Problems of Labour

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EXPLANATORY NOTE

The literature concerning the problems of labor is voluminous and recently there has been published in periodicals, books and reports, a good deal of excellent material which throws much light on these problems. It is the purpose of the compiler and editor of this handbook to present the best of this recent material in as concise a form as it is possible to adopt in a single volume.

The problems of labor are many and it would take several volumes to cover the subjects in full detail. This handbook is a summary which will prove useful as a guide for all students of industrial relations.

When used with the handbooks on Employment Management, Modern Industrial Movements and the others in the series dealing with labor, the reader will find he has the nucleus of an industrial library with the best thought on the subject made easily available.

DANIEL BLOOMFIELD.

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SELECTED ARTICLES ON PROBLEMS OF LABOR

INTRODUCTION

The aim of this volume is to present a useful and well-organized body of material dealing with the principal topics in what we have commonly learned to style the labor problem.

The title of this book, it will be noticed, is not *the* Labor Problem, but the Problems of Labor. And in this circumstance (it is not an accident) lies an important suggestion.

Careful observers of labor conditions know that there is no such thing as a simple labor problem. There are labor problems. These problems are many, but they lend themselves to a certain degree of definite grouping.

Now without some attempt at analytical grouping or an arrangement of the main topics of importance in this field, there is the danger, as is frequently manifest in public discussion of the subject, of a confusion of terms. One man speaks on the "Labor Problem," and he deals with just one phase of trade union activity. To his mind, that sums up the labor problem as he sees it, but his auditors remain unsatisfied. Another, on the same subject, deals only with one phase of a possible "solution" of the labor situation. In the absence of clean-cut definition of terms to start with he goes on to present what is dangerously like a panacea.

No man who is aware of the manifold phases of the labor situation could lend himself to the advocacy of specifics in industrial matters. Simple remedies in labor relations are for the simple minded who view the action taking place through a knot-hole in the fence; they won't do, for those who pay the price of admission and get a full view of the complications and many sided aspects of the matter.

The price of admission, it should be said, is earnest study of the subject, a willingness to spend time and energy on it, and a

realization of its overshadowing importance. It is this importance which justifies the very best attention and study that can be given, and condemns in advance oversimplified, proprietory schemes advertised as sure remedies for industrial ills.

A most encouraging fact in the present situation as it affects our country is the large and growing number of industrial executives, and students of labor questions who have definitely turned their backs on panaceas and are approaching all industrial questions with what might be called the engineering sense. By this I mean that attitude of mind which believes that all decision and action must be founded on carefully organized data, on assemblage of the best available material and information, and on a reasonably close acquaintance with the successes and failures that have attended various experiments in labor relations.

Equipped with such knowledge, the field of labor problems, takes on a new meaning.

A wide range of interests opens up, more than one method or formula seems to be feasible. There is a challenge to resourcefulness, human insight, and constructive imagination. Capable executives welcome such a call on their intelligence. There is something in it of that quality that they have learned to meet in other phases of their administrative work. They have made up their minds, being men of capacity, that dealing with questions of human nature in industrial organization could not be an easier task than settling any other problems in their business experience.

So with a grasp of the size of their job, they turn to serious study of its elements. And this indeed is the typical attitude of all earnest students of labor problems whether their field be academic, or industrial and commercial. They distrust glibness, facile prospectus, specious cure—also—they hold fast to the hard realities the chief of which is persistent thinking on the problem, or rather group of problems.

To this commendable end of sober, persevering study of the labor situation this book is a contribution. It has organized the necessary data under logical headings. While it does not pretend to have exhausted the subject, something a single volume could not do, it presents from the most authoritative source, various aspects of labor questions and experiments in labor relations which at the present time are of the greatest interest to the largest number of persons.

It is my conviction that a collection such as this is, representing all points of view is of more value than a book by one author or representing one point of view can possibly be, and that a careful reading of this book will make good return in a broader grip on the subject, and possibly in pointing the way along which intelligent experimentation holds out a promising measure of results.

January 22, 1920. MEYER BLOOMFIELD.

GENERAL

THE CENTRAL PROBLEMS[1]

The first problem of reconstruction is the *Business Man.* As Brooks Adams said four years ago, in his impressively conservative book on "The Theory of Social Revolutions," the modern business man—"capitalist," Mr. Adams calls him—has been evolved under "the stress of an environment which demanded excessive specialization in the direction of a genius adapted to money-making under highly complex industrial conditions," to which "money-making attribute all else has been sacrificed," so that he "thinks in terms of money more exclusively than the French aristocrat or lawyer ever thought in terms of caste." With this socially blind and for the present politically powerful class, our country must reckon thoughtfully and justly. To the extent that reconstruction solutions make it necessary to subordinate accustomed proprietary interests to justice and fair dealing, uncompromising opposition must be expected from all business interests that are rooted in or affiliated with monopoly.

The second problem of reconstruction is *Labor.* We have become so habituated to thinking of labor exclusively in terms of "hiring" and "firing" and "wages" and "labor turnover," and "lower classes," that we neglect vital distinctions. We must learn to realize that labor is the antithesis of idleness, not of capital or business, not of industrial investment, leadership or management. It ranges all the way from the most impoverished worker to the most prosperous manager of work, in so far as their work is socially useful. When, therefore, we think of Labor as wage-working classes in contradistinction to employing classes, we find ourselves in a dizzy whirlpool of thought—the so-called "conflict of labor and capital." But since we must take the public mind as we find it, we shall have to face the labor problem as a conflict between employing classes and wage-

[1] By Louis F. Post. Everybody's. 40:60. February, 1919.

working classes. Yet we may think of the former as composed of useful workers as well as privileged idlers, and of the latter as a class of which some are as parasitical as the idle rich, though less expensive to society. We must not forget, either, that all of us depend upon the wage-working class for a living. This is an impressive fact which the "labor shortage" in war time has emphasized. We must realize, too, that all wage-workers depend for work upon working opportunities which employing classes control—many of which they control arbitrarily, unjustly and destructively.

Those two problems are factors in every other problem of reconstruction. If legitimate and useful business interests continue their alliance with privileged and harmful business interests, or if wage-working interests continue to be dealt with as if the relationship of Business to Labor were one of master class to working class, then the other reconstruction problems will, of necessity, be inefficiently and dangerously dealt with. But if reasonable solutions of the business-man problem and the labor-class problem are accepted, other reconstruction problems will almost solve themselves.

