

## TRADES BOARDS AS A MEANS OF ADJUSTING WAGES DISPUTES AND PROMOTING TRADE INTERESTS.

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In a time like the present, when the differences between Capital and Labour appear to be more than ordinarily acute, it seems opportune to invite the attention of this Society to those Acts of Parliament, some of which have now been in force for some ten years, which seem to suggest the possibility of one method of drawing closer together those whose interest in an industry is that of an employer and those whose interest is that of a worker. So far as I am aware, this Society has up to the present not had under its consideration the Trade Boards Act, 1909 (9 Edwd. VII., Ch. 22), the Trade Boards Provisional Orders Confirmation Act, 1913 (3 & 4 Geo. V., Ch. 67), or the Trade Boards Act, 1918 (8 & 9 George V., Ch. 32), which constitute a code of legislation designed to obviate trade disputes in respect of wages by setting up Boards consisting partly of representatives of employers and partly of representatives of workers, together with certain independent persons appointed by the Ministry of Labour, who are empowered to fix minimum wages for all persons employed in the various trades to which the Acts apply. It may be convenient at the outset to remind you that the functions in relation to Trade Boards originally vested in the Board of Trade have now been transferred to the Ministry of Labour by the recent statute creating that Ministry.

It will be remembered that during the years 1905 and 1906 there were very considerable and alarming trade disputes throughout these countries, and especially in England, and public attention was very seriously exercised as to the magnitude and widespread character of these disputes, and as to the injurious effect on production and on industry which resulted from them. Thoughtful minds were concentrated upon the question as to the best method by which these paralysing trade disputes could be mitigated, if not prevented. Various proposals of different kinds were put before the public. In particular, the method by which the Australian Colonies and New Zealand had dealt with the difficulties arising in trade disputes was considered. It was found that in several of the Australian Colonies, as

well as in New Zealand, problems not wholly dissimilar to those with which the United Kingdom was confronted had arisen from time to time, and had been dealt with by the legislatures of these Colonies by the provision of Wages Boards or Conciliation Boards, which provided machinery for negotiation, arbitration, and generally for the settlement of trade and wages disputes. Thus, in the Colony of Victoria, so far back as 1896, the Factories and Shops Act of that year provided for the creation of a Wages Board, or, in the terms of that Act, a "Special Board" for certain Trades consisting, in addition to the Chairman, of not fewer than two or more than five employers and of the same number of representatives of persons employed, charged with the duty of determining the lowest price or rate, and thus for these trades affected fixing a legal minimum wage. This Act which on its inception was only to continue in operation for four years has, although with various alterations and extensions, been continued ever since. It is to be noted, however, that this the first Act in Australia dealing with the creation of a Wages Board formed part of a scheme of legislation for the general regulation of factories.

In the Colony of New South Wales the Industrial Arbitration Act of 1901 provided for the fixing of a minimum wage in that Colony, and although this Act was so strongly opposed that its operation was limited for a period to end on the 30th of June, 1908, and was subjected to much damaging criticism, the principle embodied in the Act has been recognised in that Colony, and has been acted upon ever since. The year following the Industrial Arbitration Act of New South Wales, Western Australia passed the Industrial Conciliation Arbitration Act of 1902, which provided for the creation of Conciliation Boards for different Trades. New Zealand, in 1907, passed the Industrial Conciliation Arbitration Amendment Act, which provided that any industrial dispute might be referred for settlement to an industrial Council consisting of seven persons, three of whom should be persons who were or had been employers engaged in the industry in which the dispute had arisen, to be appointed by the Governor on the recommendation of the industrial union of employers in such industry; three should be persons who were, or had been, workers engaged in the industry, to be also appointed by the Governor on the recommendation of the workers' union; and one other person, who should be president, to be elected by the other members.

I venture to recall these facts in order to remind you that Australia and New Zealand may be considered, at least to some extent, as pioneers in the movement to adjust

wages and trade disputes by the creation of Conciliation or Wages Boards, and in order to bear in mind that Australia and New Zealand had invented and had put this method of adjusting disputes into operation before any similar movement had taken place in these countries. This was recognised by the Government in 1907, when Mr. Ernest Aves, who was then well known to be deeply versed in economic problems, was commissioned by Viscount Gladstone, then Mr. Herbert Gladstone, at that time Home Secretary, to proceed to Australia and "investigate the system of Wages Boards, and the system of compulsory arbitration in industrial disputes which had been established in Australia and New Zealand, their working, the measure of success attained, with reference especially to the prevention of sweating, and the conditions which made success possible, as well as the working of the Acts for the regulation of hours of employment in shops in force in those Colonies." The result of Mr. Aves' investigations is embodied in a Report, published in 1908, which is well worth the careful consideration of anyone who is interested in the subject.

