

# THE RED FLAG

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FIVE CENTS

## Ten Minutes' Talk With the Workers

### THE MINIMUM WAGE FALLACY

IN the long-winded speech delivered by the Prime Minister last week you would perhaps notice, if you read it, that the most he had to offer us was a 48-hour week and a Commission of Inquiry into the possibility of a Minimum Wage.

So far as the hours' proposal is concerned, if you are already working under the reduced working week you have doubtless become disillusioned by this time and seen through the game. You can now see that in the change of hours a double purpose has been served. In the first instance, the much-coveted one-break system, which employers have tried to introduce for years, and which we as strenuously resisted, has been introduced with decided advantages all in our employers' favor. On the other hand, in appearing to give us something for nothing—inasmuch as time-wages have not been altered—they have affected to redeem their war-pledges.

Akin to this hours swindle is this other "gag" of a Minimum Wage. Knowing as our employers very well do that so much of our life is absorbed in the getting of wages, and that our eternal quest is for a measure of security in our means of life; knowing, further, that the demand for a minimum wage is an old cry of labor organizations, they reckon upon sweet words buttering our parsnips, so to say, and by pretending to solve the wages difficulty, cover up, or, at least, relieve the pressure of increased exploitation. It is perhaps as well that you received a timely warning of the fallacies lurking behind this idea of a Minimum Wage, lest you should be misled or deceived by the specious arguments of those interested in tricking us.

### Value and Prices.

To begin with, you had better get fixed in your mind how "value" and "prices," in general, are determined. You can then apply the theory to your own case, i.e., your commodity, labor-power, and you will see exactly where you are.

Briefly stated, the law of value runs like this: As the amount of labor socially necessary for the production of any article increases, its value rises; while with every improvement or increase in the productive powers of labor, e.g., increased machinery, scientific appliances, organization in the labor process, etc., the socially necessary labor required, and, therefore, the time, is reduced. The value of the commodity accordingly falls. Now the price which an article fetches in the market always fluctuates with changes in the relation of the supply of and the demand for it—this relation being influenced by the facility with which things can be produced. In the main the less time employed the cheaper it can be sold, while the longer it takes to produce it, the dearer it tends to become.

Having grasped that, you can readily see that those manufacturers who possess up-to-date methods and produce on a big scale, will be able to bankrupt those who work with backward methods, and are, therefore, compelled to take longer. In addition to these factors, the lower the price for which you and I are compelled to work, the lower will be the value of the commodities produced.

On the other hand, every reduction that takes place in the value of commodities generally depresses the value of our labor-power, so that the net result of cheapness means that you and I are enabled to offer ourselves cheaper—a circumstance which has its driving force in the clamor for jobs.

### Wages Basis No Fixture.

Spread over a given period, however, wages are found to be nicely adjusted to the particular conditions prevailing at the time, leaving us just as much as enables us to get along, and no more. An example of this is seen in a comparison of the basis of wages presently ruling as compared with pre-war rates.

But since every improvement in the labor-process brings about a change, it follows that the conditions upon which the minimum wages are based can never be a fixture, but must be different from time to time.

To leave the minimum wage alone or even attempt to enforce it at times may defeat the very purpose for which the act was designed. That purpose was to arrest or check the results of capitalist improvements.

From the foregoing we have seen that "improvements" lower the value of goods; drives those who are unable to keep the pace into the bankruptcy court, and dumps a surplus of workers on the market. In other words, renders possible a permanent unemployed army. If, then, the Minimum Wage Act is not adjustable it is self-destructive. If it is adjustable, but only in well-defined limits, we are still no better off. On this point our war experience of the periodic revision of wages every four months should be sufficient to form a pretty accurate opinion as to what happens. An adverse decision given by a biased judge, aggravated perhaps by weak advocates in our defence, leaves us struggling with the hard facts of wages being disproportionate to prices. Yet since we are bound by the Act, we have to move the whole State machinery before we can get redress—a very difficult thing to do.

You may have noticed in all the controversy of labor unrest, etc., how employers keep wailing about being unable to fix contract prices because of the uncertainty in the labor world. Now, if the minimum wage was adjustable to the automatic changing of conditions, contracts could not be easily arranged. But if a definite period for revision was fixed then the employers' problem would be, at least, partially solved. We know that something like this has long been the aim of our industrial captains and their politicians. And when they talk to you of compulsory arbitration, Whitley Committees, joint boards of employers and men, and all the other devices of such a nature, you can readily see they are simply fishing for an opportunity to tie us up in some way or the other as will suit their mercenary interests.

Hence we may expect that the Commission will report somewhat on the lines of the periodic revision principle.

### A Point of Conflict.

Here, then, will arise the point of conflict. The

law will undoubtedly stipulate a certain wage, making it a penal offence to resist it, ostensibly in our interests, but since the unwritten law of continual change or improvement goes on in industry these two laws must ever be at fisticuffs with each other. Thus the problem is not solved; it is merely shifted.

Instead of industrial peace or harmony, so-called, you can rest assured we are in for more trouble than ever we have experienced yet. Trade Union leaders will be divorced from their members, and since our every movement will be State controlled, we are simply heading for the Servile State, with its Trade Boards and other paraphernalia.

This problem of wages really resolves itself into a question of how the many improvements flowing from social progress can be made truly beneficial to mankind as a whole instead of being the curse they are at present to you and I, and the class to which we belong. To achieve that, however, as things are arranged today, is utterly impossible. Our employers know that, but they are active and keen enough to see that it is to their interest to be continually having us chasing some will-o'-the-wisp rather than leaving us to the teachings of Socialism, which would, in bringing a solution, put an end to their power and privileges as an idle class. The Minimum Wage Act as a permanent solution to the wages problem is bound to be a failure, since it only juggles with and does not abolish the wages system. Where it, on the other hand, seeks to prevent "sweating," it is only a "sop," and as such, if you have any manhood at all, you will spurn it. Only when we alter the objects for which work is carried on today, i.e., profit-making for a class, and bend our efforts towards social well-being for all, can we establish a sure and lasting social peace.

—T. B., in The Socialist (Glasgow).

### EDUCATIONAL CLASSES COMMENCE IN VANCOUVER

Local No. 1 commences the forthcoming season of educational classes by holding its first economic class on Sunday, Oct. 12, at 3 p.m. The text book is Wage-labor and Capital. On Wednesday, Oct. 15, at 8 p.m., the first history class will be held. Text book not decided on yet.

These classes are open to anyone, no matter what their political complexion may be. Just walk in and sit down. No question asked. The classes are held at the Local Headquarters, corner of Dunlevy and Pender. All comrades are asked to attend, especially the "old-timers," as help is needed to make the classes effective for young students. Do not say, "Let George do it."

It is expected that classes will be started in North Vancouver, South Vancouver and New Westminster. Will comrades in those districts get together and talk the matter over at a meeting at the Vancouver Local Headquarters on Sunday, Oct. 19? Be in earnest about this. We expect this season to be the best ever. That is why we want the old-timers to come back. Will they so arrange their affairs that they can give two or three hours every Sunday for the good of the movement.