The more conspicuous among the subsidiary problems may be summarized about as follows:

(1) *Collective bargaining* between organized business and organized labor. This would lead to reasoned-out and cooperative adjustments of labor disputes.

(2) *An open thoroughfare to natural resources* for all workers. Their socialization in permanent and convenient locations under assurances of profitable and congenial work, such as government could wisely give, would solve a multitude of reconstruction problems; for it would automatically maintain the general supply of employable workers at a level likely to prevent unreasonable exactions by Labor and oppressive exploitations by Business.

(3) Perpetuation of *public ownership* of the postal, railroad and telegraphic service, and extension of the principle to all other utilities which emanate from the public in order to be operated for the public. This would subordinate to common uses those national agencies of common service which have been too long at the mercy of money-making specialists.

(4) *Socialization of the social value of all privately owned natural resources.* This would put an end to capitalistic

monopolies of water-power, of oil and other mineral deposits, of natural forest growths, of unused agricultural and grazing areas, and of city sites. For those resources we are indebted to nature, not to financial legerdemain; and for their values we are indebted to social progress, not to antique ancestors. It would also abolish, or at least greatly lighten, the burdens of taxation on useful business operations.

Other reconstruction problems confront us. Some may be different in form of statement, but in substance most of them differ hardly at all from those enumerated above. Whatever they may be, however, there are few, if any, but will glide into their places without much friction and be solved with a minimum of confusion if the enumerated problems are dealt with in social good faith and with administrative intelligence.

FUNDAMENTALS OF THE INDUSTRIAL PROBLEM[1]

Increased production, increased saving, increased confidence —these are the three keys to the whole industrial problem.

Production may be hampered either in pursuance of a deliberate policy, or simply by the use of inefficient methods. The interest of Employers, as a general rule, is to increase output the danger of over-stocking being met by improved distributive organisation and the opening up of new markets. Cases of restriction for the sake of keeping up prices occur mainly in connection with monopoly products, and the problem of counteracting the influences which make for restricted output in these cases deserves a more careful study than has yet been given to it. There is also a tendency, perhaps unconscious, on the part of some employers to throw obstacles in the way of increased output due to the exceptional efficiency of employees. They would rather have a smaller output produced by men receiving wages not above the customary limit than an increased output produced by men earning exceptionally high wages. This policy is not only unjust to the men concerned; it is shortsighted and uneconomic from the point of view of the employer's own interests. On the other hand, the interest of the individual em-

[1] From Garton Foundation Memorandum on the Industrial Situation after the war. Rev. ed. January, 1919. pp. 129-55.

ployer in maintaining a high standard of quality cannot be taken for granted, so long as large profits can be derived from the sale of inferior goods. Stronger action on the part of trade associations, and more general education of the purchasing public in standards of value, are needed both in the national interest and in that of producers of high class goods.

Much of the limitation of output on the part of employers arises from inefficiency in management—conservation in methods, the retention of badly planned works and out-of-date plant, bad organisation, neglect of scientific research, the presence of "deadheads" on the office staff. There is some reason to hope that the experiences of the war and the keenness of competition after it may lead to greater attention being paid to these points.

The limitation of output by labour arises partly from the legitimate desire to restrict the hours of work in the interest of health, education, family life and enjoyment. These are considerations of social welfare which cannot be set aside. We must look for greater production rather from increased efficiency than from an increase in the number of hours worked. There are, however, large sections of labour by whom a further limitation of output is deliberately practised in the assumed interests of their class as a whole. In some cases the motive is the honest but mistaken belief that the less work each man does the more there will be to go round. "Work" is regarded as an exhaustible fund, or at the best as a diminishable flow, and it is assumed to be in the interests of his class that each man should "use up" as little as possible. The fallacy lies in the conception of an inelastic "wages fund." Wages come out of the stream of products, and other factors remaining constant, the distribution of wages cannot be widened except by an increase of the stream. In the case of trades in which employment is irregular and demand uncertain, the temptation to slacken work as a job nears completion is easy to understand, but the results of the policy are too wasteful to be contemplated with satisfaction. The remedy must be sought in a better organisation of the industries concerned which will give the workman greater security of tenure, and remove his fear of unemployment or relegation to lower-paid work as a result of exercising his maximum effort. A further cause of limitation of output lies in the natural differences of individual capacity. The workers believe that if each man were allowed to produce to his full

power, the minimum standard demand by the employer would be based on the performances of the quickest and most skilful and a "speeding-up" process would be introduced, involving either excessive strain or lessened earnings on the part of the majority. From this point of view, restriction of output is a sacrifice made by the ablest workers in the interests of their fellows. While such restrictions necessarily result in limiting the total output, it is obvious that labour cannot fairly be asked to remove them unless some definite assurance can be given against the evils anticipated.

With regard to quality of output it is obvious that the workers' interest lies in the direction of a high standard which will improve the status of those concerned in the industry. Whether from the point of view of earning power or of interest and satisfaction in their work, the workmen have everything to gain by the standard of workmanship in their particular trade being raised. A general appreciation of this fact, resulting in greater attention by labour organisations to questions of craft training and quality of output would do much both to raise the position of labor itself and to strengthen the hands of those employers who are striving for a high level of production, as against those who seek to make their profit out of the bad taste of bargain hunters.

It is clear that any restrictions placed upon production, whether by employers or employed, beyond those based upon the social needs of the workers, must be removed if the difficulties of the economic situation are to be faced successfully. In order to make good the wastage of war and raise the general level of industrial prosperity, the efforts of both parties must be united for the purpose of increasing the quantity of output and improving its quality. In order to avoid disastrous conflicts with regard to the distribution of earnings, the national income, the total sum available for distribution, must be not only maintained but increased. The prospects of success depend upon the willingness of both sides to face the facts of the situation and to throw aside somewhat of their mutual distrust. It will be necessary for labour to abandon the policy of restricting output and to concentrate upon demanding adequate remuneration for the work performed. It will be equally necessary for employers to recognize that efficient production is the only ultimate source of profit, that the policy of keeping down wages

and cutting piece rates is opposed to their own interests, and that industry as a whole will benefit by any rise in the level of craftsmanship and production. There is to-day an urgent necessity for the removal of all obstacles to any man either working or earning to the full extent of his capacity.

The argument has brought us to the fundamental question which underlies all our industrial troubles—the relation between employers and employed. The limitation of production, whether by labour restrictions on output or cutting of piece rates by employers, springs from the belief that the interests of employers and employed are inevitably and fundamentally hostile. If it can be shown that their interests are concurrent as regards production and only partially opposed even as regards distribution, the way will have been paved for a compromise which will leave both parties free to co-operate in the work of industrial reconstruction.

