

CURRENT MAGAZINES

THE LABOUR CRISIS IN ENGLAND

The Coal Problem:—Lord Gainford, and Mr. R. H. Tawney in the June *Contemporary Review*.

The Coal Strike:—Mr. E. B. Osborn in the May *Nineteenth Century*.

The State and the Railways:—Mr. J. A. R. Marriott, M.P. in the June *Fortnightly Review*.

The Labour Party and the State:—Mr. Walford D. Green in the May *Nineteenth Century*.

Some Misgivings:—Mr. Maurice Hewlett in the May *Nineteenth Century*.

IT is natural that much space should be filled in recent English magazines by articles on the fearful situation in the coalfields, and—though the conflict may be settled before these lines are in print—an account of the leading arguments used in the discussion will still be of some interest. The June *Contemporary* opens with a paper by Lord Gainford, who acts as spokesman for the mine-owners. The struggle is, as usual, about wages and profits. Both were guaranteed by the Government in the national emergency of the war, when coal had to be obtained in great quantities, no matter what it cost. But both miners and owners had much to fear from "decontrol", when the State subsidy should cease. Lord Gainford traces the connection between the strike of 1921 and the strike in the fall of 1920. Under the settlement effected last year the owners and the miners were to meet in conference, that they might draw up a scheme for future regulation of wages and profits. The scheme was to be presented for Government sanction by March 31st, 1921, and—according to Lord Gainford—substantial progress was made towards completing it. Both sides agreed (a) that wages must be fixed by "the ability of the industry to pay," (b) that a standard rate of wage should be adopted as first charge on the mines, (c) that a standard rate of profit should be reached before any advance should be made upon the standard wage, and (d) that after these two standard charges had been met any surplus returns were to be divided in arranged proportions between the miners and the owners. Accountants representing both interests were to audit periodically the owners' books. Lord Gainford points

out that the essence of this plan was to interest the miners in keeping down cost of production.

For, prior to the period of Government control, the workers had often acted on the plausible theory that to restrict production was the pathway to their own advantage. Lowered output meant higher prices, and higher prices meant higher wages. The men's advisers, says Lord Gainford, used to warn them that large production might flood the market, so that prices and wages would fall. Restraint on output of course victimized the consumer. Under the proposed new scheme wages would be based, not as before on the selling price of coal, but on the profits of the industry. Thus, since high profits depend on costs, the men might be expected to co-operate in the economies of mine-working.

The Executive of the Miners' Federation had recommended this reform. But, says Lord Gainford, the whole situation was transformed by the Government's announcement that decontrol was to take place on March 31st., not on August 31st. as promised. All the plans of owners and miners had been based on the assumption that five months were still available for gradual passage from the artificial state of control to the normal course of unsubsidized trading. "The decontrol of an industry is an operation as delicate as the demobilization of an army." No man could foretell the course of industry after this sudden and unexpected step. Misunderstandings and difficulties were certain. "It is clear, however, that the Government were guided more by the immediate need for economy and a desire to cut their losses than by a concern for the interests of an industry, and decontrol was suddenly decided upon, though the decision had a most unfortunate effect upon the negotiations which were in progress." Hence the abandonment of the conciliatory scheme that had advanced so far, and the return by the miners to that demand for a National Pool which the owners were resolved to resist.

Mr. R. H. Tawney furnishes some mordant comments upon the owners' case. He reminds us that the decontrol which the employers now speak of as such a disaster was agreed to by themselves after some preliminary show of reluctance, and he hints that the Government negotiated partly in the open with all, partly in secret with the owners. He recognizes the attractiveness of the proposed scheme for standard wage and standard profits, under which miner and owner alike would be interested in making the mines a success. But he thinks the unfortunate *consumer* has a right to be heard. It is doubtful, says Mr. Tawney, whether the public "would have had any cause to congratulate itself on an

arrangement which would have virtually put mine owners in the position of holders of cumulative preference shares, and which would have given not only them but the workmen a direct interest in making profits as large as possible." The plan which Lord Gainford so commends is spoken of by this critic as an "invitation advanced by the owners to the miners to conclude a truce over the body of the consumer." Mr. Tawney tells us that the reduction in wages proposed at first would have meant in Durham a drop of 24 to 47 per cent, in North Staffordshire a drop of 21 to 35 per cent, in South Wales a drop of 40 per cent. The sudden decontrol took place, in his judgement, because "profiteering" in coal had gone so far that the foreign customers refused any longer to buy. "Last autumn British coal was being sold in France and Italy at from 90 to 120 shillings per ton. When trade fell off there was something like a strike of consumers. . . . For the month ending February 28th. there was an adverse balance of £4,536,396. In such circumstances it was natural that the Treasury should become the champion of decontrol." Mr. Tawney sees nothing monstrous in the proposed National Pool. He reminds us that during the period of Government control increase in wages was fixed by advance in the cost of living, not by an estimate of what the industry could pay." If this latter basis had been adopted wages would have risen during the war much higher than they did. The writer suggests that it is "questionable finesse" to adopt a principle of calculation so long as it tells against the miners but repudiate the same principle when it would tell in their favour. He thinks that the essential demand of the miners—that for a National and not a District settlement—is fair. "To the mine-worker, as to most other workers, it seems reasonable that men doing the same work should not vary, too widely at any rate, in their payments But in mining, unlike other industries, the equalization of wage movement depends on the existence of some central fund to be used to equalize them. Hence the demand, not only for a National Wages Board, but for a National Wages Pool."

