

ORGANIZED INDUSTRY: A REPLY TO MISS DENNIS

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THE article by Miss Dennis in the July issue of the *DALHOUSIE REVIEW* might better have been called, "The Shortest Way with the Trade Unions".

She begins by asserting that unions are "tyrannical and irresponsible", and that strikes are "virtually mere struggles for domination" by these objectionable bodies. One might have supposed that she would offer some evidence in support of such sweeping statements; but no, not a syllable. Her two pontifical pronouncements, however, are mere preliminaries to a third: that "Trade-Unionism is on the way out". This is news indeed, a "scoop" of the first rank. In Great Britain, in 1939, unions affiliated with the Trades Union Congress had 4,669,186 members; by 1945, this had risen to 6,575,654, an increase of nearly 2,000,000. Total union membership in 1939 was 6,053,000; in 1944 (latest year available) it was 8,100,000, an increase of over 2,000,000. In the United States, in 1939, the American Federation of Labour had 4,006,354 members, the Congress of Industrial Organizations about 4,000,000, and the Big Five Railway Brotherhoods about 300,000, a total of close to 8,500,000; in 1945, the A. F. of L. had 6,938,000, the C.I.O. about 6,000,000, the United Mine Workers of America (part of the C.I.O. in 1939) about 600,000, and the Big Five over 400,000, a grand total of about 14,000,000, and an increase of about 5,500,000. In Canada, in 1939, total union membership was 358,967; in 1944 (latest year available) it was 724,188, an increase of 365,221, or over 100 per cent. All these figures can be verified from official sources. It looks as if "Trade-Unionism is on the way out" were like the report of Mark Twain's death—"greatly exaggerated".

"In its day and generation", Miss Dennis admits, "the Trade-Union served a noble and useful purpose." She proceeds:

It stood for justice, fair play and the protection of the weak. In its fight to raise the standard of living for the working man it strengthened the whole economic structure. History will gratefully record such illustrious names as Thomas, MacDonald, Clynes, Gompers, Green and Hillman . . . But these men were, and of necessity, fighters. A Union victory, obtained by coercion

through the strike, meant essentially shorter hours and more pay. A further "victory" meant still shorter hours and more pay . . . Clearly there had to be a limit. It could not eventually come to all pay and no work . . . In the Golden Age of Trade-Unionism which is now past, enlightened public opinion and the aroused public conscience stood solidly behind the Trades-Union in its fight for economic justice. This was especially true of England, whose great labour leaders were men of integrity and vision, who had risen from the ranks. They won the sympathy and support of fair-minded people in all walks of life, and their warmest supporters were members of the English Upper Class who possess to an unusual degree the Anglo-Saxon instinct for justice, liberty and fair play. I am not qualified to discuss the present attitude in England toward the working class. In England labour is a political party quite different from labour as an economic group such as we have it here in Canada and the United States of America . . . Such organizations no longer serve any useful purpose in the economic structure. They throw sand in the bearings of industry. They are a hindrance to social progress. Their day is done.

These observations are, in their way, masterpieces. Never, perhaps, were so many inaccuracies, misstatements and misconceptions packed into an equal space.

In the first place, Miss Dennis appears to be under the impression that we are now living in an industrial and social millennium. The workers no longer need unions to "fight" for "justice, fair play and the protection of the weak" or for a higher standard of living. Hours are now so short and wages so high that we have reached the limits of the possible; we are as near to "all pay and no work" as we can get. This is another "scoop" of the first rank, apparently vouchsafed to Miss Dennis by direct and special revelation. The Dominion Department of Labour, in its *Labour Gazette*, April, 1941, p. 407, stated that a pre-war wage of \$25 a week "leaves a family practically no margin for expenditures on anything but the basic necessities of life." When we allow for the 18.8 per cent increase in cost of living, the present equivalent of this is \$29.70. The latest Dominion Bureau of Statistics monthly report on the employment situation shows that at October 1, 1945, the average weekly wage, including overtime, piece work earnings, incentive bonuses and everything else, was below this level in fur and its products, boots and shoes and leather products generally, lumber and its products, edible plant products, paper products, all textiles, tobacco, logging, highway and railway construction and maintenance, services (\$20.16 a week), and retail trade;