The relations of employers and employed are partly antagonistic as regards distribution, because it is to the interest of each to secure a relatively large share of the wealth produced. They are not wholly opposed, even in this respect, because it is to the interest of the employer that his workpeople's standard of life shall be sufficiently high to promote efficiency and afford a reasonable incentive to effort; it is to the interest of the workman that the firm shall be sufficiently prosperous to provide steady employment. Good work cannot be expected from men who are ill-fed and insufficiently clothed, or who feel that they derive no advantage from increased production. Continued employment cannot be expected from a firm which is not making a profit on its business. The qualification becomes still more important when it is extended from the relations existing in a particular firm to industry as a whole. It is to the interest of all employers engaged in the supply of common commodities that wages as a whole should be good, in order that the purchasing power of their customers may be high. It is to the interest of the workers, who are also consumers, that firms producing articles of general use should be sufficiently prosperous to keep plants up to date and produce well and cheaply.

The interests of employers and employed are concurrent as regards production, because it is to the benefit of each that the total available for distribution shall be as large as possible. The interest of the working class in increase of output may be

limited by other than economic considerations. They will not accept for the sake of increased wages methods of work which involve loss of self-respect or a narrowing of their life by undue restriction of leisure. To this extent the interest of the employer may be over-ridden by considerations of social welfare. The real conflict is between his economic interests as an employer of labour and the social interests of the community of which he is a member. But the employer and employed are both concerned in increased *efficiency* of production, which implies equal or improved output at less cost to the employer and with less strain to the employed. Here, too, it is to be noted that the workman, as consumer, will benefit by any increase in the general efficiency of production.

The great obstacle to co-operation is the question of status. The ill-will of labour towards capital and management is not wholly a question of their respective share of earnings. Friction arising over the distribution of earnings is in itself due quite as much to a sense of injustice in the machinery of distribution as to the desire for actual increase of wages. The fundamental grievance of labour is that while all three are necessary parties to production, the actual conditions of industry have given to capital and management control not only over the mechanism of production, but also over labour itself. They feel that the concentration of capital in a comparatively few hands has rendered fair bargaining between the parties impossible. A man who leaves his work without reason inflicts on his employer a certain amount of loss and inconvenience. A man who is dismissed without reason may lose his livelihood. While each great firm represents in itself a powerful organisation, apart from any employers' association to which it may belong, the men employed by the firm are solitary units, having no power of collective action without calling in the trade unions representing the whole of each craft. In the last resort the only effective weapon of the trade union is the strike, and the loss inflicted by a strike or lock-out on the capitalist class is not comparable with the acute personal suffering of the workmen and their families. They feel therefore that in any dispute the dice are weighted against them.

There is also a very widespread feeling that labour as a whole is faced by great disadvantages in ventilating its grievances. The tribunals are composed, the press is owned and

run, by men of another class; and the complaint is frequently made that the labour representative and the labour case do not receive the fair play and courtesy which would be extended to those of their "opponents."

The attitude of a certain section of employers who look on their employees as "hands," as cogwheels in the industrial machine, having a market value but no recognised rights as human beings, is bitterly resented. Still more offensive is the attitude which regards the working man as a very good fellow so long as he is kept in his place, and requiring to be guided and disciplined, but not to be consulted in matters vitally affecting his interests. Labour has come to know its power. It realises that it is an indispensable party to the production of wealth and it requires to be treated frankly as a partner with equal rights and equal responsibilities.

The grievances of the employers are no less valid. They complain of deliberate limitation of output, slackness and inefficiency in work, short time and malingering, the lack of any feeling of responsibility. They point out that many leaders of labour opinion carefully discourage any sense of loyalty to the firm—the source from which the earnings of capital and labour are alike derived—that even a fair employer can feel no confidence that his workmen will back him up in a pinch. Any effort to improve the condition of the employees is regarded as a concession extorted from weakness and is followed by further demands which bear no relation to the condition of trade. Every period of prosperity produces a demand for higher wages; but no amount of depression is considered as an excuse for reverting to a lower scale. The trades union wage regulations place obstacles in the way of differentiation between the efficient and industrious workman and those who are less skilled or less hardworking. At the same time they render it impossible to continue in employment, without actual loss, men whose capacity for production has been decreased by age or accident.

The gravest complaint, however, relates to the insecurity of bargaining. The employer's power to negotiate directly with his employees is restricted by the union, yet bargains thus made with the men's accredited representatives are continually broken by those whom they profess to bind and the union itself cannot enforce the agreement which it has made.

So long as the fundamental interests of employers and em-

ployed are believed by the majority to be purely antagonistic, no cure for the grievances of either side is likely to be found, since the wrongs of which both sides complain spring from that very feeling of hostility and suspicion.

The limitation of production carries with it a limitation of the possible amount of savings. If the total amount produced is low, the balance of production over consumption will be low also. But class-hostility hampers saving in other ways. The supposed clash of interests destroys the sense of responsibility in the use of wealth. Discontent with economic conditions is productive of reckless expenditure. The man who feels his conditions of life to be unworthy has no incentive to save, because he has no hope of substantial improvement in his condition. The worse that condition is, the greater is his need of amusement and palliatives to render it bearable. Sound investment is discouraged because the prospect of repeated outbreaks of industrial warfare makes confidence impossible.

We see, therefore, that the mutual hostility of employers and employed is the prime obstacle to the three essentials of industrial prosperity—increased output, increased saving, increased confidence. It is only from the removal of this obstacle that any one of the three great parties to the industrial process can look for a permanent increase of earnings.

We may therefore lay down these four broad principles as those which must guide our attempt to solve the industrial problem.

(*a*) The first necessity of the industrial situation is greater efficiency of production. In order to meet the difficulties created by the war, to make good the losses of capital, and to raise the standard of living amongst the mass of our people, we must endeavour to increase both the volume and the quality of output.

(*b*) In order that this result may be obtained without detriment to the social welfare of the community, it must be sought for rather in improved organisation and the elimination of waste and friction than in adding to the strain on the workers, and must be accompanied by a change of attitude and spirit which will give to industry a worthier and more clearly recognised place in our national life.

(*c*) This can only be accomplished if the sectional treatment of industrial questions is replaced by the active co-operation of labour, management, and capital to raise the general level of productive capacity, to maintain a high standard of workmanship, and to improve working conditions.

