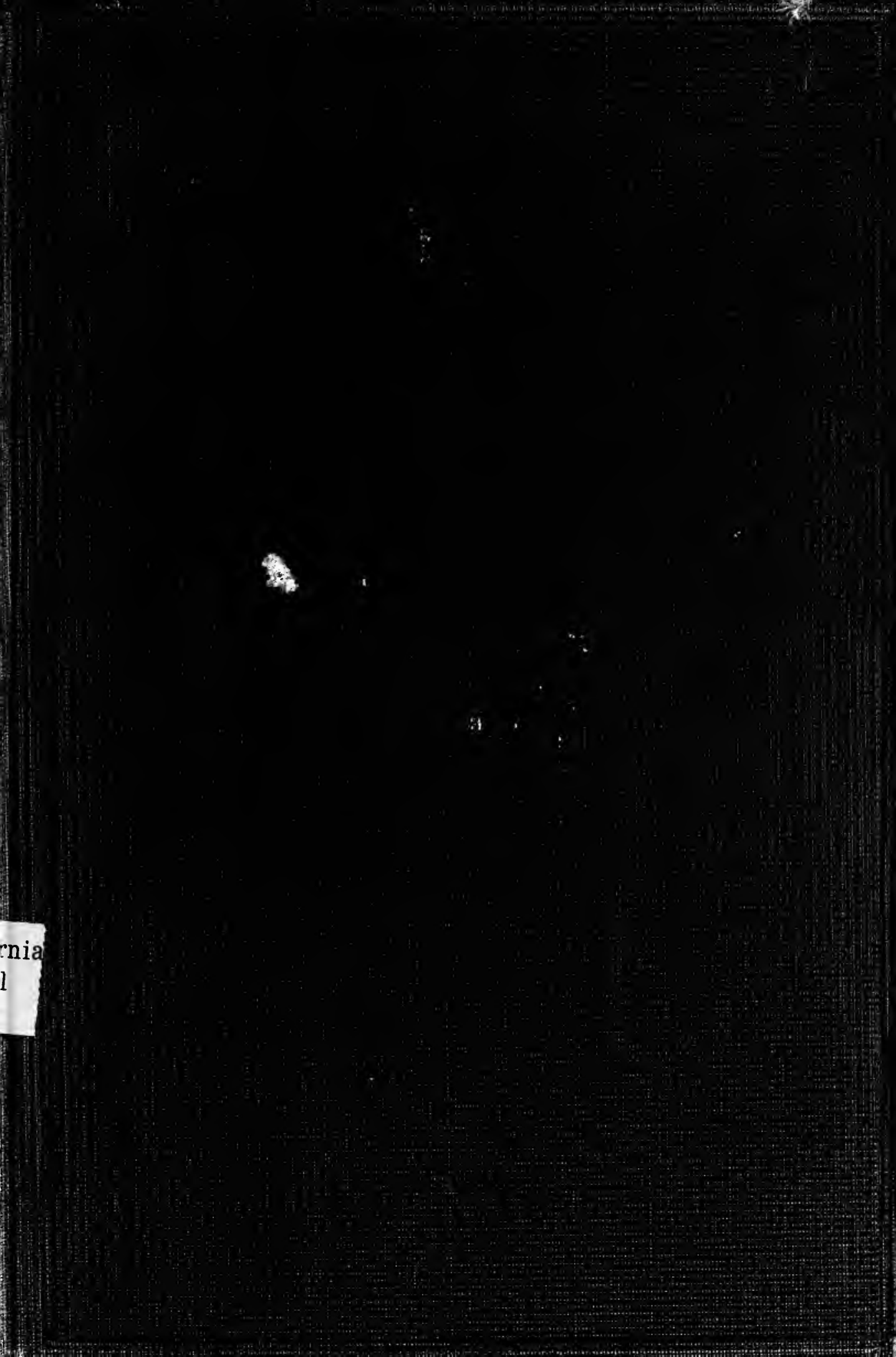
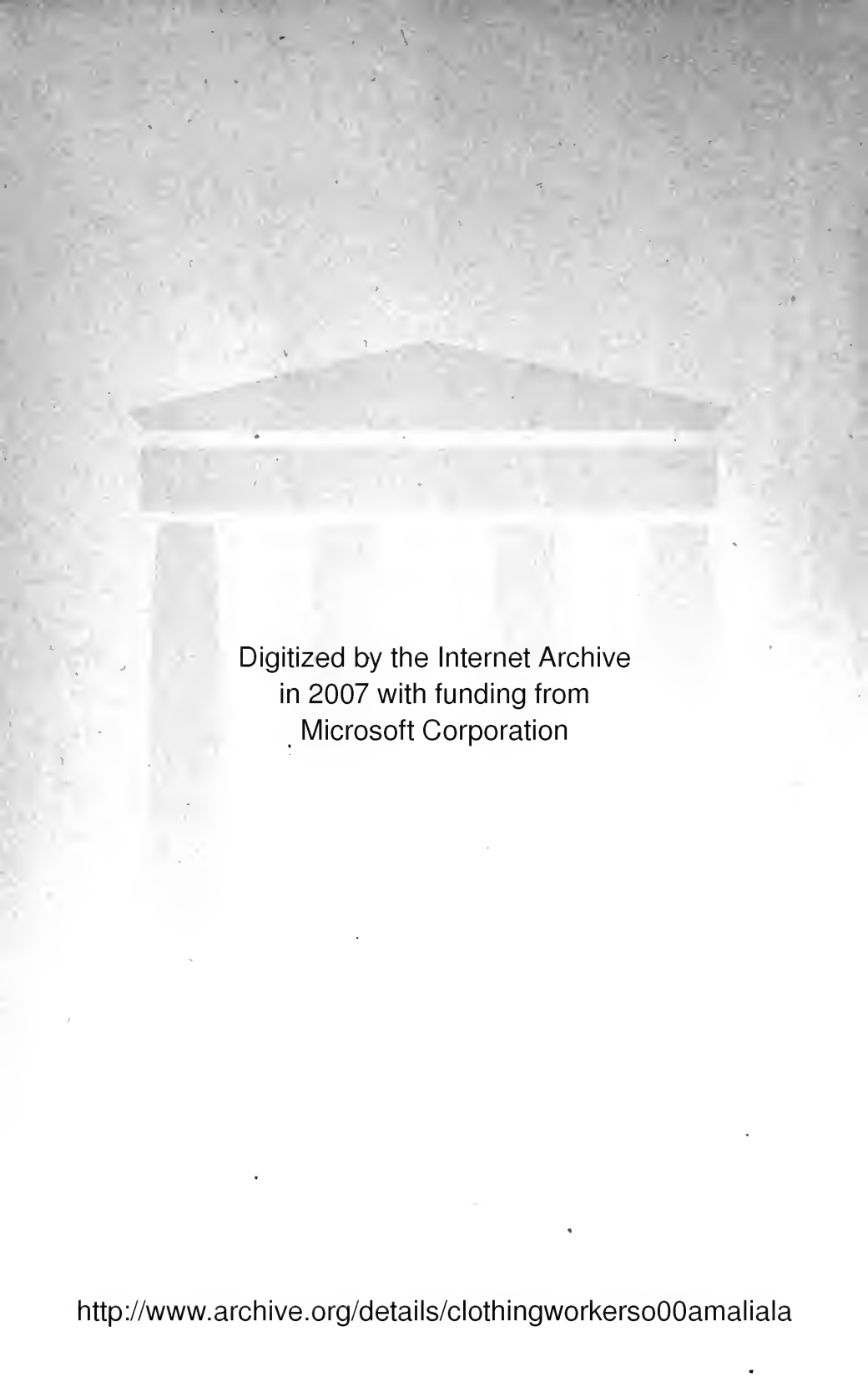


Paul S. Taylor.
Berkeley. California.
1922.



Site of the New Home of the Chicago Joint Board, Ashland Boulevard and Adams Street

THE CLOTHING WORKERS OF CHICAGO

1910-1922

THE CHICAGO JOINT BOARD
AMALGAMATED CLOTHING WORKERS OF AMERICA
CHICAGO, 1922

This book on "The Clothing Workers of Chicago" is presented by the Chicago Joint Board to the delegates to the Fifth Biennial Convention of the Amalgamated Clothing Workers, in Chicago, May 8, 1922. The book was prepared by the Research Department of the Amalgamated Clothing Workers, under the direction of Mr. Leo Wolman, with the co-operation of Miss Eleanor Mack, Mr. H. K. Herwitz, of the Research Department, and Mr. Paul Wander. The third part on Government in Industry was written by Mr. Paul Wander.

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CHAPTER I

THE CHICAGO JOINT BOARD

For ten years the men's clothing industry of Chicago has been the seat of one of the most important experiments in industrial government ever conducted in this country. Beginning in 1911 with the famous agreement between Hart, Schaffner and Marx and the clothing workers, and extended in 1919 to cover the whole Chicago market, government in the men's clothing industry has come to embrace in 1922 a citizenry of from 40,000 to 50,000 men and women. In their daily lives in the shops, in their search for jobs, these workers subscribe to rules and regulations, standards of workmanship and of conduct, in whose making they and their representatives have had a voice. From the first both employers and workmen have realized that there can be no industrial peace and no machinery of adjustment and stabilization without the cooperation and support of a strong organization of working men and women. The development of the machinery of arbitration, about which so much has been said, was, consequently, at each step accompanied by the growth in numbers and in power of the trade union of clothing workers. Side by side with the extension of industrial rules, procedure, and practices, the labor organization in the clothing industry of Chicago has assumed new functions, and has slowly but progressively met and solved the problems of its own internal government. The story of collective bargaining in the clothing industry in Chicago is no less a story of the development of this internal government of the union than of the rise of agreements, trade boards, and arbitration.

The eight years from 1911 to 1919 in the history of the Union were the years of the rise of organized labor in Hart, Schaffner and Marx, the solidification and strengthening of the union of employees of that firm, and the gradual ex-

tension of membership to the employees of other manufacturers culminating in the market agreement of 1919. During the first period the membership remained comparatively small, varying from about 2000 in 1910-1913 to 8000 in 1913-1919. The organization campaigns of the union, the war, and the economic policies of the federal government, however, soon had their effects. By June, 1919, membership had risen to 25,000. In the period from June to December, 1919, 15,000 more were added, and from that time to the present the membership has risen and fallen with the expansion and contraction of the industry. In December, 1921, the time of the last official count, the number of members of the Chicago Joint Board in good standing was 40,024—practically all of the clothing workers of the city.

This sudden expansion of the organization brought with it new responsibilities and problems. Sudden accessions in membership, no matter how large, do not mean unified and permanent organization. The interest and loyalty of the newcomers had to be enlisted just as the experience of eight years had effected the solidarity of the employees of Hart, Schaffner and Marx. The machinery of union government had to be extended to meet the needs of thousands of new people. It became necessary to extend and sharpen the checks and balances which still seem to be an essential element of all democratic government; so that the rank and file could entrust wide powers to officers who would at the same time remain responsive to the wishes of their constituents. The ratification of the 1919 agreements brought under the operation of the collective agreement employers who had long been bitterly hostile to trade unions in general and to the clothing workers' union in particular. With these and other employers the union had to establish immediate and daily relations designed to further the prompt and amicable adjustment of matters of principle, interpretation and procedure.

To these difficult tasks the union brought a type of organization which, in spite of incidental defects common to human institutions, has gone far to meet adequately the situations

with which it has been confronted. As a practical matter, then, the union was faced in 1919 with the task of building up an administrative and legislative machinery qualified to perform the functions that were immediately demanded of it. These functions are almost as varied as are the functions of all organized government. A large labor organization has its officers and official activities. The conduct of business requires funds; members, therefore, must be taxed and financial safeguards be devised. Labor organizations rest on certain social and economic principles. Educational machinery must be created to stimulate the discussion of these principles and to teach the members of the union their significance. The victories of the organization bring to its members, among other things, the shorter workday and additional leisure. A truly democratic organization will help its members to employ their leisure wisely. The organization of hundreds of non-union shops and the installation of continuous machinery of investigation and adjustment means the creation of a staff of supervisors, negotiators, and technical experts, willing and competent to perform these new duties. Finally the obligation conferred upon the union, through the preferential union shop, to furnish the employer with workmen necessitates the organization of employment offices and an understanding of the problems of employment and unemployment.

