

Minimum Wage Legislation

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To those who hope, in spite of long delay and many disappointments, to see the laws of Canada concern themselves as much with the value of human beings as with the value of human property, the conquering progress of the movement for Workmen's Compensation Acts in this country is full of cheer, in no more than a couple of years five of the leading Provinces of the Dominion, in rapid succession, enacted laws patterned on the British Act of 1897, and swept away forever the anachronisms and cruelties of the old common law as applied to industrial accidents. It is true that one Province, British Columbia, acted six years in advance of her sister Provinces for her Workmen's Compensation act dates from 1903. No doubt she got short-circuited somehow to Britain. The other Provinces did not move till the example and provocation came from the United States.

That the spirit of the Canadian people is prepared for such legislation was clearly shown by the practical unanimity of approval from all classes of our nation. It might have been expected that the manufacturers, upon whom the burden of payment is to fall, should have opposed it. The manufacturers of Canada are banded together into as compact, powerful, and energetic a group organization as can be found in the Dominion. They saw at once the implication of such laws, and set their attorneys to watch every proceeding of the Legislatures. To their credit be it said that they did not attempt to prevent such laws being passed. They contented themselves with suggesting amendments favoring their own interests, and, doubtless, while many of their proposals were rejected there was value in the criticism they furnished. They, as well as all other citizens, were content to see the laws championing the rights of humanity. It is obvious, I venture to think, that this Dominion is ripe for social legislation. Her people would approve laws like those of Britain, Australia and New Zealand protecting the weak and salvaging the distressed. The electoral soil of Canada is only fallow, not sterile. If only our politicians could see it!

The Workmen's Compensation acts came by way of the United States after having been born and matured in Europe and the islands of the South Pacific. Another law, of a similar sort, has reached the United States and is now engaging the eager attention of the State Legislatures. It is Minimum Wage legislation on behalf of women and minors. One wonders if this contagion too will be blown across the border.

It was in 1909 that the Massachusetts, first in the Republic, passed a law meant to provide a decent living wage for women and children. It was done after a voluminous report had been prepared by an investigating commission. As with the Workmen's Compensation Acts in Canada all opposition fell away before the disclosure of actual conditions. The law was passed without dissent in the House, and with only one adverse vote in the Senate. It was a very timid law, for it provided no penalties beyond publicity. If any factory or store refused to pay what the State Board declared to be a necessary living wage the refusal might be advertised in the newspapers. No fine, no gaol sentence, only the simple notification of the refusal to customers and neighbors, that was all!

The facts which convinced the public and frightened off opposition in Massachusetts were such as these: It was found, after careful scrutiny of every item of expenditure, that a woman could not maintain herself in wholesome decency on less than \$10 a week. Over against that calculation was set this disclosure of actual conditions, that 79% of the women employed in industry in the State received less than \$459 a year, or an average of \$8.82 a week. The report also stated, that "Less than one quarter of the girls live at home. Loss of time through unemployment and other causes varies from 4 to 14 per cent., is greatest among those poorest paid. They often do without needed medical attention. The average working woman devotes more of her surplus income to the welfare of others than to frivolity or pleasure."

Since 1909 nine other States have passed Minimum Wage laws. None of them have shrunk, as Massachusetts did, from attaching the usual penalties to infraction. Most of them follow the practice of Australia and Britain in the administration of the law, providing for arbitration before State Boards,

where all three parties to the question, the employers, the employees and the public, are represented. Two States, Utah and Arkansas, go so far as to fix the minimum by statute.

And other States besides these nine are at work on it. New York and Idaho have commissions investigating conditions. Ohio incorporated in her revised constitution a clause permitting such laws to be made. If the movement continues to follow the example of the Workmen's Compensation legislation we may expect that ten years hence scarcely a State in the Union will be without a Minimum Wage law. In that case the international boundary will scarcely avail to dam the movement back.

There is indeed in Canada a foreshadowing of such a movement in the Fair Wage schedules adopted for government contracts. Though the value of these as incentives and precedents is lessened by the circumstance that they relate to the wages of adult men, whereas, in the United States at least, the Minimum Wage laws apply only to women and children. We in Canada are not likely to make any wider application.

The day of the dominance of economic theories has passed, and its place has been taken by a day in which moral considerations are supreme. The reaction from the sovereignty of the laissez-faire creed is complete. And it includes a suspicion and distrust of all theories. Never was an intellectual conception so exalted over the lives of men as was this doctrine in the earlier years of the nineteenth century in Britain. Never did an intellectual conception assert itself more assuredly or hold out more glittering promises. And never were glowing predictions more disastrously falsified. The end of it all was endless toil and misery for the mass of those involved. It proved to be the most remorseless instrument of torture with which a privileged few had afflicted their bound and helpless victims in the whole long history of Britain. As Sir Robert Peel said, "Thus every great service of the British

spirit of invention by which machinery in our factories has been brought to such perfection instead of being a benefaction for the nation has become its bitterest curse." What wonder, now that the average worker is able to stand upon his feet and draw breath, relieved from the intolerable load which the hands of theorists and scholars had piled upon his bent back, that he is ready to consign them and their tribe to perdition.