Mr. E. B. Osborn, too, offers us a summary of some chief causes of discontent in the English coalfields. According to him we must explain it not only by circumstances in the present but by enduring memories of the past. Mining in England, is, he tells us, an hereditary craft. Traditions from the old, bad days of ruthless disregard for the worker's interest and safety have been handed down from father to son. "Nobody can understand the mentality of the essential miner who is not acquainted with the history of

the industry before the advent of Trade Unionism. Those legacies of hatred are not soon removed even by that considerate treatment which—Mr. Osborn reminds us—has often marked the recent administration of English mines. Resentment too is felt because the Government ignored the report of its own Commission, and even the recommendations reached unanimously by the Commissioners have not been given effect. The writer estimates that the reductions in wages originally proposed by the coal owners would leave 25 per cent. of the miners worse off than in pre-war days. "It is absurd to expect highly skilled workers, who must serve a long apprenticeship to this arduous and dangerous craft, to take less wages than a dustman or a road sweeper." Mr. Osborn, like almost all who have discussed the miner's case, is vehement in denunciation of those who dared to let the mines be flooded. Fair fight is one thing, the inflicting of a permanent national disaster is quite different, and all good men should combine to stamp such methods out. But the premature discontrol is generally blamed, and Mr. Osborn ventures the opinion that the country's economic loss through the strike must considerably exceed the cost of continuing the subsidy. Authoritative writers of quite different types in the recent magazines agree in emphasizing the unique character of the coal industry as affecting the whole industrial life of the nation. They remind us that the miners' hazards and hardships are of a very exceptional kind, and they suggest that the usual freedom of competitive business arrangements on the part of employers may in this case be properly interfered with by the State acting in the national interest.

MR. Osborn arraigns the current notion propagated by Labour leaders that huge profits are made out of coal mines by a small group of great capitalists. Granting that profits are sometimes large, he insists that huge losses are more frequent, that vast masses of capital have disappeared for ever in the pits, and that—on the whole—coal mining is a very unattractive investment. He has himself been unable to find one instance of a mine that has paid an average yearly dividend of 10 per cent. to the ordinary shareholders over a period of twenty years, and since the coal is being continuously exhausted—10 per cent. would be no very high rate. Mr. Osborn thinks it a likely conclusion from statistics that the average return is not more than 5 per cent. 75 per cent. of the product goes in wages, 3 per cent. in salaries, 22 per cent. in profits, interests, rents, royalties, and advertisement. According to a Government return 74.7 per cent. goes to Labour, 4.4 per

cent. to Capital. Nor is the capital that of a few very rich men. A great number of miners have put their small savings into it.

"The coal-owner, be it here added, is not the fur-coated, Corona-puffing, multi-millionaire of the cartoons in Labour journals. Collieries are largely owned to-day by limited liability companies, with thousands of shareholders holding varying amounts of shares, and for the most part persons of small means.

ONE of the most striking occurrences in the present conflict was, Mr. Osborn thinks, the sudden revival of the "independent Member of Parliament." Industrial disputes when they reached an acute stage have commonly been dealt with in England by conference between the Cabinet and the Labour leaders. The rank and file of the House of Commons have exerted little influence. But in this case the national peril was so extreme that two hundred Members of Parliament met in a group, summoning representatives of both sides to come and state their case. Mr. Hodges, the miners' delegate impressed this audience strongly. He was asked whether the miners would consider "a provisional settlement of district rates, without prejudice to a further discussion of the larger issues of a national system." Mr. Hodges replied that they would. It turned out indeed that he had promised more than he could fulfil, for his followers repudiated his pledge. But this refusal of a fair offer led, in Mr. Osborn's interpretation of events, to the withdrawal of the Railwaymen and Transport Workers, and the calling off of the fearful menace of a sympathetic strike. The two hundred Members, who thus decided to really *represent* the nation at large rather than be mere ciphers in a party, achieved a splendid national triumph.

AMONG the remedies which Mr. Osborn has to suggest one is "a more scientific use of coal." He thinks the open coal fire should be abolished. "It is a scandalous waste, for ninety per cent. of the value goes up the chimney, including all the latent wealthy dyes and costly drugs which had made coal tar a veritable gold mine for German science in pre-war days." This will be a hard saying to those who delight in the open grate not only for its warmth but for the kindly glow it casts over a room in the winter evenings. A less annoying proposal is the use of water power, which is so often left untried in England, and which might provide a substitute for part of the drain on coal. Mr. Osborn suggests, too, that groups of

small independent mines might be combined under a single management, for it seems impossible that some of them at least—run by themselves—can continue to pay a living wage. A good deal might thus be saved in running expenses; the scheme might be called “trustification” rather than “nationalisation.”