Much as I should desire to dwell on Mr. Aves' very interesting report, it would be outside the limits of this paper to do so. I may, however, mention that, on the whole, Mr. Aves' report was far from encouraging. In summing up the result of his investigations, Mr. Aves lays stress on the fact that even under "the comparatively favourable conditions which prevail in Victoria," the effect of the special Boards on total average remuneration has often been slight; that when compared, as far as women's earnings are concerned, with changes which have taken place in trades without special Boards, they were hardly appreciable. "In spite of this, the Boards are greatly valued and are widely believed in," and the chief explanation of this must be found, not so much in any demonstrable and lasting effects which they had on the individual earnings of women as on the increased feeling of security which they give, and that they make treatment more uniformly fair. Moreover, the Boards have helped, both in the home and in the factory, and probably not simply in the trades under them, to set a more certain standard. They are also believed to mark out a point below which, should reaction come, wages will not, at least without greater difficulty, fall. He also points out that by the form in which the recommendations of these Boards might be issued, by the publicity which might be secured, and by other means, such Boards in certain trades, aided by official recognition, could exercise a considerable and

beneficial influence alike on the trade concerned and on the public. Mr. Aves, however, in spite of the recognition of the material and moral advantages of these Boards, came to the conclusion that "the lesson of experience does not appear to carry us further than this on the direct line of legal fixation of wages, and that the experience did not seem to justify the conclusion that it would be advantageous to make the recommendations of any special Boards which might be constituted in these countries legally binding, or that if this power were granted it could, with regard to wages, be effectively exercised."

It will thus be seen that, on the whole, the experience derived from Australia and New Zealand was not very encouraging, but the pressure of events was so strong as to render some attempt to adjust industrial disputes inevitable; and, accordingly, a Bill was introduced into Parliament in February, 1907, which ultimately after many vicissitudes became law in the form of the Trade Boards Act, 1909, which set up in these countries a completely new method of dealing with industrial disputes. I think it may be convenient that I should call your attention somewhat in detail to the more important provisions of this Act.

The Act as it was passed applied only to four trades which were then recognised as being trades in certain branches of which "sweating conditions" were known to exist, viz. :—

1. Ready-made and wholesale bespoke tailoring trade and any other branch of tailoring in which the system of manufacture was generally similar to that prevailing in the wholesale trade.
2. The making of boxes, or parts thereof made wholly or partially of paper, cardboard, chip, or similar material.
3. Machine-made lace and net finishing and mending, or darning operations of lace curtain finishing.
4. Hammered and dollied or tommied chain-making.

It also provided that the Act should apply to any other trades brought under its operation by a Provisional Order of the Board of Trade "if they are satisfied that the rate of wages prevailing in any branch of the trade is exceptionally low, as compared with that in other employments, and that the other circumstances of the trade are such as to render the application of this Act to the trade expedient."

In like manner, if the Board of Trade is satisfied that the conditions of employment in any trade under the operation of the Act have become so altered as to render

the application of the Act unnecessary, a Provisional Order may be made to the effect that the Act shall cease to apply to that particular trade. This power has not yet been put into force.

Section 4 of the Act provided that Trade Boards (which should be created by the Board of Trade—now the Ministry of Labour—for any trade or branch of work in a trade to which the Act applied) should fix minimum rates of wages for time-work for their trades, and might also fix general minimum rates of wages for piece-work for their trades, and these rates might be fixed so as to apply universally to the trade or so as to apply to any special process in the work of the trade, or to any special class of workers, or to any special area. It was provided by the same Section that before fixing any minimum time-rate or general minimum piece-rate the Trade Board should give notice of the rate which they propose to fix, and should consider any objections to the rate which might be lodged with them within three months, and should also give notice of any minimum time-rate or general minimum piece-rate fixed by them, and might, if they thought it expedient, cancel or vary any minimum time-rate or general minimum piece-rate fixed under the Act, and should reconsider any such minimum rate if the Board of Trade directed them to do so, whether an application was made for that purpose or not.

It is further provided that a Trade Board should, on the application of any employer, fix a special minimum piece-rate to apply as respects the persons employed by him in cases to which a minimum time-rate, but no general minimum piece-rate, is applicable; and might, as they think fit, cancel or vary any such rate either on the application of, or after at least one month's notice to the employer.

Section 5, sub-section 2, provides that upon the expiration of six months from the date upon which the Trade Board has given notice of any minimum time-rate or general minimum piece-rate fixed by them, the Board of Trade may make an Order making that minimum rate obligatory in cases in which it is applicable on all persons employing labour and on all persons employed, unless they are of opinion that the circumstances are such as to make it premature or otherwise undesirable to make an obligatory Order, and in that case they shall make an Order suspending the obligatory operation of the rate.

