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Sweated Industries and Wages Boards

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In 1905 there was an excess of imports over exports amounting to 167 million yen. But in 1906 we have an excess of exports over imports. Further, the imports for 1906 show a great decrease compared with the previous year, while the exports show a far greater increase. The decrease of imports no doubt is due to diminished purchase of military and naval materials.

Why the exports for 1906 are 102 million yen more than that of the previous year is explained by the great increase in silk, copper, and cotton goods.

VI. CONCLUSION.

Judging from the above, the after effect of the war on the whole of Japanese finance is not only slight but also encouraging. If we seek out anything which requires careful attention, it is the increase of currency.

To be fair, it is hard to expect to have everything smooth after such an expensive war, and it is rather remarkable that the country which carried through a war of such magnitude is steadily and skilfully building up its economic position.

Japan, in truth, fought a life and death struggle for the peace of the Far East. Had she failed, it is not at all difficult to imagine the dangers which might have overtaken the peace and, therefore, the commerce of the Far East. It is only right that nations whose interest is for peace and commerce should show some sympathy, if not gratitude, to Japan, rather than misunderstand her peaceful intentions or be misled by groundless fears and hostile insinuations.

J. SOYEDA

SWEATED INDUSTRIES AND WAGES BOARDS.

A MIXTURE of unnecessary despair and illogical fatalism seems to be driving a considerable number of our British legislators into attempting a new kind of factory legislation which, if it is not the success that they imagine, may do immense harm to some of our most helpless fellow-citizens. On the surface the arguments used in favour of this new legislation are all that is kind and well-meaning towards these poor victims. The hardships of the sweated home workers are vividly portrayed; the indisputable fact that one of the chief of these hardships is the lowness of their earnings is made clear; and then the fairy god-mother remedy is introduced. Let the law say that better wages

are to be paid, and all the good people will have it their own way—the Prince, in the shape of the good employer who wants to pay high wages, but has wicked competitors who beat him down; poor patient, drudging Cinderella in the shape of the sweated worker; the general public which amiably desires everybody to be happy and pleased. The spiteful step-sisters, in the shape of the greedy, heartless employers or middlemen, will be the only ones not gratified.

If one ventures to suggest difficulties and to wonder whether wages boards will prove a real fairy godmother, one is put down as old-fashioned and faithless. “You are using just the same arguments as have always been used against reforming ideas—people have said that every Factory Act would be impracticable until it was passed—yet we have overcome the difficulties foreshadowed, and immense good has resulted. This is only the next development in the path of progress.” And then the fatalistic argument is further amplified. We are reminded that sanitation and hours and child labour have been regulated more and more completely by Acts of Parliament; that even in this country such Acts have already touched wages in our Truck Laws, and our Particulars clauses, whilst in New Zealand and Australia wages regulation has gone almost hand-in-hand with the regulation of hours and sanitation. We are swept to the conclusion that anyone who believes in the benefit of existing factory laws here must naturally help to fulfil the historical sequence by agitating for machinery to fix and enforce a legal minimum wage. This is to apply, to begin with, to the trades whose workers are least able to organise and help themselves, namely, some of the clothing trades where home workers, and especially women home workers, abound. Here, again, analogy comes into play to silence doubts, for have we not advocated limitation of hours and other special protection for women workers because they are less able than men to organise and stand out for good conditions for themselves, and can it not be triumphantly demonstrated that such protection has raised the conditions and not hampered female labour?

Yet, before we enter upon this new path, it is worth while to ask whether it does lead straight on from the paths already successfully followed. Is there nothing about wages which makes their regulation quite a different matter from the regulation of sanitary conditions and hours of work? Is it quite certain that New Zealand and Australia have accomplished by legal regulation of wages what we want to accomplish? Is it also

certain that what is practicable in Australasia is practicable here? Finally, if we are not satisfied on these points, shall we still take refuge in wages boards legislation as a counsel of despair, because our consciences are restless with regard to our sweated workers, and because, at any rate, wages boards will give us something active and positive to *do*! Or, as I have heard social reformers seriously argue, must we not try them in order to prove that they would be a failure before we can successfully urge upon a timid public more radical changes in industrial organisation?

In dealing with the first point, as to whether there are fundamental differences between wages regulation and regulation of other conditions of work which render analogy between the two futile, I propose to limit myself to the immediately practical question as to whether a legal wage can be enforced like a standard of sanitation. And here we are brought face to face with the fact that an inspector can judge of the sanitary standard of a work-place by his own senses—by sight, smell and measurement—and can enforce improvement irrespective of the co-operation of either worker or employer. With regard to hours, too, the inspector's watch and word form sufficient evidence to incriminate the law-breakers, if he finds work going on after legal hours.¹ But the inspector cannot tell what wages have gone into the employee's pocket, and what exact work had to be done in exchange for such wage unless the worker is willing to tell. Wages books and cards of particulars are not statements sufficiently sure or detailed to go upon, and the worker can always make evasive excuses and explanations even if he draws the line at a direct mis-statement.

The supporters of wages boards brush aside these difficulties by saying that the sweated home workers will be so anxious to get better wages that the inspectors will not need to hunt out the contraventions; the workers will be only too anxious to make them known and claim the higher legal scale. This is very plausible, but unless the individual workers really look upon the wages standard as a benefit to themselves, they will not claim its protection as a friend. Much of the worst paid home work is uneconomical and could be done quicker and better by

¹ I may point out, however, that evidence of illegal over-work often breaks down at the last minute if the inspector is trusting to the workers themselves to bear out statements made by him; fear of their employer confuses them or silences them when they are asked to publicly witness against him. Also it has never been found possible to regulate hours amongst home-workers, so this step in the progress of State protection is already missed, and legal limitation of child labour is at present practically a dead letter in home industries.

machinery or in a factory. Its cheapness and its availability in times of extra pressure of work are its recommendations to the employer; sometimes, indeed, the less selfish disinclination to take work from needy human beings to give it to machines, weighs with him. One of the arguments used in favour of wages boards is that by making such cheap bad labour illegal, they would give the necessary stimulus for decreasing home work and increasing factory work and machinery. From the point of view of the community this is good, but the individual home workers would rather have low wages than none at all.