industries employing a total of 698,593 persons, or over 40 per cent of the total reported for the eight leading industries. For the whole 1,724,529 employees in the eight industries, the average weekly wage was only \$32.08, or just \$2.38 a week above the Department of Labour's bare subsistence minimum. As for hours: according to the latest Year Book of Labour Statistics of the International Labour Organization, in 1942, excluding building and butter and cheese factories, over half of Canadian wage earners were working more than 48 hours per week, and the average weekly hours were 51.3, exclusive of overtime. This is certainly not "all pay and no work" or anything like it, and the figures hardly suggest that Canadian workers have now reached so high a standard of living that they have nothing left to achieve or fight for.

In the second place, Miss Dennis seems to be a trifle shaky on her trade union history. By "MacDonald" she presumably means Ramsay MacDonald, who was not a trade unionist at all. She speaks of "Green" and "Hillman" as if both were dead and buried, when in fact both are very much alive, Mr. Green being President of the A.F. of L. and Mr. Hillman one of the most militant leaders of the C.I.O. But these errors pale into insignificance beside the statements that "in the Golden Age of Trade-Unionism" (date unspecified) "enlightened public opinion . . . stood solidly behind the Trades-Union in its fight for economic justice", and that this was "especially true of England" and above all of "the English Upper Class". Fifteen minutes' examination of any standard history of Trade Unionism in Britain, the United States or Canada (for example, the Webbs for England, J. R. Commons for the United States, and H. A. Logan for Canada) is enough to disprove these assertions. British Trade Unionism has been accepted by the British upper and middle classes for about half a century, but before that it had to fight for its life against their almost united and often bitter opposition, frequently expressed in almost precisely the terms Miss Dennis now uses about contemporary unionism. Most American unions had to fight for their lives till a bare dozen years ago; some still do. Canadian unionism has had perhaps the hardest battle of all; it is scarcely too much to say that it is only since the outbreak of the war that Canadian employers generally have reluctantly accepted unions and agreed to negotiate with them. Anyone who doubts this had better look up the record of strikes for simple union recognition in Canada as recently as 1941 or 1942.

In the third place, Miss Dennis is as imperfectly acquainted with contemporary British Labour as with British trade union history. Labour is indeed a "political party" in Britain, but it is also "an economic group" precisely as it is in the United States and Canada. The "economic group" consists of the various unions, most of them affiliated with the Trades Union Congress. The "political party" is the Labour Party, with which most of the unions are affiliated and which is largely financed and controlled by the unions, though perfectly distinct from them.

In the fourth place, Miss Dennis is much mistaken on the aims, functions, activities and methods of unions. They are certainly interested in "shorter hours and more pay", but they are interested in a great many other things besides: seniority, proper grievance procedure, sanitation and safety, more efficient production, workers' education. "Union victories" are certainly sometimes "obtained by coercion through the strike"; there are some employers who understand nothing else. But a vastly greater number nowadays are obtained by peaceful and amicable negotiations with employers who have enough sense to realize that calm discussion and reasonable give-and-take pay better than trying to beat the union to its knees or make it sign terms of unconditional surrender. But Miss Dennis ignores all this. She prefers to revel in an industrial dream world of her own creation, a world inhabited exclusively by large-minded and benevolent employers and unscrupulous and violent union leaders.

By way, doubtless, of ramming home her contention that "the unions' day is done", she proceeds to a series of rhetorical questions evidently designed to put Labour in the dock and secure a verdict of guilty without the formality of evidence. Her attitude makes one think of the Quebec judge, now no more, who, when a prisoner pleaded not guilty, invariably replied: "If you were not guilty, you would not be here"; or of the Irish magistrate who never listened to the evidence for the defence because he found it "confused" him.

