

# LABOR DEPARTMENT REPORT CONTAINS AIMS AND FUNCTIONS OF WHITLEY COUNCILS

Joint Standing Industrial Councils under Whitley System are Official Consultative Committees to Government on Questions Concerning Industries

## NOT MEANT TO PROMOTE COMPULSORY ARBITRATION

The interest in Canada in the report of the Whitley Committee on Joint Standing Industrial Councils has caused the Minister of Labour of Canada to have the report of this committee, a body appointed by the British Government to deal with the general question of relations between employers and employees and methods of improving the same, reprinted to meet a large demand in the Dominion for copies of the report. The committee has taken the name of its chairman, the Right Hon. J. H. Whitley, a member of the British House of Commons.

In a letter from the British Minister of Labour to British employers' associations and trades unions, which is the introduction to the pamphlet, published by the authority of the Dominion Minister of Labour, in which the report is reprinted, the functions of the industrial councils are outlined thus:—

### NEED FOR CONSULTATION.

"The experience of the war has shown the need for frequent consultation between the Government and the chosen representatives of both employers and workmen on vital questions concerning those industries which have been most affected by war conditions. In some instances different Government departments have approached different organizations in the same industry, and in many cases the absence of joint representative bodies which can speak for their industries as a whole, and voice the joint opinion of employers and workmen, have been found to render negotiations much more difficult than they would otherwise have been. The case of the cotton trade, where the industry is being regulated during a very difficult time by a joint board of control, indicates how greatly the task of the state can be alleviated by a self-governing body capable of taking charge of the interests of the whole industry. The problems of the period of transition and reconstruction will not be less difficult than those which the war has created, and the Government accordingly feel that the task of rebuilding the social and economic fabric on a broader and surer foundation will be rendered much easier if in the organized trades there exist representative bodies to which the various questions of difficulty can be referred for consideration and advice as they arise. There are a number of such questions on which the Government will need the united and considered opinion of each large industry, such as the demobilization of the forces, the re-settlement of munition workers in civil industries, apprenticeship (especially where interrupted by war service), the training and employment of disabled soldiers, and the control of raw materials; and the more it is able to avail itself of such an opinion the more satisfactory and stable the solution of these questions is likely to be.

### PREVENT RECURRENCE.

"Further, it will be necessary in the national interest to insure a settlement of the more permanent questions which have caused differences between employers and employed in the past on such a basis as to prevent the occurrence of disputes and of serious stoppages in the difficult period during which the problems just referred to will have to be solved. It is felt that this object can only be secured by the existence of permanent bodies on the lines suggested by the Whitley report, which will be capable not merely of dealing

with disputes when they arise, but of settling the big questions at issue so far as possible on such a basis as to prevent serious conflicts arising at all.

"In the first place, fears have been expressed that the proposal to set up industrial councils indicates an intention to introduce an element of state interference which has hitherto not existed in industry. This is not the case. The formation and constitution of the councils must be principally the work of the industries themselves. Although the Government are very anxious that such councils should be established in all the well-organized industries with as little delay as possible, they fully realize that the success of the scheme must depend upon a general agreement among the various organizations within a given industry and a clearly expressed demand for the creation of a council. Moreover, when formed, the councils would be independent bodies electing their own officers and free to determine their own functions and procedure with reference to the peculiar needs of each trade. In fact, they would be autonomous bodies, and they would in effect make possible a larger degree of self-government in industry than exists to-day.

### NO RIGID SCHEME.

"Secondly, the report has been interpreted as meaning that the general constitution which it suggests should be applied without modification to each industry. This is entirely contrary to the views of the Government on the matter. To any one with a knowledge of the diverse kinds of machinery already in operation, and the varying geographical and industrial conditions which affect different industries, it will be obvious that no rigid scheme can be applied to all of them. Each industry must therefore adapt the proposals made in the report as may seem most suitable to its own needs. In some industries, for instance, it may be considered by both employers and employed that a system of works committees is unnecessary owing to the perfection of the arrangements already in operation for dealing with the difficulties arising in particular works between the management and the trade union officials. Again, in industries which are largely based on district organization it will probably be found desirable to assign more important functions to the district councils than would be the case in trades which are more completely centralized in national bodies.

"Thirdly it should be made clear that representation on the industrial councils is intended to be on the basis of existing organizations among employers and workmen concerned in each industry, although it will, of course, be open to the councils, when formed, to grant representation to any new bodies which may come into existence, and which may be entitled to representation. The authority, and consequently the usefulness, of the councils will depend entirely on the extent to which they represent the different interests and enjoy the whole-hearted support of the existing organizations, and it is therefore desirable that representation should be determined on as broad a basis as possible.

### NOTHING COMPULSORY.

"It has been suggested that the scheme is intended to promote compulsory arbitration. This is certainly not the case. Whatever agreements may be made for dealing with disputes must be left to the industry itself to frame, and their efficacy must depend on the voluntary co-operation of the organizations concerned in carrying them out.

"The general objects of the councils are described in the words of the report as being 'to offer to workpeople the means of attaining improved conditions of employment and a higher standard

of comfort generally and involve the enlistment of their active and continuous co-operation in the promotion of industry.'