The promoters of wages boards cannot have it both ways. If workers are to lose their work they will regard the law as an enemy, and will put all obstacles in the way of the inspector. Even an army of inspectors will find it difficult to visit all the home workers in the trades scheduled under the Bill. In Victoria there are sixteen factory inspectors, and the number of people affected by wages boards is, roughly, about equal to the factory and workshop population of one of our comparatively smaller industrial towns, such as Leicester. In Victoria, too, the home work evil was attacked before it had got such a wide hold as it has here, and, partly no doubt as the result of wages boards, partly as the result of other stringent factory laws, the proportion of home workers is much smaller than in the old country. Twenty people in a factory take much less time to inspect than twenty home workers scattered in back streets. Yet the sixteen inspectors complain that they cannot overtake their work. Even if the British Government were to multiply its inadequate staff of inspectors, so as to make possible fairly frequent visits to the great majority of the 200,000 tailors and tailoresses, 180,000 dressmakers, and 70,000 shirtmakers and seamstresses returned in the 1901 census as working for employers, they could not enforce a high-wage standard amongst unwilling workers.

For home workers a piece-work rate is essential. The schedules of prices would have to be most elaborate; indeed, I have not yet seen how the most indefatigable wages board can keep pace with every fashion and individual caprice in dressmaking. We may do our best to appoint expert inspectors who can judge at a glance whether the frills and furbelows on a garment correspond to those in the wages board schedule. But the worker who has been told by the employer and taught by the hard experience of fellow-workers that her work will be "organised" away from her unless she takes a low price for it, will take refuge in

endless excuses and evasions, and no inspector can prove to a magistrate in court, the final resort, that a particular price was paid for a particular piece of work if the worker does not back him up clearly and unhesitatingly. Arrears of wages, one of the chief inducements trusted to by the supporters of the Act, will be still more difficult to prove in the case of piece-workers working at home. The Chinese furniture workers in Victoria have proved to the officials there that no legal wage can be enforced if employers and employed agree to evade it. Our sweated home workers and our sweating employers and middlemen here will find evasion just as easy if they make up their minds that the continuance of their trade depends on cheap rates. There will also be the temptation to use home workers on purpose to avoid the more efficient inspection of wages books in the factories.

We have no experience in Britain of the working of a legal minimum wage amongst unorganised workers nor amongst unskilled home workers. The elaborate schedules which Mr. Askwith has helped so successfully to draw up for voluntary conciliation boards in various trades are backed up by well-organised trade unionists, to whom the higher wage does not mean loss of work. But the more I try to think out the actual working of such a minimum amongst home workers as I know them, the less possibility do I see for a sufficiently universal application of the law to make it more of a gain than a loss, in the trades which it is supposed to benefit. No law is perfectly enforced, but there may come a point where the evasions out-balance the recognition, and then the law is worse than a dead letter.

I have, as I promised, limited myself to a small field of speculation. If I am wrong, and the law is at all workable amongst sweated home workers, we come upon other problems, all suggested by Australasian experience, but all needing to be answered in relation to English conditions. The increase in wages in these very clothing trades in Victoria has averaged only a few pence for a full week's work after years of increasingly good trade, and has been accompanied by increased employment of young persons and increased irregularity for adults. In our country the enormous expense of wages boards members and of inspectors might mount up to more than the increase of wages they secured, which would be, to say the least of it, a clumsy way of doing things.

Then, if wages are nominally increased, does it necessarily mean that the workers are richer? That depends upon where

the extra pay comes from, and this problem can produce volumes of argument. If the extra money is saved by better organisation, well and good; if it comes out of the pockets of the over-rich, well and good again; if it comes out of the increased price of commodities the workers may be worse off than before. In Australasia, a legal minimum wage has been accepted by the workers partly as a set-off against protective tariffs demanded by the employers; and every week in letters and newspapers from the other side of the world I have increasing proof that the workers are beginning to see that they have not got the best of the bargain.

Finally, the remedy to be aimed at for some of the worst suffering in sweated home industries is not higher wages at all, but less need to work. Old people, infirm people, children, ought not to be in the industrial market at all, whatever their wages. The same applies to mothers of young families, whose husbands are dead, or sick, or out of work. The problems they raise must be attacked not through wages boards, but through such measures as old-age pensions, maintenance of necessitous children, and provision of work for the unemployed. Wages boards will, I fear, take away the crust from some of these victims, and force others into secrecy and deceit, and thus, instead of proving a fairy godmother to those most needing help, will be a wicked stepmother.

MARGARET E. MACDONALD

RECENT OFFICIAL PAPERS.

The Report of the Departmental Committee appointed to inquire into the Accounts of Local Authorities (Vol. i., *Report*, Cd. 3614, 101, xxv. pp., 1s. 1d.; Vol. ii., *Evidence*, Cd. 3615, iii., 316 pp., 2s. 7d.) must be somewhat of a disappointment to those who object not to the form of local authorities' accounts, but to the nature of the transactions recorded. The Committee was not appointed to investigate the financial transactions, but to inquire and report on "(1) the systems on which the accounts of local authorities in England and Wales are at present kept; (2) generally as to the system on which the accounts of the various local authorities in England and Wales should be kept, and in particular whether such accounts should be prepared on a system requiring the entries of receipts and payments to be confined as far as possible to actual receipts and payments or not; and (3)

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