Her charges against the unions are: (1) that they practise the "slow down" and "restriction of output"; (2) that they try to "force an honest worker against his convictions to join a Union or else . . . keep him from getting a job"; (3) that they try to compel management, against its will, to check off union dues, and "tie up essential war work" to gain this end. She adds a blanket charge against Labour in general, that its "inef-

“inefficiency and lack of ethics” are evident in “every ill-built-low-value-at-high-cost home”; and a suggestion that “what is presumably behind this insistence on the ‘check-off’ and ‘maintenance of membership’” is “dislike and distrust of the Union by Union members themselves”.¹

Which unions have practised the slow down or restriction of output, when, how often and why, Miss Dennis does not tell us. We are simply left to infer that it is common practice arising from a double dose of original sin. The possibility that where slow downs or restriction of output have occurred, the conduct of employers, the delays and inefficiency of official conciliation machinery, or the general insecurity to which workers have so often been subjected, may have had anything to do with it, has, of course, never crossed this writer’s mind. Why would it? Her employers are all angels, her union people all devils incarnate. Similarly it has apparently not crossed her mind that there can be any reason for the union shop and the check-off except the peculiar malignity and wickedness of unions and union leaders. Yet there is an alternative explanation, and a remarkably simple one.

Miss Dennis’s charge about “tying up essential war work” in order to secure the check-off is, I suspect, an oblique reference to the Halifax Shipyards’ strike. If so, in fairness, she might have mentioned that in that case the Company was, as the Supreme Court of Nova Scotia subsequently decided, under a statutory obligation to check off the union dues, and it was only when the Company flatly refused to obey the law that the union, after long negotiations, finally struck. In other words, it was the Company, not the union, which tied up the essential war work; it was a case of employer trouble, not labour trouble. This writer’s attack on Labour in general for “inefficiency and lack of ethics” is of a piece with the rest. Because some houses are badly built and expensive (and of course war-time shortage of materials could have nothing to do with that; still less any fault in the immaculate, impeccable employers in the building industry), therefore all Labour, in all industries is “inefficient” and lacking in “ethics”!

The insinuation about the “dislike and distrust of the Union by Union members themselves” being perhaps responsible for union leaders’ efforts to get the union shop and the check-off is really comic. No union can approach an employer for either the union shop or the check-off (1) unless it already has a majority of the workers in the plant (and in practice it

1. What it is, I have tried to show in *McLean’s Magazine*, Nov. 1, 1945.

would have to be a substantial majority), and (2) unless a majority of the members approve (and again, in practice, the majority would have to be substantial). Furthermore, under the law, the workers have an annual opportunity to change their minds. In short, there can be neither union shop nor check-off unless the union members themselves want it, and, indeed, unless the employees generally want it.

What of the case history which Miss Dennis cites? This is the struggle between the United Automobile Workers and the (American) Ford Motor Company. She waxes lyrical on high wages which prevailed at Dearborn, but says nothing of what happened during the depression, when the Ford Company turned thousands of workers into the street and left it to another municipality, Detroit, which got nothing from taxes on the Ford plant, to foot the bulk of the relief bills and keep the workers alive till Ford needed them again. She tells of "sitting in the lounge of the Hotel Statler" and hearing "some Ford employees that I knew discussing" the "incident" when the Ford "service men" (company police) threw union organizers off the property. It is evident that Miss Dennis moved only in the highest Ford circles; it is also evident that she sympathized with the use of assault and battery to prevent the organizers from exercising what she is obliged to admit were their legal rights. She is also obliged to admit, by implication, that Ford ultimately had to recognize the union, and accept the check-off. She contrives, however, to give the impression that the Ford workers did not want the union; and she winds up by observing that her readers "may remember how shrewd old Henry Ford handled the situation, and managed to prevent the Union from doing more than could be avoided to demoralize his employees". Her confidence in her readers' memory may or may not be deserved. But it might have been helpful if she had reminded them that the United Automobile Workers won the National Labour Relations Board election in the Ford plant by a vote of 51,866 to 22,322, and that Mr. Ford's "shrewd" way of "handling the situation", and keeping the union from doing any more harm than could be helped, was to grant not only recognition and the abhorred check-off but also the even more abhorred union shop, and, it may be added, the union label.

