decided policy. While the repeal of section 7 would no doubt tend to lessen the unrest, the employers in Scotland certainly fear that, if the leaving-certificate system is abolished, the condition of affairs which the Munitions Act was designed to remedy will reappear, and another form of unrest



be created. The leaving certificate was the chief matter commented upon in connection with the Munitions Acts, which do not otherwise seem to create unrest, so far as their provisions are concerned. There was, however, very loud complaint that some employers ignore the direction of article 7 of Schedule II of the 1915 act by omitting to consult workmen or their representatives when introducing changes of working conditions, more particularly when female labor is introduced. This appears to be a cause of unrest.

10. A cause of unrest which seems to be universal is dissatisfaction with the machinery for the prompt settlement of differences. Complaint is made, in the first place, that when men state grievances they are not promptly considered by the employers, and, in the second place, that when such grievances have been considered, and no adjustment has been arrived at, they are not then promptly dealt with by arbitration. The chief complaint appears to be the length of time which elapses before the workmen get a matter of difference taken up at all. There is apparent ground for this complaint. But a workman is apt to forget that, whilst his particular grievance, quite naturally, bulks very large in his own eyes, most grievances have not merely an individual, but a collective, significance. In the federated trades, for instance, the statement of a grievance in one shop may, before it can be dealt with, necessitate inquiry into the practice of a large number of other shops, and that takes time. Then, when the failure of employers and workmen to adjust a difference comes to be referred to the Board of Trade, it is sometimes forgotten that, in the exceptional circumstances created by the war and the Munitions Acts, the department of the chief industrial commissioner is an overburdened Government department, and that, if cases are taken in the order they are reported (as in fairness to all they no doubt are) some time must necessarily elapse before each case, in succession, can be taken up. It appears also, from a good many of the instances which have been submitted to us that, after a difference has been reported, time is sometimes taken up in what may be termed negotiation—correspondence between the chief industrial commissioner and the differing parties—a very useful form of correspondence—the object of which, and frequently the result of which, is that formal arbitration proceedings are rendered not necessary at all, by a wages claim being conceded or a difference compromised. The last phase of complaint on this head is that, after an arbiter has been nominated, or a court of arbitration set up, an unreasonable amount of time elapses before an award is made. This, of course, is a matter which depends very greatly upon the intricacy, or simplicity, of the subject of difference, the availability of witnesses, and other circumstances,

too varying to permit of any general time rule being promulgated. The commissioners observe that it is a proposed amendment of the new munitions bill, that it should be a peremptory statutory direction that an arbitration award made under Schedule I of the 1915 act should be issued within 14 days of the difference being reported under Section I of the act. It is to be feared that this would in many cases be impossible, and would probably create a new form of unrest. A peremptory direction of a short time limit like this for issuing an award is quite inappropriate to many disputes, which raise most intricate questions, involving the examination of expert witnesses. It has not been shown to us that when a dispute does get the length of being actually committed to an arbiter, or a court of arbitration, any serious inordinate delay occurs. The complaint rather seems to be of delay in the period between the date of the dispute arising, and its getting into the hands of an arbiter or a court of arbitration.

11. Another cause of complaint giving rise to unrest is that, when a formal award is issued—more especially in the case of awards by single arbiters—further delay occurs in having it made operative, because of the brevity with which it is expressed, and sometimes the want of clearness in regard to whom exactly it covers. This complaint would be obviated, if awards were, when necessary, accompanied by explanatory notes. The ambiguity which so frequently arises upon the meaning of an award quite frequently arises from the indefiniteness with which a claim is formulated. If the claim is indefinitely stated, and the award simply gives a categorical answer to a claim, without explaining what the arbiter's view of the scope of the claim is, and what, and whom, the claim covers, it is not surprising that dubiety as to the scope and meaning of an award so often arises, and for this the claimant is sometimes to blame.

12. But whether the delay in settling disputes is explainable without necessarily attributing fault to any person or Government department, or whether it is not, is not of any great consequence in the present inquiry. The fact is indisputable that delay in settling differences does exist at present, and that the occurrence of such delay is a grave cause of industrial unrest.

13. The general consensus of opinion is that this cause of unrest might be removed, or at least greatly modified, if a system were adopted of local arbitration before a permanent local chairman, readily accessible, who would have a panel to draw upon of carefully selected employers and workmen's representatives, two of whom he could without delay call in as assessors; such an arbitration not to be initiated from London, but to be initiated in the locality where the dispute arises, to settle local differences (which are estimated to rep-

resent at least 50 per cent of the differences which arise)—thereby lightening the congestion of work on the department of the chief industrial commissioner, by relieving that department of the work of dealing with many small, and purely local, disputes, and thus lessening the delay in the initiation of proceedings from London for the settlement of the larger differences, which are of general application to a trade or industry. Of course, such a system of local arbitration would have to be regulated by a carefully framed code of rules, which would provide, amongst other things, for the determination of what is a “local” difference, as distinguished from a difference affecting an entire trade or industry. The opinion of both employers and workmen’s representatives is that a court of arbitration is preferable to a single arbiter, and this matter might be met conveniently by investing the chairman with a discretion, if it appears from the statement of a difference, or if it emerges in the course of the proceedings, that the difference involves more than a local question, to refer the case to the committee on production. The munitions bill now before Parliament affords a suitable opportunity for setting up such local arbitration tribunals, within defined districts, at all events for disputes arising within the Munitions Acts. It has been suggested that this duty might be tacked on to the duties of the existing local tribunals; but we do not think that this would be found practicable, for the decisions of such local arbitration courts must, of course, have the statutory character of an award, and the local munitions tribunal procedure is not appropriate. Besides, the selection of assessors would be an exceedingly important element in the success of such local arbitration courts, and they must be selected for each case, because of special knowledge of the trade in which the particular dispute arises.

14. We have dealt with this matter at some length, because we have been very much impressed with what is an undoubted fact, that the delays, and the expense, which are the concomitants of the present system of Board of Trade arbitration have given a strong handle to that section of workers who would, if not prevented by the Munitions Act, counsel resort to a strike in all circumstances. We have been frankly informed by many responsible representative men that the feeling is growing in the minds of workmen that the Munitions Acts do not, in fact, provide the quid pro quo for the strike prohibition which the words of the act were designed to afford the worker, and that workmen and their representatives find by experience that prompt consideration of their grievances is only given when they come out, or threaten to come out, on strike. It is exceedingly unfortunate that a feeling should prevail amongst workmen that the only way to get their grievances promptly attended to is to defy Section 2 (1) of the Munitions Act; but we can not shut our eyes to

the fact that such a feeling has been engendered by the delays in getting differences adjusted, or arbitrated upon, and that the prevalence of an opinion that withdrawal of labor, or the threat of it, is the readiest weapon of the workman, has a most dangerously unsettling tendency.

15. A cause of unrest in controlled establishments is the enforcement of section 4 (5) of the Munitions Act, 1915, in the matter of bad timekeeping. Article 2 of the scheduled rules requires a workman to work diligently, and prosecutions for failure to observe this rule are frequently brought before the local munitions tribunals, sometimes at the instance of employers and sometimes at the instance of the Minister of Munitions. Workmen complain that they are called before the tribunal without sufficient inquiry being first made as to whether the workman had a reasonable explanation for his absence, although he may have omitted at the time to inform his foreman of it. We are inclined to think that in some instances there has been ground for this grievance, and we are, at all events, of opinion that it does tend to create unrest that employers should prosecute at all. The men are inclined to regard a prosecution by an employer as a vindictive proceeding—not perhaps by the employer personally (who probably does not know the individual workman)—but by the foreman under whom the man works. Private prosecution is not in accordance with the spirit of Scottish criminal, or quasi criminal, proceedings, and, although the Munitions Act makes it competent for an employer to prosecute, we think that his doing so does cause unrest, and that this would be removed by all prosecutions for bad timekeeping being instituted by the Minister of Munitions. This is already done in the western division of Scotland, with good results, both in the way of promoting good timekeeping, and of allaying irritation.

