

INTERNATIONAL LABOUR OFFICE

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International Protection of Intellectual Workers

UNTIL a little over a year ago intellectual workers did not appear anxious to organise with a view to making their corporate power felt or to defending their professional interests. Individualistic in their outlook and divided by the diversity of their occupations, they united as a rule only on the basis of intellectual interests.

This is not the place to discuss the question whether there has here been a change. Two things, however, can be said : that intellectual workers, or at least a certain number of them and in certain countries, complain of an economic crisis in the liberal professions; and that they have begun to unite and organise in their own defence. Placed between organised employers on the one hand and organised labour on the other, intellectual workers, more especially those who are experts in their own profession, are beginning to be conscious of a new spirit of solidarity, which is bringing them nearer to one another and isolating them from their employers and their subordinates alike.

Hardly were intellectual workers organised in professional or social bodies than they began to feel the modern need for internationalisation. Internationalisation is essential if those efforts for solidarity which are being made in various countries are to be made effective. The problems of the present day are so vast and interests are so tangled together, that associations of intellectual workers inevitably and instinctively seek to join hands across the frontiers of nations. Organised intellectual workers have themselves approached the International Labour Office and asked how intellectual workers may best be protected. Before considering the problem of the international protection of intellectual workers, however, there is a preliminary question which must first be cleared up.

THE CRISIS IN INTELLECTUAL WORK

Does the crisis of which intellectual workers complain really exist? In order to reply properly to this question it would be necessary to have information which so far is not available. Meanwhile, the only reply which can be made is to quote the views of intellectual workers themselves as to the crisis through which they are passing and to show why they feel the need of self-protection. Their views are based on three points.

The first is the decline in the prestige which intellectual workers formerly enjoyed. As Mr. Henri Mugel wrote in *La Renaissance* on 23 October 1920:

.....intellectual work has come to be considered as similar to all other, with a technique and results unfathomable to the non-initiated, a trade like that of a turner or an agricultural worker, a little less useful than other kinds of work, or at least less immediately useful, and consequently worth less on the labour market.

At present two things are threatening the prestige of the intellectual worker, and these two things lead up to identical results. In the first place, the war and the destruction it brought have caused material preoccupations to take precedence of all others. The call for reconstructing the damage done by the war, and the material cares which have thrust themselves forward, have restored to direct production the importance which it had lost; at the same time there has been a corresponding decline in the prestige of intellectual workers.

"It will always be easier", continues Mr. Henri Mugel, "for a street cleaner to make people realise the importance of his work than for Henri Poincaré to make people realise the importance of his. If the streets are not swept for three days, the result is stench and a threatened epidemic. If no lessons on general physics are given for three days, not one man out of a hundred thousand will suffer. Accordingly, the rest of the hundred thousand, if they have to choose, and if they have not been trained to consider intellectual work superior because it is intellectual, will prefer to give way to the strike threats of the street cleaner rather than to the strike threats of the higher mathematician".

The second thing which threatens the position of the intellectual worker is the growth of capitalism and trusts; this phenomenon has now reached spheres which had hitherto been untouched by it. Newspapers, theatrical undertakings, and art exhibitions have been concentrated in the hands of a small number of capitalists, who control all intellectual and artistic production. In the same way, technical experts and solicitors have joined the ranks of salaried employees, doctors are in the pay of insurance societies, and intellectual workers in general are finding themselves, by the process of economic evolution, on the same footing as wage earners.

Unfortunately their earnings have not increased to compensate for this. Here we have a third factor in the situation. The earnings of intellectual workers have never been very high. As a rule, they have not been subject to economic laws, but have been based on appreciation of the quality of the products of intellectual work. But as the capitalist system spread to this sphere and the predominance of material things increased, the law of supply and demand came into play, to the detriment of the interests of intellectual workers.

The effect of the privileged position which they previously enjoyed had been to cause an extremely large number of candidates to present themselves for the so-called liberal professions, so that, as a natural result of economic laws, their earnings were reduced, at least relatively to those of other classes. Add that at the very moment when the supply increased enormously, the demand decreased. The very great rise in price of paper and in printers' wages made printing very costly and threatened the existence of a large number of scientific reviews, thus cutting down the demand for some forms of intellectual work.

Intellectual work, one of the characteristics of which is that it must be preceded by long years of preparation, is today in many cases paid less than manual work, and even than unskilled manual work. In a communication made on 16 October 1920 to the Academy of Moral and Political Sciences (1), Mr. Henri de Weindel, General Secretary of the Federation of Intellectual Workers, described the situation in the following terms.

If the material situation of a young engineer, for example, is compared with that of a manual worker of the same age, it will be found that since the war engineers, who have just graduated from the *Polytechnique* and *Ecole Centrale*, are offered salaries of 400 or 500 francs a month (before the war they began at 150 or 200 francs a month), whereas manual workers on the very lowest rung of the ladder are paid two or three francs an hour, or 16 to 24 francs a day, or 400 to 600 francs per month of 25 working days. As to skilled workers, they earn as much as 5 francs an hour, and navvies demand the same rate, which is approximately, under the conditions which I have just mentioned, 1,000 francs a month (2).

The Union of Draughtsmen and Non-Manual Workers in the Metal Industry, which is affiliated to the General Confederation of Labour, demands a minimum monthly wage of 600 francs for skilled workers under eighteen years of age, and 1,200 francs for those over eighteen years of age. The National Federation of workers employed in the building industry and in public works demands a minimum hourly wage of 5 francs for journeymen and 4.75 francs for assistants; that means that a mason should earn 1,000 francs a month and the labourer who hands him the hod and the

(1) *Communication sur les origines, les buts, et les moyens d'action de la Confédération des Travailleurs intellectuels*. Paper read before the *Académie des Sciences morales et politiques* on 6 Oct. 1920, by Mr. Henry de Weindel. Paris, imprimerie Hémaré.

(2) These figures may not be strictly accurate but the passage is quoted as an expression of the opinion of the intellectual workers themselves.

trowel 950 francs a month. It should be noted that these are the wages claimed by a manual worker on completing his apprenticeship, while an engineer receives only half this amount on graduating from the *Ecole*.

The situation of medical men is no better, at least at the beginning of their career. After a very expensive course of study they have still to acquire a practice and a clientèle—not an easy task, so that in general a doctor does not succeed in earning his livelihood until he is in his forties. Lawyers are still worse off. If at the age of forty they have not found some other occupation in addition to their professional work as barrister, many are obliged to give up the career, so difficult is it to earn a living. Then there is a compulsory probationary period, 3 to 5 years in the courts. Not one of the 1,500 registered probationers in Paris earns 500 francs a month.

In newspaper work, which is difficult and absorbing, there are still journalists who are paid less than 500 francs a month. Those who earn more than 600 are the exceptions, but the organised workers, who work from six to eight hours a day, while the journalists often work ten and sometimes more, are naturally much better treated, because they represent a force and can impose their wishes: a foreman block maker is paid 1,500 francs a month; a make-up man 1,000 francs; a skilled worker in block making, 30 francs per day of 7 hours; a rotary machine hand, 30 francs for six hours' work; a night linotype operator, 26 francs for the same number of hours.

We are no longer living in the times when Flaubert received from his publisher, when he handed over the manuscript of *Madame Bovary*, 500 francs for all rights for twenty years; but I know a dealer who recently purchased from an author of talent, by contract and for all rights, ten volumes in advance at a total price of 18,000 francs. The printers who set up the author's works are paid 25 francs a day, or 7,500 francs a year; but on an average a writer who has not the market value of a Paul Bourget or a Marcel Prévost is paid at most 2,700 francs a volume, provided that an edition of 5,000 is published.

To write two novels a year requires somewhat exceptional powers of imagination and execution; therefore the novelist earns with difficulty 5,400 francs a year, while the working printer earns 7,500.

Artists are no better off. As long as a picture dealer or an art publisher has not launched them, painters and sculptors starve before their canvasses and blocks of marble, which cannot find purchasers. The situation of artists employed in industry is as bad. I know one of these creative artists employed by a large jeweller's firm in the Rue de la Paix, who is paid the ridiculous sum of 450 francs a month, while the manual workers who have to execute the work that he has designed are paid nearly 50 francs a day, and the dealer who sells it has made a fortune.

Now take the case of the civil service. The Bill of 6 October 1919, which raised civil service salaries 250 per cent., in spite of these very considerable increases in salary scales, provides some very instructive reading. Prefectural Councillors are paid 5,000 francs, while the messengers are paid 5,200; professors at the *Conservatoire* begin at 2,000 francs, and the concierge at 3,800; some heads of sections at the *Ecole des Beaux Arts* are entered on the pay-roll at 4,000 francs, and the caretakers at the same school at 5,200: at the Sèvres factory, the foreman of the labourers is paid the same wage—6,000 francs—as the sculptor charged with the execution of the porcelain ornaments which have made the reputation of this factory; at the Beauvais factory, a professor begins at a higher rate than a cleaner, 4,000 francs instead of 3,800, but the cleaner may rise to 5,200, whereas the professor cannot exceed 5,000.

Finally, in the teaching profession in Paris, elementary teachers earn on an average 5,500 francs; secondary teachers, *licenciés* 9,200 francs, *agregés* 14,100. So far so good; but a skilled worker in an automobile factory at 6 francs an hour earns 14,400 francs a year, without counting overtime.

The salaries and conditions given to intellectual workers in other countries are probably not much better. In Hungary the monthly salary of secondary school teachers is hardly

sufficient to keep them for a week. The middle class and those employed on fixed salaries, the class to which the intellectual workers belong, everywhere appears to be the hardest hit by the economic crisis. An understanding of the whole situation would require a prolonged and detailed examination. But ordinary observation and the consciousness of his position felt by the intellectual worker himself are sufficient proof of a situation which is beginning to show itself in every country and which has already here and there caused a powerful movement of concentration and organisation. Intellectual workers of the very first rank, who cannot be replaced in the work they are doing, are able to defend their own positions; but an intellectual proletariat has only lately come into existence, and this proletariat is feeling a growing need of efficient outside protection.

The French Confederation of Intellectual Workers asks in its manifesto :

What is to be the fate of intellectual workers in the *post bellum* period ? What is going to happen to the only class of workers not protected by law ? Literary men, teachers, journalists, artists, technical experts—are they going to continue the struggle for life under circumstances the most unfavourable and without organisation ? Intellectual workers, who ought to be practically all-powerful in the state, have no influence at all; they struggle within their own ranks in order to snatch starvation-wages from one another, while commerce and industry make enormous profits, and manual workers bring constant pressure to bear in order to force up their wages in proportion to the rising cost of living. What intellectual workers need is union ⁽³⁾.

Mr. Roethlisberger, the founder of the *Bund der Geistesarbeiter* in Switzerland, writes :—

Just as the German schoolmaster was proclaimed the real winner of the battle of Sadowa, so the intellectual worker, the man of ideas, might reasonably have expected to find himself recognised in all countries as the determining factor in progress and to have gained enormously in prestige. The contrary is the case;... in comparison with manual work, which is valued and remunerated at a disproportionate rate, intellectual work is sacrificed; its economic claims and moral prestige are alike neglected ⁽⁴⁾.

ORGANISATION OF INTELLECTUAL WORKERS

The need felt by intellectual workers for protection against competition or tyranny did not first appear during the present crisis. In the past intellectual workers have protected themselves in various ways, for instance, by the survival or reconstitution of privileged corporations, such as corporations of doctors and lawyers; or else by co-operation: universities have ruined themselves in order to print, on a co-operative

(3) *Bulletin* of the C. T. I., February, 1921, No. 1.

(4) Prof. Dr. Ernst ROETHLISBERGER: *Der Bund der Geistesarbeiter*. Ernst Birche, Verlag in Bern u. Leipzig.

basis, theses which it was no longer possible to have published in the ordinary way. But the isolation and individualism in which intellectual workers live has done them harm, and it is only recently that true efforts at co-operation have been made, such as the setting up of a University Press by the University of Paris, or the foundation of the C. O. R. T. I., an offshoot of the Confederation of Intellectual Workers. Thirdly, workers have been helped by private generosity, which has given them, if not protection, at least useful help. There is no need to do more than mention, by way of example, the names of Mr. Solvay in Belgium, Mr. Carnegie in the United States, and a large number of the benefactors of the *Académie Française*.

But these scattered and partial efforts appear insufficient now that intellectual workers find their very existence threatened. Similar causes have had similar results. Here, as elsewhere, capitalism, in extending, has created a trade union movement; this movement is, however, only in its first stages.

In many countries the right of association of intellectual workers has been recognised for a long time past, *inter alia* in France by a decision of the Supreme Court of Appeal (*Cour de cassation*) of 27 June 1885. But trade union organisation has remained rudimentary in the liberal professions, except in the case of certain groups of civil servants and technical experts.

Trade unionism amongst intellectual workers may assume various forms. It may develop within existing trade union organisations. A certain number of intellectual workers in France holding advanced opinions have already formed unions affiliated to the General Confederation of Labour. Again, the U.S.T.I.C.A. Union of Technical Workers (*Union syndicale des techniciens de l'industrie, du commerce, et de l'agriculture*), though not affiliated to the General Confederation of Labour, collaborates on the Economic Council of Labour, and proposes to act as a connecting link between the technical expert and the worker. In Italy, according to statements made at the Congress of Leghorn, manual workers are feeling the need of securing the co-operation of industrial experts, in order to secure control over industry. The National Congress of Independent Medical Men, held recently at Florence, demanded that intellectual workers should be represented on the Supreme Council of Labour. In Germany the Union of Technical Employees and Officials (*Bund der technischen Angestellten und Beamten*) with its membership of 120,000, leads the A.F.A. or Association of Free Employees (*Arbeitsgemeinschaft Freier Angestelltenverbände*), which is itself in close touch with the General Federation of German Trade Unions. In Great Britain a similar movement has begun in the technical professions, the members of which are naturally in close contact with manual workers. Journalists have joined the

Printing and Kindred Trades Federation; foremen have an arrangement with the Amalgamated Shipbuilding Union; draughtsmen are negotiating with engineering workers, and so forth.

The British Trades Unions Congress appears to have realised the importance of intellectual workers in the development of industrial democracy, and is making efforts to win over technical workers. Mr. G.D.H. Cole, writing in the *Guildsman* ⁽⁵⁾, says:

One of the most important of the problems facing the non-manual workers today is their relationship with the unions of manual workers... The key to this problem lies in the attitude which they take up towards the question of democratic control in industry. The demand for industrial self-government has made in recent years tremendous headway among the manual workers' organisations. Professionals and other non-manual workers often enquire where, in the plans for democratic control which the manual workers put forward, they come in. Surely it is clear enough that the extent to which they come in will be determined mainly by themselves. That is to say, it will depend on the part which they play in the framing of the trade union policy leading towards democratic control.

These are exactly the ideas advocated in France by the Union of Technical Workers (U. S. T. I. C. A.).

In other countries the situation is the same as in England. It is more particularly those groups of intellectual workers, whose interests are similar to those of the manual workers employed in the same factories, who tend to organise on parallel lines.

This form of organisation has, nevertheless, met with some opposition, partly on account of the political tendencies of the trade unions, and partly because it scatters intellectual workers, who are swallowed up in a mass of persons whose interests are different from their own. In France, for instance, literary men ought by rights to have joined the Union of Printers and Allied Trades (*Fédération du Livre*), and dramatists the Theatrical Workers' Union (*Fédération du Spectacle*). Journalists' associations, it is true, would have had some difficulty in entering the trade unions, as their members do not all receive a regular salary.

These difficulties have led a certain number of intellectual workers to look for a way of organising themselves independently, both outside the trade unions and outside the employers' organisations, which appeared bodies as unsuitable as were the unions.

When it had been recognised that intellectual workers must organise as an independent body, a second question arose — were they to do so in sectional organisations or were they to do so in the form of federations of societies? These forms of organisation are not necessarily mutually exclusive. They are complementary, and it may even be said that each pre-supposes the other. Where no societies exist there could

(5) June 1921. *Non-Manual Trade Unionism*.

be no federation, and co-existent societies usually feel the need of federation in order to increase their power.

The number of associations of intellectual workers is legion in all countries, but the majority of such associations are formed for purely speculative and scientific objects, and have no professional or material interests. Others unite the two, and more than one society, which was until recently purely intellectual, has been forced by circumstances to interest itself in the material situation and the conditions of existence of its members. Most of the organisations of intellectual workers which devote their chief attention to the professional interests of their members were formed comparatively recently.

In France Mr. Henri Clouard has founded the Society of the Associates of the Mind (*Compagnons de l'Intelligence*), which proposes to unite, under the auspices of the Confederation of Intellectual Workers, those brain workers who are not affiliated to any other association, and thus encourage inter-penetration of professions. The U.S.T.I.C.A. is an organisation of the same type, uniting technical experts and engineers and all who are engaged in scientific study and invention. Another organisation on the same lines is the Union of Catholic Engineers (*Union sociale d'ingénieurs catholiques*), in which old pupils of the great engineering training schools have banded themselves together. The Association of French Engineers' Unions (*Union des syndicats d'ingénieurs français*) has now formed the Federation of Technical Workers in Industry.

In the United States professional engineers are organised in the Federated American Engineering Societies, and technical workers in Great Britain in the National Federation of Professional, Technical, Administrative, and Supervisory Workers. In Germany technical workers are organised in an industrial association (*Arbeitsgemeinschaft*), which acts in collaboration with the unions, though independently. In Italy mention should be made of a Confederation of Technical Experts in Industry of Lombardy, affiliated with the National Association of Italian Engineers, which has 50 branches and 7,000 members; the Association of Certificate Analytical Chemists; the Association of Certificated Agricultural Experts; the Medical Association; the Veterinary Association; and even a Magistrates' Association, an attempt at organisation which aroused great discussion.

This list might be continued for all countries, but it does not pretend to be exhaustive, its object being merely to give an idea of the needs which are being met at the present day by the organisation of intellectual workers on trade union lines.

When the principle of the isolation of the individual worker has once been abandoned, concentration can hardly go too far. Having experienced the need of uniting in societies, the intellectual workers have come to group their societies in federations.

This is the type of organisation to which the Confederation of Intellectual Workers belongs, a body founded on 18 March 1920, with Mr. Roman Coolus as president. It has eleven sections, literature, press, plastic arts, dramatic and musical arts, education, liberal professions, civil service, pure and applied sciences, business experts, industrial experts, and miscellaneous associations. Over seventy societies belong to it, representing about 120,000 members. Among them are an association of the middle grades of the railwaymen, with 15,000 members; the Union of French Engineers, with 28,000 members; the Society of Men of Letters and its union, with 8,400 members; the Society of Dramatists, 9,000 members; the Society of Authors and Musical Composers, 8,000 members; the General Association of Medical Practitioners of France, 9,600 members; the Society of French Artists, 4,000 members; the Independant Artists, 1,200 members; the Association of French Inventors, 1,400 members. Even lawyers, who are prevented from joining the Confederation of Intellectual Workers on account of the strict rules of the Bar, have founded the National Association of French Lawyers for the express purpose of doing so.

These figures and names must not be taken too literally. Many persons belong to several associations and are counted more than once in the total of 120,000. Some societies are very extensive and very loosely organised, and, if the need for action arose, could not reckon on all their members. But it is none the less true that the Confederation of Intellectual Workers is already a very influential group and that it can already show results.

In its manifesto, the objects of the Confederation are stated to be "to organise a larger number of associations representing the various intellectual, liberal, and technical professions, with a view to common action for the protection and defence of the general interests and rights of the aforesaid professions and with a view to determining the part which intellectual workers should play in the life of the nation". The aims of the Confederation are essentially professional and social and entirely non-political. The Confederation will, in the first place, request every one of its sections to prepare a statement of the claims of the affiliated associations. It will organise propaganda and will approach parliamentary committees and other elective bodies, including the Government. At the request of an association it will intervene in professional disputes, where they could not have been settled directly. If necessary, it will offer to arbitrate in disputes in which intellectual workers are not directly involved, but in which they have an indirect interest. It may even, if necessary, but only in extreme cases, declare partial strikes.

By an intentional parallelism, which is seen even in its title, the founders of the Confederation of Intellectual Workers declare that it is opposed to the General Confederation of

Labour on the one hand, and to the General Confederation of Production on the other, and is a counterpart to the General Confederation of Agriculture.

This point in their programme has been the cause of most of the difficulties, discussions, and disputes which have arisen in the Confederation of Intellectual Workers. Mr. René Hubert⁽⁶⁾ writes as follows:—

The intellectual workers felt themselves crushed between the capitalist employers on the one hand, and the revolutionary proletariat on the other. They have long been subject to the former. For a moment they thought of allowing themselves to be dominated by the latter. Now they claim their independence and assert their own rights in face of both. They mean to be respected by both and to obtain recognition of the material and moral position to which they think they are entitled.

The Confederation of Intellectual Workers appears, therefore, to take its stand definitely, if not on the ground of the class war, at least on that of the class idea. Most of the criticisms to which it has been subjected have been called forth by this attitude. One of the severest critics is Mr. Gaston Sauvebois in *La Renaissance* of 16 October 1920. At the Authors' Congress held in Paris in June 1921, Mr. Paul Vergnet spoke in similar terms:—

The mobilisation of the liberal professions under a somewhat ambiguous title—that of 'Intellectual Workers'—can have but one meaning, and in any case but one result, i.e. to create a class within the nation. I will not discuss the question as to whether social classes exist; I will merely say that if there are classes, two are quite enough, and if no such classes exist, it is very regrettable that one should be created.

In spite of its lofty aims and their undoubted success, the Confederation of Intellectual Workers has thus failed to unite all French intellectual workers. Some societies have remained outside the Confederation; others have even been founded in opposition to the Confederation. The Confederation of French Intelligence and Production (*Confédération de l'Intelligence et de la Production française*), organised by Mr. Georges Valois, has developed in the direction of "vertical" organisation in opposition to the "horizontal" organisation of the Confederation of Intellectual Workers. It aims at a revival of the old guilds, uniting all persons employed in the same industry irrespective of their function in the industry.

It would appear, however, that the type of organisation represented by the Confederation of Intellectual Workers is destined to spread from France, where it arose, to other countries, and to serve as the standard form of organisation in the intellectual workers' movement. In Belgium and

(6) René HUBERT: *Organisation Syndicale des Travailleurs Intellectuels*; Paris, 1921. Librairie des Sciences politiques et sociales. Bibliothèque de la Société d'Etudes et d'Informations Economiques.

Roumania the idea of a Confederation of Intellectual Workers has taken shape. In Switzerland a committee has been formed on the initiative of the Society of Painters, Sculptors, and Architects; its chairman is Dr. Roethlisberger, Assistant Director of the *Bureau de la Propriété Intellectuelle* at Berne. On 12 June 1920, the delegates of nine societies met at Berne and founded the Swiss Federation of Intellectual Workers (*Bund der Geistesarbeiter*), which held a general meeting at Berne on 15 January 1921, at which its constitution and rules were adopted. In Spain, Italy, Holland, and Poland, however, similar attempts at organisation have encountered political and religious difficulties which it has hitherto been impossible to overcome.

TENDENCIES TOWARDS INTERNATIONALISATION

As yet there is no international federation at the head of these national organisations, but the need of internationalisation has already been felt, for the national organisations soon realised that problems which are similar in all countries can only be solved satisfactorily on a general and common basis. Some of these societies have already attempted to put themselves in touch with one another. All are conscious of the need for co-ordinating their efforts, if they are to be successful. But unless they receive some outside assistance which will crystallise their efforts, the process of international co-ordination will be extremely difficult and slow. This is one of the reasons why a certain number of intellectual workers desire to find in the League of Nations a centre round which they might gather.

However, the first efforts which have been made with this object in view did not come from societies formed for the purpose of defending the professional interests of intellectual workers, but from those associations which aim at encouraging creative work. The Union of International Associations at Brussels addressed two requests to the Council of the League of Nations at its meeting at San Sebastian, proposing :

(a) that the League of Nations should extend its patronage to the International University ;

(b) that the League of Nations should subsidise the publication of a collection of Recommendations and Resolutions of international conferences.

On the report of Mr. Léon Bourgeois, the Council merely expressed its approval of the International University, but decided to grant a subsidy of £1,500 to the collection of Resolutions passed at international conferences.

In September 1920 the Congress of International Associations, which was held in Brussels, adopted the following resolution, recommending :

that the League of Nations should create an international organisation for intellectual labour, similar to the international organisations already instituted for manual labour, health, and economic interests.

This organisation, based on principles appropriate to the special needs of intellectual work, should enjoy a considerable degree of autonomy, similar to the autonomy enjoyed by the International Labour Office. Its object would be to assist in the rapid development of science and education by co-ordinating the activities of the following three groups of organisations: national intellectual institutions in the different countries; present or future international societies founded for purposes of study and research; present or future international intellectual institutions (scientific bureaux, international university, international office of bibliography, international library, international museum, international laboratories, international patents office, institute of standards, institute for social research, etc.).

For this purpose it would be desirable that the League of Nations should convene shortly an International Intellectual Conference for the purpose of preparing the constitution and rules of such an organisation, and also of formulating conclusions and recommendations of a scientific character as to problems of international reconstruction, on the lines of the conclusions and recommendations formulated by the International Finance Conference in the economic sphere.

Messrs. Pouillet, Negulesco, and Maggiorino Ferraris submitted the following draft resolution to the First Assembly of the League of Nations, with a view to the practical carrying out of the above recommendation.

The Assembly of the League of Nations approves the assistance given by the Council to institutions whose object is the development of international co-operation in the intellectual sphere and, in particular, the moral and material support given to the Union of International Associations on the occasion of the inaugural session of the International University and the publication of the collection of Recommendations and Resolutions passed at international conferences.

The Assembly recommends the Council to continue its activities in this direction and to participate, to as great an extent as possible, in efforts directed to the institution of an international organisation of intellectual work;

And instructs the Council to follow sympathetically the efforts at present being made for this purpose, and later, if necessary, to extend to them its official patronage and to submit to the Assembly at its next Session a circumstantial report as to the educative influence which such efforts are destined to exercise in the growth of a spirit of universal harmony and co-operation, and as to the advisability of co-ordinating these efforts in a technical organisation attached to the League of Nations.

The Second Commission adopted this scheme without discussion, and it was brought before the Assembly at its last meeting by Mr. Lafontaine, who said: "The League of Nations has created a privileged situation for manual labour (an annual credit of seven million gold francs); it is only just that it should grant its support to intellectual work".

The Union of International Associations and Mr. Lafontaine himself have therefore adopted this principle as the basis of discussion and have established between the two labour organisations both a parallel and an opposition. Mr. Barnes protested against the idea. He opposed the distinction which the draft resolution appeared to make between manual labour, protected by the International Labour Office, and intellectual work, left unprotected. "We have come to a

time", he said, "when democracy must reign, and the idea of drawing a dividing line between manual work and intellectual work would only retard its advent". Mr. Barnes further protested against the idea of creating a new technical organisation. He was afraid lest the support given by the League of Nations to existing organisations should, instead of assisting such organisations, result in drying up other more efficient sources of liberality, and he finally suggested that the question should be referred to the International Labour Office.

In his reply Mr. Lafontaine sought to show that similarity of phraseology did not imply similarity of purpose:—

The purpose of organising manual work is to solve problems arising out of disputes between capital and labour. It is not a question of organising facilities for work, as we propose to do for intellectual workers; the organisation of manual work does not provide such facilities.

What intellectual work requires is facilities for work, means of procuring information quickly, and centres where scholars engaged in research work can meet, where the results of their work can be placed at the disposal of the whole world.

The International Labour Office is concerned with the workers engaged in manual work; the Intellectual Labour Office is concerned with the results to be attained by the workers. Intellectual workers as such can organise themselves in unions as manual workers do; they are doing so, and in this case I agree with my colleague, Mr. Barnes, that they are dependent upon the Labour Office established at Geneva.

But the object of the institution, which we wish to create under the aegis of the League of Nations, is to give more force and more power to human thought. We are the first to hope that manual workers, delivered from a life of slavish toil, may have leisure at their disposal and be able to devote themselves to intellectual work. We hope that, thanks to this organisation, which is not new, which has existed for a long time past, but which must be developed to the full, manual workers will not be forced to face the great and almost insurmountable difficulties which intellectual workers have to face in order to succeed in their researches.

This is the object that we have in view. It is not in opposition to the objects pursued by those who desire to ameliorate conditions of the manual worker. On the contrary, it is a means of supplying the manual worker, when he has acquired leisure, with an opportunity of himself contributing to the splendid progress of our civilisation. Not till intellectual work has at its disposal the tools suited to its needs will men be able to advance more rapidly towards the new era to whose early dawn we are all looking forward.

The proposal of the Second Commission was finally adopted, in spite of the opposition of Mr. Barnes and Lord Robert Cecil. As a result of this vote two parallel courses of action have been taken. The Secretariat of the League of Nations has submitted two reports to the Council. The first comprises a detailed summary of the activities of the Union of International Associations at Brussels, including the International Office of Bibliography, International Archives, Annual of International Activities, List of Recommendations and Resolutions of International Congresses, the International University, the "International Fortnight", International Centre, International Museum, etc. The report concludes with the following words:

Surveying as a whole the picture we have just drawn, the work of the founders of the Union of International Associations, a work of

documentation and information, of co-ordination of effort, of general education, appears as a vast enterprise of international intellectual organisation, characterised by the breadth of its conception and design. Its action is twofold : as regards principles, it owes to the logical force of the ideas which it has brought forward an educative influence which is highly conducive to the development of the ideas of union and international organisation. As regards facts, it has proved its efficacy by the institutions which it has created. The Union of International Associations, its Congresses, the publications connected with them, and the International University form particularly effective instruments for the "diffusion of a broad spirit of understanding and world-wide co-operation". The League of Nations should regard these institutions today as most valuable organs of collaboration.

The second report emphasises the importance of the international co-ordination of intellectual work, especially that of educational activities in the different countries, in connection with the development of the League of Nations, as follows :

The League of Nations cannot pursue any of its aims, either the general aims of co-operation as laid down in the Covenant, or even the more precise aims assigned to it by certain provisions, such as the campaign against the use of dangerous drugs and against the traffic in women and children, without, at every moment, encountering educational problems, and without being obliged to ask for active help from those engaged in education in all countries.

The report goes on to show that it would be premature to set up a technical organisation actually under the League of Nations without preparing the ground by preliminary investigation, and ends by proposing the appointment of an Advisory Committee to examine international questions regarding intellectual co-operation and education; the Committee will consist of a maximum number of twelve members, appointed by the Council, and will submit a report on the organisation to be established to the Assembly of the League of Nations to be held in 1923.

In the meantime the Union of International Associations has taken further steps. From 20 to 22 August 1921 it convened at Brussels the first International Congress of Intellectual Workers, which passed the following resolution :

The Congress of Intellectual Workers, meeting at Brussels from 20 to 22 August 1921,

(1) takes note of the draft constitution of an International Federation of Intellectual Workers which has been submitted;

(2) authorises the Congress to undertake propaganda in the different countries with a view to the creation in each country of a central organisation of intellectual workers affiliated to the International Federation;

(3) authorises the Union of International Associations to enter into direct communication with the League of Nations and the International Labour Office on these subjects.

In order to understand this resolution, it must be remembered that it is the result of two distinct considerations which were laid before the Congress. The first of these was that which Mr. Lafontaine had chiefly in mind during the Assembly of the League of Nations, namely the organisation

and co-ordination of facilities for intellectual work. The second is the protection of the professional, corporate, and private interests of intellectual workers. To quote the invitation to the congress: "Certain associations have dealt with these problems in various countries, and national associations have been instituted to discuss them, but there has been as yet no opportunity for concerted action. A question worthy of consideration is whether it is advisable to increase the number of these associations and to create an international bond between them".

Finally, it should be added that that intellectual workers require to be protected in regard to copyright, a task on which the Berne Offices have been engaged for about thirty years.

PURPOSE OF PROTECTION

Intellectual workers may be helped and protected in three ways; as regards facilities for their work, the products of their work, and the conditions under which they work.

The first object is to assist intellectual workers in their work. Intellectual workers suffer from the insufficiency of the material means at their disposal, and also from the scattered condition of their sources of information and material.

In order to assist intellectual workers in a material way, it has been deemed necessary to provide them with financial assistance derived from private donations. This was the object of a large number of foundations in the past, such as the Solvay, Carnegie, and other foundations. This is also one of the objects of the *Confédération de l'Intelligence et de la Production française* in seeking to create a national fund, which should be supported by the great industries of the country and managed under their supervision, and which should give help to intellectual workers. The setting up of university presses and all movements for the diffusion of intellectual work may be included under this head.

The second object is to protect intellectual workers in disposing of the products of their work. Intellectual workers may find themselves in one of two relations towards those by whom they are paid. They may sell the product of their work, in which case they conclude a commercial contract with the purchaser; on the other hand they may sell their work itself, thereby entering into a wage contract.

The boundary line between the two kinds of relationship is often very difficult to draw. When the intellectual worker is salaried, it is almost always in the form of work paid by the piece, which is in many respects similar to a sales contract. For example, what is the position of an author or a translator in relation to the publisher who has ordered a manuscript? And what is the relation between an artist and a picture

dealer who pays him a fixed sum in return for his whole output? This legal question has not been thoroughly examined or settled, though it certainly ought to be, but it has not checked the efforts of those who wish to secure to intellectual workers the profits of their work. If intellectual workers have a double character, they have a double claim to protection.

In so far as they are the proprietors of their works, their interests have been placed by international conventions under the care of special organisations, which may be known briefly as the Berne Offices, their official title being the United International Bureaux for Industrial, Literary, and Artistic Property (*Bureaux internationaux réunis de la propriété industrielle, littéraire et artistique*). The Industrial Office was opened on 1 January 1885 and the Literary Office on 1 January 1888.

The object of the Industrial Association which was founded as a result of the Paris Convention of 20 March 1883, revised in 1900 and 1911, of the Madrid Agreement of 14 April 1891 concerning the international registration of trade marks, and the Madrid Agreement of the same date concerning the suppression of false marks of origin, is to promote the protection of inventions, industrial designs and models, and trade marks, on the basis of the principle of national rights, against infringement, imitation, or unfair competition. Twenty-six countries belong to the Industrial Association. Further, seventeen countries have adhered to the Madrid Agreement concerning the international registration of trade marks; nine countries have adhered to the agreement concerning the suppression of false marks of origin; and fifteen countries to the Berne Agreement of 1920 concerning the restitution or preservation of industrial property rights violated owing to the war.

The Literary Association, which is the result of the Convention of 9 September 1886, revised on 13 November 1908, includes twenty-one countries. Its object is to guarantee to authors adequate protection on a national basis against unauthorised imitation, reproduction, translation, adaptation, execution, representation, and exhibition of works of literature, music, art, and photography.

Each of the two offices expends funds amounting to 60,000 francs a year. They collect official information, keep official records, circulate and publish information and studies of general interest, prepare for international conferences, and compile statistics. They publish regular monthly organs and other periodical publications, such as general collections of laws and treaties, the minutes of conferences, comparative and synoptical tables concerning comparative and private trade mark law, etc.

The diplomatic and voluntary character of the Conventions on which these offices are based has made their work extremely difficult. Within the sphere in which the Literary Association is active the system of reservations has been

carried so far that several different Conventions exist side by side. Only a very few states have ratified the new Conventions. The old Conventions remain in force in other states, so that three different stages have been reached in the problem of protecting literary work, more especially translation rights.

In order to ensure progress in the industrial sphere it has been necessary to have recourse to narrower associations formed by a few countries only. Even within narrower associations it has not been possible altogether to eliminate the practice of attaching reservations to ratification. The most recent case is the action of Sweden in attaching certain time-limits to ratification of the agreement on the restoration of trade property rights violated in the course of the war.

The third object is to regulate and improve the conditions under which intellectual work is done. The difficulty is not so much to supply a theoretical definition of intellectual workers as to distinguish them from other kinds of workers. As a matter of fact, there are very few intellectual workers who are not at the same time engaged in other occupations, on which they are more directly dependent for their livelihood.

Workers who are intellectual workers and nothing more make the least demand as a class for protection; therefore to confine protective action to this class of intellectual worker would be to reduce action to impotence. A wider definition is required. In an article in the *Berner Hochschulkalender*, Professor Roethlisberger, the founder of the Swiss Federation of Intellectual Workers, writes as follows:—

There can be no question of confining the class of intellectual workers whom we wish to unite either to those who produce freely and independently of any contractor, for the number of such workers is infinitesimal, or to those who depend for a livelihood solely on intellectual work and who have no other occupation.

The legal distinction between salaried employees who execute paid work which presupposes scientific or artistic training and persons who conclude contracts is too narrow; for most intellectual workers have at the same time a post as salaried employee which guarantees them a livelihood. As no satisfactory definition exists, it is very difficult to draw a distinction. Further, the creation of an intellectual aristocracy would be as futile as it would be absurd. For this reason, from a practical point of view, an attempt has been made to unite all those who are mainly engaged in work of an intellectual, literary, artistic, scientific, and technical character, that is to say in creative work, whatever their position and whatever the occupations which may be involved. The following groups of workers in particular would be included: writers; artists, including painters, designers, sculptors, architects, and musicians; scholars and men of science; doctors, including veterinary surgeons, and dentists, who all require academic training; a large number of technical experts; and journalists; in short, all who belong to the liberal professions.

This list is not exhaustive. Pharmacists, who are not included in the list, require academic training just as do veterinary surgeons or dentists. One is tempted to ask whether the fact of selling goods is incompatible with the title of intellectual worker. Nor does the Swiss Federation include civil servants or elementary school teachers, who are state

employees. The reason for this exclusion does not seem clear, nor does the reason for the omission of private teachers and University professors; the latter would appear to be indisputably intellectual workers. Students also, who may be compared with apprentices, are not generally admitted to associations of intellectual workers, although they have important professional interests to defend.

The French Confederation of Intellectual Workers is less narrow, but it has evaded rather than solved the difficulty. It admits the civil servant and the technical expert, and prefers to deal with cases on their merits rather than bind itself by general regulations—a wise attitude to adopt.

If anything practical, therefore, is to be done, enquiry will have to be limited to examining possible methods of classification. Classification is of two kinds. In the first place, there is classification by occupation; civil servants, professors, technical experts in manufacture, persons engaged in commercial activities, such as pharmacists. Secondly, there may be classification by the type of work done, in order to establish within a particular occupation who is an intellectual worker and who is not. The editor of a large newspaper is undoubtedly an intellectual worker, but what of a subordinate reporter or a proof reader? An engineer who has graduated at one of the recognised engineering colleges is an intellectual worker; but it is not quite so certain whether the same can be said of a person who has obtained the diploma of an ordinary technical school or of a school of arts and crafts. Nor is the boundary line between the ordinary technical expert and the foreman quite clear. A lawyer is an intellectual worker, but what of his head clerk, who often does the same work?

It is less important, however, to define the intellectual worker than to define the salaried worker. The kind of protection claimed by salaried intellectual workers must next be considered.

The Confederation of Intellectual Workers in their manifesto raise some of the questions which, in their opinion, at least merit examination, even if they cannot be solved.

Salaries

A minimum salary, based on the worker's requirements, should be universally fixed, so that even the lowest paid intellectual worker may be able to live on his earnings. On the other hand, except for a scale of progressive increases based on the number of years of service in the same firm, the higher salaries would be determined solely by the output of the particular worker.

In the case of intellectual workers who are paid at piece-work rates it should be compulsory to pay for all work delivered and accepted, even if the work be not used.

The question of salaries is a universal problem. Intellectual workers often express the desire for an enquiry to be

instituted in all countries concerning the salaries of intellectual workers as compared with the earnings of manual workers. This enquiry should include teachers' salaries. Such an enquiry would certainly help to clear up the problem. Intellectual workers are persuaded that at present they are earning less than manual workers. This is undoubtedly true in some occupations, such as journalism, where there is little difference between the lowest-paid intellectual workers and some of the highest-paid manual workers. It would be very useful to find out whether the same applies to most occupations.

In any occupation it is very difficult to intervene actively in order to fix rates of payment, and it is still more difficult to do so in the case of the intellectual worker, whose remuneration cannot be fixed except on a basis which is both qualitative and subjective. In most occupations it is comparatively easy to find a standard by which the difference between a good and a bad workman may be measured. But it is quite a different matter to find a standard by which to measure the difference between a good and a bad artist or between an author of talent and a mere hack writer.

The question of salaries has other aspects. In journalism it involves the problem of the contribution of unpaid articles, a practice which both brings down rates of pay and often deprives professional journalists of work. Some intellectual associations ask their members to pledge themselves not to contribute unpaid articles to newspapers or periodicals.

There is the further question of subsidiary occupations. At the present day, there are very few intellectual workers, as, for instance, professors, who can live solely on their salary or on what they earn by their writings, etc. Professors are often compelled to accept other work, which distracts them from their purely intellectual occupations, and which, if the practice became general, might seriously interfere with scientific progress. This is another reason for the decrease in the quantity and in the quality of the intellectual output of the world.

Finally, the question of the remuneration of intellectual workers is inseparably bound up with the problem mentioned earlier, the problem of bringing higher education within the reach of the poorer classes.

Contracts

The Confederation of Intellectual Workers further proceed to consider the question of contracts.

A compulsory model contract, which would make allowance for differences in detail to suit the requirements of different professions, should be drafted and submitted to the employers' organisations for adoption. Such a contract would at least guarantee certain fundamental rights to every salaried intellectual worker employed by a firm which does not sign collective agreements with its staff.

A minimum indemnity for dismissal without notice should be fixed, in agreement with the employers' organisations, for every salaried intellectual worker, and a scale of minimum indemnities drawn up for all other cases of discharge.

Model contracts—which must not be confused with collective agreements—have already been drawn up in several countries, at least for journalism. In Italy the Italian Press Association has drawn one up. In Austria, the National Assembly on 11 February 1920 adopted an Act regulating journalists' contracts, and the Viennese Press Association has concluded a collective agreement for journalists in Vienna. The Society of Swiss Authors is also engaged in drafting a model contract, and is trying to get it generally accepted. It might be well worth while to examine these contracts and to consider whether they could be introduced into other professions.

Employment and Pensions

Every intellectual worker should be entitled to a pension after twenty-five years' service and at the age of fifty-five. Some firms grant pensions to those of their staff who have been in their employment continuously for twenty-five or thirty years. The system should be extended to all salaried intellectual workers within a profession, and anyone who has been a member of a profession for twenty-five years, whether in the employment of one or several firms, should be entitled to a pension; then there would be no more cases of workers being dismissed, exhausted, after more than twenty years' service, without even being assured of a crust of bread at the end of their life of toil.

Persons already in the profession should have at least a prior claim when vacancies occur.

The problem of recruiting for the intellectual professions is closely connected with the problems of selection and of unemployment. Among intellectual workers unemployment is less obvious, though no less serious, than among manual workers. It is doubtful whether there are too many intellectual workers in the world; but they are most unequally distributed, and were an international system for finding intellectual employment internationally organised, it might possibly improve their position.

Intellectual workers are also affected by migration. A regular system of exchanges of intellectual workers between countries might be a good thing, not only for the workers themselves, but also in the public interest. Such a system could be carried out in several ways; an inter-university exchange of students and professors might be arranged, or an exchange of technical experts between countries where they are numerous and countries where they are much wanted. This would raise other questions, such as the standardisation of conditions of entry to the universities, the standardisation of curricula and examinations, the recognition of diplomas, and the protection of foreign students.

Finally, in the matter of actual working conditions, it would probably be necessary, in the case of journalism, to regulate

night work and Sunday work. In certain countries journalists still work at night and on Sundays, but more because of old-established custom than because of any real need.

These problems and others, upon which it has not been possible to touch, make it obvious why organised intellectual workers all over the world are demanding a central office for information and enquiries, which would centralise their movement and would make it possible for them to secure some practical results.

INTELLECTUAL WORKERS AND THE INTERNATIONAL LABOUR OFFICE

This explains the spirit which has been animating the organised intellectual workers and the reason for which they have applied to the International Labour Office for help and assistance. The extent to which the International Labour Office can meet their requests remains to be considered. Under Article 23 of the Peace Treaty it is instructed "to secure and maintain fair and humane conditions of labour" for all, and by Article 396 to collect and distribute "information on all subjects relating to the international adjustment of conditions of industrial life and labour". It has still to be decided how far the text of the Treaty can be applied to intellectual work. As is well known, at the present moment the competence of the International Labour Office and the extension of its powers are the subject of heated discussions. There are those who think that the Peace Treaty only affects conditions among workers in industry.

As regards information, the International Labour Office can certainly, without inconvenience and without raising any questions as to its competence, supply all requests for information addressed to it, some of which will touch on questions intermediate between intellectual and industrial work. Certain intellectual workers' organisations, in fact, have applied to the Office for particulars required for carrying on their work. One organisation sent an enquiry regarding openings for technical experts in different countries; another a more general enquiry as to the conditions of service of engineers in other countries; this organisation wished foreign engineers in France to be put upon a footing of complete reciprocity and treated exactly as French engineers are treated in other countries. Lacking details they have applied to the International Labour Office, in order to have a definite basis of proved fact before proceeding to action. A national organisation, which is trying to secure legislation in its own country giving a weekly rest period in the journalistic profession, has asked the Labour Office for facts about the regulations in force all over the world on this point.

Questions of this nature will probably increase in number. They will cause no difficulty whatever, unless some of them

obviously fall outside the sphere of the Labour Office. It is simplicity itself to deal with data regarding conditions under which intellectual workers work, or the salaries of technical workers—a vital and fundamental question, the facts of which are very little known. Other questions, such as the grading of intellectual work and the fixing of fees, might be a more delicate matter, and the Labour Office must naturally reserve the right to decide in each case whether the matter falls within its competence.

Secondly, it is in view of the legislative functions of the International Labour Office that intellectual workers have approached it, in the hope of having questions in which they are interested placed on the agenda of forthcoming Conferences. The weekly rest period in commerce and in industry is to be discussed at the 1921 Conference, and some intellectual workers would like to extend the scope of the discussion to include themselves. Again, the special topic to be discussed at the 1922 Conference will be emigration, and these societies have also suggested that the question of an international system of employment exchanges for intellectual workers should be raised.

In making these suggestions they appear to have two things in mind. First, they want really to improve the position of intellectual and technical workers; second, they want to secure recognition of the right of intellectual workers to be represented at the Conferences, at any rate by expert advisers, when the questions discussed by the Conference concern themselves.

This shows a misunderstanding of the procedure of the International Labour Organisation and especially of that of the Conferences. It is obvious that if suggestions of this kind were laid before the Conference by a delegate, it could hardly refuse to discuss them, especially if these proposals in certain of their aspects also concerned industrial labour. The insertion of any item on the agenda of a Conference is exclusively the function of the Governing Body, which is at the present moment the only authority to decide to what extent it would be desirable for the Labour Office to concern itself with the protection of intellectual workers. The representation of these workers on the Governing Body and in the Conferences would necessitate not only a formal amendment of the Peace Treaty but an extensive modification of the Organisation itself.

To summarise, within the limits of its authority, which are not under its own control, the International Labour Office is entirely ready to keep in touch with the intellectual workers' organisations and to assist them. But they on their side should not underestimate the delicate nature of the questions which arise, or expect the Office to overstep the boundaries which have been marked out and launch forth into the unknown.



The New Spirit in German Labour Legislation

by

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‘THE spirit moulds the body to conform’: these words of a German poet are as true of social economics as they are of other things and apply to economic legislation, to economic action, and to economic institutions. It is the spirit creating and applying such legislation and institutions which gives them life and meaning, which brings them to fruition and endows them with force, and determines their effects.

It will always stand as one of the great achievements of Germany that in the short period between 1884 and 1887 a system of insurance against accidents, old age, and invalidity was created for the benefit of many millions of workers. Friendly societies, funeral clubs, the Liability Act, and various charitable institutions possibly paved the way for this new and imposing organisation, but it was nevertheless a leap into the unknown. The new system wholly abandoned the principle of charitable assistance into which poor relief had lapsed, and substituted that of rights, guaranteed to insured persons and acquired by the payment of contributions. But the Government and Reichstag, who had been the authors of the Act, were too timid to carry their great idea to its logical conclusion. In the administration of accident insurance no voice at all was given to the persons insured, namely, the workers; such administration was placed solely in the hands of associations of employers. In the administration of invalidity insurance workers as well as employers were indeed represented on an advisory council; but here the real management was in the hands of a bureaucracy of officials. Finally, when the insured did succeed in acquiring control of the sickness insurance system, their activities were in practice restricted by the inspection and interference of the authorities. German insurance legislation may have conferred great benefits upon the population, but it forfeited its own moral effect by its distrust of the worker.

(1) *Gesellschaft für Soziale Reform*, the German section of the International Association for Labour Legislation.

This distrust and dislike of the workers' eager collaboration, such an unequal meting out of justice, characterised the whole of the social policy of the old Germany. Consider, for instance, the length of the interval which was allowed to elapse before that cautious and conscientious body of factory inspectors was reinforced by assistants drawn from the ranks of the workers themselves; or again, the extraordinary weakness of the system of conciliation in labour disputes, notwithstanding that imagination saw the 'hydraheaded monster of revolution' in every strike. Consider the want of understanding and support accorded to the movement for collective bargaining, a movement where the parties to the labour contract themselves enter into negotiation and agreement in order to settle their own affairs; or the deep distrust which was felt and shown for trades unionism, at a time when employers' associations were being cordially received at government offices. In the old Prussian provinces, while all employers were freely entitled to enjoy the right of association, large masses of the workers in the transport industry and agriculture were denied that right for defending or improving their wage and labour conditions. The provisions of the penal code were never invoked against employers who tyrannised over other employers or their workers by means of threats or lock-outs, but there are only too many instances of sentences passed on trade unionists guilty of a similar offence. There actually was in existence a persecution clause, Section 153 of the Industrial Code, against those who went on strike, while the trade unions alone, and not the employers' associations, were hampered by the law of association in its bearing on political bodies. The workers were second-grade citizens as much from the industrial as from the political point of view by reason of the Prussian franchise with its three classes, which refused to the poor, merely because they were poor, those rights which it gave to the rich. No labour leader was called to Ministerial office, or to a position in a government Department, or to be a local government official; their voice was heard in Parliament, but not on administrative bodies. The millions of manual and salaried workers never helped to make the laws which they obeyed; in the industrial field they were tools, and not collaborators.

A change began even before the war was over. Political and army leaders came to realise that trade unions are indispensable mass organisations, without which people and state cannot breathe, least of all in times of great danger when issues of life and of death are at stake. Their co-operation, their help, were demanded. They began to be treated with respect and confidence; justice and equality of rights were promised, and the chief restrictions on the right of association removed. The first step in this direction having

been taken, the new spirit of social reform would certainly have won its way to triumph even had the Revolution of 9 November 1918 not taken place. When that day, however, saw the popular leaders seize the reins of government in the new Republic which was proclaimed from the steps of the Reichstag, the first act of those leaders was obviously to sweep away the remaining restrictions depriving the worker of equality of rights. The abolition of all restriction on rights of association and meeting, the termination of all obligations under the Industrial Conscription (War) Act, conciliation committees for industrial disputes, abrogation of all special legislation against the interests of agricultural workers and domestic servants, full protection for the worker, a maximum 8-hour working day, an adequate employment exchange system, unemployment relief, together with equal, direct, secret, and universal suffrage to all public bodies for all men and women over twenty years of age—this proclamation of 12 November introduced a new epoch into the social history of Germany.

The demands were not new; for years they have figured on the programme of those bourgeois social reformers who joined forces with the trade unions in the Society for Social Reform.

The principles and aims of the labour code which was to be established in the new Germany were clearly and definitely laid down in the Constitution of 11 August 1919. Section V, which deals with economic policy, runs: "The organisation of economic life shall be based on principles of justice, with the aim of ensuring to all conditions worthy of a human being. Within these limits the economic freedom of the individual shall be guaranteed (Article 151).....Labour is under the special protection of the Federal authorities. The Federal authorities shall draw up a uniform labour code (Article 157)... The right of free association is guaranteed to all persons and all professions for the purpose of improving their labour and economic conditions. All agreements or measures tending to restrict or interfere with such freedom of association shall be null and void (Article 159).....The Federal authorities shall, with the assistance of insured persons, draw up a comprehensive scheme of insurance for the maintenance of health and capacity for work, the protection of motherhood, provision against the economic consequences of old age, of weakness, and the vicissitudes of life (Article 161). The Federal authorities shall take action to secure international regulation of the legal condition of workers, with a view to ensuring a universal minimum of social rights to the working classes throughout the world (Article 162) ".

The introduction to Article 165, known as the "Councils Article" is of special importance. "Manual and non-manual workers shall be called upon to co-operate with employers on an equal footing in the regulation of wages and labour conditions as well as in the whole economic development of production. The organisations of either side shall be recognised".

Reference to equality of rights as between employers and employed is found even in the old Germany. The Industrial Code says that labour conditions shall be regulated by "voluntary agreement", and the Labour Decree of 4 February 1890 recognises the workers' claim to statutory equality of rights, but the real state of affairs has already been briefly described. In the new Germany there is a guarantee that the words of the Constitution will become a practical reality. This guarantee is found in the strong trade unions of manual and salaried workers with their twelve million members; also in the two strongest parties in the Reichstag — the Social Democrats and the Centre — who represent the working masses; further, in the position held by the labour leaders in the government and administration of the Federation, States, and municipalities. In the long run reaction and attempted *coups d'état* can never again fetter the new spirit which has taken deep root among many sections of the bourgeoisie and even in the hearts of the employing classes; its influence increases every day. It is penetrating social reform legislation and getting a grip on the industrial life of the country; it is establishing its reign in the hearts and minds of the nation.