Section 6 provides for the enforcing of the payment of the minimum rate of wages, and enacts that where any minimum rate of wages fixed by a Trade Board has

been made obligatory by Order of the Board of Trade, an employer shall pay wages to the person employed at not less than the minimum rate, clear of all deductions, under a penalty for each offence of a fine not exceeding £20, and to a fine not exceeding £5 for each day on which the offence is continued after conviction therefor; and, moreover, in these circumstances, the Court may by the same conviction order the employer, in addition to any fine, to pay any wages due calculated on the basis of the minimum rate.

The difficulty created by the "inefficient" or "slow" worker is provided for by sub-section 3, section 6, which enacts that if a Trade Board are satisfied that any worker employed, or desiring to be employed, on time-work in any branch of a trade to which a time-rate fixed by the Trade Board is applicable is afflicted with any infirmity or physical injury which renders him incapable of earning minimum time-rates, and are of opinion that the case cannot suitably be met by employing the worker on piece-work, the Trade Board may, if they think fit, grant to the worker, subject to such conditions as they may prescribe, a permit exempting the employment of the worker from the provisions of the Act rendering the minimum time-rate obligatory; and while a permit is in force an employer shall not be liable to any penalty for paying wages to the worker at a rate less than the minimum time-rate, so long as any conditions prescribed by the Trade Board are complied with.

A further provision in the Act declares that any agreement for the payment of wages in contravention of the provision imposing the minimum rate of wages shall be void.

In cases where a minimum rate of wages fixed by the Trade Board has not been made obligatory by an Order of the Board of Trade, it is provided that the minimum rate of wages shall have "a limited operation," so that in all cases the employer shall, in the absence of a written agreement to the contrary, pay to the person employed wages at not less than the minimum rate, and in the absence of any such agreement the person employed can recover at such rate from the employer. It is further provided that during this period of limited operation any employer may give written notice to the Trade Board by whom the minimum rate has been fixed that he is willing that this rate should be obligatory on him, and in that case he shall be under the same obligation to pay wages to the person employed at not less than the minimum rate as he would be if an Order of the Board of Trade were in force making the rate obligatory.

This section also declares that no contract involving employment to which a minimum rate is applicable shall be given by any Government Department or local authority to any employer unless he has given notice to the Trade Board in accordance with the last-mentioned provision of his willingness to pay the fixed minimum rate of wages during this period of limited operation.

The case of persons employed on piece-work where no general minimum piece-rate has been fixed, but where a minimum time-rate is in operation, is provided for by Section 8, which secures that where a special minimum piece-rate has been fixed the wages shall not fall below this standard, and where no special minimum piece-rate has been fixed that the wages paid shall be such as to yield in the circumstances of the case to an ordinary worker at least the same amount of money as the minimum time-rate.

Evasions of the Act are guarded against by Section 9, which declares that any shopkeeper, dealer or trader, who by way of trade makes any arrangement with any worker in pursuance of which the worker performs any work for which minimum rate wages has been fixed under the Act, shall be deemed for the purposes of the Act to be the employer of the worker, and the net remuneration obtainable by the worker in respect of the work, after allowing for his necessary expenditure in connection with the work, shall be deemed to be wages. Any worker or any person authorised by a worker may complain to the Trade Board that the wages paid by any employer in any case to which any minimum rate fixed by the Trade Board is applicable are at a rate less than the minimum rate, in which case Trade Boards may take any proceedings they may think fit on behalf of the worker. This power is to a certain extent curtailed by sub-section 2 of the section which requires that before taking any proceedings on behalf of the worker the Trade Board may, and on the first occasion on which proceedings are contemplated by the Trade Board against an employer shall take reasonable steps to bring the case to the notice of the employer with a view to the settlement of the case without recourse to proceedings.

The constitution of Trade Boards is laid down under Section 11, which enacts that the Board of Trade may make regulations with respect to the constitution of the Trade Boards, which shall consist of members representing employers and members representing workers in equal proportions and of the appointed members; that women should be eligible as members of the Boards as well as men; that the representative members shall be elected or nominated, or partly elected and partly nominated, as may be provided

by the regulations; and that in framing the regulations the representation of home workers on Trade Boards shall be provided for in all trades in which a considerable number of home workers are engaged; that the Chairman of a Trade Board shall be such one of the members as the Board of Trade may appoint, and that the Secretary shall be appointed by the Board of Trade; that at least one-third of the whole number of the representative members shall be required to constitute a quorum, that at least one appointed member must be present, and that the Board of Trade may make regulations with respect to the proceedings and meetings of the Trade Boards, including the method of voting, but that subject to the provisions of the Act and to such regulations each Trade Board may regulate its own proceedings in such manner as it may think fit.