"Such councils would obviously be the suitable bodies to make representations to the Government as to legislation which they think would be of advantage to their industry. In order, therefore, that the councils may be able to fulfil the duties which they will be asked to undertake, and that they may have the requisite status for doing so, the Government desire it to be understood that the councils will be recognized as the official standing consultative committees to the Government on all future questions affecting the industries which they represent, and that they will be the normal channel through which the opinion and experience of an industry will be sought on all questions with which the industry is concerned. It will be seen, therefore, that it is intended that industrial councils should play a definite and permanent part in the economic life of the country, and the Government feels that it can rely on both employers and workmen to co-operate in order to make that part a worthy one."

A detailed list of the functions of works committees in industries in which national joint industrial councils are established is printed in the pamphlet. The general objects of these works committees are as follow, as stated in the report:—

1. That the workpeople should be given a wider interest in, and greater responsibility for, the conditions under which their work is performed.
2. That the regulations contained in collective agreements drawn up by district and national authorities be enforced in the works.
3. That friction and misunderstanding be prevented as far as possible.

The list of functions outlined below is not meant to be exhaustive. Almost every industry has rules or customs which arise from the particular conditions under which the work of the industry is carried on (e.g., the payment of "dirty money," provision of tools, allowances for working away from the works or from home, allowances on standard district piece prices for deficiencies in material or machinery, etc.). In a well-regulated industry many such matters will be subject to district or national agreements, and the powers of a works committee will be limited in the same manner as they will be in regard to the more general questions of district or national agreement (standard rates, piece prices, normal hours, overtime, etc.). No attempt has been made to include such questions as arise only in some industries, for which each national council concerned will have to decide upon a method of regulation, including the powers to be vested in works committees.

In regard to any function the powers of a works committee will be controlled in accordance with paragraph (13) under Procedure.

- (1) The issue and revision of works rules.
- (2) The distribution of working hours; breaks; time recording, etc.
- (3) The payment of wages (time, form of pay ticket, etc.); explanation of methods of payment; the adjustment of piece prices, subject to district or national agreements; records of piece prices; deductions; etc.
- (4) The settlement of grievances.
- (5) Holiday arrangements.
- (6) Questions of physical welfare (provision of meals, drinking water, lavatories and washing accommodation, cloakrooms, ventilation, heating and sanitation; accidents, safety appliances, first-aid, ambulance, etc.).
- (7) Questions of discipline and conduct as between management and workpeople (malingering; bullying; time-keeping; publicity in regard to rules; supervision of notice boards, etc.).
- (8) Terms of engagement of workpeople.
- (9) The training of apprentices and young persons.

(10) Technical library; lectures on the technical and social aspects of the industry.

(11) Suggestions of improvements in method and organization of work; the testing of suggestions.

(12) Investigation of circumstances tending to reduce efficiency or in any way to interfere with the satisfactory working of the factory.

(13) Collections (for clubs, charities, etc.).

(14) Entertainments and sports.

(15) The provisions of facilities for the workers' side of the joint committee (or of a departmental committee, if any) to conduct its own work.

The following, taken from the report of the Whitley Committee on Industrial Councils, provides further information as to their aims and functions:—

Just as regular meetings and continuity of co-operation are essential in the case of the national industrial councils, so they seem to be necessary in the case of the district and works organizations. The object is to secure co-operation by granting to workpeople a greater share in the consideration of matters affecting their industry, and this can only be achieved by keeping employers and workpeople in constant touch.

The respective functions of works committees, district councils and national councils will no doubt require to be determined separately in accordance with the varying conditions of different industries. Care will need to be taken in each case to delimit accurately their respective functions, in order to avoid overlapping and resulting friction. For instance, where conditions of employment are determined by national agreements, the district councils or works committees should not be allowed to contract out of conditions so laid down, nor, where conditions are determined by local agreements, should such power be allowed to works committees.

Among the questions with which it is suggested that the national councils should deal or allocate to district councils or works committees the following may be selected for special mention:—

(i) The better utilization of the practical knowledge and experience of the workpeople.

(ii) Means for securing to the workpeople a greater share in and responsibility for the determination and observation of the conditions under which their work is carried on.

(iii) The settlement of the general principles governing the conditions of employment, including the methods of fixing, paying and readjusting wages, having regard to the need for securing to the workpeople a share in the increased prosperity of the industry.

(iv) The establishment of regular methods of negotiating for issues arising between employers and workpeople, with a view both to the prevention of differences, and to their better adjustment when they appear.

(v) Means of ensuring to the workpeople the greatest possible security of earnings and employment, without undue restriction upon change of occupation or employer.

(vi) Methods of fixing and adjusting earnings, piecework prices, etc., and dealing with the many difficulties which arise with regard to the method and amount of payment apart from the fixing of general standard rates, which are already covered by paragraph (iii).

(vii) Technical education and training.

(viii) Industrial research and the full utilization of its results.

(ix) The provision of facilities for the full consideration and utilization of inventions and improvements designed by workpeople, and for the adequate safeguarding of the rights of the designers of such improvements.

(x) Improvements of processes, machinery and organization and appropriate questions relating to management and the examination of industrial experiments, with special reference to co-operation in carrying new ideas into effect and full consideration of the workpeople's point of view in relation to them.

(xi) Proposed legislation affecting the industry.