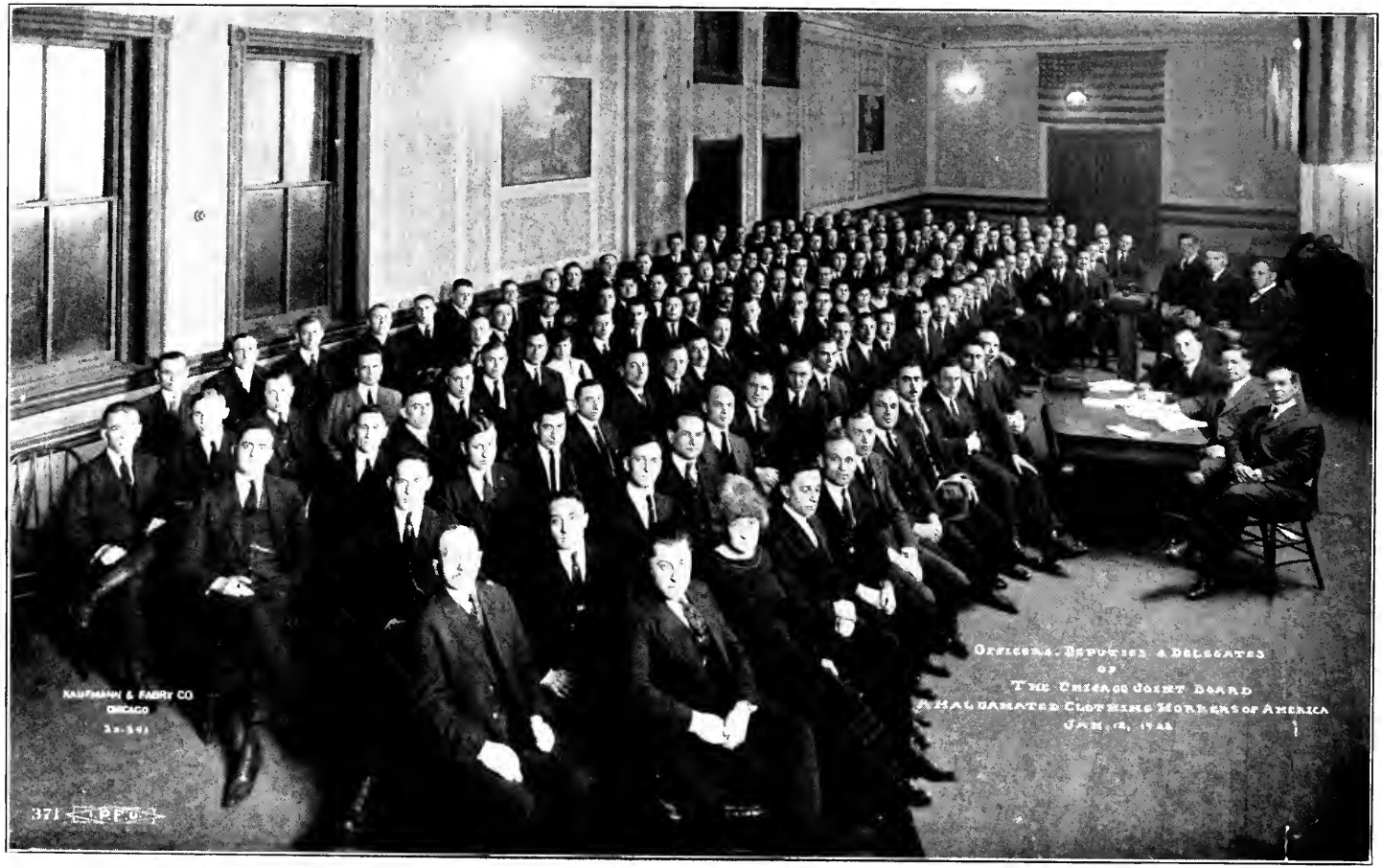
So far as general union business is concerned, the smallest political unit in the Chicago union at the present time is the local union. Although the Amalgamated Clothing Workers is an industrial union in the sense that it presents a uniform policy for all workers regardless of craft, some of the locals still retain their craft distinctions. In the main, however, the local unions are divided with reference to the principal branches of the industry and the nationality and sex of the workers. Thus, the eleven local unions in Chicago at present comprise six local unions of coatmakers, and five locals of cutters and trimmers, vest makers, pants makers, spongers and examiners, and machinists. The six local unions of coatmakers consist of five language locals—Bo-

hemian, Polish, Lithuanian, English, and Italian—and one local union of women. The membership of the local unions varied in December, 1921, from 80 for local 272 to 11,510 for local 39. For all practical purposes, the local union is the place to which the members of the same branch of the industry or of the same craft may come to discuss their problems in relation to the policy of the organization, make suggestions to the Joint Board, discipline members who have violated the principles of the organization, and in general act as a center for the consideration of questions that are of concern to its members.

The effective and important unit of government in the union is, however, the Joint Board. This body is composed of 85 delegates elected annually by the local unions, a manager and financial secretary-treasurer elected by the entire membership, and two deputies-at-large similarly elected. Because of the size of the Joint Board, the conduct of current, routine business is entrusted to a smaller board of directors, a finance committee, and an appeal board which hears appeals from the decisions of local unions. In the Joint Board is centered the collection and disbursal of money, the initiation and execution of the policy of the union in the industry, and the supervision over the staff of the organization.

Probably one of the principal features of the Chicago union of clothing workers is the centralization of its finances in the Joint Board. The money collected through dues goes not to the local union but to the Joint Board, where it is distributed and is subject to strict and frequent auditing by both the local and national offices of the union. The dues of two dollars a month which is required of each member of the union is at the outset allocated in the following way:

25 cents for building and maintenance
50 cents for the national office
20 cents for the reserve fund
5½ cents for the local unions
7½ cents for the papers published by the national office
92 cents for the Joint Board.


KAUFMANN & FABRY CO
CHICAGO
371 C.P.F.U.
OFFICERS, DEPUTIES & DELEGATES
OF
THE CHICAGO JOINT BOARD
AMALGAMATED CLOTHING WORKERS OF AMERICA
JAN. 18, 1918

The sum received by the Joint Board is used to pay salaries, rent, organization expenses, the expenses of shop meetings, donations, and the loss in wages through union business of officials who work in the shop.

The relation of the union to the machinery of arbitration and adjustment of disputes has made necessary the development of an additional unit of government and of elaborate administrative machinery. A large part of the life of the factory worker is after all spent in the shop. There he has his disputes with the foreman, objects to rules, protests his new piece rates, feels discrimination in the failure to apply the equal division of work principle, and participates in a stoppage, or is affected by one. In any or all cases adjustment must be made promptly and on the spot. Neither the management nor the worker can afford to wait until the point at issue has been brought to the local union or to the Joint Board and there settled. For matters such as these the employer must have his shop representative and the union its shop organization. As early as the Hart, Schaffner and Marx agreement, therefore, shops acted as units and elected their shop-chairman and assistant shop-chairman to represent them in matters affecting their interest that daily arose within the shop. With the signing of the 1919 agreements this system of shop representation was adopted throughout the market and the shop chairman and his assistant everywhere in the city represents his fellow workers, meets with the representatives of the firm, adjusts differences where possible, and refers difficult cases to other officers of the union.

At the same time, however, the clothing industry in Chicago is in many respects a unit. The union makes agreements not only with individual firms but with the market as a whole. While permitting local and shop settlements of disputed issues, the union must also see to it that working conditions approach a fair degree of standardization. This implies a certain amount of uniformity of policy throughout the city. Through the medium of hundreds of shop chairmen, scattered through the industry and working under

varying conditions, it would be difficult, if not impossible, to attain uniformity and standardization. For this purpose, therefore, it is necessary to have another set of officers, with wider fields of jurisdiction, of long experience and a knowledge of the industry and of the policy of the union. It is, likewise, desirable to give to either employer and employee who may be dissatisfied with a ruling of the shop chairman, the right to appeal from his decision, or at least the opportunity to discuss the matter with another agent of the union. Frequently also the failure of a shop chairman to effect a friendly settlement of a stubborn case, without resort to the impartial machinery, makes necessary the intervention of a higher union official, who by reason of his authority, skill, and experience finally reaches an amicable adjustment. To supplement the work of the shop chairman in this way, the Joint Board has as part of its regular staff 34 deputies, 32 of whom are elected by various local unions and 2 by the membership at large. Of the first group, 20 represent the coat makers; 5 the pants makers; 3 the cutters; 3 the vest makers; and 1 the spongers, examiners, and bushelmen. To each of these deputies a certain branch of the industry or part of the city is assigned and he there carries on his work—visits the shops; settles disputes; hears grievances; sees that union conditions are observed; and acts as intermediary between the Joint Board and the shop.

With a staff so large and duties so varied, the efficiency of the organization must depend on the ability of its officers to coordinate and direct the work of the men and women engaged in these various activities. In actual practice this task of direction is in the hands of Levin, the manager of the Joint Board, and of his associates, Marimpietri, Rosenblum, Rissman, and Skala. In the offices of the Joint Board on Halsted Street, at daily conferences and meetings lasting long into the night, the day's work is planned, the union policy is outlined, and men are assigned to their jobs. Every day but Sunday, from early morning to late night, a constant stream of men and women winds in and out of Levin's office. Now it is a business agent seeking advice on a dif-

ficult case or protesting a decision of the Trade Board; now it is a delegation from a contract shop complaining that the contractor has closed his shop and refused to pay the workers their wages. A moment later it is a worker from one of the shops explaining that he is given less work than his fellows in the same shop, while he has a wife and children to support and can earn only a few dollars a week. Another comes from the employment office across the hall to tell a tale of discrimination which has kept him unemployed for a month while the clerk in the employment office has sent hundreds of other members with the same qualifications to jobs he might have had. With infinite tact and patience Levin listens to the stories, scribbles notes on his pad, elicits by shrewd cross-examination the essential facts in the case, and passes to the next complaint.

In the next office Marimpietri carries on the work as head of the price-making department. Long in the industry, a veteran of all the battles which the clothing workers have fought in Chicago since 1910, Marimpietri carries at his finger tips a knowledge of the processes in the industry, systems of wage payments, the relation between piece rates and the character of the work that is probably unequalled anywhere in the industry. To him are brought for adjustment the innumerable disputes over the fixing of new piece rates. Work changes, new shops are opened, new processes are introduced, styles change, processes are sub-divided; each change, small or large, raises problems of rate adjustment that require technical and expert knowledge of rate fixing. In cases that are finally brought to the Trade Board for settlement, frequently the testimony of Marimpietri alone is sufficient assurance to the chairman of the fairness of rate.

An organization as large as the Chicago Joint Board has from time to time its special problems which must be met promptly and effectively. To perform its function in the system of collective bargaining now prevailing in the industry, the union must participate with the employers and the arbitration machinery in the administration of policies agreed upon in negotiations or ordered by the impartial

machinery. Thus the arbitration award of April, 1921, contained, among other things, a provision for the establishment of standards of production for cutters and trimmers. The administration of this decision depended upon an examination of present production, a knowledge of differences in shop conditions, and possession of the confidence of the workers whose standards were to be fixed. This task was assigned to Rissman. Formerly a cutter, now deputy-at-large and assistant manager of the Joint Board, for a long time the representative of the cutters, Rissman for almost a year, in cooperation with a representative of the employers and with Professor Millis, Chairman of the Board of Arbitration, was engaged in this task of setting standards. With this done he turns to the fixing of trimming standards.

Thus there has in a short period developed this division of labor, which brings to the work of the union experience and intelligence. But the activity of the Joint Board does not stop even here. The staff of the Board is composed, of course, of diverse individuals, who react variously to the same situation. The organization must have a policy, however elastic it may be. On Saturday mornings, for example, all of the deputies meet in joint conference. Some have encountered puzzling cases in the course of their week's work. They wonder whether their experience is new or old. Is it wise or not for the organization to adopt one of a number of alternative policies in the settlement of a particular issue? What is the temper of the people with regard to a proposed or adopted policy of the union? Questions such as these are here reviewed in weekly discussion. Out of it comes gradually a policy, an understanding of the many-sidedness of what seems at first a simple point, and the development of a group spirit.