By the beginning of 1918 employers' and workers' representatives had met in joint industrial associations ⁽²⁾ with a view to mastering the difficulties which had arisen owing to the war. An agreement between all the great employers' federations and the trade unions was announced on November 18, and its result was the Central Joint Industrial Association ⁽³⁾, with its sections for the various industries, an association which is still functioning. This agreement provides for the recognition of the trade unions, for employment exchanges on a basis of joint representation, for collective bargaining and an 8-hour day, and further stipulates that employers and workers shall be jointly responsible for providing raw materials and employment, with the object of once more building up the industrial life of the nation and of finding work for the demobilised soldiers. Since then the Central Industrial Association has had to face criticism from more than one quarter. It has been shaken by strikes, and certain unions, such as those of the metal and building workers, have announced their withdrawal. But the conviction that in industry employers and workers must collaborate on terms of equality is constantly being expressed in new ways; profit-sharing, co-partnership, systematisation of industry ⁽⁴⁾, and even socialisation are being discussed; yet all these are nothing more than particular aspects of a joint industrial association in which manual and salaried workers have acquired not merely a voice on wages questions and labour conditions, but also on the general management of industry.

(2) *Arbeitsgemeinschaft.*

(3) *Zentralarbeitsgemeinschaft.*

(4) *Planwirtschaft.*

This is the real and ultimate purpose of the Works Councils Act of 4 February 1920, Section 1 of which reads as follows:—

“In order to protect the common economic interests of employees (salaried and wage earning) in relation to their employers and to support employers in effectively carrying on their businesses..... Works Councils shall be constituted”. Section 66 declares it to be the duty of the Works Council “in undertakings which serve economic purposes to assist the managing body by advice, and thus to co-operate in the achievement of the highest possible standard and of the maximum degree of economy in production,... to co-operate in the introduction of new methods”; finally, to take over the duties of the old works committees ⁽⁵⁾.

While the employers have had statutory bodies to represent their interests, such as chambers of commerce, of handicrafts, and of agriculture, the workers have hitherto had no similar organisations of their own. Several Bills to establish chambers of labour ⁽⁶⁾ were rejected, for instance in 1908, 1910, and 1918. But now not only have works councils been set up, but the constitution also provides for district workers' councils and a Federal Workers' Council and, further, for the consideration of matters which are common to employers and employed, for district economic councils and a Federal Economic Council. Such a 'labour parliament' has actually existed in a provisional form since the end of June 1920; one of its functions is to submit proposals for constituting the permanent economic councils. In this way the principle of the equality of interests and the equality of rights as between employers and employed will find statutory expression, from the single industrial establishment right through to the national economic system as a whole. Out of this struggle of the creative forces of production, a compromise will be effected between natural opposites which will lay down the lines along which development shall take place, and this without encroaching on the employer's power of initiative and control, yet awakening in the worker a joy in his work which will transform him into a collaborator in things industrial.

These are hopes and schemes for the future, nor will it be Germany alone who will decide whether they shall be carried out; the decision depends on other and mighty forces. But no forces can undo the fact that Germany's new social legislation is inspired by a new spirit. This spirit will appear in the reform of the insurance code, now in progress. The serious financial position of the country may make it uncertain whether benefits can be raised, but what can and must be arranged is a greater co-ordination of all the separate kinds of insurance, the removal of bureaucratic influence from insurance administration, the abolition of official control,

(5) *Arbeiterausschüsse.*

(6) *Arbeitskammern.*

and far more self-government so as to give a preponderating part to the insured themselves; further, the principle of prevention rather than cure is becoming more and more generally recognised; the prevention of illnesses and accidents, and the struggle against the great plagues of tuberculosis, syphilis, and drunkenness are the best forms of insurance, promoting the general welfare and at the same time removing the causes of poverty at their source. A very promising sign for the future is the tendency to transfer welfare work in general, including poor relief, to the field of social legislation, and thus again to replace charity and alms by the acquisition of rights.

The democratic principle of the equality of rights of every citizen is apparent in every Bill dealing with labour. As long ago as the beginning of May 1919 a committee, of which the present writer is a member, was constituted at the Ministry of Labour for the purpose of drawing up a new and uniform labour code. The function of this committee is not merely to systematise existing legislation on the employment contract and the protection of labour—scattered through some dozens of Acts and Decrees—in other words to codify the present law, but actually to create new law of an up-to-date type. In every Bill which has been drafted by the committee, as in those on collective agreements, domestic service, home work, labour tribunals, as well as in those on industrial conciliation and arbitration and on employment drafted by the Government, the principle of equal representation of employers and employed and their co-operation is strictly observed. Both sides were consulted by the authorities and took a very influential and active share in the preparation and preliminary discussion of these Bills, and they will be similarly called upon to play a very important part in carrying them out. Here is a wide field for that self-government which every industry ought to exercise in managing its own affairs. The number of public authorities should be cut down to the lowest possible limit, and these few should be centralised and should give sympathetic support to the self-governing bodies in the various industries, or, where these fail, should be ready to take their place as appeal bodies to which employers and employed can readily apply for information and decisions. The whole system is conditional on the existence of strong, well disciplined, and wisely led organisations both of employers and employed, who recognise their wide identity of interests and are ready to settle their disputes by discussion and agreement rather than by open warfare.

In this sketch of modern German legislation—the legislation which is springing up as part of the very growth of the new democracy itself—a serious omission would be made were all reference omitted to Germany's part in the 'international labour code' which is to be created by the International Labour Organisation. It may be asserted without arrogance

that in this sphere Germany has no need to seek new inspiration or to adopt new methods, for from the very outset she has taken a prominent part in seeking to secure the realisation of an international labour code. Witness the Berlin Conference of 1890 ; the foundation and activities of the International Associations for Labour Legislation, on Social Insurance, and on Unemployment and the International Anti-Tuberculosis Association. It would be unfair to judge the work of these societies by their legislative results only. They have done invaluable educational work, and their pioneer work in international labour legislation will always be a bright page in the history of social reform. The great work of international labour legislation is now to be built up on a broader and stronger basis than can be provided by private associations; Germany only remains true to her old traditions when she gives her willing co-operation in so far as she is allowed. A large part of the Conventions of the first two conferences of 1919 and 1920 at Washington and Genoa are already on the statute book in Germany. We do not doubt but that the rest will be incorporated in her legislation, for they are the incarnation of the spirit by which labour legislation in the German commonwealth is inspired.



Industrial Peace in New Zealand

by

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ON the accepted principle that circumstances alter cases and that you cannot accurately judge the case without a knowledge of the circumstances, so you cannot properly estimate the inherent value and practicability of a state experiment without some adequate information as to the conditions which have led to it and under which it has been tried. State activities, interferences, and enterprises which work satisfactorily, for example, in New Zealand might well be disastrous in countries differing in size, climate, race, population, and standards of life and civilisation. A few words, therefore, as to the area, physical conditions, and other relevant factors of New Zealand seem a needful preliminary to a scientific examination of the state experiments I am about to discuss.

This Dominion is commonly referred to geographically as the antipodes of Great Britain, but its most northern point—the North Cape, the warmest—is in the latitude in the southern hemisphere corresponding to one hundred miles south of Spain, and the most southern—the coldest—is in the latitude corresponding to that of the north of Switzerland. In Wellington, the capital city, about half-way between the extreme north and south of the Dominion, snow never falls and even mild frosts are rare. New Zealand enjoys, therefore, a climate that is one of the healthiest in the world, and this helps to create in its people a vigour and energy which have long been conspicuous in many fields of action and enterprise.

The total area of the country is 103,581 square miles, or nearly the size of the United Kingdom. In natural resources it is scarcely inferior in any respect to the United Kingdom and in some important respects considerably richer. The richer land is subdivided very extensively into comparatively small holdings, and its chief products are wool, meat, butter, cheese, skins, and other pastoral products. Of foodstuffs it produces several times as much as it consumes, and it is only to a trivial extent a manufacturing nation. It has a total population of less than a million and a quarter, including

50,000 Maoris, who are, however, gradually disappearing. It has little illiteracy. Under the Education Act of 1877 state schools were everywhere established in which teaching has been free, secular, and compulsory. Thus for over forty years the state has set itself to banish illiteracy, and the very small fraction of the adult population who cannot read and write consists mainly of the very old and a small number of immigrants. The population has scarcely any foreign element, being more British than Great Britain itself. We have no colour question to contend with, for the Maoris are a strong, vigorous, law-abiding race, who demand and receive the same pay for the same work as the European settlers.

The Dominion has for many years had complete self-government, and since 1893 has had both manhood and womanhood suffrage, and manhood suffrage for a much longer period. The average wealth of the population over twenty years of age is £604. The standard of education and of comfort throughout the masses of the people is high as compared with some old-world countries, and there is no moral degradation due to poverty. There is no country where, to use Napoleon's test of an advanced democracy, "career is more open to talent", and where, if the descent of incapacity is not so well lubricated in respect of some important offices as Huxley would have it, birth or poverty offers no bar to individual advancement. Before the prevailing spirit of social and legal equality, family influence and traditions are afforded no place.

The Dominion has four chief cities of nearly the same size, none of them large enough to [favour the existence of extreme poverty, overcrowding, and slum conditions, which history shows make for social disorder.

In all these circumstances it is not surprising that labour determined upon active intervention in New Zealand politics many years ago, and that trade unionism succeeded in returning working men to Parliament as early as 1889, and has done so increasingly ever since, although it has never even approximately attained the position of having a majority in Parliament. This may be largely accounted for by the fact that New Zealand is still mostly an agricultural and pastoral country, with a large proportion of small farmers whose influence, although progressive, has been strongly against the somewhat revolutionary character of the platform which the official Labour Party has adopted during recent years.

In view of the foregoing outline of the situation of the New Zealand people, it would seem that, if prudent state experiments and enterprises can succeed anywhere in the world, they should succeed in this Dominion. No richer field can be found for the growth of the principles and institutions of a true democracy.

CONTRIBUTION OF ARBITRATION TO INDUSTRIAL PEACE

About thirty years ago the conscience of the people of New Zealand was shocked by disclosures appearing in the public press of sweating, especially among woman and child workers, and particularly in the clothing trade. Legislation was passed to check this evil and to secure, by the intervention of a competent and impartial tribunal, a living wage for all those engaged in New Zealand industries. The framer of this legislation afterwards justified this statute on the principle that — to use the words of Sydney and Beatrice Webb — it prevented that injury to the community as a whole which results from any form of industrial parasitism, from the payment, for instance, of wages insufficient for the full maintenance under healthy conditions of workers and their families. The legislation was not due to any demand or pressure from the trades unions. It aimed rather "at improving the conditions of sweated workers too poor and too weak to give battle in the ordinary fashion of industrial warfare". At first the New Zealand Parliament attached no great importance to the Act, and in the words of its author, the Hon. W. P. Reeves, Parliament, "mildly interested, rather amused, very doubtful, allowed it to become law in 1894 and turned to more engrossing and less visionary matters".

The importance of this legislation, indeed, was not perceived until it came into operation in 1896, and then it had to encounter much bitter and concerted opposition. It was novel. It was the first long step the state had taken to override contractual obligations legally entered into between employer and employed, for it gave the Industrial Arbitration Court power to ignore such agreements and make legally obligatory the payment of a rate of wages and the provision of conditions of employment prescribed by the Court, no matter what the workman or workwoman had agreed to. It reversed the historic evolution so fully traced by Sir Henry Maine. It was a step not from status to contract, but from contract to status. To certain classes of workers, irrespective of agreement and, if need be, in the fullest departure from it, a certain minimum wage was required to be paid or legal penalties would be incurred.

The Court was composed of a President having the status of a Supreme Court judge and two assessors, one appointed by the labour unions and one by the employers. The whole system was based upon unionism, for, as regards labour, only unions could bring a dispute before the Court (the individual worker having no status before it), but the greatest facilities were provided by the Act for forming these unions. Societies consisting of three or more employers and fifteen or more workers could be registered and become subject to the

provisions of the Act under the title of an "industrial union". The awards, however, once made bound all workers and employers alike, whether or not members of industrial unions. The Court was given exceedingly wide powers over practically the whole field of employment, and from its decisions within its powers there is no appeal. Especially in later years it was empowered to enforce its decisions by extremely heavy penalties.

Supplementary to the industrial conciliation and arbitration statutes is "the Labour Disputes Investigation Act 1913". It applies where the workers in a trade are not organised, and provides machinery for the settlement of disputes by a Labour Disputes Committee.

The arbitration system and the factory legislation of New Zealand have now been so long in operation—over a quarter of a century—that their marked character as state intervention of a novel kind, invading and dominating as they so largely do the province of contract, have ceased to provoke opposition and are regarded as a normal function of the state. If indeed these laws were repealed today, it is highly probable that their influence would continue in the unenforced conduct of the employers concerned. Therein lies a lesson on the influence of ameliorative industrial legislation in creating a sense of industrial obligation in our economic and legal systems, and in moulding commercial practices to less selfish standards.

A great change has become noticeable, however, in the attitude of the two great parties mainly affected by it. For the first ten or twelve years of its career it was exceedingly popular with labour. Its intervention and assistance were eagerly sought by labour unions, while during these years its operation was, as a rule, resented by the unions of employers. Of recent years there has been a marked tendency in opposite directions. The system has declined more and more in favour with the industrial classes, while the employers have shown an ever-increasing desire to invoke it and rely upon it. This change is easily explained, at least on one broad general ground. In the earlier years of its operation the Court was able to award increases of wages, shorter hours, and improved conditions of labour, without imperilling the existing industrial system, but repeated reviews of awards, repeated increases of benefits to the trade unions making application to the Court, in time brought conditions of employment that, without a genuine menace to the industrial system itself, could scarcely be further improved by the Court. This stage marked the turning-point in different directions of the favour and popularity of the legislation.

Examination of the effect of this legislation upon industrial peace in New Zealand reveals both expected and unexpected results. There is no doubt but that the legislation gave a distinctly increased stability to industrial conditions for a

decade or more⁽¹⁾. It was during these years that the Dominion earned the reputation throughout the world of being a "country without strikes", and this reputation it well deserved. The Act followed the great maritime strike of 1890, and it was not until the general strike of 1913 that an industrial conflict of any marked magnitude took place. The character of the courts contributed much to this beneficent result. It must be admitted that its Presidents — all drawn from men of the highest position, that is from the Supreme Court judges — were animated fully by the desire to do ample justice to labour.

The method of hearing the cases also had a great deal to do with the success of the Court. On the hearing of the different disputes, the fullest enquiry was made into the profits earned in any industry in question, its risks, its permanence or otherwise, and the workers' cost of living judged by the New Zealand standard. All parties were heard fully and patiently, and the highest wage and best conditions awarded that the industry, considered over the term fixed by the award, could reasonably stand. The final decision rested with the President. Sometimes the employers' representative on the bench agreed with him, and the labour representative differed; sometimes the labour representative alone agreed with the President; and frequently the awards were unanimous.

Thus we are entitled to say that, taking the existing industrial system as it has stood and stands, labour has received as much in wages and working conditions as that system permitted. I believe that, whether admitted or not, the fairest representatives of labour feel this to be true, and the disappointment with the Court which has grown up of recent years among trade unions is, in final analysis, not so much a sense of any injustice on the part of the Court as a conviction that the whole prevailing social and economic structure requires radical reconstruction, if labour in New Zealand is to attain the benefits at which it aims. The powers of the Court are limited to the existing system, and, if

(1) The following table, taken from the *New Zealand Official Year Book* (Wellington, 1912 to 1920), illustrates the progress of conciliation and arbitration in New Zealand.

Year ending 31 Mar.	Number of strikes	Industrial agreements	Recommendations in conciliation	Awards in arbitration	Year ending 31 Mar.	Number of strikes	Industrial agreements	Recommendations in conciliation	Awards in arbitration
1904	—	19	13	25	1913	23	32	118	94
1905	—	15	10	26	1914	46	42	166	93
1906	1	5	7	52	1915	4	34	93	71
1907	12	4	42	59	1916	7	21	134	102
1908	12	10	15	98	1917	8	63	159	168
19 9	4	12	9	88	1918	6	45	123	114
1910	11	14	102	89	1919	*	31	137	130
1911	15	17	87	74	1920	*	51	168	131
1912	20	25	119	80					

* Not reported.

[Ed. International Labour Review]

labour is to promote its aims, it must, if that be possible, discover and employ some new power of the state which can govern and engage the whole field of production and distribution more fully than the Court can do in the workers' interest. The problem here involved is so far without any satisfactory solution.

Although a thousand schemes of extensive social and industrial reconstruction have been proposed, they have been schemes on paper, foredoomed to failure if submitted to actual trial; but while this is so, no fair-minded critic can deny how far from just or perfect is the system upon which the New Zealand Arbitration Court has had to base its awards, and, baffled "in discovering a way out", the labour unions in New Zealand, feeling a blindfold sense of wrong and injustice somewhere, are naturally disposed to blame something, ignoring the indisputable gains which have accompanied the Arbitration Court.

(1) The Court has served the great purpose of investigating publicly, fully, and impartially the merits of the disputes it has been called on to hear, and has given an explicit decision upon these merits. By this means the community, before any strike took place, has had the advantage of knowing the true nature of the unions' grievances, and the opinion of an impartial tribunal upon their merits or demerits. This has added the force and support of public opinion to the side declared to be in the right.

(2) The Court has been a powerful friend of the weaker and poorer workers, who would have been unable to improve their condition by any form of militant trade unionism. These workers, originally sweated, have now—thanks mainly to the Court—secured a living wage, while sweating has been banished from the Dominion.

(3) Hours of labour have been shortened without reduction in wages, and all labour conditions have been improved.

(4) The increases in wages of unskilled labour have been substantially greater than for skilled labour. This is due partly to the fact that the Court, having at first no basis presented by the statute for determining rates of wages, has increasingly taken the cost of living, which is regarded as much the same for both skilled and unskilled labour, as a main factor in this determination⁽²⁾.

But the difference in the increases awarded to skilled and unskilled labour is also partly, perhaps mainly, due to the fact that in New Zealand unskilled labour represents a particularly important section of the working population. Conse-

(2) Subsequently "The War Regulation and Statute Law Amendment Act 1918" made provision for the Court reviewing and increasing the rate of wages fixed by awards in the light of the increased cost of living.

quently their collective bargaining power in the industrial agreements entered into has been relatively greater than that possessed by the skilled workers. This, we are told, has caused an increasing scarcity of skilled labour, for artisans have to some extent forsaken their trades and joined the ranks of the untrained workers, while boys willing to spend a number of years in learning a trade are difficult to get.

It is a disputed point whether or not in practice the minimum wage fixed by the Court becomes the maximum. Many exceptions can, no doubt, be cited, but fuller consideration and investigation has not led me to alter the considered opinion I expressed in New Zealand in 1908, when I said: "Although the wage fixed by the Court is merely the least the employer is allowed to pay, it is in practice the highest the employer will pay. The result of this has been a marked tendency towards a uniform or dead level wage in each trade for all workers, good, bad, or indifferent".

One further result has been established by the operation of the Act, and that is that the penalties imposed by the Court against strikers are weak, if not entirely ineffective, deterrents. Indeed, long before the great strike of 1913, in smaller strikes involving little more than one hundred men, the enforcement of the penalties was found to be an almost insurmountable difficulty, not merely owing to the numbers of men concerned, but also owing to the fact that the men did not regard the strike as in any sense discreditable (regarding themselves rather as fighting for a principle than guilty of an offence), and the further fact that public opinion certainly did not appear prepared to support the authorities in the enforcement of the laws at least to the extent of imprisonment. For these reasons, although in a few cases, where the number of men involved was trifling, penalties have been enforced, the different Governments have shrunk from attempting seriously to put in operation the penal provisions of the Act. New Zealand's experience over a considerable term of years goes to show that industrial peace cannot be secured by the coercion of force or imprisonment ⁽³⁾.

(3) Australian experience in this connection is valuable as a guide to sound conclusions. Mr. Hughes, the Federal Prime Minister, last year in the Federal Parliament stated as his conclusion that legal systems of industrial arbitration, compulsion, and all that was ancillary to them, had proved far less effective for the purpose than the method of getting both sides together in a friendly conference. In this he expressed not only current Australian opinion, but the results of the operations of its compulsory arbitration system. During 1913 to 1916 the Courts in Australia decided more of the disputes in favour of workers than in favour of employers, while it is true that during the years 1917 to 1920 the proportions were reversed. However, in support of Mr. Hughes' opinion it is to be noted that from 1913 to 1920 direct negotiations between employers and workers settled a majority of the disputes in favour of one party or the other, and not by compromise. Many of the compromises, moreover, were dominantly in favour of one side or the other.

In general, however, the compulsory arbitration system has done New Zealand good service. It has created or impressed on both sides by its awards and decisions a livelier and fairer sense of the mutual rights and obligations of both employers and employed, and has helped to stimulate more active and energetic public opinion regarding the moral duties inherent in their relationship.

DEMANDS FOR REFORM

Doubt and indecision as to the expediency of continuing or repealing the system of industrial arbitration exist in some quarters and are now becoming widespread. The Act provides a means of cancelling registration under it, and many unions have shown their dislike of the Act by obtaining this cancellation. I am satisfied, moreover, that far more unions would apply for this cancellation, but for the fact that the only alternative is reliance upon industrial warfare, and this, if possible, they would avoid. It must, however, be conceded that with the more militant unions the Act grows steadily less popular, and the recent changes in the legislation, which now no longer requires the President to have the status of a Supreme Court judge, will, in my judgment, lessen the authority and prestige of the Arbitration Tribunal.

In matters of fundamental social and industrial experience, conclusions are often vaguely felt by those most concerned before they are definitely expressed, and it is probably correct to say that in New Zealand our economic system under the operation and administration of the Arbitration Court for a quarter of a century has in the loosely-formed opinion of labour been tried under the most favourable conditions and has been found gravely wanting. The resentment and discontent that have arisen are increasing, expressing themselves in a "go slow" policy with its diminished production, a readiness to invoke even trifling causes for serious industrial stoppages, and an exaggerated estimate of sporadic and unimportant grievances, which a true spirit of co-operation would never create or permit. These are but symptoms of industrial unrest — proofs of the grave fact that the two great partners in production and distribution are drawing more and more into opposite and armed camps, eager not for peace but war.

THE BOARD OF TRADE ACT 1919

A point has now been reached, as stated, in the history of the compulsory arbitration system, where the expediency of continuing it, at any rate in the essentials of its present character, is a matter of grave doubt. It was probably this

grave doubt which led the New Zealand Legislature to place upon its statute book the Board of Trade Act, which, if workable, will supersede all that is important in the compulsory arbitration system. This statute was the successor, perhaps the outcome, of the Cost of Living Act 1915, which aimed chiefly at checking the evils produced in New Zealand's commercial and industrial system by conditions arising from the war. The powers and machinery of this Act were, however, quite inadequate for any materially beneficial result, and hence, after the war was over, and as a permanent measure, "The Board of Trade Act 1919" was passed.

The Board of Trade Act in its preamble declares that its purpose is the better maintenance and control of the industries, trade, and commerce of New Zealand. Industry, for the purpose of the Act, includes any trade, business, industry, or undertaking whatever carried on for the purpose of profit. The Act excludes from its scope the fixing of wages, and, as it is empowered by regulation to fix in the public interest the rates of pay of all other services, the exclusion of the right to deal with wages seems an anomaly. If, however, the Board of Trade Act becomes fully operative, this exclusion should disappear, or it may well be eliminated by a short provision if the Arbitration Act should be definitely repealed.

The Board consists of the Minister of Trade and Commerce, who is the President, and who may appoint any other member of the Executive Council to act for him in his absence as President. In addition to the Minister there are four other members appointed by the Government, who hold office for five years and who need have no prescribed qualifications.

The Board is authorised to hold such judicial enquiries as it thinks fit, either on its own motion or by direction of the Government or on the complaint of any person, into any matter whatever relative to any industry carried on or proposed to be carried on, for the purpose of obtaining information which may be required for the due control, maintenance, or regulation of all or any industries, or for the due observance or amendment of the law relative thereto and for the discovery of breaches of these laws. It is further charged with the duty of ascertaining how monopolies may be prevented or suppressed, of how unfair competition or other practices deemed detrimental to the public welfare may be prevented, and what prices for commodities and what rates of services of all kinds should be fixed. For these purposes it is empowered to summon parties and witnesses; enforce under penalties the production of books, documents, and papers, whether or not such evidence may tend to incriminate the party or witnesses; and may publish the whole or any part of the information it thus obtains. The Act further confers power to examine persons privately. In lieu of a judicial enquiry, the Board may conduct

investigations, and for this purpose it possesses similar powers to those in the case of judicial enquiries.

By regulations in the form of Orders-in-Council, the Board may prevent or suppress methods of competition or business which it considers unfair or prejudicial to the public welfare. It may in the same way fix rates or prices for any class of goods or services, and may prescribe the machinery for regulating and controlling such prices or rates. It may prevent any differential prices or rates for goods or services. Finally, it has power "to regulate and control the industries of New Zealand in any other manner whatsoever which the Board deems necessary for the maintenance and prosperity of the industries and for the economic welfare of New Zealand". Profiteering is, of course, rigorously provided against.

These regulations are declared to have the force of law, and are to come into operation either at once or on a date to be fixed by the regulations themselves. If Parliament is sitting at the time the regulations are made, they are to be laid on the table of both Houses within fourteen days of their being gazetted, and if Parliament is not in session, then within fourteen days after the commencement of the session next ensuing. Parliament may disapprove of all or any of them, and to the extent of such disapproval they are to be regarded as if they had never been made. Upon this last provision the following comments may be made.

First, as Parliament sits in New Zealand for one session a year of about four months' duration, commencing as a rule from the first of July, the regulations made in December would or could be in force until the following July without having come before Parliament. Secondly, they could take the shape of an Order-in-Council only with the approval of the government, and, if so approved, the government would rely upon its majority in Parliament when in session to permit them to remain in force.

It will be seen from the above how completely the determination of the form and development of all industries in New Zealand has been handed over to the Board and the Government. The Act gives these authorities practically unlimited power to mould and fashion our industrial and economic system as they please. Such a grant of power amounts, it must be conceded, to a confession that the problems confronting Parliament in this matter involve a more intimate knowledge of the data upon which their solution must proceed, and longer, more continuous, and undisturbed an application to questions of remedy than is possible for a wholly representative assembly. So much at least may be reasonably inferred from the very fact that this measure was actually passed, as well as from the cautious course which the Board has so far followed. The Board has plainly felt the infinite complexity of our economic system (simple

though it may seem to a casual observer), and it has hesitated to make any drastic alterations in its machinery lest they should bring the whole system into chaos and disaster. Its vigilance and anxiety in the public interest is beyond question, and it is perhaps to the Board's credit that it has allowed no revolutionary folly to rush in where patient wisdom would fear to tread.

So far one guiding principle in the operations of the Board can be recognised, and that is that honest trading can afford to live in the daylight and does not require darkness for its methods. Hence in the numerous proceedings which have been instituted by the Board it has sought to give the fullest publicity to such trading or industrial methods as it feels it its bounden duty to expose and condemn. The provision permitting the publication of all or part of the information the Board secures was mainly intended to enlist on its side the power of public opinion and conscience. Thus far, however, public opinion has failed to realise the enormous difficulty of the tasks imposed upon the Board, and this failure has led to a somewhat widespread dissatisfaction with it in the ranks of labour, and to the criticism that so far its career has been marked only by a series of makeshift and unorganised attempts to deal with casual grievances and disconnected evils as they have arisen in the existing system.

The Board has dealt somewhat arbitrarily with the price and the distribution among flour mills of good milling wheat. It has dealt with the price of flour and bread, providing in certain cases for a government subsidy to flour millers to enable flour and bread to be sold at a certain fixed price. It has further dealt with the price of sugar, butter, timber, coal, groceries, and several other commodities. It has also instituted numerous proceedings for profiteering.

It is not surprising that so far the Board has done little to add to industrial peace in New Zealand. It may be their wisdom or it may be a sense of expediency — one hears both judgments loudly expressed in New Zealand — but the fact remains that they have shown no disposition to democratise industries or increase the field of public ownership or collective enterprise. They have devised no machinery capable of giving constant and adequate expression to the co-ordinated demands of the whole of the workers. They have found no means of providing any measure of state control over essential industries, nor have they touched any of the existing foundations of capitalistic industry.

It has been well said that the changes involved in the existing system must be gradual. Anything iconoclastic would be disastrous, but what the workers say they are seeking is some reliable assurance that the whole problem of reconstruction will be taken courageously in hand, even if it is to proceed piecemeal. I am not, as will be inferred from what has already been said, condemning the Board of Trade.

They may be finding, or they may have found, that in the complicated structure of our present system the difficulties of reconstruction are insurmountable. I am merely pointing out and emphasising the reasons why the scope, powers, and operations of the Board have not sensibly, if at all, reduced industrial unrest in New Zealand.

EXTENT OF STATE ENTERPRISE AND CONTROL

Perhaps the task of reconstruction is so great and far-reaching that it should be undertaken by Parliament itself, and undertaken directly, not indirectly. The prevailing spirit in New Zealand favours, I believe, such a course. As an evidence of this, the state has not hesitated to embark on any enterprise that promised a reasonable measure of success and of general good. It not only owns, and has in the main constructed, the railways, but has adopted the settled policy of prohibiting the construction and working of any railway by private enterprise. Nearly all our city and borough tramways are municipally owned and operated. The state has acquired, to a substantial extent by compulsion, large pastoral estates and divided them among landless would-be settlers. It has lent these settlers money for farming purposes at the lowest possible rates of interest and on the most favourable terms. It has engaged extensively in ordinary banking. It has opened and worked coal mines. It has erected and conducted saw-mills for the supply of a portion of its requirements. It has extensively engaged in life and fire insurance. It has acquired land and erected many houses thereon for workmen generally. It has co-operated as a helpful and unremunerated partner with those engaged in nearly every branch of production. It has its own workshops for the manufacture of railway rolling-stock and similar requirements. It owns and operates a certain number of steamers and has erected tourist hotels and manages many tourist resorts. Indeed, popular objection to state enterprises in New Zealand is limited only to those cases where governmental control and operation cannot be shown to promise success or general benefits.

In 1891 a marked stride was taken by the government in the direction of practically making labour its own employer. In that year they adopted the co-operative system of carrying out public works, such as constructing railways and road formation, an exceedingly extensive field of labour activity in such a young country as New Zealand. This system is still in vogue, although since 1912 there has been some disposition on the part of the authorities to reintroduce a measure of the direct contract system. Under the co-operative

contract system the railway or road construction work to be done is divided into sections, and farmed out to parties of workmen, after plans and simple specifications have been prepared and cost estimates made. The body of workmen then become the contractors and the wages are divided among them. The workmen have control of their membership, subject to a somewhat nominal supervision by the government engineer. The government supplies materials, plant, tools, explosives, and other necessary equipment.

Again, as illustrating the trend of the industrial system of the Dominion, reference may be made to the Report of the Board of Trade specially requested by the Governor on 10 September 1918 to enquire into the conditions of the coal industry. The personnel of the 'special Board of Enquiry set up included men of very wide experience and a leading political scientist. Their investigations were long and thorough and their report is generally regarded as complete and impartial. It makes suggestions for the removal of the causes of labour unrest, including the institution of proper housing for all mine workers; the regulation of coal prices in the interest of consumers; and the establishment of a Dominion Coal Board representing the coal mine companies, the employees, and the Crown ⁽⁴⁾. This Board is given power to take over the existing coal companies, with their liabilities and assets, after valuation, and to issue stock to the existing shareholders in exchange for the shares held by them at the average market value of such shares for the period of the three years immediately preceding such exchange. The Board's recommendations involve very far-reaching changes in the present system of coal mine ownership and coal production. These changes, since the Board's report was made, have been under the consideration of the Government, but have not yet been acted on.

The foregoing will serve as an illustration of the trend of industrialism in New Zealand away from private ownership and towards some form of collective control. It can be said without exaggeration that the new conception of labour in this partnership in production has become more widely developed in New Zealand than it has in old-world countries. The old conception of labour as a commodity pure and simple has gone, and its human element has

(4) The Board is to comprise five members at the outside; the companies and the coal workers to appoint two members each, and the Government one member, who should be President; the nominee of the Crown to be appointed for a definite term; the representatives of the coal companies to be elected by the shareholders in the same way as directors are elected; and the representatives of the coal workers to be elected annually according to a system determined after consultation with the workers. In order to establish continuity of policy, members of the Board would hold terms for overlapping years, and not retire from office at the same time.

impressed itself more and more, not only upon the legislature, but upon private employers. There can be no doubt that a large section of labour has emerged from the old fallacious mists in which the pocket of the employer was regarded as a "Fortunatus's purse". This is indicated by the increasingly greater recognition by workmen that the quantum of their reward must, even under the existing system, depend largely upon the amount of wealth produced. It is becoming more clearly recognised by large numbers of those in the ranks of labour that one of the principal functions of the entrepreneur, if he would have better returns, is to increase the efficiency of labour by improving productive methods, and contemporaneously that the day of the old-time methods, once so prevalent among employers, of increasing their share in the shape of profits by reducing wages has passed away.

As regards, however, the broader question of whether state employment and state enterprises are found to contribute more to industrial peace and harmony among state workers than among those in private employment, it must be conceded that industrial contentment and peace are no greater among those in government employment (at least outside what is strictly called the Civil Service) than among those in private service.

The general attitude of labour in New Zealand differs but little from that in other countries. It is dissatisfied with the existing structure of capitalistic industry. It is no longer content with remedies for smaller grievances arising from time to time, or with patchwork remedies. Without very clearly seeing why, it feels that it is not getting its fair share under our present system, and for this it believes the prevailing economic structure of society is to blame. It turns, wisely or unwisely, from private property and enterprise to theories of extended state capitalism, production, and distribution, under which the control of industry and the receipt of its profits would not be entirely in private hands, but would be more or less socialised. Labour conceives its rights in terms of ideals which force cannot check or unpracticability dismay. The views expressed in this article do not indeed reflect the opinion and feelings of the whole of the workers. It is the custom in New Zealand to refer to those working men who more or less consistently support the existing industrial system as "sane labour", but this fact does not shake the conclusion that the growth of discontent with that system among the wage-earning classes has of recent years been marked and rapid, and that the demand for industrial reorganisation on more democratic principles is now made or shared by a majority of those within the ranks of labour.

Let me in conclusion recall the natural physical advantages possessed by New Zealand—the race, character, and education of her people—their political and civic freedom—their comparatively high standard of material well-being—and in the light of these facts point out that industrial unrest is due to the pursuit of ideals, attainable or unattainable and vaguely or definitely conceived, rather than to the pressure of want or other intolerable conditions.

INDUSTRIAL RELATIONS

The Trade Union Movement

THE months of July and August were months of general activity among national and international craft trade union federations, but outstanding features have been the holding of two special conferences on policy, the International Conference of Red Trade Unions at Moscow and the sixteenth national congress of the General Confederation of Labour of France, and the action taken by the American Federation of Labor with regard to the International Federation of Trade Unions.

THE INTERNATIONAL MOVEMENT

The first congress of the **Red Trade Union International** was held at Moscow from 9 to 18 July and attended by representatives of about eighteen countries. The International now claims a membership of over sixteen millions. The different countries were grouped according to voting power, the delegations ten most important of the having 16 votes each, the eight next most important 12 each, eight others 8 each, and all other countries one vote each. Each delegation was to vote unanimously, regardless of numbers or voting power; in case of disagreement between delegates the mandates committee, and eventually the congress itself, would decide the issue.

The congress decided on five conditions to be fulfilled by organisations desiring to affiliate to the International (1). These were:—

- (1) realisation in practice and not only in words of the class war ;
- (2) acceptance of the dictatorship of the proletariat ;
- (3) disavowal of simultaneous adhesion to the Moscow and Amsterdam Internationals ;

(1) Cf. in this respect the provisional constitution of the Moscow International as given in the *International Labour Review*, Vol. II, No. 1, April 1921, p. 19, note (5).

(4) co-ordination within each country of all action against the bourgeoisie ;

(5) recognition of international proletarian discipline, i.e. the compulsory submission of national organisations to decisions of an international congress.

A report was submitted by Rosmer on the progress of the International down to the date of the congress ; this largely centred, as did the discussion which followed it, round the relations between the Red Trade Union International and the Third Communist International, that is, the relations desirable between a political and an industrial International. Rosmer pointed out that the Communist International, itself a political body, was ready to receive to membership any workers' organisation, whether political or industrial, and had in fact already received the affiliation of two obviously industrial bodies, the Spanish National Confederation of Labour (*Confederacion nacional del Trabajo*) and the Italian Trade Union Federation (*Unione sindacale italiana*)⁽²⁾; he argued that the relations between the political and industrial international movements should be of the closest, in order to secure concerted action and a united front. But speakers from Spain and France took the opposite view and urged the necessity of keeping trade union organisations entirely independent of any political authority. Rosmer replied that he could not see in reciprocal representation on the two executive committees a threat to the autonomy of the industrial body, the Trade Union International ; to argue any such danger was to show a very weak faith in the value and efficacy of the International. Eventually certain of the French delegates brought forward a resolution emphasising the independence of the trade unions, but the delegation itself was not unanimous. The resolution was rejected by 282 votes to 35.

The resolution finally carried by the congress, after declaring that all necessary steps should be taken to unite the revolutionary trade unions within a single fighting organisation with its headquarters in the Red International of workers' unions, demanded that

(1) the closest relations shall be established with the Third Communist International, vanguard of the revolutionary labour movement throughout the world, on the basis of reciprocal representation on the two executive bodies ;

(2) these relations should be concrete and a matter of organisation⁽³⁾; they should lead to joint preparation for, and execution of, revolutionary action on a national as well as an international scale ;

(1) For the national position of these organisations, see *The Growth of Trade Unionism since 1913*, *International Labour Review*, Vol. III, Nos 1-2, July-Aug. 1921, pp. 95 and 103.

(2) The French phrase used was "*Cette liaison doit avoir un caractère organique et technique*", and there was considerable discussion in France as to whether the words *organique et technique* excluded the possibility of a single control of the two Internationals.

(3) the congress affirms the need of working towards unity among revolutionary trade union organisations and the establishment of close and effective relations between the Red workers' unions and the Communist Party in carrying out the instructions of the two congresses.

In the course of the discussion on the situation in different countries it was stated that the Italian General Confederation of Labour, in spite of resolutions in favour of Moscow⁽⁴⁾, remained in the Amsterdam International and had not sent representatives to the congress. A resolution was passed calling on the rank and file of the Confederation to take this matter out of the hands of their leaders.

As speaker for the Committee on methods, Losovski pointed out that on the whole the bourgeoisie were better organised than the workers. In any effort to remedy this, industrial rather than craft lines should be followed, in order to correspond more closely to the opposing capitalist combinations. The main issue in the discussion on methods was whether the revolutionary elements in existing trade unions should secede or whether they should attempt to conquer the unions from within. On the final resolution only six delegates voted for secession.

Losovski distinguished three types of trade union organisation: the Anglo-Saxon, "anti-socialist and anti-revolutionary", whose entire energies were absorbed by the daily struggles connected with wages and conditions; the French, based on revolutionary syndicalism, its object the struggle against capitalism and the bourgeois state, its tendency anarchistic, and its form that of the self-contained and autonomous union; and the German-Austrian, based on social-democratic reformism, and aiming at a gradual transition from capitalism to socialism; though in origin differing from the Anglo-Saxon type, in practice it closely resembles it. The fact that during the war the class consciousness of all three types was swept away by nationalism was stated to prove that the rank and file of their membership were still animated by bourgeois ideals.

The question of workers' control was discussed. It was pointed out that in spite of the efforts of the "yellow" leaders to turn control committees into organs of class co-operation, these were a means not to be neglected towards the exclusive control of industry by the workers. Shop stewards' committees as the trade union unit were advocated, as they would help the trade unions to build themselves up along industrial lines as organs of production.

An Executive Committee of ten was appointed, but it was proposed to create as few new bodies as possible in connection with the International, limiting these to ten or fifteen propaganda committees for different areas⁽⁵⁾.

(4) *International Labour Review*, Vol. I, No. 3, Mar. 1921, p. 48.

(5) The report of the Congress of the French General Confederation of Labour, p. 50 *seq.* of this article, should be read in connection with that of the Moscow conference.

The **International Federation of Fur Workers**, as noted in the previous number of the *Review* ⁽⁶⁾, held its sixth congress at Munich from 1 to 3 August. The organisations of Austria, Belgium, Denmark, Germany, Hungary, and Sweden were represented, while the French union declared its adhesion. National reports showed that there is far less unemployment in countries with a depreciated exchange than in those with a high rate, where the crisis is acute. After the adoption of the Secretary's report it was decided to abolish the international strike fund and leave each national organisation to carry through its own disputes. Although international action in this respect has apparently proved unsuccessful, proposals were brought forward for further international co-operation in other directions. Thus a meeting of all international craft secretariats was suggested, in order to consider the unemployment situation and concert means for remedying it. A proposal was also considered for the amalgamation of the fur workers' with the clothing workers' and possibly also the hat makers' Internationals. The Secretary of the Federation was instructed to open preliminary negotiations, while all national unions were urged to organise on industrial rather than craft lines, in order to pave the way for more complete unity of international organisation. After a discussion on the question of international relations a unanimous resolution declared the Fur Workers' support of the Amsterdam International Federation of Trade Unions.

As a result of the preliminary congress held in June ⁽⁷⁾, the **International Federation of Christian Unions in the Clothing Industry** held its first congress on 2 and 3 August at Coblenz. A constitution was adopted, a committee elected, and membership taken up by the Christian organisations of Austria, Belgium, France, Germany, Hungary, Italy, and the Netherlands.

NATIONAL MOVEMENTS

The **General Confederation of Labour** of France held its sixteenth national congress at Lille from 25 to 30 July. The date had been put forward from September, as originally fixed owing to the difficulties, amounting almost to a deadlock, arising from the dissensions between the "majority" and "minority" ⁽⁸⁾. The congress was attended by 2,963 voting delegates, as well as by a number of representatives of foreign trade union organisations and members of the Bureau of the International Federation of Trade Unions.

(6) Vol. III. No. 3, Sept. 1921. p. 44.

(7) *International Labour Review*, Ibid., p. 45.

(8) See report of the meeting of the National Confederal Committee, *International Labour Review*, Vol. III, Nos. 1-2, July-August 1921, pp. 112-113.

The congress opened with the passing of three unanimous resolutions, one against the laws limiting freedom of speech and association, one supporting the claims of those crippled by industrial accidents, and the third proposing the despatch of immediate relief to the famine and plague stricken workers of Russia⁽⁹⁾.

The general report, which was circulated to all the unions before the congress, summarises the history of the Confederation since the last congress held at Orleans in September 1920⁽¹⁰⁾. It mentions the three meetings of the Confederal Committee. At the meeting of November 1920 the tactics of the revolutionary trade union committees were condemned by 72 votes to 25, with 23 members absent; at this—to them—equivocal verdict, the members of the Bureau proffered their resignation, but were requested, by 103 votes to 3, with 2 abstentions, to remain in office. At the meeting of February 1921 the minimum programme was launched, comprising five demands which the trade union movement was to put forward as the basis of immediate action⁽¹¹⁾; a resolution was also passed by 82 votes to 31 defining the "majority" conception of trade union discipline. By the time the Committee met again in May⁽¹²⁾ the position had become so much graver that the date of the congress was altered. In the international sphere the report describes the participation of the Confederation in the trade union enquiry into conditions in the Ruhr district, in the International Trade Union Congress of London⁽¹³⁾, in trade union and other conferences regarding the reconstruction of the devastated areas⁽¹⁴⁾, and generally in the activities of the International Federation of Trade Unions of Amsterdam. Finally the report deals with the attitude of the Confederation to the International Labour Office.

The discussion on the report rapidly developed into a debate on the general policy of the Confederation, which was a later item on the agenda. The congress therefore

(9) A meeting of the Executive Committee of the International Federation of Trade Unions on 13 and 14 August in Berlin passed a resolution of sympathy with the Russian and Georgian people. Plans were made for a general appeal for funds to the trade unions and for the co-ordination of relief work. The various national organisations are to urge their respective governments to undertake relief work in Russia. The first mission of the Amsterdam International is to start at once, with a grant of one million marks from the funds of the Federation.

(10) See International Labour Office *Studies and Reports*, Series A. No. 14.

(11) See International Labour Office, *Studies and Reports*, Series A. No. 19.

(12) *International Labour Review*, Vol. III, Nos. 1-2, July-Aug. 1921, pp. 112-113.

(13) *Id.* Vol. I, No. 1, pp. 69-78, Jan. 1921, and *Studies and Reports*, Series A., No. 18.

(14) *Id.*, Vol. I, No. 3, Mar. 1921, pp. 49-50; Vol. II, No. 1, Apr., pp. 17 and 24, Nos. 2-3, May-June, pp. 30-31; Vol. III, Nos. 1-2, July-Aug., p. 113, note (6).

decided to closure the debate, in order to reach the main business of the meeting, namely, orientation. Here was reached the heart of the controversy which has been raging within the French trade union movement for months.

The "minority" maintained that the policy of the Confederation as directed by its present leaders had not been in accordance with the spirit of the Charter of Amiens. The idea of the class war had been forsaken for that of class co-operation, notably in the schemes for the reconstruction of the devastated areas, the association of the Confederation with the International Labour Office, and its allegiance to the Amsterdam International, characterised as "yellow". The object of the Confederation should be to train leaders and lead the mass of its members to the accomplishment of revolution, while using the daily struggle for improvements of wages and conditions merely as a means to keep up the membership. The officers of the Confederation were accused of persecuting freedom of thought and of seeking, by excluding revolutionary elements, to divide and weaken the organisation.

The "minority" demanded immediate secession from Amsterdam and adhesion to Moscow.

The "majority" declared that they had never deviated from loyalty to the Amiens Charter, that their proposals for reconstructing the devastated areas were in the best interests of the workers themselves, among other advantages as a remedy for unemployment, and that participation in the work of the International Labour Office was in no way incompatible with the revolutionary principles of the Confederation. The Amsterdam International was defended against the charge of being "yellow" on the grounds of the bitter opposition to it of the capitalist classes and of the help it had afforded to the revolutionary workers of Russia and Hungary. It was claimed that a progressive revolution was being accomplished through the achievement of improvements in wages and conditions; it was necessary to educate an intelligent rank and file, and not to delude them into the belief that a mere change of government would right all their wrongs. The officers of the Confederation, also replying to the minority, denied that they had sought either to suppress freedom of thought or to divide the organisation, which was rather the aim of the minority itself. It was impossible for the Confederation to be an effective force unless discipline and respect for the decisions of majorities were maintained.

The "majority" denounced adhesion to Moscow as involving the extinction of trade union independence⁽¹⁵⁾.

(15) A sensation had been caused shortly before the congress by the receipt of the text of the resolution passed at the Moscow Conference (quoted on pp.48-49 of this article) on the relations of the Trade Union and Communist Internationals, bearing the signature, among others, of Mr. Tommassi, the Secretary of the Departmental Federation of Trade Unions of the Seine. The leaders of the minority hastened to issue a declaration disavowing

After long debates, two motions were laid before the congress, of which extracts follow.

"Majority" resolution

The Sixteenth National Congress of the General Confederation of Labour renews its declaration, based on the continuity of trade union action, that the attempt to transform society now being made by organised labour will only achieve its end with the sweeping away of class, the abolition of the wage system, and the control of the social system by producers.

The congress maintains in their entirety the principles of the Amiens resolution, which has been confirmed by all subsequent congresses of the General Confederation of Labour, and has thus acquired an authoritative character. The interpretation of these principles and provisions precludes, absolutely and beyond any possibility of doubt, any theory tending to compromise the necessary and complete independence of the trade union movement with any political party or government whatsoever.

The congress empowers the General Confederation of Labour to continue the realisation of its minimum programme... in accordance with the Charter of Amiens, which states that the trade union movement should act "with a view to improving the conditions of the workers by the achievement of immediate reforms".

In view of the fact that for the realisation of this programme the labour movement has but one truly effective weapon, which is unity, the Congress considers that the "co-ordination of all working class effort should be the chief duty of its leaders".

Noting, moreover, that in the present world situation, problems peculiar to each country are capable of international solution, the congress maintains its adherence to the International Federation of Trade Unions, whose present headquarters are at Amsterdam.

The congress declares that the unity of the working classes cannot be effectively maintained in their daily activities except by the voluntary discipline of trade union organisations and members.

The rights of minorities remain, as they should; no one may restrict freedom of criticism, but minorities are absolutely required to accept decisions once taken. On no pretext may groups of similar opinion or tastes attempt to usurp the place of industrial, departmental, or national organisations, such usurpation having caused confusion, and made all agitation and united effort impossible.

Minorities may carry on their activities within the regularly organised meetings of the congress. They cannot be allowed to set up public opposition to decisions normally adopted by a majority.

Just as no individual may be a member of two trade unions, or a union of two federations at the same time, so Confederal organisations are forbidden to belong to two trade union internationals.

"Minority" resolution

The Confederal Congress of Lille intends to swing its helm over to the left, as advocated by recent congresses, and to bring the General Confederation of Labour back to the paths of revolutionary trade unionism.

Mr. Tommassi's action, and re-iterating their allegiance to the idea of the independence of the trade unions. These facts were naturally frequently quoted during the Congress. In view of these facts, too, the closing sentence of the "minority" resolution (see p. 54 of this article) is interesting.

This change is desired as much by the mass of trade unionists as by the active members: the present confusion, which is the result both of economic conditions and of the policy of the Confederation during and after the war, can and should be superseded by a period of confidence and activity.

The Lille congress summons the General Confederation of Labour to respect the spirit and the letter of the Amiens Charter; it re-affirms that the trade union is the essential unit for grouping the workers; no one is entitled to split it up and each should contribute of his best, both to the daily programme of demands, and to the preparation for the complete liberation of the workers.

Recalling the principles which have always been the motive force of revolutionary trade unionism, it will allow it neither to be replaced by the theory of social peace, nor to be reviled as implying hostility to the organisation of the unions and leading to rash and disordered agitations.

...The Confederal congress declares anew that the ideal of the Trade Union movement will only be attained by the complete transformation of society. The workers' organisation, which is the outcome of the class war, a complete epitome of the conditions at present imposed on the proletariat, basing its action and purpose on the defence of trade interests and the complete development of the rights of labour, repeats that its main object is the abolition of the wage and employing systems.

The congress declares that it is incompatible with the foregoing principles to seek solutions for economic difficulties out of solicitude for "the general welfare", that the work of the trade union movement should be dictated by class interest, and that as long as the capitalist system lasts any appeal to the workers to organise or increase production is not in harmony with the Amiens Charter.

Throughout its structure, through unions, Department unions and federations, the General Confederation of Labour should carry on this preparation for the control of production and exchange, side by side with the daily struggle with the employers for the realisation of the workers' demands.

Loyal to the Amiens resolution, the congress regards the trade union movement in origin, character, and ideal as a revolutionary force; it reaffirms its complete independence of political or philosophic parties; it declares that no external influence can affect its daily action, national or international.

Amid the chaos of a wrecked world, it is more than ever the solemn duty of the workers to join hands across the frontiers, and to declare that they belong rather to their class than to the state which oppresses them.

In order to present a united and invincible front to the international power of capitalism, the workers of the world should unite with an organisation which continues internationally the class war which they are waging in their respective countries against their own employers.

The congress considers that no trade union movement based on the class war and internationalism can find its place in the Amsterdam International, which is closely bound up with the International Labour Office subsidised by capitalist governments; it declares that the French General Confederation of Labour should withdraw from this organisation of class co-operation, and that without violating the Amiens resolution, it can adhere to the Moscow Trade Union International, on the express condition that the latter's constitution respect the independence of the trade union movement.

The result of the voting was as follows:

For the "majority" motion	1,572
For the "minority" motion	1,325
Abstentions	66

After the close of the Confederal congress, the "minority" held a separate conference, at which it was decided to remain within the Confederation, unless the "majority" endeavoured to put into effect the policy of excluding members or unions who adhere either to the revolutionary trade union committees, or to the Moscow International. In this case the "minority" propose to secede in a body.

Previous to the Congress of the General Confederation, a number of French national federations held their congresses, mainly to appoint their delegates to the Confederal congress and to determine their attitude with regard to the questions on the agenda of that congress.

Thus the **Seamen's Federation**, meeting at Dunkirk from 20 to 22 July, passed unanimous resolutions expressing entire confidence in the Executive Committee and officers of the General Confederation of Labour and their policy, as well as in the International Federation of Trade Unions. Among other business the congress considered the maintenance of its adhesion to the Joint Naval Union, condemned the practice of engaging native labour on French ships while French seamen were unemployed, and protested against the abandonment of a state merchant marine, suggesting that the trade unions might take it over on a co-operative basis.

In the **Transport Workers'** congress at Lille on 21 July the voting on the report and on trade union policy was 61 "majority" to 10 "minority". Other resolutions protested against the transport of munitions to Poland, and demanded the maintenance of cost of living bonuses as an integral part of wages and the institution of a transport code.

The **Federation of Workers in the Public Services**, meeting at Lille, adopted the Secretary's report unanimously except for one vote, while the "majority" resolution on orientation was passed by 141 votes to 15. The Union of Workers in the Seine communes was excluded from the Federation by 86 votes to 52, with 13 abstentions, on the ground that it had incorporated in its statutes an independence not sanctioned by the constitution of the Federation.

In the **Metal Workers'** congress held on the same dates forces were evenly balanced. The general report was adopted by a majority of two, with three abstentions and several absences. The vote on orientation was absolutely even, 113 unions voting on either side, with two abstentions. The retiring officers of the Federation were, however, re-elected. Difficulties having arisen owing to the lack of uniformity in unemployment benefits, a resolution was proposed making membership of the central unemployment fund of the Federation compulsory; by a narrow majority this was carried.

The **Federation of Food and Drink Workers**, meeting in congress at Lille, approved the general report by a large

majority. In the debate on orientation, however, the "minority" obtained 70 votes against 44 for the "majority" and two abstentions. It was decided that officials of the Federation should not be re-eligible until after the expiry of two years.