The reaction against lawless freedom in bargaining between capital and labor has taken two paths, according as the labor concerned is that of men or that of women and children. For men the drift has been along the line of self-help. For women and children it has been state-help. There are many signs, indeed, that adult male labor is to be brought under the shelter of the laws; but, on the whole, the men workers so far have relied on their trades-unions. The women and children naturally have been less able to organize for collective bargaining, and the same defencelessness has made them easier victims of the system of lawless bargaining. Longer hours, lower wages, and less wholesome working conditions have been their portion. Hence the pity of the community has been first stirred by their greater need.

This is the programme we may expect; first, the appointment of commissions who will report what a living wage should be and how far short of it the prevailing wages of women and children are. Incidentally it will deal with the current excuses and objections regarding the increasing of wages, such as the proportion of children who support widowed mothers, the number of young women whose fathers support them for the benefit of their employers, etc. If, as is to be expected, this report reveals conditions which surprise and shock the public, laws will be passed, practically without opposition, providing for Minimum Wage boards, who will fix wages by arbitration proceedings. The third step will follow on the general public satisfaction with the working of such laws. It will mean, as in Victoria, Australia, and to some extent in Britain, the extended application of the law to most of the trades in the country. And thus there will be a state guarantee of that precious asset of any people, a decent standard of living.

A Nation of Wasters

The necessity for preparation to meet the commercial conditions that will prevail after the war was urged by Secretary of Commerce William C. Redfield in an address he delivered before the Philadelphia Chamber of Commerce. What Mr. Redfield said of the U. S. applies equally to Canada. Mr. Redfield said in part:

"We are the wasters of the world. It would not be untruthful to take the initials I. W. W., with which we are familiar, and attach them to ourselves as meaning the Industrial Wasters of the World. We like to be lavish.

Waste a Costly Factor.

"This wastefulness is one of our great industrial weaknesses. We cannot compete and we ought not to expect to compete with a nation like France or Germany so long as we are wasteful and they are thrifty. We usually ignore science in industry, and are apt to talk about a practical man as better than a scientific one. Meanwhile Germany builds up great industries, wholly based on scientific research, and England organizes a special Government Committee on Industrial Research. Industry must be wedded to science in this country if it is to compete with nations where science and industry go hand in hand.

"We usually are ignorant of what the goods we produce cost us to make. Repeatedly the field force of our Department have been asked to stay and tell the manufacturers of whom they were inquiring how to ascertain their own costs. The Federal Trade Commission is authority for the statement that the general ignorance on this subject is lamentable. We be almost incredible if it were not demonstrable. We have almost lacked industrial education. It is not so in Germany. Make no mistake, it is not the wages of the German workman which make it hard to compete with him. It is his training.

"We are making a beginning in Federal aid to industrial education. It should have been done long ago. Sometimes I think we have a gift of ignoring the important and neglecting the obvious.

"It is, I think, the fact that it costs more to take a barrel from the warehouse to the railway in Philadelphia than it does to transport it from Philadelphia

to Chicago. It would be thought ridiculous to split the Pennsylvania railroad up into pieces of 100 miles, but precisely that is what is done with the goods when we get them by rail to Philadelphia or to New York. I rather more than suspect the cartage bill of the country is five, perhaps ten, times as great as the freight bill.

How to Reduce Losses.

"Preliminary inquiry now making into the subject in the Census Bureau develops the fact that in the delivery of ice the cost of a single cartage equals 45 per cent of the price of the goods; that in coal it equals 19 per cent; in milk 12 per cent. What is possible in the way of correction? Many things. Good pavements kept in good order. Automobile trucks carrying the longest practicable distance without breaking bulk. Co-operative carting so that each store in the town is not duplicating the work of every other. The advertising value of an individual delivery system is trivial when compared to the saving from co-operation.

"We use a weights and measures system that is antiquated. It takes four pages of an official publication to describe the various kinds of bushels that exist in America. Your own Mint buys all its supplies and common metals by one kind of weights and measures, its precious metals by another, and does all its laboratory work by a third. No sane nation would ever adopt the crude and clumsy system we continue to use. The metric system adopted by thirty-four nations is simpler, easier, more effective and more widely used than any other. It has made its way by its merits.

"Finally, here are six definite things to be done: stop waste, make industry the close friend and ally of science, educate our boys and girls for their work, learn costs and causes of costs, study and control the serious expenses involved in distribution, and get a weights and measures system that is up-to-date. With these things done we need fear the competition of no man.

"I have said nothing about labor readjustments, if these shall come it ought to be remembered that what we need is not a low rate of wages but a low cost of production. The low wage does not always