(*d*) It is essential to the securing of such co-operation that labour, as a party to Industry, should have a voice in matters directly concerning its special interests, such as rates of pay and conditions of employment. It is necessary to create adequate machinery both for securing united action in the pursuit of common ends and for the equitable adjustment of points which involve competing interests. This machinery must be sufficiently powerful to enable both sides to accept its decisions with confidence that any agreement arrived at will be generally observed.

There are many to whom these principles will not seem to go far enough. They are convinced that the only solution lies in a complete reconstruction of society—the abolition of private ownership of land and capital, the establishment of state or guild socialism, the re-integration of industry, the return to the land, the break-up of the existing trade unions. Accordingly they reject the notion of co-operation between employers and employed as involving an abandonment of the first essentials of reform. If we were discussing the abstract ideal of Society, it would be necessary to meet their criticisms by discussing each of their proposals on its merits. But the present issue is a narrower one. We have to deal with a definite and immediate danger—the prospect of an industrial crisis involving loss and hardship to all parties to Industry. It is obvious that no measure involving a radical reconstruction of the social system has any chance of adoption in time to avert this evil. On the other hand, the prospect of any specific programme emerging from a period of internal conflict is small. The results of social or political upheavals have seldom been those anticipated by their promoters. The men whose ideas gave birth to the French Revolution did not foresee the Terror or the Empire. The Long Parliament foresaw neither the reign of the Major-Generals nor the Restoration. If we are to find a way out of the

threatened difficulties, we must do so by making the best use of the materials at hand, accepting the conditions under which we work and seeking to unite all classes in the pursuit of interests which are common to all. Whatever may be the ultimate direction of industrial progress, an advance is more likely to be founded on a first right step than to come through the chaos of industrial warfare and class-hatred.

The difficulties of devising any scheme of co-operation which shall be acceptable alike to employers and employed are great enough. It demands from both a clear understanding of their respective parts in the process of production, a measure of sympathy with the point of view of the other parties to that process and a just perception of the respective weight to be attached to conflicting and to common interests. It calls for a certain daring in experiment and for a willingness to make sacrifices, if needs be, for the common good. It requires both parties to abandon recrimination as to the mistakes of the past and to approach each other in a new spirit.

These are great demands; but the emergency and the opportunity are also great. Whatever we may do, we may be sure that things will not continue to move quietly in the familiar grooves. The whole world alike of conditions and ideas has been violently shaken and a ferment has been set up out of which may come either good or evil, but in no event a reversion to the old order. We cannot alter the facts by ignoring them. Our only choice lies between the risks involved in abandoning ourselves passively to the forces of change and the effort required to harness them for our own ends.

To avoid chaos is much; of itself it would be worth no small sacrifice and effort on the part of all. The gain which might accrue to any class from conflict is shadowy and uncertain; the loss and suffering to every class alike are certain and heavy.

But to avoid danger is not all. It seems probable that we stand to-day at one of those definite turning points in human history where a generation of men has it in its power, by the exercise of faith and wisdom, by facing the problems of the moment without passion and without shrinking, to determine the course of the future for many years. If we can rise to the height of our opportunity we may hope not merely to pass safely through the immediate crisis, but to raise the whole tone and level of national and individual life.

Whatever action is taken must be the result of frank and full discussion between representatives of all parties to the question. Any attempt to enforce upon one party a scheme framed wholly by another would defeat its own object and precipitate the crisis. It will not do to look to the Government for the initiative. Whatever part the State may play in the future of industry, it cannot move in advance of the general level of opinion among those concerned. Most of the difficulties which have been analysed in this memorandum apply with equal force to state controlled industries, and while the solution may involve legislative sanction or state action, the problem itself can be settled only by agreement between those chiefly concerned.

The first step towards agreement is to define the functions of the three parties to production.

Capital is necessary to a business for the erection of plant, the purchase of raw material, and working expenses. In order that capital should be used to the best advantage for the purposes of industry, it is necessary that investors should display sound judgment as to the prospects and requirements of particular enterprises, exercising caution or daring as occasion demands.

Management is concerned with the disposition of the capital provided, the erection and employment of machinery and plant, the general organisation of the business, the placing and acceptance of contracts, the purchase of the raw material, and the sale of the finished product. The performance of these functions requires not merely a knowledge of the particular business concerned but of all which are in any way connected with it, a careful study of markets, of methods of distribution, and of financial conditions.

Labour undertakes the conversion of the raw material into the finished product, by aid of the plant and machinery provided. While the first requisite in the workman is a thorough understanding of his own job, the maximum efficiency can only be attained if he has a clear conception of the part played by his own work in the whole process of production.

These definitions are framed with a view to a manufacturing business, but they can be adapted, by changes which will readily suggest themselves and are not vital, to a distributive industry.

It is obvious that the functions of capital, management, and labour overlap. In many cases the man who provides the funds

of a business also directs its working. In such cases he performs both the waiting and risk-taking functions of capital and management's function of expert control. It is logical to regard his profits as consisting partly of interest on the capital provided and partly of remuneration for his services as manager. Again, a foreman or a ganger combines to some extent the functions of labour and management; and in general, the spheres of management and labour activity are too closely connected for any clear line of demarcation to be drawn between them. Capital itself represents the result of past services performed by all three parties.

This inter-relation of functions constitutes a real partnership [1] between the persons concerned in any business, whether as investors, managers, or workmen, or in any two or all of these capacities. At present the relation between them is unrecognised or only partly understood, and the result is to produce hostility instead of co-operation between the partners. The attention of all is apt to be concentrated on the points in which their interests conflict to the exclusion of those in which they are common.

This failure to realise the possibilities of co-operation springs largely from neglect of a fundamental principle. The first article of partnership is equality of knowledge. At present the workers have little knowledge of the capital risks, working expenses, establishment and depreciation charges of a business, or of the relation between their particular job and the general process of production. On the other hand, employers have, as a rule, a very imperfect understanding of the workers' point of view, the degree in which they are affected by economic and social considerations respectively, and the effect of particular processes and methods of working upon their physical and moral life. From this mutual ignorance arise innumerable misunderstandings with regard to rates of pay and conditions of labour which are capable only of arbitrary solutions, because neither side understands the standpoint of the other. It is probable that a large percentage of the disputes arising over rates of pay, the introduction of labour-saving machinery, hours of work, the demarcation of tasks, trade union restrictions, could be avoided or compromised, if employers and employed really understood

[1] The word partnership is here used in its widest sense and does not involve the acceptance of what are generally known as co-partnership schemes.

the reasons for the attitude of the other party. In default of such understanding the dispute takes on the character of a trial of strength, in which each side is compelled, for the sake of principle and prestige, to put forth efforts disproportionate to the actual point at issue.