The Council of the **General Confederation of Labour of Italy**, meeting in Rome on 24 July, discussed the question of strikes in the public services. It was unanimously agreed that for certain clearly-defined categories of workers, special restrictions and limitations on the right to strike should be imposed. No wage or other demands in these services will now be supported by chambers of labour or national federations unless previously submitted to and approved by them. General strikes in a restricted area will not be carried out by these services, while in case of political strikes, they will be under the direct orders of the General Confederation of Labour; in any case persons engaged in the care of the sick, the distribution of water, and the baking trade will not take part in such strikes.

In Japan the long-proposed amalgamation of seamen's labour unions ⁽¹⁶⁾ has now been carried through, and on 7 May the **Japanese Seamen's Union** was formally constituted, comprising 22 of the 48 existing unions, with 30,000 members.

The **National Christian Unions of the Netherlands** (*Christelijke Nationaal Vakverband*) held their tenth congress at Utrecht from 13 to 15 July. This federation now comprises 23 unions with a total membership of over 70,000. Difficulties having arisen with regard to demarcation of sphere between different craft unions, a committee had been appointed to investigate the matter. The committee reported in favour of industrial federations including all manual and non-manual employees in the industry concerned. As the accomplishment of this re-organisation is not immediately possible, a committee was appointed to decide demarcation disputes, and to advise as to the best form of organisation in each individual case.

The **Swiss Railwaymen's Federation** held its third congress at Lausanne on 30 and 31 July. Its membership is about 40,000. The congress protested against the delay in enforcing the new Federal wages law, and requested the Federal Council to consider the demands of the railwaymen in connection with conditions of service, grading of workers, etc. It also protested against the failure of the Railway Executive to recognise the right of the staff to representation on the Permanent Commission, against this Commission's treatment of staff matters.

In the United Kingdom the **United Textile Factory Workers' Association**, which represents the majority of trade unions

(16) *International Labour Review*, Vol. I, No. 3, Mar. 1921, p. 52.

in the cotton trade, with a membership of 400,000, held its annual congress at Blackpool on 25 and 26 July. The congress demanded the abolition of fines, artificial humidity in weaving sheds, and of suction-threaded shuttles. A proposal to establish an independent system of unemployment insurance, of which the employers should bear two-thirds, and the employees one third, of the cost, was adopted after some discussion. It was also proposed that there should be a general amalgamation of textile trade unions, as distinguished from their present loose form of association, in order to present an equally united front with the employers, who were organised in a single powerful combination. The congress passed a resolution strongly advocating the enforcing of the Washington Conventions.

The decision of the **American Federation of Labor** at its Denver convention to maintain the withdrawal of the Federation from affiliation to the International Federation of Trade Unions⁽¹⁷⁾ has now been followed by the giving of instructions to the Executive Council, with a view to re-affiliation on a new basis. On behalf of the Council, a letter has therefore been despatched to Mr. Oudegeest informing him of the action taken by the convention and making suggestions for the reconsideration of the basis of affiliation to the International.

It is in compliance not only with the instructions, but the earnest desire, of the Executive Council, that the affiliation of the American Federation of Labor to the International Federation of Trade Unions should be consummated, and it is urged that you will carefully read and consider the enclosed reports and the almost unanimous decision of the delegates to the convention upon them. It will disclose that there is scarcely any vestige of difference of opinion in the *bona fide* organised labor movement of America upon the subject which has been under discussion between us for more than a year.

The particular purpose of our writing is to suggest that we endeavour to reach points of contact and, if possible, agreement, rather than to attempt any carping and unnecessary adverse criticism, so that the legitimate purposes which we may assume we have in common may be consummated, that is, an International Federation of Trade Unions in fact as well as in name; that we may jointly use our united influence and power to protect and promote the rights and interests and welfare of the toiling masses of the whole world.

Copies of the letter have also been sent to the Secretary of the British Trades Union Congress and to Mr. J. H. Thomas, acting President of the International Federation of Trade Unions.

(17) *International Labour Review*, Vol. II, No. 1, Apr. 1921, pp. 17-18; Vol. III, Nos. 1-2, July-Aug., pp. 110-111; No. 3, Sept., p. 54.

PRODUCTION AND PRICES

New Index Numbers of Wholesale Prices

THE enormous increase in wholesale prices during, and more especially since, the war, has led to a much greater interest being taken in their fluctuations than hitherto. For nearly all important countries index numbers of wholesale prices have been in existence for a considerable number of years. The fact that no fewer than nine new numbers have been started within the past year shows that the interest in price changes is not waning. These new numbers are those of the Board of Trade in the United Kingdom, of the *Statistisches Reichsamt* and the *Frankfurter Zeitung* in Germany, of Dr. Lorenz (*Neue Zürcher Zeitung*) in Switzerland, of Professor Bachi in Italy, of the *Skandinaviska Kreditaktiebolaget* in Sweden, of *Farmand* and the *Oekonomisk Revue* in Norway, and of the *Finanstidende* in Denmark. The new indices of the British Board of Trade and of Professor Bachi for Italy are in substitution of former index numbers; the others are entirely new.

An account of the methods and the commodities used in the construction of these new index numbers is of value, as no source exists at the present time which gives this information in a summary form. Bulletin 173, entitled *Index Numbers of Wholesale Prices in the United States and Foreign Countries*, issued by the United States Bureau of Labor Statistics, contains descriptions of all current wholesale price indices in existence up to 1915 only.

The new index number published by the British Board of Trade makes use of the "geometric" instead of the "arithmetic" average⁽¹⁾, as well as of a variable base period, the so-called "chain" method of comparison. Both these innovations have also been adopted by Professor Bachi in his revised number for Italy. Professor Bachi appreciates keenly the unfamiliar character of the geometric mean, and

(1) The arithmetic average of two, three, four, or more quantities is the sum of those quantities divided by their number (i. e. by two, three, or four); the geometric average of two, three, four or more quantities is the square, cube, or fourth root of the product of those quantities.

the greater labour involved in its computation, which constitute the two chief objections to its use. He therefore publishes simultaneously an arithmetic average calculated from the same data. It may be said that the geometric mean measures the average ratio of changes in prices, while the *weighted* arithmetic average measures alterations in the money cost of goods. The purpose of the compiler of the index must determine the mean and the method to be employed.

In the matter of weighting the tendency appears to have been to forego the use of direct weights in favour of the indirect method by selection of articles. The commodities taken into account are such as are of special importance in the economic life of the country, and prominence is given to the chief articles by increasing the number of quotations used.

This method is developed with most elaboration by the British Board of Trade, whose selection of commodities is based on the results of the Census of Production of 1907. In other countries the precise basis of selection is not indicated. Weights are used in the construction of the Swiss index number, in addition to the representation of more important articles by several quotations.

UNITED KINGDOM

The Board of Trade's Revised Index Number

In January 1921 the Board of Trade announced its intention of revising the basis on which its index numbers of wholesale prices were calculated. The method which it had hitherto employed ⁽²⁾ in calculating its index number was to compute for each of 47 commodities a series of price relatives. A price relative is a percentage showing the relation of the price of a commodity upon any given date to the price of the same commodity expressed as 100 for the base period. The base period hitherto used was 1900. The percentages or price relatives, referred to 1900, were multiplied by "weights", which were numbers estimated to be proportional to the importance of the articles in the production or consumption of the country. The products were added together and the aggregate thus reached divided by the sum of the weights, to obtain the percentage of the average of price relatives at the date in question to their average in the year 1900. In the majority of cases the figures used as prices were the average declared value of the total imports or exports of the commodity concerned into or from the United Kingdom. The weights were based on estimates of the value of the various commodities consumed in the United Kingdom in the ten years 1881 to 1890, including as

(2) See *Board of Trade Journal*, 20 Jan. 1921, p. 61.

consumed commodities such articles as cotton or wool imported and worked up into goods for export.

Several changes of considerable importance have now been made in the nature of the material used in the compilation, and also in the manner in which the different elements of the calculation are combined.

There are four main alterations: (a) the adoption of market values instead of the average import or export values hitherto used; (b) the replacement of the system of multipliers by a largely extended list of quotations selected on a principle similar to that used formerly in determining the weights; (c) the use of the "chain" system instead of a fixed base year, i.e. comparison being made each month with the corresponding month of the previous year, and (d) the employment of the geometric instead of the arithmetic mean.

Adoption of Market Values

The abnormal conditions created by the war emphasised the inaccuracies involved in taking the values of imports and exports as indicating current prices. These values are therefore replaced by market prices, thus doing away with one of the chief differences between the Board of Trade index and the unofficial indices published by the *Economist*, the *Statist*, and the *Times*. In a few cases prices furnished to the Board by experts will, as in the past, be accepted in the absence of a satisfactory published quotation of the prices of certain articles. Apart from these few cases, the sources of the quotations are available to the public, and index numbers upon any base desired can thus be constructed by anyone who wishes to do so.

Question of Weighting

Instead of the system of weighting hitherto in use, namely, the method of multiplying the price percentages by suitable factors, it was decided to increase the number of separate price quotations used, so that articles of special importance, such as wheat, coal, iron, cotton, etc., are represented by several quotations. Thus, instead of multiplying one quotation for wheat, for instance, by a certain factor, as used to be done, price quotations of several grades of wheat are now secured. With the former method it might happen that a variation took place in the price of the particular grade selected, which failed to represent the general price movement of a commodity. This risk tends to disappear under the new method, thus diminishing the influence of abnormal variations in the price of any one grade of a commodity upon the general index. The number of quotations to be used in each case has been determined on the same general principles as the multipliers in the old index. In many cases where only the value of raw

material to be worked up could formerly be ascertained, a complete revision has now been made possible, based on the results of the Census of Production which was taken in 1907. By means of the Census the value of goods manufactured for consumption within the country or for export, together with the import of goods passing directly into consumption, was obtained, giving a measure of the relative importance of different classes of goods. As far as the results of the Census taken in 1912 are available, it would appear that there was little change in these relative values, but they are clearly not as applicable to post-war conditions. Their use is therefore regarded as a provisional measure, until present production has been ascertained.

Commodities Selected

In the new index, the number of series of commodity prices used is 150, about three times the number hitherto employed. They include commodities in raw, semi-manufactured, and manufactured state arranged in eight groups, three of foodstuffs and five of industrial products. The distribution of the quotations among the groups given below is based on the relative importance of the various classes of goods in 1907.

- I. Grain : 17 quotations, composed of 3 wheat, 3 flour, 1 bread, 5 barley, 2 oats, 1 maize, 1 rice, 1 tapioca.
- II. Meat and fish : 17 quotations, composed of 6 beef, 3 mutton, 5 pork, 2 poultry, 1 fish.
- III. Other food : 19 quotations, composed of 1 milk, 4 butter, 2 cheese, 5 fruit and vegetables, 2 sugar, 1 tea, 1 coffee, 1 cocoa, 2 tobacco.
- IV. Iron and steel : 24 quotations, composed of 5 pig-iron, 3 wrought iron, 4 steel, 12 steel finished.
- V. Other minerals : 20 quotations, composed of 10 coal, 2 petroleum, 4 copper, 1 lead, 1 nickel, 1 tin, 1 zinc.
- VI. Cotton : 16 quotations, composed of 2 raw cotton, 7 yarns, 7 cloths.
- VII. Other textiles : 15 quotations, composed of 4 wool, 5 woollen yarns, 2 linen yarns, 2 raw silk, 1 jute, 1 hemp.
- VIII. Miscellaneous : 22 quotations, composed of 5 chemicals, 1 tallow, 1 oil, 2 paper, 4 leather, 1 rubber, 4 timber, 1 china and glass, 1 bricks, 2 stone.

It had been intended to treat the eight groups as of equal importance, but this intention was not carried out.

"Chain Method"

Frequent revision of the list of commodities is made easier by the abandonment of a fixed base period and the adoption of chain index numbers, showing the average rise or fall of prices on the basis of prices in the preceding year. This method had hitherto not been used in the construction of index numbers of wholesale prices, although the use of year-

by-year comparisons was not unknown in other connections, as, for instance, in the measurement of the volume of British foreign trade undertaken by the *Economist*. The method has the further advantage that year-to-year variations of prices can be measured with a greater degree of accuracy than variations covering a longer period of time, which tend to grow larger as the base period becomes more remote. It is also intended, however, to make a comparison with prices in 1913, as determined on the new method, so as to facilitate comparisons for longer periods of time. As far as possible, the monthly index for each commodity will continue to be an average of weekly quotations, instead of showing the position on a fixed day of the month, like the index numbers of the *Economist*, the *Statist*, and the *Times*.

Geometric Mean

Another innovation in the compilation of index numbers is the decision to use the geometric instead of the arithmetic mean. The change is one that naturally accompanies the adoption of the chain method, since geometric means can be shifted easily and accurately from one base period to another. The geometric average also minimises the effects of wide variation in individual prices, as compared with the influence these exert on arithmetic averages. The effect of the change is illustrated by Professor Flux, in an article in the *Statistical Journal* for March 1921, by the following table, in which the index numbers of wholesale prices compiled by the United States Bureau of Labor Statistics are compared with the geometric average calculated from the same date.

TABLE I. — COMPARISON OF ARITHMETIC AND GEOMETRIC AVERAGES FOR THE UNITED STATES
(Base : average 1890-1899 = 100)

	United States Bureau of Labor Statistics index		Geometric average		United States Bureau of Labor Statistics index		Geometric average
	Unweighted	Weighted			Unweighted	Weighted	
1890	112.9	111	113.2	1902	112.9	116	111.0
1891	111.7	111	112.2	1903	113.6	117	112.2
1892	106.1	103	106.5	1904	113.0	117	111.3
1893	105.6	106	105.8	1905	115.9	117	114.2
1894	96.1	95	96.1	1906	122.5	121	120.8
1895	93.6	96	93.6	1907	129.5	128	126.6
1896	90.4	91	89.9	1908	122.8	125	118.5
1897	89.7	91	89.3	1909	126.5	133	121.4
1898	93.4	95	93.0	1910	131.6	136	125.7
1899	101.7	102	100.9	1911	129.2	130	121.8
1900	110.5	109	109.5	1912	133.6	138	125.7
1901	108.5	108	107.2	1913	135.2	137	127.4

A comparison of the revised index numbers prepared by the Board of Trade with those published by the *Economist*, the *Statist*, and the *Times*, cannot be accurately made, because the latter all record prices at the end of the month, while the prices used by the Board of Trade are the average prices of each month. If the mean of the beginning and the end of the month is taken as representing the average of the month in the case of the three index numbers in question, the following table ⁽³⁾ results.

TABLE II. COMPARISON OF DIFFERENT INDEX NUMBERS
FOR THE UNITED KINGDOM

Mean of		<i>Economist</i>	<i>Statist</i>	<i>Times</i>	Board of Trade (revised)
Jan.	1920	100	100	100	100
Sept.	"	101.7	104.5	97.3	103.9
Oct.	"	97.9	101.7	95.9	101.0
Nov.	"	91.0	96.5	89.8	96.2
Dec.	"	82.7	89.7	81.6	88.4
Jan.	1921	76.3	84.2	74.6	82.8

ITALY

Professor Bachi's Revised Index Number

The index number of wholesale prices in Italy which was first constructed by Professor Bachi in 1916 was formed on the model of that published for England by the *Economist*. The five groups into which the 38 selected commodities were divided corresponded to those of the *Economist*, namely, cereals and meat, other foodstuffs, textiles, minerals, miscellaneous. The index was a simple arithmetic average, and the base was the same as that of the *Economist*, namely, the average for the five-year period 1901 to 1905. A new index number was started in January 1921, being carried back to January 1920, and the various changes introduced in the new number make it more comparable with the revised index of the British Board of Trade than with that of the *Economist*. Thus the chain method of year-to-year comparisons and the geometric average have both been adopted, although at the same time it is intended to publish a series using the arithmetic mean as before, for the benefit of the general public to whom this method is more familiar. Both the averages are unweighted.

Commodities Selected

The new series includes 76 commodities, all of considerable importance to the economic life of the country. Most are

(3) *Board of Trade Journal*, 17 Feb. 1921.

foodstuffs and raw materials or semi-manufactured articles, but a few manufactured goods are included, such as chemicals, packing-paper, and soap. An unusual inclusion in the list is that of illuminating gas and electricity. The commodities are divided into eight groups :

I. Vegetable foodstuffs, with 19 quotations (wheat—2 quotations, rice, oats, barley, maize, paste, potatoes, almonds, preserved tomatoes; wine—3 quotations, olive oil, oil from various seeds, beans, coffee, sugar, cocoa).

II. Animal foodstuffs, with 10 quotations (fish—2 quotations, butter, cheese, honey, eggs, meat—3 quotations, fat).

III. Chemicals, with 8 quotations (sulphate of copper, nitrate of soda, sulphate of ammonia, calcium carbide, sulphuric acid, soda, tartaric acid, citric acid).

IV. Textiles, with 9 quotations (raw cotton—2 quotations, cotton yarn, wool—2 quotations, hemp, raw silk, thrown silk, cocoons).

V. Minerals and metals, with 12 quotations (coal—3 quotations, iron, sheet iron, tinplate, zinc, tin, copper, lead, antimony, sulphur).

VI. Building materials, with 5 quotations (bricks, lime, cement, wood—2 quotations).

VII. Other vegetable products, with 4 quotations (hay, straw, vegetable fuel, wood fuel).

VIII. Miscellaneous industrial products, with 9 quotations (spirit, tobacco, gas, electricity, hides—2 quotations, petroleum, packing paper, soap).

The quotations are derived from returns published by the chambers of commerce of Genoa, Rome, Bologna, and Milan, and by the Associations of Silk and Cotton Manufacturers. As all the data used will be published in the monthly *Economista* and the annual *Italia Economica*, together with particulars as to interpolations and substitutions, the index numbers may be easily tested and alternative numbers can be constructed.

Figures for the end of the month are used, and if the returns indicate a maximum and a minimum quotation, the average of the two figures is taken. In the case of raw cotton, and occasionally of some other commodities, import values at Genoa are employed.

Change of Base

In order to compare the new series of index numbers, which have a variable base period, with the old series based on the average for the years 1901 to 1905, the arithmetic mean has been calculated. The following table shows the old series for the year 1920, together with the new series (arithmetic mean), referred to the old base period and also to the average of the year 1920 as base.

It is proposed to publish for the general index number a series with a fixed base, namely, the end of 1918, in addition to the usual year-to-year comparison.

TABLE III
COMPARISON OF OLD AND NEW SERIES FOR 1920

Month	Old series Base: 1901-1905	New series Base: 1901-1905	New series Base: 1920
1920			
Jan.	634.7	639.2	81.2
Feb.	701.0	701.2	89.1
Mar.	780.0	758.5	96.4
Apr.	855.7	836.3	106.3
May	830.3	831.8	105.7
June	774.7	796.0	101.2
July	772.4	761.3	97.8
Aug.	795.9	787.8	100.1
Sept.	832.2	825.9	105.0
Oct.	834.3	829.8	105.5
Nov.	829.1	844.4	107.3
Dec.	800.6	825.8	105.0

Geometric Average

The effect of the adoption of the geometric average is shown in some detail in the accompanying table (IV), which gives the index series of wholesale prices for each of the eight groups during 1920, both the arithmetic (A) and geometric (G) averages being shown.

GERMANY

The difficulties at the present time of compiling an index number of wholesale prices are very great. As is pointed out in the *Monthly Bulletin* of the Supreme Economic Council (4), the greatest obstacle is government control over the prices of various articles of consumption. In addition to the official prices of such articles, there are "surreptitious" prices, which are subject to extraordinary fluctuations. For the present, therefore, German price statistics can be based upon the official prices only, because surreptitious prices are illegal and also not uniform. But the use of official prices as a basis for a price index number fails to give a true view of the situation, because a large proportion of the goods sold are actually sold at much higher prices. As long as there is government control over the price of an article, statistics based on official prices err in being too favourable. On the other hand, when control is removed and the operation of an artificially low price ceases, the statistics show a sudden

(4) Vol. II, No. 2, 1921.

TABLE IV. GROUP INDEX NUMBERS FOR ITALY, 1920
(Base: 1920 = 100)

	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
(1) Vegetable foodstuffs	A 86.2 G 85.3	91.6 90.7	93.1 92.0	102.7 101.5	102.2 101.1	100.2 99.4	96.8 96.0	100.7 99.9	104.8 104.1	107.1 106.5	107.7 107.1	106.9 106.1
(2) Animal foodstuffs	A 81.2 G 80.8	79.5 79.3	82.7 81.9	83.6 82.7	92.9 92.1	101.1 100.5	100.3 100.0	103.4 103.1	108.8 108.3	108.0 107.6	124.1 121.8	126.4 125.2
(3) Chemicals	A 64.2 G 63.5	76.8 75.5	96.8 96.4	110.4 108.9	122.6 119.7	112.8 111.3	100.0 99.6	102.3 102.0	100.1 99.8	103.4 102.8	107.7 106.5	102.8 101.2
(4) Textiles	A 95.3 G 92.5	106.0 104.4	115.6 114.0	130.8 128.9	104.9 103.9	90.8 89.6	88.3 85.6	94.9 94.6	99.6 99.4	97.9 97.4	94.0 93.0	81.9 80.4
(5) Minerals and metals	A 75.9 G 75.4	92.7 92.0	104.8 104.4	115.8 115.4	113.2 112.8	99.1 98.4	95.5 95.1	96.6 96.4	103.7 103.5	106.5 106.2	101.4 101.3	92.7 92.4
(6) Building materials	A 72.0 G 71.7	75.4 74.8	82.2 81.6	96.4 96.2	101.8 101.6	106.3 105.9	108.4 108.4	109.9 109.8	109.9 109.8	112.8 112.6	112.6 112.4	112.6 112.4
(7) Wood, peat, fodder	A 93.5 G 93.0	100.9 99.6	102.4 101.0	99.8 98.8	97.2 97.1	95.9 95.5	90.2 89.3	91.9 91.3	97.5 97.4	100.5 100.4	108.7 108.4	121.8 121.6
(8) Miscellaneous	A 78.2 G 77.0	85.8 85.1	92.8 91.8	104.2 103.9	107.8 107.8	105.7 105.6	104.9 104.8	101.4 101.1	102.1 101.8	105.4 105.4	105.2 105.3	106.8 106.4
General Index	A 81.25 G 79.80	89.13 87.74	96.41 95.03	106.30 104.58	105.73 104.54	101.18 99.96	97.77 97.11	100.13 99.64	104.98 103.25	105.47 105.03	107.33 106.31	104.97 103.32

rise. This, however, merely represents the difference between the uncontrolled and controlled prices ; in comparison with the surreptitious price there may have been no rise at all.

Index Number of the Statistisches Reichsamt

In 1921 the German Statistical Office commenced the publication of an index number of wholesale prices based on the arithmetic average of the prices of the following 18 articles:— rye, wheat, barley, oats, potatoes, rye flour, wheat flour, butter, sugar, straw, hay, iron, lead, leather, zinc, tin, coal, and lignite. In the first issue of *Wirtschaft und Statistik* ⁽⁵⁾ it was announced that it was intended to develop and revise these numbers. The index number was calculated for the years 1913 to 1919 and for each month of 1920 and the early months of 1921.

In May 1921 the system was completely revised, and the first results were published in *Wirtschaft und Statistik* for May and June 1921. So far the revision only applies to the monthly figures for 1920 and 1921, the yearly index numbers for 1913 to 1919 not yet having been recalculated. The method now adopted is described below.

Commodities Selected

The number of articles is increased from 18 to 38, classified in seven groups as follows:—

- I. Rye, wheat, barley, oats, potatoes.
- II. Butter, lard, sugar, beef, veal, pork, cod, haddock.
- III. Hops, cocoa, coffee, tea, pepper.
- IV. Cow and ox hide, calf-skins, box calf, sole leather.
- V. Raw cotton, cotton yarn, cotton cloth, linen yarn, raw jute, jute yarn.
- VI. Lead, copper, zinc, tin, aluminium, nickel, oil.
- VII. Pig iron, coal, lignite.

In cases where articles are controlled by the state official prices are used ; in other cases, current market prices or prices fixed by the various produce exchanges, etc. are taken.

Method of Weighting

The percentage increase in the price of each article since 1913 is first calculated for the month in question, and the arithmetic mean of these percentages is then calculated for each of the seven groups. To obtain the general index number, a weighted average of the seven groups is taken. The weights of the groups are based on the average consumption of the different articles in the years 1908 to 1912 ⁽⁶⁾, with the result

(5) Feb. 1921.

(6) The consumption of the different articles has been calculated on the basis of the statistics of production, with the addition of imports and the deduction of exports.

that the seven groups, in the order named above, are assigned weights of 30, 10, 3, 1, 4, 3, and 15 points respectively.

Use of the Index Numbers

It is pointed out in *Wirtschaft und Statistik* that it is possible to use these groups in different ways. For example, the weighted mean of groups I, II, and III gives an index number of foodstuffs, that of groups IV, V, VI, and VII of industrial materials. Again, the weighted average of groups I, II, and VII gives a figure consisting chiefly of articles of home production, while the remaining groups III, IV, V, and VI give an index number of articles mainly imported.

The following table shows the first form of the new index number (unweighted average) and the present weighted series, the latter divided into two groups, home production and imported goods, as indicated above.

TABLE V. COMPARISON OF ORIGINAL AND REVISED INDEX NUMBERS OF THE GERMAN GOVERNMENT

(Base : 1913 = 100)

Year and Month	Original index number (18 commodities)	Revised index number (weighted)		
		General index (38 commodities)	Index of home production (16 commodities)	Index of imported goods (22 commodities)
1920 Jan.	1938	1243	960	2649
Feb.	1413	1670	1210	3970
Mar.	1456	1694	1248	3922
Apr.	1252	1556	1192	3372
May	1203	1502	1293	2545
June	1086	1377	1235	2086
July	1176	1363	1261	1878
Aug.	1166	1446	1331	2020
Sept.	1225	1495	1353	2207
Oct.	1308	1462	1293	2307
Nov.	1373	1506	1339	2344
Dec.	1319	1437	1323	2005
1921 Jan.	1260	1436	1363	1805
Feb.	1231	1372	1320	1645
Mar.	1203	1334	1282	1598
Apr.	1216	1323	1280	1544
May	—	1306	1266	1507
June	—	1363	1320	1592

Index Number of the "Frankfurter Zeitung"

Shortly before the publication of the German Government's index number the *Frankfurter Zeitung*, in December 1920, announced its intention of preparing a monthly index number of wholesale prices in Germany. As regular steps for removing government control of prices were only taken during the course of last year, the compilation of this index number begins with 1 January 1920, the figures for that date being taken as the standard and equated to 100.

An Unweighted Average

The compilers of the number, encouraged by Professor Irving Fisher's conclusions that neither the number of articles selected nor the adoption of weights materially affect the result, decided to use an unweighted average. They have, however, introduced a modified system of weighting, to the extent that the more important groups of goods, such as coal, cotton, etc., include several subordinate varieties. As regards the determination of prices, a distinction is drawn between three chief classes of goods :—

- (1) Prices fixed by produce exchanges. These refer chiefly to metals and to cotton.
- (2) Prices fixed by the Government or by combines. During the period of control the number of goods under this head was very large, and it is still considerable. Trade in grain, bacon, sugar, etc. is still in Government hands and the prices of such costly articles as coal, iron, potash, and nitrates are subject to state regulation.
- (3) Prices fixed in the open market. The *Frankfurter Zeitung* publishes once a week a list of the latest quotations of the chief commodities coming under this head.

Commodities Selected

For the purpose of compiling the index number, a selection of 67 articles was first made, which was subsequently raised to 70. These were divided into four main groups :

I. Foodstuffs with 25 items : wheat, rye, oats, barley, maize, potatoes, beans, peas, lentils, rice, eggs, meat, lard, margarine, butter, milk, condensed milk, cocoa, coffee, sugar, beer, home-grown tobacco, hay, straw, hops.

II. Textiles and leather goods with 10 items : cotton, wool, silk, cotton yarn, cotton cloth, artificial silk, flax, hides, leather, shoes.

III. Minerals with 17 items : gas-coal, anthracite, foundry coke, lignite, peat, iron-ore, foundry pig-iron, roughed-down ingots, steel shavings, bar-iron, copper, tin, zinc, lead, aluminium, nickel, silver.

IV. A miscellaneous group of 18 items : lubricating oil, petroleum, benzine, benzol, paper and newsprint, cement, bricks, potash fertilisers, sulphate of ammonia, calcium nitrate, kainite, brown leather dyes, spirit, creosote-oil, timber, firewood, calcium carbide, nitrate of soda.

In February the number of commodities was raised to 75, and in March to 77. The prices of all these articles are recorded for the first Saturday of each month; they are then brought into relation with the selected base, i.e. with the prices of 1 January 1920, and a simple arithmetic average gives the final index number.

Periodical Revision

In view of the likelihood of radical changes in consumption, it is proposed to revise the number every two years, comparison still remaining possible on the chain method. As an instance of the kind of changes involved, it may be mentioned that meat has almost disappeared from the German budget during the last two years, while such an article as peat is now of the highest importance, whereas before the war its use was insignificant. In spite of the changes in the qualities and grades of various commodities during the war and after, it was decided to carry back the index number to 1914 in order to obtain an approximate comparison with pre-war prices. According to this estimate, the general level of wholesale prices for the 77 commodities was at the beginning of 1920 eleven times, and at the beginning of 1921 sixteen times, higher than in the middle of 1914 ⁽⁷⁾.

SWITZERLAND

Index Number of the "Neue Zürcher Zeitung"

The publication of an index number for wholesale prices in Germany by the *Frankfurter Zeitung* encouraged Dr. Lorenz of Zürich to do the same for Switzerland. The results of his calculation were first published in the *Neue Zürcher Zeitung* for 24 February, and continue to appear regularly in that paper about the 12th of each month. In contradistinction to the German method it was decided to have a weighted average, and accordingly each of the three groups into which the 71 selected commodities are divided is weighted on a distinct basis in agreement with the character of the group. The first group is representative of articles entering directly into consumption and thus provides a measure of the production of labour power. For this reason the items are weighted

(7) A criticism of the index number of the *Frankfurter Zeitung* appeared in the *Weltwirtschaftliches Archiv*, Berlin, for 2 April 1921. The criticism dealt mainly with arithmetical errors, which appear to have been numerous, but which are gradually being eliminated. From the point of view of method, the chief objection raised was the practice of calculating the general average from the averages of the four groups into which the commodities were divided, although it had been stated that the index was an average of the 77 price relatives calculated. The practice had been abandoned by the time the *Frankfurter Zeitung* published the third edition of its booklet on the new index number.

on the basis of the latest official returns of 277 household budgets. The second group is intended to cover the raw materials of agricultural, as the third those of industrial, production. The weighting of the articles in the second group is based on returns from the Prices Bureau of the Farmers' Secretariat and on import values. Apart from a sub-section of miscellaneous articles in the third group which are left unweighted, the weights chosen for that group are based on import statistics and on reports from correspondents. The general index number is obtained by combining the three groups in the ratio 2:1:1.

Commodities Selected

The first group includes 33 commodities divided into three sub-sections, namely :

(1) Food, with 6 animal foodstuffs (milk, butter, cheese, eggs, meat, fat), 13 vegetable foodstuffs (wheat, rye, oats, barley, maize, potatoes, beans, peas, lentils, rice, margarine, cocoa, sugar), and three luxuries (beer, coffee, tobacco).

(2) Clothing, with 4 textile items (woollen cloth, cotton yarn, cotton cloth, linen yarn), and 1 footwear item.

(3) Housing, with 3 building materials (wood, cement, bricks), and 7 heating and lighting agents (household coal — 4 quotations, wood, fuel, and oil).

The index for this group must not be regarded as actually measuring the cost of living, but only the movement in the prices of the chief articles entering into the cost of living.

In the second group there are 12 articles, 4 of which represent forage (barley, maize, oil-cakes, hay), and 8 fertilisers (nitrates—2 varieties, kainite, saltpetre, potash, basic slag, superphosphates, straw).

The 26 commodities in the third group are divided into three sub-sections :

(1) Minerals, with 4 quotations for industrial coal, and 7 other minerals (iron, copper, tin, zinc, lead, aluminium, nickel).

(2) Textiles and leather, with 4 textile items (cotton, cotton yarn, wool, silk) and 2 leather (hides, leather).

(3) Miscellaneous raw and auxiliary materials (machine oil, coal-tar oil, benzine, carbide spirit, malt, hops, newsprint, dyes).

Comparison with the German Index

Dr. Lorenz further decided to institute comparisons with the index numbers of other countries, and began with that of the *Frankfurter Zeitung*. In view of the fact that the index of the *Frankfurter Zeitung* is unweighted, it was naturally determined to use an unweighted average for the Swiss figures also. The commodities on the Swiss list correspond very closely with those on the German, and sub-division into the same groups is made. The base is

similarly transferred to January 1920. These necessary adaptations having been made, the following table results.

TABLE VI

Month and Year	Foodstuffs		Textiles and leather		Minerals		Miscellaneous		General index number	
	Swiss	German	Swiss	German	Swiss	German	Swiss	German	Swiss	German
Pre-war	32.9	11.38	28.5	3.67	31.4	7.15	34.3	12	32.1	9.10
Jan. 1920	100	100	100	100	100	100	100	100	100	100
Jan. 1921	78.5	154	57	97	91.7	120	95.4	189	82.1	148
Feb. 1921	75.7	144	56.1	92	89.4	113	91.8	183	79.6	136
Mar. 1921	72.7	127	51.8	87	87	111	89.3	182	76.6	131

SWEDEN

Skandinaviska Kreditaktiebolaget's Index Number

The Swedish Bank *Skandinaviska Kreditaktiebolaget* published in its financial report for October last year an index number for wholesale prices. The number was based on quotations for 62 commodities divided into nine sub-sections: food, agricultural raw materials, fuel, building materials, metals, textiles, hides and leather, rubber, paper and paper pulp. The index is an unweighted average of prices recorded on the 15th of each month, but certain important commodities are given a larger influence by using quotations of different varieties or grades.

The base period is the average for July 1913 to June 1914, but a second series is also published with prices in May 1920 as the base. The series has certain features in common with the index published by the *Svensk Handelstidning*, which is, however, a weighted average. The two series are shown below for the months for which a comparison is possible.

TABLE VII

(Base : 1913-14 = 100)

Month and Year	Skandinaviska Kreditaktiebolaget	Svensk Handelstidning
May 1920	362	361
June	368	366
July	370	363
Aug.	362	365
Sept.	357	362
Oct.	341	346
Nov.	327	331
Dec.	292	299
Jan. 1921	259	267
Feb.	240	250
Mar.	225	237
Apr.	205	229
May	198	218

NORWAY

Index Numbers of "Farmand" and the "Okonomisk Revue"

The compilation of an index number of wholesale prices in Norway has recently been undertaken by two journals. The *Okonomisk Revue* began last autumn with the publication of a number, based on the wholesale prices of 92 commodities. These articles are sub-divided into eleven groups, namely : animal foodstuffs, vegetable foodstuffs, fertilisers and oilcakes, fuel, iron, other minerals, building materials, textiles, hides and leather, cellulose, etc., paper. The average of the period December 1913 to June 1914 was taken as the base. The general index is an unweighted arithmetic average, but several qualities of the more important articles are used.

The index number prepared by *Farmand* is based upon average prices in 1891, the year in which this paper was first published. The number of commodities is 40, of which 20 are foodstuffs and 20 are raw materials.

- I. Beef, pork, American bacon, butter, eggs, cheese.
Codfish, salt herring, stockfish, klipfisk.
Rye, barley, oats, wheat flour, rye flour, potatoes.
Coffee, sugar, cocoa, salt.
- II. Wool, cotton, hemp.
Iron, iron ore, copper, zinc.
Coal, coke, petroleum, linseed oil.
Sawn timber, round timber, wet wood pulp, sulphite cellulose, sulphate cellulose.
Nitrate of lime, superphosphate.
Fresh hides, cod-liver oil.

TABLE VIII

Month and Year	Okonomisk Revue Base : Dec. 1913- June 1914=100)	Farmand (Base : 1913=100)
1913		100
1914	115	104.5
1915	159	148.7
1916	233	202.9
1917	341	246.5
1918	345	345.1
1919	322	330.6
1920 June (end of month)	382	411.1
July	409	422.0
Aug.	417	426.4
Sept.	425	433.1
Oct.	419	424.1
Nov.	403	408.5
Dec.	377	370.0
1921 Jan.	344	309.2
Feb.	319	281.0
Mar.	312	278.3

Timber and its products and fish, as the chief articles of export, have been given additional quotations. The index is an unweighted average of the prices of these commodities as quoted weekly in the paper. In addition to the series with the year 1891 as the base period, a second series has been constructed in which the base is transferred to the year 1913. The second series is given in table VIII, together with the index number of the *Okonomisk Revue*.

The annual figures refer to the end of December in the series of the *Okonomisk Revue*; in the case of *Farmand* annual averages are used.

DENMARK

"Finanstidende's" Index Number

Apart from an index number calculated once a year by the Danish Statistical Department, Denmark has hitherto possessed no measure of the level of wholesale prices. As the number referred to, which is carried back to 1876, does not appear until two or three years after the year to which it applies, its practical value is small. The weekly paper *Finanstidende* recently determined, therefore, to publish an index of its own.

The number of commodities on which the index is based is 33, raw materials and slightly manufactured articles being selected as far as possible. In cases where there are several grades of quality of an article an attempt is made to choose the grade most representative of the Danish market. Where published quotations exist these have been used; otherwise information is obtained from a number of private firms and institutions. The base chosen is the average of the prices quoted on the five dates 1 July 1912, 1 January and 1 July 1913, 1 January and 1 July 1914. The general index is a weighted average. For the sake of simplicity only four weights are used, namely the multipliers 1, 2, 3, or 4, and these are applied roughly in accordance with the relative importance of the articles from the point of view of consumption.

SUMMARY OF RESULTS

The salient features of the nine new index numbers discussed above may be summarised as follows.

With respect to the nature of price quotations used market values have been preferred in all cases. In the case of the British Board of Trade revised number this involved a change, as formerly import and export values had been employed.

In the matter of weighting the German index series of the *Frankfurter Zeitung*, the Italian of Prof. Bachi, the Swedish of *Skandinaviska Kreditaktiebolaget*, and the two Norwegian

ones of the *Ökonomisk Revue* and *Farmand* have all adopted unweighted averages, but by using additional quotations for the more important commodities an indirect method of weighting is achieved. The same principle of using several quotations has been followed in the construction of the new Board of Trade index, where, however, the selection of commodities and the number of quotations are definitely determined by statistics of general consumption, giving in effect a weighted index number. The German index of the *Statistisches Reichsamt* applies weights to the seven unweighted group averages in order to obtain the general index, the weights being determined by statistics of consumption. For the Danish index of the *Finanstidende*, which is a weighted average, the criterion of general consumption has also been adopted, the weights being round numbers roughly corresponding to the importance of the commodities. The Swiss index, in addition to being indirectly weighted as already described, is directly weighted as well, statistics of household budgets being used for the group of articles for consumption—an unusual procedure where index numbers of wholesale prices are concerned—and statistics of general consumption for the raw material groups.

On the two other points of importance, the base year and the nature of the average, the English and Italian revised numbers both make use of the chain method of comparison and of the geometric average, while the German, Swiss, and Scandinavian numbers employ the more usual fixed base period system and arithmetic average.

Relative Weights

In conclusion, a comparison of the relative importance assigned to different groups of commodities in the new British index number, as against that assigned in the former series and in certain other series, may be given, reproduced from a table in the article by Professor Flux already quoted, to which corresponding figures for Italy are added. The grouping of articles is that adopted by the Board of Trade.

The relative weights for the groups in the new Board of Trade number given in the table show the proportionate number of quotations assigned to each group. It will be seen that the importance attached to the foodstuffs group has been very much reduced. Whereas formerly about two-thirds of the total was allotted to this group, the proportion is now only 35 per cent., thus bringing the Board of Trade number more into agreement with those of the *Economist* and the *Statist*. The same tendency is observable in Professor Bachi's new number. On the other hand it may be noted that the revision of the United States Bureau of Labor Statistics index had an opposite effect, raising the weight assigned to foodstuffs from a little over a quarter of the total to about half.

TABLE IX. COMPARISON OF RELATIVE IMPORTANCE OF
DIFFERENT ITEMS IN DIFFERENT INDEX NUMBERS

	Great Britain					Italy		United States	
	Board of Trade		<i>Econ- omist</i>	<i>Statist</i>	<i>Times</i>	Prof. Bachi		Bureau of Labor Statistics	
	Old	New				Old	New	Old	Rev- ised ⁽¹⁾
Cereals	194	113	137	156	200	175	92	76	146
Meat and fish	229	113	68	133	100	75	79	87	210
Other food	229	127	159	133	200	225	211	111	152
Total food	652	353	364	422	500	475	382	274	508
Minerals and metals	118	293	182	156	200	200	158	194	151
Textiles	144	207	227	178	150	150	118	238	129
Other materials	86	147	227	244	150	175	144	294	212
Total materials	348	647	636	578	500	525	342	726	492
All articles	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000

(1) The numbers show estimated relative importance of groups in exchange in 1909.

Wholesale Prices in Various Countries

IN the following tables the principal index numbers of wholesale prices in various countries have been brought together. Table IA gives the figures as originally published. In table IB the same index numbers have been reduced to a common base: 1913=100. The figures are not, however, absolutely comparable, as the methods according to which they are calculated and the scope and accuracy of the data on which they are based vary very greatly from one country to another. Besides the lack of comparability arising from the number and nature of the articles taken into account, from the importance of the markets from which prices are collected, and the kind of average (simple average, weighted average, or geometric average), a special difficulty arises out of the fact that the process of reducing the figures

TABLE I. INDEX NUMBERS OF WHOLESALE PRICES IN VARIOUS COUNTRIES
A. *Published Results*

[illegible]

Monthly figures relate to: (a) the monthly average; (b) the end of the month; (c) the 15th of the month; (d) the 1st of the month; (e) from 1920 a revised index is used; (f) from 1913 to 1920 18 commodities only; (g) revised index; (h) the figures for 1915 to 1920 relate to December in each year; (i) the figures for 1913 to 1920 relate to January in each year. — No figures published. — Figures not available.

B. Expressed as a percentage of 1913

	Australia (Mel- bourne)	Canada	China Shan- ghai	Den- mark	France	Germany	India (Cal- cutta)	Italy	Japan Tokio	Nether- lands	New Zealand	Norway	Poland	South Africa	Sweden	Switzer- land	United Kingdom	United States		
	Official	Official	Official	Official	Official	Official	Official	Bachti	Bank of Tokio	Official	Official	Ökonomisk Revue	Fiedor- owicz	Official	Svensk Handels- Zeitung	Neue Zeitung	Official	Statist Bureau of Lab- or Statistics	Federal Re- serve Board	
Average 1913	100.0	100.0	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	
1914	105.6	100.4	106.0	100.0	100.0	100.0	100.0	95.1	95.5	100	100	100	100	100.0	116	100	100.0	100.0	100	
1915	147.4	109.2	101.9	105	104	104	100	92.1	96.7	105	104	100	106	100.0	145	100	98.7	100.0	100	
1916	138.2	134.4	138.8	142	123	123	100	132.7	96.7	146	123	159	361	110.9	185	100	123.1	127.1	101	
1917	152.8	174.9	164.188	152	134	134	100	199.7	117.2	224	134	238	381	132.9	244	100	160.5	160.0	124	
1918	177.8	205.4	228.261	176	151	151	100	306.3	148.5	288	151	341	756	147.0	244	100	204.1	205.9	176	
1919	188.9	216.4	293.839	216	175	175	100	409.1	195.9	393	175	345	1091	166.8	339	100	224.9	225.9	196	
1920	227.9	246.1	294.856	412	178	178	100	365.8	239.5	360	178	332	1509	179.9	330	100	235.5	242.4	212	
1920 Jan.	212.4	248.2	382.503	1251	212	212	100	624.3	257.3	282	212	377	2137	250.8	347	100	313.9	293.3	243	
Feb.	216.4	253.5	436.8	1243	194	194	100	507.2	301.1	287	194	333	5478	236.0	319	100	303.0	288.5	248	
March	219.2	257.5	521.9	1670	183	183	100	556.3	313.0	283	183	342	5478	236.0	342	100	317.0	306.4	253	
April	227.7	260.6	554.5	1694	206	206	100	602.0	321.5	286	206	351	6574	250.0	354	100	326.0	310.2	263	
May	236.0	263.1	587.3	1506	232	232	100	683.7	300.0	292	232	354	8092	250.0	361	100	332.3	305.7	263	
June	244.2	257.8	583.9	1302	210	210	100	660.1	248.1	293	210	368	9007	260.8	366	100	332.6	304.5	263	
July	245.4	256.0	592.1	1377	209	209	100	631.7	254.9	294	209	382	10026	260.8	363	100	333.8	292.5	262	
Aug.	247.4	243.7	585.4	1363	209	209	100	604.2	239.8	298	219	409	11571	256.3	365	100	323.8	287.6	250	
Sept.	249.6	241.0	594.501	1446	209	209	100	625.2	225.3	298	219	417	12127	256.3	362	100	318.1	284.0	252	
Oct.	225.2	234.4	398.525	1495	1604	208	100	655.5	230.7	285	220	475	14418	256.3	346	100	308.5	266.5	225	
Nov.	217.9	224.6	374.460	1506	1631	194	100	658.6	225.8	282	272	419	14210	256.3	331	100	322.9	245.0	207	
Dec.	206.3	214.4	341.434	1437	1636	180	100	656.4	221.4	260	278	403	16709	256.3	299	100	289.4	220.0	189	
1921 Jan.	205.2	207.6	290.406	1436	1494	178	100	642.4	205.7	233	218	377	20134	256.3	267	100	269.4	220.0	173	
Feb.	201.3	199.8	280.375	1372	1372	174	100	613.3	195.1	196	210	344	20396	256.3	267	100	250.9	208.7	163	
March	184.6	184.6	270.359	1334	1439	183	100	603.6	191.0	187	208	312	40236	256.3	237	100	219.1	229.9	154	
April	189.9	189.9	257.847	1329	1439	183	100	582.9	189.9	175	205	307	42481	256.3	237	100	208.3	189.8	150	
May	182.5	182.5	254.325	1363	1407	184	100	586.9	180.6	178	205	294	40786	256.3	218	100	184.7	205.0	143	
June	179.0	179.0	253.325	1366	1488	178	100	509.1	192.1	179	205	284	42321	256.3	208	100	178.0	201.6	139	
July	182.5	182.5	256.832	14	1714	1714	100	—	196.5	—	—	300	—	256.3	211	100	—	178.2	186.1	—

Monthly figures relate to: (a) the monthly average; (b) the end of the month; (c) the 15th of the month; (d) the 1st of the following month; (e) from 1920 a revised index is used; (f) from 1913 to 1920 15 commodities only; (g) revised index; (h) the figures for 1915 to 1920 relate to December in each year; (i) the figures for 1913 to 1920 relate to January in each year. * No figures published; — figures not available.

to a common base renders them not truly comparable. If the index number is based on aggregates of actual prices or relatives made from such aggregates, it can readily be transferred to any desired base. If, however, the index numbers are calculated by averaging the relative price of individual commodities, the index numbers transferred to a new base (in this case 1913) are only approximations. Thus in the case of certain countries, such as Canada, France, and Italy, which employ this method, the index numbers of table IB are only approximate, while those for the United Kingdom, United States, New Zealand, and Australia can readily be shifted to any desired base.

Tables I A and I B correspond to those published under the same heading in previous numbers of the *International Labour Review* ⁽¹⁾. Some modifications have been made. Professor Fiedorowicz's index numbers for Poland have been added, and also those of the Markets Office of the Ministry of Finance at Shanghai, which are based on 147 articles whose prices are recorded weekly in that city. These last numbers only appear in table IA, as the data necessary for reducing them to the base 1913 are not yet available. The index numbers for New Zealand and of *Dun's Review* (United States) have been recalculated in table IB on the basis of more complete information. It should also be noted that the index numbers for Germany (official), the Netherlands, Switzerland, and the United Kingdom have been recalculated, and therefore no longer correspond exactly with those published in previous numbers of the *Review*. In calculating the German official index numbers, the number of articles included has been increased from 18 to 38, and there are some consequent changes in the system of weighting. In the Netherlands, too, 52 articles are now included instead of 45, and quite recently a further change has been made in the figures for all years by the inclusion in the price of sugar of the *octroi* charges. For the United Kingdom the new method of calculation has been applied to the year 1913, and the percentages have been reduced to this base. In Switzerland prices have been recorded on a larger scale, and some improvements have been made in the methods of calculation.

GENERAL SURVEY

Considerable caution is necessary in making comparisons between different countries of index numbers of wholesale prices, since there is little or no uniformity in the data on which they are based. Some interesting deductions can, however, be made from the figures.

(1) *International Labour Review*, Vol. I, No. 1, Jan. 1921, p. 106, No. 3, Mar., p. 375; Vol. II, Nos. 2-3, May-June, p. 166.

In almost all countries for which data are available, index numbers of wholesale prices reached their maximum during 1920. The only exceptions are Germany, the Netherlands, and Poland. In Germany the index numbers reached a first maximum in April 1920. Since that date they have been fluctuating rather irregularly, but the last figure quoted for the index number of the *Frankfurter Zeitung*, that of July 1921, returns to the level of this first maximum. There is evidently some connection between these fluctuations and the variations in the rate of exchange. Similar causes contribute to the almost fabulous rise in the Polish index numbers. In the Netherlands prices reached their maximum as early as 1918.

In most countries index numbers, after reaching their maximum, have been falling steadily month by month. In four countries out of 18, France, Germany, India, and the Netherlands, this fall was not accompanied by any outstanding fluctuations. It was, however, remarked in the May-June number of the *Review* that a certain slackening in the rate of fall seemed to be going on in several countries during March. The figures received since show this slackening in a still more marked manner. The following table covers thirteen countries for which information has been received; it gives in points the variations of the index numbers for each month as compared with the preceding month; all the index numbers have been reduced to the base 1913 = 100. Figures in italics indicate a rise in the index number; those in ordinary type a fall.

TABLE II
(Base : 1913 = 100)

	1920	1921						
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June	July
Canada	- 17	- 7	- 8	- 5	- 4	- 7	- 4	-
Denmark	- 33	- 51	- 10	- 10	- 13	- 3	- 1	+ 3
France	- 26	- 28	- 31	- 16	- 13	- 18	- 4	+ 7
Germany Official	- 69	- 1	- 64	- 38	- 11	- 17	+ 57	-
<i>"</i> <i>Frankfurter</i>								
<i>Zeitung</i>	- 55	- 132	- 55	- 10	+ 10	- 32	+ 81	+ 226
India	- 14	- 2	- 4	+ 11	0	+ 1	- 6	-
Italy	- 15	- 13	- 29	- 10	- 20	- 37	- 38	-
Japan	- 16	- 5	- 6	- 4	- 1	+ 1	+ 2	+ 4
Netherlands	- 27	- 20	- 17	- 9	- 12	+ 3	+ 1	-
Norway	- 26	- 33	- 25	- 7	- 15	- 3	0	+ 6
Sweden	- 32	- 32	- 17	- 13	- 8	- 11	0	- 7
Switzerland	-	- 7	- 11	- 11	- 22	- 2	- 6	-
United Kingdom								
Official	- 24	- 19	- 21	- 15	- 6	- 4	- 3	-
<i>"</i> <i>Economist</i>	- 25	- 11	- 16	- 3	- 6	- 1	- 4	- 1
<i>"</i> <i>Statist</i>	- 20	- 12	- 17	- 7	- 9	- 9	- 8	+ 3
United States								
Bureau of								
Labor Statistics	- 18	- 12	- 10	- 5	- 8	- 3	- 3	-
<i>"</i> Federal Reserve	- 17	- 10	- 9	- 4	- 7	- 1	- 3	-
Board								
<i>"</i> <i>Dun's Review</i>	- 11	- 11	- 2	- 6	- 6	- 1	-	-

From March till June the slackening in the rate of fall was, therefore, very nearly universal, except in Italy, where the fall has been rather more marked. Further, during June and July prices have tended to rise in almost all the countries for which the July figures have been received. It is interesting to note in addition that this new rise in the general index numbers—or, in other words, slackening in their rate of fall—is caused in most countries by a rise in the prices of foodstuffs, which has again set in during recent months. The movement is quite distinct in Denmark, Germany, India (Calcutta), the Netherlands, Sweden, and the United States. It is less marked in the other countries, France, Switzerland, and the United Kingdom, where it is only indicated by a slackening in the rate of fall, or by some oscillation in prices. In Italy wholesale food prices are falling more rapidly. For China, Japan, Norway, and Poland no data are available for separate groups of commodities. In almost all countries the groups other than foodstuffs are still falling, with the exception of leather and textiles, which tend to rise in several countries.

No very definite conclusions should be drawn from these remarks ; the determination of the real trend of prices can only be made at all accurately when index numbers for subsequent months are available.