16. It has been forcibly represented to us that the extension, under Government departmental direction, of systems of payment by results in shipbuilding and engineering establishments, with the object of increasing the national output, is causing industrial unrest. It appears that strong and determined opposition to a general adoption of payment by results exists amongst certain classes of workmen, who have hitherto worked on a time-work system. On the other hand, it appears that unrest also exists among certain classes of time workers, through their not participating in the higher wages earned by pieceworkers with whom they are associated, and in these cases a desire is expressed that payment by results be extended to them. Dissatisfaction and friction frequently arise when pieceworkers and time-workers are associated, or when pieceworkers are transferred to time-work, or time-workers to piecework. Apart from resentment at the attempt to overrapidly introduce new conditions, the chief objections to systems of payment by results appear to be fear

of unemployment through overproduction, and fear of rate cutting, by which, in the end, wages would be no better than under time conditions, and probably exertion prejudicial to health would be demanded. This is a wide subject, upon which we have heard a great deal, and upon which much might be said on both sides. We think it quite likely that, if satisfactory guarantees could be devised for the continuity of employment, and the maintenance of rates, commensurate with increased production, the opposition to the system would be greatly modified, and probably such unrest as exists, caused by the present desire to extend systems of payment by results, would largely disappear. In certain trades where payment by results is prevalent (notably steel and iron production) and men are paid upon tonnage rates, labor unrest is caused by the want of check machinery. This is an old-standing grievance, still unremedied. Committees have made recommendations; a "check weighing in various industries bill" was introduced in the House of Commons in 1909; and a similar bill in 1912; but the cause of complaint still remains unremedied.

17. One matter on which special emphasis was laid by a body of trade-union officials (representing about 80,000 union workers) was the difficulty experienced by the unions in dealing with certain of their members who have fallen into arrears of contributions. It appears that the number of such defaulters is large, and that their continued refusal to pay up their arrears causes resentment among the other members and leads to much unrest. In prewar days the workers could have brought pressure to bear upon a recalcitrant member by refusing to work alongside of him, but the Munitions Act precludes that at present. The men who are loyal to their unions feel keenly that such men should enjoy the benefits secured by trade-union effort while shirking the union responsibilities. It seems reasonable that a man, having joined the union, should not be allowed to take advantage of the present abnormal conditions to refuse to implement his bargain, and as it is a result of the operation of the Munitions Act, it may perhaps be considered whether a clause could not be inserted in the new munitions bill, making such arrears of contributions recoverable, at the instance of the unions, in the same manner as fines imposed under the Munitions Act are recovered.

18. The bringing of workmen, earning what they regard as a bare living wage, within the range of the income tax, is strongly represented as a cause of unrest. This is especially so in the case of men who would escape income tax were it not that they augment their earnings by working overtime, and it is stated that many men refuse to work overtime just because it would bring them within the income tax range of assessment. The unrest arising from this cause is, perhaps, a healthy form of unrest, for the fact that they are liable to

income tax has undoubtedly roused the workingman to a sense of responsibility and opened his eyes to the fact that national taxation is a matter in which all classes of the community are interested. The suggested remedies are somewhat vague, but the feeling seems to be that the workingman ought not to be required to pay a direct income tax, seeing that his class pay a large share of the indirect taxation; or, at all events, that the limit ought to be fixed at such a figure as to exclude men who earn no more than sufficient to meet their family needs. This is, of course, a matter which affects all classes of the community, and to make recommendations upon it is scarcely within the scope of this commission. At the same time, we feel bound to report that the great mass of workingmen having been, for the first time, brought under the income tax, is undoubtedly amongst the causes of industrial unrest.

19. Another cause of unrest, and a very important one, is the feeling of uncertainty that agreements regarding wages and working conditions can be relied upon, even although they have been made by the accredited representatives of employers and employees. Many complaints arise and consequent unrest is created, through the non-observance of agreements, arbitration awards and shop regulations. Such complaints are made both by employers against workmen, and by workmen against employers. Sometimes the indefinite nature of awards is responsible, and frequently only some individual is at fault; in other cases ignorance of the terms of the agreement or forgetfulness of its existence, may explain the failure to observe its terms. It seems obvious in the interest of all concerned that agreements entered into between associations of employers and of employees should be duly observed by the individual members of these associations. Instances of organized disregard of agreements and awards have occurred, but these appear to have a revolutionary significance. We think that a large amount of unrest would be avoided, if working agreements could be compulsorily enforced against employers and workmen alike individually or collectively as awards in arbitration are under the Munitions Act, especially in the case of working arrangements which have been initiated under governmental direction. One suggestion is that all industrial agreements voluntarily entered into by responsible representatives of employers and employees should, if approved by the Board of Trade, be registered; and when so registered, should be enforceable at law on all concerned in that trade or industry. This suggestion is attractive on account of its simplicity, but we recognize, of course, that the matter may be more complicated than appears on the surface, and, whilst recording the undoubted fact that failure to observe working agreements is a cause of unrest, we content ourselves with pointing out that the above suggestion seems a practical mode of compelling parties who have

voluntarily made a bargain to stick to it. This, also, is a matter which might conveniently be dealt with in the munitions bill.

20. What is known as dilution of labor is a very fruitful source of labor unrest. This unrest appears to arise chiefly from the fear that, notwithstanding statutory undertakings to the contrary, dilution will continue after the war, either through the bad faith of employers or through industrial necessities. We believe that unrest on this score would be largely allayed, if an undertaking were given publicly by a responsible minister that if (as many people believe will happen) it should be found impossible to restore exactly certain prewar conditions, the new conditions would be mutually arranged in conference with employers and workmen and that any new conditions would maintain the general principles of the original undertakings. Another aspect of the dilution unrest arises from the fact that skilled tradesmen, engaged in supervising work or on highly skilled operations, are often in receipt of wages much less than those received by unskilled and female labor, engaged on repetition work and paid on piecework rates. Of the same nature is the complaint by apprentices that their wages, when engaged on quite important work and after many years' experience, bear no proper relation to wages earned by female labor recently introduced. The scheme of dilution being based upon the principle that, if a semiskilled or unskilled man or woman is put upon a skilled man's job, he or she shall be paid an equivalent wage, it does not very clearly appear how it can be an employer's interest, after the war, to continue diluted labor, when he can get skilled labor, but undoubtedly there does exist in the mind of the worker a suspicion that, in some way, the adoption of dilution of labor during the war, is going to prejudice his position after the war, and that suspicion does give rise to unrest. It is hardly possible to make a recommendation to allay unrest arising from a suspicion, further than to say that, when opportunity offers, public pronouncements may usefully be made from time to time, designed to remove the grounds of the suspicion.

21. At the sitting of the commission at Edinburgh, representatives of the workers in the dressmaking and millinery trades (then out on strike) represented that much unrest existed among this class of worker, owing to the conditions of their employment. Wages were stated to be as low as 13 shillings [\$3.16] a week, for a woman with 10 years' experience. It was said that women were often kept till the factory and workshops statutory closing hour, and then required to come out early next morning, and that no overtime was paid, and that the working hours were most uncertain, the hours per week ranging from 48 to 80. The remedy sought was that this class of worker should be scheduled under the Trade Boards Act, 1909. No employer's representative in this trade appeared before the commis-

sioners, but, in another trade (the Scottish Printing and Bookbinding Federation) a deputation of employers at a subsequent sitting of the commission asked that all female workers in their trade should be put also under the Trade Boards Act. This act appears to afford a ready means, not only of protecting workers from unfair treatment by employers, but also of protecting good employers who treat their workers fairly, against other employers who do not.