We have said that the chief obstacle to co-operation is the question of status. The development of modern industry has turned the operative into a mere cog in the industrial machine. The average working man has no say in the management of the business and very little as to the conditions of his employment; he has no interest in the success of the firm, except that it should not collapse altogether; and the tendency has been more and more to reduce his work to a mechanical routine. The term "wage-slavery," as we have seen, embodies the revolt of the worker not only against an unequal bargain but against a system which gives him neither interest, nor pride, nor a sense of responsibility in his work. To a large proportion of those engaged in industry their work has become something external to their personal life, a disagreeable necessity, affording no opportunity for self-expression, the joy of creation, or the realisation of healthy ambitions. The result has been a serious impoverishment and enfeeblement of life and character and a permanent obstacle to industrial development. It is impossible for men in this position to take long views, or to consider innovations from the standpoint of industry as a whole. The opposition to new methods of working, labour-saving machinery, dilution of labour, scientific management, is only in part the result of specific and reasoned objections. It springs still more largely from the fact that these schemes are imposed from above and are presumed to be framed solely in the interest of the employers. The opposition to them is, in fact, a revolt against dictation. On the other hand, the uncompromising attitude of employers does not, generally speaking, arise from a tyrannical spirit or a mere desire for increased profits, but from impatience with the men's separatist attitude and their inability to realise the common dependence of employers and employed upon the produce of their joint exertions.

The same difficulty arises in the case of distribution of earnings. The worker feels that his labour is treated as a mere commodity, the market value of which may be forced down by the employer, irrespective of any consideration of a decent

standard of life for the employed, and that he receives the reward of his toil, not as a matter of right or as the equitable division of the proceeds of joint effort, but as a dole fixed by the arbitrary will of the employer or as a concession extorted by force. The employer feels that each demand made upon him represents a raid upon his profits limited solely by the power of the workers' organisations and unaffected by any consideration of the working expenses of the business, provision for depreciation or dilapidations, or the building up of a reserve against future depression. In the confusion of thought arising from imperfect understanding, there is a tendency to regard the whole problem as centreing round the concrete question of distribution, which becomes a symbol of the general opposition of interests. The consequence is that disputes as to wages are often fought on either side with a bitterness and obstinacy altogether out of proportion to the amounts involved. In order to arrive at a clearer conception, it is essential to disentangle as far as possible the economic and non-economic factors. If the question of status can be settled, the main obstacle to an agreement as to distribution will have been removed.

The problem is, therefore, to settle this question of status in some way which shall give the workman the sense of self-respect and responsibility which he desires, without interfering unduly with the employer's exercise of the necessary functions of management. The trade union regulations, which have been so largely suspended by agreement for the period of the war, were mostly directed towards this end—the assumption by labour of some measure of control over the conditions under which it works. They refer to wages, hours of labour, overtime and Sunday work, apprenticeship and the method of entry into particular occupations, the kind of work to be performed by different classes of workers, the methods of negotiation between employers and employed, and similar questions. In other words, they represent an attempt to substitute for the autocratic control of the employer over the working lives of his employees a greater and greater degree of self-direction by the organised workers themselves, acting through their accredited representatives.

As a natural result of the assumed conflict between the fundamental interests of employers and employed, the action of the trade unions took the form, in appearance at least, of an

attack upon the profits of the employers and their right to control the conduct of their business. It was largely as a defence against the unions that the great employers' associations came into being. After making all allowance for the occasional insubordination of trade union members and the lack of support given in some quarters to the employers' federations, the effect of these parallel organisations has been beneficial to both sides. Hitherto, however, the action of both groups has been almost entirely negative. They have placed restraints both upon tyranny and upon anarchy; they have succeeded in compromising many disputes and in restricting the occasions of open conflict; but they have done little or nothing to remove the continual undercurrent of latent hostility and divergence of effort which has hampered industrial development far more than the direct effect of strikes and lock-outs. They have protected the special interests which they respectively represent; but they have not risen to the conception of combined action in pursuit of their common interests. Valuable as their work has been, it can hardly be regarded as an adequate return for the ability, energy, and power of organisation displayed on both sides.

The explanation of the comparative failure of the employers' associations and trade unions on the constructive side of the industrial problem is to be found in their strictly sectional and defensive origin and outlook. Regarding themselves as entrusted with the interests of one party to industry and not of industry itself, they have paid no attention to the problems and difficulties of the other side, and they have come together only when one had a demand to make of the other or when a conflict was imminent. Thus they have always met in an atmosphere of antagonism, and their negotiations have been carried on as between two hostile bodies. Exchange of views has come at too late a stage in the proceedings, when a stand has already been taken on both sides and prestige or prejudice forms an obstacle to concessions. What is still more important, their discussions have been confined to specific points of dispute and have not embraced the consideration of constructive measures for the improvement of industrial conditions and the increase of efficiency. Yet the possibilities of combined action which lie in these two great groups of highly organised and power-

ful bodies might transform the whole face of industrial life. Their united knowledge of both sides of the industrial process should enable them to throw light on every phase of its successive developments. Their united strength would render them, in combination, practically irrestible. But to secure the realisation of these possibilities the co-operation between the two groups must be continous and constructive, and must be based upon a recognition of the common interests of employers and employed, both as parties to industry and members of the community. Employers must realise that both their own interests and the obligations of citizenship impose upon them the necessity of a sympathetic understanding of the lives and standpoint of those with whom they work and a willingness to co-operate, without dictation or patronage, in every endeavour to improve their material or social conditions. Labour must realise its direct interest in the improvement of industrial processes, the organisation of industry, the standard and quantity of production, and the elimination of waste in material or effort. Both the employers' associations and trade unions must learn to regard themselves as joint trustees of one of the most important elements of the national life.