SOURCES

AUSTRALIA	<i>Quarterly Summary of Australian Statistics</i> , Mar. 1921.
CANADA	<i>Labour Gazette of Canada</i> , Feb. 1921.
CHINA	<i>Statist</i> , 20 Aug. 1921.
DENMARK	Communication from the <i>Finanstidende</i> .
FRANCE	<i>Bulletin de la Statistique générale de France</i> , Apr. 1921.
GERMANY	Communication from the <i>Statistique générale de France</i> . <i>Wirtschaft und Statistik</i> , July 1921.
INDIA	<i>Frankfurter Zeitung</i> , Aug. 1921.
ITALY	<i>Federal Reserve Bulletin</i> , July 1921.
JAPAN	<i>L'Economista</i> , 1 May 1921. <i>Statist</i> , 13 Aug. 1921.
NETHERLANDS	<i>Chugai Skogyo and Jiji</i> , 18 Jan. 1921.
NEW ZEALAND	<i>Statist</i> , 13 Aug. 1921.
NORWAY	Communication from the <i>Centraal Bureau voor de Statistiek</i> . <i>Monthly Abstract of Statistics</i> , June 1921.
POLAND	<i>Oekonomisk Revue</i> , 2 Feb. 1921.
SOUTH AFRICA	<i>Svensk Handelstidning</i> , 6 Aug. 1921.
SWEDEN	<i>Statist</i> , 13 Aug. 1921.
SWITZERLAND	<i>Labour Gazette of Canada</i> , July 1921.
UNITED KINGDOM	<i>Svensk Handelstidning</i> , 6 Aug. 1921.
UNITED STATES	<i>Neue Zürcher Zeitung</i> , 19 July 1921.
	<i>Board of Trade Journal</i> , 14 July 1921.
	<i>Economist</i> , 6 Aug. 1921.
	<i>Statist</i> , 13 Aug. 1921.
	Communication from the Bureau of Labor Statistics.
	<i>Federal Reserve Bulletin</i> , July 1921.
	<i>Dun's Review</i> , 1920-1921.

Fluctuations in Retail Prices and in the Cost of Living

IN this article, as in those which have already appeared in the *International Labour Review* ⁽¹⁾, a summary is given of the most important information which it has been possible to collect on this subject. Table I on p. 84 gives index numbers of the retail prices of food in various countries arranged in alphabetical order. Table II on p. 85 gives cost of living index numbers, which generally include food, clothing, heating, lighting, rent, and miscellaneous items. We have shown by means of capital letters (A, B, C, etc.) at the head of each column which of these groups are included in the statistics of each country. The tables are similar to those appearing in previous numbers of the *Review*, but have been completed and brought up to date. In particular, we have added two new series: to table I the index numbers of the German *Statistisches Reichsamt*, and to both tables the figures for Bombay instead of Calcutta. As before, in order to facilitate reading and comparison, the index numbers have been reduced to a common base: July 1914=100.

Most of the index numbers in the two tables are taken from official sources, only the German figures (for retail prices of food published by Calwer) and the Swiss figures (co-operative societies) being non-official. A complete list of sources for all countries is given at the end of the article. Following the arrangement adopted in previous articles the absolute maxima of each series have been marked in heavy type. If, therefore, the maximum month is not included in the series, no heavy type figures will appear ⁽²⁾.

Cost of living index numbers are generally based on averages which give the different quantities of each article consumed in a given period by what is called a normal working-class family. This normal family consists as a rule of five persons, the father, mother, and three children, whose supposed age varies in different countries. Kuczynski's index number for Berlin and the index numbers for Paris and Sweden are, however, based on a budget for four persons; in the United States the number of persons included in a "normal" family is variable. The quantities allowed for in the typical budget

(1) *International Labour Review, Retail Price Fluctuations*, Vol. I, No. 1, Jan. 1921., p. 91, No. 2, Feb., p. 203; Vol. II, No. 1, Apr., p. 32; Vol. III, Nos. 1-2, July-Aug., p. 116, No. 3, Sept., p. 64.

(2) In the article in the April number of the *Review*, heavy type was used to mark maxima within the period covered by the table.

are fixed according to observations made on a certain number of working-class families, or else according to theoretical calculations based, as regards foodstuffs in particular, on the number of calories which are necessary to support life. The prices recorded at various periods are then weighted according to these different quantities, on the assumption that the typical amounts consumed by the normal family have not changed since the beginning of the war. The total expenditure thus obtained is then converted into an index number.

It is clear that these figures do not measure exactly the cost of living. In the first place, they cannot include the whole expenditure of a family, and in the second place, the family budgets on which they are based have been considerably modified in the course of the war, owing both to Government restrictions and to changes in the cost of living itself. Index numbers calculated in accordance with post-war conditions of living show that the figures based on normal pre-war budgets give figures in general higher than that of the actual cost of living.

In the notes on different countries which follow, we have wherever possible given the cost of living index numbers for groups of commodities for the most recent half-year, and for the month in the previous year corresponding to the last month for which figures are available. A certain number of countries limit their investigations on the cost of living to food prices; we give their results too, as they give an approximate idea of the situation. But it is necessary to insist on the very unequal value and significance of general cost of living index numbers and index numbers of food prices only.

GENERAL SURVEY

Great caution is necessary in comparing the index numbers for different countries. The methods on which they are calculated, the number and importance of the markets under observation, the number and nature of articles taken into account, and the base period all vary from one country to another. The results, therefore, are not strictly comparable. The general cost of living index numbers for different countries are especially unsuitable for close comparison, the differences in their composition being considerable.

It can, however, be said that the fall in index numbers of foodstuffs in June is not so general as it was in previous months. This is shown in table III, in which we give the fluctuations expressed in points of food index numbers in recent months in those countries for which the June figures are available.

TABLE I. INDEX NUMBERS OF RETAIL PRICES OF FOOD IN VARIOUS COUNTRIES
(Base: July 1914 = 100)

Country	Australia (a)	Austria (b)	Belgium (c)	Canada (e)	Dan- mark (f)	Finland (b)	France (b)	Germany Official (c)	India (b)	Italy (b)	Nether- lands (j)	New Zealand (c)	Norway (k)	South Africa (a)	Sweden (d)	Switzer- land (d)	United Kingdom (d)	U. S. A. (c)
No. of towns or localities	30	Vien- na	1,028 Apr. 1914 gets	60	100	20	Paris h.	47	200	Bom- bay	Amst- erdam	25	30	9	40	23 (m)	630	51
No. of items	46	12	22	29	—	37	13 (g)	13	15	—	36	38	—	18	50	37	20	43 (n)
Original Base period	1911 1914	July 1914	15 Apr. 1914	July 1914	July 1914	July 1914	1910	1913 -1914	1910	1st half 1914	1st half 1914	1909- 1913	July 1914	July 1910	July 1914	June 1914	July 1914	1913
(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
1914 July	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1915 "	131	181	105	105	128	120	123	*	155	95	114	112	123	107	112	119	132	98
1916 "	130	386	114	114	146	*	129	184	218	*	117	119	153	116	152	141	161	109
1917 "	136	632	*	157	166	*	183	192	220	137	146	127	203	128	180	173	204	143
1918 "	131	1788	*	175	187	*	206	244	231	203	175	189	271	134	258	232	210	164
1919 "	147	3037	*	186	212	*	261	289	327	206	196	144	290	139	318	250	209	186
1920 July	194	5570	454	227	253	982	373	*	1005	318	445	210	319	197	*	239	262	215
" Aug.	194	5777	492	221	*	1082	373	*	1041	322	454	212	319	196	*	239	267	208
" Sept.	197	6206	500	215	*	1134	407	388	1091	324	468	217	336	195	298	270	199	199
" Oct.	182	6184	517	213	*	1172	420	*	1323	340	469	219	340	197	*	271	194	194
" Nov.	186	7131	505	206	*	1206	426	*	1421	351	514	176	342	186	286	282	189	189
" Dec.	184	8918	506	200	*	1233	434	450	1472	375	535	202	342	188	286	278	175	175
1921 Jan.	—	—	493	190	276	1174	410	*	1520	367	573	193	384	172	*	224	263	169
" Feb.	184	—	484	178	*	1107	382	*	1431	376	564	193	308	165	*	221	249	155
" Mar.	181	—	436	172	*	1137	358	429	1418	386	582	193	169	160	247	218	238	154
" Apr.	—	—	418	165	*	1107	328	*	1398	354	538	187	300	156	*	211	232	149
" May	—	—	405	150	*	317	317	*	1406	432	538	183	166	152	*	208	213	142
" June	—	—	417	—	*	312	363	*	1400	409	533	164	—	—	231	213	220	141
" July	—	—	—	—	—	306	—	—	—	—	—	—	—	—	*	—	—	—
" Aug.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
" Sept.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
" Oct.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
" Nov.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
" Dec.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

(a) Monthly figures relate to average of month.

(b) Monthly figures relate to end of month.

(c) Monthly figures relate to the 15th of the month.

(d) Monthly figures relate to the 1st of the following month.

(e) Until December 1920 figures relate to 15th of month; from January 1921 to the 1st of the following month.

(f) Average of selected weeks in the half-year.

(g) 11 foodstuffs, together with oil and methylated spirit.

(h) Quarterly index. From 1914 to 1919, index for the third quarter of each year.

(i) For 1915 the index relates to November.

(j) From 1914 to 1919 figures relate to average for year.

(k) From 1914 to 1919 figures relate to June.

(l) For 1916 index relates to December, for 1917 to September.

(m) Index of the Union of Co-operative Societies; from 1914 to 1919 figures relate to the whole country.

(n) Until December 1920, 22 items.

* No figures published.

TABLE II. INDEX NUMBERS OF THE COST OF LIVING IN VARIOUS COUNTRIES
(Base: July 1914 = 100)

Countries	Australia (e)	Belgium (c) (f)	Canada (g)	Denmark	Finland	France (h)	Germany	India	Italy	New Zealand (k)	Norway (l)	Sweden (m) (d)	Switzerland (d) (t)	United Kingdom (d)	U. S. A.
No. of towns or localities	30	59	60	100	20	Paris (h)	47 (i)	Bombay	Rome	25	30	40	23 (n)	630	82
Groups of items (see notes)	A. E.	A. B. C. D. G.	A. C. D. E. F. G.	A. B. C. D. E. F.	A. B. C. E. F.	A. B. C. D. E. F.	A. C. D. E.	A. B. C. D. E.	A. B. C. D. E. F.	A. C. D. E. F.	A. B. C. D. E. F.	A. B. C. D. E. F.	A. C. D. E. F.	A. B. C. D. E. F.	A. B. C. D. E. F. G. H.
Original Base period	1911	Apr. 1914	July 1914	July 1914	July 1914	1st half 1914	1913 -1914	1913 -1914	1st half 1914	1909 -1913	July 1914	July 1914	June 1912	July 1914	1913
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)
1914 July	100	100	100	100	100	100	100	100	100	100	100	100	100	100	100
1915 "	119	97	97	116	91	91	842	1125	99	107	117	119	125	100	100
1916 "	115	102	102	136	1030	1030	775	1069	116	113	146	140	148	102	102
1917 "	116	130	130	155	1063	1063	827	1104	146	119	166	180	180	109	109
1918 "	118	146	146	182	1085	1085	872	1097	197	128	253	219	203	128	128
1919 "	132	155	155	211	1103	1103	916	1146	205	133	275	257	208	156	156
1920 July	453	190	190	262	1065	1065	924	1122	313	149	335	281	265	175	175
" Aug.	463	188	188	262	1013	1013	901	1090	316	150	335	281	265	175	175
" Sept.	471	186	186	262	1027	1027	901	1090	325	152	335	281	265	175	175
" Oct.	477	187	187	262	1008	1008	894	1076	348	154	335	281	265	175	175
" Nov.	476	185	185	262	1008	1008	894	1076	369	155	335	281	265	175	175
" Dec.	468	181	181	262	1008	1008	896	1080	378	157	335	281	265	175	175
1921 Jan.	450	175	175	264	1065	1065	924	1122	374	159	335	281	265	175	175
" Feb.	434	168	168	264	1013	1013	901	1090	379	160	335	281	265	175	175
" Mar.	411	165	165	264	1027	1027	901	1090	384	160	335	281	265	175	175
" Apr.	399	161	161	264	1008	1008	894	1076	411	160	335	281	265	175	175
" May	389	153	153	264	1008	1008	894	1076	396	167	335	281	265	175	175
" June	384	153	153	264	1008	1008	896	1080	390	173	335	281	265	175	175
" July	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
" Aug.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
" Sept.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
" Oct.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
" Nov.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
" Dec.	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

Groups of items included in the budget:

- A. Food
- B. Clothing
- C. Fuel
- D. Light
- E. Rent
- F. Miscellaneous
- G. Household utensils
- H. Furnishing
- (a) Monthly figures relate to average of month.
- (b) Monthly figures relate to end of month.
- (c) Monthly figures relate to the 15th of the month.
- (d) Monthly figures relate to the 1st of the following month.
- (e) Figures relate to quarterly average.
- (f) The index is a simple arithmetic average.
- (g) Until December 1920 figures relate to the 15th of the month; after January 1921 to the 1st of the following month.

(h) For 1914 and 1919, figures relate to first half of year.

(i) Official index; until January 1921 only 39 towns.

(j) Kuczyński's index-numbers: cost of minimum of subsistence.

(k) Monthly figures relate to the half-year preceding the month in question.

(l) From 1914 to 1919, figures relate to June in each year.

(m) For 1916, the December figure; for 1917, the September figure.

(n) Index of the Union of Co-operative Societies; from 1914 to 1919 estimate for the whole country.

* No figure published.

TABLE III
(Base: July 1914 = 100)

	Maximum	Increase or decrease on preceding month expressed in "points"			
		Mar.	Apr.	May	June
Belgium	517	-48	-18	-13	+12
France (Paris)	426	-24	-30	-11	-5
Germany (<i>Statistisches Reichsamt</i>)	1272	-3	-17	-19	+23
India (Bombay)	—	-1	-1	+9	+7
Italy (Rome)	432	+10	+46	-11	-12
Italy (Milan)	598	+18	+16	0	-75
Norway	342	-9	+1	-8	-2
Switzerland	248	-3	-7	-3	+5
United Kingdom	291	-11	-6	-14	+2
United States	215	-1	-5	-7	-1

The index numbers for Belgium, Germany, Switzerland, and the United Kingdom rose in June after falling uninterruptedly for several months. The rise is rather more marked in Germany, where it was probably increased by the depreciation of the mark. In Belgium, Switzerland, and the United Kingdom the rise is mainly due to the higher price of new potatoes, which are a heavy item in food expenditure at this period. Matters are very similar in Bombay, but the rise there is due also to millet. In France, Norway, and the United States the index number has not risen, but the rate of fall is distinctly slower. In Italy the movement has been in the opposite direction to that in other countries. The Rome and Milan numbers rose up to April, whereas in most other countries they had been falling for several months. They have on the contrary been falling since May.

Clothing has shown a tendency to fall in price in most countries, except in Bombay, where it is still rising. Fuel and lighting are very similar, but in Germany and the United Kingdom there is an exception to the general fall. On the other hand, rents almost everywhere show a tendency to rise, which is as clearly marked as in the other groups, although much slower.

BELGIUM

The Ministry of Labour, Industry, and Food publishes two series of index numbers of retail prices (see tables I and II). The first of these index numbers is weighted, but only includes foodstuffs. The average calculated for different categories of households shows an increase of 12 points as compared with May (417 as compared with 405). This increase is principally due to the rise in the price of potatoes.

The second series of index numbers includes foodstuffs, clothing, heating and lighting, and household articles; rent is not included. These figures are, however, merely arithmetic averages, either for all 56 articles or for various groups of articles. The classification of articles, moreover, does not correspond with that adopted in most countries. The total index number again shows a fall of five points in June, but this decrease is less than those of the preceding months.

BULGARIA

So far as we know, no complete information on the cost of living in Bulgaria has been collected. The General Statistical Office for the Kingdom of Bulgaria, however, has published the retail prices of a number of foodstuffs and lighting and heating materials. The most important figures for the early months of 1921 are published below. The prices in January 1914 are given for purposes of comparison.

TABLE IV

	Quantity	1914	1921				
		Jan.	Jan.	Feb.	March	April	May
		fr	fr	fr	fr	fr	fr
Beef	1 kg.	1.19	23.22	23.19	22.25	22.50	22.00
Lard	1 kg.	2.11	40.42	37.50	33.25	31.50	31.75
Fresh milk	1 litre	0.53	7.28	7.19	6.90	6.10	6.00
Cheese	1 kg.	1.78	30.08	30.30	30.00	29.00	26.50
Eggs	100	9.88	104.30	72.00	70.25	58.25	54.50
Home-grown rice	1 kg.	0.65	18.90	17.04	14.25	14.75	15.75
Dried beans	1 kg.	0.45	6.04	5.71	4.71	4.22	4.00
Potatoes	1 kg.	0.18	2.24	2.07	1.82	1.92	2.43
Standard bread	1 kg.	0.26	3.50	3.50	3.50	3.50	3.57
Coffee	1 kg.	3.20	51.60	48.75	45.00	43.25	44.00
Sugar	1 kg.	1.04	23.81	27.35	28.75	28.50	28.00
Wood (oak)	1 cu. m.	—	208.51	197.29	184.25	170.50	172.50
Coal	1,000 kg.	24.00	130.00	130.00	130.00	130.00	130.00
Oil	1 litre	0.48	11.83	11.92	15.00	12.00	12.00

Generally speaking a very large increase is noticeable. The prices of most articles are ten or twenty times as high as before the war, though it should be pointed out that the prices of some articles have shown a tendency to fall in the early months of 1921. A detailed enquiry into the price of clothing, however, shows that the average rise in price of men's and women's clothing, underwear, shoes, and textiles in October 1920 was 1623 per cent. of the price in August 1915.

CANADA

The general cost of living index number calculated by the Department of Labour shows that the fall of prices continued till 1 June. This is principally due to the fall in foodstuffs, as the following figures show:—

TABLE V

(Base: July 1914 = 100)

	1920	1921					
	15 June	1 Jan.	1 Feb.	1 Mar.	1 Apr.	1 May	1 June
Food	228	195	190	178	172	165	150
Heating and lighting	188	221	218	211	208	202	199
Rent	130	137	137	137	138	139	140
Total	189	179	175	168	165	161	153

GERMANY

In the last number of the *Review* it was shown that the index numbers published by the *Statistisches Reichsamt* indicated a further increase in the cost of living in June. This was principally due to the rise in the price of certain foodstuffs as well as of gas and electricity. This increase is confirmed by Kuczynski's figures showing the minimum cost of living in Berlin. This rise continued in July.

Up to the present Kuczynski's figures have been given in the form in which they were published by their author, i.e., showing the cost in marks. These figures are of special interest, for while in most other countries the cost of living index figures are calculated on a typical budget which is the same as that for the pre-war period, Kuczynski's figures are based on a budget in which the quantities of foodstuffs are fixed every month with regard to the conditions of the market and local tastes and habits, though a minimum food value in calories is allowed. These figures are intended to show the minimum weekly cost of living for a working-class family of four persons in Berlin. The author states, however, that the income of a large number of German families is not sufficient even for this minimum. These families eke out their existence by restricting their expenditure on the least necessary articles or by frequenting school kitchens and factory canteens where they can sometimes obtain food at a lower cost.

It has nevertheless been thought desirable to transform Kuczynski's figures for the various groups of articles into index numbers. The basis is the period August 1913 to July 1914 = 100. This change has been made in order to give a clearer idea of the fluctuations of prices. The figures showing the cost in marks during the last month are, however, of great interest, and have therefore been included.

TABLE VI
(Base . August 1913-July 1914 = 100)

	1920	1921						Cost in marks
	July	Feb.	March	April	May	June	July	July
Food	1,377	1,357	1,316	1,235	1,245	1,449	1,540	151
Clothing	1,316	1,197	1,077	1,077	1,077	1,077	1,077	63
Heating and lighting	1,158	1,263	1,211	1,211	1,316	1,316	1,316	25
Rent	164	164	164	164	164	164	182	10
Miscellaneous	1,409	1,357	1,287	1,130	1,148	1,252	1,504	75
Total	1,125	1,090	1,035	976	990	1,080	1,125	324

There was a rather marked rise in the cost of foodstuffs in June and July and this has had a considerable effect on the total index number.

A similar rise is indicated by the index numbers for foodstuffs published by the *Statistisches Reichsamt*, as well as by those of the statistician Calwer (see table I). It cannot thus be considered purely accidental, especially as it was preceded some months ago by an increase in the wholesale prices of a large number of foodstuffs. This increase is attributed on the one hand to the depreciation of the mark, and on the other to seasonal fluctuations of certain commodities, notably potatoes.

It should also be pointed out that Calwer's index numbers have recently been completed. They were formerly calculated on an unmodified standard budget based on the consumption of a man serving with the German Navy before the war. This basis had ceased to correspond to existing economic conditions, and Calwer has therefore calculated another set of index numbers on a much smaller budget, based on the consumption of a person aged between 50 and 70 and belonging to the poorest classes of Northern Germany. This budget only includes seven foodstuffs. Calwer continues to multiply this individual ration by three in order to obtain the consumption of a family of four persons.

These new figures indicate a rise in the cost of living in June, while the figures in table I based on the pre-war ration show a decrease. This is due to the fact that potatoes are one of the most important articles in the new reduced budget.

INDIA

The recently established Labour Office for Bombay has furnished index numbers of the cost of living for a working-class family in that city. The general index number declined

considerably between the end of 1920 and the early months of 1921. From May onwards, however, there is a further rise. This is due to the increase in the price of foodstuffs, especially millet, potatoes, and onions, as well as to the rise in clothing prices. Rents, fuel and lighting materials have remained approximately stationary.

TABLE VII
(Base : July 1914=100)

	1920	1921					
	Dec.	Jan.	Feb.	Mar.	Apr.	May	June
Food	178	163	156	154	154	162	169
Clothing	284	269	251	239	253	260	263
Heating and lighting	184	192	188	176	177	178	177
Rent	165	165	165	165	165	165	165
Total	181	169	162	160	160	167	173

ITALY

There appears to be a small decrease in the index numbers for the principal towns of Italy, which have been calculated in accordance with the decisions of the Statistical Congress held at Milan in July 1920.

TABLE VIII
(Base : July 1920=100)

	1920	1921					
	July	Jan.	Feb.	Mar.	Apr.	May	June
Rome	100	122	124	126	130	125	—
Turin	100	119	119	122	122	—	—
Milan	100	124	126	126	131	132	—
Florence	100	121	121	127	130	129	119
Genoa	100	120	119	121	120	118	113
Venice	100	119	117	117	118	—	—

The information at present available gives no very definite indications of the characteristics of this fall in prices. It is, however, somewhat marked in Florence and Genoa, especially in June. In Rome, the May index number is lower than that for April; the June number has not yet been received. The index numbers for this city published in tables I and II, which are calculated on a slightly different basis from the above table, also show a fall in prices in May and June as compared with April. No information referring to other towns has

been received. The cost of living index numbers for various groups of articles are also given below, for the town of Florence, for which more recent information is available than for the other towns. Prices began to fall in May, and were still falling in July. Foodstuffs, clothing, fuel and lighting show a decrease in price, though rent and the "miscellaneous" group still show some tendency to rise.

TABLE IX
(Base : July 1920=100)

	1920	1920					
	July	Feb.	Mar.	Apr.	May	June	July
Food	100	122	131	133	135	124	116
Clothing	100	123	123	123	115	97	97
Heating and lighting	100	123	124	123	121	103	103
Miscellaneous	100	110	110	110	110	110	120
Rent	100	119	119	131	131	134	134
Total	100	121	127	130	129	119	114

NORWAY

The cost of living index numbers published by the Norwegian Central Statistical Office (*Statistiske Centralbyra*) show a decrease in nearly all groups.

TABLE X
(Base : July 1914=100)

	1920				1921	
	Mar.	June	Sept.	Dec.	Mar.	June
Food	298	311	336	342	299	290
Clothing	322	336	345	348	308	292
Heating	437	318	658	620	410	386
Lighting	220	220	249	249	254	242
Rent	147	147	155	155	161	161
Miscellaneous	263	276	306	295	294	344
Total	288	302	335	335	301	302

The "miscellaneous" group is the only one which shows a marked increase. This is due to the extra subscriptions which the trade unions have been obliged to collect for unemployment relief. This fact affects the total index number,

which has risen one point in comparison with the preceding quarter, instead of having fallen, as might have been expected. If these extra subscriptions were omitted from the calculation of the cost of living, the figure for the "miscellaneous" group for June would be 293 instead of 344 and the total index number would be 293 instead of 302. This would constitute a decrease in both cases as compared with March.

The fall in prices was particularly marked in the case of fuel.

SWEDEN

The cost of living index numbers published by the Department of Labour and Social Welfare (*Socialtyrelsen*) indicate a decrease in nearly all groups, as is shown by the following table.

TABLE XI
(Base: July 1914 = 100)

	1920		1921		
	1 July	1 Oct.	1 Jan.	1 Apr.	1 July
Food	287	298	286	247	231
Clothing	390	390	355	295	270
Heating and lighting	372	400	380	316	264
Rent	130	155	155	155	155
Taxes	290	290	290	372	372
Miscellaneous	233	245	245	235	225
Total	270	281	271	249	236

Rents and taxes are the only groups which have remained approximately stationary in the second quarter of 1921. The price of fuel and lighting materials has fallen considerably.

SWITZERLAND

The cost of living index numbers published by the Consumers' Co-operative Societies include only foodstuffs, fuel, and lighting materials. There has been a slight alteration as regards the towns in which the enquiry is made and their number has been raised from 23 to 25 as from 1 June 1921.

The index numbers had been falling steadily since 1 November 1920. The July figures, however, show an increase (see tables I and II). This is largely due to the marked increase in the price of eggs and potatoes, which have risen by 33 and 52 per cent. respectively, as compared with the

preceding month. This large increase has not been balanced by a decrease in the price of other articles, as those have remained nearly stationary instead of falling as in the preceding months. It can thus be said in a general way that there is a pause in the fall of prices. The figures for the ensuing month will show whether this state of affairs will last or whether it is accidental and due to seasonal fluctuations.

UNITED KINGDOM

The cost of living index numbers published by the Ministry of Labour have remained nearly stationary in the last month, as the following table shows.

TABLE XII
(Base: July 1914 = 100)

	1920	1921					
	1 July	1 Feb.	1 Mar.	1 Apr.	30 Apr.	1 June	1 July
Food	258	263	249	238	232	218	220
Clothing*	430	355	340	328	310	300	290
Heating and lighting *	230	240	240	240	250	255	260
Rent *	118	142	144	144	144	145	145
Miscellaneous *	220	220	210	210	210	210	210
Total	252	251	241	233	228	219	219

* Approximate figures.

The index number for foodstuffs, which had been falling since October 1920, shows a slight rise in June 1921. This is mainly due to the increase in the price of new potatoes.

The figures for rent, heating, lighting, clothing, and the "miscellaneous" group are only approximate, as they are subject to considerable fluctuations for variations in quality, and are consequently very difficult to give with any precision.

UNITED STATES

In the last number of the *Review*, some approximate indications were given of the fluctuations in the cost of living in May 1921. These were based on figures relating to about 20 towns communicated by the Bureau of Labor Statistics. An average index number for the whole of the United States based on the reports of 32 towns has since been received. This index number confirms the statements previously made.

The total number shows a considerable decrease (10 per cent.) as compared with December 1920. In the case of food,

clothing, and furniture and household articles, which had been falling in price since the second half of 1920, the decrease is continuous. The three other groups, which had been rising until December 1920, have each fluctuated in a different way. The price of heating and lighting materials began to fall in the early months of 1920, rents continued to rise, and the "miscellaneous" group remained nearly stationary.

TABLE XIII
(Base: 1913 = 100)

	June 1920	Dec. 1920	May 1921
Food	219	178	145
Clothing	288	259	223
Heating & lighting	172	195	182
Rent	135	151	159
Furniture & household articles	293	285	248
Miscellaneous	201	208	209
Total	217	200	180

OTHER COUNTRIES

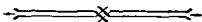
In the case of certain countries, no detailed information on the cost of living has been received. No special notes on these countries are therefore given. It should, however, be pointed out, that in France (Paris), New Zealand, and South Africa the prices of foodstuffs are still falling (see table I).

In the case of Australia, Denmark, Finland, the Netherlands, and Spain, no more recent figures than those published in the last number of the *Review* are obtainable.

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EMPLOYMENT AND UNEMPLOYMENT

The Employment Situation in Russia since the Bolshevik Revolution

II

DURING the latter half of 1920 and in the first part of 1921, the Soviet Government, despite all efforts to the contrary, found itself unable to stop the movement of its factory workers in the nationalised industries into the country; in fact the industrial population of Russia during this period seemed to be gradually disintegrating and turning from its customary pursuits to agriculture in order to find a living. While some part of these workers were merely changing their occupation and going into home industries, or becoming small independent handicraftsmen and dealers, it is nevertheless true, as has been estimated, that the industrial population of the country was reduced by nearly half of its former members before the war.

It is the purpose of this article briefly to describe the evidence of this phenomenon, and to sketch the measures taken by the Soviet Government in its efforts to prevent the break-up of Russian factory industries.

THE POSITION IN 1919 AND 1920

Position in Moscow in 1919

As shown in the previous article⁽¹⁾, there was a remarkable excess of vacant places over the number of unemployed registered in Moscow throughout 1919. The proportion of vacant places to unemployed registered continued to increase, and reached a maximum in November and December of that year. The employment situation, as reflected in the figures given for Moscow, may be judged from table I ⁽²⁾.

It is apparent from this table that the number of unemployed registered and of workers notified diminishes, while the percentage of places vacant increases.

(1) See *International Labour Review*, Vol. III, No. 3, Sept. 1921, pp. 81-96.

(2) *Russische Korrespondenz*, Nos. 17 and 18, November 1920, and *Ekonomicheskaya Zhizn*, 29 January 1920.

TABLE I

	No. of unemployed registered	Places vacant	Places notified	Places vacant per 100 unemployed	Places notified per 100 vacant	Places actually filled per 100 places notified
Oct. 1919	15,746	17,107	15,397	109.4	90.0	94.2
Nov. „	9,315	12,200	10,555	130.0	86.5	95.3
Dec. „	10,382	12,996	10,813	125.0	83.2	96.3

Position in Moscow in 1920

During 1920 this increase of vacant places continued, as is shown by table II, which gives the figures for the Moscow district in June, November, and December 1920 ⁽³⁾.

TABLE II

	No. of unemployed registered	Places vacant	Places vacant per 100 unemployed
June 1920	14,865	16,857	113.0
Nov. „	20,944	39,869	190.4
Dec. „	21,639	33,342	156.0

Position in Moscow January-February 1921

In January 1921 ⁽⁴⁾ the Moscow Labour Exchange registered 12,942 unemployed and 83,105 demands for labour, so that for each 100 persons out of work there were 642 free places. The extraordinary difference between the November and January figures is due to the great demand for medical and sanitary workers, chemists, and building trade workers. In February 1921 13,498 unemployed were registered and there were 30,208 demands for labour, the ratio being 100 : 194.

Table III shows the ratio between supply and demand in the separate branches of industry in Moscow during January and February 1921 and the number of vacant places for every 100 workers registered.

The same general causes, resulting in depletion of the staffs, were at work in municipal establishments as in the case of ordinary industries. According to the stenographic report of the Moscow Council of Workers' and Peasants' Deputies for April 1920, workers in the public kitchens in Moscow, who numbered 3,306 on 1 October 1918, declined to 1,937 on 1 October 1919, and to 537 and 180 on 1 January and 1 April 1920 respectively.

(3) *Russische Korrespondenz*, Nos. 17 and 18, November 1920, and *Ekonomicheskaya Zhizn*, 10 February 1920.

(4) *Nachrichtenblatt über Ostfragen*, 24 May 1921.

TABLE III

	January 1921			February 1921		
	No. of unem- ployed registered	Places vacant	Places va- cant per 100 unem- ployed	No. of unem- ployed registered	Places vacant	Places vacant per 100 unem- ployed
Metal workers	724	7,582	1,044.4	1,268	2,287	180.3
Textile workers	95	398	418.9	94	391	415.9
Builders	186	5,323	2,861.8	310	1,151	371.2
Medical and sani- tary workers	318	22,668	7,128.3	469	603	128.5
Apothecaries	14	626	4,471.4	31	19	61.2
State officials	3,002	14,135	470.8	3,434	7,478	217.7
Chemists	72	571	793.0	30	43	143.3
Printers	83	164	197.5	169	98	371.2
Railwaymen	103	405	393.2	69	265	384.0

Position in Petrograd in 1920

A similar situation existed in Petrograd, as is shown by a preliminary report ⁽⁵⁾ issued by the Department for Labour Registration and Distribution, which, though incomplete, gives an idea of the position during 1920. The number of unemployed persons registered was 103,460, while 247,627 demands for labour were received and 94,765 places notified; thus only 38 per cent. of the demands were satisfied. Of the unemployed men on the registers 97 per cent. found employment and of the women, 89 per cent.

Position in the Provinces

What applies to the Moscow and Petrograd districts also applies to the provinces. In some provinces, perhaps, which were better off as regards food supply, the increase in vacant places was less than in others, but this increase, as may be seen from the Soviet press of the period, was taking place all over the country.

The decrease in the number of workers was not only relative in proportion to the number of vacant places, but also actual. This is clearly shown in the figures for the industrial census of 1918 and the register of industrial workers, which took place in June 1920 ⁽⁶⁾. The number of factories included those with mechanical power employing 10 workmen and over and those without mechanical power employing 30 workmen and over.

The 1918 industrial census was taken in 35 Provinces and covered 6,090 factories employing 1,253,900 persons. The

(5) *Ekonomicheskaya Zhizn*, 26 February 1921.

(6) *Ekonomicheskaya Zhizn*, 29 October 1920.

EMPLOYMENT AND UNEMPLOYMENT

registration of June 1920 included a greater number of factories (7,560 in all) and a larger area, but in spite of this the number of workers had sunk to 1,061,900. A more exact comparison may be made by considering the area included in the 1918 census; the number of factories in this particular area had, in June 1920, fallen to 5,877 and the workers to 867,000. That is to say, the factories were reduced by 3.5 per cent. and the workers by 31 per cent. The change in separate districts is shown by the following table, which gives the numbers employed in Russian factories in August 1918 and June 1920.

TABLE IV

District	Census of 31 Aug. 1918	Registration of 1 June 1920	Percent. incr. (+) or decr. (—)
Northern	171,200	146,000	— 15
Central	911,900	536,100	— 41
Western	21,200	23,900	+ 22.2
Volga	105,900	128,000	+ 22.8
Urals	{ Not	170,400	—
Siberia	{ taken	35,900	—

A comparison of the two great industrial centres, Petrograd and Moscow, shows that the decrease has been much greater during the last two years in Moscow than in Petrograd. But it must be remembered that in August 1918 Petrograd, for reasons which have already been considered, had lost about 75 per cent. of its industrial workers.

TABLE V

	Number employed		Percent. decrease
	31 Aug. 1918	1 June 1920	
Petrograd	157,282	89,100	42.5
Moscow	140,000	102,400	26.6

REMEDIAL MEASURES

As the State owned all the large industrial enterprises, it realised that unless urgent measures were taken to get the labour required it could not continue to work the four or five thousand big factories which it had nationalised. The remedial measures taken fall into two groups : (1) those designed to increase the productivity of available labour, and (2) those designed to increase the number of workers.

Measures to increase Productivity

The measures taken to increase the productivity of labour included : (a) systems of ration wages and bonuses in kind and in money, (b) so called "armoured" and "shock" factories, and (c) disciplinary courts.

Ration Wages and Bonuses

As it would exceed the scope of this article to describe the very complicated system of ration wages and bonuses adopted by the Bolsheviks with the numerous changes and ramifications which the last two years have produced, it will suffice to describe briefly the very characteristic Clothing and Supply Establishment (*Prozodiezhd*), which was set up by decree in July 1919 (7).

The aim of this institution was to furnish workers in factories with the clothing, boots, overcoats, etc. necessary to enable them to continue their work. The administrative board included representatives of the Commission for the Regulation and Distribution of Supplies (8), the Labour Commissariat, and the Central Council of Trade Unions. The actual direction of affairs was in the hands of the Central Council of Trade Unions, who carried out this work for the State, and whose representative was chairman of the board.

It was estimated that, to make a start, 50 million arsheens (9) of various textile materials would be needed and three and a half million reels of cotton. An issue was ordered of six and a half million arsheens of textile materials and half a million reels of cotton, these figures being based on the assumption that there were three million workmen (10) and that these would need sufficient material to allow of two renewals of clothing during the year.

The work of issuing this clothing appears to have been characterised, in the words of the Report, "by inconceivable chaos and confusion", as each factory sought to satisfy its own needs before those of others. Steps were therefore taken by the Section to centralise supply work, to see that orders were duly executed and that the clothing reached the workmen.

The following table (11) shows the amount of materials

(7) See *Report of the All-Russia Council of Trade Unions*, Moscow, 1920.

(8) *Komissii Ispolzovania*.

(9) An arsheen is equal to 2.33 linear feet.

(10) This figure was subsequently increased to 5,000,000. *Vide infra*.

(11) *Ekonomicheskaya Zhizn*, 8 February 1921.

distributed by the Clothing and Supply Establishment during 1920. The distribution was based on the assumption that there were 5,000,000 workers, the figure being taken from the membership roll of the trade unions. Seeing that it was impossible to supply all these, the unions were consulted and a percentage fixed to whom materials would be issued; this percentage is shown in the first column. The remaining columns show the quantities required, the quantities actually distributed, and the percentage of the total who profited.

TABLE VI

		Percent. for whom distribution was asked	Quantities required to make this distribution	Quantities actually distributed	Percent. of total workers who actually profited
Leather boots	prs.	20	1,000,000	441,000	8.8
Felt boots	prs.	30	1,500,000	231,000	4.5
Top coats		32	1,500,000	445,000	7.0
Pea-jackets		20	1,000,000	111,700	2.2
Leather waistcoats		5	150,000	3,200	0.1
Gloves	prs.	40	12,000,000	1,421,000	4.8
Workers' suits (2 each)		100	10,000,000	3,600,000	36.0
Shirts		25	1,250,000	1,132,000	2.3
Underwear	sets	30	1,500,000	700,000	13.8

Thus the measures taken by the Clothing and Supply Establishment were insufficient. The workers still lacked boots, clothing, food, and other necessities of life, and to procure these by barter or other means they would absent themselves from the factories, sometimes for days at a time, as the pecuniary loss of wages and bonuses, judged by the purchasing value of money, was inconsiderable.

Notwithstanding rations and bonuses the loss of productivity continued. This is proved by the figures for absence from work, which was the principal cause of loss of the workers' productivity. This loss became greater and greater as the difficulties of the food situation increased, and the problem was one of the most acute with which the State had to deal. A study of the subject in relation to the Moscow factories has already been made in this *Review* ⁽¹²⁾; it is completed by a later report ⁽¹³⁾, from which the following particulars are taken of the loss of working days per worker in 1920, according to industry (table VII) and according to size of factory (table VIII).

(12) *International Labour Review*, Vol. I, No. 2, Feb. 1921, pp. 73-80. *Attendance of Workers in Moscow Factories*.

(13) *Ekonomicheskaya Zhizn*, 19 April 1921.

TABLE VII

Cause of absence	Average number of days lost per worker in 1920			
	Metal industry	Fibre industry	Other industries	Average
Attending meetings	19.9	8.2	12.3	14.7
Periodical leave	9.7	14.1	10.2	9.6
Confinements	0.8	3.2	1.9	1.9
Sick leave	9.9	8.5	9.5	9.4
Sickness	10.0	7.0	8.6	8.6
Absence with leave	7.5	6.6	4.6	5.8
Absence without leave	25.8	22.9	14.7	19.5
Totals	83.6	70.5	61.8	69.5

TABLE VIII

Cause of absence	Average no. of days lost per worker in 1920 in factories employing			Average
	up to 50 workers	51 to 500 workers	501 workers and over	
Attending meetings	7.9	15.5	14.3	14.7
Periodical leave	8.6	11.3	8.9	9.6
Sickness and confinement	18.9	18.9	20.9	20.0
Absence with leave	9.9	6.4	5.2	5.0
Absence without leave	12.5	17.3	21.9	19.0
Totals	57.8	69.4	71.2	68.3

"Armoured" and "Shock" Factories

The system of "armoured" factories was devised in December 1919 to increase production by guaranteeing to selected factories sufficient rations to prevent absenteeism. Up to the end of June 1919 workers were rationed, like the rest of the population, by the Commissariat of Supply. These rations were quite insufficient, and as a result workers absented themselves in order to obtain supplies of food from the country districts.

With the object of guaranteeing sufficient rations to prevent absence from work, the Supreme Council of the People's Commissaries created, by a decree of 19 November 1919, a Commission for Food Supply which began work in December 1919. This Commission, as it could not possibly ration all

the workers, decided to guarantee a reduced number of indispensable factories only, and these, in the military terminology employed by the Bolsheviks, were called "armoured" factories. The number of workers in these factories in December 1919 was 642,000 ⁽¹⁴⁾, although at the start the Commission was unable to guarantee more than 20 per cent. of the needful rations. The number grew rapidly, increasing from 642,000 in December 1919 to 3,374,820 in March 1921. A result of this growth of "armoured" factories was the creation of a "shock" group within the "armoured" group, consisting mainly of factories engaged on transport and war work. "Shock" factories were better rationed than the rest, receiving about four-fifths of the guaranteed standard, whereas the others received about one half.

Disciplinary Courts

Disciplinary courts were established by decree of 19 November 1919. They were called by local sections of the trade unions and sat periodically and in public, out of working hours. They were composed of one representative of the local organ of the Supreme Economic Council, one trade union representative, and one from the factory whose case was before the court. These courts were maintained at the expense of the State. Disciplinary courts had, among other rights, that of transferring a workman to the lowest wage scale for a period not exceeding a month and of sentencing workmen to hard labour in cases of insubordination or of ordering them to be confined in a concentration camp.

Further powers were given to disciplinary courts by the Council of the People's Commissaries, who in April 1920 issued a series of Regulations ⁽¹⁵⁾, which laid down that persons absent from work without leave should be fined 15 per cent. of the monthly wage, or award in kind, for the first day's absence, 25 per cent. for the second day, and 60 per cent. for the third day, and, in addition, should be obliged to make up the lost time. Absence for more than three days would be treated as "sabotage".

Measures to increase Number of Workers

Measures to increase the number of workers included (a) compulsory labour; (b) labour mobilisation; (c) labour armies; and (d) immigration.

(14) *Ekonomicheskaya Zhizn*, 23 March 1921.

(15) *Tarifnii Bulletin* (Moscow), July 1920.

Compulsory Labour

Although compulsory labour, in a modified form, existed from the very beginning of the Bolshevik régime ⁽¹⁶⁾, it was only towards the end of 1919, when labour had become much scarcer, that the theory of compulsion was put into practice. The first step in this direction was the appointment, in December 1919, of a special Commission for Compulsory Labour, presided over by Trotsky, which included the Commissaries of Labour, Ways and Communications, Interior, Food, Agriculture, and War, with the Presidents of the Central Council of Trade Unions and of the Supreme Economic Council. On the recommendation of this Commission the Decree for compulsory labour of 5 February 1920 was issued, which brought the measure into the field of practical application. The Decree ⁽¹⁷⁾ laid down that all persons should be liable to compulsory labour for work of public utility, such as road mending, building, food and fuel supply, etc. This labour would be in addition to their ordinary work and might be continuous or performed at intervals, as required. Detachments of the Red Army and Fleet might be employed in compulsory work, and skilled labourers transferred from the Army, and from agricultural or other work, to state factories. Provision was also made for the distribution of labour in accordance with local requirements. The Council of Workers' and Peasants' Defence was given powers for the introduction and general direction of compulsory labour and a Committee for Compulsory Labour, subordinate to the Council of Workers' and Peasants' Defence, was appointed from representatives of the Commissariats of Labour, Interior, and War. Provision was made for local committees which would have the right to proclaim compulsory labour to meet local needs. These local committees were also given full disciplinary powers for dealing with cases of labour desertion, evasion, false declarations, and the like.

The enforcement of the Decree for compulsory labour was materially helped by the already existing Sections of Labour Registration and Distribution (former Labour Exchanges), to which reference has been made in the first part of this article.

Labour Mobilisation

Labour mobilisation was introduced by the Third Congress of Trade Unions held in March-April 1920. The Congress

(16) For fuller information on this subject see *Labour Conditions in Soviet Russia*. Ch. VII. (International Labour Office, London, 1920).

(17) For full text see Moscow *Izvestia*, 5 February 1920.

passed a resolution ⁽¹⁸⁾ ordering a registration of all skilled workers with a view to recruiting them for productive work "in the same manner and under the same discipline as soldiers are recruited for the Red Army". All skilled workers were required to return to work in their own trades and no exceptions were to be made except with the consent of competent central and local bodies. The relations between the number of men to be mobilised, the work to be done by them, and the tools required were ordered to be established with the greatest possible exactness. In forming detachments the same care was to be taken to assure the political soundness of overseers as was taken in recruiting the Red Army. In practice, labour mobilisations were of two kinds: (1) partial, of skilled workers in particular industries; and (2) general, of unskilled workers and applying to the whole country. Of the first kind several were ordered, and of the second only one.

The chief organs for carrying out labour mobilisation and for combating labour desertion (i. e. absence from work without permission) were the Principal and Local Labour Committees (*Glavkomtrud*), which worked in close touch with the Department for Labour Registration and Distribution ⁽¹⁹⁾. Though labour mobilisation was begun in the first half of 1920, it was not until August that the sub-sections for carrying it out were organised. Owing to the flight of workers from the towns and the withdrawal from the factories of men for military service, the needs of industry constantly increased, while the demands of the Supreme Economic Council and the Commissariat for Food Supply alone, up to 1 August, amounted to 628,928 skilled and unskilled workers. For these reasons the Principal Labour Committee ordered a number of partial mobilisations. A mobilisation of builders in the 42 provinces of Soviet Russia had produced 39,048 men by September, another of skilled workers in the Tver Province raised 7,584, while a third raised 17,936 agricultural labourers. There were other mobilisations in different branches of trade and industry, in various districts, and for a number of individual factories. Table IX, published by the Principal Labour Committee in September 1920, shows the general character of some of the mobilisations undertaken.

Compulsory labour among railway workers was organised by a special transport committee, which also carried out this branch of the general mobilisation by classes and raised from forty to fifty thousand unqualified workers for the railways.

(18) The resolution reproduces a similar one passed by the Ninth Congress of the Communist Party. The full text is contained in *Resolutions and Orders of the Third All-Russia Congress of Trade Unions*, Moscow, 1920.

(19) See *Ekonomicheskaya. Zhizn*, 29 October 1920, from which the particulars following are also taken.

TABLE IX

Partial mobilisations for	Number of men required	Number of men notified
Railways	51,073	29,060
Fibre industry	14,194	9,605
Food supply	5,359	5,359
Telegraphs and telephones	620	240
Industrial centres	505	—
Transport work	14,301	13,071
Fuel supply	10,335	1,472
Timber industry	123,535	17,833
Totals	219,922	76,640

The general mobilisation by classes of 1920 is of particular interest, since it was the only one of its kind and was carried out on purely military lines ⁽²⁰⁾. It applied to persons born in 1886, 1887, and 1888, and the preparatory work in connection with it was begun in August 1920. Its object was to procure unskilled industrial workers. The mobilisation was sanctioned by the Council of the People's Commissaries on 13 September 1920 and was proclaimed in 37 Russian provinces, in Siberia, the Ukraine, the Caucasus, and the Don, and began on 15 October, except in the Archangel Province, where it was postponed until 1 November. It was concluded between 15 and 30 November. The time of the mobilisation was arranged so as not to interfere with agricultural work, and it did not apply to workers in state factories.

When the Commissariat for Labour had received from the military authorities particulars of the approximate number of men which might be raised in each province, a plan of distribution was drawn up. The distribution was then made as follows:—

Dept. of Ways and Communications	45,305
„ „ Roads and Bridges	15,329
• Factories on transport work	6,116
War industries	28,760
Food supply	6,654
Dept. of Woods and Forests	43,457
Total	145,621

The mobilisation was carried out under the direction of the local organs of the Commissariat of Labour, the Principal Labour Committee, and the Supreme Economic Council. All mobilised men received five days' leave to settle their private

(20) The particulars following are taken from *Ekonomicheskaya Zhizn*, 12 March 1921.

affairs ; they had to provide their own clothes, but received 5,000 roubles (from two to four shillings at the then value of the rouble) subsistence allowance; they were not to be detained more than three days at concentration points. Workers for war industries were transported under military conditions.

Labour Armies

Labour armies were created by a decree of 15 January 1920 ⁽²¹⁾ which directed that the Third Red Army should be withdrawn from military service and employed, as the "First Red Labour Army", in labour duties. The relations of the Red Labour Army with other labour organisations were to be such as to avoid any disturbance of economic activities, and it was to be rationed, so far as this was possible, in the same way as the workers in the area in which it happened to be operating.

It is impossible to give concrete results of the tasks performed by the Labour Army. An official report of its work during the first six months of 1920 appears in the *Moscow Izvestia* of 23 November 1920, but adds little to our knowledge. The Report gives the number of workmen on the registers on 30 June 1920 as 25,770, of whom 7,914 were actually at work, and of foremen as 5,462, of whom 4,555 were at work, or a total of 31,232 on the registers and 12,469 at work.

The personnel appears to have been drawn for the most part from among undesirable and unfit elements. During six months there were 150 working days which, multiplied by the numbers actually at work, or 7,914, is equivalent to 1,187,000 "man-days". It is explained that of these 1,187,000 "man-days", only 266,246, or 22 per cent., were given over to useful work, principally timber cutting. It therefore seems safe to conclude that the Labour Army failed to justify the hopes built upon it.

Immigration

As a last measure of the Government an attempt was made to attract immigrants to Russia from among the working classes abroad. Only in four countries, Norway, Sweden, Germany, and the United States of America, did the workers respond to these overtures and only from the United States of America did any results follow. In Norway and Sweden, during the metal workers' strike at the beginning of 1920, the strikers formed a commission for organising emigration to Russia, but after the despatch of delegates to Russia the project fell through, mainly owing to the conditions of labour there and the impossibility of guaranteeing an adequate food supply.

(21) *Moscow Izvestia*, 16 January 1920.

In Germany, two parties of emigrants were formed, one of 70 families which left for Northern Russia to engage in agricultural work, and the other of 120 industrial workers who proceeded to the railway works at Kolomna, a town about 70 miles from Moscow. These last travelled with delegates of the German Independent Socialist Party, who were taking part in the Congress of the Third International at Moscow. A few weeks after their arrival, they were visited by Mr. Dittmann, one of the German delegates. Mr. Dittman published a report in *Die Freiheit* of 30 August, from which it appeared that the settlers were dissatisfied with their lot, and that the bulk of them wished to return home, a matter which was subsequently arranged with the authorities at Moscow.

These attempts to organise emigration to Russia were followed by action on the part of the Soviet Government, which created a special organisation to encourage immigrants. Owing to food difficulties, however, nothing came of this action, and emigration from European countries to Russia must be regarded as a failure.

Emigrants from America were drawn from among Russian refugees who had settled in America and had become in most instances skilled workers. Thus, though always referred to in the Soviet press as "emigrants", they would be described more correctly as repatriated Russians. These Russians were encouraged to return home by the Soviet authorities, who badly needed skilled workers, and as no obstacles were placed in their way by the United States Government, the movement met with some success. Between December 1920 and April 1921, 3,024 Russians are said to have arrived ⁽²²⁾, of whom 1,001 were skilled workers; 693 skilled workers and 489 unskilled were distributed among the Petrograd factories and the rest sent to the provinces. By the end of May, the number appears to have reached 7,500 ⁽²³⁾. The Economic Section of the Central Council of Trade Unions is now considering a plan for uniting these Russians from America in a single group to be employed on productive work of the same nature as that done by them in America, and also for providing them with tools from America. Two hostels have been opened for them in Petrograd and "Emigrants' Houses", serving as distributing points, have also been opened at Moscow and Kharkoff.

Such information as may be gathered from the Soviet press seems to show that these repatriated Russians are well treated and work willingly. But their number is so small, in comparison with the country's needs, that its bearing on the industrial situation and on the lack of workers cannot be appreciable.

(22) *Ekonomicheskaya Zhizn*, 28 April 1921.

(23) Moscow wireless communiqué, 30 May 1921.

CONCLUSION

The labour crisis in Russia began in 1917 and appeared at first in the form of unemployment. There was a considerable excess of industrial workers shortly after the Revolution, in spite of the practical destruction of the textile industry among others, and the absorption of thousands of unskilled workers into the Red Armies. The period of unemployment was, however, brief, lasting only about eight months. It was followed by a period marked by a shortage of labour, which increased in spite of all measures taken by the Soviet Government. On so vast a scale did the movement take place, so persistent and regular was the process, that it takes on the appearance of a permanent upheaval in the working population of Russian towns. The former class of factory workers seems to be melting away.

What became of the workers who were abandoning the towns cannot be precisely stated. However, in a general way it is known that a large number went upon the land, some drifted into the army, others became merchants in food commodities, or "speculators", as they are termed by the authorities, and some few further swelled the ranks of officials. Many found employment in home industries, which are widely scattered over Russia.

Concerning the development of the home industries some facts are available. The first measures of the Soviet Government aimed at nationalising them, but were unsuccessful. Home industries, as well as certain small industries, continued an independent existence. In some branches of production, as for example in pitch and charcoal making, the home and small industries had reached in 1920 almost the pre-war standard of production⁽²⁴⁾. In the Ural Mountain districts and in the West and Centre of Russia quantities of goods were produced by them during 1920⁽²⁵⁾. They were in many cases able to execute Government orders which the state factories were unable to meet.

The importance of the home and small industries has increased with the decay of state industry. Their definite status was established in the new economic policy proposed by the Soviet Government and accepted by the Fourth Congress of Economic Soviets in May 1921. Under this new

(24) LARIN and KRITZMAN, *Wirtschaftsleben und wirtschaftlicher Aufbau in Sowjet-Russland, 1917-1920*, p. 112. Berlin, Seehof und Co. 1921. Larin is one of the most prominent statesmen belonging to the Bolshevik party. He is mainly responsible for the economic organisation of Soviet Russia. See a description of his character in *The Crisis in Russia*, p. 53, by Arthur Ransome (London, 1921).