22. A cause of unrest quoted by union officials was the tactless and domineering methods of some foremen toward employees. It was alleged that overtime work is not fairly distributed, so that all may get a share; that workmen are sometimes victimized because they are active trade-unionists; and that, generally speaking, there is a tendency on the part of foremen to take advantage of the fact that men are tied to them under the Munitions Act, and to treat the men in a manner which they would not have done in prewar days, when a man's remedy was to walk out. There are doubtless some tactless foremen. The commissioners believe that some unrest is created because of injudicious speech and behavior on the part of foremen and undermanagers in establishments. But, on the other hand, at the present time, the position of a foreman is far from enviable, and they have much temper-trying behavior on the part of the men to put up with. We had before us a representative body of foremen, who explained their attitude, and we have no doubt that this cause of unrest is attributable to fault on both sides. It is difficult to make recommendations for the avoidance of this form of industrial friction. It is to be remembered that the pressure of war work falls peculiarly upon the foremen, and we are inclined to regard the complaints referred to as unduly magnified.

23. The unequal operation of the Military Service Acts is undoubtedly a cause of much unrest. Strong feeling was created by the withdrawal of the trade-card scheme, after many unions had gone to much trouble, and expense, in preparing to carry it out. On the other hand strong feeling also existed in the minds of men who were left out of this trade-card scheme. Much dissatisfaction now exists with the compilation of the list of protected trades. Skilled craftsmen complain that unskilled men are receiving red cards, while skilled tradesmen get black cards—or, in other words, that dilutants (some of whom are suspected of having gone into munitions work with that very object in view) are getting the protection against military call which was intended for the skilled men. On the other hand semiskilled or unskilled men engaged in essential war work, often married men, complain that young, unmarried, skilled tradesmen should get protection as against them. It is said, and occasionally it is no doubt true, that tactless foremen or managers occasionally intimidate men with threats of the Military Service Acts, and



there is a feeling abroad that compulsory industrial service is being enforced, in the guise of exemption from compulsory military service. There is also much indignation at the way in which so-called "labor battalions" are raised, skilled men of the B and C class, engaged in national work, being called up, and, after passing a trade test, being drafted into labor or works battalions, spending months in work which does not engage their technical skill. Calling up of workmen who are physically unfit for soldiers, although capable of doing skilled work in the national interest, is also a grievance, and much indignation exists as to the delays in granting allowances to discharged soldiers. The whole system of the operation of the Military Acts is, in the opinion of the great bulk of the working classes, an exhibition of bungling incompetence, and of exasperating dilatory methods. We do not, of course, associate ourselves with all that is said, and, it was not possible for this commission to enter upon an investigation of the methods of administration of the Military Acts, but there is no doubt of the fact that the opinions generally entertained by the working classes as to the unfair working of the Military Acts, whether such opinions are warranted or not, are a great cause of unrest. One thing which would certainly greatly minimize this feeling would be the avoidance of delay in making payments of allowances to dependents of soldiers, and to discharged soldiers.

24. The insistence by the workers on the demand for higher wages, and the dissatisfaction caused by the failure to obtain their full demand, is probably to be attributed, in some measure, to the worker's view of what he at any rate regards as the useless creation of departments to manage industry. He thinks, and says, that, whilst so many demands on the public funds can be met for unnecessarily elaborate schemes of one sort or another connected with industry, it is only fair that what he regards as his good claim to enhanced remuneration should not be refused to be generously recognized, as he is doing the actual work of producing the munitions of war. As he puts it, the Government are really paying the bill and it does not matter to the employer what advances the workers get, which is a relatively small item in the cost of the war compared with the enormous cost of the system of the Government attempting, through multiplied departments, to manage the industries of the country, which those who have been practically trained to the conduct of industry could manage more effectively, and more economically, if left alone, without departmental interference.

25. There were some strong representations made to us by both employers and workmen in regard to the want of consistent policy, and especially the want of coordination, on the part of the Government departments charged with the direction of industrial affairs, the varying policies of departments, coupled with the numerous

restrictive enactments of the Munitions Acts and the Defense of the Realm Regulations, placing the workmen in a position of uncertainty as to what he may, or may not, do within the law.

26. It was also represented to us with considerable force, and with some apparent justification, by various employers of labor, that several of the causes of the unrest which are attributed by the working classes to the action of the employers should not be laid to their charge, and that unrest would be allayed and misunderstanding avoided if the workmen were made aware that such causes have arisen partly through Government departments acting on their own initiative, without taking counsel with employers, and partly through the lack of coordination which appears to exist between such departments and which may result in employers having to consult several departments, or in contradictory orders and instructions being issued by different departments. This aspect of the situation was recognized by several of the trade-union leaders who have been in touch with Government departments, but it is difficult for the ordinary workingman to appreciate this point, and he, quite naturally perhaps, lays every grievance at the door of his employer. The remedy obviously is that all labor affairs should be directed from one department.

27. The trade organizations also are probably not altogether to be absolved from contributing to creating labor conditions which lead to labor unrest. The overlapping which exists in the trade-union movement leads to endless confusion, and creates a deal of unnecessary work, in connection with industrial questions, which require the attention of the workmen's representatives. Probably there are too many unions catering for the same class of craftsmen, or general workers, and a reduction in the number of unions might result in more effective organizations, and expedite the settlement of trade disputes. Much time would be saved (and delay always causes unrest) if employers could deal with one union, representing workmen of one class, or one union representing cognate trades, instead of having to negotiate with, and make agreements with, separate trade-unions, representing the same class of employees. Competition among unions is probably also apt to create differences between officials and members, which may add to the difficulties met with when endeavoring to effect a settlement in any trade movement, and it is suggested that the trade-union representatives should give serious consideration to the possibility of facilitating expedition in negotiation, and expediting the making of agreements, and promoting more prompt settlement of differences by improved methods of industrial organization.

28. Compulsory membership of a trade-union, or an employers' federation, is, perhaps, an ideal which may some day be attained, but is probably not, at the moment, in the region of practical policies,

but we think there is no doubt that experience reveals the advantage of combination for the purposes of consultation for trade agreements must necessarily be come to by representatives. Every workman, and every individual employer, in the country, or in a district, can not possibly be individually consulted. It is worthy of consideration whether, in the national interest, nonfederated employers, or nonunion workmen, should be permitted to obtain the benefits of federated agreements, without accepting corresponding responsibilities.

29. One suggested remedy for trade unrest met with general approval, namely, the scheme sketched in the interim report of the reconstruction committee for the establishment of district councils and work committees. None of the organizations represented had had time to study it minutely or to consult upon it, but, without committing themselves to details, the principle of the report of the reconstruction committee was favorably received.

30. We have dealt so far only with causes of unrest of general application. There are many causes of unrest applicable only to particular trades, or arising in circumstances of a special character. Some of these we may briefly refer to as illustrating the great variety of elements which tend to create industrial unrest.

31. The representatives of the Seafarers' Union brought before us the following grievances of seamen and firemen as causing unrest amongst them:

(1) The inadequacy of the £5 [\$24.33] allowed to compensate men who lose their kits through a vessel being torpedoed or mined. It was suggested that seamen should declare the value of their effects when they join a ship, and that compensation should be based on that.