For the purpose of enforcing the provisions of the Act and of securing the proper observance of the decisions of the Trade Boards, it is provided by Section 14 that the Board of Trade may appoint such officers as they think fit for the purpose of investigating any complaint, and that any officer so appointed shall have power for the purpose of his duties to require the production of wages sheets or other records of wages by an employer, records of payments made to out-workers by persons giving out work, and to inspect and examine same and copy any material part thereof; to require any person giving out work to any out-worker to give any information which it is in his power to give with respect to the names and addresses of the persons to whom the work is given out, or from whom work is received, as the case may be, and with respect to the payment to be made for the work; at all reasonable times to enter into a factory or workshop, or any places used for giving out work to out-workers, and to inspect and copy any material part of any list of out-workers. This power is enforceable under penalty on summary conviction in respect of each offence of a fine not exceeding £5; and if any person produces any wages sheet or record of wages, or record of payment, or any list of workers, or furnishes information knowing the same to be false, he shall be liable on summary conviction to a fine not exceeding £20, or to imprisonment for a term not exceeding three months, with or without hard labour. In order that employers and workers alike may be fully informed as to the rate of wages binding on the trade as a whole, or on that part of it in which they are most concerned, Section 18 requires that every occupier of a factory or workshop, or of any place used for giving out work to out-workers, shall fix any notice in his factory or workshop which he may be re-



quired to fix by the regulations, and shall give notice in any other manner to the persons employed by him of any matter of which he is required to give notice under the regulations.

This Act came into operation on the 1st of January, 1910.

It may be convenient if I state at this stage the manner in which the provisions of the Act are carried out.

As we have seen, the Act applied in the first instance only to the four trades mentioned in the Schedule, and, as regards these trades, it came into force at once.

The Act did not affect any other trade until a Provisional Order was made by the Board of Trade on being satisfied that the rate of wages prevailing in any branch of that trade was exceptionally low as compared with that of any other employment, and that the other circumstances of the trade were such as to render the application of the Act to the trade expedient. Such Provisional Order had no effect until confirmed by Parliament. In respect of the four trades mentioned in the Act of 1909, and later on in respect of certain other trades on such Provisional Order being made by the Board of Trade and confirmed by Parliament, the President of the Board of Trade appointed a Trade Board consisting of three appointed members, one of whom was nominated as Chairman, and of equal numbers of representatives of workers and of employers, with such other regulations as regards the extent of the trade and the operations of those engaged in it, and as to the operation of the Trade Board and the appointment of its members in the event of vacancies as might be considered necessary. I may mention that the total number of such representatives varies from 48 on the largest to 10 on the smallest Trade Board.

The principal function of a Trade Board is to fix a minimum rate of wages—that is, a rate of wages which in the opinion of the Trade Board, taking all the circumstances of the trade into account, is the lowest which ought to be paid to workers in the trade generally or in the particular branch of it for which the rate is fixed, or for the particular district if fixed for a special locality. When these regulations have been issued and the appointment of the Trade Board is completed, the members of the Trade Board assemble for their first meeting, and having heard a very full and frank exchange of views on the part of the representatives of the employers and of the workers, and having weighed everything which the employers and the workers desire to bring forward, the Trade Board proposes a minimum rate of wages and, where necessary and

possible, a general minimum piece-rate, specifying whether these rates shall apply to the whole trade or to any special process, or to any special class of workers, or to any defined area. It may be said that this inaugural meeting of the Trade Board is the most difficult and anxious chapter in its history. It is not impossible that both sides may approach the problem with a certain feeling of distrust, sometimes even of bitterness, especially in those trades in which wages disputes had been of not infrequent occurrence. Both sides are conscious of the difficulties which the trial of such an experiment may involve. It lies with the appointed members to create a feeling of harmony and unity, and to induce a willingness to approach the problem from the larger interests of the trade as a whole. It is in the power of the appointed members by giving their support to the proposals put forward by one side or the other to carry a proposal and make it binding; but such a course would be very far from the policy of tact and persuasive reasonableness which is rightly expected from those in whose hands in the ultimate resort abides the fixing of the rate of wages. Their aim rather is to bring employer and worker together, to get them to see each other's points of view, to appreciate the difficulties of each other's positions. To the minds of the employers is present the uncertainty of markets, the shortage of raw materials, the difficulties of transit, transport, increase in freightage, competition with better-placed and more favourably circumstanced competitors, and a hundred other elements which impede successful and profitable manufacture. On the other hand, the workers, conscious of the essential part which labour plays in every industry, are alive to the insufficiency of the wage rate to procure even essential commodities, especially in these days when the price of necessaries has arisen to unthought of prices. To arrive at some kind of common ground of concession and final agreement between so widely sundered a divergence, and to do so without any essential abatement of the principles which each party holds dear, is no easy task; and yet this is the function which devolves upon the appointed members. It is unnecessary to add that occasions do arise when the possibility of bridging the chasm is beyond the powers of persuasion, but it is a proof of the usefulness of the Trade Boards alike to those more immediately concerned and to the community as a whole that these occasions are becoming less frequent as time and experience increases the confidence of workers and employers in the open-mindedness and impartiality of the appointed members