Frequently, also, an impending crisis or the making effective a new policy of the union makes it necessary to reach promptly the whole of the rank and file. When the General Executive Board of the union decided to raise a reserve fund throughout the whole of the clothing industry, the first step was to make known the proposal to the rank and file. A

similar situation was presented with the decision to raise a fund for the relief of the victims of the Russian famine. In Chicago this contact with the membership is made through shop meetings conducted throughout the city. Shop chairmen are called into a general meeting, where they have an opportunity to discuss the proposals. The office of the Joint Board prepares a schedule of shop meetings. Convenient halls are rented. Organizers of different nationality, chosen for their relations with the groups whom they are to address, are called in from the field and are assigned to their shop meetings. Then the machinery is put into operation and the shop meetings are held. At these meetings every possible type of subject is considered, from the history of the Amalgamated to the specific proposal then under discussion. An idea of the extent of these meetings can be got from the fact that in the year from February, 1921, to January 14, 1922, 2,104 such meetings were held throughout the city—886 in the down-town and outlying districts, 814 in the northwest side, and 404 in the southwest.

An activity of the union, which has in the past two years assumed great importance, grows directly out of the terms of the agreements between the union, Hart, Schaffner and Marx and the other clothing manufacturers of Chicago. Under these terms the manufacturers are given the right to employ non-union workers, provided that no qualified union workers are then available for the work. The manufacturers, therefore, apply to the union for workers before they attempt to engage any in the open market and the union has come to conduct a registration office of its unemployed members. To this office unemployed come and register; give what particulars about their occupations are necessary; and await a call to the next job. In the years of depression like 1921 and 1922, the ante-room in the union headquarters is almost daily filled with such applicants seeking employment. From October 5, 1920, to the end of 1921, 44,384 " O. K.'s " were issued to unemployed members at the three employment offices now conducted by the union.

Not all of the energies of the union, however, are ex-

pended in purely industrial and political affairs. Union business is necessarily absorbing; the problems of the industry must be attended; but at the same time attention should not be diverted from the possibilities for cultural development that inhere in a group continuously engaged in a common enterprise. These 40,000 to 50,000 members of the union, of some twenty different nationalities; varied in outlook and training; some in the country a few months, others born here; some members of trade unions for 20 years, others inducted within the last month or week; to this motley group must be given cohesion and unity, outside of the shop and industry as well as within. It is in general to accomplish this end that the union pursues its educational activities. Education becomes more than mere instruction; it is the great social activity of the union. The school room of the educational department of the Chicago Joint Board is not a small hall where a few ardent students of Marx straggle in and out a night or two a week. It is a great, bright entertainment on Friday night; a meeting of more than 5,000 persons at Carmen's Hall, where men bring their families, stand in line from late afternoon and stay until near midnight to hear members of the Chicago Symphony Orchestra, famous singers, pianists, and violinists, and to listen to talks by such men as Lincoln Steffens, Raymond Robins, Frank P. Walsh, Hillman and others. These gigantic meetings, started for the first time in 1919, have now become an institution in the lives of the Chicago clothing workers. They could no more be abolished than could the union itself. Each year a larger number of these types of meetings are held. In 1920 the appropriation for them was $5,400 and in 1921 this sum was raised to $12,000.

While these large meetings constitute the center of the educational activities of the union, classes for the instruction of small groups have also on occasion been provided. It is the purpose of the Joint Board to facilitate reading and study by the building of a library which has already been established in the central offices of the Board on Halsted Street. But the educational foundations of the union are

Executive Offices, Chicago Joint Board—Samuel Levin, Manager; A. D. Marimpietri, in Charge, Price Fixing; Frank Rosenblum, Directing Organization Work

still the daily contact in the shops, local unions, and at the Joint Board between the workers, the union and the industry, and the Friday night meetings. Up to the present the members of the Chicago Joint Board have learned most by active participation in the business of running their union and of conducting their affairs in shop and factory.

The Chicago Joint Board of the Amalgamated Clothing Workers has not played its part in the clothing industry of Chicago alone. From the time when, in 1910, it first rejected the leaders of the United Garment Workers, through the fight at Nashville in 1914, until the present, it has been a powerful force in more ways than one in building a strong national organization of clothing workers. When the break came at Nashville, the Chicago delegates, the memory of 1910 still vivid in their minds, joined with the delegates from New York and elsewhere in the fight to discredit and reject Rickert and his associates. Later when the Amalgamated Clothing Workers was organized, Chicago men and women became leaders of the new organization. Probably never before in the history of a labor organization were so many leaders drawn from so narrow a circle. Sidney Hillman, president of the Amalgamated Clothing Workers, was an apprentice cutter in Hart, Schaffner and Marx and a striker in the strike of 1910. Potofsky, now assistant general secretary-treasurer of the national union, Levin, Marimpietri, Rosenblum, Skala, Rissman, members of the General Executive Board of the national union, are all from Chicago and helped in the rise of both the Chicago Joint Board and of the national organization.

This contribution of leadership did not end the service of the Chicago union. From the first the spirit of Chicago has been of incalculable service when the fight was on in other centers and the outlook seemed dark. They, themselves, worn by long struggles with the clothing manufacturers, yet never forgot the importance of an active national organization. When the time came, and the national union was being attacked, Chicago went a long way toward sup-

plying the sinews of war. In the New York lockout of 1918-1919, the Chicago members took the back pay granted them in Hart, Schaffner and Marx, to the amount of $60,000 and sent it to their fellows in New York who were not working. Again in the great New York fight of 1920-1921, when the cost of conducting strikes had mounted and the union was hard pressed in Baltimore and Boston as well, Chicago, in the midst of a period of widespread unemployment, raised $600,000 and sent the money to the aid of New York. Toward peaceful enterprises the Chicago Joint Board has been equally generous. Only recently, a short period after the New York assessment, it raised and contributed $62,000 to the relief of the Russian famine victims.

From Chicago, also, go the representatives of the national office to organize the clothing workers in the surrounding cities. Organization activities in Indianapolis, Cincinnati, Louisville, St. Paul, Milwaukee, are all carried on from Chicago as a center. Frank Rosenblum, a general organizer of the national office, an active member of the Chicago union since before the strike of 1910, skilled in the art of organization, directs from Chicago this work of organization in the outlying districts. To his aid he enlists such men and women as Isowitz, Kroll, Skala, Rissman, Krzycki, Johannsen, Grandinetti, Nettie Richardson, seasoned organizers, trained in the Chicago struggles, to carry the spirit and achievements of Chicago to men and women who are still battling for emancipation.

In common with the policy of the national organization, the Chicago Joint Board has from the first established friendly connections with the rest of the American labor movement. Although an independent union, in that it is not affiliated with the American Federation of Labor, it has not hesitated to do all in its power to cement its relations with other labor organizations. In the city of Chicago and in the State of Illinois it has both received and given support from 1910 on. Between such men as Fitzpatrick and Nockels and the Chicago union there has always existed


LIBRARY
MAIN OFFICE
CHICAGO JOINT BOARD
AMALGAMATED CLOTHING WORKERS


FINANCE DEPARTMENT
MAIN OFFICE CHICAGO JOINT BOARD
AMALGAMATED CLOTHING WORKERS
OF AMERICA

mutual sympathy and cooperation. The story of the great Chicago clothing strikes cannot be written without tribute to the services of these men in the cause of the strikers. As the Chicago Joint Board itself grew in power and resources it was able to lend aid to those who needed it. To the steel strikers of 1919 it gave $72,000. But its real contribution to the general labor movement lies deeper. The Chicago Joint Board for ten years has been a vast, experimental laboratory in American trade unionism. In it experiments in internal government and in industrial relations have been prosecuted and have yielded illuminating results. No greater service can be asked of a pioneer organization than that it has blazed a trail upon which others may follow.

This history of the organization of Chicago clothing workers leaves it not at the end but at the beginning of its career. Much has been accomplished in the short space of ten years. But always the clothing workers look for new fields to conquer and for new burdens to assume. Plans for the construction of a new home on the site shown as the frontispiece to this volume and of a building on the northwest side are now under way. Their completion makes possible new undertakings which the inadequacy of the present offices of the union has forced to be postponed. Within only the past few months the preliminary steps were taken for the organization of a cooperative bank financed and organized by the members of the union. The present crisis of unemployment has led to the establishment of a loan fund for the support of the indigent unemployed. The educational activities of the union are expanding. New problems of the industry will arise and old ones will assume a new and unfamiliar form. May the future of this organization retain the vigor and insight that have characterized its past.

PART I

THE GROWTH OF ORGANIZATION

CHAPTER II

THE STRIKE OF 1910

THE Chicago Garment Strike of 1910 was the first great landmark in the long struggle of the clothing workers for emancipation. Because it was felt to be the beginning of a great movement, and because of the importance of the issues and the proportions that the strike reached, there has collected about the story of this fight a mass of memories and traditions, and about the figures of those who were in the thick of it and who devoted themselves heart and soul to the cause of the workers, an almost historical glamor. It was a struggle to excite the keenest interest not only of the world of labor, but of all public-minded citizens. No one could be non-partisan in such a fight, and no one was.

The feature of the strike was the entirely unorganized condition of the strikers and the spontaneity and determination of their protest in spite of that fact. It has been described by Mr. Dvorak, the author of the famous strike articles in the Chicago Daily Socialist, as a "simultaneous upheaval of over forty-one thousand garment workers, brought on by sixteen girls, against petty persecution, low wages, abuse and long hours; an upheaval unorganized at the start, which later took on the form of a fight for recognition of the union." The strike did not grow out of a premediated attempt to organize the workers—it rose directly from the industrial conditions of the workers in Chicago. "There really were no definite demands; the demands were that conditions must be changed; nobody knew exactly what they wanted; they wanted something better, of course, or different."

These conditions were the inevitable result of the nature and organization of the industry itself, coupled with the un-

organized and defenceless position of the workers. A glance at the history of the competitive struggle between the Chicago Wholesale Clothiers' Association (an organization of big concerns formed in defence against the new small tailor shops) and the one big firm that refused to enter the Association—Hart, Schaffner and Marx—is enough to show how the independent tailors, and later the contractors, were all caught in the same system. Gradually, under the competition of more powerful firms the smaller inside shops were driven out of independent business. Many of them turned their inside shops into contract shops and began to work for these big firms on a contract basis. The contractors thus found themselves caught between the upper and nether millstones of the association firms and their rival, Hart, Schaffner and Marx. They became mere pawns in the fight for supremacy. The first important move in this struggle came in response to a tactical increase in contractors' prices granted by the association houses, when Hart, Schaffner and Marx suddenly withdrew all work from their contract shops and opened in their place inside shops employing over eight thousand tailors. This step was the signal for a drive on the part of both competitors to reduce their labor costs. The contract system lent itself easily to reductions in rates, for the contractors would pass the price reductions demanded by the manufacturers on to the workers by lowering their rates. At the same time Hart, Schaffner and Marx would try to preserve its competitive position by cutting the wages of its workers. This whole process was also, made easy by the prevalence of piece work in an unorganized market. Without protection of their piece rates, the workers would be speeded up and then, when their earnings increased, would have their piece rates cut. A seasonal industry, unorganized workers, contractors, produced their natural and inevitable consequences—low earnings, excessive hours, and a helplessness, which could be relieved only by a powerful and continuous organization of those who worked in the industry.