(2) The fact that the compensation scheme applies only to transports and Government chartered vessels. It was suggested that it should apply to all vessels destroyed by the enemy, as many private shipowners refuse to compensate the men for lost effects.

(3) Delays in paying seamen who are entitled to compensation, resulting in men being idle, for they can not go to sea without a kit, which the compensation is meant to provide.

(4) The employment of Asiatic labor on British vessels. The complaint here is really in regard to Chinese firemen. It is said that shipowners engage Chinamen in place of British seamen, and that they do so because a Chinese crew is cheaper. The shipowners explain that the cost is not less and that the matter of cost is not a factor at all, but that the sole reason for employing Chinese is that better results are obtained with them, especially in these times, when it is of importance that the best possible speed should be got out of the steamers, particularly in home waters, where there is so much danger to the mercantile marine.

32. The trade representative of the Scottish shale miners (some 4,000 in number) stated a peculiar grievance. There are only six mine owners in this industry. The men are not under the Munitions Acts, and do not require leaving certificates. But it appears that the mine owners have agreed amongst themselves not to engage each other's men unless they are leaving with their present employers' consent. This agreement was stated to be a cause of unrest, and probably it is so; but we do not see what recommendation can be made for its removal, for there is no legal obligation upon any mine owner to employ any particular man, and the mine owners say that, in this very essential industry, it is of the utmost national importance that all the mines should be kept producing their full output, and that the mine owners' action in this matter is dictated by a desire to keep all the mines fully manned.

33. Two matters were put before the commission relating to Rosyth dockyard, which were strongly represented as causes of unrest. The first was the refusal of the dockyard superintendent to recognize a committee called the "allied trades committee," which represents the unions to which belong the various classes of men working at Rosyth. The superintendent, Admiral Bruce, who was present, was not aware of this grievance at the sitting in Edinburgh where it was put forward, but he undertook to make inquiries, and the next day he telegraphed to the chairman as follows: "Re conference at Caledonian Hotel, Edinburgh, this morning telegram just received from Admiralty that allied trades committee are recognized as a trade-union but with no privileged position."

34. The other grievance from the dockyard was the great delay in getting any difference adjusted, however trifling, because of the superintendent of the dockyard requiring to submit everything to the admiralty. It is quite easy to understand that, as regards matters of policy, a similar attitude must be adopted at all the Government dockyards, and that the Admiralty must pay regard to whether the introduction of any change of working conditions at, for instance, Rosyth, would affect other Government dockyards; and so a certain amount of delay must inevitably occur in regard to such matters; but what gives rise to the irritation, and so becomes a cause of unrest, is in many cases not a question of dockyard policy at all, but some purely local, and often trifling, question which the superintendent could surely be trusted to dispose of on the spot. It would certainly tend to allay unrest if the dockyard superintendent were intrusted with a discretion to refrain from reporting every trifle to the Admiralty, and were invested with authority, himself to entertain, and if possible settle on the spot, such merely local questions.

35. A representative from the Association of Shipbuilding and Engineering Draughtsmen complained that, although they, to say

the least, are quite as essential to industry as the operative workman, they get no recognition. They claim that economic concessions granted to operatives should extend also to draughtsmen; and that when there is consultation in which the unions of the operatives take part, the draughtsmen's association should also be consulted. They point out that, although they belong to a skilled profession and have a higher standard of living to maintain, they are not as well paid as the operative workmen.

36. A representative of the Railway Clerks' Association (a body with a membership of over 50,000, of whom 6,000 are in Scotland) reported that much unrest existed amongst this class of workers not only in regard to such matters as the lowness of their wages, the nonpayment for Sunday duty, and the absence of definition of a standard working day, but also and chiefly that the railway authorities do not recognize their association and that representations made to the railway executive and the Board of Trade have failed to get them recognition as a consultative union.

37. The National Union of Clerks made a somewhat similar representation. They complained that vast numbers of them had received no war bonus or increase of pay, and that overtime and Sunday work was not adequately paid for and sometimes not paid for at all. Their desire was to be considered as an essential part of the establishment and when advances of wages were being granted to operatives that they should at the same time get a corresponding advance.

38. The Locomotive Drivers' and Firemen's Association complained that their wages had not been raised correspondingly to the ever-increasing cost of living; and that their hours of work were abnormally long. But their chief complaint seems to be that on the railway systems in Scotland the running staff were paid on a much lower scale than in England. We had no means of verifying these somewhat vague statements, and the representatives who attended from the railway management discountenanced the views expressed on behalf of the men.

39. War tension and industrial fatigue have been spoken of. We have not seen any evidence that these are causes of industrial unrest, although probably they are aggravations of it. The workers have had, no doubt, a strenuous time and possibly not sufficient relaxation. The lack of holidays has been complained of and still more so the lack of train service and other facilities for enjoying a holiday when it could be got. But we do not think these are serious elements in causing industrial unrest.

40. It is a somewhat remarkable fact worth noting that in the whole course of the proceedings no complaint has been made from any quarter of the liquor restrictions being a cause of industrial unrest. No reference at all has been made to that subject.

41. We have endeavored in this report to reflect the opinions we have had put before us. We do not, of course, adopt everything that has been said. But two things are very clear: (1) that unrest has been created which, many people think, might have been prevented; (2) that if it is to be removed the two main causes of it should be dealt with, namely (*a*) the food problem; and (*b*) removing the prevailing ignorance of the public as to the actual facts, so as to prevent them entertaining wrong notions of the causes of the troubles and so providing a field for propaganda by extremists of all sorts.

T. A. FYFE (*Chairman*).

NOEL E. PECK.

A. GORDON CAMERON.

THOMAS F. WILSON, *Secretary*.

GLASGOW, 10TH JULY, 1917.

**APPENDIX A.—LIST OF PERSONS APPEARING BEFORE THE COMMISSIONERS.**

**AT GLASGOW.**

Mr. W. E. Whyte, clerk and treasurer of the district committee of the middle ward of Lanarkshire.

Mr. Archd. Speirs, president, and Mr. T. M. Stewart, secretary of the House Owners' Association.

Councillor Johnston Irvine, foreman bricklayer.

Councillor Johnston, Irvine, foreman bricklayer.

Mr. David Tait, insurance official on workmen's compensation claims.

Mr. J. Armour, blacksmith, Glasgow.

Mr. A. K. M'Cosh (of Wm. Baird & Co.), Mr. John A. Balderston (of Fullerton, Hodgart & Barclay), Mr. Alexander Fraser (of Strang & Co.), Mr. S. M. Hay (of Hay & Co.), and Mr. T. F. M'Fadyen, assistant secretary, representing the Ironfounders' Association.

Mr. James Gavin and Mr. O. Coyle of the Amalgamated Society of Iron and Steel Workers.

Mr. John Brown and Mr. J. Fulton of the Associated Iron Molders of Scotland.

Mr. Pickering and Mr. Beveridge for the Caledonian Railway.

Mr. Howie for Glasgow and South Western Railway.

Mr. M'Lauchlin for North British Railway Co.

Mr. Drummond for Locomotive Drivers and Firemen's Union.

Mr. J. R. Richmond (of G. and J. Weir), and Mr. R. L. Scott (of Scott & Sons), representing the North West Engineering Trades Association.

Mr. James Fullerton (of Fullerton & Co.), and Mr. Kennedy (of Hamilton & Sons), representing the Clyde Shipbuilders' Association, accompanied by Mr. A. Biggart, assistant secretary to these organizations.

Councillor George Kerr (Workers' Union).

