

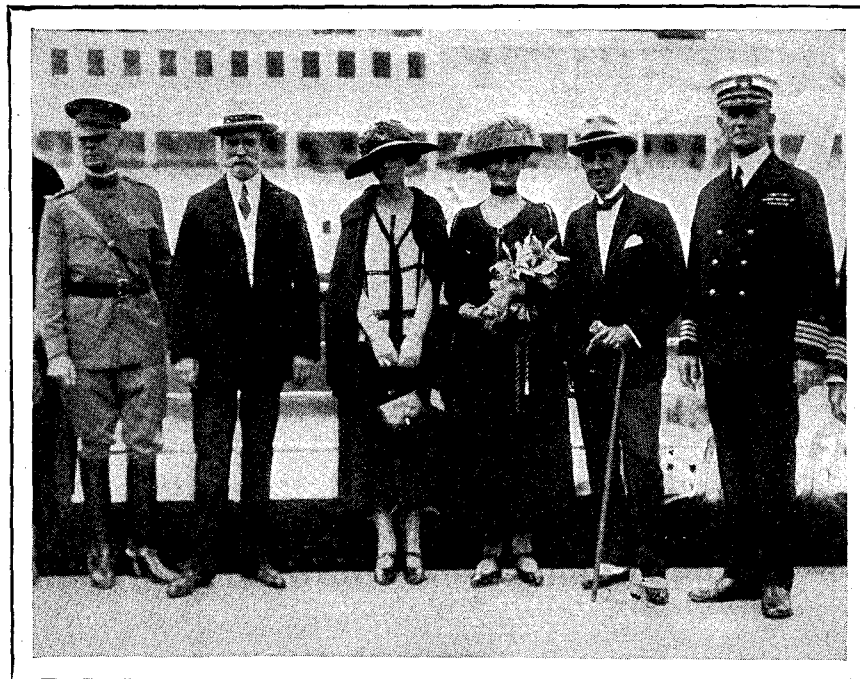
AMERICAN AMBASSADORS OF FRIENDSHIP



Wide World Photos

AN OFFICIAL CHINESE RECEPTION IN SHANGHAI TENDERED TO SECRETARY OF THE NAVY DENBY

In the first row, seated, are (left to right): The Hon. Hsu Yuan, Chinese Commissioner of Foreign Affairs; Mrs. Edwin S. Cunningham; Admiral Joseph Strauss, U. S. N.; Mrs. Denby; General Ho Feng-lin, Commissioner of Defense in Shanghai; Secretary Denby; Mrs. Strauss; Admiral W. H. G. Bullard, U. S. N.; Edwin S. Cunningham, U. S. Consul-General at Shanghai. Others in the group are Chinese officials



Wide World Photos

SECRETARY OF STATE HUGHES AND PARTY SAIL FOR BRAZIL

Secretary Hughes and other officials comprising the American official party to the Brazilian Centenary Exposition sailed aboard the steamship Pan-American on August 24, for Brazil. In the picture, left to right: General Bullard, Secretary Hughes, Miss Hughes, Mrs. Hughes, Augusto C. de Alenca, Brazilian Ambassador to the United States, and Admiral Vogelgesang

COMPULSORY INVESTIGATION IN LABOR DISPUTES IN CANADA

SPECIAL CORRESPONDENCE FROM D. M. LE BOURDAIS

SNOW was beginning to fall upon the treeless prairies of the Canadian northwest and the settlers on their isolated homesteads were preparing for winter. But in one respect they could make no provision: they were without fuel, and none could be had. Wood of course there was none; and a strike in the coal mines of southern Alberta, in progress since the early summer, had long before resulted in complete depletion of the slim stock of coal reserves. And the outlook for an early return to work in the mines seemed to grow more hopeless as day followed day. Originally a dispute arising out of a difference of opinion regarding wages and working conditions, it had developed into a contest over the question of whether the coal operators should recognize the unions or not. The men would not deal with the company excepting through their union officers; the company would not treat with the men excepting as individuals. Apparently there was no possibility of settlement until one party or the other receded from its position. In the meantime the likelihood of many settlers freezing to death in their prairie shacks became more and more a matter of grim probability.