The helplessness of the workers not only made it impossible for them to resist these conditions but was itself aggra-

vated and intensified by them, so that the workers were caught in a vicious circle. In the first place, the garment workers were almost without exception recently arrived immigrants, unable to speak English, and ignorant of customs and conditions of other American industries. The racial and linguistic differences among the workers themselves made common understanding and action extremely difficult. An article describing the beginning of the strike in the official organ of the Women's Trade Union League, says that the rebellious groups were not even known to each other. "They poured out of the shops, threw down their needles, and in nine different languages demanded a better condition of affairs in the industry of garment making in Chicago." That the ignorance of language and customs and the "greenness" of the immigrant workers were taken advantage of, is proved again and again by stories that were told in the course of the investigation of the strike. The following story was told by a young Italian girl:

> "There were about ten greenhorns who could not talk English at all. I can't speak English very good, but I speak more than what they could. So in the evening I went to the boss and I said: 'Do you like my work?' He said, 'Yes, I like your work very well.' I said: 'How much are you going to pay me?' He said 'What can you do?' 'Well,' I said, 'I told you, basting, finisher, buttons, all kinds of work.' So he said, 'Well I would like to have you be the forelady to teach these greenhorns how to work because these are greenhorns and they can't work very well. You just be forelady and tell them to work more and make me good work.' So I said 'Well, all right, but don't you like the work they do?' He said, 'No, they can't work for me now but you must try and learn them.' So I said to him 'If you think they can't do the work I have some good, experienced girls that could do the work right, and I will bring them over in the morning.' So he laughed—he stopped and laughed. He said, 'Experienced girls? Not in my shop!' 'Why not?' He said, 'I want no experienced girls. They know the pay to get. I got to pay them good wages and they make me less work, but these greenhorns, Italian people, Jewish people, all nationalities, they cannot speak English and they don't know where to go and they just come from the old country, and I let them work hard, like the devil, and those I get for less wages."

Most of the workers had learned their trade in their own countries, but that served only to make them the more dependent on the only trade in which they were skilled. At the same time the seasonal nature of the industry and the fact that the industry was always over-supplied with labor kept the workers in constant fear of losing their jobs, and this fear made them powerless to complain or resist. The answer was always the same: "If you don't like it, you can leave." "We don't need you." "There are plenty to take your place." One of the girls told of her own experience, which was typical of many others. She had protested against a further wage cut in a shop of which she was forelady. The boss said, "If they cannot make it, here is the window and here is the door. If they don't want to go from the window they can go from the door, and if they don't want to go from the door, they can go from the window. * * * I have lots of greenhorns. I got to make my own living."

It is all the more astonishing, in view of the workers' lack of organization and their fear of losing their jobs, that the strike grew to be more serious than any of the frequent sporadic flare-ups that had been so prevalent in the industry, and thus far so futile. It would have to be a serious and almost unbearable accumulation of grievances that would induce the workers to run that risk sooner than continue under the old sweat-shop conditions. A Grievance Committee appointed by the Strike Committee of the Women's Trade Union League, after the strike began, published a report of its findings and accounts of grievances told by girl strikers. These stories and the evidence submitted later to the Illinois State Senate Investigation Committee give some idea of how serious these grievances were.

By means of the piece work system and reduction of rates, the workers were driven to an ever-increasing speed, that was injurious to their health not only on its own account, but also because the long hours and the ill-ventilated and ill-lighted shops added to the nervous strain of speeding. This statement by Hillman is typical:

Sidney Hillman, General President

> " In our place (Sears, Roebuck) we were working about seven thousand girls—in our place ten hours a day, and before the ten hour law was passed they used to work three nights a week, getting for remuneration a supper that was paid for by the Company in their own restaurant."

The fastest workers would be made " pacemakers " and their rates would be increased until they had reached the highest possible production. This production would then be required of all the workers and the rates gradually reduced. Changes in operations or the combination of what had been two or more operations into one, or other changes that made the work more difficult would be required without any compensating changes being made in the piece rates, so that the actual earnings of the workers were decreased. Annie Schapiro gives the following testimony for her own shop:

> " When they (the workers) were first cut a quarter of a cent in shop 5, the firm promised the workers they would not have to sew the waist bands in the pants. But later the boss said ' Boys, I want you to sew the bands for the same money.' We kept quiet because we could not help it."

The rates to begin with were in most cases so low as to make it impossible for the workers to earn a living without taking work home. Needle workers would take packages of needles home with them to thread at night, so as to be able to get more work done in the shops. Women earning from three dollars to six dollars a week on piece work rates would take work away with them to do at night, despite the long working day. One story told to the Grievance Committee shows that the women in one shop had to finish ten coats a day, and each coat required at least an hour and a half, even for an experienced worker. The rates for these were thirteen cents a coat, which meant that if they worked ten hours steadily, at the greatest possible speed, they could make eighty-five cents a day. Later the boss of this shop was cut by the contractor he was working for and he told the girl that the women in her shop have to do the work for twelve cents a coat. Her own story, which follows, shows how the workers were finally goaded into striking:

"I said, 'I am not going to tell those people twelve cents a coat.' He said, 'You got to tell them.' I said, 'No, sir, you tell them yourself. I am just ashamed to tell them'.... He said, 'You are forelady, you are supposed to do the speaking.' I said, 'Well, if I am supposed to do the speaking, then I will not be the forelady, I want to be a working girl, the same as the others, and then I don't speak."

"I knew they were striking in all the shops, so I told all our girls, I said, 'The first whistle we hear in the window, that means for us to strike.' So one day, it was dinner time, quarter after twelve and we hear a big noise under the window and there was about two hundred persons were all whistling for us to come down and strike, so I was the first one to go out and get the other girls to come after me."

Other workers told similar stories:

"We started to work at 7.30 and worked until 6 with three-quarters of an hour for lunch. Our wages were seven cents a pair of pants or one dollar for fourteen pairs and for that we made four pockets and one watch pocket. But they were always changing the style of stitching, and till we got the swing of the new style, we would lose time and money and we felt sore about it. Some of the new styles took more time, anyway. One day the foreman told us the wages were cut to six cents a pair of pants and the new style had two watch pockets and we didn't stand for that, so we got up and left after Mr. Wolf told us if we didn't like the prices, we could quit.

"That was way back in September. We walked over to Hart, Schaffner and Marx to see if we could get work there, and we found they had a strike. We knew nothing of it, but of course we wouldn't scab. After a week or so, we went back to the old shop and found others in our place. Then the great strike came—not just the separate little strikes, but one whole strike. When the foreman heard us all talking about it, he said, 'Girls, you can have your pockets and your cent again if you'll stay.' But just then there was a big noise outside and we all rushed to the windows and there we saw the police beating the strikers on our account, and when we saw that we went out."

Another worker testified that she worked in one shop for three years at four dollars, five dollars, and later seven dollars a week. Later when she was put on piece work, she could earn more but it was harder work and the highest earnings she ever made were twelve dollars.

But the reductions in rates and wages were not the only grievances of the workers. Again and again there are complaints about the abuse of the absolute and arbitrary power vested in the foreman or even the assistant foreman. It was this power as much if not more than the seasonal periods of unemployment that instilled in the workers the constant fear of being fired, and kept them from making complaints.

> "I especially recall the feeling of fear besides the wages," testified Hillman before the Federal Industrial Relations Commission in 1914, "I believe I started in with $7 a week, and during 3 years I worked up to $11 or $12; but what I consider more important is this, that is the constant fear of the employees of being discharged without cause at all. There really was no cause at all sometimes. The floor boss, as we called him, did not like a particular girl or man, and out they went. I remember especially the panic of 1907 when the employees were in constant fear of 'Who will be thrown out?' I remember we tried, all of us, to get into the good graces of the floor boss. When I worked for Hart, Schaffner and Marx I worked two months without pay, as it was understood that I had savings enough to live if I did not get any other remuneration. I believe for about a couple of months I worked for $6 or $7 a week. The conditions prevailing were about the same everywhere, the man directly in charge was the boss and everything else. I remember when I made the first complaint I packed up my tools and I went out."

One girl testified that she began work at the age of 12. She was small enough to be covered by the boss' coat when the factory inspector came around! "One day the foreman came to me and told me I could be assistant foreman and that he would give me $8 a week to start and then make it $10. But then suddenly all the men seemed to be getting ugly to me, and I didn't know why, but I know now. The assistant foreman who was there before me was a man and he got $22, and then you see they thought I knew just about as much, and they offered me the job and they only gave me $10, and I didn't know I was working for less than the man; so all the other men hated me and tried to take it out on me. Afterwards I learned that the manager didn't know about it either, but that the foreman was just doing this on his own account."

If a worker was too good to lose, but yet showed a tendency to rebellion and toward arousing the discontent of the others, he or she would generally be made foreman or forelady. Bonuses would be given to foremen or foreladies for increasing the productivity of their shop, while if they did not get better results they would lose their jobs. Thus the foremen and assistant foremen were given every incentive, including that of fear, toward driving the workers, though no changes were made in the earnings of the workers themselves for increased production. This system naturally led to all kinds of abuse and petty tyranny on the part of the foremen and foreladies, from whose actions there was no appeal. In one shop, for example, the foreman had the water turned off before and after the dinner hour, so that the workers could have no reason to take off time from their work. Many other disputes arose in connection with the saving of time. After the passage of the 10-hour law, for instance, foremen in several shops managed to evade the law by requiring the workers to work before and after punching the time clock, and the workers did not dare complain.

The obnoxious system of fines was another weapon in the hands of the foremen, and one of the most irritating. In many instances failure to punch the time clock three times daily was fined, and in some shops punching it one minute late was fined the equivalent of 15 minutes of working time. Excessive fines were imposed for the slightest errors in work, out of all proportion to the amount of loss incurred by the employer. If any garment was even slightly damaged, the worker had to pay the full price of the garment, and he might be compelled to purchase it at the retail price. In one instance, a tailor earning $14 a week slightly damaged three pairs of pants and was charged $12 by the company. His fellow-workers being unable to complain raffled off the three pairs of pants to compensate him for the loss. The Senate Investigation Committee revealed similar conditions in other shops, for example:

> "Senator McKenzie: In taking these goods, do they permit the employe to take them at cost?

"Witness: No Sir, they charge their regular wholesale price with their profits attached to it.

"Senator McKenzie: They make him pay the profits you say?

"Witness: Yes, sir.

"Senator McKenzie: They have made a sale in other words?

"Witness: Yes, Sir, on a damaged piece of goods."

Many workers complained that they were forced to pay for materials that they used up or lost at retail rates. "A fine of 60 cents was imposed for a lost spool whether empty or full, and on entering, shop workers have been charged 25 cents for oil cans procurable wholesale at 5 cents."

The effect of all these unremedied grievances, together with the lack of any possible means for adjusting them, engendered in the workers a state of chronic unrest and discontent, which broke out in numerous small but bitter strikes. Mr. Joseph Schaffner of Hart, Schaffner and Marx described the situation to the Industrial Relations Commission as follows:

> "Careful study of the situation has led me to the belief that the fundamental cause of the strike was that the workers had no satisfactory channel through which minor grievances, exactions and petty tyrannies of underbosses * * * could be taken up and amicably adjusted. Taken separately, these grievances appear to have been of a minor character. They were, however, allowed to accumulate from month to month and from year to year. * * * The result was that there steadily grew up in the minds of many a feeling of distrust and enmity towards their immediate superiors in position, because they felt that justice was being denied them. If they had had the temerity to complain against a boss, they incurred his displeasure, and his word was taken in preference to theirs. In some instances they lost their jobs, and where this was not the case they seldom received any satisfaction.
>
> "Shortly before the strike I was so badly informed of the conditions that I called the attention of a friend to the satisfactory state of the employees. It was only a few days before the great strike of the Garment Workers broke out. When I found out later of the conditions that had prevailed, I concluded that the strike should have occurred much sooner."

The resentment of the workers had, in fact, piled up through years of injustices until almost anything would have served to start the blaze. The first spark was struck on September 22 in Shop No. 5, a pants shop of Hart, Schaffner and Marx, when several girls walked out of the shop rather than accept a cut of one-quarter cent in rates. Annie Schapiro, one of the first to go out, gives the following account of what happened:

> "After they had cut the rates for seaming pants ¼¢, they gave it back again, then cut again, and we went out. There was a man (Morris) who said 'No, I will not work for 3¾¢.' We were told to come back Friday at twelve. On Friday there was the whole bunch there * * * and we did not know anything about it, and he (Morris) would not leave us go upstairs and stopped us in the office. He said 'What are you going to work for? That is only 3¾¢ now. I wouldn't work for that * * *. I said I could work for 3¾¢.
>
> "I went down on the Monday the next week to see about the seamers and they did not come back to work. And one or more fellows went down-town, and the rest of them left."