of the Trade Boards. If for one moment I may strike a personal note, I think I am entitled to say that as Chairman of one Trade Board, and as an appointed member of another, I have approached these problems on which depends so much the prosperity and solvency of the employers on the one hand, and the well-being, health and happiness of the workers on the other, with an anxiety and a searching desire to weigh at its full value every consideration which I have rarely felt in reference to any other question—I need not say that what I have felt is most fully shared by those clear-minded and well-informed colleagues with whom it has been my good fortune to be associated on the two Trade Boards of which I am a member. The next step in the process of the fixation of the rate takes place when the Trade Board has decided what rate or rates they propose to fix. Notice of intention to fix the rates must be given by advertisement in the London, Edinburgh or Dublin Gazettes, as the case may be, together with an intimation that the Trade Board will consider objections which may be put before them within three months. On the publication of these notices any person affected by the rate, either as employer or worker, may object to the rate or to its operation, or to its application to any class of worker. When the period—formerly of three, now reduced to two, months—has expired, another sitting of the Trade Board is held to affirm the proposed rates with or without any modification or condition, and the rate when so fixed has a limited operation to this extent that the employer must pay wages at not less than the minimum rate unless the worker by written agreement agrees to accept less. This limited operation continues until the Board of Trade issues an Order making the rate obligatory. This Order must be made by the Board of Trade upon the expiration of six months after notice of the rate has been given by the Trade Board, unless it considers it premature or otherwise undesirable to make an obligatory Order. When the minimum rate has been made obligatory by Order of the Board of Trade, any agreement for the payment of wages at less than the minimum rate is void, and payment of any wages at less than the minimum rate renders the employer liable to the penalties already mentioned.

The minimum rate as fixed by the Trade Board, unless suspended by a suspensory order of the Board of Trade, continues in operation for all workers until varied by another Order of the Trade Board.

Since the Trade Boards Act, 1909, came into operation Trade Boards have up to the present been set up in reference to five trades in this country—viz.:

Paper Box Trade;  
The Tailoring Trade;  
Sugar Confectionery and Food Preserving Trade;  
Shirt-making Trade; and  
Embroidery Trade.

It is, of course, understood that the more highly organised trades in which the workers are united in a strong and well managed Trade Union, and in which the employers' interests are protected by something in the nature of an Employers' Federation, do not need the assistance of a Trade Board for the adjustment of their wages disputes, and that this method of settling disputes is generally regarded as more appropriate to the less perfectly organised trades.

Dealing with these—the only Irish Boards—in detail, I may mention that the Paper Box Trade Board took into consideration the minimum rate for female workers in November, 1912, and fixed a minimum rate of 2½d. per hour. In June, 1913, the wages for male workers in the trade was considered, and a minimum rate for male workers at 6d. per hour was fixed. The minimum rate for female workers was increased from 2½d. to 3d. per hour in June, 1916, and was raised to 4d. per hour in December, 1917, at which time the rate for male workers was also increased to 7d. an hour; and in January of this year the rate for male workers was fixed at 8d. an hour and for female workers at 5d. an hour.

The Tailoring Trade Board, Ireland, fixed a minimum rate for male workers at 6d. an hour and a minimum rate for female workers at 3d. per hour in February, 1914. The rate for female workers was varied to 3½d. per hour in January, 1916, and to 4½d. in December, 1917; and the rate for male workers was on same date raised from 6d. to 7d., and in June, 1918, the rate for male workers was raised to 8d. and for female workers to 4½d.

The Sugar Confectionery and Food Preserving Trade Board, Ireland, was created by Order of the Board of Trade in March, 1914, and the members were appointed on the 8th of May, 1914, when Mr. Aves, Miss Cunningham, M.A., and I, were appointed as the appointed members of the Board. On Mr. Aves' lamented death, I was appointed as Chairman of the Board by the Minister of Labour in June, 1918, Professor Henry, M.A., of Belfast University, being added as one of the appointed members

of the Board. On the 13th of September, 1915, a minimum rate for male workers at  $5\frac{1}{2}$ d. per hour and a minimum rate for female workers at  $2\frac{1}{2}$ d. per hour was fixed. In March, 1917, the rate for male workers was varied to  $5\frac{1}{2}$ d. per hour and for female workers to 3d. In December, 1917, the rates were varied to 7d and 4d. per hour, respectively. In December, 1918, the rates were increased to 8d. and  $4\frac{1}{2}$ d. per hour, and on the 16th of May of this year the rates were further increased to 10d. and  $5\frac{1}{2}$ d. per hour, respectively.