The mines were in Alberta, but the people of the neighboring province of Saskatchewan promised to be the chief sufferers. After the failure of various attempts at mediation by private individuals, the Government of Saskatchewan petitioned the federal authorities at Ottawa to intervene for the protection of the helpless homesteaders. Sir Wilfrid Laurier, who was Prime Minister at the time, despatched W. L. Mackenzie King, then Deputy Minister of Labor, who had already attained some distinction as a mediator in labor disputes, to the affected district to see what could be done. After considerable difficulty, arising chiefly out of the non-existence of any machinery by means of which the two parties to the dispute could be brought together, the strike was settled—temporarily, as such settlements usually are—and the men went back to work. The homesteaders again had coal for their stoves, but it had been a close call. That was in 1906.

This strike, and the knowledge that whatever settlement had been effected could be considered only as an armistice, and that similar conditions existed in a number of other industries intimately connected with the public welfare, caused the Government to recognize the necessity for the enactment of legislation which should at least postpone future strikes until every other practicable alternative had failed and which should also be the means of supplying

the public with the facts in relation to matters under dispute. Consequently, upon his return from the west, Mr. King was asked to draft a bill which should meet with these various requirements; and the result was what is known as the Industrial Disputes Investigation Act, which became law March 22, 1907.

The act has application to those industries which may somewhat broadly be defined as public utilities, and includes mining, both coal and metal; transportation, steam and electric railways as well as steamships; telegraphs and telephones; gas, electric light, water, and power works. No change in wages or working conditions may be made either by employers or employees in any of these industries (excepting by mutual consent) without first giving thirty days' notice. If a dispute then arises, either party may apply to the Minister of Labor for a board of conciliation and investigation. This board consists of three members, two representing, respectively, the employer and the employees and a chairman agreed upon by these two. If they fail to agree, the Minister of Labor selects the third member. Fees and traveling expenses of the members of the board and witnesses as well as the cost of necessary clerical assistance and other expenses are paid by the Department of Labor. Authority is given the board to require the attendance of persons and the production of papers and documents, and generally to secure whatever information, in its opinion, is essential to a clear insight into the facts of the case under investigation. Each side is invited to present its view and outside testimony may be requested as well. Members of the board also make personal inspection of working conditions when considered desirable. After all the evidence has been adduced and considered, the board presents its report to the Minister of Labor, who communicates it to the parties involved in the dispute and also causes it to be published. Provision is likewise made for the presentation of a minority report in the event of a lack of unanimity; and this, too, is published. Neither party is bound to abide by the award. But generally, even though unacceptable to either or both parties, it becomes the basis for further negotiations between them; and then of course if agreement is still impossible, the final arbitrament of a strike becomes the only resort.

In the great majority of cases, however, the appointment of a board of conciliation and investigation either directly or indirectly results in a settlement. Frequently the board, acting in its capacity as mediator, succeeds in effecting

a settlement without the necessity for making an award. From its inception in 1907 to March 31, 1921, some 509 disputes were dealt with under the act, and of these only 33 failed of settlement.

Labor at first was, as a general rule, opposed to the act and considered it a restriction of the workers' right to lay down tools at will; but quite recently, in view of the tendency of employers to force reductions in wages, employees have come to look upon it with other eyes. And now there is evidence that, in some quarters, employers are beginning to consider it an abridgment of their rights. This latter was strikingly illustrated during the recent threatened railway strike.

The principal railways of Canada gave the usual thirty days' notice that on July 16, last, they would make certain wage reductions, and upon the expiration of that notice, without referring the matter to a board of conciliation and investigation as provided by the act, proceeded to put such reductions into effect. Union officials protested against this as a violation of the act, but the railways argued that the reductions were only tentative and that the difference, if in favor of the men, could be adjusted later—that is to say, if they should accept the award of the board in the event of its being against them (which, inferentially, they would not). They further contended that such action on their part did not constitute a violation of the act as interpreted by them; but the Federal Department of Justice, being called upon for an opinion, held that the railways were in the wrong. This opinion the latter seemed also inclined to dispute, contending that the Department of Justice was not competent to interpret the statutes. But at this juncture public opinion, headed by the Prime Minister—the framer of the act of 1907—stepped in; the railways, finding their position untenable, submitted to the popular verdict and agreed to restore wages to their original level pending the report of the boards of conciliation and investigation, which had been appointed in the meantime.

For a time the situation had been serious; a strike vote taken by the railway workers stood overwhelmingly in favor of a strike; and there is little doubt that had there been no Industrial Disputes Investigation Act railway transportation in Canada would have been disrupted by a period of bitter industrial warfare. It may come yet, but that possibility, too, has been minimized.

There may be doubts as to the merits or the justice of compulsory arbitration; but as to compulsory investigation and conciliation, at least, there can be none.