The machinery necessary for such co-operation will require to be created. The existing conciliation boards, or industrial boards on the Australian model, while they perform many useful functions, will not serve this purpose. These Boards are, in fact, independent courts sitting to adjudicate upon claims in respect of which the parties are unable to agree. Such a method of adjudication is in many ways preferable to the alternative of leaving questions to be settled by conflict, as the result of a strike or lock-out. They enable employers and employed to contract on moral equal terms. They result also in the production of detailed evidence whereby each side might, if it had the inclination, understand the case of the other. But here, too, the exchange of views comes too late and the parties meet not to co-operate but to oppose each other. Moreover, they are concerned solely with the settlement of specific disputes, and while they may continue to do useful work in this connection, they cannot provide the opportunity for that continu-

ous and constructive co-operation of management and labour which is essential to any satisfactory solution of the industrial problem.

Something much more comprehensive is required, and the task of providing it will need very careful attention from those concerned. It is unlikely that any one scheme could be devised which would be applicable to all industries or in all localities. The utmost elasticity, whether in present application or in future development, is necessary to any system of industrial organisation, for industry itself develops and modifies day by day. But the general lines upon which development is possible can be deduced from the foregoing analysis of the difficulties to be overcome.

In its simplest form, the new machinery would consist of joint committees, representing both the management and the works staff. This method would lend itself readily to experiment by individual firms and could be applied even in the unorganised trades where no strong trade unions or federations of employers exist. At the meetings of such committees any questions affecting working methods and conditions could be brought up for discussion by either side. The representatives of management would be required to explain the nature and extent of any proposed innovation designed to increase output or economise effort—the introduction of new automatic machinery, time and motion study, standardisation of tools, analysis of fatigue, elimination of waste—and its effect upon the earnings of the firm and of the individual worker. This explanation should be as clear and full as possible, with the object of giving each worker an interest and sense of responsibility in his work, by making clear to him, through his representatives, the reason for the methods to be adopted and the relation of his job to the whole process of production. The proposals having been explained, the workers' representatives would consider them from the point of view of the interests of the men employed, the relation between the different classes of labour, the strain on the workers, the amount of interest and intelligence put into their work. If necessary, they would put forward modifications or safeguards for the protection of these interests. Where the result was to show a real divergence of opinion or of interest, it would be freely discussed,

with a view to finding a way round and adjusting the balance between common and competing interests. In like manner, proposals for alterations in the hours or conditions of labour, in the interests of health or social welfare of the workers, would be put forward by the workers' representatives and discussed in the light of any objections on the score of expense or difficulties of working urged by the representatives of management. While the representatives of management would naturally be concerned mainly with the efficiency of the business and those of labour with the immediate interests of the workers, it is very desirable that neither should confine their attention to their own side of the business. A wise employer will always have the interests of his staff at heart, and workmen who feel themselves to have a recognised interest in the business will have many suggestions to put forward for promoting its efficiency.

In the staple trades, the method of works committees would require to be replaced, or supplemented, by joint boards composed of representatives of the employers' associations and the trade unions. Having regard to the differentiation of functions between management and labour and the large number of problems affecting one or both parties, which arise in a big industry, two co-equal boards might be created in each industry, one representing management and the other labour, with a supreme board of control co-ordinating the work of both. The functions of the management board would cover the "business" side of the industry; those of the labour board would relate to conditions and hours of labour, the demarcation of tasks and everything that touches most nearly the life of the worker. Representatives of these boards, meeting on the supreme board of control, would deal jointly with all matters by which the interests of both parties were affected. Such questions as the dilution of labour, which is becoming increasingly important, yet which cannot be dealt with satisfactorily so long as it is approached from one side only, would be discussed by the joint board of control, both from the point of view of efficiency in production and from that of the interests of the workers and the position of the trade unions. In this manner it should be possible to construct and give effect to

a definite policy and programme for each great industry as a whole, representing a reconciliation between the common and competing interests of employers and employed, and based both upon the desire to obtain the maximum of efficiency and the desire to obtain the best possible conditions for the workers.

In order to avoid the evils of inelasticity and over-centralisation, and to make due provision for the varying conditions of different localities and firms, it might be advisable to combine the creation of these central boards with an organisation of district and works committees, charged with the special care of local and individual interests and problems. The representation of such committees on the central boards, and the delegation to them of local questions, would constitute a protection against the injustice which might otherwise be done by an attempt to equalise rates of pay in areas which differ widely as to the cost of housing and food, or in which the conditions of production and transport produce important variations in working expenses. They would also serve as a protection to established workshop and local craft traditions against the deadening tendency to a mechanical uniformity.

In its most ambitious form, the Supreme Board of Control would resolve itself into a national industrial council for each of the staple industries or groups of allied industries. The members would be elected by ballot, each electoral unit, or pair of parallel units, returning one representative of management and one of labour. In many industries it would be desirable to find a place on the Council for representatives of the applied arts, both with a view to raising the standard of design and workmanship, and with the object of encouraging the human and creative interest in production. A speaker of broad sympathies and experience, capable of directing and focussing the discussions upon the practical problems to be dealt with, would be chosen by mutual consent, but would have no casting vote, his capacity being purely advisory. Such industrial councils would in no sense supersede the existing employers' associations and trade unions, many sides of whose present activities would be unaffected by the creation of the new bodies. Matters connected with the sources and supply of

raw material and the cultivation of markets for the disposal of the finished products would remain exclusively the concern of purely commercial federations of manufacturers, acting in conjunction with the state. The benefit side of trade unions and many phases of the internal organisation of labour by them would be similarly unaffected. In other matters the connection between the old and the new bodies would be close, without any loss of identity. The unions and the employers' associations would send their delegates to the industrial councils charged with the defence of the special interests represented by them and equipped with special knowledge of their particular problems. The general policy outlined by the industrial parliaments would be carried out in detail largely through the older organisations.[1]

The field of action open to the industrial councils would be very great. It would extend, for instance, to (*a*) the suggestion and consideration of improved methods and organisation; (*b*) the maintenance of works discipline and output; (*c*) the maintenance of a high standard of design and workmanship; (*d*) the education and training of apprentices, and the conditions of entry into the industry concerned; (*e*) the demarcation of tasks; (*f*) the prevention of unemployment, the development of security of tenure in the trade and the decasualisation of labour; (*g*) questions of wages and piece rates; (*h*) prosecution of research and experiment, and (*i*) the improvement of the public status of the industry. Where the council represented a group of allied trades, it would naturally concern itself with the coordination of their work and the adjustment of their respective interests. In addition to the promotion of internal prosperity, the councils would be able to give public utterance to the views and needs of each industry in its relation to the whole national life. They would take account not only of economic but of moral and aesthetic values. Their object would be not merely to increase the productive efficiency of the industry and to reconcile the competing interests of those engaged in it, but to emphasise the worth and dignity of industrial life and to enlarge the scope offered

[1] It should be clearly understood that the right to strike in default of agreement would remain unaffected. This point was made quite clear in the Whitley Reports.

by it to the energies and ambitions of those concerned. It would be part of their task to emphasise the close connection between industrial questions and those relating to education and social conditions. It might even be advisable to empower the industrial councils to apply for board of trade orders giving legal sanction to their decisions—but this would necessitate careful watching, and the provision of adequate safeguards, especially in the interests of consumers.