The workers then sent a committee to Hart, Schaffner and Marx, urging them to restore the quarter-cent cut, but the firm refused because they said other workers were quitting and refusing to do the work anyway.

> "That was the people in the other departments, and they saw there was trouble in the shops * * * so at shops 14 and 15, the rest of the seamers did not want to do our work, and so it was on Wednesday they picked up their tools that they should work with, and they did not want to do that work; the people went on strike. * * * The foreman threw Morris out, and then all the people refused to work."

Contrary to all precedent, the walk-out in Shop 5 provoked immediate and enthusiastic response in other shops. It seemed as if the workers had just been waiting for something or someone to give the final push. The news spread through the clothing shops of Chicago with amazing rapidity. By the next day almost a thousand men and women had left the shops and long before three weeks were over, more than 40,000 were out, and the whole city was affected. Nothing

like it had ever been known before in the history of the clothing workers.

At the very beginning of the strike a group of workers went to the office of Robert Noren, President of District Council No. 6 of the United Garment Workers and appealed for help and support in the strike. Noren wired to President Rickert for instructions, and was authorized by him to call a strike of the garment workers. Here if ever was a chance to organize the Chicago clothing workers on a scale never before dreamed of, but at the crucial moment, the officers of the United Garment Workers for some reason failed to take advantage of the opportunity. Even after the strike was well under way, in spite of the growing and insistent demand for a general strike in all the clothing shops, and in spite of the proof that " union label " shops were doing work for strike-bound houses, the United Garment Workers hesitated to call a general strike until more than 18,000 were already out.

It was about this time that the Chicago Daily Socialist first came to the aid of the strikers. On October 7th a Special Strike Edition of the Daily Socialist was published, and thereafter a series of articles appeared, giving a full and detailed history of the progress of the strike. Mr. Robert Dvorak, the author of these articles, practically forced the hand of the United Garment Workers District Council No. 6 by threatening to publish a call for a general strike without waiting longer unless the union did it. But the United Garment Workers did call the strike, and within one week the number of workers out on strike had grown to 45,000. " This great exodus was brought on because 50,000 copies of the Daily Socialist containing the call were distributed by the strikers throughout the city and in front of the unfair concerns' doors."

The strike grew so fast that District Council No. 6 was unable to handle it, and in a few weeks was asking for speakers to address meetings and for other assistance from the Chicago Women's Trade Union League, of which Mrs. Ray-

mond Robins was then President. On October 20 the League sent the following offer to District Council No. 6:

> "Knowing that your organization is at present involved in an extensive strike against the Hart, Schaffner and Marx shops and believing that in the consequent great pressure of work you may not have realized in what ways the Women's Trade Union League may be of use to you, our Executive Board last night voted to offer you our services.
>
> "When our local leagues have definite relationship with a strike, we ask that in accepting our assistance the union permit two representatives of the League to attend all meetings of the strike committee and to authorize such representation through a resolution passed by the executive committee of the union.
>
> "The reason for this provision is to ensure our keeping in touch with the union's plans of work and with fresh developments in the situation as these arise, this being the only way in which we can intelligently cooperate."

On October 28th the offer was formally accepted by President Noren, with the assurance that District Council No. 6 would be glad to have representatives from the League act with the Strike Committee. A Strike Committee was immediately organized by the League and began to work through the following sub-committees: Strike fund committee, of which Mrs. Robins was Chairman; Picket Committee, of which Miss Steghagen was Chairman, and Miss Ellen Gates Starr a member; Grievance Committee, under the Chairmanship of Miss Katherine Coman, an economist, and committees on Co-operation, Organization, Publicity, Speakers, Meetings, Relief, Rent, etc. The list of committee workers included some of the most prominent citizens of Chicago. Men and women of the highest standing and reputation in their own fields, representing all occupations and classes, from politics to social service, were drawn into the fight, and in various ways not only expressed their opinions on the issues in favor of the strikers, but worked for them and got others to work for them as well.

On November 2nd the Grievance Committee began activities by holding a breakfast-meeting at King's Restaurant, where 12 girl strikers told their stories of grievances to the

committee. These stories were later published in a report of the Committee, and many of them have already been referred to in describing the conditions that led to the strike. The report was published with an introduction by Professor Coman, summarizing the main grievances, and in this concise form it became very effective as publicity material.

A meeting was called at Hull House by Mrs. Robins, the result of which was the organization of the "Citizens' Committee." This committee published a report on November 5, prepared by Professor Mead, Miss Breckinridge and Miss Nicholes, and based on testimony of employes of 17 firms and from 31 Hart, Schaffner and Marx shops. The opinion and recommendations of the committee were as follows:

> "In the opinion of this committee, the natural method of removing the causes of irritation in the shops and of making a more healthful social life there possible, is some form of shop organization among the workers in the shop. The industry is so very complicated, the labor so highly subdivided, the dependence, as yet, of the operatives upon the foremen is so great, that it seems next to impossible to bring about normal conditions, unless the operatives themselves are able to express their own views and their own complaints through committees and this without fear of loss of position or the enmity of the foreman * * * Some form of representation of the operatives, which will mediate between the worker and the employer, seems to be necessary in order that the point of view and the conditions of the operatives may be recognized in the matter of shop discipline, and especially in order that minute grievances may find a natural expression instead of being piled up to give rise to such widespread industrial and social disturbances as we have witnessed during the last ten days."

In the meantime meetings were being organized and speakers secured with the help of the Strike Committee. Mrs. Raymond Robins, who was at that time directing most of the relief work, was herself addressing strike meetings and securing speakers. Mrs. Ella Stewart of the National American Suffrage Association, Mrs. A. W. Thompson, Miss Phelps and many others, as well as women prominent

in the English labor movement, such as Miss Margaret Bondfield, Miss Marion Ward, Miss Agnes Murphy, and Mrs. Philip Snowden, were a few of those who showed what they thought of the strike by going to the strikers' halls day after day to address mass meetings. Mr. Dvorak writes that: "Eighteen of the largest halls in Chicago were packed daily—some even twice daily—and speakers in every language counselled and spurred the thousands to action."

But perhaps the most important service rendered by these committees in the early days of the strike was that of the Picket Committee, whose work not only in aiding the pickets but in giving publicity to the outrageous conduct of the police and strike-breakers did as much as anything during the first few weeks toward swinging the weight of public opinion to the side of the strikers. The campaign of violence and brutality that the Chicago police entered upon from the very beginning was consistent with their attitude in all the later strikes of the Chicago clothing workers. It took the form not only of injustice and violence on their own part, but of winking at such illegal acts as the carrying of concealed weapons and unprovoked assaults by hired guards and strike-breakers or private detectives. Miss Ellen Gates Starr and witnesses before the Senate Committee testified that the activities of police and of private detectives hired to " protect " strike-breakers to and from buildings were actually influential in spreading the strike. For example, one statement was: " There were pickets and detectives outside of the building that we saw when going to work. I never worked under police protection before and it worried me, and I couldn't work any more."

All possible efforts were made to maintain peace and order in the picket lines, and there was surprisingly little violence on the part of the strikers in view of the provocation. In an effort to eliminate violence as much as possible, the following picket rules were printed and distributed among the strikers:

RULES FOR PICKETS.

Don't walk in groups of more than two or three.

Don't stand in front of the shop: walk up and down the block.

Don't stop the person you want to talk to: walk alongside of him.

Don't get excited and shout when you are talking.

Don't put your hand on the person you are talking to.

Don't touch his sleeve or button: This may be construed as a technical assault.

Don't call anyone "scab" or use abusive language of any kind.

Plead, persuade, appeal, but do not threaten.

If a policeman arrests you and you are sure you have committed no offense, take his number and give it to your Union Officer.

In spite of these precautions the attacks continued, and "every day strikers reported to headquarters with tales of how they had been shot at and attacked by armed strike-breakers. Protests galore were made to Leroy Steward, Chief of Police, but he only shook his head sagely, and said: 'Wait until the strike is over!'"

Miss Steghagen, Miss Ellen Gates Starr and Miss Franklin, all members of the Picket Committee, testified to the rough handling of pickets, of which they were eye-witnesses. Miss Starr sent the following account of one case to the daily papers:

"I went first to a dingy hall, ill ventilated and crowded, to meet the pickets and plan our orderly and law-abiding course, and then to the factory of Price at Franklin and Van Buren Streets.

"About the door stood twenty-one or twenty-two men. It must be conceded that they 'Obstructed the street' more than a group of three rather small women, who are never allowed to stand for an instant, but are ordered, usually roughly, to 'move on' and 'go about their business.' These men, it is true, were about their business of holding the street for Price & Co. I addressed myself civilly to a police officer and asked him why these twenty-two men were allowed to stand on the pavement and I was not. He answered (somewhat shamefacedly; I think that particular officer did not like his job), that they were all sworn officers, and added, 'Don't ask me questions, lady.'

'You have your orders, I suppose?' 'Yes, I have.' On which I tendered him my sympathy and proceeded to interrogate the so-called 'officers.'

"After a time a superior officer arrived who was insolent and brutal and absolutely outside his rights, as I was entirely within mine. I was then alone having separated myself from the girls, and was simply walking back and forth in front of the factory. After roughly asking me, 'Who are you?' and 'What are you doing here' and hearing that I was simply a citizen of the United States and a settlement worker here in the interest of justice and fair play, he informed me that if I passed by once more I would be sent to the station. I then withdrew to the opposite side of the street and watched matters from there.

"The modus operandi was to bundle the strikebreakers out, surrounded by the hired 'detectives,' directly to the cars which halted precisely in front of the door so that no pickets should be allowed to speak to them."

In November a committee was appointed to inquire whether manufacturers could put up cots in factories for scabs. It was in violation of health and building ordinances, but the law had been cleverly evaded and the committee could do nothing.

Every day was marked by arrests and assaults, and generally at least one riot in some part of the city. Finally the climax was reached in December when two pickets were shot and killed by strike-breakers. On December 3, Charles Lazinskas was attacked and shot in front of the Royal Tailors' establishment, and on December 15, Frank Nagreckis was shot while picketing. The death of Lazinskas came at a crucial moment for the strikers, while an agreement was being negotiated in the office of the Mayor of Chicago. The effect of his death and funeral on the attitude of the workers toward the agreement is described in an article by Mr. Dvorak:

"There never was a funeral in Chicago such as was held in the case of the murdered garment-striker. Thousands of men, women and girls marched. On their coat lapels each striker had a piece of crepe pinned down with the union botton of the garment workers. * * * At Hod Carriers Hall, after the funeral they condemned the pending agreement in the most bitter terms."

Charles Lazinskas

Frank Nagreckis

Strikers Killed in 1910 Strike

This incident and a great parade and demonstration of the strikers in protest against the brutality of the police produced a marked effect on public opinion, and thereafter there was considerably less violence.

Early in November important changes were made in the organization and control of the strike work, by the creation of what was called the Joint Strike Conference Board. The change was made necessary by reason of the loss of faith of the workers in their own leaders among the United Garment Workers. Just as the strike appeared to be progressing with enthusiasm and a fair chance of success, Mr. Rickert, President of the United Garment Workers, signed the following agreement with the firm of Hart, Schaffner and Marx, dated November 5, and submitted it to the strikers for their vote:

> "AGREEMENT SIGNED BY THE PRESIDENT OF THE UNITED GARMENT WORKERS OF AMERICA AND THE FIRM OF HART, SCHAFFNER AND MARX.
>
> "The International President of the United Garment Workers of America agrees to recommend the return of all former employees of Hart, Schaffner and Marx upon the understanding between himself and the heads of the firm that one person shall be selected by the firm and one by the United Garment Workers of America, these two to select a third, and these three to take up the alleged grievances of the former employees of the firm and to devise methods, both as to redress and the avoidance of like difficulties in the future.
>
> "This instrument shall not be considered as a recognition of the union, nor shall the question of union or open shop organization be submitted to or passed upon by the committee appointed herein; nor shall the question of open shop be considered as a grievance on the part of the former employees of Hart, Schaffner and Marx."