(25) *Ekonomicheskaya Zhizn*, especially Nos. 50, 82, 85, 92, 102, 126 for the year 1921.

scheme the task of supplying the population with manufactured goods has devolved upon the small and home industries, while the output of such nationalised industry as still exists is restricted to the needs of the State. Thus these industries have practically displaced the former system of State industry, and the workers of former large-scale industries have to that extent been transformed into independent producers or middlemen.

Statistics of the Unemployed

THE table giving statistics of unemployment among members of trade unions in different countries, based chiefly on returns from workers' organisations, which was given in the *International Labour Review* for September (¹), has been continued in the present issue and brought up to date.

Owing to the resumption of publication by the Norwegian Government of unemployment statistics it has been possible to replace the figures in the above table by more comprehensive ones. An index-number of unemployment for Norway has also been calculated, in the same manner as those for Belgium and Sweden, corresponding to the official indices for Germany and the Netherlands. These indices show the percentage which the total number of days of unemployment bears to the total number of possible days of employment, i.e. to the number of workers included in the returns multiplied by the number of working days in the period under consideration.

It cannot be too strongly emphasised that these figures do not accurately represent the total amount of unemployment in the different countries. Authoritative statistical data for estimating with any degree of precision the number of unemployed in any country do not, in general, exist. Only in the United Kingdom, where the statistics cover almost the whole of the unemployed population, is there a record approaching completeness of the number of persons totally unemployed at any given time. In other countries it is impossible to state broadly whether workers outside trade unions experience more or less unemployment than trade union members. It seems, however, that, where unemployment is not very acute, the percentage of unemployment is greater among non-unionists than among union members.

(1) *International Labour Review*, Vol. III, No. 3, Sept. 1921, p. 102.

STATISTICS OF NUMBERS UNEMPLOYED

	Australia		Belgium		Canada		Denmark		Germany		Massachusetts		Netherlands				Norway		Sweden		United Kingdom							
													All unions reporting		Trade Union Feder.				All unions reporting days lost		Trade unions		Insurance Act					
	numbers covered (in 1,000's)	percentage unemployed	numbers covered (in 1,000's)	percentage unemployed	numbers covered (in 1,000's)	percentage unemployed	numbers covered (in 1,000's)	percentage unemployed	numbers covered (in 1,000's)	percentage unemployed	numbers covered (in 1,000's)	percentage unemployed	index of unemployment	percentage unemployed	numbers covered (in 1,000's)	percentage unemployed	index of unemployment	percentage unemployed	numbers covered (in 1,000's)	percentage unemployed	numbers covered (in 1,000's)	percentage unemployed						
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)	(25)				
av. for 1913	246	6.5	77	2.7	*	*	117	7.5	1,973	2.9	2.1	175	6.3	65	5.1	5.0	*	*	29	1.6	*	55	4.4	8.5	927	2.1	2,041	3.6
1914	269	8.3	77	3.9	*	*	128	9.9	1,635	7.2	26.1	172	10.4	76	16.2	13.8	*	*	30	2.4	2.5	61	6.7	9.8	970	3.3	2,326	4.2
1915	276	9.3	*	*	56	8.0	134	7.7	1,019	3.2	2.6	170	7.7	106	14.6	12.0	94	11.0	30	2.1	2.2	62	7.8	9.0	922	1.1	2,078	1.2
1916	290	5.8	*	*	105	1.9	145	4.9	818	2.2	1.7	176	3.0	132	5.8	5.1	118	5.4	35	0.8	1.1	68	4.2	6.8	943	0.4	2,029	1.6
1917	287	7.1	*	*	128	1.9	160	9.2	939	1.0	0.7	189	4.2	148	9.6	6.5	152	7.0	35	0.9	0.9	87	3.9	6.1	966	0.6	3,622	0.6
1918	300	5.8	*	*	164	1.4	218	17.4	1,245	1.2	20.8	222	2.9	190	10.0	7.5	191	6.5	36	1.4	1.5	105	4.4	7.2	1,108	0.8	3,922	1.2
1919	310	6.6	*	*	177	3.6	296	10.7	3,686	3.7	2.3	259	5.3	300	8.9	7.7	238	6.1	36	1.6	1.7	121	5.5	7.0	1,338	2.4	3,721	*
1920	342	6.5	*	*	192	4.6	306	5.8	5,260	3.8	2.3	270	16.1	400	7.2	5.8	245	5.5	46	2.3	2.7	129	5.4	6.5	1,563	2.4	5,321	3.8
End of	*	*	*	*	202	2.4	304	2.8	5,234	2.7	*	*	*	397	7.3	6.2	255	5.8	46	1.0	1.8	121	2.9	3.8	1,572	1.1	4,161	2.7
May	343	6.2	*	*	194	2.1	306	2.1	5,556	4.0	1.9	248	14.6	407	5.9	5.0	249	5.1	46	0.8	1.3	126	3.4	3.9	1,603	1.2	4,161	2.6
June	*	*	*	*	186	2.3	310	2.1	5,074	6.0	*	*	*	401	4.9	4.2	241	5.4	46	1.1	1.3	125	2.8	3.7	1,498	1.4	4,197	2.7
July	*	*	*	*	187	2.4	304	2.4	5,555	5.9	*	*	*	408	5.0	4.2	235	5.1	46	1.5	1.8	134	3.0	4.5	1,669	1.6	4,197	2.9
Aug.	345	6.2	118	5.8	2.0	189	3.3	308	2.7	5,442	4.5	3.4	255	407	4.1	3.3	232	4.0	46	1.8	2.0	151	2.9	3.8	1,636	2.2	4,197	3.8
Sept.	*	*	263	6.4	2.6	215	6.1	315	3.6	5,325	4.2	*	*	404	4.2	3.2	231	4.1	43	2.2	2.6	142	4.3	5.6	1,401	5.3	4,197	4.1
Oct.	*	*	498	7.2	4.9	216	10.2	317	6.1	5,629	3.9	*	*	402	7.2	5.2	229	2.3	46	3.5	3.3	147	7.0	6.7	1,612	3.7	11,200	3.7
Nov.	*	*	546	17.4	7.2	208	13.1	311	15.1	5,664	4.1	2.5	297	399	13.4	10.2	225	11.5	45	6.8	5.7	146	15.8	11.2	1,535	6.1	11,900	5.8
Dec.	351	7.8	609	19.3	10.9	198	13.1	307	19.7	5,751	4.5	*	*	391	16.5	13.8	223	12.8	50	11.3	12.0	155	20.2	17.5	1,587	6.9	12,000	8.2
1921	*	*	621	22.7	11.5	198	16.1	304	23.2	5,650	4.7	*	*	—	—	—	220	12.3	52	14.5	14.4	147	20.8	20.2	1,534	8.5	12,000	9.5
Jan.	*	*	668	31.5	10.9	207	16.5	294	23.6	5,779	3.7	2.7	237	—	—	—	219	11.4	51	16.2	15.8	165	24.6	20.2	1,528	10.0	12,000	11.3
Feb.	—	—	617	31.2	13.7	204	16.3	294	21.7	5,510	3.9	*	*	—	—	—	219	9.5	49	17.1	17.9	145	24.2	24.3	1,339	17.6	12,000	15.0
Mar.	*	*	637	32.3	15.8	201	15.5	299	18.6	5,784	3.7	*	*	—	—	—	219	9.0	—	—	—	144	25.3	25.0	1,343	22.2	12,000	17.3
Apr.	*	*	669	22.9	12.6	182	13.1	299	16.8	5,762	3.0	2.3	—	—	—	—	—	—	—	—	—	145	27.9	26.7	1,279	23.1	12,200	17.8
May	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—
June	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—	—

The sign * signifies "figures not available".

The sign — signifies "figures not yet received".

As regards under-employment or short time — the system under which workers work a reduced number of days per week or hours per day — the data are even less reliable. In fact, for many countries no statistics exist. In some cases the percentage of total unemployment is kept low by means of short time arrangements or even by legislation or collective agreements preventing the discharge of workers.

While the figures given in the table cannot be used as a measure of the total amount of unemployment within a country, still less can they be used for comparing the volume of unemployment *between* two or more countries. As shown in the January number of the *Review* ⁽²⁾, the differences in the scope of the returns, in the definition of unemployment, and in the reliability of the figures prevent any international comparison.

NOTES TO TABLE

Australia : *Quarterly Summary of Australian Statistics.*

The figures show the number of persons who were out of work for three days or more during a specified week in each quarter; they include unions which do not pay unemployment benefit. Unions of workers in permanent employment, such as railwaymen, or of casual workers, such as dockers, are excluded.

Belgium : *Revue du Travail.*

The figures, which include workers on short time, are obtained from the returns of local unemployment funds, and refer to the last working day of the month. The very high percentage of unemployment is possibly due to the inclusion of workers unemployed during the week as distinct from those unemployed on a fixed day of the week. If so, this would explain the great difference between the index of unemployment and the percentage of unemployed.

Canada : *The Labour Gazette of Canada.*

The figures refer to the last working day of the month. They include unions which do not pay unemployment benefit.

Denmark : *Statistiske Efterretninger.*

The figures are derived from trade union reports, combined with returns of the Central Employment Bureau. They are compiled every Friday, those for the last Friday of the month being given in the table. Only unions paying unemployment benefits are included.

Germany : *Reichsarbeitsblatt.*

The figures refer to the last working day of the last week of each month. Only unions paying unemployment benefit are included. Legislation restricting the discharge of workers is in force, and short time is regulated by an extensive system of collective agreements.

(2) *International Labour Review*, Vol. I, No. 1, Jan. 1921, p. 118.

Massachusetts: *Massachusetts Industrial Review.*

The figures refer to the last day of each quarter, and cover unemployment due to "lack of work or material", and to "unfavourable weather". They include unions which do not pay unemployment benefit. Statistics are also published showing the numbers unemployed owing to sickness, trade disputes, etc.

Netherlands: *Maandschrift van het Centraal Bureau voor de Statistiek.*

The figures are weekly averages over a period of four or five weeks. Unions which pay no unemployment benefit are included.

Norway: *Statistiske Meddelelser.*

The figures refer to the last day of the month, and include only unions which pay unemployment benefit.

Sweden: *Sociala Meddelanden.*

The figures refer to the last day of the month, and include unions which do not pay unemployment benefit. The index-number of unemployment is based on the returns of those unions only which report the number of working-days lost. The percentage of workers unemployed is considerably heavier in these unions than in the total of all unions reporting.

United Kingdom: *The Labour Gazette of Great Britain.*

The trade union figures refer to the last working day of the month, and only relate to unions which pay unemployment benefit. Trade unions of workers in regular employment, such as railwaymen, are not included. The figures for October 1920 and April, May, June 1921 are exclusive of the coal-mining industry.

The figures for insured workers give the number of persons totally unemployed whose unemployment books were lodged at employment exchanges on the last Friday of the month.

LABOUR CONDITIONS

Profit-Sharing and Labour Co-Partnership in Great Britain ⁽¹⁾

THE terms profit-sharing and labour co-partnership have never been adequately defined, and much controversy continues to take place with regard to their exact meaning and scope. Without attempting to enter into a discussion of the problem, it will be sufficient to indicate here that in this article profit-sharing is taken to involve an agreement between an employer and his employees, whereby the latter receive, in addition to their wages or salaries, a share fixed beforehand in the profits of the undertaking. This definition follows in the main that adopted by the International Congress on Profit-Sharing held at Paris in 1889, and afterwards endorsed by other international congresses, notably the International Congress on Profit-Sharing in 1900. The definition there employed was as follows:

The International Congress is of opinion that the agreement, freely entered into, by which the employee receives a share, *fixed in advance*, of the profits, is in harmony with equity and with the essential principles underlying all legislation.

This definition therefore excludes certain forms of payment which are occasionally called profit-sharing. The more important of these forms of payments are as follows:

(1) Premium bonus, output bonus, or similar systems, which offer a reward proportionate to output or increase of output, irrespective of the general financial results of the business, and

(2) Gratuities pure and simple given at the absolute discretion of the employer, and on no prearranged basis.

There is no complete agreement as to the meaning of the term labour co-partnership. In 1911 the British Labour Co-partnership Association issued a manifesto in which it defined labour co-partnership as involving:

(1) See *Report on Profit-Sharing and Labour Co-Partnership in the United Kingdom*, Ministry of Labour, 1920 (Cmd. 544).

(1) that the worker should receive, in addition to the standard wages of the trade, some share in the final profit of the business, or the economy of production;

(2) that the worker should accumulate his share of profit, or part thereof, in the capital of the business employing him, thus gaining the ordinary rights and responsibilities of a shareholder.

In 1919, however, the Labour Co-partnership Association issued another manifesto repeating this definition with a very important amplification, namely:

(3) That the worker shall acquire some share in the control of the business in the two following ways:

(a) By acquiring share capital, and thus gaining the ordinary rights and responsibilities of a shareholder;

(b) By the formation of a co-partnership committee of workers, having a voice in the internal management.

This addition draws attention to the important part which the co-partnership committee has come to play in the working of many schemes. These co-partnership committees have been set up in various factories under the joint industrial council scheme outlined in the Whitley Report.

HISTORY AND EXTENT OF THE MOVEMENT

The first profit-sharing scheme in the United Kingdom was established in 1829. From that date until 1865 no other schemes were established, but in 1865 six systems were founded, and the co-partnership and profit-sharing movement has continued since that date to make fairly steady progress. The number of schemes started in each year, however, shows considerable variations. A movement in favour of profit-sharing begins and for two or three years it continues, and then becomes quiescent for a period of years. In Great Britain the years 1889-1892, 1908-1909, 1912-1914, and 1919 were periods of maximum activity. On the other hand, the period 1893-1907 and the period of the war were periods of quiescence. While it is difficult to correlate these fluctuations with those of other industrial movements, it may be said in a general way that periods of activity in the profit-sharing movement coincide roughly with (a) good employment, and (b) industrial unrest. At such times there appears to be a recurring tendency on the part of the employers to resort to profit-sharing as a possible remedy for the unrest. On the other hand, periods of unemployment are generally periods of low profits, and such periods are not favourable to the introduction of profit-sharing schemes.

Profit-sharing has not been adopted to a similar extent in all types of industry. It has achieved its greatest success in gas production work. In other industries only a small minority of firms have adopted any form of profit-sharing or co-partnership, and in most of the groups of trades the abandoned schemes outnumber those which at present exist.

The following table shows the number of schemes which have been started, and the number surviving and abandoned, in each group of trades in 1919 ⁽²⁾.

PROFIT-SHARING SCHEMES IN THE UNITED KINGDOM BY TRADES

Nature of business	Number of schemes			Number of employees in surviving schemes (so far as returned)	
	Started	Abandoned	Surviving	Number of firms to which returns relate	Employees
Agriculture	23	15	8	7	1,267
Building trades	14	11	3	3	203
Chemicals, soap and candle manufacture; oil, paint, and varnish manufacture; brick, lime, pottery and glass trades	22	9	13	12	16,478
Clothing trades	16	11	5	3	661
Electricity undertakings	2	—	2	2	303
Food and drink trades (manufacture)	34	18	16	13	7,792
Gas undertakings	40	4	36	35	33,528
Metal, engineering, and ship-building trades					
Metal	13	8	5	4	7,776
Engineering and shipbuilding	31	17	14	11	81,497
Mining and quarrying	6	5	1	1	11,232
Paper, printing, and allied trades					
Paper making	6	2	4	4	1,125
Printing, bookbinding, and stationery	38	25	13	12	5,583
Textile trades	25	8	17	17	24,157
Transport trades	4	2	2	1	192
Woodworking and furnishing trades	10	9	1	1	60
Merchants, warehousemen, and retail traders	58	33	25	23	23,237
Banking, insurance, and other financial businesses	5	—	5	5	24,325
Other businesses	33	21	12	10	3,634
Total	380	198	182 ⁽¹⁾	164 ⁽¹⁾	243,050

(1) It will be noted that returns could only be obtained for 164 firms, whereas the number of schemes listed as "surviving" is 182; 18 "surviving" schemes are therefore unaccounted for. This apparent discrepancy is explained as follows: (a) no information could be obtained as regards 12 firms, and (b) 6 firms, employing in the aggregate 7,511 workers, have each two separate schemes in operation.

(2) Information published in the *Labour Gazette* for September 1921 shows that, according to returns received by the Ministry of Labour, at 30 June 1921 205 firms, with an aggregate of 300,195 workpeople in their constant employment, were practising systems of profit-sharing or labour co-partnership. Of these 205 firms, six were reported to have two schemes each, so that the total number of schemes of profit-sharing in operation at the above date was 211.

Profit-sharing (or co-partnership) is found in firms of all sizes, as will be seen from the following statement relating to the 164 firms whose number of employees was known in 1919.

DISTRIBUTION OF PROFIT-SHARING SCHEMES BY SIZE OF UNDERTAKING

Classified number of employees	Percentage of firms with schemes in operation
25 and less	6
26 to 100	24
101 to 250	23
251 to 1,000	27
1,000. and over	20
	Total 100

It will be seen that the largest group is that of firms having more than 250, but not more than 1,000, employees. The importance of this group has been accentuated in recent years; nearly one-third of the whole number of firms starting schemes between 1910 and 1919 fall into it.

DIFFERENT TYPES OF SCHEMES

A considerable number of different types of schemes of profit-sharing and co-partnership are at present in operation in Great Britain. If these schemes are classified, it is seen that cash-bonus schemes greatly preponderate. Cash-bonus schemes formed 59 per cent. of the total number of schemes, other than gas company schemes, in existence in 1919. The next largest group of schemes is that in which the bonus is paid into a savings or deposit account in the name of the worker, from which sums can be withdrawn at short notice. Schemes of this kind clearly approximate to cash-bonus schemes. If these two types of schemes be added together, they amount, in undertakings other than gas companies, to 71 per cent. of the total number of schemes.

Schemes which are classified under the general title of cash-bonus schemes differ very considerably in detail, and the following methods of payment of the bonus are to be found in schemes which are actually in operation.

- (a) Bonus paid in cash.
- (b) Bonus paid in cash, but employees may leave bonus on deposit with the firm.
- (c) Bonus paid in cash, but special facilities given to employees to subscribe for shares in the employing company.
- (d) Bonus paid in cash, but employees have the option of taking part of their bonus in shares.

- (e) Bonus paid in cash, but employers reserve the right to pay in the form of shares in the business.
- (f) Bonus paid in cash, or may be invested in a provident fund established by the firm, at option of employee.
- (g) Bonus paid in cash, or credited to trustee account for purchase of shares, at option of employee.
- (h) Bonus takes the form of interest on deposits, varying with the rate of dividend on capital; this bonus is paid in cash, unless the employee prefers to leave it on deposit with the firm.
- (i) Bonus takes the form of dividend on shares issued gratuitously.
- (k) Bonus is that portion of the dividend on shares held by employees which represents the advantages given by the firm to employee-shareholders over shareholders among the general public.

In almost every scheme the bonus is paid yearly, after the annual profits of the business have been determined. In a few schemes, however, the bonus is declared and paid or credited every half year, or even quarterly or monthly.

In six cases the whole of the employee's bonus is credited to a provident, pension, or other benefit fund. In a larger number of schemes, however, the bonus is only partly devoted to this object, the proportion so treated being usually half. Schemes under which the bonus is partly or wholly credited to a provident fund can be divided into two classes, namely, those in which a common fund exists for the benefit of the participants collectively, and those in which each employee's share is credited to his individual account. Common provident funds are utilised for such purposes as superannuation, sick allowances, grants on disablement, or at death. In one case, female employees on leaving to get married receive a grant from this fund. In other cases the fund is utilised for a variety of charitable purposes.

Under the majority of schemes in which the bonus is wholly or partly retained for provident purposes, each employee's share is credited to his individual account. In certain schemes it is provided that the amount thus accumulated shall be paid out to the employee when he attains a certain age, for example, 60 in the case of a man, or 55 in that of a woman, or after a certain period of service with the firm, for example, 25 years.

Where common provident funds are instituted or special funds stand in the name of individual employees, the amounts are almost invariably left in the hands of the firm. Usually such sums held by the firm are treated as deposits, interest being credited at rates which vary from 3 per cent. to 6 ¼ per cent.

A few schemes provide that the whole or part of the bonus shall be retained for investment on behalf of the employee in the capital of the undertaking. In some cases the whole of the bonus is thus retained, while in one case the bonus is retained until the employee has acquired a holding of £50, after which he is at liberty to receive any further bonuses in cash. In one scheme employees have the option of taking their bonus in cash or of leaving it with the firm for investment in its capital.

A form of profit-sharing which has been adopted by several firms consists of the allocation to the employee of shares on specially favourable terms. In some instances shares are even issued to employees without payment of any kind. One scheme provides for the gratuitous issue of a number of shares to each employee after he has completed five years' service. In another case shares are issued free to all employees with two years' service, with a further issue from time to time to various employees (chiefly foremen) according to merit. In another scheme shares are given to all employees with twelve months' service or over, in proportion to their salaries. A certain number of schemes provide for the issue of shares to employees upon payment, but at a price below the actual market value of such shares. In the majority of such schemes arrangements are made for employees to pay for such shares by instalments. Where shares are specially issued to employees, provision is sometimes made for paying an extra rate of dividend, in addition to the ordinary dividend, on such shares. In one case, whenever a dividend of 5 per cent. or over is paid on the ordinary shares, the employee receives, in addition to the ordinary dividend, a bonus dividend at half the rate, making his total rate of dividend one and a half times the rate paid on the ordinary shares. In three instances employees' shares carry cumulative preference dividends, and in addition are entitled to a further dividend, which in one of these cases is paid at such a rate as to make the total rate of dividend on employees' shares equal to the rate paid on the ordinary shares. In this scheme also, if there is any distribution of bonus shares, the employee's share carries the same rights as that of the ordinary shareholders.

In almost every case where shares are issued to employees, either free or on special terms, there is a maximum limit to the total aggregate number of shares thus set aside. In a few instances a limit is also placed upon the total amount which may be held by each individual employee. In one case the employee's holding is limited to five £10 shares. In two other cases the maximum limits are £100 and £1,000 respectively.

It is almost invariably the intention of the firm, when shares are issued to employees either free or on special terms, that these shares shall be held by employees only. In some cases the transfer of such shares is absolutely forbidden, or

is only permitted if the shares are passing into the possession of another employee or a person nominated by the firm or its directors. In order to deter employees from selling their shares, one firm states that in the event of employees attempting to change or alienate them, the shares will be forfeited. In another case, shares which have been transferred lose their right to extra dividend payable on employees' shares, and in a further case dividends wholly cease when shares are held by any unauthorised person. As a further provision against employees' shares passing into the possession of the outside public, many firms arrange to repurchase such shares or control their transfer, if the owner should die or leave the employment of the firm.

Only in a very few instances do employees own a large proportion of the capital of the undertaking for which they work. In two cases in Great Britain over half of the total capital is held by employees. One of these instances is the firm of Messrs. J. T. & J. Taylor, Ltd., Blakeridge Mills, Batley, a firm of woollen cloth manufacturers. The average number of their employees is 2,290, and between them they possess shares to the value of £145,758. The other company is a small one, the Tollesbury and Mersea Native Oyster Fishery Co., Tollesbury, Essex. It may be noted that the profit-sharing scheme in this firm has been in existence since 1876. In the great majority of cases, however, the proportion of capital held by the employees is extremely small, a fact which would seem to meet the contention that labour co-partnership tends to over-capitalisation. In the great majority of profit-sharing and co-partnership schemes, this danger is anticipated by the provision that bonuses should be paid in cash.

RESULTS OF SCHEMES IN OPERATION

The financial results of some of the old-established schemes are very considerable. Thus, the South Metropolitan Gas Company, whose scheme has been in operation for thirty years, have paid over £770,000 in bonuses during that period, and the employees have over £500,000 invested in the Company's shares or deposited in the hands of the Company at interest. Messrs. Lever Brothers, Ltd., in the ten completed years of their co-partnership scheme, have distributed over £700,000. Messrs. J. T. and J. Taylor, Ltd., a much smaller firm than either of those just mentioned, have paid over £330,000 in bonuses: their bonuses have averaged over 10 $\frac{3}{4}$ per cent. on wages. Messrs. Clarke, Nickolls, and Coombs, Ltd., have distributed in twenty-nine years a sum of over £270,000; and their bonus for more than twenty years has never fallen below 10 per cent. on wages.

The question is sometimes raised, how far bonuses distributed in connection with profit-sharing schemes should be regarded as an addition to wages, and how far they are merely a substitute for wages. In some industries, where the workers are highly organised, there is no doubt that the profit-sharing bonus is a pure addition to wages, as the trade unions would not have allowed the bonus to be taken into consideration in the determination of the rates of wages. In other cases, however, it is difficult to decide whether the bonus is, as a matter of fact, taken into consideration in fixing wages. In those industries in which the workers are not strongly organised there is a possibility that rates of wages actually paid are lower in certain firms which have adopted the profit-sharing scheme than in others. It should be noted, however, that any possibility of this is being greatly reduced because the poorly organised industries are being gradually brought under the provisions of the Trade Boards Acts of 1909 and 1918. In the case of undertakings which possess a local monopoly, such as gas works, it is difficult to say whether, as a matter of fact, profit-sharing schemes do have an influence in depressing wages. To decide definitely whether this is the case, it would be necessary to compare the wages paid in two gas works in the same locality working under identical conditions, one having a profit-sharing scheme and the other not. Owing to the practice of local monopoly in gas undertakings, the possibility of this comparison is excluded.

Another important question at the present time is how far it is possible for workers who take part in profit-sharing or co-partnership schemes to share in the control of the company, in virtue of the voting right which they possess at shareholders' meetings. In all but a very small number of cases the proportion of votes which the employees are able to control is almost negligible. Some advocates of co-partnership consider that this is an element of failure, because they hoped that the employees of a firm, as shareholders, would be able to gain an insight into the operations of the company. In fact, however, even if the employees' influence at shareholders' meetings were more considerable than it is, the amount of control that they would thus acquire would not in reality be great. The annual meeting of the shareholders of a large company actually exercises little or no control over the operations of the company. Progress has, however, been made in companies in which profit-sharing or co-partnership schemes are in operation for enabling the employees to secure an insight into the working of the company and some possibility of control over certain aspects of its work or of their own working conditions. Some companies have gone so far as to put on their board of directors persons elected directly by their employees⁽³⁾; many other firms

(3) See p. 126 of this article.

arrange a general meeting of their employees once or twice a year, at which the bonus for the year is announced, and the head of the firm discusses the difficulties which the firm have met during the past year, the prospects for the coming year, and so on. Messrs. J. T. & J. Taylor Ltd. may be taken as an example. This is a private limited company, with no outside shareholders; there is, however, an annual meeting of employee-shareholders—all the employees are actual or prospective shareholders—at which Mr. T. C. Taylor, the head of the firm, reviews the history of the past year, and deals with future prospects. The proceedings are exactly similar to those of an ordinary shareholders' meeting, except that Mr. Taylor announces the bonus payable under the profit-sharing scheme, instead of putting to the vote of the shareholders the directors' proposals as to dividend, and that an enormously larger proportion, and those much more deeply interested in the concern, are present than at an ordinary shareholders' meeting. Messrs. Lever Brothers, Messrs. Clarke, Nickolls, and Coombs, and other firms have similar annual meetings of their employees.

Practically all the profit-sharing gas companies, and a large number of other firms having profit-sharing schemes, have co-partnership committees or other like bodies which are primarily set up to administer the profit-sharing or co-partnership scheme, but which also generally have other duties, such as supervising the working of pension schemes, provident clubs, and the like, or suggesting improvements in "welfare" work, or in details of factory management, and so on.

It should be noted that an increase in the responsibilities of the co-partnership committee has the great advantage of necessitating frequent meetings, and thereby keeping alive interest in the co-partnership scheme. This goes far to solve one of the great difficulties confronting schemes of profit-sharing and co-partnership—that of maintaining interest in the scheme in the long interval between one declaration of bonus and another. Some firms seek to attain the same end by having a works magazine, published at monthly or other short intervals.

SCHEME OF THE SOUTH METROPOLITAN GAS COMPANY

From the account which has been given of the profit-sharing and co-partnership movement in its general lines, it will be clear that considerable success has been obtained, although it cannot be said that there is any tendency to adopt profit-sharing or labour co-partnership on a national basis. In one industry, co-partnership and profit-sharing have been adopted to a very considerable extent, so far at least as private undertakings are concerned, and that is the gas industry. Certain reasons can be given for the wide extension of profit-

sharing in gas works. It has been due to the special conditions under which the industry is carried on, such as (1) the fact that gas industries have a local monopoly; (2) the great and assured demand for their products; (3) the strict regulation of the dividends payable under the sliding-scale system which most of the larger undertakings adopt; and possibly, though this is doubtful, to the further fact (4) that persons employed in gas works who break a contract of service can, under certain circumstances, be punished by fine or imprisonment under the Conspiracy and Protection of Property Act 1875.

In view of the extent to which profit-sharing and labour co-partnership exist in the gas industry, it may be useful to give a detailed account of the development of the profit-sharing scheme which has been adopted in one of these companies — the South Metropolitan Gas Company. In 1889 this company, which had been giving officers and foremen an annual bonus dependent on profits for three years previously, adopted a scheme of general participation in profits. It was arranged that the shareholders (as the law then stood) should be allowed to receive a dividend of 10 per cent. when the price of gas was not above 3s. 6d. per 1,000 cubic feet, and an additional dividend of $\frac{1}{4}$ per cent. for each reduction of one penny per 1,000 feet in the price of gas; the plan proposed was to give the employees a bonus of "1 per cent. on their year's wages for every penny reduction below 2s. 8d. per 1,000 feet" (the price then being 2s. 3d.). In addition, there was to be placed to the credit of every man who should accept the scheme a sum equal to what he would have received as bonus if the scheme had been in force during the previous three years, this "nest-egg" being equivalent to 9 per cent. on one year's wages.

In order to qualify for participation under the profit-sharing scheme, the workman was required to sign an agreement binding himself to work for the company for twelve months at the current rate of wages, the company agreeing to employ him during that period, and also undertaking "that no alteration shall be made in the wages to the disadvantage of any of the men". The money coming to the employees under the scheme was not to be withdrawn, except in the case of death, during the first year, "nor during the first five years, except in case of death, superannuation, or leaving the service of the company", but was to remain on deposit at 4 per cent. with the company, and was to be forfeited in case of a strike or wilful injury to the company. Within a week about a thousand of the company's employees signed the agreement; but this number included only three of the stokers.

A meeting was held on 21 November 1889 between the directors and representatives of the workmen who had signed agreements, as the result of which a large number of concessions and improvements were made in the scheme. The company withdrew the clause under which a man was to

forfeit his bonus in the event of strike or wilful injury; they agreed to allow the bonuses to be paid out in cash ⁽⁴⁾; and provision was made for "winter men", i.e. those who are employed only during the time of maximum pressure in the winter, to participate in the scheme provided that they signed an agreement for three months. The new scheme, which was issued on 27 November 1889, contained a number of other alterations of less importance.

The Gas Workers' Union, to which a large number of the men belonged, was strongly opposed to the scheme on a variety of grounds, the most important objections being that the scheme was likely to induce men to leave the Union, and that men bound by twelve-month agreements, especially by agreements terminating at different dates, and punishable for breach of their contracts by penalties of a criminal as well as of a civil nature, would find it impossible to strike with effectiveness, if such a measure should appear necessary with a view to obtaining any desired alterations in the conditions of employment. Accordingly, the Union insisted that the profit-sharing scheme should be abolished, or that the men who had accepted it should be removed from the works; and to enforce this demand over 2,000 men (practically the whole of the company's stokers) came out on strike on 12 December 1889. The company filled the places of the strikers; and the strike, having virtually worn itself out, came to an end on 4 February 1890.

Various alterations were made in the scheme in 1894 and 1898, the effect of which was to give improved terms to those who left half their bonus for investment in the company's capital. Employees could also leave the withdrawable half of the bonus on deposit with the company, at interest, and could invest this, and their own savings, in the company's shares.

It was at first found that a considerable proportion of the employees failed to avail themselves of the opportunity afforded them of leaving the withdrawable part of their bonus on deposit with the company. The company accordingly gave notice in August 1899 that those participants in the bonus who, during the past five years, had regularly withdrawn all their withdrawable bonus, would at the next distribution in 1900 have nothing placed in their withdrawable account unless they should deposit with the company, week by week, a sufficient sum to equal, by 30 June 1900, a week's wages; it was, however, provided that, if a man should have withdrawn money to invest it otherwise, this notice was not to apply to him. Further, at the end of 1900 it was announced that "all those men who have withdrawn their bonus must

(4) Later it was found possible to re-impose the condition that part of the bonus must be retained for investment.

deposit not less than 6d. per week in the company's savings bank to entitle them to the full bonus next June".

By a later revision of the co-partnership rules, which came into force on 1 July 1910, an important alteration was made in regard to the treatment of the bonus. Up till then, while one half of the bonus was required to be invested in the company's stock, the other half might either be left on deposit with the company or invested in stock, or might be withdrawn at a week's notice. Now it was laid down that this second half of the bonus is to be "left in the company's hands to accumulate at interest, or it may be invested in stock with the trustees, or it may be withdrawn *under special circumstances* by giving a week's notice".

From the outset the scheme provided for the appointment of a profit-sharing committee, whose name was changed in 1903 to "co-partnership committee". This committee was originally composed of the chairman of the board of directors, 17 members elected by the board, and 18 members elected by the profit-sharers. In 1910 the number of members was increased from 36 to 54, and it was provided that "candidates must hold, and continue to hold while in office on the committee, not less than £25 of stock, and they must have been not less than five years in the company's service". The number was subsequently again increased to 60, and in December 1918 was temporarily raised to 82, so as to include representatives of the large number of women workers who had been taken on during the war.

A large part of the functions of the co-partnership committee consists in smoothing away friction which may arise between individual workmen and the management. Here the committee exercises conciliation functions, as a rule with great success. The committee also deals with matters which concern the company's employees as a whole, and has dealt both with superannuation and accident funds. In fact, the entire administration of the accident fund is left in its hands and it acts as referee in the case of disputed benefits. Members of the co-partnership committee also serve on the "juries of workmen", which have been created as part of the accident fund administration to investigate the causes of accidents and the circumstances surrounding them and to make recommendations for future avoidance of similar accidents.

In the twenty-nine years from 1889 to 1917 inclusive, the total amount paid as bonus under the co-partnership scheme of the South Metropolitan Gas Company, including the "nest-egg" of £6,863 paid in 1889, was £771,804, the ratio of bonus to wages or salaries varying from $2\frac{1}{4}$ to $9\frac{3}{4}$ per cent. For eighteen years, from 1896 to 1914 inclusive, with one exception, the rate was $7\frac{1}{2}$ per cent. or over. No bonus was paid in either of the years ended 30 June 1918 and 1919,

owing to the raising of the price of gas over 3s. 1d. per 1,000 feet—the base price.

In all, 5,400 of the company's employees hold between them in their own names ordinary stock of the company to the (nominal) amount of £425,000. In addition, the trustees hold £27,000 on behalf of 6,590 employees, many of whom also hold stock in their own names; further, the company holds, on behalf of 8,100 of its employees, deposits (accumulated bonus and other savings) to the total amount of £70,000.

With regard to the share in the control of the affairs of the company possessed by its employees, it is estimated that out of the total number of votes which could be given at a general meeting of the shareholders the proportion representing the voting strength of the employee-shareholders is about 7 per cent. Since the scheme for the election of employee-directors came into force in 1898, three of the ten directors of the company (one salaried official and two workmen) have been representatives elected by its employees; in all eight employees of the company have served as such employee-directors.

It will be seen, therefore, that in this company the results achieved, both from the standpoint of the financial benefit to the employees and from the standpoint of their participation in management, have been considerable. This case may be given as a good example of the possibilities of the development of a profit-sharing scheme. It is noteworthy that modifications have constantly been made in the scheme in order to meet the suggestions of those who participate in it, and that the workers and the management have been equally anxious to meet one another with a view to the development of more and more convenient and mutually satisfactory methods of working.

The account which has been given of the profit-sharing and labour co-partnership movement in Great Britain ⁽⁵⁾ has not touched in any way on the development of this movement in co-operative societies. This aspect of the movement is, however, one of much interest. Problems of principle are involved, and both from the standpoint of the theory of labour control and the theory of co-operation, the question is of importance. A further article in the *International Labour Review* will deal with this subject.

(5) Information in regard to the profit-sharing scheme adopted in the coal-mining industry in July 1921 is contained in an account of the British miners' strike and settlement to be published shortly by the International Labour Office in its series of *Studies and Reports*.

The Eight-Hour Day in Japan (1)

IT is only comparatively recently that the question of the 8-hour day has attracted general attention in industrial circles in Japan. This interest dates practically from the time it became known that the International Labour Legislation Commission at the Paris Peace Conference had approved of the 8-hour day or the 48-hour week as one of nine general principles governing labour conditions, and that Japan was to send delegates to the first International Labour Conference to discuss this question with delegates from other countries.

Until August 1919, with few exceptions, there was no question of adopting the 8-hour day in industry in Japan, and there was no well-defined opinion on this subject either among employers' organisations such as the Osaka Kogyo Kai (Osaka Industrial Society), or the Nippon Kogyo Club (Japanese Industrial Club in Tokyo), nor among labour organisations. The question of the 8-hour day was not the most pressing problem; workers were concerned with obtaining a living wage rather than with reduction in hours of work, and employers gave undivided attention to the securing of immediate business returns. Under these circumstances the problem of the 8-hour day, which was to come up for discussion at the International Labour Conference, was something of a novelty for Japanese industry.

Interest in the question, however, gradually increased, particularly in Osaka, and opinion became crystallised. Generally speaking, employers were against the adoption of an 8-hour day, especially the spinning companies which employ more than half of the factory labour in Japan; government authorities were divided on the question, while labour organisations (with the exception of a few dependent on the employers) naturally welcomed it. As the question of paramount importance to Japanese workers, however, was to increase wages rather than to shorten hours of work, there was a general fear that any shortening in the working day would necessarily result in reduction of wages.

(1) *Keisai Shiryō* (*Economic Information*), Jan. 1920, published by the Research Bureau of the South Manchurian Railway Co.

Shakai Seisaku Jiha (*Social Reform*), Sept. 1920, published by the Kyocho Kai Harmonising Society.

Nippon Rado Nenkan (*Japanese Labour Year Book*) for 1920, published by the Ohaha Institute of Social Research.

About this time a big labour dispute occurred in the Kawasaki shipbuilding yard in Kobe (one of the largest shipbuilding yards in Japan) lasting from 17 September 1919 until the end of the month, an important strike in the history of the Japanese labour movement. As a means of settling the dispute, Mr. Matsugata, the chairman of the shipbuilding company, introduced the 8-hour day, affecting about 16,100 workers. Previous to this strike the 8-hour day had been tried in a few cases, either as an experiment in some of the shops of a factory, or as a device to attract workers. It was only after the strike that the question of limiting the working hours became a practical rather than a theoretical problem. At the time of the introduction of the 8-hour day, the chairman of the company stated to his employees: "If the result of the 8-hour day in our company, which is the first to attempt its application in the Japanese industrial world, does not prove successful, critics will say that we have prejudiced Japanese industry, and for this reason I hope that all employees will do their best to make the scheme successful".

Machine and tool factories, shipbuilding yards, and vehicle-building works in the western part of Japan were the first to follow the example of the Kawasaki Shipbuilding Company, and the tendency gradually spread to the eastern part of the country. At the beginning of November 1919 the five largest shipyards and several factories in the northern part of the Kyushu industrial district also introduced the 8-hour day. Investigations made by the Police Bureau of the Department of Home Affairs found that, up to the end of November 1919, some 205 factories and 9 mines employing approximately 140,000 workers had adopted the 8-hour day. These included 85 factories with 36,700 workers in the Prefecture of Osaka, 43 factories with 35,000 workers in the Prefecture of Hyogo, 29 factories with 10,000 workers in the Prefecture of Tokyo, and 10 factories with 25,200 workers in the Prefecture of Kanagawa. In 22 factories the introduction of the 8-hour day was due to agitation on the part of the workers—in some cases the direct result of strikes—in the other factories and mines to the initiative of the employers.

With the extension of the 8-hour day several employers' organisations decided to adopt it universally among their members. The Osaka Ironworkers' Trade Association decided on 7 October 1919 to adopt an actual working day of less than 9 hours as a preliminary step towards the adoption of the 8-hour day, and gradually to abolish overtime work, while the following associations definitely adopted the 8-hour day: the Tokyo Machine and Tools Trade Association; the Yokohama Printing Trade Association; the Koshinkai, (Employers' Association of North Kyushu district); the Fukuoka Ironworkers' Trade Association and the Kobe Iron Trade Association.

In most cases where applied the 8-hour day is basic and not

actual, i.e. wages are paid on the eight hour basis, but overtime from one to two hours is regularly or frequently worked. Of the 82 factories in the Prefecture of Osaka which, up to the beginning of November 1919, had adopted the 8-hour day, it was found that in only eight was the working day strictly limited to 8 hours; in the remaining 74 factories either temporary or permanent overtime was worked. The prevalence of overtime is due to the low basic rates of pay, and the consequent desire of the employees to work longer hours in order to supplement their earnings, while employers are anxious to continue the overtime system so as to maintain output.

There is little doubt but that the workers are chiefly interested in the 8-hour day as a means of obtaining an increase in earnings. Employers introduced the system mainly in order to attract and hold workers at a time when trade was flourishing and workers comparatively difficult to obtain. As a general rule, reduction in the number of hours in the basic working day has not been accompanied by any reduction in the daily wage; employers paid the same daily wages for the shorter working day as they paid formerly for the longer working day, so that payment for overtime work resulted in an increase in earnings, particularly in those cases where punitive overtime was paid. The introduction of the 8-hour day, basic or actual, has, however, undoubtedly resulted in reduction of average working hours.

The basic rates for an 8-hour day in November 1919 in some of the better paying factories, where overtime was regularly worked, were as follows:

	Highest wage yen (1)	Lowest wage yen	Average wage yen
Osaka Iron Works	4.65	0.85	1.20
Ajikawa Iron Works	3.98	0.80	1.87
Fujinagata Iron Works	4.50	0.70	1.88
Kubota Iron Works	3.14	—	1.54
Railway Carriage Builders	3.70	1.00	1.80
Kawasaki Shipyard	—	0.86	2.20
Kobe Steel Foundry	3.50	0.84	1.63

(1) The par value of the yen is \$0.498 or 2s. $\frac{3}{4}$ d. The average exchange rate in 1919 was \$0.50788 or 2s. 3d.

The actual wages (exclusive of overtime pay) in these cases was a little higher than is shown in the table, owing to additions in the way of bonuses or special allowances. It is the custom, for example, in many factories and especially in mines for employers to supply rice at low fixed rates to their workers (2).

(2) The fluctuation in the price of rice is the cause of most of the unrest among workers, and employers have found it advisable to make arrangements for this supply, even though by so doing they suffer considerable loss.

As an example of factories where the 8-hour working day is strictly adhered to may be mentioned the Sumitomo Copper Works, employing 3,533 workers, and the Shimada Glass Factory, employing 386 workers. In the Sumitomo Copper Works, where the working day was previously 9 hours, before the introduction of the 8-hour shift the average wage per day was 2.25 yen for male workers and 1.04 yen for female workers; but since the adoption of the new system, the average per day increased to 2.47 yen and 1.24 yen respectively. Workers clock on at 7 a.m. and off at 4 p.m. There is a lunch period of one half-hour from 12 to 12.30 and a 10 minutes' rest period in the morning. Work begins 10 minutes after clocking on, and stops 10 minutes before clocking off. Overtime is forbidden in the factory, and additional workers are employed on occasions of unusual pressure of work. Employees have, indeed, shown no desire to work longer than the regulation hours.

The Shimada Glass Factory adopted the 8-hour system on 1 October 1919, with immediately satisfactory results. Wages of all workers were increased 10 per cent. over and above what had previously been paid for the longer day, namely, from 1.95 yen to 2.14 yen in the case of male workers, and from 0.742 yen to 0.840 yen for female workers. The system is still being carried on with good results. The factory does not work overtime on principle, and in cases of exceptional pressure necessitating more help, only volunteers for such work are taken. These, however, are generally few in number.

According to reports, the reduction in hours of work in Japan has not necessarily been followed by a decrease in total production. In some cases where the 8-hour day has been introduced, particularly in iron works, the new system has resulted in a considerable decrease in the percentage of absences.

INDUSTRIAL REHABILITATION

The Training of Disabled Men in France

THE problem of training disabled men has become a very wide one in France since 1915. In that year the number of wounded had already reached very high figures; simultaneously there was a huge demand for labour in munitions work. First attempts at a solution were made by private persons and organisations, chambers of commerce, municipalities, educational institutions, etc. Similar efforts were made by the Army Medical Service, which was well aware of the sheer necessity of providing work for the wounded in order to build up their physical strength and restore their moral balance. The result of action initiated from several quarters was that a number of training centres were established at the end of 1915.

But connection between private and state undertakings was lacking. Plenty of goodwill was displayed, but not always in a way best calculated to benefit the disabled, and the results were not in proportion either to the efforts expended or to money disbursed. On the initiative of Mr. Albert Metin, at that time Minister of Labour and Social Welfare, the National Office for Discharged and Disabled Men was established in March 1916 to co-ordinate and concentrate the work of public and private institutions. But even so, two, and even three, years more had to pass before conditions for training the disabled were laid down in detail and the functions of the National Office defined and adequate funds assigned to it. This was done by the Acts of 2 January 1918 and of 31 March 1919. The present article describes the system of training the disabled now adopted in France.

PERSONS TRAINED

Section 1 of the Act of 2 January 1918 ⁽¹⁾ defines the following as entitled to training:

All men who are serving or who have served with the land or sea forces and are suffering from infirmities resulting from wounds received or from illnesses contracted or aggravated during the present war.

(1) *Journal Officiel*, 3 Jan. 1918.

Thus only one condition was imposed: that disability must be due to the war. There was no question of the effect of the disability on the ex-soldier's capacity for work. The Act therefore allowed men who could have continued to work at their previous trade to obtain admission to a training centre and learn a new trade. This defect in the Act opened the door to abuse. Accordingly, Section 76 of the later Act of 31 March 1919⁽²⁾ defined the persons entitled to assistance more precisely as follows:

Soldiers and sailors, who on account of wounds or disability which entitle them to a pension are no longer able to engage in their usual occupation, are entitled to state aid with a view to their technical re-education.

Thus, while stating very definitely that the disabled man has a right to training, Section 76 nevertheless restricts that right to those who really need it because their industrial capacity has been lowered.

On another point the French regulations are narrower than the British in admitting men to training. In France training is only allowed to men suffering from disability attributable to the war, while in the United Kingdom training is granted even where the disability from which a man is suffering was not due to war service, but was only proved by the Army medical authorities to have been present at the moment of demobilisation.

TRAINING ORGANISATION

The Act of 2 January 1918 entrusted the control of training to the National Office already mentioned and to Department and local committees which at first were under the authority of the Ministry of Labour and Social Welfare, but have been attached to the Ministry of Pensions since 5 August 1920.

The National Office for Discharged and Disabled Men is a public institution. Its function is to co-ordinate the work of public authorities and private associations. The most important work which it has in hand at present is undoubtedly the organisation of technical re-training. It is a body of eighty members⁽³⁾, forty of whom are appointed for four years by a Decree issued at the proposal of the Minister of Pensions, while forty are elected, also for four years, by representatives of the Department and local committees and by representatives of those trade unions, federations, and associations which do work for the discharged and disabled. The members appointed by the Minister of Pensions include senators, deputies, government officials from the various

(2) *Journal Officiel*, 2 Apr. 1919.

(3) Decree of 12 Oct. 1920, *Ibid.*, 15 Oct. 1920.

Ministries, e.g. from the Ministries of Pensions, the Interior, Finance, War, the Navy, the Colonies, Labour, Public Education, Agriculture, Health and Social Welfare, Public Works, and representatives of mutual benefit societies, of the Supreme Co-operative Council, the Supreme Labour Council, the Army Medical Service, the chambers of commerce, and the International Labour Office.

The Department committees are recognised institutions of public utility. They are bound to watch over the interests of disabled men in all directions in which they require help, e.g. if they wish to be apprenticed, to find employment, or in any other way. The Committees have their headquarters in the principal town of the Department. The Prefect is chairman ⁽⁴⁾ *ex-officio*, while of the rest of the committee one half of the members are appointed for four years by the Prefect, with the approval of the Minister of Pensions, after consultation with the General Council of the Department and the Managing Council of the National Office; and the other half are elected, also for four years, by representatives of associations, or branches of associations, of discharged and disabled men, or of war widows, in each Department. The number of members is unlimited. Those appointed by the Prefect include representatives of the General Council, of the military authorities, of the Army Medical Service, of the public employment exchanges, of the Factory Inspection Department, of technical education, of chambers of commerce, of the schools for technical re-training, and of other institutions to assist the victims of the war.

The National Office is responsible for initiating and supervising the work to be done. It suggests what action shall be taken, lays down the principles which shall govern it, watches over their application, and supplies funds to public or private institutions which undertake to train the disabled. The Department and local committees are the executive and supervisory bodies within the Department. It is their work to create the necessary training institutions or to supervise the working of those set up by private societies or by local public authorities.

Although the National Office, as being the central organisation, is attached to a Ministry, it has a good deal of independence. The Department committees, on the other hand, are under the authority both of the Prefect and of the National Office and their powers are much more limited. They draw their funds from the National Office; that body is therefore required to give its opinion on any proposal of theirs involving expenditure and thus keeps a strict control over what they do.

Perhaps one of the most striking features of the whole system is the small part played by trade organisations. The National Office and Department committees are large bodies,

(4) Decree of 12 Oct. 1920, *Ibid.*

mostly composed of officials ; they include no direct representative from an employers' or workers' organisation. Yet it is just these organisations which have the most indisputable competence in questions of re-training and are most intimately concerned in the problem of drafting a large number of disabled men into industrial work. Here the French system differs most from the British. In the United Kingdom committees in each trade, directly elected by workers' and employers' organisations, have powers to fix apprenticeship conditions and to consider individually candidates for admission to that trade ⁽⁵⁾. The lack of interest displayed by French trade organisations in the training of disabled men is obviously to be put down to the limited share in the work which has been allotted to them.

ADMISSION TO TRAINING

The procedure for admission to training is laid down in Section 41 of the Decree of 26 February 1918 ⁽⁶⁾, and in the Circular of the Minister of Labour and Social Welfare of 6 May 1918 ⁽⁷⁾.

Soldiers or discharged soldiers who wish to avail themselves of training must make an application to one of the following authorities:—

- (1) the head of the training centre nearest to their pre-war domicile ;
- (2) the Prefect of the Department in which they were domiciled before the war ;
- (3) the Department or local committee of the Department in which they were born ;
- (4) the National Office for Discharged and Disabled Men.

The regulations refer definitely to the domicile of the applicant and thus organise training on a basis of districts. The intention was to keep up the closest possible connection between the disabled man and his former home, so as at all costs to avoid that kind of uprooting which the war has made so frequent. The authority to whom application is made is competent to decide whether it can be accepted, i.e. whether the claimant is suffering from disability due to war service and of a nature to prevent him from carrying on his former trade. The formalities of admission are thus very simple, and the system of decentralisation makes it possible to dispose of applications with rapidity.

(5) See *International Labour Review*, Vol. II, Nos. 2-3, May-June 1921, pp. 119-123: *The Industrial Training of Disabled Men in the United Kingdom*.

(6) *Journal Officiel*, 28 Feb. 1918.

(7) *Ibid.*, 10 and 11 May 1918.

CHOICE OF A TRADE AND PERIOD OF TRAINING

The National Office has for a long time past maintained one basic principle as regards choice of an occupation: the disabled man should return to the surroundings in which he lived before the war, and should, if possible, take up his former trade or some allied trade.

In his Circular of 6 May 1918 the Minister of Labour draws the attention of the Department and local committees to this principle in the most decided way. He requests them to co-opt technical advisers in a consultative capacity, whose duty it shall be to impress the importance of the principle on all applicants. These advisers should, if possible, be persons themselves engaged in the trades which a disabled man could carry on in the district.

Apart from this fundamental principle, there are no hard and fast regulations for the choice of an occupation. The action of Department and local committees is dependent on the actual monthly or quarterly reports which they receive from heads of training centres or from employers responsible for the apprenticeship of disabled men.

The period of training is fixed by the Department committee, under Section 7 of the Act of 2 January 1918. In his Circular of 6 May 1918 the Minister of Labour pointed out that it would be difficult for the committees to carry out this duty. The time spent by disabled men in the training schools must necessarily vary a great deal; they will either be retrained for their old trade or will have to learn a new one, but much less time is required in the first case, which should also be much the more frequent. At the sametime, the training period also depends on the nature of the injury and on the intelligence and goodwill of the disabled man. It is impossible to lay down general rules, and committees are forced to examine each case in the light of the information about the individual qualities of applicants supplied from time to time by the heads of the training schools.

Section 5 of the Decree of the Minister of Labour of 11 August 1919 on direct training in industrial establishments appears, however, to be based on another idea. According to this Section

The competent committees shall fix... for each trade the period of training which will allow discharged or disabled men to attain an output in proportion to their disablement and will in principle enable them to earn at least three-fourths of the normal wage. ;

Here the period of training is not based on the capacity of the individual, but on the nature of his injury and on the character of the trade which he wishes to learn. This gives rise to a system of classes and averages which approach those set up by the regulations adopted in the United Kingdom

by the joint trade committees. The fundamental difference, however, is that in the United Kingdom the regulations are laid down by committees of employers and workers in the trade, while in France they are laid down by Department or local committees which include only a very small minority of trade members. At the same time it is clear that the principle stated in the last part of the Section, to the effect that a disabled man should be able at the end of his training to earn at least three-fourths of the normal wage, cannot apply in the same way to all applicants. The period of training required even for the same trade must be shorter in the case of the more able or less badly injured than in that of their less intelligent or more seriously disabled comrades. The fact is that the rule of deciding separately on the merits of each case, though in itself preferable as a principle, opened the door to abuses; general regulations were therefore adopted to govern normal cases, with a generous provision for exceptions.

