

ROYAL COMMISSION ON INDUSTRIAL RELATIONS

RECOMMENDATIONS MADE AS RESULT OF ENQUIRY

Suggestions for Permanent Improvements in Relations between Employers and Employees embodied in Summary of Report

The Royal Commission on Industrial Relations, which started on tour of Canada April 30, 1919, and visited every province except Prince Edward Island, taking the evidence of nearly five hundred witnesses at seventy sessions in twenty-eight industrial centres, has just completed its report. The proceedings were conducted along unusually informal lines, any one being allowed to make a statement, without oath or other formality. The evidence taken would fill more than 2,000 printed pages.

SUMMARY OF RECOMMENDATIONS.

The report recommends legislation for a minimum work-day of eight hours, with weekly rest of not less than twenty-four hours; minimum wage, especially for women, girls, and unskilled labour; also Government action to relieve unemployment through public works, to help the building of workers' homes, to restore fullest liberty of speech and press, and to establish a bureau for promoting industrial councils to improve relations between employers and workers. Immediate inquiry by experts is suggested with a view to early legislation as to the system of proportional representation in parliamentary elections; also state insurance against unemployment, sickness, invalidity and old age. Other general recommendations are: Collective bargaining, payment of a living wage, right of workers to organize, recognition of unions, steps toward establishment of joint plant and industrial councils; to poorest worker's child extension of opportunity to reach highest educational institution; also that the Commission's findings be put into effect in all work controlled by Government where the principles of democratic management can be applied; that the report and evidence be printed for general distribution; and that if the Dominion Parliament has not power to legislate as proposed by the Commission, a conference of Premiers and other representative of Provincial Governments, also representative labour men and employers, be called in Ottawa to reach unanimity on such points, and also to unify present provincial and Dominion legislation bearing on relations between employers and employees.

NEW BASIS OF INDUSTRY.

The Commission was appointed chiefly to consider and make suggestions for securing permanent improvement in relations between employers and employees. It was deemed necessary to investigate the prevailing unrest, which they ascribe largely to upheavals in Europe and general disturbances owing to the war, giving rise to a desire on part of workers generally to reach quickly an objective which ordinarily would require a process of evolution covering a long period.

Many employers agree with the workers as to the need for an ultimate change in the basis of industry, but they do not agree with workers as to methods. Workers also differ among themselves, one group desiring complete possession of the machinery of production and the full product of their toil, another group simply asking larger purchasing power of their wages, while between these the more moderate, and as the Commission believe the majority, would welcome co-operation and industrial peace until gradually a system would be evolved by which workers would receive a more adequate share of what their labour produces. The

Commission holds that as we can see only a little way ahead, all changes should be made step by step, each step being based on experience as it is gained, but the general direction should be determined towards health, happiness, and prosperity of workers and the service of the community.

Workers are diligently studying economic questions, and while some of the literature they read may be unsound, or lack of mental training of some workers may prevent their thorough understanding of it, the Commissioners are convinced that the good sense and sound judgment of the majority enables them to discriminate, and hence extreme doctrines have been accepted only by a minority.

UNREST AND HIGH COST OF LIVING.

Unrest was greatest where there was most unemployment, which was found in several large urban centres, though there is little in smaller towns and rural districts, in spite of the number of discharged soldiers and munition workers released. In some manufacturing centres, such as Kitchener, Ont., there was an actual scarcity of labour. Returned soldiers have to a large extent been reabsorbed into civil life, generally in their old positions. The scarcity of farm help is very pronounced. At one point the Commission learned that the local Government employment officer has 1,500 calls from farms, but though 1,000 men on his list were asking work, none were willing to go on the land, because of the isolation, hard and long hours of work, seasonal employment, bringing wages insufficient to tide over the slack season. Many farmers claim that they cannot compete with the high wages paid by manufacturers. The Commissioners believe that if the unemployed of the cities who understand farming methods could be induced to go to the farms the existing unemployed problem would be largely solved. The Commission recommends state social insurance for those unable to work through lack of opportunity, sickness, invalidity or old age.

Owing to unsettled conditions, the Commission found everywhere a great reluctance to risk unemployed capital in new enterprises or the expansion of existing ones.

The high cost of living was assigned as one, if not the chief, cause of labour unrest, which would largely disappear if living expenses more nearly balanced wages. At present any advance in wages is invariably met by increases in price of prime necessities of life, which many people believe is due to profiteering, chiefly through cold-storage plants which intercept food supplies. They also blame the present expensive system of distribution, and declare there are too many middlemen. The Commission notes with pleasure that this matter is being investigated by a special committee of Parliament.

The Commission approves of the labour declaration in the Peace Treaty, that "labour should not be regarded merely as a commodity or as an article of commerce."

If this basic principle were freely and frankly acknowledged by employers, and acted on in good faith, it would go far to improve their relations with employees. Without any extraordinary upheaval, policies may be adopted which will ensure to the worker a fairer reward for his toil, and a living wage, and insure him against want during temporary enforced idleness, from any cause, and during old age. The minimum wage law now administered by boards in Manitoba, British Columbia, Sas-

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katchewan, and Quebec should be extended to all the provinces, and should cover unskilled labour as well as women and girls.

THE EIGHT-HOUR DAY.