CANADIANS who have begun to speak of the annual railroad deficit in this country as “The Railway Horror” will be interested to learn that from Mr. Marriott’s article that there is a corresponding menace in England. On August 4, 1914, the Government assumed control of 114 railways. On August the 15th of the present year that control is to cease, and the property will revert to its normal owners. But, Mr. Marriott points out, it will revert in a greatly depreciated form. A glance at the market price of British railway stock in 1921 as compared with the corresponding prices in 1914 is enough to show in how damaged a state this property is. The chief causes are (1) increased cost of Labour, (2) statutory shortening of hours of work with consequent enormous rise in the number of employees. The tonnage carried has since 1913 decreased over ten per cent. But there are 76,000 more men employed, and the aggregate wages bill has risen from 47 to 164 millions sterling. The Government occupancy has left its mark. Mr. Marriott pursues his illustration thus: “The tenants, to whom for the last seven years the property with all its servants and appurtenances has been let at a moderate rental, have not only ‘let down’ the estate, but have more than trebled the servants’ wages, and have diminished their hours. . . . Blame is not imputed to the tenants; they could not control the circumstances; but the facts remain.” In an article of much interest the various possible solutions for the English railway problem are indicated and commented upon.

HAS this industrial struggle revealed any new facts about the relation of the Labour Party to the State? Does it enable us to predict anything about the political future of the Party in Great Britain? Mr. Walford Green urges in the *May Nineteenth Century* that public indignation against the sabotage of the miners’ strike was shown by the sharp reversal of fortune for Labour candidates at the polls. The Party, he thinks, is lacking in Parliamentary leadership. Its very constitution—with so many committees and caucuses and checks—would reduce a bold leader to mediocrity.

The Labour programme of "Nationalisation" is now unpopular, for the wastefulness and idleness of workmen serving the Government—as compared with those serving a private employer—can no longer be questioned. The "Government stroke" has become another name for "going slow." Thus, in Mr. Green's view, even that "national minimum wage" which is so attractive to the worker has been proved more likely to be reached under the private capitalist system than under Socialism. "Parliament may decree that every man must be paid five pounds a week, but Parliament cannot ensure that the five pounds will always purchase the necessary bread and books and tobacco and clothes and beer." If these commodities are to be kept at a reasonable price production must be stimulated, and Mr. Green thinks it is becoming clear to all that production will be greatest in the individualistic state. Moreover, he finds a weakness of the Labour party in its divided allegiance. On the one side it must not offend the "direct action" group in the Trade Unions, while on the other side it must in Parliament profess to believe in Parliamentary methods.

On somewhat similar grounds Mr. Maurice Hewlett, the well-known novelist, contends that Labour is not likely to have a majority in the next Parliament of Great Britain, and that it could not form a real administration if it got the chance. Mr. Hewlett points out in his article, "Some Misgivings," that Labour refuses to choose any leader for more than a year at a time, and that the leader chosen is quickly hooted or disregarded by his "followers." It is not a free Party, but bound to its employers, the Trade Unions. Mr. Hewlett finds Labour lacking in three senses, each of them indispensable to a political group that can succeed in England. It has not *civic* sense, *common* sense, or *moral* sense. The Police Strike proved it lacking in the first; its complete failure to bear in mind that higher wages mean higher prices shows it deficient in the second; its resistance against the "dilution" of trades to provide work for returned soldiers convicts it as wanting in the third. "How," asks Mr. Hewlett, "is Labour, I won't say to govern, but even to claim to govern, wanting—in the general and the particular—civic, common and moral sense?" There is an unmistakable tone of alarm among some of the more significant writers to the recent English magazines when they speak of the danger that British Labour may become Bolshevik. "Politician" in the *Fortnightly Review* presents a formidable collection of evidence that the Labour magazines have been preaching desperate measures by which the workmen may force their way. But others are much encouraged by the fact that the Railway and Transport workers refused to lend

any help to the frantic measures of the miners, and that Parliament proved on that occasion equal to the emergency. "The Triple Alliance did not function, but the House of Commons did."

H. L. S.

LIFE AND LIGHT

W. E. MACLELLAN

Out of sunshine, in the twilight, come the stars to nightly birth,
Like the souls of men descending, through the shadows, to the earth;

But they bring no recollection of the light whenceforth they spring,
Only faintly lingering memories in the anthems that they sing.

All around to them is darkness, save for kindly sister beams
Mingling with their own and yielding surcease of their vexing
dreams.

So athwart the gloom they journey, seeing dimly, fearing all,
Casting anxious glances ever on the earth's black, threatening pall.

Neither they nor men are conscious that the deep long-seeming
night
Passes swift as mountain tunnel linking closely light with light.