TYPES OF TRAINING

There are two principal types of training, at centres or special centres, or in the employers' workshop.

Training Centres

Training centres have been established by the Departments, the communes, the Department committees, educational institutions (general, trade, and technical), the Army Medical Service, private societies, and even private individuals.

There were a large number of these centres, and at first sight they seemed imposing. But they had been set up without any general scheme on whatever system happened to commend itself to a society or individual founder. Their curricula differed enormously and constantly overlapped. A great deal of money was thus wasted, and scientific organisation, satisfactory management, and proper supervision were made impossible. When the National Office was established, it at once attempted to organise these centres and classified them under two heads from the administrative and financial point of view.

(1) Attached centres and branch centres are centres which are attached to a public authority, such as a Department, or commune, or Department committee, or other public institution, or which form a separate branch of institutions already under the authority of a government department, such as the Department of Public Education, of Agriculture, or of Technical Education.

These centres are under the financial and technical control of the National Office, which in return guarantees their working and allows them the funds necessary for their work.

(2) Independent centres merely receive a lump sum as a grant, which the National Office does not undertake to renew either in whole or in part.

Certain institutions, such as the pre-war schools for the blind, have opened their classes and workshops to the disabled, and received from the National Office a daily allowance for each disabled man admitted. In other cases large philanthropic institutions, such as the Association of Alien Residents⁽⁸⁾, have set up schools at their own expense. They are responsible for their continued working and also receive a daily allowance from the National Office. For instance, at the end of December 1920 this allowance was 6.72 francs on the farm in Champagne run by the association. Centres for training in agriculture have in some cases been attached to sanatoria for lung diseases set up by the Army Medical Service. These also are formally subject to the control of the National Office.

The National Office was thus in a position to estimate the value of the technical training given in all institutions in the country dealing with the disabled. It realised that in all the centres under its authority there was need for reform. Its policy of re-organisation is described as follows by Dr. Queuille, member of the Chamber and chairman of the Training Committee, in his report to the General Meeting of the National Office on 16 December 1918⁽⁹⁾.

In view of the experience acquired, and in order to make all possible allowance for industrial requirements, the Committee considers it desirable, both now and in the future, to encourage organisation, on the one hand, of large centres with a number of workshops in which a considerable number of disabled men could be accommodated, and, on the other, of smaller centres in which specialised instruction in one or two trades peculiar to the district could be given.

Another kind of centre is also necessary. There must be centres which specialise, not in trades to be taught, but in the kind of disabled man to be trained. Special centres for consumptives or men threatened with consumption, for men suffering from nerve trouble, men who have been gassed, etc., will have to be created.

In another report submitted to the General Meeting of the National Office of 30 May 1919, Dr. Queuille gives further details of the system which should be adopted at training centres⁽¹⁰⁾.

The object at which we aim is the setting up of large centres with a number of branches for different kinds of training and of smaller centres for training in some special trade.

(8) *Union des Colonies Etrangères*.

(9) MINISTRY OF LABOUR AND SOCIAL WELFARE; NATIONAL OFFICE FOR DISCHARGED MEN: *Bulletin*, 1918, No. 4, p. 71. Paris, Impr. Nat.

(10) *Ibid.*, 1919, No. 6, p. 38.

The reasons which led the National Office to adopt these principles have been stated by Mr. Feret du Longbois in his report to the General Meeting on 10 June 1920 ⁽¹¹⁾.

All our efforts have been, and are, directed towards increased vitality in the organisation of our training centres... Only large centres satisfy the present cry for economy... Only large establishments justify general expenditure, which is in all cases very high. Such centres alone give really adequate instruction and provide the necessary element of competition. The concentration of financial resources upon establishments capable of surviving after the exceptional circumstances in which they originated have passed away will thus inevitably lead to the disappearance of the less well attended and less satisfactorily equipped centres.

The present organisation of the centres controlled by the National Office reflects these three aims. At the end of May 1919, there were 120 centres, which have now been reduced to 38, classified as follows:

(1) 28 large centres with a number of branches, teaching several trades and open to most classes of disabled men.

(2) 2 smaller establishments which specialise in the teaching of a particular trade.

(3) 8 centres which specialise in the class of disabled men to be educated. Thus three centres are exclusively reserved for blinded ex-service men; four open-air centres are reserved for re-training in agriculture and intended for disabled men suffering from tuberculosis who, owing to the nature of their complaint, cannot be admitted to the ordinary centres; while men suffering from nervous complaints can also go to a special training centre. The total number of men attending at these centres on 1 March 1920 was about 6,000 and on 1 July of the same year 5,873.

Training by Employers

Training by an employer in a workshop or on a farm was not organised until the end of 1919. The National Office hesitated to adopt this system for reasons stated by the Chairman of the Training Committee, Mr. Feret du Longbois, in his report to the General Meeting on 10 June 1920.

The system of training by the employer has been organised side by side with that of training at the training centre... This kind of training should remain of secondary importance; it is open to some abuse, and where there is a suitably equipped training school in the district, the Committee tries to induce disabled men to attend it, as such centres are obviously free from the conflict of interests which may arise between an employer and his disabled apprentices.

(11) *Ministry of Labour and Social Welfare; National Office for Discharged Men: Bulletin, 1919, No. 6; Proceedings of the General Meeting 10 June 1920, pp. 45-46. Paris, Impr. Nat.*

The National Office decided that it would be difficult to control training by the employer, and that the employer would sometimes pay more attention to output than to the satisfactory training of his apprentices. However, the disabled men's societies at their congresses at Orleans in 1919 and at Tours in 1920 pronounced definitely in favour of training by the employer, which in their opinion had special advantages. Men trained in the workshop escape the discipline of the training centre, which reminds them of the barracks, and which they sometimes find obnoxious; they prefer to choose their own trade, their own employer, and their own place of work. They are not separated from their family, and, by undertaking to re-train themselves, have more chance of obtaining employment in their own district.

The right to re-training in an employers' establishment had, in any case, been allowed to disabled men by Section 76 of the Act of 31 March 1919, which contains the following clause :

The soldier or sailor may also make a contract of apprenticeship with a private employer under the same conditions, with a view to re-training.

The details of re-training in an employer's establishment were laid down in the Decrees of 11 August 1919 and 26 July 1919. Section 1 of the Decree of 11 August 1919 makes the Department and local committees responsible for the general organisation of such re-training. Section 2 runs :

In the absence of local committees, the Department committees may set up an Apprenticeship Committee in each centre in which employers' training is organised ; the majority of the members of such Apprenticeship Committee shall be employers and members of discharged and disabled men's associations. The Apprenticeship Committee shall direct and advise discharged and disabled men undergoing training, shall supervise their progress, and provide them with such assistance as they may require.

These local committees shall select the employers to give training, shall decide what kinds of disability are compatible with a trade, shall give their advice as to the period of training, and shall check the correctness of the information supplied by employers and apprentices by means of first-hand enquiries.

The National Office has exerted itself actively to induce men to enter into apprenticeship contracts with their employers under the conditions laid down by the Decree of 26 July 1919. The object was both to get the men to qualify for the additional grants given under Section 76 of the Act of 31 March 1919, and also to introduce more unity, more definite conditions, and better means of control into the whole system of employers' training through the agency of the factory inspectors.

GRANTS AND ALLOWANCES

Wherever a disabled man receives his training, he is in all cases entitled to the full enjoyment of his pension, no

part of which may be held back; but additional grants and allowances vary according as the disabled man is trained at a centre or by an employer.

(1) *Training at a centre.* If the men live at the centre, they are lodged, fed, and provided with working clothes free of charge. At some centres they receive bonuses on their work. If the men do not live at the centre, instruction is given free, but the law does not provide any maintenance allowance. Such allowances, however, may be made by Department committees within the limits of the funds at their disposal; they vary with the cost of living.

(2) *Training in an employer's establishment.* There are two cases. The disabled man may have made an agreement with his employer; or he may have no agreement. If there is no agreement he has no definite right to any fixed allowance. At the request of the disabled men's associations, however, the National Office has provided for state financial assistance under Section 7 of the Decree of 11 August 1919, as follows:

During the period of training, Department or local committees concerned shall assist discharged and disabled men financially and morally. For this purpose they may allow them, within the limits of the funds at their disposal, such additional sum as, added to their wage, shall provide for their wants on the basis of the average cost of living in the district. For this purpose special funds shall be advanced to the aforesaid committees in the form of grants from the National Office for Disabled Men.

Thus men who are being trained in an employer's establishment are aware that they will receive assistance, but do not know the amount of it, as the terms of the Decree are vague. They have no positive right to an allowance; in any case it depends on the cost of living in the district, and on the funds at the disposal of the National Office and the Department committee. In fact the Acts of 2 January 1918 and 31 March 1919, while formally recognising the right of the disabled man to training either at a centre or in a workshop, neither in the latter case nor in that of training at a centre where no board and lodging is provided established any right to a regular allowance, which alone can enable the disabled man without resources to make any effective use of his rights.

But if a disabled man has entered into a contract with an employer as laid down by the Decree of 26 July 1919, he receives his pension, a variable monthly allowance paid by his Department committee, and also, under Section 76 of the Act of 31 March 1919, a daily allowance of between 1 franc and 2 francs. When the agreement does not provide for any wage the 2 francs daily allowance is given.

The French system of grants is quite different from the British. In the United Kingdom all disabled men undergoing training are entitled, as long as they earn no wages, to a fixed weekly allowance with certain increases for dependents. This allowance and the increases are calculated on the total dis-

ability rate. The disabled man who begins his training knowing nothing of his trade is considered to be earning nothing. He is therefore given a sufficient allowance to support himself and his family. This allowance gradually decreases as his wage rises, and finally disappears completely. The disability pension is withdrawn when he begins his training, but begins again as soon as he ceases to receive the allowance. The French system is undoubtedly more elastic, but, on the other hand, the British system provides men wishing to train with such definite information on the financial assistance which they may expect as is calculated to overcome their hesitation.

RESULTS OBTAINED

So little information is available, either as to the number of men trained, or the value of the instruction given, that it is difficult to estimate the results of the training system. The National Office has published no general reports and no detailed periodical statistics. The only sources of information available are the annual reports presented to the general meetings of the National Office by the Chairman of the Training Committee.

Dr. Queuille, in one such report on 16 December 1918 ⁽¹²⁾, calculated the number of men who had been trained since 1915 at the centres under the authority of the National Office at about 46,000. He also gave very interesting figures about the choice of trades; 26,000 had been re-trained for their former occupation, and 20,000 for a new occupation. In another report on 30 May 1919 ⁽¹³⁾, Dr. Queuille stated that nearly 60,000 men had already been trained at a centre. Mr. Feret du Longbois gave somewhat different figures on 10 June 1920 ⁽¹⁴⁾. According to his estimate, 60,000 men in all have taken advantage of training facilities, and 35,000 have attended the special centres. The National Office itself, in a report sent to the International Labour Office at the end of December 1920, estimated the number who had been completely trained at the special centres, from the date of their start to 1 July 1920, at 25,190. There is great discrepancy between these figures, but the probability is that of about 60,000 disabled men who have been trained 30,000 have passed through the centres.

The value of the training given, whether at the centres or in employers' establishments, is even more difficult to estimate. The number of men who are still engaged in the

(12) *Ministry of Labour and Social Welfare; National Office for Discharged Men: Bulletin*, 1918, No. 4, p. 72. Paris, Impr. Nat.

(13) *Ibid.*, 1919, No. 6, p. 34.

(14) *Ibid.*: *Proceedings of the General Meeting 10 June, 1920*; p. 50.

trade for which they were trained, their outputs and wages as compared with those of healthy workers in the same trade, would have to be known. None of this information is to hand, though it would be most useful as a guide to the organisation of training in the future. In view of this, the National Office has now undertaken a wide enquiry into the position of disabled men who have been trained.

In the absence of proper information we can only have recourse to the opinions of the National Office itself on its own work and on those of the disabled men's societies. In the report sent to the International Labour Office the National Office made the following statements on the training given at the centres:

Results justify the preference which disabled men have shown for this form of training... Instruction is given by competent masters and the workshops are satisfactorily equipped. The system of training does not encourage the men to produce articles at too early a stage in order to increase output. On the contrary, the aim is to make them as skilful as possible at their trade. The planning and carrying out of the curriculum is supervised by the technical inspector of the National Office, whose duty it is to see that the funds provided for training are used in the best way... These establishments provide disabled men with every guarantee of satisfactory training...

...The first results of an enquiry now being carried out are unusually convincing. The employers appreciate as they deserve those workers who have been trained at a centre; the disabled man gets a job such as he may legitimately expect in proportion to his skill.

The disabled men's societies are apparently of a different opinion. The report submitted to the congress of the French Federation of Societies of the Disabled ⁽¹⁵⁾, held at Tours on 23 and 24 May 1920, is much severer in its judgment. The writer of the report, M. Rogé, goes so far as to say:

With very rare exceptions, very little training has been given, and it has not been satisfactory. There has been very little training, because the disabled men were not induced to undergo training; and it has been unsatisfactory, because the existing centres do not offer such advantages, either as regards comfort or as regards instruction, as would have induced a larger number of men to attend them ⁽¹⁶⁾.

Mr. Rogé states several reasons why, in his opinion, disabled men did not take up training.

(1) The disabled men, especially those disabled during the first months of the war, had been strong young men who become accustomed to their disability fairly easily and rapidly, and who could in most cases take up their old trade again or choose an allied one, where they could reach an approximately normal output.

(2) Munitions industries and work in the war departments provided a great many easy jobs which did not require special training. Such posts naturally attracted the disabled, who thought of the present and not of the future.

(15) *Union fédérale française des associations de mutilés.*

(16) *Le Congrès de Tours*, publication of the Union Fédérale; Report of Mr. Rogé, pp. 61-71.

(3) During the war the absence of men serving in the army lessened competition in the labour market; this made it easy for disabled men, who still enjoyed the prestige due to "war heroes", to obtain employment.

Mr. Rogé admitted that disabled men had not always realised the importance of training. Nevertheless, he considered that "the arrangements made were not satisfactory and that a certain number of fundamental mistakes had been committed".

In the first place, both the National Office and the training centres tried to proceed on general principles, whereas, when it comes to training, there are only individual cases. There has been too much classification of disabilities and of trades; and people have failed to realise that problems of training call for individual solutions and depend on more than one thing, e.g. on a man's former trade, on his willingness to learn, and on his chances of getting work in the district or neighbourhood. The importance of these factors varies for each disabled man, and they all make general solutions impossible. The only thing attempted during the first few years was to set up a single type of training, that given at the special centres. Training in an employer's establishment was not organised until much later and was then insufficiently supervised. Again, it was thought that training was essentially temporary work, which would be finished with at the end of a year or two; nobody realised that the problem of those disabled in the course of industrial processes themselves made the training problem a permanent one, and that even for war invalids training would be necessary for a whole generation. As the men get older their disabilities will continually increase, making it more and more difficult for them to carry on a trade. The disabled man who was able to take up his pre-war trade at the age of twenty or thirty will often be obliged to look for a new trade as he approaches forty or fifty. Meanwhile, the rising generation of the young and the strong, who have received a complete training, will make competition on the labour market more and more severe. The persons to be hardest hit will be wounded men who have not been trained. France has 1,500,000 disabled men, of whom only 60,000 have availed themselves of training; this shows how serious the problem will be in the near future, and how necessary it is to organise training on stable principles in the light of recent experience.

Mr. Rogé obtained the support of the congress, which adopted the following resolution.

The Congress resolves :

that large district central organisations for technical training and rehabilitation, providing both for training at a centre and apprenticeship in a workshop, be set up throughout France, independently of the special centres and the schools for blinded men;

that these centres should be placed under the supervision and control of committees, which should include representatives of disabled men's societies, of employers' and workers' organisations, of the Department committees for disabled men, the technical education authorities, and the Department or district labour exchanges;

that it should be part of their duties to provide disabled men who have been trained with the moral and financial support of which they stand in need throughout their life.

As the programme laid down in the above resolution was not carried out, the Federation of Societies of the Disabled, at its 1921 Congress, which took place at Nancy on 15, 16, and 17 May, adopted the above resolution of Tours, but added the following rider :

Until such district centres are established, the system of training in an employer's establishment shall be more widely extended under the control of members of the Department committees, who shall be nominated for this purpose and shall be compensated for their work ⁽¹⁷⁾.

Information supplied by the National Office shows that the technical training of disabled men has produced important results; the criticisms of the disabled men's associations show how important it is to define what has been achieved, and to ensure that the problem shall continue to be studied by a permanent organisation for technical training. With this object a Bill has been laid before the Chamber ⁽¹⁸⁾, (i) recognising the right of men disabled in industry and of invalided persons who are impoverished to technical training; (ii) establishing a special system of instruction in practical orthopaedics and the science and use of artificial limbs in medical faculties; and (iii) maintaining in a permanent form some of the large district training centres which have been created during the war.

The organisation of a regular system of free technical training would be as important a reform for disabled persons as the institution of free compulsory elementary education was for children. If the plan is carried out, a very large number of disabled persons will be able to take part in production and earn their living by their own work. This Bill thus represents an effort towards fresh legislation inspired by a high ideal of social justice.

(17) *La France Mutilée*, 22-29 May 1921, p. 4.

(18) Bill introduced by Mr. Henry Chéron, General Hirschauer, and Mr. Mauger, Senators. *Documents parlementaires*, No. 246, Senate 1920.

CO-OPERATION

The Co-operative Movement in Czecho-Slovakia⁽¹⁾

THE co-operative movement occupies an important place in the economic life of Czecho-Slovakia and is one of the most important factors in the restoration of national unity among the people. The movement, as has been pointed out by its members, had its origin in the beginning of the second half of the XIXth century, a period in which national consciousness developed with especial vigour⁽²⁾. The year 1890 marked another important period in its development, but its extension has been particularly rapid since 1917 and under the newly constituted Czecho-Slovak Republic. In view of the great variety of its forms, the following may be examined in succession: (1) agricultural co-operative credit societies; (2) other agricultural co-operative societies (for purchase, sale, manufacture, insurance, electricity, etc.); (3) consumers' co-operative societies; (4) urban credit banks and co-operative societies for production and building and construction.

(1) Principal sources :

Družstevnictví československé, Prague, 1920, by L. V. Dvorak, LL.D., Director of the Central Union of Agricultural Co-operative Societies at Prague (*Ústřední jednota hospodářských družstev*). A French translation of this study, revised and brought up to date, was transmitted in manuscript to the International Labour Office by the Central Union of Agricultural Co-operative Societies.

A communication on the co-operative movement in Czecho-Slovakia made to the International Labour Office by the Ministry of Social Welfare of the Czecho-Slovak Republic.

Other sources :

Družstevník. Organ of the Central Union of Czecho-Slovak Co-operative Societies.

The International Review of Agricultural Economics, issued by the International Institute of Agriculture, Rome, particularly Nos. 8 and 12, 1920, and 1 and 2, 1921.

Bulletin of the International Co-operative Alliance (London, 14 Great Smith Street, S.W. 1; Berlin, Puttkammer und Mühlbrecht, Französischerstrasse 28; Paris, 13, rue de l'Entrepot), particularly the numbers for April, August, and September 1919, and July and November 1920.

Report of the Central Union of Czecho-Slovak Co-operative Societies on the co-operative movement in the Czecho-Slovak Republic from 1914-1919 (presented to the Ninth Congress of the International Co-operative Alliance).

(2) See *Bulletin of the International Co-operative Alliance*, article by Mr. Jirasek, and *Družstevnictví československé*, p. 1.

An article in a subsequent issue of the *Review* will deal with the grouping of these societies in unions and federations.

Table I illustrates the development of the movement between 1918 and 1921.

This table has been compiled from information furnished by the Central Union of Agricultural Co-operative Societies of Prague in accordance with the official statistics of registration of co-operative societies. The total number of co-operative societies given for 1 January 1920 corresponds with the number given by the *Bulletin* of the Ministry of Agriculture at Prague, 1 January 1921.

The differences to be noted between these two sources, in the tables indicating the number of societies by category and by district, are to be explained by the fact that the Ministry of Agriculture has not taken account of information concerning Slovakia and Sub-Carpathian Russia. Moreover, so far as the figures for 1 January 1921 are concerned, the total figures provided by the Central Union of Agricultural Co-operative Societies of Prague and those which the Ministry of Social Welfare has communicated to the International Labour Office do not vary much except in appearance; whereas the Central Union included 12,336 societies on 1 January 1921, the Ministry of Social Welfare only mentions 7,903; but in this latter figure are not included the agricultural credit societies, the "miscellaneous" societies, and the federations. If the total figure given by the Ministry of Social Welfare is completed by the figures for agricultural credit banks (4,336), the "miscellaneous" co-operative societies (49), and the federations (28), as given by the Central Union, the total number, or 12,346, is within 10 of the total number given by the Central Union.

TABLE I. CO-OPERATIVE SOCIETIES IN CZECHO-SLOVAKIA
1918 TO 1919

Types of co-operative societies	Number of societies on			
	1 Jan. 1918	1 Jan. 1919	1 Jan. 1920	1 Jan. 1921
Agricultural credit societies	3,803	3,805	4,322	4,366
Other agricultural societies	1,073	1,086	1,279	1,640
Societies of artisans and workers)				
Societies for production and labour)	699	741	1,071	1,480
Societies for building and construction	354	350	549	909
Consumers' societies	911	985	1,979	2,423
Urban credit banks	1,331	1,343	1,397	1,450
Miscellaneous	14	47	56 ⁽¹⁾	77 ⁽²⁾
Total	8,185	8,357	10,653	12,336
Limited liability	4,052	4,223	6,502	8,153
Unlimited liability	4,133	4,134	4,151	4,173

(1) Including 21 unions or federations.

(2) Including 28 unions or federations.

The preceding table shows a considerable increase from 1 January 1919 to 1 January 1920, partly explained by the territorial changes following the war ⁽⁴⁾. Statistics previous to 1 January 1920 relate only to the co-operative societies of Bohemia, Moravia, and Silesia. On 1 January 1920 there were added to these about 1,235 societies in Slovakia and 180 in Sub-Carpathian Russia, making a total of 1,415, including 500 agricultural credit banks, 76 other agricultural co-operative societies, 36 co-operative societies of artisans or producers, and 603 consumers' co-operative societies.

AGRICULTURAL CO-OPERATIVE CREDIT SOCIETIES

The first co-operative institutions to appear in Czecho-Slovakia were the agricultural credit banks. They are called *Kampelicky*, after their founder, and are modelled on the Raiffeisen system. Since their origin, they have been the basis of agricultural co-operation in Czecho-Slovakia and have contained the germ of its future development. They have not limited their activity to their primary and principal function, but have been the starting point or the support of most of the other forms of agricultural co-operation which have since been developed. Owing to their large number, wide dispersal, and efficiency, they have facilitated the economic emancipation of agricultural workers and farmers by the education they have afforded ⁽⁵⁾. Up to a certain point their business is the furnishing of agricultural implements and domestic supplies for the use of the agriculturalist; but their first function is to provide the agriculturalist with working capital at as low and steady a rate as possible, and even with capital for the initial expenses of establishment. According to pre-war statistics the individual deposits in these banks do not, in general, exceed 500 kronen; similarly most of the advances which they make are of small amounts.

(4) These territorial modifications, which have been the cause of certain modifications in the affiliations of the various societies and of the central federations, frequently render the statistics prior to 1919 of little use for the study of the Czecho-Slovak co-operative movement. Further, the regrouping of certain societies thus caused and the grouping of the societies in the numerous federations (it is always possible for one society to be affiliated with several federations) make it difficult, for the time being, to furnish strictly accurate statistics for a State which is still in process of consolidation. The statistical information reproduced in this article is, as far as possible, taken from distinct but consistent sources. In cases of inconsistency it has been taken from the sources which appeared to be the most reliable whether in general or in those particular cases. Some of this information may have to be accepted with reservations, but on the whole it may be taken as sufficiently correct for general purposes. Attention will be called to those cases where usually reliable sources differ considerably.

(5) *Družstevnictví Československé*.

The banks chiefly bring together the small or middle-class agriculturalists, although they also include agricultural labourers, country artisans, schoolmasters, members of the clergy, officials, and employees. The Central Union of Agricultural Co-operative Societies of Bohemia stated that in 1912, of the members of credit banks affiliated to that union, 50 per cent. were farmers, 13 per cent. artisan cultivators, 8 per cent. artisans, 22 per cent. working men, and 7 per cent. belonged to the other professions.

The following tables give some idea of the development of Czech and German agricultural credit banks in Bohemia, Moravia, and Silesia, between 1901 and 1918.

TABLE II. CREDIT BANKS IN CZECHO-SLOVAKIA, 1901, 1912, AND 1918 ⁽⁶⁾

	1901	1912	1918
Banks	1,498	3,588	3,705 ⁽¹⁾
Members	125,000	373,624	399,323
Shares	1,726,000 kr.	4,875,000 kr.	5,932,000 kr.
Reserve funds	690,000 "	6,622,000 "	14,233,000 "
Deposits	69,231,000 "	400,903,000 "	996,839,000 "

(1) The variation between this figure and the corresponding figure in table I is to be explained if, as is probable, the Polish banks of the province of Teschen were included in the figures of table I.

Side by side with the special form of credit banks known as *Kampelický* there exist in Bohemia other independent agricultural credit associations. These are district agricultural credit banks, whose members are chiefly middle-class agriculturalists. The development of these associations is shown in the following table.

TABLE III. DISTRICT AGRICULTURAL CREDIT BANKS IN CZECHO-SLOVAKIA IN 1890, 1900, 1913 AND 1917 ⁽⁷⁾

	Czech Banks				German Banks		
	1890	1900	1913	1917	1903	1911	1917
No. of Banks	98	119	125	125	41	42	42
Members	123,091	164,491	495,368	207,654	*	45,473	42
	kr.	kr.	kr.	kr.		kr.	kr.
Assets	5,716,000	13,085,000	14,135,000	14,679,000	*	3,244,000	3,452,000
Reserve funds	371,000	2,679,000	7,329,000	11,468,000	*	960,000	1,240,000
Deposits	15,898,000	74,957,000	212,448,000	449,390,000	9,098,000	17,515,000	28,801,000

AGRICULTURAL PRODUCERS' CO-OPERATIVE SOCIETIES

The co-operative movement, resting on the solid basis of the agricultural credit organisations, particularly the *Kampelický*, has successfully penetrated further and further into

⁽⁶⁾ *Družstevnictví Československé.*

⁽⁷⁾ *Družstevnictví Československé.*

almost all branches of agriculture. The first societies to develop were those for co-operative purchase of agricultural supplies. Through their central organisations the *Kampe-licky* credit societies centralised their orders and purchased implements, seeds, fodder, coal, etc. for their members. To a certain extent they still do this in various ways, but side by side with them, special societies were organised for the purchase of agricultural supplies and articles for domestic consumption. Later co-operative selling societies sprang up, as well as co-operative societies for the conversion of raw material (distilleries, starch factories, dairies, etc.). A later development still was that of societies for the co-operative supply of machinery, electricity, etc. for the common use of their members. In the absence of more recent information, the following table indicates the number of Czech and German agricultural co-operative societies in 1909, 1912, and 1918, classified according to their objects.

TABLE IV. AGRICULTURAL CO-OPERATIVE SOCIETIES IN CZECHOSLOVAKIA, EXCLUDING CREDIT SOCIETIES, 1909, 1912, AND 1918 ⁽⁸⁾

	Czech			German		
	1909	1912	1918	1909	1912	1918
Dairies	182	173	166	72	90	104
Purchasing and marketing societies; flour mills	96	127	167	35	41	73
Societies for growing and selling vegetables; co-operative cellars	17	18	18	11	4	2
Distilleries	26	25	61	13	12	20
Societies of flax growers	30	23	25	15	33	13
Societies for chicory drying	25	32	32	—	—	—
Cattle breeding and selling societies	103	96	68	68	78	83
Threshing and weighing societies	188	199	136	45	37	33
Electrical societies	2	20	80	—	4	6
Starch factories and potato drying societies	—	10	12	1	2	4
Miscellaneous co-operative societies	7	55	42	1	16	17
	676	792	807	211	297	355

The most prosperous co-operative societies are the purchasing and marketing societies, distilleries, and societies for chicory drying.

(8) This table is taken from Dr. L. F. Dvorak's *Druzstevnictvi Ceskoslovenské*. The total number of Czech and German agricultural co-operative societies in 1918 (1,162), not including credit societies, is within 100 of that given in table I for "Other agricultural societies" for 1 January 1918 and 1 January 1919.

The purchasing and marketing societies are usually district co-operative societies whose activities extend over a small number of villages, usually from 30 to 60, in such a way that the distance which separates these villages from the co-operative society is not more than a day's journey. Some of these societies have set up branches within the district. The primary function of these shops was co-operative purchase of agricultural supplies; recently they have added the purchase and distribution of articles of household use, such as clothing and footwear. They also generally undertake to sell all the agricultural products which they receive from their members. Their principal customers are the breweries, the grain mills, and the exporters, except where they do their own exporting. They do not limit their activities to the sale of the agricultural products of their members, but undertake to act as selling agencies for flour mills, bakeries, brick works, and saw mills. During the war the buying and selling societies undertook the purchase of cereals and potatoes for the public food supply, an activity which greatly stimulated their development.

In 1912 there were 168 of these societies, with a total membership of 44,838 and a turnover (purchases and sales) of about 53,253,000 kronen. The German societies account for about one-third of these totals.

In 1919 there were 25 co-operative societies for chicory drying, with a membership of about 2,500. At the present time there are 34, with a membership of nearly 4,000; their total yearly production has reached 13,000 truckloads of produce, or about two-thirds of the whole production of dried chicory in Czecho-Slovakia.

The development of co-operative dairies was hampered, if not absolutely stopped, by the war, but they are now being opened in large numbers, and fully equipped with the necessary mechanical appliances. The Moravian co-operative dairies in particular have been very successful, and today supply the markets of Vienna, Prague, and various spas.

There are at present only two co-operative breweries in Bohemia and a few malthouses in Moravia, which are active both in manufacture and export. The farmers have acquired a certain amount of influence on the brewing and beet sugar industries, through their co-operative societies for the sale of grain or sugar beet, and by the help of the special organisation set up at Prague for the sale of hops, known as the Hop Trade Society.

In 1909 there were 45 co-operative distilleries, of which 15 were German. Today they number more than 80 and produce more than 40,000 hectolitres of alcohol. They also either sell or give the waste products of distillation to their members for cattle fodder.

In the early days, the electrical societies managed small stations of a purely local importance, but today they supply

electric current to large areas for use in agricultural and industrial establishments. The power stations at Dracice in Bohemia and Verovany in Moravia are among the largest electrical stations in Central Europe.

Mutual agricultural insurance has not reached a high stage of development in Czecho-Slovakia. Czech farmers since 1870 have insured themselves with private mutual insurance societies or joint stock companies. In Bohemia a fairly large number of cattle insurance societies and a mutual hail insurance society have developed.

The following table gives some idea of the development and activity of cattle insurance associations :

TABLE V. CATTLE INSURANCE SOCIETIES IN CZECHO-SLOVAKIA
1910 TO 1918 (10)

	No. of as- socia- tions	No. of mem- bers	No. of beasts insured	Capital value insured	Total com- pensation paid *	Sale of dead stock *	Net com- pensation paid *	Assess- ments and premium collected*
				Kr.	Kr.	Kr.	Kr.	Kr.
1910	21	957	3,449	1,051,000	9,000	5,000	4,000	2,000
1911	162	7,659	30,262	9,900,000	186,000	83,000	103,000	44,000
1912	318	13,992	59,203	19,494,000	541,000	272,000	269,000	98,000
1913	420	20,790	76,480	27,223,000	607,000	325,000	282,000	141,000
1914	470	23,235	85,253	27,174,000	625,000	306,000	319,000	146,000
1915	454	22,151	75,679	37,828,000	549,000	319,000	230,000	174,000
1916	370	18,305	69,290	55,763,000	705,000	413,000	292,000	252,000
1917	311	15,434	32,571	41,635,000	1,071,000	598,000	473,000	253,000
1918	211	9,875	22,298	28,776,000	748,000	473,000	275,000	203,000

* Approximate figures.

The Mutual Hail Insurance Society was organised in 1913, with headquarters at Prague, by a group of large proprietors and tenant farmers (11). As it insures the agriculturalist only against damage which might threaten his existence or jeopardise his economic position, it only pays compensation on account of damage of 15 per cent. or over. The following table gives the results of the activity of this society for the years 1913 to 1918 :

(10) *Družstevnictví Československé.*

(11) See the *International Review of Agricultural Economics*, Year 11, No. 8, Aug. 1920; also *Jest sestavení krupobitného pojištění v zájmu zemědělství? (Would agriculture benefit if hail insurance were taken over by the State?)*, by Engineer O. Karz, in *Československý Zemědělec (The Czecho-Slovak Agriculturalist)*, Nos. 14 and 15, Prague, 1919.

TABLE VI. STATISTICS OF THE PRAGUE MUTUAL HAIL
INSURANCE SOCIETY, 1913 TO 1918 ⁽¹²⁾

Year	Number of members	Area insured	Value insured	Amount of premiums paid up	Compensation paid	Cost of management	Total of compensation and cost of management		Excess of premiums paid up over compensation paid and cost of management
							Kronen	Per cent. of premiums paid up	
		hectares	Kr.	Kr.	Kr.	Kr.			Kr.
1913	56	30,350	3,757,630	109,650	5,912	5,712	11,624	11	98,026
1914	85	44,480	5,648,960	183,052	24,615	11,993	36,610	20	146,442
1915	93	54,970	9,876,640	346,528	122,961	15,650	138,611	40	207,917
1916	118	69,190	12,315,820	428,449	320,385	31,043	351,328	82	77,121
1917	119	65,070	11,276,870	396,952	71,059	28,179	99,238	25	297,714
1918	140	78,854	18,329,415	684,945	97,445	39,544	136,989	20	547,956

In six years the society has received one and a half million kronen for the insurance of its members, including interest on savings accounts. It has a reserve fund of about one million kronen. The total compensation paid, added to the cost of management, averaged 33 per cent. of the premiums actually received during the period 1913 to 1918. In other words, this form of mutual insurance cost the agriculturalists of Czecho-Slovakia 67 per cent. less than it would have cost them in private insurance companies, as the co-operative societies charge the same premiums as private companies.

The success of the agricultural co-operative movement in securing the economic independence of small and middle-class Czech agriculturalists on a sound basis has been due to its penetration of the rural districts and to the diversity of its forms; in certain districts, the agriculturalist buys from the co-operative societies almost everything necessary for his work or for his domestic consumption, and sells the produce of his work through his co-operative society alone ⁽¹³⁾.

The agricultural co-operative movement has thus proved to be a well-adapted agent for the application of the agrarian reforms ⁽¹⁴⁾ inaugurated by the National Assembly of Czecho-Slovakia; these reforms themselves will probably in their turn occasion fresh developments in the co-operative movement. Under recent laws ⁽¹⁵⁾, in fact, agricultural properties exceeding 150 hectares in area are to be sold or

(12) See *Bulletin mensuel des institutions économiques et sociales*, Année XI, No. 8, août 1920, p. 580. Rome, International Institute of Agriculture.

(13) *Družstevnictví Československé*.

(14) Cf. *Daily Intelligence* of the International Labour Office, Vol. III, No. 2, p. 27.

(15) Act of 16 April 1919, giving the State a special right of expropriation; Act of 30 January 1920 on the allocation of sequestered lands; Act of 11 March 1920 on compensation to expropriated landowners.

leased to small agriculturalists, disabled soliders, co-operative societies, etc. Agricultural co-operative societies and tenants' associations are being set up to take over certain of these properties and either distribute them among their members or farm them collectively ⁽¹⁶⁾. Persons who thus acquire fresh land can obtain the necessary credit from the agricultural credit banks.

The legal regulations provide that industrial establishments which are dependent upon expropriated lands are to be allotted to the co-operative societies. The exploitation of water power, in cases where it is not requisitioned by the State, will also be taken over by public associations and co-operative societies.

The Czecho-Slovak Republic encourages the efforts of the agricultural co-operative movement both by direct and indirect subsidies. Both the agricultural credit banks and the co-operative agricultural societies receive either non-interest-bearing loans or subsidies for the expenses of initial establishment; the *Kampelicky* banks are given total or partial exemption from certain taxes.

CONSUMERS' CO-OPERATIVE SOCIETIES

The consumers' co-operative movement in Czecho-Slovakia is associated with the name of Chleborad, who is regarded as its founder. The movement was initiated in 1869 by the creation, at Prague, of a co-operative society of producers and consumers, called "The Hive". In 1872 the movement included 438 societies in Bohemia, but in 1865 it was only represented by 225 societies, and in 1880 by 79; it suffered an almost entire eclipse between 1890 and 1900, when the minds of the working population of the towns were preoccupied by political considerations. At the present time, consumers' co-operative societies rank with the agricultural societies as the most numerous, the best organised, and the most prosperous in the Czecho-Slovak Republic. On 1 January 1921 they numbered 2,423.

The consumers' societies sell only to their own members, and, as in the majority of such societies, goods are sold only for cash and at market prices. Surplus receipts are in part paid into the reserve fund and funds for social work, and in part distributed among the members in proportion to their purchases. The principle is that the dividends thus distributed shall be small, and they are generally left on deposit by the

(16) Communication from the Ministry of Social Welfare.

members. Many societies have a mutual benefit fund, which distributes occasional grants, e.g. for funeral expenses, also calculated on the basis of purchases. Frequently consumers' societies establish pension funds for their staff.

The membership of the consumers' co-operative societies was mainly confined in the early days to the working classes, but with the growth of the movement it has spread to other groups. In particular the employees of public or private administrations have founded co-operative societies. In 1920 these numbered 110, with 42,404 members, and provided food supplies for about 165,000 persons. These societies of employees have been federated into a Purchasing Society of Employees' Co-operative Societies at Prague, and the turnover figure reached 423,767,605 kronen in 1920, as compared with 87,000,000 kronen in 1919 ⁽¹⁷⁾. Although the consumers' co-operative movement is principally urban, there exist, especially in Slovakia and in Sub-Carpathian Russia, numerous peasant consumers' co-operative societies. In addition, the agricultural co-operative societies in certain regions, especially since the war, have undertaken to supply their members with goods for personal consumption.

At the same time as new societies were springing up, a general movement for the amalgamation of small societies was making its appearance, and leading to the constitution of important district societies. Thus, the Consumers' Co-operative Society of Pilsen, formed by the fusion of six societies, has at the present time 25,000 members, and supplies 100,000 persons through 60 district branches. Its turnover, down to the end of September 1920, amounted to 60,000,000 kronen; it possesses its own bakery, with an up-to-date equipment, a butcher's shop, a meat-preserving factory, tailoring and shoe-making departments, a dairy, and a refrigerating installation; it has also recently acquired a tile factory. The *Vzajemnost-Veela* (The Bee) Mutual Society of Brno (Brünn) has more than 40,000 members and supplies more than 180,000 persons through 112 branches in 85 localities. Its turnover in 1920 amounted to 86,374,302 kronen; it has a capital of more than 2,700,000 kronen and a reserve fund of over 750,000 kronen; members' deposits exceed 6,000,000 kronen. On 14 January 1921 it was joined by a co-operative society of bakers with a turnover of more than 4,000,000 kronen. Negotiations are now taking place with a view to the affiliation of a co-operative society of cabinet makers. The *Budorenost* (The Future) Society at Moraska Ostrava (Mährisch Ostrau) has 63,000 members, and supplies from 300,000 to 350,000 persons through 150 shops. Its monthly turnover averages from 15 to 20 million kronen.

(17) Cf. *Cas*, 8 July 1921.

CO-OPERATIVE URBAN BANKS AND PRODUCERS' SOCIETIES

Urban Credit Banks

The ideas of Schulze-Delitsch, popularised about 1870 by Simacek, were received with great favour by the small manufacturers and small merchants of Bohemia. About 1874 there were in the Czech countries 540 urban credit banks, including 120 German banks. In 1917 there were 902 banks with more than 308,000 members; they possessed a total capital of 30,244,000 kronen, reserve funds of 70,025,000 kronen, and had received deposits of 1,201,000,000 kronen. The membership reached 1,331 on 1 January 1918, and 1,450 on 1 January 1921.

Artisans and Workers' Productive Societies

Like the agricultural producers, the small artisans of the towns have formed associations for the common purchase of supplies, such as raw materials, tools, etc., and for the common sale of their products. Similarly, a certain number of workers' co-operative societies for production have been formed. In 1910 there were 251 Czech societies of these types, with 22,311 members, and a turnover of 31,485,000 kronen; their capital amounted to 6,459,000 kronen, and their reserve funds to 3,170,000 kronen. In the same year there were 164 German societies, with 10,365 members, a turnover of 20,447 kronen, a capital of 10,291,000 kronen, and reserve funds of 1,108,000 kronen. These societies (Czech and German) numbered 699 on 1 January 1918 and 1,480 on 1 January 1921.

Thirty-eight different branches of industry are represented in the producers' co-operative movement; it includes 22 societies for food production, 51 for clothing and leather, 14 for metal working, 18 for timber, 21 for stone working, glass manufacture, and earthenware manufacture, and 7 for the paper industry. The most important of these societies is the *Delnicka Pekarna* (Bakers' Co-operative Society) at Prague, in which 200 workers are employed, and whose annual production reaches an average value of 10 million kronen.

Mention should also be made of about 400 co-operative societies of disabled soliders⁽¹⁸⁾; amongst them societies for cinematograph enterprises⁽¹⁹⁾ and co-operative orthopedic societies, of which the most important is that of Prague;

(18) Cf. *Pravo Lidu*, 26 April 1921.

(19) An Order issued by the Minister of Social Welfare directs that, in future, concessions for cinematograph enterprises shall be granted exclusively to disabled soldiers.

it is subsidised by the State and employs 200 persons in up-to-date workshops, supplied with baths, refectories, and dormitories for the use of patients compelled to wait for the manufacture or the repair of their appliances.

Building Societies

These co-operative societies sprang up at the time of the rapid development of the towns, when the conditions of working-class housing became particularly difficult. They are encouraged by the State, by means of a direct subsidy and by a guarantee which may cover as much as 90 per cent. of their mortgages. In 1912 they numbered 393, with 18,252 members, and had a rent roll of 1,469,000 kronen. Their capital amounted to 2,742,000 kronen and their reserve fund to 350,000 kronen. The properties administered by them and their own properties in land and buildings were estimated respectively at 32,029,000 kronen, and 18,516,000 kronen. Since the war, owing to the housing crisis, their number has grown considerably; on 1 January 1920 it was more than 549, and on 1 January 1921 it exceeded 900.



AGRICULTURE

Some Phases of English Agricultural Policy

DURING the past year English agricultural policy has occupied a prominent place in the deliberations of the British Parliament. Both Houses have been concerned with the Corn Production Act of 21 August 1917 and the Agriculture Act of 23 December 1920. The present article does not attempt to deal with the Corn Production Acts (Repeal) Act of 19 August 1921⁽¹⁾, but only with the policy leading up to and including the Agriculture Act 1920.

The Agriculture Act of 1920, which continued and amended the Corn Production Act of 1917, attempted to assure a maximum home-grown grain supply by stabilising British agriculture. Stable and uniform production is to be secured by recognising the claims and responsibilities of the different classes of agricultural producers. To all classes of producers there is offered a guaranteed price for wheat and oats, and precautions are taken against the raising of rents because of benefits derived from the guaranteeing of prices. To the tenant farmer in particular increased security of tenure is given through the revision and strengthening of the regulations governing the landlord and tenant relationship; compensation is awarded him for loss due to quitting, and may also be awarded if he has attained an improved standard of cultivation when he quits his land. The claims of the agricultural workers to a fair standard of living and leisure are recognised in the establishment of a basic or minimum wage and in leaving open the way for a reduction of hours. A modified form of the protection accorded to the tenant farmer is extended to the labourer living in a "tied cottage"; the right to receive two months' notice when required to quit and to claim compensation establishes the worker also in a more stable position in agricultural economy.

The claims of the consumer have been kept in view by the "enforcement of proper cultivation", insistence on the execution of necessary works of maintenance and good estate management in order to secure the maximum of agricultural production. His responsibilities are laid down in the guarantee of prices and the enforcement of equitable relationships and proper working conditions in the industry.

(1) See International Labour Office *Daily Intelligence*, Vol. III, No 6. 22 July 1921, p. 25.

EARLY ENCLOSURE ACTS

Some reference is necessary to the enclosure movements in considering the present conditions of English rural society, because to these movements is due the predominance of the wage earner in the manual work of agriculture in England at the present time.

In the xvth century each rural community possessed a village farm, which was cultivated by the villagers under regulations common to all. The farm was made up of strips of arable and meadow land, and yeomen and tenant farmers, copy-holders and cottagers all had a share in these strips, or so-called "common fields", either as owners or occupiers. The smaller yeomen and cottagers largely depended on the produce of this land for their living, and its cultivation gave them fuel and grazing rights over the common, which was the pasture land of the whole community and an essential part of the village farm.

The first enclosures took place, roughly, in the period between 1470 and 1530 (1). The general theory of the cause of enclosure attributed them to the high price of wool. The later, but less widely accepted, theory is that they were caused by the declining fertility of the soil and the falling off in agricultural production. For the purpose of this article, however, it is immaterial which of these theories is the correct one. In any case the enclosure movement on the scale undertaken meant a dispossession of the peasantry and a complete break with traditional usage in agriculture. Deprived of their land, the yeomen and cottagers left their villages, abandoning their homes in the hope of finding employment. In 1530 the movement was partially arrested by the enactment of a series of laws known as the Tudor Agrarian Code. The Depopulation Acts (2) imposed severe penalties on landowners converting arable land into pasture and brought about a revival of tillage under legislation which re-divided into small farms holdings which had been thrown together to form large properties.

From 1670 a fresh wave of agricultural innovation, which is commonly known as the second Enclosure, swept the country. The aim of this later movement was to introduce a more scientific system of farming. A considerable area was enclosed without recourse to legal formalities, and concurrently a vast number of private enclosure Acts

(1) ASHLEY : *Economic History* ; Vol. I. p. 286. London. Longmans.

(2) *A consideration of the Cause in question before the Lords touching depopulation, 5 July 1607.* Reprinted in full in W. CUNNINGHAM : *Growth of English Industry and Commerce.* Cambridge Univ. Press, 1917. Appendix B, p. 898.

were passed⁽³⁾. It is estimated that seven million⁽⁴⁾ acres were enclosed by one or other of these methods before the general Enclosure Act of 1845. Whole villages were deserted by the inhabitants; the remaining yeomen farmers of the lesser sort found it well-nigh impossible to retain any land under pressure of the Acts, and the majority of them threw in their lot with the cottagers and swelled the ranks of those who had nothing but their labour to sell. In the prosperous years which followed the economic policy instituted at the time of the second period of enclosure, we have at one and the same time farming as an increasingly profitable business and great misery among the manual workers in agriculture.

Largely increased production and the high prices paid for wheat during the Napoleonic wars brought prosperity to British farmers during that period, and consequently the high rents imposed by the landowners were not for a time felt to be burdensome. The stringent Corn Law of 1815 was passed to check imports when peace was imminent, but the rapid increase of population and a demand for cheap food for the masses of operatives who crowded into the cities as a consequence of the development of British industry (usually referred to as the Industrial Revolution) led to the repeal of the Corn Laws in 1849. Prices were driven up by the Crimean War in 1854 and 1855, and again by the Franco-Prussian War in 1870. These periods of temporary prosperity tided British agriculture over years which otherwise might have been difficult.

The last quarter of the XIXth century was marked by a rapid decline in the farmer's fortunes. During the nine years preceding 1884 the depression was acute. In 1879 the position became so menacing that a Royal Commission was appointed to enquire into the cause of distress among agriculturists. The report attributed the farmers' plight primarily to bad seasons and to the growing competition of cheap imported grain; and secondarily to the grave losses from disease among live stock at this time. In 1893 there was another disastrous year, and a second Royal Commission, reporting in 1897, notes that while the cost of British agricultural production had increased, its value had approximately halved since the issue of the 1879 report⁽⁵⁾. Other striking changes had also

(3) Examples of these Acts are printed in the Appendix to *The Village Labourer*. J. L. AND BARBARA HAMMOND, Longmans. See also Rt. Hon. ROWLAND PROTHERO (Lord ERNLE) *English Farming Past and Present*, p. 407. Longmans; and *Report of the Agricultural Policy Sub-Committee of the Reconstruction Committee*, 1918, (Cd. 9097), p. 7.

(4) SLATER, DR. GILBERT. *Historical Outline of Land Ownership in England.. The Land Enquiry*. p. LXXII, Hodder and Stoughton. 1913.

(5) *Report of the agricultural Policy Sub-Committee of the Reconstruction Committee*; pp. 10, 11, and 13. The Royal Commission of 1893 gives the decline in capital value of agricultural land in Great Britain between the years 1875 and 1894 as £834,000,000, on the authority of the Chairman of the Inland Revenue Commission.

taken place. The proportion of home-grown wheat fell off markedly. In 1870 approximately 61 per cent. of the wheat and flour consumed in England was home grown. In 1910 this proportion had declined to about 20 per cent. It increased in 1914, however, to 22 per cent. While there has been a large shrinkage in arable land, it has not been so great as the reduction in the proportion of home-grown produce. The percentage of arable land in England in 1870 was 52.2, as compared with 41.8 in 1910 and 41.5 in 1914.

As a result of these changes in British agriculture and the depressions which accompanied them, the yeoman farmer class had practically disappeared by the last quarter of the nineteenth century. Few of the small tenants were able to maintain their footing on the land, and many of them were ruined. The Agricultural Policy Committee points out that "the labourers, having less to lose, suffered perhaps even to a greater extent than their employers. While the remuneration for every other class of labour was steadily increasing, the wages of the agricultural labourer actually declined" (6).

REPORT OF THE AGRICULTURAL POLICY SUB-COMMITTEE 1918

The Agricultural Policy Sub-Committee was appointed in August 1916. It was one of the most important activities of the Reconstruction Committee, which soon afterwards became the Ministry of Reconstruction. The Prime Minister gave the Sub-Committee the following terms of reference: "Having regard to the need of increased home-grown supplies in the interest of national security, to consider and report on the methods of effecting such increase". The authors of the report are careful to explain that it was drawn up solely with a view to post-war conditions, the question submitted to the Committee having no relation to conditions during the war. Every aspect of agriculture appears to have been carefully considered, a mass of expert evidence was taken, and no less than ninety-one recommendations were made, grouped under nineteen heads. The more salient points of these recommendations deal with prices, wages, agricultural education, scientific research, reclamation and drainage, co-operation and agricultural credit, small holdings, ownership and tenancy, village reconstruction, village industries, and social life, also transport, these questions being all considered in relation to production.

Although the report was not published until 1918 (7), the conclusions of the Committee may be said to have been

(6) *Ibid.*, p. 11.

(7) See HANSARD, *Parliamentary Debates*, 15 November 1920. Vol. 134, No. 138, for speech of Mr. Lloyd George on the Agricultural Bill.

the basis of Parts I, III, and IV of the Corn Production Act 1917. Public opinion in 1917 was favourable to the policy of maximum home production of grain for which the Act stands. The war had aroused a hitherto indifferent public to the danger of dependence on foreign wheat. The Bill did not encounter any serious opposition; no political party was willing to bar its passage in face of the fact that only one-fifth of the wheat for the food of the population was home-grown.

CORN PRODUCTION ACT 1917 AND AGRICULTURE ACT 1920

Position of the Farmer

The policy of the Act in relation to the farmer may be defined under three heads: (1) encouragement to produce corn (a term including both wheat and oats), (2) pressure to ensure the breaking up of pasture and proper cultivation, and (3) protection with regard to rent.

In order that the farmer might obtain for his corn a price at least equivalent to that paid for foreign grain, the Act guarantees certain minimum prices up to and including the year 1922.

TABLE I

Minimum Prices of Wheat and Oats per Quarter

	1917	1918-1919	1920-1922
	s. d.	s. d.	s. d.
Wheat	60 0	55 0	45 0
Oats	38 6	32 0	24 0

Where the selling price per quarter actually received by the farmer for his wheat and oats is less than the guaranteed selling price, the Board of Agriculture and Fisheries agrees to make up the difference. This difference between the actual selling price and the guaranteed selling price is not calculated upon actual yield, but upon an assumed yield of four quarters of wheat and five quarters of oats per acre. The intermixture of other crops with corn or negligent cultivation exposes the farmer to reduction or total loss of these payments.

Under the second head the Act empowers the Board of Agriculture ⁽⁸⁾ to "enforce proper cultivation". If, in the opinion of the Board, land is not being cultivated "according to the rules of good husbandry" or the production

(8) Afterwards the Ministry.

of food could be increased "in the national interest" by a "change in the use to which land is put", a notice may be served upon the occupier requiring him to make such change in his methods of cultivation as the Board may judge to be necessary. When the occupier is a tenant farmer a copy of the notice served is to be sent to the landlord. Should there be non-compliance with the notice by a tenant, the Board may issue an order authorising the landlord to determine the tenancy. The Board or its representatives may even take possession of land and put it under proper cultivation. In practice, the termination of a tenancy for land ill-cultivated or unnecessarily reserved for pasturage did not apply during the war in any part of the United Kingdom except Ireland. In England, Wales, and Scotland the establishment of County Agricultural Committees as a measure of decentralisation did not await the Order of 1919. Such bodies were set up under the Defence of the Realm Act, and in the case of the recalcitrant farmer were used by the Board to take temporary possession of the farmer's land and to carry out or supervise its cultivation. In enforcing this part of the Act it was found that the desire to avoid any risk of provoking the application of this section proved a more powerful incentive to convert grass land into arable than the desire to obtain the guaranteed price. The Act provides against the abuse of these powers by giving the farmer the right to call in an arbitrator before surrendering his land.