The Shirt-making Trade Board for Ireland, in December, 1915, fixed a minimum rate for female workers of  $3\frac{1}{4}$ d. per hour, which was varied in July, 1917, to  $3\frac{3}{4}$ d.; in January, 1918, to  $4\frac{1}{4}$ d.; in May, 1918, to  $4\frac{1}{2}$ d.; and on the 1st of January, 1919, to  $5\frac{1}{2}$ d. The Trade Board has fixed the general minimum piece-rates for home workers, which cover most of the processes. As regards some classes of work, these piece-rates are estimated to yield not less than the minimum time-rate of an ordinary worker, but as regards other classes their yield is less.

The Embroidery Trade Board Ireland, fixed a minimum time-rate at  $2\frac{1}{2}$ d. to  $3\frac{1}{4}$ d. an hour, according to the nature of the work, in June, 1917, and these rates were varied to from  $3\frac{1}{2}$ d. to  $4\frac{1}{2}$ d. per hour on 1st of March, 1919. General minimum piece-rates for many classes of work have been fixed. In general, these piece-rates are calculated to yield the appropriate minimum time-rate to an ordinary worker. In the case of a certain class of handkerchief embroidery, however, the piece-rate remains on a basis of  $2\frac{1}{2}$ d. an hour—a rate of remuneration which must be regarded as far from satisfactory, and which can be defended only by the quite exceptional circumstances of this particular branch of the trade. On the 17th of April last a proposal to fix a general minimum piece-rate for German embroidery on household linens was issued, but, of course, this proposal cannot come into operation for two months from the date of the proposal.

I have not referred to the rates of wages fixed by Trade Boards in England; but I may mention that Trade Boards have been set up and rates of wages fixed in the Chain trade, Machine-made Lace and Net-finishing trade, Paper Box trade, Tailoring trade, Sugar Confectionery and Food Preserving Trade, Shirt-making, Tin Box making, and Hollow Ware trade in England.

Without troubling you with the rates fixed by these Boards I may say that in each case the rates for male workers are slightly higher than the rates fixed for male workers in Ireland, and also that the rates fixed by the

English Boards for female workers are somewhat in advance of the corresponding rates in this country.

The Trade Boards Act, 1909, has now been amended and extended in very important particulars by the Trade Boards Act of 1918. This Act not only simplifies and expedites the procedure and extends the powers of the Trade Boards, but it also gives scope for considerable alteration of policy under this code of legislation in the future. As has been pointed out, the Act of 1909 was only intended to constitute Trade Boards for the purpose of fixation of minimum rates of wages either for time-work or piece-work for different classes of workers and for certain sections of trades or for certain defined areas. It is true that Section 3 of the Trade Boards Act of 1909 provides that 'a Trade Board for any trade shall consider, as occasion requires, any matter referred to them by a Secretary of State, the Board of Trade, or any other Government Department, with reference to the industrial conditions of the trade, and shall make a report upon the matter to the department by whom the question has been referred'; but, although this section indicated the conception of a somewhat wider obligation than the fixation of the rate of wages alone, it was not put into operation, so far as I am aware, to any notable extent. The Act of 1918, however, provides for a wider conception of industrialism. It recognises that the condition of any trade is a matter of national importance—that it is a matter of interest not only to those directly engaged in the trade either as employers or workers, but also that it is a matter of moment to the community as a whole. It recognises that a harmonious working of the trades by employers and workers, each understanding their separate interests, must tend to the development, extension and prosperity of the industry for the benefit of the entire community. For this reason Trade Boards have by the recent Act been authorised to take into consideration not only the fixation of the rates of wages, but the general interests of the trade with a view to its development and for the purpose of putting it on a more staple basis and attaining a smoother working. It recognises, moreover, that there are certain branches of industry at present so highly organised from the standpoint of the employers or of the workers; in which on one side the interests of the employers are adequately represented by an organised employers' federation, and in which on the other the interests of the workers is safeguarded by a highly organised Trades Union; that a Joint Industrial Council, as recommended by the Whitley Report, composed only of those representing the organisations of employers and workers in the trade,

can be set up to deal with problems of that trade, and that such a highly organised industry is one to which the provisions of the Trade Boards Act would not be appropriate. It also recognises that there are other trades which have not yet reached this stage of development to which the Act can be suitably applied. Accordingly, the Act provides that the Trade Boards Act, 1909, shall apply to the trades specified in the Schedule to that Act and to any other trades to which it has been applied by a Provisional Order, or by a Special Order made under this Act by the Minister of Labour, and that the Minister of Labour may make a Special Order applying the Trade Boards Act of 1909 to any specified trade to which it does not at the time apply if he is of opinion that no adequate machinery exists for the effective regulation of wages throughout the trade; and that, accordingly, having regard to the rates of wages prevailing in the trade, or any part of the trade, it is expedient that the principal Act should apply to that trade.