In the teeth of her own denunciations of the monstrous iniquities of unionism, Miss Dennis calls the conflicts between

management and Labour "petty squabbles", and goes on to propound a singular theory of the responsibilities of Government: that it is the business of Government to legislate only, not to administer; that when it has made laws its responsibility ceases. Hence, Labour has no right to be "so insistent that the Government shall interfere on its behalf." Assuming, quite wrongly, that the demand for Government action necessarily or usually means that the Government should assume ownership of the plant or plants involved, she then branches off into an attack on public ownership. This is totally irrelevant to the subject which Miss Dennis professes to be discussing. It might be added that she makes no reference to such public enterprises as the Ontario Hydro.

Into the midst of this paragraph she inserts two further irrelevancies. The first is a charge (without any supporting evidence) that workers refused to "save their high wages and prevent inflation". This is another of her special revelations; in this instance it has been hidden from the National War Finance Committee, who have repeatedly paid tribute to the magnificent response of workers to the successive Victory Loan drives. The second is a double-barrelled charge against "the clergy and teachers in our midst, who are advocating Government ownership of big business as a *sine qua non* of prosperity", and who are guilty of "failure to preach and teach patriotism, that is that the first duty to our country is to do an honest day's work on its behalf." These accusations also are tossed off without so much as a single phrase of evidence to support them. Having thus disposed of the clergy and teachers, Miss Dennis gets back on the track again with a blast against the typical union leader as "an irresponsible bully interested only in extorting concession for labour", and demanding that he should be "thrown out" of something, presumably the economic system. As she has already told us that unionism itself is "on the way out", this would seem to be a work of supererogation.

Miss Dennis hates unions. But she hates democracy scarcely less. "Not once or twice has civilization slowly built up by the Superior Man been overthrown by the Common Man through sheer brute force of numbers. Ballots in the hands of ignorance are as great a menace to democracy as bullets in the machine guns of armed forces crowding in on us from without." As Miss Dennis offers no proposals for banishing the "ignorance" of the "Common Man", the conclusion is inescapable: take away the ballot from the masses and leave

it to people like Miss Dennis herself to direct our destinies. Clear out everybody but us! We own the earth: get off!

Very properly, however, the writer is not content merely to insist "Away with unions, away with collective bargaining". She has her own constructive proposals. She "would leave no labouring man whose untrained mind and unskilled hands make him of very little economic value at the mercy of a highly intelligent, economically powerful man whom he has antagonized." Why not? Because "Our Anglo-Saxon instincts for fair play would never allow this", and because "The less a man's capacity for intelligent thinking, the more likely he is to accept the C.C.F. propaganda—that his poverty is the result of somebody else's prosperity or the failure of the MacKenzie King Government to 'look after him'." It must be nice to be so certain that those who differ from one's own political opinions are just numskulls. It must also be very convenient to be able to acquire one's knowledge of their policies by intuition, without the trouble of reading or listening to anything they say. These, of course, are the prerogatives of the "Superior Man". The rest of us must plod along as best we may, assailed by occasional doubts of our own infallibility, and acquiring information by the laborious process of using our senses. And, if we are unskilled workers (the skilled, apparently, will have to look out for themselves) Miss Dennis, because of her "Anglo-Saxon instinct for fair play" and her fear that otherwise we may vote C.C.F., will protect us, on the rare occasions when our employers fall from grace.