Authority is conferred upon representatives of the Board to "inspect any land". Returns of the crops and live stock, including information as to cultivation of the land, may be required by the Board under the Act. One Section of the Act is exclusively concerned with securing the tenant farmer against an increase in his rent owing to the enhancement of the value of his land by the improved farming which he is encouraged to undertake.

The Agriculture Act of December 1920 continues the policy of guaranteeing minimum prices for wheat and oats introduced by the Corn Production Act, and thus extends legislation passed to meet war-time exigencies. This provision of the Act may, however, become inoperative by Order in Council, but only after an address to the Crown has been presented by both Houses of Parliament, and even then only after the lapse of four years from the date of such Order in Council.

The minimum price adopted as a standard in the Agriculture Act is that ruling in 1919 :—

Wheat	68s. per quarter of	504 lbs. (9)
Oats	46s. " "	336 "

(9) The Agriculture Act adopts the "customary" or "statutory" quarter of 504 lbs. for wheat and 336 lbs. for oats instead of the Imperial quarter, 480 lbs. for wheat and 312 lbs. for oats, of the Corn Production Act.

The authority for ascertaining the variation of the cost of production and for fixing the minimum price each year is vested in three Commissioners.

The enforcement of proper cultivation is maintained under the Agriculture Act, but in a more modified form than in the Corn Production Act ⁽¹⁰⁾. A tenant farmer can no longer have his tenancy terminated on account of cultivation which is not up to the standard of "the rules of good husbandry", but pressure may be brought to bear upon him to induce an improvement in his methods by the Agricultural Committees, the Commissioners, and in the last resort by the Minister of Agriculture. Penalties are provided for owners or occupiers failing to execute "necessary works of maintenance" on their land, and in the case of any owner of an estate "grossly mismanaging" it, the Minister may appoint a representative to act both as receiver and manager of the estate.

The County Agricultural Committees, originally established by the Order of 1919, are entrusted with the duty of warning and advising any farmer who may have failed to comply with such conditions as the Ministry may consider necessary for the production of the maximum amount of food.

The tenant farmer obtains greater security of tenure through the extension of the provisions of the Agricultural Holdings Acts. A tenant required to quit without fault on his part will receive compensation for all loss directly attributable to the quitting, including expenses "reasonably incurred by him" in the preparation of his claim for compensation. Compensation is to be computed as equal to one year's rent, but if the farmer's losses and expenses are in excess of one year's rent, then compensation may be up to a maximum of two years' rent. A farmer who has improved his land during his tenancy by the "continuous adoption" of a standard of farming higher than that required under his lease may be awarded compensation representing the value of the improvement to the incoming tenant.

(10) The Bill as originally drafted was considerably modified after debate. Both in the report stage and after it emerged from Committee, amendments were accepted by the Government, which reduced the powers originally proposed for maintaining the cultivation of grain. Park lands were excluded from the operation of Clause 4, by which the Minister may take steps to increase the production of food on land not being cultivated according to the "rules of good husbandry". Another amendment, incorporated in the Act by the words "without altering the general character of the holding", limits the scope of improvements that the Minister may enforce. A certain measure of compromise was effected between the landowners and farmers on the question of tenure and "compensation for disturbance" (Hansard, *Parliamentary Debates*, Vol. 136, No. 167, 23 December 1920. Col. 1915-2092).

Position of the Agricultural Wage Earner

Part II of the Corn Production Act 1917 directly concerns the agricultural worker and for the first time extends to agriculture the minimum wage system introduced into industry by the Trade Boards Act in 1909.

A minimum wage in agriculture is not a modern idea. There are minimum wage Acts in English legislation as far back as the reign of Elizabeth. An Act during the reign of James I imposed a penalty on all who paid a wage below that fixed by the magistrates ⁽¹¹⁾ under the Act of Elizabeth. In the course of time it was even held that these Acts fixed, not a minimum wage, but a maximum. Attempts were made during the XVIIIth century to obtain a legal minimum wage for agricultural labourers, but no action was taken.

In 1912 an exhaustive enquiry into the economic conditions of agriculture was instituted by a private committee, which had the approval of the Government ⁽¹²⁾.

This committee urged that the wage of the labourer should be fixed at a figure high enough to enable him to pay a commercial rent for his cottage as well as to keep himself and his family in a state of physical efficiency. The committee also recommended the institution of land courts for the settlement of disputes affecting wages and conditions of tenancy.

Private Bills for the carrying out of these recommendations were introduced into Parliament in 1913, but the outbreak of war arrested the demand for government action. Ultimately, however, conditions produced by the war revived interest in the subject and finally brought about the enactment of the Corn Production Act mentioned already.

In dealing with wages, the Act provides that no person shall employ an agricultural workman at a rate less than the fixed minimum of 25s. per week, subject to a penalty up to £20 for each contravention, with an additional fine of £1 for each day on which the offence of underpayment is continued after conviction. The workman is further protected in that the court may order an employer to pay the workman the difference between the wages paid and the minimum wage in force, "whether there is a conviction or not".

Before fixing the minimum rate of wages in any area the Agricultural Wages Board is required to give notice of the rate proposed and to consider any objections signified to

(11) J. and L. Barbara HAMMOND : *The Village Labourer*; p. 109.

(12) *The Land: Report of the Land Enquiry Committee*. Vol. I. Rural; p. 207. London. Mr. M. L. REISS (author of *The Home I Want*), now Chairman of the Garden Cities Association, was the head organiser of the Rural Enquiry. He was assisted in this work by Mr. C. Roden Buxton and Mr. Seebohm Rowntree.

the Board within a month. The proposed rate must be notified to the farmers and labourers affected. Private agreement as to a wage below the minimum between employer and labourer is declared void, and "any workman employed in agriculture... may complain to the Agricultural Wages Board... and the Board shall consider the matter and may, if they think fit, take proceedings... on behalf of the workman".

The Agricultural Wages Board, with district wages boards, is established under the provisions of the Trade Boards Act of 1909, with the authority of appointment in the hands of the Board of Agriculture and Fisheries. The boards, central as well as district, are composed of an equal number of representatives of employers and workers, with the addition of certain appointed members who approach the problems submitted to them from an independent standpoint. Workers' members on district boards had in some cases alleged that the appointed members for the area have not shown all the detachment which is desirable, but in regard to the Central Board it has been freely admitted by the workers' representatives that "the appointed members" have held the scales absolutely even ⁽¹³⁾ and have often tendered valuable advice.

The minimum of 25s. per week named in the Act may be regarded as a "datum line". The Wages Board has authority to vary the rate or reconsider it in the light of changes in the cost of living. In July 1917 in the House of Commons the Secretary of the Board of Agriculture stated that applying the rise in the cost of living which had taken place from the summer of 1914, "the 25s. minimum wage represented a pre-war rate certainly below 14s. 9d." ⁽¹⁴⁾.

The passing of the Act led the newly-established Agricultural Wages Board to decide upon a detailed enquiry into wages and conditions of employment in agriculture. These investigations provided "economic data essential to the solution of problems connected with rural England", and furnished an "historical survey of actual agricultural conditions" just before the introduction of the minimum wage. This report states that the average cash wage for England was 14s. 9d. per week in 1907 and in 1912, 1913, and 1914 was 16s. 9d. During the first three years of the war the wages of ordinary labourers were raised, on an average for all England, by 39 per cent., from 16s. 9d. to 23s. 4½d. per week in July 1917, this being the average rate when the Act was passed ⁽¹⁵⁾.

(13) F. E. GREEN. *History of the English Agricultural Labourer*, London, p. 291.

(14) Hansard, *Parliamentary Debates*; Vol. 96, No. 97, 18 July 1920; Col. 508.

(15) BOARD OF AGRICULTURE AND FISHERIES: *Wages and Conditions of Employment in Agriculture*, Vol. I, *General Report*, p. 106. H. M. Stationery Office, 1919; pp. 202 (Cmd. 24).

The rise in retail prices of food for the United Kingdom in July 1917 was 102 per cent. above the price for the same month of 1914⁽¹⁶⁾. The minimum wage originally fixed under the Act was gradually increased and, for the ordinary labourer, has been at 46s. per week for the last twelve months. It may be noted that for the United Kingdom the index number of increase in the price of food since July 1914 was 158 per cent. in July 1920⁽¹⁷⁾ and 163 per cent. in February 1921⁽¹⁸⁾. At the meeting of the Central Agricultural Wages Board on 21 February 1921, the Agricultural Workers' Union made an attempt to obtain an all-round minimum of 50s. per week with a 48-hour week; this was rejected by a narrow majority⁽¹⁹⁾.

With regard to Scotland, in the official report on farm workers submitted to the Scottish Board of Agriculture in 1921⁽²⁰⁾, it is stated that "until recently the minimum rates of wages fixed by the committees have been well below the average actual wages paid to the different classes of workers, which have as a rule been rising steadily at each term in consequence of the rise in prices and of individual or collective bargaining". It is added that "the minimum rates recently fixed for some districts approximate more closely to the average rates paid".

Provision for variation in the minimum rate and also for its reconsideration, "if the Board of Agriculture shall so direct", is made in Section 5, Sub-sections 2, 4, and 5. There has always been considerable difference in the minimum in the various counties, and the lack of uniformity is even greater now than before the passing of the Act. Until the minimum was fixed it is stated that "the wages paid in a given district where conditions appear similar vary from one farm to another and even on the same farm"⁽²¹⁾.

The influence of the size of holdings and their proximity to mining and other industrial centres upon the rate of wages affords an interesting comparison. It will be seen from the following tables that the larger and more purely rural counties in table II pay considerable lower rates than the smaller and more industrial counties in table III.

The total number of agricultural wage earners in Great Britain in 1911 was 2,078,000 as compared with 2,262,000 in 1901 and 2,762,000 in 1871, but no data are available to show how many labourers are affected by each of the above rates of classified wages.

(16) Board of Trade *Labour Gazette*, August 1917; Vol. XXV, No. 8. p. 276.

(17) *The Labour Gazette* (Ministry of Labour), formerly published by the Board of Trade, July 1920; Vol. XXVIII, No. 7. p. 360.

(18) *Ibid.* Feb. 1921; Vol. XXIX, No. 2. p. 74.

(19) *The Times*, 11 February 1921.

(20) Published by His Majesty's Stationers, Edinburgh.

(21) BOARD OF AGRICULTURE AND FISHERIES: *op. cit.*, p. 101.

TABLE II

Wages of ordinary Labourers in certain large-holding Counties ⁽²²⁾

	Average size of holdings acres	Average wage per week ⁽²³⁾			
		1914	1917	1918	1920
Wiltshire	258	13s. to 14s.	19s. to 20s.	25s.	42s.
Buckinghamshire	231	13s. to 20s.	18s. to 28s.	26s. 6d.	42s.
Berkshire	231	13s. to 15s.	15s. to 18s.	25s.	42s.
Hertfordshire	218	14s. to 16s.	20s. to 25s.	25s.	42s. 6d.
Dorsetshire	226	13s. to 14s.	18s. to 20s.	25s.	42s. 6d.
Huntingdonshire	214	15s.	21s. to 25s.	25s.	42s. 6d.

TABLE III

Wages of ordinary Labourers in certain small-holding Counties ⁽²⁴⁾

	Average size of holdings acres	Average wage per week ⁽²⁵⁾			
		1914	1917	1918	1920
Lancashire	102	18s. to 25s.	24s. to 35s.	32s. 10d.	43s. 6d.
Cheshire	120	20s. to 24s.	25s. to 35s.	30s. to 35s.	
Derbyshire	122	16s. to 21s.	23s. to 39s.	27s. to 30s.	42s.
Westmoreland	137	18s. to 30s.	24s. to 30s.	30s. 10d.	44s.
Staffordshire	142	15s.	23s. to 24s.	24s. to 25s.	42s. 6d.
Middlesex	145	20s. to 25s.	27s. to 33s.	28s. to 36s.	44s. 6d.

Hours of Work

The definition of a limit for working hours, which is necessarily closely related to any scale of wages fixed by the Agricultural Board, has meant much to the labourer. On the occasion of the Wages Board's first pronouncement, in May 1918, a 48-hour week in winter and a 54-hour week in summer was fixed for the county of Norfolk, with a minimum wage of 30s. ⁽²⁶⁾ By a restriction of the hours of work the labourer has been put in a position to earn more by overtime, and by implication it was recognised that he had a right to a certain amount of leisure. The stockmen and horsekeepers did not greatly benefit under the Orders during the first years, as the expression "customary hours" was generally interpreted in a fashion which precluded these men from obtaining any relief. But in 1919 this was changed, and practically all farm workers were subject to the general Order fixing a 48-hour

(22) *Ibid.* p. 108.

(23) *Wages Board Gazette*, April 1920.

(24) BOARD OF AGRICULTURE AND FISHERIES : *op. cit.*, p. 109.

(25) *Wages Board Gazette*, April 1920.

(26) Sir Henry REW (Deputy Chairman Agricultural Wages Board): *The Wages Problem in Agriculture*; in the *Quarterly Review*. No. 466, January 1921; p. 186.

week for winter work and a 50-hour week for summer work. The general minimum for adult male workers has been four times fixed by the Wages Board ⁽²⁷⁾, but the minimum for different counties and variations for different classes of workers come up frequently for revision.

In the fourteen months from 28 October 1918 to 31 December 1919 the Wages Board received 5,266 complaints. The amount of wages due to labourers recovered by the Board was £9,532 ; the prosecutions numbered 127. The agricultural unions also recovered wages in many instances without appealing to the Board, and played a useful part by reporting cases to the Board when they had themselves failed to induce employers to pay the legal wage. After the Corn Production Act came into force the unions took full advantage of its provisions and were at pains to instruct the labourer in the principles of his new charter.

The Deputy Chairman of the Agricultural Wages Board writes in the *Quarterly Review* for January 1921 that there should be "recognition of the difficulty and responsibility of the task which has fallen on the leaders of the National Agricultural and Rural Workers' Union, and the Workers' Union... It is to the credit of those who have guided the counsels of the men that under circumstances of much difficulty, and at a time of great social and industrial unrest, they have carried on their campaign, as a whole, with moderation and discretion".

The "Tied Cottage"

Another problem dealt with by the Agriculture Act is that of the so-called "tied cottage", against which, on the proposal of the National Agricultural and Rural Workers' Union, the Trades Union Congress of September 1920 protested. A large proportion of agricultural wage earners in Great Britain live in "tied cottages", i.e. they occupy cottages free or at a reduced rent; the farmer is at once their employer and landlord. Until the Agriculture Act was passed the labourer lost his home as well as his employment, if he ceased working on the farm upon which his cottage stood. The labour, seed, and manure put into his garden or allotment was a dead loss; frequently he lost the produce also. A man was therefore heavily handicapped when he might have sought better wages or conditions on a neighbouring farm; he often was obliged to accept or to endure bad housing conditions for fear of losing his work, for many farmers in England expect

(27) *Ibid.*

their ordinary labourers to "live in the master's rents", and, as a rule, rent-free cottages are provided for shepherds and often for carters and cowmen in England and Scotland alike. While the evils inherent in the system have long been generally recognised, the housing shortage has added to the difficulty.

The position of the labourer who occupies a "tied cottage" is appreciably improved by the 1920 Act. Henceforward he shares in the right to "compensation for disturbance" which was granted to the farmer, and this includes his allotment garden; two months' notice is necessary before he can be required to vacate his cottage. Compensation is not to exceed "fifty-two times the maximum weekly value of the provision of a cottage free from rent". This "maximum value" is fixed at 3s. weekly.

CONCLUSION

It has been said that the establishment of a Wages Board marked a "dramatic development" in the history of the farm labourer in the United Kingdom. A government representative on the Board has remarked that until 1917 it had not occurred to official bodies dealing with agricultural questions that those who formed the large majority of the agricultural population should have a voice in their counsels. The principle of self-government in agricultural affairs, according to this authority, is now definitely recognised, but, in addition, the status of the labourer as not less an "agriculturist" than the farmer has been indubitably established by equal membership on the Joint Councils of the Board⁽²⁸⁾. Meeting constantly for discussion, farmers and workers have gained knowledge and understanding of each other's difficulties and have learned to consider the adjustment of their differences in the light of the larger issue of the production of food for the people. As a result of these deliberations the country as a whole has been led to realise that the future prosperity of agriculture must depend largely on securing peace in the industry.

(28) Sir Henry REW, *op. cit.*, pp. 183-4.

Control of the Employment of Children in Agriculture in Canada and the United States of America



THE following tables should be read in connection with the article which appeared in the September number of the *International Labour Review* (*), under the above title. The tables show the indirect influence of compulsory school attendance laws on the regulation of children's employment.

TABLE I

Ages between which every child must attend school unless exempted	CANADA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
7-15	Alberta ⁽¹⁾	
	(a) Child is under efficient instruction at home or elsewhere as certified to in writing by the school inspector.	Full school year, i.e. for the full term or terms during which the school of the district is open each year, viz. from 40 to 44 weeks ⁽²⁾ .
	(b) Sickness of child or other unavoidable cause.	
	(c) Distance from school more than 2½ miles if child is under 10 years, unless a conveyance is provided by the school authorities.	

(1) The School Attendance Act consolidated to and including amendments of 1919.
 (2) In any school there shall be not less than seven weeks nor more than ten weeks' vacation in rural districts and not less than eight weeks nor more than twelve weeks' vacation in village and town districts. The summer vacation shall fall between the fifteenth day of June and the first day of September, and the winter vacation shall extend from the 24th day of December to the second day of January, both inclusive (except by special arrangement of the School Board with the Minister, when the dates may be altered, but not the length of the vacation periods). The School Ordinance, section 134.

(*) Vol. III, No. 3, pp. 146-160.

Ages between which every child must attend school unless exempted	CANADA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Alberta (continued)

- (d) Insufficient school accommodation.
- (e) Child has passed grade VIII examination or attained equivalent standing, if the school of the district does not provide more advanced instruction.
- (f) For a period not exceeding six weeks in any school term, special exemptions may be granted by a justice of the peace, police magistrate, commissioner of the juvenile court, or principal of the school, where the services of the child are required in husbandry, in urgent household duties, or for the necessary maintenance of such child or of some person dependent on him.

Percentage of illiterates in population of 5 years and over = 12.72 ⁽³⁾

7-14	British Columbia ⁽⁴⁾ (a) Child is under other instruction satisfactory to the magistrate or justice of the peace. (b) Sickness of the child or other unavoidable cause. (c) Distance from school more than three miles. (d) Child has reached standard of education at least equal to that provided by the public school of his district.	(a) In city school districts the full school year, i.e. ten months. (b) In district municipality school districts at least six months; and if the Board of School Trustees shall so decide, the full school year. (c) In rural districts six months.
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Percentage of illiterates in population of 5 years and over = 11.61 ⁽³⁾

7-15 ⁽⁶⁾	Manitoba ⁽⁵⁾ (a) Child is in regular attendance at a private school officially reported to be of a standard equal to that of the public school.	Full school year or such period as the school is open.
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(3) Census of Canada, 1911, Vol. 11, Table XXVIII, page 462 *et seq.* (Percentage of illiteracy is based upon inability either to read or to write).

(4) Manual of the School Law and School Regulations, British Columbia, 1919 (An Act relating to Public Schools, chap. 206).

(5) The School Attendance Act. Consolidated Statutes of Manitoba, 1920.

(6) The compulsory school attendance age is 7-14, excepting that in accordance with the 1919 amendment any Board of School Trustees employing three teachers and having an attendance officer has power to raise the compulsory age to fifteen by passing a bye-law to that effect. Also, any child over the age of fourteen enrolled in any of the public schools, whether elementary or secondary, must attend regularly while so enrolled and is under the jurisdiction of the school attendance officer.

Ages between which every child must attend school unless exempted	CANADA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Manitoba (continued)

(b) Child is under efficient instruction at home or elsewhere as certified to in writing by the school inspector.

(c) Sickness of child or other unavoidable cause.

(d) Insufficient school accommodation.

(e) Distance from school two miles, if child is under 10, or three miles, if child is over 10 years, unless conveyance is provided by school authorities.

(f) Child is over 12 years and his services are needed in husbandry or urgent and necessary household duties, as certified to by the school principal or justice of the peace or police magistrate (Exemption not to exceed six weeks in any school term).

Percentage of illiterates in population of 5 years and over = 13.31 ⁽³⁾

7-12 (In rural districts)	New Brunswick ⁽¹⁾ (a) Child is being properly educated otherwise than in the public school.	120 days ⁽²⁾
6-16 (In cities or towns)	<p>(b) Child is in delicate health.</p> <p>(c) Distance from school more than two miles, unless a conveyance is provided by the school authorities.</p> <p>(d) Other sufficient cause.</p> <p>(e) Child is over 12 years and has passed the examination of grade VII ⁽⁴⁾.</p> <p>(f) Child is over 13 years and has attended school during fourteen consecutive weeks in the preceding year, provided necessity requires him to work and he is granted permission for such employment by the school board ⁽⁵⁾.</p>	

(7) Statutes of New Brunswick, 1906, Parts I and II. The compulsory School Attendance Law is optional with each district, but its provisions must be submitted at each annual school meeting until adopted.

(8) Sections (e), (f), and (g) are applicable only to cities and towns.

(9) The school law provides for a summer vacation of eight weeks, beginning on the first day of July, and a winter vacation of two weeks, beginning on the Saturday preceding the week in which Christmas falls. On application of the Board of Trustees of any district in which special conditions exist, the Inspector may permit a part or the whole of the summer vacation to be taken at another time.

Ages between which every child must attend school unless exempted	<p style="text-align: center;">CANADA</p> <p>Exemptions, i.e. conditions under any one of which absence from school may be allowed</p>	Minimum period of compulsory school attendance for each child each year
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New Brunswick (continued)

(g) Child is over 14 years and holds an official certificate of reasonable proficiency in the grade of school work suitable to his age and previous opportunity ⁽⁸⁾.

Percentage of illiterates in population of 5 years and over = 14.50 ⁽³⁾

Nova Scotia ⁽¹⁰⁾

7-14 (In rural districts)	(a) Child is prevented from attendance by mental, physical, or other good and sufficient reason.	Full school year or such period as the school is open.
6-16 (In cities and towns)	(b) Child is over 12 years of age and has passed a satisfactory examination in grade VII; or is over 13 years of age and required by necessity to work, provided he is in possession of an employment certificate granted by the Board and is actually engaged in remunerative employment.	

Percentage of illiterates in population of 5 years and over = 10.34 ⁽³⁾

Ontario ⁽¹¹⁾

8-18 ⁽¹²⁾		<p><i>I. Children 8-14 years of age</i></p> <p>(a) Child is under special instruction as approved by the school attendance officer.</p> <p>(b) Sickness or other unavoidable cause.</p> <p>(c) Distance from school more than two miles if child is under 10 years, and more than three miles if he is over 10 years.</p> <p>(d) Insufficient school accommodation.</p> <p>(e) Child has passed University matriculation in arts, or has completed the examination for admission to normal school, or has attained equivalent standing.</p>	Full school year.
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(10) An Act to amend and consolidate the Acts relating to Public Instruction, Statutes of Nova Scotia, 8-9 Geo IV, Parts II and III. Part III, which applies compulsory school attendance to rural districts, becomes operative only when adopted at an annual school meeting of the section.

(11) The School Attendance Act 1919, and The Adolescent School Attendance Act 1919.

(12) Children from 5 to 8 years, if enrolled, must attend regularly.

Ages between which every child must attend school unless exempted	CANADA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Ontario (continued)

(f) Services of the child required in husbandry or urgent and necessary household duties, or for the necessary maintenance of such child or of some person dependent upon him, as certified to by the school attendance officer, or justice of the peace, or school principal (exemption not to exceed six weeks in any school term).

II. Adolescents 14-16 years of age ⁽¹³⁾

(a) Sickness, infirmity, or other physical defect.

Full school year.

(b) Adolescent employed on the authority of a home permit or employment certificate and in attendance at part-time courses of instruction approved by the Minister for an aggregate of at least 400 hours each year.

(c) Adolescent has passed University matriculation or its equivalent.

(d) Adolescent in attendance at another institution approved by the Minister.

III. Adolescents 16-18 years of age ⁽¹⁴⁾

(a) Sickness, infirmity, or other physical defect.

320 hours each year.

(b) Adolescent has passed University matriculation or its equivalent.

(c) Adolescent in full-time attendance at a public school, high school, university, or other school approved by the Minister.

(d) Adolescent has been up to the age of 16 years under efficient full-time instruction as approved by the public school inspector.

Percentage of illiterates in population of 5 years and over = 6.51 ⁽³⁾

(13) Effective 1 September 1921.

(14) Effective 1 September 1923.

Ages between which every child must attend school unless exempted	CANADA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Prince Edward Island ⁽¹⁵⁾

7-13 ⁽¹⁶⁾

(a) Poverty.

(b) Child is otherwise provided with the means of education for a like period of time.

(c) Child has already acquired the branches of learning taught in the public schools.

(d) Bodily or mental condition of child prevents attendance at school or application to study.

30 weeks in cities and towns and 20 weeks elsewhere in the Province.

Percentage of illiterates in population of 5 years and over = 7.61 ⁽³⁾

Quebec

The province of Quebec has no compulsory school attendance law.

Percentage of illiterates in population of 5 years and over = 12.66 ⁽³⁾

Saskatchewan

7-14

(a) Child is under efficient instruction at home or elsewhere.

(b) Sickness or other unavoidable cause, where the teacher is kept advised.

(c) Child, in the opinion of the magistrate or school board, needs to maintain himself or some person dependent upon him.

(d) Distance from school 2½ miles if child is under 12 years or 3½ miles if over 12 years, unless conveyance is provided by school authorities.

(e) Insufficient school accommodation.

(f) Child has passed the grade VIII examination or has equivalent standing.

Full school year, which includes a minimum of 200 teaching days.

Percentage of illiterates in population of 5 years and over = 13.70 ⁽³⁾

(15) The Public School Act, 1920, Prince Edward Island, Sections 95 and 98.

(16) Any child apparently between the ages of 8 and 14 found loitering, wandering, or playing in public places in the City of Charlottetown or the Town of Summerside may be arrested by the truant officer and brought before the secretary of the School Board and placed in school.

TABLE II

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year ⁽¹⁾
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Alabama ⁽²⁾

8-16	<p>(a) Child in attendance at a private school.</p> <p>(b) Child is 14 or over and has completed the elementary course of study or its equivalent.</p> <p>(c) Child is 14 or over and is legally employed. (Excepting for vacations Employment Certificate requires completion of grade IV or its equivalent, and certificate of physical fitness)</p> <p>(d) Distance from school $2\frac{1}{2}$ miles, if no free transportation.</p> <p>(e) Child is physically or mentally incapacitated.</p>	One hundred days, which shall commence at the beginning of the school term, unless otherwise ordered by the Board of Education.
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Percentage of illiterates in population of 10 years and over=22.9

Arizona *

8-16	<p>(a) Completion of grammar school course.</p> <p>(b) Excused for "satisfactory" reasons by Board composed of specified school officials and probation officer.</p> <p>(c) Physically or mentally incapacitated.</p>	Eight months.
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Percentage of illiterates in population of 10 years and over=20.9

Arkansas *

7-15	<p>(a) Completion of seventh grade.</p> <p>(b) Services necessary for support of widowed mother.</p> <p>(c) Physically or mentally incapacitated.</p>	Three-fourths of entire session.
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Percentage of illiterates in population of 10 years and over=12.6

* Information respecting States marked with an asterisk is quoted verbatim from "The States and Child Labor", U.S. Department of Labor, 1919, the statutes of such States not being available for this investigation.

(1) The length of the minimum period of compulsory attendance in the individual States was reported by Mr. J.B. Andrews, Secretary of the American Association for Labor Legislation.

(2) School Code, Department of Education, Alabama, 1919, p. 49.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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California ⁽³⁾

8-16	<p>(a) Physical or mental unfitness certified to by a physician.</p> <p>(b) Distance from school more than two miles, upon the written approval of the country superintendent.</p> <p>(c) Child in attendance at an approved private school or satisfactorily instructed by a tutor.</p> <p>(d) Child holds a permit to work or an age and schooling certificate (Permits ⁽⁴⁾ legal only if child is 14 or over and has completed the elementary school course; age and schooling certificate, if minor is 15 years or over, has a physician's certificate of fitness, and is actually employed).</p>	Six months.
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Percentage of illiterates in population of 10 years and over=3.7

Colorado ⁽⁵⁾

8-16	<p>(a) Completion of eight grades if child is 14 or over.</p> <p>(b) Child is 14 or over and his services are necessary for the support of self or parent ⁽⁶⁾.</p> <p>(c) Child is 14 or over and exemption is for his "best interests" ⁽⁷⁾.</p> <p>(d) Child is physically or mentally incapacitated.</p>	Entire school year; law applies to all school districts except where seating capacity is insufficient.
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Percentage of illiterates in population of 10 years and over=3.7

Connecticut ⁽⁸⁾

7-16	<p>(a) Child is 14 or over and is lawfully employed at home or elsewhere, unless official complaint is made that the child has not schooling sufficient to warrant leaving school.</p>	Nine months.
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(3) The School Law of California, 1919, p. 138.

(4) Child of 14 is not granted permit to work except in case of family necessity.

(5) The School Laws Annotated of the State of Colorado, 1919, p. 140.

(6) A child subject to this provision of the Act must be given such poor relief as shall enable him to attend, but is not to be required to attend more than three hours per day.

(7) This exemption would appear to include children over 14 who are regularly employed, provided they can read and write the English language.

(8) Law relating to schools, Connecticut School Document, No 5.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Connecticut (Continued)

(b) Parent or guardian unable to provide suitable clothing.

(c) Child is physically or mentally incapacitated.

Percentage of illiterates in population of 10 years and over = 6.0

Delaware (9)

7-16 (10)

(a) Child receiving regular instruction elsewhere to the satisfaction of the superintendent.

180 days in the year, or, if child is 14 years or over, 100 days in the year.

(b) Child is mentally or physically incapacitated, as certified to by a physician.

(c) Child is 14 or over and has completed the work of grade VIII.

(d) Child is 14 or over and is regularly and legally employed at home or elsewhere.

Percentage of illiterates in population of 10 years and over = 8.1

Florida (11)

7-16

(a) Child in attendance at private school and record kept for inspection.

Four months.

(b) Child taught by parent or guardian upon written authority of the County Superintendent of Public Instruction.

(c) Child is mentally or physically incapacitated.

(d) Completion of grade VIII.

(e) Services necessary for support of widowed mother or other dependent.

(f) For children of 7-9 years, distance from school more than two miles; of 10-16 years, distance more than three miles; unless, in either case, free transportation is furnished.

(9) Delaware School Code, 1920.

(10) Working at agricultural pursuits shall be considered proper and necessary reason for absence, but no child under 14 years shall be excused for such cause if it will reduce his attendance to less than 120 days in each school year.

(11) Laws relating to Education, 1917-1919, p. 16.

<p>Ages which child must attend school unless between every child must attend school unless</p>	<p>UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed</p>	<p>Minimum period of compulsory school attendance for each child each year</p>
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Florida (continued)

(g) Parent or guardian unable to provide books and clothing (exemption to cease after they have been otherwise provided).

(h) Special exemption granted by attendance officer for unusual cause.

Percentage of illiterates in population of 10 years and over = 13.8

Georgia (12)

8-14

(a) Child in attendance at private school for equal period.

Six months.

(b) Completion of grade VII.

(c) Child is excused temporarily "for good reasons" by the Board of Education, such boards being authorised "to take into consideration the seasons for agricultural labour and the need for such labour in exercising their discretion as to the time for which children in farming districts shall be excused".

(d) Child is excused temporarily by teacher because of bad weather, sickness, death in family, or other reasonable cause.

("Provided that no guardian shall be compelled to send such child or children to school out of any other than the funds belonging to the ward or wards").

Percentage of illiterates in population of 10 years and over = 20.7

Idaho *

8-16

(a) Completion of eighth grade if child is 15 or over.

Seven months.

(b) Child is 15 or over and his services are necessary for support of self or parent.

(c) Child is 15 or over and exemption would be for his "best interests".

(d) Physically or mentally incapacitated.

Percentage of illiterates in population of 10 years and over = 2.2

(12) Georgia School Code, 1920, p. 59.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Illinois ⁽¹³⁾

7-16

(a) Child is receiving adequate instruction elsewhere in the English language.

(b) Child is physically or mentally incapacitated as certified to by a physician.

(c) Child is excused for cause by the principal or teacher.

(d) Child is from 14-16 years, necessarily and lawfully employed, and officially excused by the superintendent of schools.

Seven months.

Percentage of illiterates in population of 10 years and over = 3.7

Indiana ⁽¹⁴⁾

7-16

(a) Child is 14 or over, has completed grade VIII and is lawfully employed.

(b) Child is physically or mentally incapacitated.

(c) Child is exempted by Judge of the Court because of delinquency.

Six months.

Percentage of illiterates in population of 10 years and over = 3.1

Iowa ⁽¹⁵⁾

7-16

(a) Completion of grade VIII.

(b) Child is 14 or over and regularly employed.

(c) Distance from school two miles, if no free transportation.

(d) Child is excused for "sufficient reasons" by Court of Record or Judge thereof.

(e) Child is attending religious service or receiving religious instruction.

(f) Child physically or mentally incapacitated.

Twenty-four weeks in each year. In cities of the first or second class entire year may be required by board of school directors.

Percentage of illiterates in population of 10 years and over = 1.7

(13) The School Law of Illinois. Circular No 138, p. 2.

(14) School Laws—A supplement to the School Laws of Indiana, 1917 edition, p. 71.

(15) School Laws of Iowa, published by the State of Iowa, 1917, p. 70.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Kansas ⁽¹⁶⁾

8-16	<p>(a) Child is 14 or more, is able to read and write English, and is regularly employed for the support of himself or dependents; excepting for a period of eight consecutive weeks in a year.</p> <p>(b) Completion of the work of the common schools.</p> <p>(c) Child is physically or mentally incapacitated, as certified to by the school physician.</p> <p>(d) Extreme cases of emergency or domestic necessity, with the permission of the school board.</p>	Seven months.
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Percentage of illiterates in population of 10 years and over = 2.2

Kentucky ⁽¹⁷⁾

7-16 ⁽¹⁸⁾	<p>(a) Child is physically or mentally incapacitated.</p> <p>(b) Child is 14 years or over, holds a legal employment certificate and is steadily employed, provided that if such child has not completed grade VIII he shall attend a continuation school for from four to eight hours a week. This provision is applicable in cities only.</p>	Six months.
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Percentage of illiterates in population of 10 years and over = 12.1

Louisiana ⁽¹⁹⁾

8-16 (In Parish of Orleans).	<p>(a) Child is 14 or over and is regularly employed at least six hours per day.</p> <p>(b) Completion of elementary school course.</p> <p>(c) Public school facilities within twenty city blocks of home not adequate to accommodate child.</p> <p>(d) Child is physically or mentally incapacitated.</p> <p>(e) Child is under instruction at home.</p>	Entire session
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(16) Laws relating to the Common Schools of Kansas, 1919-20, p. 85.

(17) Kentucky School Laws, Supplement to, 1920.

(18) In county school districts, the compulsory school age is 7 to 12 years.

(19) Public School Laws of Louisiana, 1919, pp. 69 and 122.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Louisiana (continued)

7-14 (Outside Parish of Orleans)	(a) Completion of elementary school course. (b) Services necessary for support of widowed mother. (c) No adequate school facilities. (d) Distance from school $2\frac{1}{2}$ miles if no free transportation. (e) Child is physically or mentally incapacitated.	140 days, or entire session, if that is less than 140 days. Child is required to enter school not later than two weeks after the opening of the session.
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Percentage of illiterates in population of 19 years and over = 29.0

Maine ⁽²⁰⁾

7-17	(a) Child is 15 or over and is able to read and write simple English sentences. (b) Child is 14 or over and has work permit for which completion of grade VI is required. (c) Child is excused by local school committee, superintendent, or teacher for necessary absence. (d) Child is physically or mentally incapacitated. (e) Child is in attendance for alike period of time at an approved private school.	Seven and a half months.
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Percentage of illiterates in population of 10 years and over = 4.1

Maryland ⁽²¹⁾

8-16 (In Baltimore)	(a) Child is 14 or over and is regularly and lawfully employed. (b) Child is excused for necessary absence by superintendent or principal of school or his deputy. (c) Child is physically or mentally incapacitated.	Nine months.
7-13 (in counties) ⁽²²⁾	(a) Child is excused for necessary and legal absence by superintendent or principal of school or his deputy. (b) Child is physically or mentally incapacitated.	

(20) Laws of Maine relating to Public Schools, 1919, pp. 3 and 85.

(21) Maryland Public School Laws, 1920, p. 94.

(22) That is, entire State outside Baltimore City.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Maryland (continued)

13-17 (In counties)	(a) Child is 15 or over and has completed elementary school course. (b) Child is physically or mentally incapacitated.	At least 100 days, and entire session if not regularly and lawfully employed.
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Percentage of illiterates in population of 10 years and over = 7.2

Massachusetts (23)

7-16	(a) Child is 14 or over and has completed fourth grade and is either regularly employed (on employment certificate) at least six hours a day or has permission from school superintendent to be employed at home. (b) Child is excused for necessary absence (not exceeding seven days in six months). (c) Child is physically or mentally incapacitated. (d) Child is in attendance at an approved private school.	Eight months.
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Percentage of illiterates in population of 10 years and over = 5.2

Michigan (24)

7-16	(a) Work of grade VIII *completed to the satisfaction of the commissioner, and labour permit granted. Such permit is issued only if child is 15 or over and is regularly employed at lawful labour. (b) Physical unfitness. (c) If child is 14 or over, has completed grade VI, and his services are essential to the support of his parents, he may be excused, on the recommendation of the Board, by the county commissioner or city superintendent.	Full school year excepting where school is maintained for the entire year. In such case no child is compelled to attend more than three of the four quarters. Minimum period, five months.
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(23) Educational Legislation, Bulletin No. 7, p. 19, Massachusetts Board of Education, 1918.

(24) General School Laws, State of Michigan, Revision of 1919, p. 173.

Ages between which child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Michigan (continued)

(d) Child is under 9 years and distance from school is more than 2½ miles, unless free transportation is provided.

(e) Child 12 to 14 and attending confirmation classes, period not to exceed five months in a year.

Percentage of illiterates in population of 10 years and over = 5.2

Minnesota (25)

8-16

(a) Child is physically or mentally incapacitated.

(b) Completion of grade VIII.

(c) No school within reasonable distance.

(d) Child is 14 or over and help is required at home, for the period between April 1 and November 1, excepting in cities of the first or second class.

(e) Conditions of weather or travel make attendance impossible.

(f) Child is under instruction according to the ordinances of some church.

Full school year up to ten months. In districts maintaining terms of unequal length in different public schools, the shorter term only is required, and may be only five months.

Percentage of illiterates in population of 10 years and over = 3.0

Mississippi (26)

7-14 (27)

(a) Common school course completed.

(b) Distance from school 2½ miles unless transportation is provided.

(c) In extreme cases of emergency, absence may be officially excused.

(d) Child is mentally or physically incapacitated as certified to by a physician.

Eighty days commencing at the beginning of the school year unless otherwise ordered.

Percentage of illiterates in population of 10 years and over = 22.4

(25) Minnesota, G.S. 1913, as amended by chapter II, Laws, 1919.

(26) School Law of the State of Mississippi, enacted by the Legislature, 1920, p. 12.

(27) Any county may release itself from the provisions of this Act by a majority vote at a special election according to law.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Missouri (28)

7-16	<p>(a) Child is 14 or over and for at least six hours each day is actually, regularly, and lawfully engaged in useful employment or service.</p> <p>(b) Completion of common school course.</p> <p>(c) Child is under satisfactory instruction at home or in a private school.</p> <p>(d) Child is physically or mentally incapacitated.</p>	Entire session.
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Percentage of illiterates in population of 10 years and over = 4.3

Montana (29)

8-16	<p>(a) Child is 14 or over, has completed grade VIII, and is regularly and legally employed.</p> <p>(b) Child is 14 or over and has age and schooling certificate, if wages are necessary for the support of child's family.</p> <p>(c) Distance from school makes attendance an undue hardship.</p> <p>(d) Child is physically or mentally incapacitated.</p> <p>(e) Child is under private instruction satisfactory to the superintendent of schools.</p>	Sixteen weeks, beginning with the first week of the school term, unless excused by the superintendent.
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Percentage of illiterates in population of 10 years and over = 4.8

Nebraska (30)

7-16	<p>(a) Child is 14 or over and legally and lawfully employed for support of self or others dependent on him (In such case he may be required to attend evening school).</p> <p>(b) Distance from school two miles if no free transportation.</p> <p>(c) Child is physically or mentally incapacitated.</p>	Entire session of at least seven months in city or metropolitan school districts; elsewhere at least 12 weeks, and where term is longer, two-thirds of term, but in no case less than 12 weeks.
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Percentage of illiterates in population of 10 years and over = 1.9

(28) New and Revised School Laws of the State of Missouri, Section 10896.

(29) School Laws of the State of Montana, 1921.

(30) School Laws of Nebraska, 1919-20, p. 93.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Nevada ⁽³¹⁾

8-16	<p>(a) Completion of eighth grade.</p> <p>(b) Child's labour necessary for support of self or parents ⁽³²⁾.</p> <p>(c) Distance from school makes attendance impracticable or unsafe.</p> <p>(d) Child is physically or mentally incapacitated.</p> <p>(e) Child in attendance at private school or under instruction at home.</p>	Six months.
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Percentage of illiterates in population of 10 years and over = 6.7

New Hampshire *

8-16	<p>(a) Completion of elementary school course if child is 14 or over.</p> <p>(b) Child is 14 or over and is excused by superintendent of public instruction or member of school board on ground that "educational welfare" will be best served by withdrawal from school.</p> <p>(c) Physically or mentally incapacitated.</p>	Nine months
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Percentage of illiterates in population of 10 years and over = 4.6

New Jersey *

7-16	<p>(a) Child is 14 or over, has age and schooling certificate, and is regularly and lawfully employed.</p> <p>(b) Physically or mentally incapacitated.</p>	Entire session.
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Percentage of illiterates in population of 10 years and over = 5.6

(31) The School Code, 1919, p. 67. Further legislation in Nevada as approved 28 March, 1919 (see page 130, School Code) compels the attendance of certain government wards at schools where tuition, lodging, food, and clothing are furnished at the expense of the United States. The age of compulsory attendance is from eight to twenty years, and the period ten months in each year. Free transportation must be provided unless the children reside less than ten miles from the school.

(32) The minimum age for employment in any business or service is 14.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child, each year
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New Mexico ⁽³³⁾

6-16	(a) Child is between 14 and 16 and holds an employment certificate for the purpose of definite employment ⁽³⁴⁾ . (b) Distance from school three miles. (c) Child is physically incapacitated.	Seven months.
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Percentage of illiterates in population of 10 years and over = 20.2

New York *

7-16 ⁽³⁵⁾	(a) Child is 14 or over, has proper working papers and is regularly and lawfully employed ⁽³⁶⁾ . (b) Physically or mentally incapacitated.	Nine months.
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Percentage of illiterates in population of 10 years and over = 5.5

North Carolina ⁽³⁷⁾

7-14	Child is excused by principal, superintendent, or teacher on account of sickness, distance from school, or other unavoidable cause ⁽³⁸⁾ .	Six months.
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Percentage of illiterates in population of 10 years and over = 18.5

North Dakota ⁽³⁹⁾

7-17	(a) Completion of grade VIII. (b) Services necessary for support of child's family, as determined by the state attorney, subject to appeal.	Seven months.
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(33) Report of State Superintendent of Public Instruction, 1918.

(34) Employment of children under 14 is also authorised where "it is shown to the satisfaction of the court that it is necessary for such child to work" and "if it shall further be shown to the satisfaction of the Court that the education, physical and moral welfare of such child are fully provided for". House Bill No 310, 1921.

(35) 8 to 16 in places other than cities or school districts having a population of 5,000 or over and employing a superintendent.

(36) Child who has not completed elementary school course cannot obtain certificate of employment until he is 15 years of age.

(37) New School Legislation enacted by the General Assembly of North Carolina, 1920 and 1921, p. 43.

(38) The State Board of Education shall prescribe what shall constitute truancy... and under what circumstances teachers, principals, or superintendents may excuse pupils for non-attendance due to immediate demands of the home or of the farm in certain seasons or ear.

(39) North Dakota, General School Laws, 1919, p. 114.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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North Dakota (continued)

(c) Physical or mental condition renders attendance impracticable, as certified to by a physician.

(d) Distance from school over 21½ miles, unless free transportation is provided ⁽⁴⁰⁾.

Percentage of illiterates in population of 10 years and over = 3.1

Ohio *

8-16	(a) Boy exempted if he is 15 or over, has completed sixth grade, and is regularly employed. (b) Physically or mentally incapacitated.	Seven months.
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Percentage of illiterates in population of 10 years and over = 3.2

Oklahoma ⁽⁴¹⁾

8-18	(a) Mental or physical disability certified to by a physician. (b) Child is between 16 and 18 years, has completed work of grade VIII, and is regularly and lawfully employed. (c) Child is between 16 and 18 years, and has completed the full course of instruction provided by the public schools of the district.	Two-thirds of entire session, and in no case less than three months.
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Percentage of illiterates in population of 10 years and over = 5.6

Oregon *

9-16 ⁽⁴²⁾ ⁽⁴³⁾	(a) Completion of grammar grades if child is 14 or over. (b) Child is 15 or over and is legally employed in lawful work.	Eight months.
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(40) If free transportation is provided, the law applies to children living any distance up to six miles from school.

(41) Oklahoma Session Laws, 1919, Chap. 59.

(42) The act creating parental schools (Acts of 1917, ch. 242) by defining an habitual truant to be "a child between 7 and 16 years of age who wilfully and habitually absents himself from school" apparently lowers the compulsory school attendance age from 9 to 7 years.

(43) To discover the actual school-attendance provisions, the child-labour law requiring the attendance of all children between 9 and 16 except those over 14 who are legally employed must be read in connection with the Education law, requiring attendance of all children between 9 and 15 inclusive, until completion of the grammar grades.

Ages between which every child must attend school unless exempted	<p style="text-align: center;">UNITED STATES OF AMERICA</p> <p>Exemptions, i.e. conditions under any one of which absence from school may be allowed</p>	Minimum period of compulsory school attendance for each child each year
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Oregon (continued)

(c) Home three miles from school, if no free transportation ⁽⁴⁴⁾.

(d) Physically incapacitated.

Percentage of illiterates in population of 10 years and over = 1.9

Pennsylvania ⁽⁴⁵⁾

8-16

(a) Mental or physical incapacity or other urgent circumstance (strictly construed, and if child is under 14 years, not allowing for employment as in (b).

(b) Child is between 14 and 16 years, can read and write intelligently and is regularly engaged in useful, lawful employment for which he holds an employment certificate.

(c) Child between 14 and 16 years, who has completed grade VI as certified to by the teacher, may be permitted by the school board to leave school for engagement in farm or domestic employment ⁽⁴⁶⁾.

(d) Distance from school two miles, unless free transportation is provided.

Entire session, which may be reduced by the Board of School Directors in any district of the fourth class, to a period not less than 70 per cent. of the school term beginning at a fixed date.

Percentage of illiterates in population of 10 years and over = 5.9

Rhode Island ⁽⁴⁷⁾

7-15

(a) Completion of first eight grades (excluding kindergarten).

(b) Child is 14 or over and lawfully employed at labour or engaged in business, being in sound health and able to read and write English.

(c) Child is excluded from attendance "by virtue of some law or regulation".

Thirty-six weeks.

(44) This exemption applies up to 15 years of age; child between 9 and 10 years of age is exempted if living more than 1 1/4 miles from school.

(45) A digest of the Attendance Laws, Dept. of Public Instruction, 1920.

(46) Special forms must be filled as permits for farm work or domestic service in private homes.

(47) School Law of Rhode Island, 1914, p. 96.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child, each year
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Rhode Island (continued)

(d) Parent is unable to provide clothing.

(e) Child is physically or mentally incapacitated.

(f) Child in attendance at an approved private school.

Percentage of illiterates in population of 10 years and over = 7.7

South Carolina *

8-16
(Law optional with locality) ⁽⁴⁸⁾

(a) Child is 14 or over, able to read and write simple English sentences, and regularly and lawfully engaged in useful employment or service.

(b) Services necessary for support of self or parent.

(c) Parent unable to provide books and clothing (exemption to cease after they have been otherwise provided).

(d) Temporarily excused by board of school trustees for "good and sufficient reasons".

(e) Home 2½ miles from school, if no free transportation.

(f) Physically or mentally incapacitated.

Entire session; but child living in agricultural district and engaged in work at home need attend only four months, or full term if term is less than four months.

Percentage of illiterates in population of 10 years and over = 25.7

South Dakota ⁽⁴⁹⁾

8-17

(a) Completion of grade VIII.

Six months.

(b) Presence of child at home necessary because of serious illness in family; or presence in school a menace to the health of other pupils.

(48) Law applies only in school district electing to adopt, either by vote or by petition.

(49) The School Laws of South Dakota, Special Session 1920, p. 15. *Further Legislation*: The School Laws of South Dakota, 1919, page 79, read: "Whenever the United States erects or causes to be erected and maintained a school for general educational purposes within the State of South Dakota, and the expense of the tuition, lodging, food, and clothing of Indian pupils therein is borne by the United States, it shall be compulsory on the part of every parent, guardian, or other person in the State having control of any Indian child between the ages of 6 and 18 years eligible to attend such school to send such child to such school for a period of nine months, or during the annual term,

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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South Dakota (continued)

(c) Child is under private instruction approved by the county superintendent.

(d) Child is physically or mentally incapacitated.

(e) Between April 1 and November 1, because of extreme need of assistance at home, provided he has completed grade VI, child may be excused for a period not to exceed forty school days.

Percentage of illiterates in population of 10 years and over = 2.9

Tennessee (50)

7-16

(a) Completion of eighth grade.

Entire session.

(b) Parent unable to provide clothing.

(c) Distance from school more than two miles, if no free transportation.

(d) Child is physically or mentally incapacitated.

Percentage of illiterates in population of 10 years and over = 13.6

Texas (51)

8-14

(a) Child is 12 or over, has completed fourth grade, and his services are necessary for the support of parent or guardian.

One hundred days, beginning with the opening of the school term, unless otherwise authorised by the school trustees.

(b) Distance from school $2\frac{1}{2}$ miles if no free transportation.

(c) Child is physically or mentally incapacitated.

(d) Child is in attendance at an approved private school, or under proper instruction by a tutor.

Percentage of illiterates in population of 10 years and over = 9.9

unless such child be excused from attendance by the superintendent of schools of the county in which such child resides, and a certificate be procured showing that the physical or mental condition of such child has been or is such as to prevent his attendance at school or application to study for the period required, or that such child is being taught in a public or other school, in such branches as are usually taught in the public schools; provided, that in case the United States does not make provision for the free transportation of such child to and from his home to such school, such child, if he resides ten or more miles from such school, shall not be subject to the provisions of this article.

(50) Tennessee Compulsory Attendance Laws, Acts, 1919, chap. 143.

(51) Texas School Laws, Bulletin 122, 1920, p. 27.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Utah ⁽⁵²⁾

8-18

(a) Minor is legally excused to enter employment (part-time attendance required).

(b) Minor has completed the work of a senior high school.

(c) Minor is taught at home the required number of hours.

(d) Because of mental or physical condition, attendance is inexpedient or impracticable.

(e) Distance from school $2\frac{1}{2}$ miles, unless free transportation is provided.

Thirty weeks; and, if minor is excused to enter employment, a period of at least 144 hours per year in a part-time or continuation school.

*Percentage of illiterates in population of 10 years and over = 2.5***Vermont ***

8-16

(a) Completion of elementary school course.

(b) If child has reached the age of 15 and has completed the sixth grade, he may be excused from attendance if his services are needed for support of dependents or for any other sufficient reason.

(c) "Legally excused from attending school."

(d) Physically or mentally incapacitated.

Entire session; if session is more than 170 days, child shall "continue in school unless excused in writing by the superintendent".

*Percentage of illiterates in population of 10 years and over = 3.7***Virginia ⁽⁵³⁾**8-12 ⁽⁵⁴⁾

(a) Child is able to read and write.

(b) Child is excused "for cause" by district school trustees.

(c) Distance from school two miles, or one mile from line of public free wagon route.

Sixteen weeks ⁽⁵⁵⁾ from the beginning of the school term.

(52) State of Utah, School Laws, reprinted from the Session Laws of Utah, 1919, p. 14.

(53) Virginia School Laws, Bulletin State Board of Education, 1920, page 56.

(54) A proposed amendment to the State constitution, will, if adopted, give the General Assembly power to provide for the compulsory education of children of "school age" instead of only, as a present, of children 8 to 12 years of age.

(55) Two weeks' attendance at half-time or night-school is considered equivalent to one week's attendance at day school.

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA Exemptions, i.e. conditions under any one of which absence from school may be allowed	Minimum period of compulsory school attendance for each child each year
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Virginia (continued)

(d) Child is "weak in body or mind".

Percentage of illiterates in population of 10 years and over = 15.2

Washington (36)

8-16

(a) Child is 15 or over and regularly and lawfully engaged in remunerative employment.

Six months.

(b) Child has attained "reasonable proficiency in branches taught in first eight grades".

(c) Child is excused by school superintendent for "other sufficient reason".