The powers of the Trade Boards, as fixed by the Act of 1909, are enlarged so as to prescribe that every Trade Board shall fix a minimum rate of wages for time-work in their trade, and may also fix a general minimum rate of wages for piece-work, and a minimum time-rate to apply to the case of workers employed on piece-work for the purpose of securing to such workers a minimum rate of remuneration on a time basis, and a minimum rate to be applied in substitution for the minimum rate which was otherwise applicable in respect of an hour's work to a worker in any work, or on any part in excess of the number of hours declared by the Trade Board to be the number of hours of work per week or for that day in the trade.

The Act further provides that the power of a Trade Board to fix a minimum rate of wages shall include the power to fix a series of minimum rates to come into operation successively on the expiration of successive periods, and the power to vary a minimum rate shall include the power to vary a rate, and that the variation shall be operative only during a specified period.

The case of "young workers," or "learners," is dealt with by a further provision in the Act which provides that where a Trade Board fixes a minimum rate so as to apply to any class of workers in the trade, the Trade Board may, if it thinks fit, attach to the fixation of the minimum rate a condition that workers who are members of the class shall be the holders of certificates to that effect issued by the Trade Board; and if the class consists of persons who are learning the trade, such conditions as the Trade

Board thinks necessary for securing the effective instruction of those persons in the trade. The effect of this provision is that if any condition so attached is not complied with in the case of any worker he shall not be deemed to be a member of the class, and shall not be entitled to the rate of remuneration provided for such class.

I would wish to draw particular attention to the important provision contained in Section 10 of the Act, which will, as I believe, become more and more useful as time goes on. This section provides that a Trade Board may, if it thinks fit and expedient so to do, make a recommendation to any Government Department with reference to the industrial conditions of the trade, and that the Department to whom the recommendation is made shall forthwith take it into consideration.

I may briefly summarise the principal alterations in the Trade Boards' code effected by the Act of 1918. Trade Boards have now the additional powers of fixing a guaranteed time-rate which will secure to workers employed on piece-work a minimum rate of remuneration, irrespective of their earnings on time-work; that they may fix an overtime rate to apply in respect of hours worked by a worker in any week or on any day in excess of the number of hours declared to be the normal number of hours per week or per day, and this overtime rate may apply to time-work, piece-work, or both; and that they may fix a piece-work basis, time-rate to apply instead of the time-rate in cases where no general minimum piece-rate or special minimum piece-rates are applicable. It will, therefore, be seen that Trade Boards in the future, if they consider it in the public interest to do so, may fix a minimum rate applicable to workers employed by time, and another minimum time rate which will be the basis for piece-rates, a third minimum rate which will be payable to piece workers if their earnings on piece-work fall below the rate fixed, and a fourth minimum rate for overtime. The delay in bringing the minimum rate into operation under the Act of 1909 was a serious impediment to the success of the Act, and tended in some cases to create a feeling of unrest which was injurious to the industry affected. After the notice of proposal of the fixing, varying or cancelling of a minimum rate was published, a period of three months had to elapse before the rate could come before the Trade Board for consideration. By the Act of 1918 the period for lodging objections was reduced to two months. By the Act of 1909, when a Trade Board had fixed a rate, such rate had a limited operation as described above for a period of six months, on the expiration of which the Board



of Trade was required to make an Order making the rate obligatory. That is to say, no rate fixed by a Trade Board had full and unlimited operation until at least six months from the date on which it was fixed by the Trade Board. This procedure was amended by the Act of 1918, which requires the Trade Board to notify the Minister of Labour (who has superseded the Board of Trade as the authority responsible for the administration of the Acts) of any fixation, cancellation or variation of a rate. Such notification may include a statement as to the date as from which the Board suggests that the rate, or the cancellation or variation, should become effective. Within *one* month from the receipt of the notification the Minister of Labour is required to make an Order confirming the rate, such Order to specify the date on which the rate or cancellation or variation shall become effective, unless there are special circumstances which the Minister of Labour considers sufficient to justify him in referring the matter back to the Trade Board for reconsideration. Moreover, under the Act of 1918, all persons, and not merely those receiving contracts from Government Departments and Local Authorities, must pay wages at not less than the minimum rate from the date of the Order fixing the rate of wages.

I have already referred to the procedure in which the Trade Boards take into consideration the fixing, varying or cancellation of a minimum wage in different trades and for different classes of workers. When these rates so fixed have been confirmed by the President of the Board of Trade, or now by the Minister of Labour, the matter passes out of the hands of the Trade Boards, and becomes one for administration and supervision by the officers of the Ministry of Labour, who, pursuant to the powers in Sections 14 to 17 of the Act of 1909, and 9 and 11 of the Act of 1918, can make investigations in any factory to ascertain whether the proper rates of wages are being paid, and in the event of continued and deliberate failure to pay these rates, may take proceedings to enforce the penalties mentioned in the Acts. I am happy to be able to say that the number of cases in which proceedings were necessary since the Trade Boards Act of 1909 came into operation on the 1st of January, 1910, have been remarkably few. In most cases, where inspectors have found that the rates were not being paid, the failure has arisen rather from some misunderstanding as to the method of calculating the piece-rates, or some defect in administration or organisation of the factory which prevented a piece-worker employee from being able to earn the full rate, rather than from any intentional evasion of the Act. In

many cases it has been found that the wide and varied experience of the investigating officer has enabled him to offer suggestions to employers as to methods of administration or as to reforms in the organisation of their factories, which resulted in enabling the employer to pay better wages, and which at the same time improved his own profits by increasing his output.