Mr. James Prentice (Brassmolders' Society).

Mr. Alexander Turnbull (Coppersmiths' Society).

Mr. William Brodie and Mr. Sam Bunton (Amalgamated Society of Engineers).

Mr. James Storrie and Mr. A. Davidson (Smiths' and Strikers' Society).

Mr. R. Reid (Electrical Trades Union).

Mr. J. M'Kenzie (Gas Workers' Union).

Councillor James Whitehead and Mr. S. Nimlin (Brass-finishers' Society).

Mr. Ben. Smith (National Amalgamated Union of Labor).

Mr. L. Anderson (Toolmakers' Society).

Mr. W. Herd and Mr. W. Keay (Draughtsmen's Society).

Mr. M. T. Sanders (Tinsmiths' Society).

Mr. Shaw, Councillor Shinwell, and Mr. Hunter, on behalf of the Glasgow Trades Council.

Mr. Shaw and Mr. Barron of the Amalgamated Society of Joiners and Carpenters.

Mr. Guthrie and Mr. Baxter, on behalf of the Glasgow Master Wrights' Association.

Mr. John Dennison, electrician, Parkhead Forge.

Mr. Jolly and Mr. Prentice, on behalf of Messrs. Beardmore & Co. (Ltd.).

Mr. Prentice, Brassmolders' Society.

Mr. Norman Donaldson, Captain Taylor, and Mr. Wm. Johnstone, for Ship-owner and Dock Employers' Committee.

Mr. Stewart and Mr. M'Intosh, for Wholesale Cooperative Society.

Mr. J. A. Fraser, Mr. Alfred Maloney and Mr. Robert Clark, representing the Clyde District Committee of Amalgamated Toolmakers' Society.

Mr. James Ward, steel smelter, Cambuslang.

Mr. Spence, engineer, Kilmarnock.

Mr. J. W. Anderson of Young's Oil Co., Mr. James Bryson of Pumpherston Co., Mr. William Cuthbertson of Broxburn Co., Mr. A. C. Thomson, Oakbank Oil Co., and Mr. R. C. M'Culley, honorable secretary, representing the Scottish Mineral Oil Companies Association.

Mr. M'Eleny, coppersmith, Greenock.

Mr. W. Turnbull, president, and Mr. J. Turnbull, secretary, Coppersmiths' Society.

Mr. M'Eleny, Coppersmith, Greenock.

Mr. Whiteside and Mr. Black, for Mine Managers' Association of Scotland.

Mr. D. J. Highton, dep. chief inspector of National Health Insurance Association.

Mr. W. Waterson (of Waterson & Sons), Dr. M'Lehose (of M'Lehose & Co.), Mr. Wilson (of Pillans & Wilson), Mr. Paterson (of Wm. Collins & Sons, Ltd.) and Mr. Bisset, secretary, on behalf of Alliance of Masters in the Printing and Kindred Trades.

Mr. Galt for Women's Farm Laborers' Union.

Mr. Lawson and Mr. Nimlin of the North West Federated Shipbuilding and Engineering Trade-unions.

Mr. Aitkenhead, assistant works manager, G. and J. Weir.

Mr. M'Gill, foerman fitter, Rowan & Co.

Mr. Cunningham, foreman ironworker, A. Stephen & Son.

Mr. Herd, foreman joiner, Beardmore & Co.

Mr. Taylor and Mr. McNeil, representing maintenance staff foremen of Beardmore & Co.

Mr. Graham Hunter, Glasgow.

Mr. Bain, Mr. Biggam, Mr. Phillips and Mr. Stewart, collecting agents of Prudential Insurance Co.

Mr. James Ferguson, on behalf of the Railway Clerks' Association.

#### AT EDINBURGH.

Admiral Bruce, M. V. O., C. B., Mr. Cook, secretary, Mr. Cartwright Reid, C. B., and Mr. Rabbit, on behalf of the Admiralty authority at Rosyth dockyard.

Mr. Harry Richardson and Mr. Henry A. Jones for Allied Trades Association, Rosyth.

Mr. David Anderson, A. S. E., Edinburgh district.

Mr. Thomas Hamilton of the Workers' Union.

Mr. Beaton and Miss Cruden, on behalf of the Distributing Trade Employees in Dressmaking and Millinery.

Mr. T. Maynooth and Mr. Don. M'Kenzie, electrical trades.

Mr. M. O'Hagan, for oil workers.

Mr. William Dalrymple, joiners and carpenters.



Mr. Eunson and Mr. Allan, representing the Edinburgh Trades Council.

Mr. Eunson, representing the furnishing trade employees.

Mr. Simpson, on behalf of the Scottish Shale Miners' Association.

Messrs. Wallace, Miller, Milne, Hunt, Beale, Ireland, Ramage, Taylor and Muir, on behalf of the Engineering and Shipbuilding Employers' Association (Edinburgh district).

AT DUNDEE.

Rear Admiral J. Hughes Adams of shipyard labor department, Mr. James S. Brown, and Mr. John Kenneth, on behalf of Dundee Trades Council.

Mr. J. Kenneth, on behalf of Dundee Federation of Engineering and Shipbuilding Employees Trade Union.

Mr. Thomas and Mr. Hayes, representing Dundee furnishing trades employees.

AT ABERDEEN.

Mr. J. M. Henderson, chairman, Mr. A. Hall Wilson and Mr. G. W. S. Walker, jr., secretary, on behalf of the Aberdeen Engineering and Shipbuilding Employers' Association.

Mr. John Duncan, local officer Admiralty shipyard labor department.

Mr. Cowie, on behalf of the Aberdeen Federation of Engineering and Shipbuilding Employees Trades Unions.

Mr. Fraser, National Union of General Laborers.

Mr. Fraser, representing workers in granite trades.

Mr. M'Lean, joiner, Aberdeen.

Mr. P. B. Bisset, house owners.

Mr. Stewart, motor mechanic, Aberdeen.

Mr. Reginald Hendrickson, engineer, Aberdeen.

17841°—17—Bull. 237—15

## APPENDIX B.—PRESS ADVERTISEMENTS AND LETTERS.

### INDUSTRIAL UNREST INQUIRY.

NO. 8 DIVISION—SCOTLAND.

[Sheriff Fyfe, chairman, Mr. Noel E. Peck, and Mr. A. Gordon Cameron.]

The commissioners invite all interested parties including trade organizations and employers' federations who may desire to lay views before the commission to send, as early as possible, to the secretary, Mr. Thomas F. Wilson, County Buildings, Glasgow, a written note of points to which they desire to draw attention. The places and dates of sittings of the commission will be announced shortly.

T. A. FYFE, *Chairman.*

GLASGOW, 16th June, 1917.

The above advertisement appeared in Glasgow Herald, Glasgow Daily Record, Glasgow Evening Citizen, Glasgow Evening News, Glasgow Evening Times, Scotsman, Edinburgh Evening News, and Edinburgh Evening Dispatch, in their issues of 16th, 18th, and 19th June, 1917.

The above advertisement appeared in Aberdeen Free Press, Aberdeen Express, Dundee Advertiser, Dundee Courier, Dundee Telegraph, Greenock Telegraph and Paisley Express in their issues of 18th and 19th June, 1917.

### INDUSTRIAL UNREST COMMISSION.

NO. 8 DIVISION—SCOTLAND.

The commissioners will commence their sittings on Wednesday, 27th June, 1917. Parties desiring to be heard will please communicate with the secretary, Mr. Thomas F. Wilson, County Buildings, Glasgow. The sending in beforehand of a brief note of points intended to be raised will greatly facilitate the work of the commissioners.