As Rickert himself records in his report to the United Garment Workers' Convention in 1912: "To my surprise the people voted it down—they gave it practically little or no consideration."

How the strikers felt about the agreement was only too evident in the promptness and vehemence with which they

rejected it, and Rickert was forced to drop the plan and turn his attention seriously to the important work of organization. But he had lost the confidence of his people. The strikers, their faith not only in Rickert, but in many of their other leaders having been shaken, appealed for help to the Chicago Federation of Labor. Mr. John Fitzpatrick, President of the Chicago Federation of Labor, agreed to help them and from that time on devoted his entire time to their cause. The result of the strikers' appeal was the organization of the new Joint Strike Conference Board. The Board consisted of two representatives each from the United Garment Workers of America, District Council No. 6, Strike Committee of Special Order Garment Workers, Strike Committee of Ready Made Garment Workers, Chicago Federation of Labor, and the Women's Trade Union League. This Board took over all work that had formerly been handled by independent committees from each of the organizations represented.

The problem of strike benefits and the need for organized relief was brought home to the strikers and the Committee by an incident that occurred on the 11th of November. Something like ten thousand people came to the headquarters at 275 La Salle Street. The crowd, many thousands of men, women and children, were denied admittance to the larger wheat pit on the ground floor which it was understood had been reserved for their use. They were not permitted to stay because the fire department feared a disaster. The great crowd gathered in the street in front of the building. All had relief orders for various amounts but there was no money in the treasury. The indignation and excitement cannot be described. Finally, John Fitzpatrick addressed the crowd from the fire-escape, explaining that they would be attended to in their various halls. The strikers repaired to the halls. Some had in despair and anger destroyed their vouchers. Some received their strike pay. It was a heart-rending sight as from early morning till late afternoon they waited in the halls, the corridors and outside in the streets. Finally, Mr. Fitzpatrick addressed them, explaining that

John Fitzpatrick

Mrs. Raymond Robins

Jane Addams

Ellen Gates Starr

Edward N. Nockles

they would be attended to in their various halls." Miss Nestor of the Relief Committee went around with the Paying Committee from hall to hall redeeming the vouchers.

It was evident that some organized method of relief must be undertaken, and the Strike Conference decided on a plan. All the vouchers that were out were to be redeemed but no more were to be issued. At the suggestion of Mr. Fitzpatrick, the Committee decided to establish commissary stores along the lines successfully followed by the United Mine Workers and the Building Trades Council. In the operation of these commissaries, Mr. James Mullenbach was called into consultation, and with his help and that of his assistants the Board opened four commissary stores, one on Lincoln Street, one on Blue Island Avenue, one on Johnson Street and the fourth at West Fourteenth Place. Strike benefits were given not in cash but in fixed rations, varying with the size of the family. Tickets were issued by Mr. Fitzpatrick to the various shop chairmen who distributed them to the strikers, each ticket being issued on a monthly basis and entitling the holder to call for supplies weekly. Signatures of the shop chairmen were checked up on each ticket by the superintendent in the stores. The amount and kind of relief afforded by these tickets can be seen from the following list of rations allowed a family of five for one week:

Bread, eighteen loaves; sugar, five pounds; oatmeal, two large packages; coffee, one pound; beans, five pounds; ham, ten pounds.

The opening of commissary stores was only one form of relief work undertaken by the Strike Conference Board. Lunch rooms for pickets were maintained at convenient locations. A separate committee handled the problem of rent relief and members of the committee went around personally interviewing the landlords. The gas company was found to be sympathetic and in no case was gas turned off after the situation had been explained by a member of the committee. Coal was secured at wholesale prices and in cases of need supplied by the committee out of the relief funds.

But with all their efforts, the Board could not have handled the tremendous work of relief had it not been for the generous and continuous support of other organizations and of individuals who gave their time, money, supplies, and whatever influence they had to the cause of the strikers. The commissary stores themselves were ably assisted by men and women who gave their services free of charge, or whose services were paid for by the organizations they represented. Groceries were purchased from companies that sold them at wholesale prices and frequently at cost prices. The editor of the Jewish Courier, Mr. Lipsky, with the assistance of others, carried on relief through orders on local grocery stores and kosher butchers. A fund for milk was started by Mrs. Bowen with the contribution of one thousand dollars and her own services as Chairman of the committee. In addition the Citizens' Committee furnished 124,075 quarts of milk up to February 2. But the greatest contribution along those lines was made by the Jewish Workingmen's Conference. For ten weeks they issued individual meal tickets weekly to three thousand strikers entitling them to one meal a day. The tickets were issued on restaurants in three important centers and were good for seven 15-cent meals. Altogether it is estimated that the Jewish Workingmen's Conference contributed about thirty-five thousand dollars to the relief of the strikers.

Public sympathy manifested itself in many other ways. Clothing and shoes were distributed to the workers from Northwestern University settlement, Hull House, and many other centers of distribution. Labor papers all over the country took up the fight and unions began to send in cash donations. The Chicago Daily Socialist through its sale of strike editions was able to turn in the sum of three thousand dollars for the relief of the strikers. The Jewish Vorwaerts of New York raised $415 for relief and added to it $1,800 collected by a house-to-house canvass of the Jewish district in Chicago, given through the Jewish Workingmen's Conference. All kinds of professional people offered their services. "Doctors agreed to treat patients free of charge.

Barbers gave free shaves, theatres gave benefit performances. Private families housed and fed homeless strikers. Druggists gave free drugs. Grocers and butchers gave free food supplies to the various free supply and relief stations. Clubs and societies gave benefit balls and entertainments. Song writers and artists offered their productions and gave the strikers the full profits, and the hotel keepers refused to house the strike breakers." The Chicago City Club Bulletin printed texts of successful agreements then in existence in New York and Philadelphia. The Political Equality League made inquiries and many other leagues and clubs followed its example with requests for information and for speakers informed on the subject to address meetings. Business Men's Groups asked at headquarters how they might be sure that they were not buying Hart, Schaffner and Marx garments, and many retail houses found it profitable to remove labels of strike-bound houses from their garments. The Illinois Suffrage Association sent in financial contributions, the Socialist Women's Strike Committee gave valuable assistance throughout the strike, and churches of all denominations responded with generous contributions. A letter advocating arbitration and organization of the workers was sent by the Reverend Jenkin Lloyd Jones, endorsed by the Industrial Committee of the Churches of Chicago, to Hart, Schaffner and Marx. When no reply came from the firm the letter and a statement of the whole circumstance were issued as an open letter. The following excerpts are enough to show the general tenor of the letter:

> "The following members of the Industrial Committee of the Churches of Chicago call the attention of the public to the accompanying letter.
>
> "The principles and methods it advocates are already extensively used in industry in Chicago and throughout the country, and have promoted a large measure of industrial peace.
>
> "We believe that the time has come for public opinion in Chicago to voice from all possible sources, a demand for their application to the garment-making industry, and particularly for the settlement of the present strike by some joint agreement between the contending parties.

REV. JENKIN LLOYD JONES' LETTER.

"'The following communication was addressed to the firm fifteen days ago. Whether in the travail it ever reached the eyes of the firm, I have no way of knowing. I now give it to the public, hoping that it will help make public sentiment. The developments of the last two weeks confirm the conviction expressed in the letter. The only way for employers out of this trouble is through it. Once the willingness to deal with the employees in their organized capacity is realized it would be quite possible to organize a disinterested, high minded, permanent court of appeal to which perplexities too great to be solved by the two parties could be referred.

"'You can doubtless crush out this instinct to cooperate among your employees, but it will only be for a time—the march of civilization is back of them and against you. All the higher handicrafts have practically vindicated their rights to organize.

"'Has not the time gone by when the intelligent business man can talk about "his business being interfered with" by those who have no rights in it when labor makes demands? Legally speaking, the title is yet vested in your corporation; but ethically speaking, the thousands of employees who help make your business, without which your business cannot continue, are partners in the concern; they have vested rights; many of them have brought their families across the seas; they have staked their earthly careers in their vocations, and have acquired an efficiency oftentimes through successive generations, which constitute an asset, which may well be set against your capital * * * Hundreds, perhaps thousands, of your employees are traveling over the road which your forbears have traveled. They are getting ready to take your places when you are gone. They have a right to be reckoned with by organized capital as organized labor.'"

The following is a summary of the purely financial contributions received by the Strike Committee of the Women's Trade Union League, taking no account of services or supplies given free of charge:

Organized Labor	$41,182
Socialist Women's Strike Committee	5,432
Churches	1,310
Clubs	712
Socialist Party	1,119
Employes	306
Teachers and students	235

Individuals	8,575
Chicago Daily Socialist (Collections)	2,300
Card (Collections)	479
Miscellaneous (Collections)	2,774
Polish Socialists	1,750
District Council No. 6, Donations	4,000

We have already seen how the publicity given by the committees to the grievances of the workers and to the treatment of strikers by the police influenced the opinion of the general public. But another factor was brought to bear on public opinion during the course of the strike, that proved to be as potent as the others in rousing a sense of the injustice of the situation. This factor was the stubborn unwillingness shown by both associations of manufacturers to arbitrate the demands of the workers or even to treat with them. The first effective evidence of this attitude appeared in connection with another attempt at settlement, this time initiated by the action of Alderman Merriam. After several unsuccessful attempts, a resolution was finally passed by the City Council providing for the appointment of a committee to arbitrate and attempt to settle the strike. Representatives of the firm of Hart, Schaffner and Marx agreed to meet the committee and the union leaders in an attempt to arrive at some agreement, but members of the manufacturers' associations refused to participate in a conference if any union representatives were present. Alderman Merriam in a statement to one of the daily papers after meeting with representatives of both associations, said:

> "They declared they would not consent to any arbitration of the questions at issue in any form or upon any terms. They further stated that they expected their own employees to return unconditionally if the agreement with Hart, Schaffner and Marx was ratified. Arbitration is a firmly fixed principle in industrial disputes, and in my judgment it ought to be applied in this case. Those who decline to accept it assume a grave responsibility to the community. If industrial war continues the public should know exactly where this responsibility lies."

Even more effective than the publicity thus given to the employers' attitude toward the proposed arbitration were

the disclosures made later by an Illinois Senate Committee appointed to investigate into the causes and facts of the strike by a resolution passed in the Senate January 10. The Committee consisted of Senators Henson, O'Connor, McKenzie, Johnson and Gibson. Although the report of the Committee to the Senate was not made until March 9, a great deal of publicity was given to the testimony presented during its two weeks of hearings in January. In reply to an invitation by the Senators to the Association to submit a plan of settlement, Mr. Rose, President of the National Wholesale Tailors Association, sent the following letter:

> "The National Wholesale Tailors Association respectfully declines to submit to such a proposition, as no strike now exists in our branch of the industry. All of our employes whom we can use have returned to work."

The Chairman of the Senate Committee, in response to this refusal, which was incorporated in the minutes, made the following statement:

> "I want to say this for the benefit of the balance of the committee, that the state of Illinois and the people of Chicago cannot permit some manufacturers or labor unions to arbitrarily stop the wheels of progress in Illinois and cause suffering, and I am very frank to say to you that if I had the power I would put the men in jail who refused to arbitrate this question now. * * * No controversy can occur without a grievance."

Even newspapers hostile to the strikers up to this time condemned this attitude in editorial comments such as this: "Hunger and cold as potent peace makers alienate the sympathy of the great majority of reasonable and humane citizens."

Important evidence was disclosed also by the Senate Investigation Committee concerning the blacklist system carried on by the Medinah Temple labor office. The following examples are typical of the testimony of other witnesses:

> Witness: In Nov., 1914, I worked at Fred Kaufman's and we went out at noon. Then I was out about 6 or 8 months and

after that I applied for a position at the Medinah Temple office and they refused to give it to me until I resigned from the union. I did so.

Chairman: Who asked you to resign?