There is, of course, a tendency in all great associations of industrial units to develop the danger of tyranny, which seems almost inseparable from a close corporation. If, however, it is found that the requirements of the time call for the creation of such organisations, it would be well to face this danger without flinching. The advantages to be obtained are enormous, and with the help of the legislature and the courts the dangers can be met.

Whatever scheme is adopted, the essential thing is that it shall give expression to a real desire for co-operation between employers and employed. In the unorganised trades, works committees on the plan already suggested may be sufficient for present needs. The probability is that, with increasing prosperity and better understanding, the desire for organisation will grow, and the tendency will be to extend the scope both of employers' and labour organisations and to increase their effectiveness, so as to give the employers' associations greater power to control the action of individual firms and to enable the trade unions to make agreements with a greater certainty of their being carried out. It is evidently desirable that the organisation of employers and of labour should proceed *pari passu,* with full mutual recognition, so that individual or small groups on one side should not find themselves confronted by powerful organisations on the other. When once a policy of co-operation has been introduced, its future development and extension may safely be left to time and experience. An attempt to lay down any definite and rigid scheme at the start would probably defeat its own object. The whole success of the policy depends upon the elasticity with which it can be adapted to practical needs and opportunities as they reveal themselves. It is obvious that, even in unorganised trades,

it might be applied to many questions of works economy, with the result of stimulating care and efficiency on the part of the workers, and giving management a better understanding of their point of view, to the advantage of both. In the engagement of men and their allocation to different departments and jobs, it should be possible to take advantage of the special knowledge of both sides, by consultation between the managers and the representatives of the works staff as to the numbers and qualities of the men required. In some cases it might even be possible to appoint a permanent joint committee to deal with the question of the supply of labour, and the requirements of the work in hand.

LABOR'S BILL OF RIGHTS[1]

The "Bill of Rights," formulated and adopted on December 13 by the national labor conference called by Samuel Gompers, president of the American Federation of Labor, and attended by representatives of 119 international unions, including the "Big Four" railroad brotherhoods, contains the following declarations of principles and purposes, upon which more than 5,000,000 members of the trades union movement in the United States are to stand:

We speak in the name of millions who work—those who make and use tools—those who furnish the human power necessary for commerce and industry; we speak as part of the nation and of those things of which we have special knowledge. Our welfare and interest are inseparably bound up with the well-being of the nation. We are an integral part of the American people, and we are organized to work out the welfare of all.

The urgent problem that sorely troubles our nation and vitally affects us as workers makes necessary this special consultation.

The great victories of human freedom must not have been won in vain. They must serve as the instruments and the inspiration for a greater and nobler freedom for all mankind.

Autocratic, political and corporate industrial and financial influences in our country have sought and are seeking to infringe upon and limit the fundamental rights of the wage-earners guaranteed by the constitution of the United States.

Powerful forces are seeking more and more aggressively to deny to wage-earners their right to cease work. We denounce these efforts as vicious and destructive of the most precious liberties of our people. So long as it is necessary to exercise the right to cease work—strike—as a final means of enforcing justice from an autocratic control of industry, so long must the workers remain in the right to strike.

The autocratic attitude and destructive action of the United States Steel Corporation and its subsidiary branches to oppress the workers by denying them the exercise of their freedom of action, freedom of association, freedom of expression, must give way to a better understanding and relation and to secure the wage-earners in the exercise of their rights and liberties as free workers and citizens.

Rights of Wage-Earners

We protest against the attitude and action of the majority of the representatives of the employers in the employers' group who participated in the President's industrial conference October 6-24, 1919.

The proposals which the representatives of labor submitted to that conference were conservative, constructive and helpful. They were calculated to establish a working basis for the promotion of better relations between employers and workers—the right to organize, the right to collective bargaining through representatives of the workers' own choosing. The representatives of the public constituted as a group indorsed and voted for that principle. By a small majority the employers' group voted against it and thus the proposals were defeated and the conference failed.

The protection of the rights and interests of wage-earners in national, state and municipal service requires for them the right of organization. Since the interests of these workers can be best promoted through legislation and administration, their right to organization and affiliation with the A. F. of L. must at all times be safeguarded.

The paramount issues that concern all the people of the United States, and in particular the wage-earners, are the perversion and the abuse of the writ of injunction and the necessity for full and adequate protection of the voluntary associations of wage-earners organized not for profit.

Injunction a Revolutionary Measure

The injunction as now used is a revolutionary measure which substitutes government by judicial discretion or bias for government by law. It substitutes a trial by one man, a judge, in his discretion, for a trial by jury. This abuse of the injunctive process undermines and destroys the very foundation of our free institutions. It is subversive of the spirit of a free people working out their destiny in an orderly and rational manner.

Because we have reverence for law, because we believe that every citizen must be a guardian of the heritage given us by our fathers who fought for and established freedom and democracy, by every lawful means we must resist the establishment of a practice that would destroy the very spirit of freedom and democracy. Our protest against the abuse of the writ of injunction and its unwarranted application to labor in the exercise of labor's normal activities to realize laudable aspirations is a duty we owe to ourselves and posterity.

To penalize strikes or make them unlawful is to apply an unwarrantable and destructive method when a constructive one is available. To reduce the necessity for strikes, the cause should be found and removed. The government has a greater obligation in this matter than to use its coercive powers.

To promote further the production of an adequate supply of the world's needs for use and higher standards of life, we urge that there be established co-operation between the scientists of industry and the representatives of organized workers.

Credit is the life blood of modern business. At present under the control of private financiers it is administered not primarily to serve the needs of production, but the desire of financial agencies to levy a toll upon community activity as high as "the traffic will bear."

Credit is inherently social. It should be accorded in proportion to confidence in production possibilities. Credit as now administered does not serve industry, but burdens it. It increases unearned incomes at the expense of earned incomes. It is the centre of malevolent forces that corrupt the spirit and purpose of industry.

