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Author(s): F. C. Montague

Review by: F. C. Montague

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Hadleigh Farm Colony of the Salvation Army, and claims that it is financially sound and otherwise feasible. In favourable conditions it may be so. The small farmer, being less dependent on fluctuating markets than the large farmer, has a great advantage. But, as Mr. Moore insists, he must be a capable man, and must be prepared for a life of incessant labour. That there are men of this stamp now vainly seeking for regular employment is not to be denied, and by some such plan as Mr. Moore's they may be usefully settled on the land. Do they not, however, form a small fraction of the unemployed? For the case of the others, the physically and morally weak, the scheme gives no remedy; for them the hard life of the peasant farmer is impossible. There is no reason, then, for thinking that the mass of the unemployed would be sensibly diminished. Nevertheless, Mr. Moore's scheme might save many useful lives, and one would gladly see a trial of an experiment which has several novel and interesting features. His little book is full of practical information on the whole subject. It will be found of special interest if it is read after a study of the admirable account of foreign labour colonies by Professor Mavor contained in the Board of Trade report on agencies and methods for dealing with the unemployed.

G. P. MACDONELL

Profit-sharing and the Labour Question. By T. M. BUSHELL.
With an Introduction by Sedley Taylor. (London: Methuen
and Co., 1893.)

THE serious, kindly and public-spirited temper which pervades this little book must recommend it and its author to public esteem. At the same time it is a somewhat trying book to the reviewer, because it ranges with extreme rapidity over a great number of topics and includes a great variety of extracts from well-known speakers and writers upon social questions. It falls into three parts. The first, and to our mind the most valuable, describes the system of profit-sharing adopted in the writer's firm and its effects on the welfare of employer and employed. The second part treats of profit-sharing generally. It is interesting, but it is scanty. Mr. Bushell accepts Mr. Schloss's definition of profit-sharing as an 'arrangement under which an employer agrees with his employees that they shall receive in partial remuneration of their labour, and in addition to their ordinary wages, a share fixed beforehand in the profits of the business (p. 113).' Profit-sharing is therefore distinct from 'gain-sharing' defined by Mr. Bushell as 'an arrangement under which a fixed or minimum wage is supplemented by a premium proportionate to the efficiency of the workman, so far as this exceeds a specified standard (p. 135).' Still more does profit-sharing differ from industrial partnership with which it is sometimes confounded. For industrial partnership implies what is not implied in profit-sharing, that the

employed share with the employer in the management of the business. Mr. Bushell is no enemy of industrial partnership. Only he maintains that most workpeople are not yet sufficiently trained in business habits to make it successful and that most employers view it with distrust and alarm. If industrial partnerships are to become general, it must be, he thinks, through a preliminary course of profit-sharing. Similarly co-operative production deserves encouragement but cannot become general in our time, because the 'entrepreneur' is still indispensable in most cases, and working men are too often wanting in mutual confidence and voluntary subordination. But it must not be supposed that Mr. Bushell regards profit-sharing as a panacea. On the contrary he regards it only as one of several means of promoting the welfare of the working class. Nor does Mr. Bushell advocate profit-sharing as a means of weakening trades unions. On the contrary, he thinks trades unions indispensable and their action on the whole highly beneficial. The most impartial theorist could not make more liberal allowance for the occasional imprudence or violence of trades union leaders.

The third part of Mr. Bushell's book deals with the subject of labour generally. Here again his tone is most sympathetic towards workpeople. He is in favour of a considerable reduction of working hours, which he has tried in his own firm with satisfactory results to all parties. He is in favour of a national pension scheme, of an extension of the Labour Department, of technical education for employers, and of the introduction of the decimal system as a means of saving much useless clerical labour. Concerning this part we may venture the criticism that, generous and sympathetic as it is in spirit, it is too sketchy to be practical. That another excellent man has declared in favour of a national pension scheme or of technical education for employers is insufficient until we know how the nation is to find money for the one, or how young men are to be induced to avail themselves of the other.

We therefore return to the more solid part of Mr. Bushell's book, his account of his plans for the benefit of those whom he employs, and of the results which he has obtained. The business of his firm is printing, lithographing, bookbinding, and certain minor trades dependent on these. The persons employed number nearly 200, of whom the majority are under age. In making out the profit and loss account the working capital is credited with 5 per cent. interest, and from the balance a certain fixed sum known as the 'Reserved Limit' is credited to the partners as a first charge for salaries of management and payment for risk. The residue is equally divided between employers and employed. All the persons employed in the works participate in the bonus. One-third of the bonus is paid in cash every week and the other two-thirds go to a provident fund. Persons employed receive their provident fund on attaining the age of sixty-five, or on completing twenty-five years of continuous service, or, in the case of a girl, on leaving for marriage. In case of death, the representatives of the

deceased are entitled to receive the provident fund. It must be remembered that the provident fund is not forfeited in any case unless the workman has been guilty of a criminal offence or of embezzlement. Any workman leaving the service of the firm before the twenty-five years have expired remains entitled to his provident fund, although he cannot draw it out until the expiration of that period. So long as the provident fund is held by the firm interest is paid on it at the rate of 4 per cent. per annum. The full trade wages are paid by the firm and a committee of the employed assists the firm in administering the fund. This system was not forced upon the workpeople. The proposal was submitted to a ballot and there was practical unanimity in favour of the scheme. Mr. Bushell speaks most warmly of the effect of profit-sharing upon his hands. He dwells upon their progress in thrift, in independence, in sobriety, in diligence, and in skill, and above all he dwells upon the pleasant relation between them and the firm under the system above described. He acknowledges that the firm has sustained some slight loss by its introduction. But this, he observes, is nowise inevitable. It could be avoided by fixing the 'Reserved Limit' at a slightly higher figure. Personally, he thinks that the increased prosperity and loyalty of his workpeople far outbalance the pecuniary loss. But he sees that, if profit-sharing is to become common, it must be made compatible with the best pecuniary returns. He does not want to introduce a system of doles, still less to make the employed dependent on their employers. He recommends a *bona fide* system of profit-sharing as a means of promoting self-respect, freedom, and an honourable ambition to do good work.

F. C. MONTAGUE

SOME RECENT WRITINGS ON POPULATION.¹

La Population. PROF. VAN DER SMISSSEN. (Paris and Brussels. 1893.) *La Popolazione e il Sistema Sociale.* PROF. F. S. NITTI. (Rome and Turin. 1894.)

THE first of these two books excites our expectations by its size (550 pages), and by the fact that it gained the Rossi Prize presented by the French Academy of Moral and Political Sciences. Our hopes are dashed when we read (on p. 8) that the problem that puzzled Malthus was solved by Bastiat. 'The capital error of Malthus was not to have seen the harmony of the natural laws of political economy, and comprehended that the question of food is answered by the growth of population itself.' As Bastiat says in his 'Harmonies,' 'the increasing density of population amounts to an increasing facility of production, *other things being equal.*' When men are brought closer into contact there is an improvement in the mechanism of exchange, and they thus render to one another services that include more and more of 'gra-

¹ Continued from the last number of the *Economic Journal*.