(d) Child is physically or mentally incapacitated.

Percentage of illiterates in population of 10 years and over = 2.0

West Virginia *

7-15 (37)
(Williams and Spencer districts)

(a) Completion of grammar school branches.

Six months.

(d) Excused on account of sickness, etc., or for other reasonable cause.

(c) Physically or mentally incapacitated.

(56) Code of Public Instruction, State of Washington, 1917, page 155. Further legislation in the State of Washington (page 177) reads: "Whenever the Government of the United States or the State of Washington shall erect, or cause to be erected and maintained, a school for general educational purposes within the State of Washington, and the expenses of the tuition, lodging, food, and clothing of the pupils therein is borne by the United States or the State of Washington, it shall be compulsory on the part of every parent, guardian, or other person in the State of Washington having control of a child or children between the ages of five and eighteen years, eligible to attend said school, to send such child or children to said school for a period of nine months each year, or during the annual term, unless such child or children is or are excused from such attendance by the principal or superintendent upon it being shown to the satisfaction of said principal or superintendent that the bodily or mental condition of such child or children has been and is such as to prevent him, her, or their attendance at school, or application at study for the period required, or that such child or children is or are taught in the public schools, private schools or other schools, or at home in such branches as are usually taught in the public schools: *Provided* that in case the Government of the United States or the State of Washington, does not make provision for the free transportation of said child or children to and from their homes to said school, then he, she, or they shall not be liable to the provisions of this Act, unless they reside less than ten miles from said school".

(57) The child labour law requiring certificates for the employment of children between 14 and 16 in any gainful occupation would apparently exempt from school attendance a child of 14 or over who could satisfy the educational requirements for a certificate (ability to read and write simple English sentences and completion of sixth grade).

Ages between which every child must attend school unless exempted	UNITED STATES OF AMERICA	Minimum period of compulsory school attendance for each child each year
	Exemptions, i.e. conditions under any one of which absence from school may be allowed	

West Virginia (continued)

8-15 (Entire State except Williams and Spencer districts)	(a) Excused on account of sickness, etc., or for other reasonable cause. (b) Home two miles from school.	Twenty-four weeks
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Percentage of illiterates in population of 10 years and over = 8.3

Wisconsin (58)

7-16	(a) Child is 14 or over and is regularly and lawfully employed at home or elsewhere. (b) Completion of eighth grade. (c) Distance from school more than two miles, if no free transportation. 59 (d) Child is physically or mentally incapacitated.	Entire session in cities of first class; eight school months in any other city; six school months in any town or village.
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Percentage of illiterates in population of 10 years and over = 3.2

Wyoming (60)

7-14	(a) Child is physically incapacitated. (b) When attendance might "work a hardship", exemption may be granted by the District Board. (c) Child is excluded for legal reasons, unless special provision is made for his schooling.	Entire session (at least three months).
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Percentage of illiterates in population of 5 years and over = 3.3

District of Columbia (*)

8-14 (61)	(a) Child has acquired branches taught in public schools. (b) Child is physically or mentally incapacitated.	Entire session.
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Percentage of illiterates in population of 10 years and over = 4.9

(58) Laws of Wisconsin relating to Common Schools (published 1919), page 445.

(59) Child between 9 and 14 living between two and three miles from school must attend at least sixty days per year.

(60) School Laws of Wyoming, 1919.

(61) Child Labor Law, passed later than compulsory school attendance law, provides for the issuance of work permits to a child of 12 or over whose services are necessary for support of self, parents, or younger brother or sister.

BOOK NOTES

OFFICIAL PUBLICATIONS

INTERNATIONAL LABOUR OFFICE

The Eight-Hour Day Act and its Application to Agriculture in Czecho-Slovakia. 85 pp. Geneva, 1921. 2s. 6d. ; 50 cents.

By the Act of January 1919 Czecho-Slovakia fixed the working day in agriculture at eight hours. The Act aroused lively discussion, and the Minister of Social Welfare accordingly set on foot an enquiry as to its results in practice. The International Labour Office was invited to send a delegate to follow the enquiry. In response to this invitation a member of the staff, Dr. Pardo, was present at the meeting at Prague on 9 December 1920. Afterwards he was able to procure first-hand information as to the working of the Act by visiting several estates and collecting the evidence of representatives of landowners, agricultural workers, and the Government. The present study is the result of his investigations. It contains a detailed examination of the method of application of the Act, a survey of its effects, and a study of the economic and social changes brought about by it up to the present in Czecho-Slovakia.

International Congress of Transport Workers (Geneva, 18-22 April 1921). 19 pp. *Studies and Reports*, Series A, No. 22. Geneva, 13 August 1921. 10d. ; 20 cents.

This is a report of the Congress of the International Federation of Transport Workers held at Geneva from 18 to 22 April 1921.

Ninth Congress of the International Federation of Hat Makers. 11 pp. *Studies and Reports*, Series A, No. 23. Geneva, 13 August 1921. 10d. ; 20 cents.

This Study is an account of the proceedings of the Ninth Congress of the International Federation of Hat Makers held at Zürich from 6 to 9 June 1921.

BELGIUM

Office du Travail: Rapports annuels de l'inspection du travail, 19me année (1913) (Department of Labour: *Annual Factory Inspection Reports, 19th issue (1913)*). pp. 559, plates. Brussels, A. Dewit. 1919.

Like the French factory inspection report for 1913 ⁽¹⁾, this volume has been delayed in publication by the war. The delay has been less, however, in the case of the Belgian report, presumably owing to the fact that much less editorial work was involved. The French report for 1913 consisted of a general report and summary tables, compiled from the returns

(1) See *International Labour Review*, Vol. III, No. 3, Sept. 1921, *Book Notes*, p. 162.

of the divisional inspectors, which for the sake of economy were not printed as appendices, as had hitherto been done. In the case of Belgium no attempt has been made to produce any general statement; the nine divisional reports are printed as sent in, each with its separate group of statistical tables. There is, however, a subject-index, which reduces the difficulty of making a national survey of any particular activities. Former reports are followed in this respect, the only difference between the 1913 volume and those issued before the war being that the report of the medical service and the brief general summary of contraventions are omitted.

The inspection staff in 1913 consisted of ten inspectors, twelve assistant inspectors, and eleven delegates (the last-mentioned not being full-time officials, but local assistants paid for the days actually spent in inspection work). One inspector and one delegate were women. This staff was responsible not only for the supervision of industrial establishments in general, but for the administration of the Sunday rest law in commercial establishments, the testing of receptacles for the conveyance of liquified and compressed gases, and (in some districts) the inspection of open quarries. Mines and quarries in general, however, were under a separate mining inspection service.

About 21,000 visits were effected in 1913, covering some 15,000 establishments employing 456,000 persons ⁽²⁾. No definite indication is given as to the total number of establishments or persons subject to inspection, though the inspector for Namur and Luxembourg remarks that the year's visits have been confined to one-third of the communes in his area, which contain almost all its industry. About 25 per cent. of the workers in the establishments inspected consisted of specially protected persons—boys under sixteen (31,155 or 6½ per cent.), girls under sixteen (21,758 or 5 per cent.), and girls over sixteen and women (64,966 or 14 per cent.). Nearly half the women were employed in the textile trades of the Ghent district.

Statistics of contraventions of the labour laws are compiled differently in the various areas, so that it is impossible to arrive at a satisfactory total, except as regards offences under the Act of 13 December 1889, relating to the employment of women and children in industry, and the Sunday rest law. Under the former, 3,441 offences were proved, mostly cases of irregular or missing work-cards and of failure to post up the legal provisions applying to the establishment or the time table, and 397 under the latter, barbers and hairdressers being the chief offenders. Though proceedings were taken in these and many other cases, the inspectors complain repeatedly of the uselessness of legal action. The courts practically refused to enforce the laws in many districts, imposing only nominal fines (3 francs or one day's imprisonment, for instance), condoning obvious evasions of the regulations, and even acquitting old offenders in serious and well-established cases.

The employment of women and children and safety questions occupy the greater part of the reports. In spite of the low age limit (twelve years), as many as 94 children under age were found in employment, mostly in brick works, glass works, and the textile trades. Children under fourteen were not infrequently found in workshops from which they should have been excluded owing to the nature of the processes carried on there, especially in workrooms containing woodworking machinery. In general, their presence is stated to have been due to ignorance or negligence on the part of the employer, not to wilful defiance of the law. In a test case at Brussels on the employment of a child in a stereotyping room where lead was melted ⁽³⁾, the employer was acquitted by the court of first instance, regardless of the manifest intention of the law (pp. 7-8). A case involving a similar principle was raised in the Ghent district—the employment of a child on the cutting of rabbit-skins in a dyeing establishment; there also

(2) These figures cannot be stated exactly, as the total number of visits in the Charleroi district and establishments in the Antwerp district are not given as precisely as in other areas.

(3) Children under fourteen are excluded from lead foundries, and from the operation of skin-cutting machines in fur-dressing establishments.

it was decided that the letter of the law permitted such employment (pp. 214-5). The Antwerp inspectors encountered special difficulties in places where the work, from contact with which children must be excluded, was done only on two or three days a week, in rooms where other work went on all the week. In the Brussels and Ghent districts complaints were made as to the difficulty of administering the provisions relating to the employment of children in the textile trades, owing to the lack of uniformity as between different trades, e.g. children under thirteen might not work more than 6 hours a day in cotton mills, but were allowed 11½ hours in the woollen industry (pp. 9, 218).

The glass trades and brickworks are specially commented upon for the frequency with which unsatisfactory or illegal conditions are found to exist in them. Women and children were often found at work in brickworks too early or too late, i.e. during hours technically belonging to the night; in Brussels women were also found working at night in the chocolate trade. Glass works displayed variations from one district to another. In the Mons, Namur, and Liège divisions there was a tendency towards the suppression of night work—admittedly through lack of workers in the last-named district. In the province of Hainault (Charleroi division), however, the window-glass factories were working continuously, without even a week-end break; and for want of sufficient children to make up three shifts of flatteners' helpers, those employed were working twelve hours a day, while adults worked only eight hours (p. 324). Women were reported to be employed at night in many laundries and dressmaking establishments in the Antwerp district, but the legal prohibition was found to be inapplicable in almost all cases, as less than eleven persons were employed in the establishments (pp. 158-9).

Commercial as well as industrial establishments were inspected under the Sunday rest law; and in this connection the Namur inspector endorsed the recommendation made by the Brussels inspector in 1911 (p. 408), to the effect that the police should be authorised to assist in the administration of this law. Though they reported offences against other labour laws they were not allowed to deal with this, where less technical knowledge was required to prove contraventions than in any other case. The number of offences proved in respect of Sunday rest was 397, a great many occurring among barbers and hairdressers. Many devices were adopted for the evasion of the law, especially in the Brussels and Antwerp districts, and the law courts, as a rule, failed to support the inspectors in their opposition to these tricks. For instance, workers would be made nominally partners or managers, so as to escape the limitation of hours altogether; or "extra" hands would be employed on Sundays—i.e. persons not employed in the business during the week—or the employer would allege that the workers were in attendance without his knowledge (p. 14). In the case of the "extras", the Brussels court (*Parquet*) held that such employment was within the law, even if the "extra" was employed during a part of the week in the place where he worked on Sunday (p. 14).

As regards hygiene and safety, the position in 1913 appears to have been unsatisfactory. The statistics of accidents are far from being uniform; for instance, the Namur inspector says that even trifling injuries not causing actual incapacity are notified in his area, while the Liège inspector thinks that many accidents involving less than a week's incapacity are not notified in his district. No figures at all are given for the Courtrai district. In the other eight divisions, 99,828 accidents were notified—about one for every 4½ persons employed. Of these 1,024 were serious enough to call for special investigations, 289 being fatal. Falls from scaffolding, the movement of vehicles, and unguarded machines were the principal causes of death. Lack of protection for machines and shafting and improper handling of belts were responsible also for a large proportion of the non-fatal accidents. Injuries were most numerous in the Brussels, Namur, Hainault, and Liège divisions—one to every 2½ or 3 workers employed, and least frequent in the Ghent division—one to every 9 workers.

The inspectors insist repeatedly upon the necessity of installing proper safety devices on machines and guarding for scaffolding, which they recommend to employers persistently though often fruitlessly. They

complain, moreover, that the courts fail to give them proper support, e.g. in a case at Brussels where a worker was killed by a fall from a high scaffolding, the employer was acquitted on his allegation (entirely false, according to the inspector) that a railing at the point in question was impracticable, while the inspectors and workers were not even called to give evidence (pp. 27-28). As regards safety appliances for use by workers, difficulties are mentioned in connection with the safety-belt on buildings and caps for women working among machines. The Brussels inspectors support the men in their refusal to use safety-belts where the cord would have to be long in order to admit of work (p. 29) ; but caps are reported to be a special difficulty in all districts, as most girls and women obstinately refuse to wear them on account of the incompatibility of security and smartness.

Hygienic conditions also are reported to be unsatisfactory in many cases. Bad ventilation and lack of effective exhausts for dust and fumes are met with frequently. Huts for brickmakers are generally insanitary—ill-ventilated, with no heating except open braziers, sometimes overcrowded, and with no separation of the sexes. They are reported on favourably only in the Mons district, where 82 out of 104 are said to be quite well arranged.

A large amount of work is reported in connection with applications for permits to establish dangerous, unhealthy, and noxious undertakings, and with complaints about existing establishments. A good many of the applications relate to electrical installations, and most of the complaints refer to the pollution of watercourses by waste water, about which the noxious trades seem particularly careless.

Nothing of outstanding importance is mentioned under the other heads of the reports. The Brussels inspector suggests that collective negotiations for the adoption of works rules should be legalised, since, in fact, the employers' associations have taken to drawing up rules, while the workers of individual establishments usually notify the inspector of their criticisms through their trade unions (pp. 16-17). The principal point raised under the heading of payment of wages (specially supervised by the delegates) is the persistence of the custom of paying wages in public-houses, especially in Antwerp. Cases of fines and deductions exceeding the legal maximum are comparatively few.

The testing of gas-containers involved a great deal of work, 4,734 receptacles being dealt with, and 51 found defective. The Liège inspector recommends the extension of the testing system from vessels for transport to all containers, in order to bring the Belgian procedure into line with other countries.

Some good plates are attached to certain of the reports, in order to illustrate recommendations, especially as regards safety devices. Brussels, for instance, shows guarding for scaffolding and machines ; Antwerp shows devices for use in dock work ; and Louvain and Namur display views of particularly well-equipped factories. The report as a whole contains much interesting material, but the absence of a general review renders it comparatively difficult of access.

CANADA

BRITISH COLUMBIA

Department of Labour. *Annual Report for the year ending 31 December 1920.* 74 pp. Victoria, B. C. 1921.

This report gives a summary of the labour situation in the province of British Columbia for the year 1920. It comprises, among other matters, a rather complete survey of wages and hours in all the important industries of the province. Other activities of the Department include supervision of the employment offices, administration of the minimum wage law, and mediation and conciliation in labour disputes. Concerning the disappearance of the private employment bureaux, the report states that "the abolition

has left no regrets, and the Government bureaux are tending to become more and more the recognised channel through which vacancies are filled". The report contains a list of associations of employers and of labour organisations.

MANITOBA

Workmen's Compensation Board. *Report for the year 1920.* 25 pp. Winnipeg. 1921.

The total disbursements by the Board in 1920 in payment of compensation amounted to \$301,359, as against \$197,358 during 1919. The number of accidents reported was 3,854, as compared with 2,829 for the previous year; permanent disability cases numbered 135 in 1920 as against 70 in the preceding year, temporary disability 2,336 against 1,581, and fatal cases 17 as against 33.

This report is the last under the Compensation Act of Manitoba 1916. The new Act of 1920 provides for a state accident fund raised by assessment on all classified employers; under the former Act insurance was effected by private companies. Other less important changes in the new Act include general increases in benefits and the amount of medical aid.

FRANCE

Ministère du Travail. *Bulletin d'avril, mai, juin, 1921, Nos. 4, 5, 6* (Ministry of Labour. *Bulletin for April, May, and June 1921*). 156 pp. Paris, Berger-Levrault, 1921. 3.75 fr.

This number of the *Bulletin* of the Ministry of Labour contains *inter alia* information on the following subjects: strikes in February and March 1921; strikes submitted to arbitration and conciliation (1915-1918); subsidies to workers' producing societies (1893-1920); subsidies to consumers' co-operative societies (1917-1920); the work of the Cost of Living Committees; compensation and unemployment funds; the working of the law on workers' and peasants' pensions in 1917 and 1918; the use of leisure resulting from the 8-hour day; collective agreements in 1921; and the work of the public employment exchanges in January and February 1921. It also contains the text of the Franco-Belgian Convention on miners' insurance and pensions; the Decrees of 25 May 1921 enforcing the Franco-Italian labour treaty, and applying it to Alsace-Lorraine, and the Decree of 14 February 1921 applying Part II of the Labour Code to Algeria. In addition the section dealing with the international labour movement contains a report of the Seventh Session of the Governing Body of the International Labour Office and reprints the questionnaire issued by the Office in connection with the enquiry into the three-shift system in the iron and steel trade.

GERMANY

Arbeitsministerium. *Die Tarifverträge im Deutschen Reich am Ende des Jahres 1919, nebst Anhang: Die Reichstarifverträge am Ende des Jahres 1920. Bearbeitet im Reichsamt für Arbeitsvermittlung.* 23. Sonderheft zum Reichsarbeitsblatt (Ministry of Labour. *Collective Agreements in Germany at the end of 1919, with appendix: National Collective Agreements at the end of 1920. Prepared in the Employment Exchange Department. Supplement No. 23 to the National Labour Gazette*). 91 pp. Berlin, Reimar Hobbing. 36 marks.

This supplement to the official journal of the Ministry of Labour gives a sketch of the progress made and the present position in regard to collective agreements in Germany up to the end of 1919. The first part is of a general nature and deals with the following matters: the collection of statistics of collective agreements in Germany, the materials used, the actual position and the change in number of these agreements, the contracting parties and the sphere of application of the agreements

concluded, classification of agreements according to locality, the number of establishments and persons affected, methods of negotiation, the members of workers' organisations who supply information to the Ministry, the date and duration of the agreements, hours of employments, wages, notice to be given to terminate agreements, conciliation and arbitration bodies, employment exchanges instituted under the terms of agreements, agreements which have been made generally binding, and foreign collective agreements.

The second part comprises statistics of the information supplied in 1919 by workers' organisations; the development of collective agreements in 1919 and the number of agreements existing at the end of that year; the date and the sphere of application of the agreements in force; the method of conclusion of agreements, whether preceded by disputes or by amicable negotiations; classification of agreements according to locality and industry; the number of establishments affected by the various agreements; the number of persons concerned; hours of work per week fixed by agreements which came into force in 1919; methods of payment of wages (time and piece rates); notice to be given to terminate the agreement; conciliation and arbitration bodies and employment exchanges instituted under existing agreements. All this information relates to 31 December 1919.

SWEDEN

K. Socialstyrelsen. *Statens förlikningsmäns för medling i arbetstvister verksamhet år 1920.* (Department for Social Affairs *Reports of the Official Conciliators on Labour Disputes in the year 1920*). 116 pp. Stockholm, 1921.

According to Section 13 of the Swedish Act on conciliation in labour disputes, the official conciliators have to issue a report on the cases submitted to conciliation. In 1920 the number of these cases was 319, as compared with an average of 155 for the years 1915 to 1919. Negotiations took place in only 182 cases, or 57.1 per cent. of the total. In 161 disputes (66.5 per cent. of the total) there had already been a stoppage of work. The proposal to submit the dispute to arbitration came from the arbitrator in 148 cases, from the employers in 14, from the workers in 5, and from both parties concurrently in 15 cases. A settlement was reached in 75.3 per cent. of the disputes which were followed by negotiations, and in 67 per cent. of the whole number.

Sveriges officiella statistik : Socialstatistik. Olycksfall i arbete 1917 (Official Statistics of Sweden : Social Statistics. Industrial Accidents in 1919). VI+66 pp. Stockholm, 1921.

Statistics of industrial accidents in Sweden have been compiled since 1913 in conformity with the Royal Decree of 31 December 1912. The number of accidents notified in 1917 was 26,666, as compared with 25,500 in 1916. The absolute and relative frequency of accidents was highest in mining and the metal industries, for which it was 41.4 and 8.1 per cent. respectively. The proportion of curable injuries in the total number of accidents notified was 93.4 per cent. for women, and 93.9 per cent. for men. 70 per cent. of the injured were insured under the Compensation Act of 5 July 1901.

UNITED STATES

Department of Labor : Bureau of Labor Statistics. *Bulletin No. 283, History of the Shipbuilding Labor Adjustment Board, 1917 to 1919.* 107 pp. Washington, Government Printing Office, 1921.

Mr. Henry R. Seager and Mr. Willard E. Hotchkiss are the joint authors of this Bulletin. Mr. Seager, Professor of Political Economy at Columbia University, was secretary of the Shipbuilding Labor Adjustment Board from 1 October 1917 to 15 December 1918. Mr. Hotchkiss, the director of the National Industrial Federation of Clothing Manufacturers, was

supervising examiner for the Board from 1 January 1918 to 31 March 1919 and secretary of the Board from 15 December 1918 to 31 March 1919.

The Board was set up to deal with the labour problems arising out of the work of the Emergency Fleet Corporation of the United States Shipping Board, the government agency set up to promote shipbuilding during the war. The Bulletin describes the origin, organisation, and awards of the Board up to the date of its dissolution on 31 March 1921.

— **Children's Bureau.** *Administration of the First Federal Child Labor Law* (Legal Series, No. 6; Industrial Series, No. 6; Bureau Publication No. 78). 197 pp. Washington, Government Printing Office. 1921.

The Federal Child Labor Law, which was first put into effect 1 September 1917, and continued in force for nine months after having been declared unconstitutional by the Supreme Court of the United States, made illegal the shipment in interstate commerce of products manufactured by child labour. This report is a record of the administration of that law as undertaken by the Children's Bureau. "The importance of this record lies primarily in the fact that it describes the prompt and effective enforcement of the first Federal governmental provision in this country for the protection of working children. Incidentally it is of interest as a description of administrative work carried on by the Children's Bureau, whose previous activities had been solely in the field of research."

In the course of enforcing the law, the Bureau secured a large mass of information regarding the social conditions of children, particularly in the cotton mills of the Southern States. Records concerning approximately 20,000 certificated children in five States were secured.

As a result of its experience in enforcing this child labour law the Children's Bureau emphasises the importance of co-operation between State and local officials and the employers themselves. While final responsibility must rest with the central enforcing office, a large degree of decentralisation in administrative details makes for the best kind of enforcement.

— **Division of Negro Economics.** *The Negro at Work during the World War and during Reconstruction.* 144 pp. Washington, Government Printing Office. 1921.

This bulletin deals with statistics, problems, and policies relating to the increased employment of negro wage earners in American industry during the war. In particular it studies the position of the negro worker in basic industries, in meat packing, in the steel industry, and in the ship yards, and furnishes reports of work in Florida, Georgia, Illinois, Michigan, Mississippi, New Jersey, New York, North Carolina, Ohio, Pennsylvania, and Virginia.

— **Women's Bureau.** *Women's Wages in Kansas* (Bulletin No. 17). 105 pp. Washington, Government Printing Office. 1921.

This survey covered the summer months of 1920. Investigations were made in 31 cities, of which three had a population of approximately 50,000; eleven from 50,000 to 100,000; six from 5,000 to 10,000; and eleven under 5,000. The number of establishments covered was 370, and the number of persons employed 20,110. The survey showed that 29 per cent. of the women in all industries earned less than \$600 a year; 42 per cent. earned from \$600 to \$900; and 29 per cent. earned \$900 or more. Nearly one-fifth of all the women included in the survey received less than \$9 a week, and more than one-half were receiving less than \$12. Of the women in Kansas employed in restaurants, 75 per cent. received less than \$12, and 89 per cent. less than \$15, per week.

MASSACHUSETTS

Department of Labor and Industry. *Annual Report on the Statistics of Labor for the year ending November 30, 1920.* 3 vols. in 1. Boston. 1921.

The present volume consists of three parts, which have already appeared separately as Labor Bulletins Nos. 130, 131, and 132, under the headings respectively of *19th Annual Directory of Labor Organisations in Massachusetts, 1920*; *10th Annual Report on Union Scales of Wages and Hours of Labor in Massachusetts, 1919*; and *Wages and Hours of Labor in the Metal Trades in Massachusetts, 1914-1919*.

— **Industrial Accident Board.** *Seventh Annual Report, July 1, 1918, to June 30, 1919.* 138 pp. Boston, Wright & Potter. 1920.

An analysis of the Board's experiences of the year covered showed a decided decrease in accidents and their severity, especially in fatal accidents. There were reported to the Board during the year covered 67,240 injuries of various kinds: 356 were fatal injuries; 7 involved permanent total disability; 1,750 permanent partial disability; 65,127 temporary total disability. Sections of the report cover recommendations for legislative action, and the activities of the medical division, vocational training division, and the division for the care of dependents in fatal cases not insured under the Workmen's Compensation Act.

NEW YORK

State Industrial Commission. *Plant Disability Funds.* Bulletin No. 105, prepared by Charles N. Mills, Bureau of Mediation and Arbitration. 16 pp. Albany, N.Y. April 1921.

This little pamphlet constitutes an examination of a considerable number of plant disability funds in New York State and elsewhere, with a view to determining the best methods to be employed in establishing such funds, and the elements of success and failure in their organisation and administration. As a result of the study, the six following points are emphasised: (1) management and men alike should participate in the control of such funds; (2) employees should have the fullest possible participation in their organisation; (3) the fund should preferably be supported jointly by management and men alike; (4) restrictions should be imposed upon membership, involving such matters as physical examination, age limitations for admission, and service of a probationary period of membership; (5) adequate medical service should be provided; (6) the amount of dues should be related to the prevailing wage rates, so that membership may be within the reach of all classes of employees.

PENNSYLVANIA

Bureau of Mediation and Arbitration. *Annual Report, 1920.* 25 pp. Harrisburg, 1921.

The number of strikes in Pennsylvania in 1920 was 555, or larger than during any previous year for which reports have been issued. Nearly one-half, or 275, of the strikes in the State occurred in the city of Philadelphia. They were most frequent in the textile industry, although the severest strikes, as indicated by the number of days lost from work and the amount of money lost in wages, were in the metal trades and among miners.

NON-OFFICIAL PUBLICATIONS

Baker, Charles Whiting. *Government Control and Operation of Industry in Great Britain and the United States during the World War* (Carnegie Endowment for International Peace, Division of Economics and History: Preliminary Economic Studies of the War, No. 18). 138 pp. New York, American Branch, Oxford University Press. 1921.

This volume presents an analysis of the success of governmental control of industry during the war. It describes those activities incidentally and only so far as is necessary to explain the analysis. The book represents the author's judgment of the success of government control of industry.

"Perhaps the greatest economic lesson the war has taught is how inadequate and inequitable the fixing of prices by the law of supply and demand becomes, when one party is under pressure of absolute necessity and either supply or demand is limited. This principle has been slowly working its way toward recognition all through the development of the modern industrial system. The object lessons of the past five years have more to establish it in economics and sociology and jurisprudence than all the events of the preceding half-century."

Beman, Lamar T. *Select Articles on the Closed Shop*. 197 pp. New York, H. W. Wilson & Co. 1921.

This volume follows the general plan of the Wilson Company Hand Book Series. The volume attempts "to present fully and fairly both sides of one of the great public questions of the day in a handy, convenient, and concise form". It is in the form of a debater's brief on each side of the question, supported on both sides by reprints of the best literature that has appeared on the subject. A select bibliography for additional material is appended.

Burch, Henry Reed. *American Economic Life*. 533 pp. New York, Macmillan Company. 1921.

This book aims to present the more important phases of American economic life from the civic and social standpoint. Concrete illustrations are introduced to the extent necessary for adequate comprehension of the questions handled.

Cole, Margaret I. *The Control of Industry*. (Labour Booklets, No. 4). 12 pp. London, Labour Publishing Co. 1921. 6d.

The Control of Industry, by a member of the staff of the Labour Research Department, is a statement of the national guild scheme, although the term "guild" is not used. The method of control is outlined with special regard to the psychological conditions rather than to the technical aspects of industry and commerce. The questions of financial control and the position of the consumer are discussed, and the principal objections hitherto raised are enumerated and answered.

Commons, John R., and associates. *Industrial Government*. 425 pp. New York, The Macmillan Company. 1921.

This book is the result of direct investigations carried out by Professor Commons and a number of students of the University of Wisconsin during the period July to September 1919.

The various systems of industrial government in force in some thirty industrial establishments were studied. The Leitch plan of industrial democracy, the shop committee system, profit-sharing, particular applications of the Taylor system of scientific management, complete union recognition, together with a number of less stereotyped schemes of industrial relationship, were among the systems investigated. The conditions obtaining in 18 of these establishments occupy as many chapters in the first part of the book. The remaining five chapters give the inferences drawn by the authors as a result of their investigations.

Federazione industriale lombarda. *Il contratto di lavoro in Lombardia* (Industrial Federation of Lombardy. *Collective Agreements in Lombardy*). 146 pp. Milan, Officine grafiche Fratelli de Silvestri. 1921. 3.75 lire.

This is the first complete compilation of the collective labour agreements which are at present in force in the chief industrial district of Italy. It contains full particulars of this new system of labour agreement, classified methodically under 37 headings, such as workshop committees, terms of engagement, wages, hours of work, leave, joint committees, welfare work, etc. The collective agreement in the iron and steel industry, dated 1 October 1920, is the fullest and most detailed. It has been taken as a basis for the system of classification adopted, which makes consultation of the volume both quick and easy.

Fischer, Edmund. *Die Entwicklung der Gemeinwirtschaft in Sachsen* (*The Development of Social Economy in Saxony*). Publications of the Office of Social Economy of Saxony, Brochure X. 168 pp. Dresden, v. Zahn & Jaensch. 1920. 20 marks.

This work is a study of the functions of social economy based on an examination of facts. The first part contains a survey of the present situation, development, and characteristics of social economy in Saxony. The second part is of the nature of a concrete programme of action. In it the author indicates the scope of the possibilities which lie before socialisation.

— *Die Sozialisierung des Wohnwesens und der Baustoff-produktion* (*The Socialisation of Building and Building Materials*). Publications of the Office of Social Economy of Saxony, Brochure XII. 82 pp. Dresden, v. Zahn & Jaensch. 1921. 10 marks.

An examination of the possibility and methods of organising on new principles the production and distribution of building materials in order to effect economies on net costs.

Furuseth, Andrew ; Merritt, Walter Gordon. *The Open Shop. A Debate held at Lexington Theatre, New York City, March 13, 1921.* 47 pp. New York, H. W. Wilson & Co. 1921.

In this debate on the open shop, Mr. Furuseth, President of the International Seamen's Union, represented the workmen's side, and Mr. Merritt, a New York attorney, counsel for the League for Industrial Rights, represented the opposition. Mr. Merritt disclaimed representing anyone but himself in the debate.

Gourdon, Dr. J., Dijonneau, Dr. H., and Thibaudeau, J. *Le rendement professionnel des mutilés* (*Industrial Output of Disabled Men*). 272 pp. Paris, G. Doin. 1921.

In this volume the results of six years' experience are described by Dr. Gourdon, Director of the Practical and Normal School of Industrial Re-education for Disabled Men at Bordeaux, Dr. Dijonneau, head of the Laboratory of Industrial Physiology, and Mr. J. Thibaudeau,

industrial director of the School. After showing the importance for the re-education of disabled men of vocational guidance based on a series of successive examinations, medical, physiological, anatomical, and technical, the authors investigate the results of functional re-education and of the use of artificial limbs; they then explain the technical and medical principles which must guide training and apprenticeship. After having thus shown the methods which should be followed in order to provide disabled men with the most complete and rapid kind of instruction, both in theory and practice, they study the output of the disabled man, both during his training and afterwards in his trade. In order to obtain an accurate estimate of the part played in the economic life of the country by the disabled, they collected records of 2,000 seriously disabled men, and found that the average output of the 2,000 was three-quarters of the normal output. These facts and deductions are of very great interest, since, as Dr. Gourdon says, "they are closely connected with the question of finding employment for disabled men, and may thus make it easier to carry out the provisions of the Bill which has already been passed by the Chamber, and laid before the Senate, and which will soon make the employment of the disabled compulsory for all employers".

Høetzel, Jiri, and Joachim. V. *La Constitution de la République tchécoslovaque* (*The Constitution of the Czecho-Slovak Republic*). 48pp. Prague, "L'effort de la Tchéco-Slovaquie" Publishing House. 1920.

The text of the Constitution of the Czecho-Slovak Republic, preceded by an introduction by Messrs. Høetzel, Jiri, and Joachim, who had an important share in drafting the Constitution. Mr. Høetzel discusses the Constitution, and Mr. Joachim the legislation with regard to elections and the constitutional court. In particular, he deals with elections to the Chamber of Deputies and to the Senate, the permanent lists of electors, the electoral court, and the constitutional court.

Hoffmann, Frederic L. *Occupational Diseases and their Compensation, with special Reference to Anthrax and Miners' Lung Diseases*. 45 pp. Newark (New Jersey), Prudential Press. 1920.

Dr. Hoffman brings together in this pamphlet a summary of the prevailing opinion concerning the nature and treatment of certain occupational diseases, particularly anthrax and miners' lung diseases, under compensation legislation in the various States. There are copious references to published material on the subject. In the conclusion Dr. Hoffman emphasises the fact that adequate compensation for occupational diseases, broadly defined, is a problem of first-rate importance; that the occurrence of occupational disease is of such general importance as to require regular notification; that the restricted principle of occupational disease compensation under the British Act is to be commended, but should at the same time be broadened to include industrial lung diseases in general. The author holds that legislation in favour of workmen's compensation for occupational diseases makes special compulsory health insurance legislation unnecessary.

In the appendix to this paper, which is the revised text of an address delivered at the tenth Conference of Industrial Physicians and Surgeons at Harrisburg, Pa., on 25 March 1920, are brought together the rules and regulations of the Bradford (England) Anthrax Board; the Anthrax Prevention Act 1919 of the United Kingdom; a collection of the author's notes on occupational disease legislation; the Workmen's Compensation (Silicosis) Act 1918 of the United Kingdom; tabulations of occupational diseases in the State of Massachusetts from 1915 to 1917; and statistics of occupational diseases in the State of California for the twelve months ending 30 June 1918.

Kaskel, Prof. Dr. Walter. *Die Wandlungen des sozialen Versicherungsrechtes seit seiner Kodifikation* (Separatabdruck aus dem Jahrbuch des öffentlichen Rechts, Band X) (*Amendments to Social Insurance Law since its Codification. Reprint of an article in the Public Law Year Book. Vol. X.*) 81 pp. Tübingen, J. C. B. Mohr (Paul Siebeck). 1921. For private circulation.

This pamphlet contains a summary of the Acts and Decrees amending the 1911 Social Insurance Code of Germany. It is a sequel to Dr. Rosin's article in the same Year Book, Volume VI, 1912. It deals with insurance of private employees and gives all the amendments made since 1911. In the first part the author examines the principal changes made in the Code. The remaining three parts are devoted to a study of the adaptation of the Code to the new economic and political situation and to war conditions. A short conclusion surveys the results of recent legislation and the lines of future development of insurance. An appendix contains a list of the 102 Acts passed between 1911 and 4 April 1921.

Kaufmann, Heinrich. *Das Deutsche Wohnungsprogramm 1921 bis 1924* (*The German Housing Programme for the years 1921 to 1924*). 36 pp. Berlin, Industriebeamtenverlag. 1921. 3.50 marks.

The author, who has been engaged for many years either in private undertakings or in the government or municipal service, outlines a practical programme for solving the housing problem. This programme consists in accelerating building by an effective struggle against unemployment. Appeal is to be made to workers and architects at present unemployed. For the period 1921 to 1924, the erection of 1,480,000 houses (generally of three or two rooms), or 370,000 a year is contemplated. The price of raw materials being very high, efforts should be made to obtain building materials more cheaply, and to bring about a reduction in the present prices. The funds required would be obtained by a special national loan in two sections—a money loan and a loan in kind, the latter being compulsory. The direction of operations would be entrusted to the Federal Government, which would be at the same time owner and contractor.

Kellor, Frances. *Immigration and the Future.* 276 pp. New York, G. H. Doran Company. 1921.

Immigration and the Future deals with the nature of American immigration, together with the kind of procedure and the attitude of mind which appear to the author to be indispensable to the extension of American immigration policy. The main theme of the book is that a working system of receiving, distributing, and adjusting the immigrant into American life does not at present exist, and is fundamentally necessary to a realisation of the American policy of race amalgamation. The isolation of the foreign language press in America, the lack of organisation in the immigrant labour market, the paucity of the attempts to assimilate the immigrant at the everyday points of economic contact—where he works, buys, banks, and obtains his opinions—are pointed out as notable instances requiring attention in this respect. The author raises a number of open questions, the determination of which is an essential preliminary to the adoption of a sound immigration policy.

-- *The Federal Administration and the Alien; a supplement to Immigration and the Future.* 80 pp. New York, George Doran Company. 1921.

In this volume the author of *Immigration and the Future* explains the attitude of the Federal Administration of the United States, or rather of each of the eight Departments concerned separately or jointly, with regard to immigrants; and in contrast to it gives her views as to what should be the attitude of a government which realises the importance of the question in order to arrive at a policy in accordance with the vital interests of the

country. The pressing need is clearly shown of exact information on a question so much in the public eye in the United States—a question concerning which, in reality, much ignorance exists. The author sets out a scheme for an enquiry on a large scale which should at once be undertaken by the Government. She then examines the problem from the international point of view and points out the importance of the appointment of the International Emigration Commission of the International Labour Organisation. Although she seems to think that the moment has not yet come for the United States to be represented on it, she thinks that the policy of isolation of her country cannot last very much longer. After a detailed statement of the programme of the International Emigration Commission, the author comes to the conclusion that emigration is essentially an international problem and that international arrangements must be made for it.

Labor Bureau Inc. The, New York City. *An Account of the First Year's Work, May 1921.* 15 pp. New York City. 1921.

The Labor Bureau, Inc., is a private labour research organisation. Its purpose is to give expert advice to labour along the lines of economic, social, and political research, as well as to provide newspaper and magazine publicity. It is supported by the fees of those who engage its services. Besides acting as counsel for labour unions in proceedings before arbitration boards, the Bureau conducts investigations for labour organisations and others requesting it to do so. A list of the various services performed by the Bureau during the year ending May 1921 comprises 20 cost of living investigations; 11 wage investigations; handling of 11 cases before arbitration and wage boards; serving 10 clients with newspaper and advertising publicity; 7 investigations concerning the finances and profits of industries; and legislative reference services in four instances.

National Housing Association, The. *Housing Problems in America; Proceedings of the Eighth National Conference on Housing, Bridgeport, Connecticut, December 9, 10, and 11, 1920.* 386 pp. New York City, National Housing Association, 1920.

Among the subjects discussed by this Conference were the following: exemption from taxation and other subsidies; investment in real estate mortgages; the proposed Federal building-loan bank system; national bank funds for housing; co-operative housing; factory production applied to the housing problem; new materials and methods of construction; standardisation of parts in housing construction; unwise building laws; government housing in England and France; problems of house renting; room overcrowding and health; housing shortage and labour discontent; English garden cities and their application to the United States.

In addition to the discussions of the Conference, the volume contains the report of the secretary of the National Housing Association. The point emphasised in the secretary's report is the housing shortage in the United States and the world over. The chief causes of this shortage are given as the rising cost of building, represented by increased cost both of labour and material, and also the high cost of money. "Until the cost of building materials and the labour used in building can be brought back more nearly to normal and investment in dwelling-house property can be made attractive once more, there is little likelihood of resumption of small house building in this country." Among the consequences of the present housing shortage in the United States, the secretary notes the increased demand for building of houses by the Government. This demand, however, has assumed no serious proportion, as the general public does not seem to be in favour of such an extension of governmental activity.

Papa, Domenico. *Il Parlamento sindacale: Prefazione di Filippo Turati. (The Labour Parliament; with a preface by Filippo Turati).* 80 pp. Naples, Ceccoli e Figli Editori. 1921. 4 lire.

In this book, which is recommended to the public by the Deputy, Mr. Turati, Mr. Papa studies the question of the reform of the Supreme Council of Labour. The International Labour Office has already published an account ⁽¹⁾ of the various proposals made in connection with this question which continues to hold a prominent place in the social programme of the Italian Government. Mr. Papa recommends the adoption of the scheme put forward by Mr. Abbiate, the former Minister of Labour. According to this scheme, the new Council would be composed of members elected directly by the employers' and workers' organisations, and would have the power, under delegation from Parliament, of drafting technical labour legislation. In opposition to this, the author criticises the Bill presented to the Chamber of Deputies by Mr. Labriola on the ground of the extremely limited powers which would be granted by it to the new Council.

Pour l'avenir, fondation pour la justice sociale dans l'éducation (The Future; Society for Social Justice in Education). 16 pp. Geneva, Rotogravure S.A. 1921.

The original aim and present position of *Pour l'avenir* are explained in this pamphlet. The Society was founded at Geneva in 1920. Its aim is to provide the necessary means for industrial training of young persons of Swiss nationality — in special cases also for foreigners — who have marked talent, and whose family circumstances would otherwise force them to undertake paid work at too early an age.

Price, Phillips. *Reminiscences of the Russian Revolution.* 402 pp. London, George Allen and Unwin, Ltd. 1921.

Mr. Price's book is dedicated "to the rank and file of British Labour who have defended the Soviet Republic of Russia against the onslaughts of the international bondholders". The author was for some time correspondent in Russia of the *Manchester Guardian*, and has written a number of pamphlets on Russian political questions, some of them published by the Bolsheviks in Moscow. He describes, from the point of view of an observer in close touch with the Bolsheviks, the beginnings of the Revolution and subsequent events up to January 1920. Mr. Price travelled extensively through the Russian provinces, and he relates in an intimate readable style his impressions collected on these journeys. He states with frankness his own views on what he found in the country districts. As may be expected, the book is strongly sympathetic to Bolshevism, and, though the author endeavours to be fair to the enemies of Bolshevism, "the bondholders and their intellectual lackeys", his book is so far from being impartial or unbiassed as to lessen its value as an historical document. Nevertheless, Mr. Price has made a real and interesting contribution to the literature dealing with the Soviet system in Russia. A diagram opposite p. 391 attempts to picture the complicated organisation and working of the Soviet system.

Renold, C. G. *Workshop Committees.* 44 pp. London, Pitman & Sons. 1921 (revised edition). 1s.

Workshop Committees is a revised edition of a statement compiled in 1917 for the British Association Sub-Committee on Industrial Unrest. It is based mainly on experience in the engineering industry, and gives an outline of various types of workers' shop organisations which have stood the test of

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some experience—shop stewards' committees, welfare committees, staff committees, etc.—with suggestions as to their method of working and mutual relations, the kind of questions which can be dealt with by each type of organisation, and the requirements which must be satisfied by them.

Russian Economic Association. *Labour Conditions in Russia.* 61 pp. London, P. S. King & Co., Ltd.

This is a Report issued by a special committee appointed by the Russian Economic Association, a body of Russian economists and social workers established in London.

The Report contains a mass of information and figures on such subjects as working hours in Soviet Russia, remuneration of labour, clothing, food, bonuses, productivity of labour, labour protection, labour militarisation, workers' control, trade unions, etc., together with the committee's conclusions on what the Soviet Government has actually done for the workers, what it claims from them in return, and the positive results of its policy. Figures and data are taken from the official Soviet press, and facts are stated as found by the committee, while every endeavour has been made to exclude prejudice. The Report presents the essential factors of the labour situation in Soviet Russia in a concise form, and may be commended to those interested in this question. It suffers, however, from the lack of an index.

The Report is reprinted in the third number of *The Russian Economist*, an Anglo-Russian quarterly review issued by the Russian Economic Association.

Russian Manufacturers and Merchants, *Reports presented to the General Congress of (in Russian);* 341 pp. Paris, Imprimerie Rirachovski, 5, rue des Gobelins. 1921.

These reports were presented to the General Congress of Russian Manufacturers and Merchants, which met at Paris under the presidency of Mr. Denissov on 17 May 1921. The reports, 27 in number, cover the whole economic life of Russia: industry, transport, living conditions of the population, foreign trade, the financial situation, etc. are discussed by specialists, such as Messrs. Struve, Heffding, Bark, Abramson, and others.

The general plan of all the reports is the same: first a statement of the position before the Revolution of the branch of industry in question; then an account of its development during the crisis, especially since the attempts of the Communists at economic organisation; and, finally, suggestions for the future in view of a possible return to stability of the political situation in Russia. The reports are full and form a valuable collection of documentary information on these questions.

Sanders, William Stephen. *The International [Labour Organisation of the League of Nations.* Fabian Tract No. 197. 14 pp. London, Fabian Society. 1921. 2d.

A brief account of the International Labour Organisation, based entirely on official documents and written as an introduction to the subject. The statement of principles contained in Part XIII of the Peace Treaty is given, and the proceedings of the Washington and Genoa Conferences, with the Conventions and Recommendations there agreed to, are included. A select bibliography is appended, which is likely to prove useful to students of international labour legislation.

Slessor, Henry H. *The Law relating to Trade Unions: Four Lectures delivered for the Council of Legal Education, Michaelmas Term, 1920.* With a foreword by the Rt. Hon. Lord Justice Atkin. vii + 152 pp. London, Labour Publishing Co., Ltd. 1921. 5s.

In the first of these four lectures the history of trade union law is sketched, being traced back to "the first general case of labour legislation,

the Statutes of Artificers and Labourers". The other three lectures are devoted to a close analysis (in language not too technical for the general reader) of the law relating to trade unions from the Act of 1871 onwards. The contrast between the positions at the beginning and end of the period dealt with is summed up by the author in the words: "Fifty years ago it was well-nigh impossible for a trade union to sue, either in contract or in tort; today it is almost equally difficult to sue the trade union".

Stern, Eugène. *La législation ouvrière tchéco-slovaque (Czecho-Slovak Labour Legislation)*. 70 pp. Prague, "Orbis" Printing, Publishing, and Publicity Company. 1921.

The first chapter of this book has been written for Mr. Stern by Mr. Joseph Pícek, a former head of the Legislative Section of the Ministry of Social Welfare, who summarises Czecho-Slovak labour legislation, the second by Mr. Hynek Kubista, head of the Housing Section of the same Ministry, who gives a clear account of the policy of the State with regard to the housing problem. Mr. Stern discusses other aspects of Czecho-Slovak social policy, in particular unemployment relief, labour exchanges, unemployment insurance, relief of war victims, the working day, wage policy, the democratisation of industry, and the Social Institute of the Czecho-Slovak Republic.

Totomiantz, V. T. *Anthologie coopérative (Anthology of Co-operation)*. 253 pp. Paris, J. Povolozky & Cie. 1921. 15 francs.

The author of this Anthology was formerly Professor in the University of Moscow, and has represented the Russian co-operative movement in the International Co-operative Alliance for more than twenty years. He has selected from the works of writers on co-operation, from the earliest period down to contemporary theorists and leaders, those passages which seem to him most likely to show at any rate the general tendencies and ideals of the various forms of co-operation, even if the technical aspects are not so fully treated. The Anthology is preceded by a preface by Professor Charles Gide, who expresses the wish "that this Anthology may later on be revised and completed, and may find a home, not only in the libraries of co-operative societies, but also in catalogues of books for use in primary and secondary schools. When we come to deal with the new era which is being brought into existence by the children of the war, who are already poisoned from so many sources, this literature of peace will be more than opportune and this Anthology will be a real antidote".

Ústřední Svaz Československých Průmyslníků v Roce 1920 (Reports of the Federation of Czecho-Slovak Manufacturers for 1920). 44 pp. Prague, published by the Federation. 1921.

This report contains a survey of the economic situation in Czecho-Slovak industry from the end of 1918, the date of the formation of the Federation of Czecho-Slovak Manufacturers. At the end of 1920 this Federation was composed of 17 groups, including 105 sections and 6,347 firms. The Report of the Federation contains also a short account of labour conditions in Czecho-Slovak industry, and some statistical tables on prices, wages, and mining output.

Vieira da Rocha, Dr. *Le Portugal au travail (Portugal at Work)*. 318 pp. Paris, Roger et Cie. 1921.

In the preface the author, who was Portuguese Government delegate to the Peace Conference, emphasises the character of his work, which is neither a treatise on political economy nor an account of national economy, but "merely an essay describing the economic life of Portugal and of some large undertakings which have contributed to the development of the riches of the country". His aim is "to give the French nation some knowledge

of the conditions of the economic life of Portugal from the point of view of agriculture, commerce, industry, transport, banking, and insurance”.

Wallas, Graham. *Our Social Heritage.* 292 pp. London, Allen & Unwin, Ltd. 1921. 12s. 6d.

Mr. Graham Wallas's book is an attempt to re-examine the theoretical basis on which society rests in the light of the modifications brought about by modern political, economic, and material developments. To this end he passes under review the rôle now played by the various institutions whose action and interaction go to make up the national co-operation necessary for the life of a state, and he revises the older definitions of conceptions such as “liberty”, “rights”, and “independence”. In particular, he notes the tendency towards professional organisation as a reaction against the political organisation of modern democracy. Mr. Graham Wallas is a keen critic of “professionalism” in all its forms, whether as typified by the legal and the medical professions, or by the industrial guild. In all alike he finds that a dominance of particularist interest is inevitable which is inimical to the welfare and progress of the whole community. Finally, he has a chapter on world co-operation, which economic development has made indispensable. He pleads for the fostering of an international spirit, but he does not offer any suggestions for reconciling it with the forces of nationalism. Though he makes some criticisms of the Covenant, he omits to notice Part XIII (the Labour Clauses) of the Peace Treaty and the type of international co-operation for which it provides. The book is full of stimulating thoughts and interesting suggestions, but its guiding ideas are not perhaps brought out with the crispness and force which they deserve.

Ward, J. S. M. *Can our Industrial System Survive?* 84 pp. London, William Rider & Son. 1921.

This book deals with the European financial crisis as indicated by the rates of exchange. The author regards the present-day situation as indicative of a dying system, and examination of the various symptoms and supposed remedies leads him to conclude that there is little hope of saving Europe and its civilisation.

Zimand, Savel. *Modern Social Movements. Descriptive Summaries and Bibliographies.* 260 pp. New York, H. W. Wilson Company. 1921.

This volume comprises a bibliography of various phases of the present-day labour movement. It covers such points as trade union theory, labour laws and legislation, studies of special trade unions, the relations of trade unionism and industrial management, trade union history both national and international, labour colleges, lists of trade union officials, directories of labour periodicals, and a list of bibliographies of the labour movement in general. The volume is something more than a bibliography, however, in that it contains an introductory statement defining the various terms and conceptions of the labour movement. There are sketchy but concise accounts of the trade union movements of the different countries, defining their origin, the extent of their activities, and their membership.

In a brief introductory statement Prof. Beard, of the Bureau of Municipal Research of New York City, and formerly of Columbia University, states: “A casual study of the current philosophy of economics and politics reveals the steadily deepening influence of labour ideals and activities upon our thinking about social questions... To ignore it (the labour movement), or to suppose that a few years of the ‘bread-line’ will eradicate it, is to betray a profound misunderstanding of its place in the great scheme of things”.

The volume in question has been brought out under the auspices of the Bureau of Industrial Research, New York City, of whose staff the author is a member.

THE METRIC AND BRITISH SYSTEMS OF WEIGHTS AND MEASURES

A. Metric Measures in terms of British			B. British Measures in terms of Metric		
UNIT	EXACTLY	ROUGHLY	UNIT	EXACTLY	ROUGHLY
A. Linear Measures					
Millim.	0.0394 inches	one 25th of an inch	Inch	25.399 mm.	4 in. = 10 cm.
Centim.	0.9937 "	10 cm. = about 4 ins.	Foot	30.479 cm.	30 cm.
Metre	39.371 "	11 metres = 12 yards	Yard	0.9144 metres	11 yards = 10 metres
Kilom.	0.6214 miles	5 furlongs	Mile	1.6093 km.	5 miles = 8 km.
B. Square Measures					
Sq. Metre (centiare)	1.196 sq. yds.	1 1/2 sq. yds.	Square Inch	6.451 sq. cm.	
Are	3.954 poles	10 ares = 1/4 acre	Square Yard	0.836 sq. metr.	6 sq. yds = 5 sq. metr.
Hectare	2.471 acres	2 1/2 acres	Acre	0.40467 hect.	1 acre = 2 1/2 hect.
			Sq. Mile	2.5899 sq. km.	100 sq. miles = 260 sq. km.
C. Measures of Capacity					
Litre	1.76 pints	4 1/2 litres = 1 gallon	Pint (liquid)	0.5679 litres	1 litre = 1 3/4 pints
Decalitre	2.201 gallons	5 decalitres = 11 gallons	Quart (liquid)	1.1359 "	—
			Gallon (liquid)	4.5435 "	4 1/2 litres
Hectolitre	22.01 "	22 gallons	Peck (dry)	9.087 "	22 gallons = 1 hectol.
			Bushel	36.34766 "	9 litres
					36 litres
D. Measures of Weight					
Gramme	0.353 oz.	454 grs = 1 lb.	Ounce	28.35 grs.	7 oz. = 200 grs.
			Pound	453.59 "	1/2 kilo
Hectogr.	3.527 "	nearly 1/4 lb.	Hundred-weight	50.802 kilos	22 lbs = 10 kilos
Kilogr.	2.2046 lbs.	5 kilos = 11 lbs.	Short Ton (2,000 lbs)	901.6 "	50 kilos
Metric Ton	2,204.6 lbs.	1 Long Ton	Long Ton (2,240 lbs)	1,016.04 "	900 "
					1,000 " (1 Met. Ton)