T. A. FYFE, *Chairman.*

The above advertisement appeared in Glasgow Herald, Glasgow Daily Record and Scotsman in their issues of 20th and 21st June, 1917.

The above advertisement appeared in Glasgow Evening News, Glasgow Evening Times, Glasgow Evening Citizen, Edinburgh Evening News and Edinburgh Evening Dispatch in their issues of 20th June, 1917.

The above advertisement appeared in Aberdeen Free Press, Aberdeen Express, Dundee Advertiser, Dundee Courier, Dundee Telegraph, Greenock Telegraph, Paisley Express and Glasgow Observer in their issues of 21st June, 1917.

### LABOR UNREST COMMISSION.

NO. 8 DIVISION—SCOTLAND.

GLASGOW, June 19.

SIR: May I beg the favor of space in your columns to answer numerous inquirers who express a desire to assist the commissioners, but who, in regard to procedure, have difficulties which may probably be shared by others who have not expressed them?

The remit to the commission is "to inquire into and report upon industrial unrest and to make representations to the Government at the earliest possible date."

The inquiry is not confined to war work, or to munition workers, but applies to all forms of industry.

In a speech which he made to the commissioners a week ago, and which was widely reported in the press, the Prime Minister emphasized that the purpose of this commission is to furnish the War Cabinet with reliable information as speedily as possible, and he explained that the terms of the remit had been purposely expressed broadly so as to leave the commissioners in each division to adopt the methods they consider best calculated to meet the purpose.

In this division the commissioners feel assured that workmen and employers alike are anxious to assist them; and they confidently rely upon their prompt cooperation. The proceedings will take the form rather of a conference than of a formal inquiry with sworn testimony. What is contemplated is a frank expression of views in conversational form. The meetings will not be open to the general public nor to the press, and no person need have the slightest fear of anything of the nature of "victimization," as it is termed, as a result of expressing views upon such matters as the relations between classes of workmen and employers, or between workmen and managers or foremen, or between sections of workmen themselves, or between trade societies or their officials and employers, or sections of their own members; or in regard to customs or practices prevailing either in an industry generally or in any particular trade or establishment, or in regard to enactments in or the administration of existing legislation, or in regard to anything having a bearing upon the subject of the inquiry. A hearing will be afforded to all shades of opinion; but, at the same time, it must be distinctly understood that this commission is not intended for the airing of merely individual or personal grievances. The commissioners will expect, and they know that they can confidently rely, that the spokesmen who attend the meetings, while they may be few in number, will be representative men, with practical knowledge and experience of the trade interest they represent.

The purpose of the newspaper advertisement asking parties to send in a note of points intended to be raised is not in any way to restrict the scope of the inquiry, but merely to facilitate discussion by enabling subjects for discussion to be conveniently grouped beforehand. It is accordingly sufficient to state any point briefly and informally.

The secretary to the commission, Mr. Thomas F. Wilson, County Buildings, Glasgow, will be pleased to furnish interested parties with any desired information in regard to any matter which I may not have covered in this letter.

I am, etc.,

T. A. FYFE, *Chairman.*

The above letter by the chairman addressed to the editors of the various daily papers published in Scotland appeared in their issues of 20th or 21st June, 1917.

#### COMMISSION TO INQUIRE INTO INDUSTRIAL UNREST.

The commissioners will hold a sitting in the Caledonian Railway Station Hotel, Princess Street, Edinburgh, on Monday, 2d July, 1917, at 11 o'clock forenoon. It will facilitate proceedings if parties desiring to be heard will present their names, together with a note of the points they intend to raise, to the secretary, Mr. Thomas F. Wilson, County Buildings, Glasgow.

T. A. FYFE, *Chairman.*

The above advertisement appeared in Scotsman, Edinburgh Evening News and Edinburgh Evening Dispatch in their issues of 29th June, 1917.



## INTERIM REPORT OF THE RECONSTRUCTION COMMITTEE ON JOINT STANDING INDUSTRIAL COUNCILS.<sup>1</sup>

To the Right Hon. D. LLOYD GEORGE, M. P., Prime Minister.

SIR: We have the honor to submit the following interim report on joint standing industrial councils:

2. The terms of reference to the subcommittee are:

(1) To make and consider suggestions for securing a permanent improvement in the relations between employers and workmen.

(2) To recommend means for securing that industrial conditions affecting the relations between employers and workmen shall be systematically reviewed by those concerned, with a view to improving conditions in the future.

3. After a general consideration of our duties in relation to the matters referred to us, we decided first to address ourselves to the problem of establishing permanently improved relations between employers and employed in the main industries of the country, in which there exist representative organizations on both sides. The present report accordingly deals more especially with these trades. We are proceeding with the consideration of the problems connected with the industries which are less well organized.

4. We appreciate that under the pressure of the war both employers and workpeople and their organizations are very much preoccupied, but, notwithstanding, we believe it to be of the highest importance that our proposals should be put before those concerned without delay, so that employers and employed may meet in the near future and discuss the problems before them.

5. The circumstances of the present time are admitted on all sides to offer a great opportunity for securing a permanent improvement in the relations between employers and employed, while failure to utilize the opportunity may involve the nation in grave industrial difficulties at the end of the war.

It is generally allowed that the war almost enforced some reconstruction of industry, and in considering the subjects referred to us

---

<sup>1</sup> Reconstruction Committee. Subcommittee on Relations Between Employers and Employed. Interim report on joint standing industrial councils (Cd. 8606). The Right Hon. J. H. Whitley, M. P., chairman; Mr. F. S. Button, Mr. G. J. Carter, Prof. S. J. Chapman, Sir Gilbert Claughton, Bart., Mr. J. R. Clynes, M. P., Mr. J. A. Hobson, Miss Susan Lawrence, Mr. J. J. Mallon, Sir Thos. R. Ratcliffe-Ellis, Mr. Robert Smillie, Mr. Allan M. Smith, Miss Mona Wilson. Mr. H. J. Wilson, Ministry of Labor, Mr. Arthur Greenwood, secretaries.

we have kept in view the need for securing in the development of reconstruction the largest possible measure of cooperation between employers and employed.

In the interests of the community it is vital that after the war the cooperation of all classes, established during the war, should continue, and more especially with regard to the relations between employers and employed. For securing improvement in the latter, it is essential that any proposals put forward should offer to workpeople the means of attaining improved conditions of employment and a higher standard of comfort generally, and involve the enlistment of their active and continuous cooperation in the promotion of industry.

To this end, the establishment for each industry of an organization, representative of employers and workpeople, to have as its object the regular consideration of matters affecting the progress and well-being of the trade from the point of view of all those engaged in it, so far as this is consistent with the general interest of the community, appears to us necessary.

6. Many complicated problems have arisen during the war which have a bearing both on employers and workpeople, and may affect the relations between them. It is clear that industrial conditions will need careful handling if grave difficulties and strained relations are to be avoided after the war has ended. The precise nature of the problems to be faced naturally varies from industry to industry, and even from branch to branch within the same industry. Their treatment consequently will need an intimate knowledge of the facts and circumstances of each trade, and such knowledge is to be found only among those directly connected with the trade.

7. With a view to providing means for carrying out the policy outlined above, we recommend that His Majesty's Government should propose without delay to the various associations of employers and employed the formation of joint standing industrial councils in the several industries, where they do not already exist, composed of representatives of employers and employed, regard being paid to the various sections of the industry and the various classes of labor engaged.