How? "Let the worker, through his democratically chosen representatives, voted on by secret ballot, meet with management and decide on what constitutes an honest day's work—working not at high pressure—which is destructive—but slowly and steadily, and for such work assign a minimum wage based on what the company can afford to pay him and yet make a reasonable profit. For the profits in the increase in production gained by working above this minimum, let him have a fifty-fifty share with management". Before such a plan, "fit and fair and simple and sufficient", surely the most captious critic must stand abashed and silent? Unfortunately, there are just a few details which Miss Dennis has failed to make clear:

(1) She has told us that in politics "ballots in the hands of ignorance" are as bad as "bullets in the machine guns" of our enemies; but in industry she appears to be confident that ballots will lead to the happiest results. The "Common Man",

with "untrained mind and unskilled hands" is an ignoramus and a fool in the political polling booth; by what mysterious process is he suddenly endowed with knowledge and ability when he steps into the industrial polling booth? He isn't fit to choose a Member of Parliament; why is he fit to choose representatives to meet and deal with management? Miss Dennis's confidence that he is fit is a triumph of faith over experience; for in almost every case where these wretched creatures have been called on to vote by secret ballot for collective bargaining representatives (and the cases are legion, and all duly recorded in the files of the various Labour Relations Boards in Canada and the United States) they have chosen trade-union leaders: Miss Dennis's "bullies, scrappers, warring elements in our economic system." How can she be so sure that they will not do the same thing again? Look at those ungrateful Ford workers! Not a grievance in the world; yet 70 per cent of them go and vote for the United Automobile Workers, and almost all the rest for another union, A.F. of L.!

(2) But, assuming that the "Common Man" is about to suffer a sea-change, shedding his ignorance, his incapacity and the incorrigible viciousness which has hitherto led him to vote for unions almost every time he got a chance, who is going to operate the machinery Miss Dennis proposes? Who will provide the ballots and the polling booths? Who will make sure that the elections are really secret and fair? Who will count the votes? Not the Government; for "when it has made the laws, its responsibility ceases". Who, then?

(3) Even if these little difficulties are surmounted, there remains the question of what the duly chosen representatives are to do. Miss Dennis says they must agree with management on "a fair day's work—working not at high pressure—which is destructive—but slowly and steadily." This is precisely what union leaders have been trying to do all along. Miss Dennis calls their efforts "restriction of output". Apparently a rose by another name smells sweeter; or are we to understand that the new representatives will always agree with Miss Dennis (and the employers) on what constitutes a fair day's work?

Miss Dennis seems to be under the impression that unions are necessarily opposed to her scheme for standard wages and standard profits and a division of any further earnings of the industry on an agreed basis between workers and shareholders.

This is not so. The British coal miners' unions accepted just such a scheme and worked under it for years. The Nova Scotia coal miners' union also accepted it after the first Duncan Report; but as there were seldom or never any "further earnings" to divide, the plan was later dropped. Unions are not wedded to any particular method of wage payment. All they ask is that it should be worked out, and its operation safeguarded, by collective bargaining.

"Will firms where there are successful profit-sharing systems ever have strikes or labour troubles?" asks Miss Dennis. "They will not." In other words, if the systems are successful, they will be successful. True, but hardly news. The whole question is, what do we mean by "successful"?

Miss Dennis is vastly impressed by the success of the industrial relations policy of American Telephone and Telegraph. It does not seem to have struck her that a giant monopoly of this kind can well afford to be generous, and that it does not follow that other industries, less happily situated, can: indeed in many cases they certainly cannot. One American Telephone and Telegraph swallow does not make a summer. Nor does Miss Dennis appear to have noticed the frequent and very serious industrial disputes which have recently occurred on the Bell System.

Her last two paragraphs are in the main a series of unexceptionably noble sentiments to which every unionist would heartily subscribe. The exceptions are: (1) her reference to the penitentiaries, where, she declares, the inmates are "well fed, properly housed and well clothed" and where they work "under the motive of 'Service rather than Profits', 'for the good of the many rather than for the profit of the few';" (2) a reiteration of her conviction that "Trades-Unionism is on the way out"; and (3) an expression of her "hope" that "the day of Victory for Labour, through the weapon of the Strike, is . . . over." Of the first one need only say that Miss Dennis has evidently not read the Archambault Report; of the second, that if it is true, Miss Dennis has been flogging a dead horse; of the third, that no one dislikes strikes more than trade unionists, but that as long as there are employers who approach the problems of industrial relations in the spirit of the article here discussed, anxious chiefly to mete out to unions and their leaders "something lingering, with boiling oil in it", strikes will be necessary and will be fought to a finish.