Before closing this paper there are a few general observations which I may be permitted to make as to the general effect of the Trade Boards derived from the experience of the general working of the Acts for the last ten years. During this period the Trades Boards have been obliged to adapt themselves to a condition of affairs which was certainly not contemplated when the Trade Boards Act was passed in 1909. The necessity for greater adaptability to the altered conditions of trade caused by the continuation of the War became increasingly evident. On account of the long delays which were incidental to the fixation or variation of a minimum rate the Trade Boards machinery was ill-adapted for meeting the requirements of rapidly changing conditions. It was the recognition of this fact which prevented some of the Trade Boards from going as far as they otherwise probably would have gone in varying their minimum rates. The Boards found that they were bound to look well ahead in proposing and fixing a rate, and that they were unable, on account of the delay which their procedure involved, to meet sudden and temporary emergencies. They were disinclined to fix rates which might need suddenly to be reduced with the change in trade conditions. On the other hand, the activity of the Trades Unions, the appreciation of the needs of their employees felt by many employers, or other circumstances, have secured war bonuses for the workers which bring their wages to an amount substantially in excess of the minimum. The greater rapidity with which the minimum rates can now be fixed or varied under the Act of 1918 will tend to increase the more efficient working of the system. Apart from the question of the fixation of wages, I think it may fairly be held that the establishment of a Trade Board has in many cases been found to have a beneficial and a steadying effect on an industry, that the setting up of a representative body for any branch of industry, whether fully or only partially organised, tends to promote a sense of unity in a trade which before may have been almost without trade consciousness, and to bring about a better relationship—because a better understanding of their respective points of view—between employers and employed.

Although to secure an improvement in the wages of the workers in the lower-paid sections of the trades—"to fix the minimum rate of wage which the best employer in a trade would pay"—was the main object of the Act of 1909, it has been found that the fixation of the minimum rate in almost all cases resulted in increases—and in some cases substantial increases—in the general rate of wages. It was feared that the result of fixing a minimum rate might be to establish this as a standard—or maximum—wage. So far from this being the result, the fixation of a minimum rate caused an upward tendency in wages throughout the entire trade, and it has generally been found that an increase in the wages of the workers tends to raise the general level throughout and the relationship between the various grades of workers tends to be maintained. In but few cases have Trade Boards fixed rates in excess of those already paid by the best employers, and the best employers are often those who are most successful in the market.

It has sometimes been suggested that the effect of the establishment of a Trade Board is to prevent the establishment or hamper the usefulness of voluntary organisations within the trades affected. As regards employers, experience has shown that these apprehensions have not been justified, and that where an organisation of employers existed the creation of a Trade Board has almost invariably been to strengthen the employers' association, and where such an association did not previously exist, to reveal to the employers the necessity of calling such an organisation into being. Moreover, where local and independent associations of employers existed, the tendency has been in most cases that these associations should become fused into stronger federations. The result of the establishment of Trade Boards on voluntary associations of workers is not quite so apparent. The trades to which the Acts have been applied are mostly those which were badly organised, as was shown by the fact that the rates of wages were admittedly low; and in many cases they were trades in which many, if not most, of the operatives were women. In most of the trades Unions were in existence prior to the Act of 1909, or have been established since, but the membership of the Union and its activities and usefulness have varied considerably. From experience, however, as a whole—an experience now extending over ten years and covering various classes of trades—it may be said that the establishment of Trade Boards has not prejudiced the development of voluntary organisation on the part of the workers, and they have, as a rule, come to recognise

that the spheres of activity of a Trade Board and those of a Trades Union are too well-defined to create any misapprehension as to their respective functions.

In this paper I have not attempted to deal with the fixation of an agricultural rate of wages in Ireland under the Corn Production Act, 1917, which naturally excited a good deal of public attention in this country during the past two years, as I do not regard it as falling within the scope of this paper, dealing, as it is intended to do, only with the adjustment of industrial wages; nor have I dealt with the system of fixing the minimum rate of wages provided by the Wages (Temporary Regulation) Act, 1918, which is admittedly a War measure of a temporary character, and therefore to be regarded as quite distinct from the permanent machinery set up by the State for the fixation of industrial wages.