8. The appointment of a chairman or chairmen should, we think, be left to the council who may decide that these should be—

- (1) A chairman for each side of the council;
- (2) A chairman and vice chairman selected from the members of the council (one from each side of the council);
- (3) A chairman chosen by the council from independent persons outside the industry; or
- (4) A chairman nominated by such person or authority as the council may determine or, failing agreement, by the Government.

9. The council should meet at regular and frequent intervals.

10. The objects to which the consideration of the councils should be directed should be appropriate matters affecting the several industries and particularly the establishment of a closer cooperation between employers and employed. Questions connected with demobilization will call for early attention.

11. One of the chief factors in the problem, as it at first presents itself, consists of the guaranties given by the Government, with parliamentary sanction, and the various undertakings entered into by employers, to restore the trade-union rules and customs suspended during the war. While this does not mean that all the lessons learned during the war should be ignored, it does mean that the definite cooperation and acquiescence by both employers and employed must be a condition of any setting aside of these guaranties or undertakings, and that, if new arrangements are to be reached, in themselves more satisfactory to all parties but not in strict accordance with the guaranties, they must be the joint work of employers and employed.

12. The matters to be considered by the councils must inevitably differ widely from industry to industry, as different circumstances and conditions call for different treatment, but we are of opinion that the suggestions set forth below ought to be taken into account, subject to such modification in each case as may serve to adapt them to the needs of the various industries.

13. In the well-organized industries, one of the first questions to be considered should be the establishment of local and works organizations to supplement and make more effective the work of the central bodies. It is not enough to secure cooperation at the center between the national organizations; it is equally necessary to enlist the activity and support of employers and employed in the districts and in individual establishments. The national industrial council should not be regarded as complete in itself; what is needed is a triple organization—in the workshops, the districts, and nationally. Moreover, it is essential that the organization at each of these three stages should proceed on a common principle, and that the greatest measure of common action between them should be secured.

14. With this end in view, we are of opinion that the following proposals should be laid before the national industrial councils:

(a) That district councils, representative of the trade-unions and of the employers' associations in the industry, should be created, or developed out of the existing machinery for negotiation in the various trades.

(b) That works committees, representative of the management and of the workers employed, should be instituted in particular works to act in close cooperation with the district and national machinery.

As it is of the highest importance that the scheme making provision for these committees should be such as to secure the support of the trade-unions and employers' associations concerned, its design should be a matter for agreement between these organizations.

Just as regular meetings and continuity of cooperation are essential in the case of the national industrial councils, so they seem to be necessary in the case of the district and works organizations. The object is to secure cooperation by granting to workpeople a greater share in the consideration of matters affecting their industry, and this can only be achieved by keeping employers and workpeople in constant touch.

15. The respective functions of works committees, district councils, and national councils will no doubt require to be determined separately in accordance with the varying conditions of different industries. Care will need to be taken in each case to delimit accurately their respective functions, in order to avoid overlapping and resulting friction. For instance, where conditions of employment are determined by national agreements, the district councils or works committees should not be allowed to contract out of conditions so laid down, nor, where conditions are determined by local agreements, should such power be allowed to works committees.

16. Among the questions with which it is suggested that the national councils should deal or allocate to district councils or works committees the following may be selected for special mention:

(i) The better utilization of the practical knowledge and experience of the workpeople.

(ii) Means for securing to the workpeople a greater share in and responsibility for the determination and observance of the conditions under which their work is carried on.

(iii) The settlement of the general principles governing the conditions of employment, including the methods of fixing, paying, and readjusting wages, having regard to the need for securing to the workpeople a share in the increased prosperity of the industry.

(iv) The establishment of regular methods of negotiation for issues arising between employers and workpeople, with a view both to the prevention of differences, and to their better adjustment when they appear.

(v) Means of insuring to the workpeople the greatest possible security of earnings and employment, without undue restriction upon change of occupation or employer.

(vi) Methods of fixing and adjusting earnings, piecework prices, etc., and of dealing with the many difficulties which arise with regard to the method and amount of payment apart from the fixing



of general standard rates, which are already covered by paragraph (iii).

(vii) Technical education and training.

(viii) Industrial research and the full utilization of its results.

(ix) The provision of facilities for the full consideration and utilization of inventions and improvements designed by workpeople, and for the adequate safeguarding of the rights of the designers of such improvements.

(x) Improvements of processes, machinery and organization and appropriate questions relating to management and the examination of industrial experiments, with special reference to cooperation in carrying new ideas into effect and full consideration of the workpeople's point of view in relation to them.

(xi) Proposed legislation affecting the industry.

17. The methods by which the functions of the proposed councils should be correlated to those of joint bodies in the different districts, and in the various works within the districts, must necessarily vary according to the trade. It may, therefore, be the best policy to leave it to the trades themselves to formulate schemes suitable to their special circumstances, it being understood that it is essential to secure in each industry the fullest measure of cooperation between employers and employed, both generally, through the national councils, and specifically, through district committees and workshop committees.

18. It would seem advisable that the Government should put the proposals relating to national industrial councils before the employers' and workpeople's associations and request them to adopt such measures as are needful for their establishment where they do not already exist. Suitable steps should also be taken, at the proper time, to put the matter before the general public.

19. In forwarding the proposals to the parties concerned, we think the Government should offer to be represented in an advisory capacity at the preliminary meetings of a council, if the parties so desire. We are also of opinion that the Government should undertake to supply to the various councils such information on industrial subjects as may be available and likely to prove of value.

20. It has been suggested that means must be devised to safeguard the interests of the community against possible action of an anti-social character on the part of the councils. We have, however, here assumed that the councils, in their work of promoting the interests of their own industries, will have regard for the national interest. If they fulfill their functions they will be the best builders of national prosperity. The State never parts with its inherent overriding power, but such power may be least needed when least obtruded.

21. It appears to us that it may be desirable at some later stage for the State to give the sanction of law to agreements made by the councils, but the initiative in this direction should come from the councils themselves.

22. The plans sketched in the foregoing paragraphs are applicable in the form in which they are given only to industries in which there are responsible associations of employers and workpeople which can claim to be fairly representative. The case of the less well-organized trades or sections of a trade necessarily needs further consideration. We hope to be in a position shortly to put forward recommendations that will prepare the way for the active utilization in these trades of the same practical cooperation as is foreshadowed in the proposals made above for the more highly organized trades.

23. It may be desirable to state here our considered opinion that an essential condition of securing a permanent improvement in the relations between employers and employed is that there should be adequate organization on the part of both employers and workpeople. The proposals outlined for joint cooperation throughout the several industries depend for their ultimate success upon there being such organization on both sides; and such organization is necessary also to provide means whereby the arrangements and agreements made for the industry may be effectively carried out.

24. We have thought it well to refrain from making suggestions or offering opinions with regard to such matters as profit sharing, copartnership, or particular systems of wages, etc. It would be impracticable for us to make any useful general recommendations on such matters, having regard to the varying conditions in different trades. We are convinced, moreover, that a permanent improvement in the relations between employers and employed must be founded upon something other than a cash basis. What is wanted is that the workpeople should have a greater opportunity of participating in the discussion about and adjustment of those parts of industry by which they are most affected.

25. The schemes recommended in this report are intended not merely for the treatment of industrial problems when they have become acute, but also, and more especially, to prevent their becoming acute. We believe that regular meetings to discuss industrial questions, apart from and prior to any differences with regard to them that may have begun to cause friction, will materially reduce the number of occasions on which, in the view of either employers or employed, it is necessary to contemplate recourse to a stoppage of work.

26. We venture to hope that representative men in each industry, with pride in their calling and care for its place as a contributor to

the national well-being, will come together in the manner here suggested, and apply themselves to promoting industrial harmony and efficiency and removing the obstacles that have hitherto stood in the way.

