

ECONOMICS

LESSON XV.

Labour Problems.

IN the present lesson it will be our business to consider the relations between the entrepreneur and the wage-earner—between the men who pay wages and the men who receive them. In order to do this it is necessary to glance briefly at the history of the two classes.

As we have already seen, in some industries such as our Canadian agriculture, there is no great distinction between the classes, and then no question of the relations between them need arise. Thus labour troubles or "strikes" are not heard of on the Canadian farm, though they arise on the English farm, because on the latter the functions of wage-earner and entrepreneur are divided. The English gentleman-farmer goes around supervising the work of his laborers, and does no manual labour himself—indeed he would lose the respect of his laborers if he did.

All industries were once in the same position as Canadian agriculture, but the industrial revolution and the introduction of modern methods of production brought the former state of things to an end so far as most branches of industrial activity were concerned, and divided off the sphere of the entrepreneur from that of the wage-earner in such a way that the great majority of wage-earners were forced to abandon all hope of ever becoming anything else. The division of the classes had arisen. Naturally many of the wage-earners, having lost the hope of advancement, tried to make themselves as comfortable as possible in their present position. In order to resist the strong tendency to reduction of wages in those hand industries which had to compete against the new machine industries, they organized combinations of wage-earners, pledged not to work under a certain price. Here we have the beginning of our modern trade unions.