Witness: Mr. Isaacs. [Mr. Isaacs was known to practically all the workers and was called to testify himself before the Committee. He was in charge of the so-called Labor Bureau, and kept records of all the workers.] I handed in my resignation and then they promised me a position but never gave it to me and they told me to come over from one day to the next. He asked me one day if I would do him a favor and I asked him what it was, and he offered me $10 to go to the organization headquarters and secure him the names of those men in the office at that time. I went but could not find anybody there except officials. After that I went back to Mr. Isaacs' office and gave him the names and he asked me if I got any more names, and I said: "Here are the names of the men in the office at present." He said "These men I got. I don't want those names but get the names that I have not got." He showed me some letters and tears off the bottom and says: "These names I have gotten from men who send me the reports every day." He said: "They find out who you are and what you are and what goes on in the union, and then report to me every day." He said: "They are paid by me for doing this."

He gave me $5 for that and said "I will give you the other $5 when you get some more. I will give you a week's time. In the meantime I will try and find you a position," which he did.

* * * I worked there from August to September and then was discharged without reason.

I went back to Isaacs and he said: "You go over and get me some more names and I will see what I can do."

After that I went to the Chicago Tailors and asked for a position without going to the office. Mr. Strauss hired me and asked whether I had a card. I said "No, but I can get it." He said: "I will telephone over and see if you are all right."

[The witness worked in this shop 3 or 4 days and then met some union boys and went to a meeting and finally decided to go out on strike with the others in that shop. When he got to the union office he found a message waiting for him to the effect that if he did not come and take away his tools they would be thrown out. He went back and took his tools and went out.]

Then I went to Isaacs afterward, time and time again for positions and he said: "No. We can't do anything for you, you will starve in Chicago. There is nothing for you; we will not give you a job."

[The witness went to Detroit and after more than a year wrote to Isaacs to see if he could get a job yet and Isaacs wrote him a letter, saying that Association houses were working on an open shop plan. On his return the witness went to Mr. Tobias and Mr. Morris, both associated with Mr. Isaacs in the Medinah Temple office, but was not able to get anything at all. He was completely barred from employment in all Association houses from that time on.]

Another witness testified that he was told to go to Medinah Temple for a permit to work and they wouldn't give it, but gave no reason whatever. He was required to resign from the union before he could get any work after going out on strike.

Another witness claimed that he was blacklisted in St. Louis because of his union activities and when he tried to get work in Chicago he found that the Medinah Temple Office had his complete record and he was blacklisted again.

Another witness, the wife of a cutter, testified that her husband had been unable to get work for a long time. "I went to Mr. Isaacs because my husband always came home with the same story that he could not get a permit to go to work and at last I became doubtful and I said I'd like to know the reason why and I should go and see what was stopping him from getting a position. He gave me Isaacs' address and I went to see him.

"He told me, after I asked him what was the matter, that he (my husband) acted as a radical during the strike and that they had not forgotten about it. I asked him if he had any proofs * * * and he said no, but they had a list of matters that they knew about him and that was enough."

Chairman: "Did they say your husband's name was mentioned in that list?"

Witness: "Yes Sir. I told him that it was hard for me and that from my marriage my husband was considered a good workman, but he said he could do nothing."

In its report to the Senate, the Committee made the following comments on the evidence in regard to blacklisting:

"Your committee wish to report that in view of the testimony and the wording of the statutes, we are constrained to believe that the maintenance and operation of the said labor bureau in the Medinah Temple, in the city of Chicago, in so far as it prevents persons from securing employment, is in violation of the statutes of the State of Illinois, and is derogatory to the rights and interests of the workers, and that the same should be immediately dissolved."

In the meantime, Rickert and other officers of the United Garment Workers were pressing a new agreement on the strikers. Hart, Schaffner and Marx agreed to meet a committee of the strikers, as suggested by Alderman Merriam, although the Association houses refused. The proposed agreement resulting from this meeting with Hart, Schaffner and Marx, known as the City Hall Agreement, provided briefly for the return of all former employees of Hart, Schaffner and Marx, except those who were guilty of violence, within fifteen days from the date of signing; no discrimination against any employees because of membership or activity in a union; and for the creation of an Arbitration Committee of five, two members selected by each party and the fifth by those four, to take up and consider the grievances of the employees and devise a method for settling those grievances in the future.

This agreement, backed by the full approval and endorsement of the Joint Strike Conference Board, the United Garment Workers' officers, and the Mayor of Chicago, was presented to the strikers for their consideration. But the strikers were unmistakably opposed to the terms. The grounds for their opposition were in the main as follows:

1. Inasmuch as the agreement affected only Hart, Schaffner and Marx workers, acceptance of it would break the strike of other workers who would still be out. It was too much like a betrayal of their fellow strikers.

2. The clause in the agreement providing that workers guilty of violence would not be reinstated created a great deal of resentment.

3. The agreement contained no specific and definite recognition of the union.

A great deal of pressure was brought to bear on the strikers to accept this agreement, but finally on December 8th, eight days after the proposed agreement was put before the strikers, Rickert admitted that "the people had expressed their disapproval." In his report to the United Garment Workers' Convention in 1912, Rickert says: "In turning down this agreement, the people repudiated the

Strike Board and Settlement Committee which had recommended its acceptance." The Strike Conference Board, however, in the words of the Women's Trade Union League Report, "recognized the supreme right of the strikers to make the final decision on their own affairs" and again resumed the conduct of the strike. The following letter was sent to the City Council Committee and the Mayor informing them of the workers' decision:

> "We beg leave to report to you the refusal of the workers of Hart, Schaffner and Marx now on strike to accept the plan of settlement as recommended by us.
>
> "Every reasonable effort has been made to secure a favorable result in the submission of this plan of settlement to the striking employes of Hart, Schaffner and Marx.
>
> "The refusal of the representatives of the National Wholesale Tailors' Association and the National Wholesale Clothiers' Association to accept these terms of settlement and the public declaration of their determination to 'fight to a finish' has resulted in a feeling of resentment among the strikers and a natural desire to stand or fall together. * * *"

The first settlement occurred on January 9, when the firm of Sturm Mayer settled with its strikers and reinstated all of them.

On the 11th of January, Rickert presented another plan to the Joint Conference Board and Strikers' Committee, authorizing the Board to offer an agreement to any of the firms willing to accept its terms. The terms were briefly as follows:

1. All former employees were to return within ten days of the signing of the agreement. No mention was made of exceptions in the case of those guilty of violence.

2. There must be no discrimination against workers because of membership in the United Garment Workers of America.

3. An arbitration committee of three was to be chosen, for the purpose of considering and adjusting all other grievances, and their ruling was to be binding.

The Board passed a resolution approving the agreement and appointed a committee composed of Rickert, Mrs. Robins, Mr. Fitzpatrick, and Mr. Harris (a member of the Strikers' Executive Committee), to consider a settlement. Hart, Schaffner and Marx signified their willingness to accept this agreement, and it was then presented to the striking Hart, Schaffner and Marx workers.

The strike, so far as the workers of Hart, Schaffner and Marx were concerned, was almost over. A mass-meeting of the strikers was held in Hod Carriers' Hall. The meeting was addressed, among others, by Hillman and Marimpietri. They urged acceptance of the terms of the agreement, which provided for the return of all workers, without discrimination because of either union membership or activity, and for the establishment of arbitration machinery in the adjustment of present and future grievances. The terms meant substantially, if not literally, union recognition. It was for this and for the removal of just grievances that the strikers had been fighting for months. There was, of course, some opposition to these terms. But after considerable discussion, the proposed agreement was ratified and the forward march of organized labor in Hart, Schaffner and Marx began.

Mr. Rickert's account of the same event, in his report to the United Garment Workers' Convention, was as follows:

> "The plan was submitted to the people in the various halls and was approved in all but three of them; and in these three, the workers who had gathered there were not employees of Hart, Schaffner and Marx * * * Some of those who had been in favor of it went around to the halls and in the public highways afterwards denouncing it because it did not provide for a closed shop."

The result was that the agreement as approved by the Joint Conference Board was signed by Hart, Schaffner and Marx and by Mr. Rickert and went into effect on January 14, all the strikers of that firm returning to work. The others, of course, were still out on strike.

On February 3rd, at a meeting of the Strikers' Executive Committee at which Mr. Rickert and his organizers were the only ones present, the general strike was suddenly declared off. This action was taken without the slightest warning, without a referendum vote of the strikers, without even formal consultation or meeting with the Joint Conference Board, which for 14 weeks had had charge of the strike, and which represented the organizations that had been giving their time, money and resources so generously to the strikers. It was done while representatives of the Chicago Federation of Labor and the Women's Trade Union League, the principal organizations in the Board besides the United Garment Workers, were present in the building and even on the same floor. The Women's Trade Union League called it a " hunger bargain." The workers, already hard-pressed by the long winter months of privation, their faith already shaken in their leaders, were now demoralized by this action, and had no choice but to give in. The strike was over.

As many as could returned to work. Many who went back to their old shops were refused employment. Others encountered conditions even more intolerable than before. A frequent answer to those seeking re-employment would be: " You're a good speaker, go down to your halls again, they want you there." And so they trickled back, a few at a time, with a deep and underlying bitterness toward those who had turned their long fight into apparent defeat. They returned without agreement, without concessions, without any guarantee for fair treatment, without any adjustment or means of adjustment for the grievances that had driven them to strike.

Yet in more important ways, even for those who went back to Association houses, the strike had not ended in defeat. Out of it rose a new generation of young leaders who were to help the clothing workers rise to a position of security, power and well-being that sets a standard for other industries. It was in the strike of 1910 that the names of Sidney Hillman, Frank Rosenblum, Sam Levin, A. D.

Joseph Schaffner

Marimpietri and many other future leaders of the workers first emerge. With the rise of these leaders there appeared also not only the hope of a new régime, but a long, steady active drive toward its attainment. The organization of the Hart, Schaffner and Marx workers meant almost as much to all the other clothing workers of Chicago as to themselves. From 1910 until the final triumph in 1919, Chicago was the scene of a series of attempts to organize the entire market. Without the nucleus formed by the organized Hart, Schaffner and Marx workers, and without their constant efforts and support, which they were only in a position to give as a result of the strike, Chicago might still be an unorganized sweat-shop market.

The results of the strike as far as the Hart, Schaffner and Marx workers themselves are concerned are obvious. Aside from all consideration of improved conditions, wages, hours, the agreement of 1911 meant the beginning of a relationship between the firm and its employees, unbroken by whatever storms swept over the rest of the Chicago clothing industry, and undisturbed even by the clothing workers' revolution in 1914. It meant the practical and successful working out of an experiment in collective bargaining and the development of the idea of permanent impartial machinery for the adjustment of industrial disputes.

As a means of educating and training the workers for organization and organized activity, the strike was of the utmost value. It was not only a matter of technical training in the method of organizing and conducting a strike, but of the actual knowledge of each other's condition and realization of their community of interest. As a result of this realization and of the bond that always comes of fighting a common enemy against heavy odds, the workers came out of the fight with a new sense of their fellowship with each other; with a spirit of solidarity that would not be defeated; and with a new consciousness of the fact that as their grievances were not individual but common, their hope for the future lay not in separate but in common action.

> "The one great proof that the strikers have learned the lesson of solidarity and unity of action lies in the fact that meetings independent of the Federation of Labor or the Garment Workers Union have been held twice weekly since the ending of the strike. The meetings have been well attended, the halls being just as full as at any time of the strike. The tailors are studying and when another strike does come another story will be written."

It is clear from this statement that one of the important lessons the strike taught the workers was how far it was safe to entrust their hopes to their past leaders. Thus in the very failure of this strike can be seen, in the light of the later events, the signs of future success and of the final break in 1914.

CHAPTER III

THE DEVELOPMENT OF ARBITRATION

THE agreement that was signed on January 14, 1911, between the firm of Hart, Schaffner and Marx and the Joint Board of its employees was a simple document. But it marked the beginning of a period of uninterrupted peace between the company and its organized employees, undisturbed by the industrial storms that again and again swept over the Chicago clothing market in the next eight years.

The importance of the agreement to the workers lay primarily in two results that it accomplished. First, through the recognition and strengthening of the organized workers of Hart, Schaffner and Marx, the great campaigns for the organization of the rest of the market were made possible. The spirit of the unorganized workers was maintained and strengthened with the help of the organized until the final triumph of 1919. Secondly, the agreement of 1911 was the nucleus out of which has developed the present successful agreement, with its elaborate system for the arbitration and adjustment of labor problems and for the preservation of industrial law and order. Throughout the history of this agreement the development of the power and strength of the organized workers can be measured by the changes made in the agreement. With the growth of that power can be traced also the development of the intricate machinery established under the agreement and of the code of industrial law that now governs the relations between the union and the firm.