We have the honor to be, sir,  
Your obedient servants,

J. H. WHITLEY, *Chairman.*

F. S. BUTTON.

GEO. J. CARTER.

S. J. CHAPMAN.

G. H. CLAUGHTON.

J. R. CLYNES.

J. A. HOBSON.

A. SUSAN LAWRENCE.

J. J. MALLON.

THOS. R. RATCLIFFE-ELLIS.

ROBT. SMILLIE.

ALLAN M. SMITH.

MONA WILSON.

H. J. WILSON,

ARTHUR GREENWOOD,

*Secretaries.*

MARCH, 8, 1917.

## APPENDIX.

The following questions were addressed by the reconstruction committee to the subcommittee on the relations between employers and employed in order to make clear certain points which appeared to call for further elucidation. The answers given are subjoined.

*Q. 1. In what classes of industries does the interim report propose that industrial councils shall be established? What basis of classification has the subcommittee in view?*

A. 1. It has been suggested that, for the purpose of considering the establishment of industrial councils, or other bodies designed to assist in the improvement of relations between employers and employed, the various industries should be grouped into three classes: (a) industries in which organization on the part of employers and employed is sufficiently developed to render the councils representative; (b) industries in which either as regards employers and employed, or both, the degree of organization, though considerable, is less marked than in (a) and is insufficient to be regarded as representative; and (c) industries in which organization is so imperfect, either as regards employers or employed, or both, that no associations can be said adequately to represent those engaged in the trade.

It will be clear that an analysis of industries will show a number which are on the border lines between these groups and special consideration will have to be given to such trades. So far as groups (a) and (c) are concerned, a fairly large number of trades can readily be assigned to them; group (b) is necessarily more indeterminate.

For trades in group (a) the committee have proposed the establishment of joint standing industrial councils in the several trades. In dealing with the various industries it may be necessary to consider specially the case of parts of industries in group (a) where organization is not fully developed.

*Q. 2. Is the machinery proposed intended to be in addition to or in substitution for existing machinery? Is it proposed that existing machinery should be superseded? By "existing machinery" is meant conciliation boards and all other organizations for joint conference and discussion between employers and employed.*

A. 2. In most organized trades there already exist joint bodies for particular purposes. It is not proposed that the industrial councils should necessarily disturb these existing bodies. A council would be free, if it chose and if the bodies concerned approved, to merge existing committees, etc., in the council or to link them with the council as subcommittees.

*Q. 3. Is it understood that membership of the councils is to be confined to representatives elected by employers' associations and trade-unions? What is the view of the subcommittee regarding the entry of new organizations established after the councils have been set up?*

A. 3. It is intended that the councils should be composed only of representatives of trade-unions and employers' associations, and that new organizations should be admitted only with the approval of the particular side of the council of which the organization would form a part.

Q. 4. (a) *Is it intended that decisions reached by the councils shall be binding upon the bodies comprising them? If so, is such binding effect to be conditional upon the consent of each employers' association or trade-union affected?*

A. 4. (a) It is contemplated that agreements reached by industrial councils should (whilst not of course possessing the binding force of law) carry with them the same obligation of observance as exists in the case of other agreements between employers' associations and trade-unions. A council, being on its workmen's side based on the trade-unions concerned in the industry, its powers or authority could only be such as the constituent trade-unions freely agreed to.

Q. 4. (b) *In particular, is it intended that all pledges given either by the Government or employers for the restoration of trade-union rules and practices after the war shall be redeemed without qualification unless the particular trade-union concerned agrees to alteration; or, on the contrary, that the industrial council shall have power to decide such question by a majority vote of the workmen's representatives from all the trade-unions in the industry?*

A. 4. (b) It is clearly intended that all pledges relating to the restoration of trade-union rules shall be redeemed without qualification unless the particular trade-union concerned agrees to alteration; and it is not intended that the council shall have power to decide such questions by a majority vote of the workmen's representatives from all the trade-unions in the industry.



## APPENDIX.

### CONTENTS OF OTHER BULLETINS RELATING TO LABOR IN GREAT BRITAIN AS AFFECTED BY THE WAR.

Bulletin No. 221: Hours, fatigue, and health in British munition factories.

Introduction.

Summary of the committee's conclusions.

Sunday labor (Memorandum No. 1).

Hours of work (Memorandum No. 5).

Output in relation to hours of work (Memorandum No. 12), reported by  
H. M. Vernon, M. D.

Industrial fatigue and its causes (Memorandum No. 7).

Sickness and injury (Memorandum No. 10).

Special industrial diseases (Memorandum No. 8).

Tetrachlorethane poisoning (report of the British medical inspector of  
factories).

Dope poisoning (leaflet issued by the British factory inspector's office).

Ventilation and lighting of munition factories and workshops (Memoran-  
dum No. 9).

Effect of industrial conditions upon eyesight (Memorandum No. 15).

British treasury agreement as to trade-union rules affecting restriction of  
output.

Munitions of war act, 1915, relating to labor disputes and restoration of  
trade-union conditions after the war.

Munitions of war (amendment) act, 1916.

Munitions tribunals (provisional), rules for constituting and regulating  
munitions tribunals in England and Wales.

Compulsory arbitration in munitions industry in France.

Bulletin No. 222. Welfare work in British munition factories.

Introduction.

Summary of committee's conclusions.

Legal regulation of welfare work in Great Britain.

Value of welfare supervision to the employer, by B. Seeböhm Rowntree,  
director of welfare department, British ministry of munitions.

Welfare supervision (Memorandum No. 2).

Industrial canteens (Memorandum No. 3).

Canteen construction and equipment (Memorandum No. 6).

Investigations of workers' food and suggestions as to dietary (Memoran-  
dum No. 11).

Washing facilities and baths (Memorandum No. 14).

Bulletin No. 223. Employment of women and juveniles in Great Britain during  
the war.

Introduction.

Summary of the committee's conclusions.

Replacement of men by women in industry in Great Britain.

**Bulletin No. 223. Employment of women and juveniles in Great Britain during the war—Concluded.**

Extension of employment of women in Great Britain in 1916.

Employment of women in Great Britain (Memorandum No. 4).

Migration of women's labor through the employment exchanges in Great Britain.

Employment and remuneration of women in Great Britain—munitions orders.

Output of munitions in France.

Regulations as to wages of workers in munitions factories in France.

Juvenile employment in Great Britain (Memorandum No. 13).

Juvenile employment committees in Great Britain.

Employment of women and boys in munition work in Italy.

**Bulletin No. 230. Industrial efficiency and fatigue in British munition factories. Introduction.**

Summary of the committee's conclusions.

The comparative efficiencies of daywork and night work in munition factories.

Introduction.

Previous physiological observations.

Methods of night work.

Female labor.

Male labor.

Conclusions.

The causes and conditions of lost time, by Thomas Loveday, M. A.

Introduction.

Sickness.

Lost "quarters."

Summary of conclusions.

Incentives to work, with special reference to wages, with an appendix on wage systems.

Incentives to work, with special reference to wages.

Methods of remuneration.

Instances of failure of wage systems to act as incentives.

Summary.

Further considerations.

Appendix on wage systems.

Systems of piece rates.

Summary.

**Medical studies.**

Report on the health and physical condition of male munition workers, by Capt. T. H. Agnew, R. A. M. C.

Inquiry into the health of women engaged in munition factories, by Janet M. Campbell, M. D., and Lillian E. Wilson, M. D.

Medical certificates for munition workers (Memorandum No. 16).

Health and welfare of munition workers outside the factory (Memorandum No. 17).