We urge the organization and use of credit to serve production needs and not to increase the income and holdings of financiers. Control over credit should be taken from financiers

and should be vested in a public agency able to administer this power as a public trust in the interests of all the people.

Policy of Railroad Operation

Since the government has not worked out a constructive railroad policy we urge for and on behalf of the railway workers and of the general public that the railroads be retained under government administration for at least two years after January 1, 1920, in order that a thorough test may be made of governmental operations under normal conditions. The common carriers of this country are the arteries of travel, commerce and industry. Transportation service and rates are intimately bound up with industrial production in all parts of the country. It is essential that a thorough test be given to all phases of railroad control and operated before a definite peace-time policy be finally concluded.

Never has the world been confronted with a more serious situation. Millions are in want, facing starvation. The children of war-stricken Europe, half fed, underdeveloped, appeal for help. Only with infinite pain, unnecessary loss of life and slowness of result can Europe rebuild her industries, restore her agriculture and re-establish her commerce without the help of America.

The treaty setting forth the terms of peace has not been ratified by the United States. Boundaries are not fixed. Peoples are uncertain as to their allegiance. Under such conditions exchange and credit have lost voltage and in turn have paralyzed industry.

As members of an organized labor movement that has for years maintained fraternal relations with the working people of Europe, we feel that our nation cannot with honor and humanity maintain a policy of isolation and disinterestedness for the distress and suffering of the peoples of Europe. Even if the necessity of the peoples of Europe did not have a compelling appeal, the inter-related economic interests of the world would prevent our limiting our attention solely to this hemisphere.

Ratification of Peace Treaty

The peace treaty includes provisions in an international agreement to prevent war among nations, with all its cruelties and sacrifices of human life; with its burden of indebtedness

and taxation; for reduction in standing armies, the diminution of great navies, and the limitation of the production of arms and amunition. If the senate shall fail to ratify the treaty of Versailles, our nation may be isolated from other countries of the world, which at some time might be pitted against us. Such isolation and possibilities would make necessary the creation and maintenance of a large standing army and a greater and more effective navy, in order in some degree to protect the republic of the United States from aggression by those countries which were our allies in the great war and which were and are now our friends.

In addition, the workers of America have a deep interest and concern in the labor draft convention of the treaty and in its purpose to raise to a higher standard the conditions of life and labor among peoples of all countries. Its cardinal declarations and provisions are that labor should not be regarded as a commodity, that the eight-hour day and 48-hour week are standard; that there shall be one day of rest, preferably Sunday, in each week; that child labor shall be abolished, and continuing education for young workers assured; that men and women shall receive equal pay for equal work; that industrial betterments shall be enforced by proper inspection, in which women as well as men shall take part; that wages shall be sufficient to maintain a reasonable standard of living, as this is understood in each clime and country, and that employes as well as employers have the right of association for all lawful purposes.

The United States is protected by this draft convention in two ways. First, that the recommendations which international labor conferences under the treaty may recommend may be accepted or rejected by our government; second, that no recommendation that would set a lower standard for the people of the United States than already exists within our borders can at any time be presented for consideration and action by the United States.

To give the united support of our republic and of the allied countries to effective machinery to release the standard of the workers' condition in backward countries; to help humanize industry for the common world weal, is, we insist, a paramount duty which our republic must perform. We insist, for the reasons herein set forth, that it is the immediate duty of the senate to ratify the treaty of Versailles.

The American labor movement resents the attempt of reactionaries and autocrats to classify the men and women of labor with those groups which have nothing in common with its constructive purposes and high ideals, and with the fundamental principles of our country. Those who aim to strike a blow against the legitimate operations of the workers in their struggle for freedom and for a higher and a better life must be met and overcome.

We call upon all those who contribute service to society in any form to unite in the furtherance of the principles and purposes and for the rectification of the grievances herein set forth. We call especial attention to the fact that there is a great community of interest between all who serve the world. All workers, whether of this city or country, mine or factory, farm or transportation, have a common path to tread and common goal to gain.

Legislation which proposes to make strikes unlawful, or to compel the wage-earners to submit their grievances or aspirations to courts or governmental agencies, is an invasion of the rights of the wage-earners, and when enforced makes for industrial slavery.

Anti-Strike Legislation

We specifically denounce the anti-strike provision of the Cummins bill and all similar proposed legislation as un-American, as being vicious in character and establishing by legislation involuntary servitude.

The warning given by Jefferson that the danger to the people of this republic lies in the usurpation of our judiciary of unconstitutional authority has been fully demonstrated. A judiciary unresponsive to the needs of the time, arrogating to itself powers which neither the constitution nor the purposes of our laws have conferred upon them, demands that at least in our time Americans must insist upon safeguarding their liberties and the spirit of sacred institutions of our republic.

We urge that the judges of our federal courts shall be elected by the people for terms not exceeding six years.

We declare that the voluntary organization of the workers, organized not for profit, are agencies of justice in industry and

trade. Despite legislative declaration that trade unions do not come under the provisions of anti-trust legislation, courts have not understood and are not now able or willing to understand that the organizations of wage-earners are not conspiracies in restraint of trade.

We submit that anti-trust legislation has not only been interpreted to serve the purpose of outlawing trade unions, robbing them of their treasuries and the savings of the members and depriving them of their legal and natural rights to the exercise of normal activities, but that it has also failed completely to protect the people against the outrageous machinations of combinations and monopolies.

The United Mine Workers of America did all in their power to avert an industrial controversy in the coal industry. The autocratic attitude of the mine owners was responsible for the losses and sufferings entailed. While the miners have returned to the mines and have only now been afforded the opportunity of having their grievances and demands brought to the light of reason, it is our hope that a full measure of justice will be accorded them even at this late date.

Standard of Living

There is a widespread belief that wages should be fixed on a cost-of-living basis. This idea is pernicious and intolerable. It means putting progress in chains and liberty in fetters. It means fixing a standard of living and a standard of life and liberty which must remain fixed. America's workers cannot accept that proposition.

They demand a progressively advancing standard of life. They have an abiding faith in a better future for all mankind. They discard and denounce a system of fixing wages solely on the basis of family budgets and bread bills. Workers are entitled not only to a living, but modern society must provide more than what is understood by the term "a living." It must concede to all workers a fairer reward for their contribution to society, a contribution without which a progressing civilization is impossible.

No factor contributes more to industrial unrest and instability than excessive costs of necessaries of life. It is a demonstrated truth that the cost of living has advanced more rapidly than have wages. The claim that increasing wages make neces-