At the great majority of places visited the Commission found a demand by workers for a shorter working day, based on their desires for more leisure and energy to devote to the things of life other than work. The most common request was for an eight-hour day with the Saturday half-holiday where already established, and its further extension wherever possible, thus making the 44-hour week. General approval by employers in regard to the shorter working day was coupled with statements of difficulties such as the necessity for using all possible daylight in such industries as farming, fishing, logging, etc., which are subject to climatic conditions and limited season; the disadvantage of a section of an industry working shorter hours, yet competing with other sections within Canada working longer hours; also the fear that Canadian industry with its small home market might be unable to meet competition in foreign markets if conditions in Canada are advanced too far ahead of countries manufacturing similar products.

The Commission believes that a shorter day is most needed in industries that are fatiguing, monotonous or under trying conditions such as heat, dust, cramped position, etc., and that the number of work hours should be based scientifically upon the demands of industry and not upon mere ability to work such hours without undue fatigue. The eight-hour day has been recognized by the Peace Treaty and already adopted in many industries in Canada. The Commission recommends that it be established by law throughout Canada, with due regard for above considerations. Such legislation should provide for a weekly rest of at least twenty-four hours, which should include Sunday whenever possible, and should not interfere where a shorter day is now worked, or with its extension.

WORKERS' RIGHT TO ORGANIZE.

The Commission believe the day has passed when any employer should deny his employees the right to organize—a right claimed by employers themselves and not denied by workers. Employers gain nothing by opposition, because employees organize anyway, and refusal only leaves in their minds a rankling sense of injustice. The prudent employer will recognize such organization and deal with its duly accredited representatives. Distrust and lack of confidence have been sometimes caused because trade agreements have not been faithfully observed; charges were made on both sides to this effect. In some sections, also, local trade unions' representatives have advocated extreme measures—such men and measures being the logical outcome of unjustifiable opposition by some employers, and the sympathetic strike principle has been adopted because of the refusal of groups of employers to grant the claims of organized workers. These factors have been assigned as the chief causes of the non-observance of contracts entered into by workers in numerous cases, especially in western Canada. This policy is not recognized by the international trade unions, who believe in strict observance of agreements. It cannot be denied that trades unions generally have brought many solid advantages to workers in form of increased wages, shorter hours and improved conditions. When employers in one line of industry are organized and their employees have a central organization, a bargain between the two groups would have the advantage, from the point of view of competition, of equalizing wages, hours and other conditions affecting costs.

COLLECTIVE BARGAINING.

The Commission defines collective bargaining as the right of workers to group themselves for the purpose of selling their labour power collectively, instead of making individual agreements with the employer. For this purpose, men have organized themselves into Trade Unions, and many of these are

federated into central councils such as the Metal Trades' Council, etc. Employers, in like manner, sometimes control one factory, sometimes a chain of factories, and in some instances are organized into larger associations of their industry, which again sometimes become part of federations with local branches, such as the National Association of Building Contractors and Supply Men. Collective bargaining is negotiating for and reaching an agreement between employers or groups of employers, and employees or groups of employees, through the representatives chosen by the respective parties themselves.

In the case of larger organizations of workers—for example, where a building contractor employed 19 different classes of tradesmen, all organized into different trade unions, it has been found mutually satisfactory for workers to combine their demands and present them to the employer through the medium of a building-trade federation, and thus settle at one time the conditions for the entire industry.

Many trade unions keep in their employment trained men for the purpose of negotiating their different schedules. As the employer has the right to select any representative or bring in any assistance he may desire in carrying on such negotiations, the Commission think there is no logical reason why workers should be denied such right. The employer is justified in knowing that the schedule is presented to him with the concurrence of a fair proportion of his employees, but it does not matter whether it is put before him directly by a committee of his employees, or by a direct representative of the trade union to which they belong, or through the committee of a federation of trade unions, of which their particular union forms a part.

Entering into agreements and bargaining collectively with trade unions does not mean recognition of the "closed shop" unless the agreement so provides. Numerous cases came before the Commission where this method of collective bargaining was carried on when both union and non-union men were employed.

PROPORTIONAL REPRESENTATION

In view of complaints at several places that legislation enacted at the request and for the benefit of labour was not adequately enforced, nor increased cost of commodities controlled by Governments, both local and federal, the Commissioners believe that the system of proportional representation from grouped constituencies which has operated in Belgium and Sweden for some years, would be well worth serious study by a committee of Parliament.

Some means should also be adopted to meet the difficulty in regard to housing accommodation for workers, which has been made impossible by the high price of building land and material.

Restrictions on freedom of speech or the press should not be imposed unless urgently demanded in the interest of the peace of the whole community, and such restrictions should not apply to prevent criticism of legislative or governmental action.

SHOP COMMITTEES AND INDUSTRIAL COUNCILS.

"There is urgent necessity," the Commissioners say, "for greater co-operation between employer and employee. The great obstacle to such co-operation is the suspicion and distrust with which in many cases each regards the other. It is only fair to say that in many cases the relations between particular employers and their employees were found to be harmonious. In all such cases the guiding principle was a frank recognition by each of the rights of the other. At present the worker has little or no knowledge of the difficulties which beset his employer, the cost of raw material, the working expenses, the competition which he has to meet, the risks of his capital, and the margin of profit which he received; and the employer is equally ignorant of the employee's difficulties and viewpoint. This ignorance gives rise to disputes as to rates of pay, hours of labour, and the

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