The text of the first agreement, which ended the strike of 1910, outlines briefly the conditions for the return of the strikers:

> "First: All the former employees of Hart, Schaffner and Marx who are now on strike shall be taken back and shall return to work within 10 days from the date hereof.
>
> "Second: There shall be no discrimination of any kind whatsoever against any of the employees of Hart, Schaffner

and Marx, because they are or they are not members of the United Garment Workers of America.

"Third: An arbitration committee, consisting of three members, shall be appointed. Within three days from the date thereof the employees of Hart, Schaffner and Marx shall select one member thereof; within three days thereafter Hart, Schaffner and Marx shall select one member thereof; and the two members thus selected shall immediately proceed to select the third member of such committee.

"Fourth: Subject to the provisions of this agreement, said arbitration committee shall take up, consider, and adjust whatever grievances, if any, the employees of Hart, Schaffner and Marx who are now on strike shall have and shall fix a method for the settlement of grievances, if any, in the future. The finding of the said committee or a majority thereof, shall be binding on both parties."

Hart, Schaffner and Marx at the time of the signing of this agreement were employing about 6,000 workers, men, women and girls, who were represented by a Joint Board, composed of delegates from local unions of the United Garment Workers and three delegates from the Women's Trade Union League. Under the third clause of the agreement, each side selected one arbitrator, the Joint Board of the local unions appointing Mr. Clarence Darrow as their arbitrator and the company, Mr. Carl Meyer. These two then met to select jointly the third arbitrator. Dean Wigmore of Northwestern University Law School was agreed on, but was unable to serve, and the two arbitrators could not agree on another third member at that time. It was finally decided that the two arbitrators should, for the time being, act alone as the Board of Arbitration. Working under this arrangement, on March 13, 1911, the arbitrators made a decision of the utmost importance, which became in practice a part of the agreement. This decision provided briefly for the following: (1) sanitary and health conditions, including proper ventilation, and at least three-quarters of an hour for dinner; (2) so far as practicable equal division of work among all the workers in slack seasons; (3) the establishment by the company of some method of handling future grievances "through some person or persons in its employ;

Clarence Darrow

William O. Thompson

Representatives of the Union on the Hart, Schaffner and Marx Board of Arbitration

and any employee, either by himself or by any individual fellow-worker, shall have the right to present any grievance at any reasonable time, and such grievance shall be promptly considered by the person or persons appointed by said firm, and in case such grievance shall not be adjusted, the person feeling himself so aggrieved shall have the right to apply to some member of said firm for the adjustment of such grievance, and in case the same shall not then be adjusted, such grievance may be presented to Clarence Darrow and Carl Meyer, who shall be constituted as a permanent board of arbitration to settle any questions that may arise between any of the employees of said firm and said firm for the term of two years from April 1, 1911, during which time these findings shall be in full force"; (4) wage increases and adjustments as follows: a general minimum for all workers of $5 a week; a minimum for males over 17 of $6 and over 18 of $8, and a uniform increase of 10 per cent. to all workers; (5) the establishment of the 54-hour week, and the payment for overtime work at the rate of time and a half.

In accordance with the clause of the decision providing for the establishment by the company of some means of handling future grievances, the Labor Complaint Department was immediately established by Hart, Schaffner and Marx with Professor Earl Dean Howard as its chief. The duties of the department, as described by Mr. Howard in his testimony before the Industrial Relations Commission of 1914 and in other statements, were to maintain a system for the prompt discovery and investigation of any abuses or complaints that might arise among the employees; to recommend measures for the elimination of the sources of complaint; to represent the company before the Board of Arbitration (or Trade Board later); to negotiate with the business agents of the unions; to take general charge of employment, discipline and discharge, and of welfare work. The firm believed that the main difficulty in the past had been the lack of contact and lack of means of presenting grievances with any expectation of their being satisfactorily handled. The establishment of

the Labor Complaint Department was an attempt to meet this need.

Previous to the 1910 strike the industry had been noted for the prevalence of small section or shop strikes and so habitual had these become that they were taken as a matter of course and were thought to be inherent in the industry itself. Stoppages were simply necessary evils and there was no use in trying to eliminate them. During the first year of the agreement little progress was made in the elimination of these strikes. Mr. Howard says that for a while they were practically as frequent and as bitter as before the strike, despite all his efforts.

> "I used to go about in the shops whenever there was a strike and make a speech to them and describe the agreement. Mr. Hillman used to do so, too, and we really had to instruct the people that this meant a new way of adjusting grievances. The old way was the only way they knew."

Until September, 1911, when they first came to be regarded as serious offenses, sudden stoppages occurred almost every week. There was as yet no general understanding of the agreement or of the means afforded by the agreement for other methods of settling grievances than striking.

Friction and misunderstandings continued during this first year not through lack of effort on the part of the Labor Department, but because the machinery at its disposal was not adequate for its needs. The Labor Complaint Department, during the first years of its existence, handled nearly 800 complaints. No records were kept of the disposition of these cases, but an analysis of the complaints shows the chief sources of irritation to have been inequality of piece prices, varying quality of work demanded, abuse of foreman's power of discharge, lack of a practical and easy method of presenting grievances, recurrence of small strikes resulting in bad feeling, and lack of a method for the division of work in slack seasons. Problems as serious as these would have taxed even the best equipped system at that time, for to neither side had the significance and possibilities of the agreement become as yet clear. But in addition to the complexity of these

complaints, the Department as constituted could not possibly handle such a mass of problems speedily and satisfactorily without more time, more experience and a clearer definition of its powers and limitations. The failure of the Labor Department to handle these matters promptly as they arose resulted in the swamping of the arbitrators with a multitude of unnecessary detail, which theoretically should have been disposed of by the Labor Department.

The complaints that were thus presented to the Arbitration Board were so numerous and so varied that in point of time alone it would have been impossible for the Arbitration Board to handle them, while the confusion that arose in presenting cases through the Labor Complaint Department occasioned even more delay. But in addition to the delay involved in this procedure these cases required an intimate and technical knowledge of the industry in all its parts. It was obviously impossible to expect a Board of three, organized for the arbitration of fairly general principles of conduct and relations, to have at its command either the time or the technical knowledge that were needed. During the first year the arbitrators met more than fifty times. A great many oral and only twenty written decisions were made. Lack of means to enforce the decisions or to make them known to the parties often caused injustice, and the failure to make decisions promptly enough produced serious friction. It was increasingly evident that the system was not practicable as then constituted and that the Board of Arbitration could not handle promptly and justly both the technical questions and the matters of principle that were brought before it.

Many of the difficulties and injustices that arose under this system were involved in the process of price-making. Under a decision of the arbitrators the company issued complete specifications for all operations and a full statement of definitions and processes. They established piece prices for these operations with the approval of the arbitrators, subject to change only by the consent of the arbitrators, as provided

in the decision. In practice the effect of these specifications was frequently to lower the earning capacity of the workers. In such cases the proper procedure was for the complainant to formulate a grievance and to present it to the Labor Complaint Department for adjustment. If no satisfactory settlement could be reached (which was usually the case), the complaint went to the arbitrators, who would generally decide in effect to give an increase in prices so as to maintain former earnings. But by the time these decisions came out the workers in question would have been working at the old rates and the additional problem would have been raised as to when the new rates had become effective. In the meantime new specifications might be drawn up by the company which would practically nullify whatever adjustment the Board of Arbitration had made.

Discontent grew so bitter that the employees and arbitrators finally informed the company that there was danger of serious trouble unless some fundamental readjustments were made. As a result a preliminary conference was arranged for March, 1912. At this conference the employees were represented by Mrs. Raymond Robins of the Women's Trade Union League, John Fitzpatrick of the Chicago Federation of Labor, W. O. Thompson and Henry M. Ashton, and the firm was represented by Joseph Schaffner, Carl Meyer, E. D. Howard and Milton A. Strauss. This informal conference reached on April 1 an agreement providing for the appointment of a committee of five, two representing each side and the fifth chosen by the four other members, for the following purposes:

(1) To create a board for the adjusting and fixing of prices when necessary, and the adjusting of any other matters that might arise in dispute between Hart, Schaffner and Marx and their employees, the neutral member of the board to be appointed by the committee.

(2) To formulate rules for the guidance of this board, such rules to be binding during the continuance of the 1911 agreement, until April 1, 1913.

Officers and Executive Board Members
Women's Local 275

Officers and Executive Board Members Lithuanian
Coat Makers Local 269

Officers and Executive Board Members Sewing
Machine Adjusters Local 272

The Committee's powers and limitations were defined in the following clauses of the agreement:

> "It is expressly agreed upon that the agreement made on January 14 and the decision of Clarence Darrow and Carl Meyer, the arbitrators appointed under said agreement, which decision is dated March 13, 1911, shall remain in all respects in full force and effect, and neither said committee nor said board so appointed shall have any right to take up any question of increasing wages or of providing for any sort of what is commonly termed a closed shop, or to make any rules or regulations in violation of or inconsistent with any of the provisions of said agreement of January 14, 1911, or said decision of March 13, 1911.
>
> "Said board when appointed shall be solely for the purpose of acting as an original tribunal, and an appeal shall always lie to the arbitration board created by the said agreements from the decisions of said board."

The committee of five that was finally appointed was composed of E. D. Howard and Carl Meyer for the company; W. O. Thompson and Sidney Hillman for the employees, and Charles H. Winslow as the fifth and neutral member. This committee made its report, creating the Trade Board and the rules of procedure for its guidance as provided by the agreement. Following a preamble which summarized briefly the history of the relations between Hart, Schaffner and Marx and their employees and the facts that led to the appointment of the committee for establishing the Trade Board, the more important provisions of the report are as follows:

ORGANIZATION AND MEMBERSHIP.

> The Trade Board shall consist of 11 members with practical experience in the trade, if possible, five to be chosen by each side. All but the Chairman must be employees of Hart, Schaffner and Marx. Any member of the Board may be removed and replaced by the power appointing him. Five alternates are to be appointed by each side in case of absences, to avoid delays. Weekly meetings of the Board are to be held and special meetings may be called with 24 hours' notice. Both sides must have equal voting power in all questions arising before the Board. The neutral member of the Board will be appointed by the Committee of 5 and will hold office until the expiration

of the original agreement and will act as Chairman of the Board. The duties of the Chairman shall be to preside at all meetings, to certify to all decisions and proceedings of the board, to maintain order and expedite the business before the board by limiting discussion or stopping irrelevant debate, and to conduct the examination of witnesses and to instruct deputies, and, upon request, to grant stay of the orders of the board, at his discretion, pending appeal.

JURISDICTION OF BOARD.

Said Board is to have original jurisdiction of all matters arising under the agreement of January 14, 1911, and the decision thereunder of Messrs. Darrow and Meyer, of March 13, 1911.

Representatives of both sides shall appoint deputies for each branch of the trade allowing as much freedom as possible in the formation of rules for their guidance. One of the deputies shall be called "Chief Deputy," and shall keep the records, be responsible for placing matters on the calendar for the Trade Board, and in general be responsible for the orderly carrying on of affairs of the Trade Board on behalf of his party. Deputies are to do whatever work is assigned them by the Trade Board, take up grievances and investigate them promptly with deputies of the other side, and report decisions in writing if they come to agreement without the aid of the Board.

Their decisions will be binding unless appeal is made to the Trade Board within three days. If they fail to agree, the case will go to the Trade Board, which will hear argument on both sides, and decide.

Deputies must be either employees of Hart, Schaffner and Marx or connected with the Joint Board of Garment Workers of Hart, Schaffner and Marx.

APPEAL TO ARBITRATION BOARD.

In case either party should desire to appeal from any decision of the Trade Board, or from any change of these rules by the Trade Board to the Board of Arbitration, they shall have the right to do so upon filing a notice in writing with the Trade Board of such intention within 30 days from the date of the decision, and the said Trade Board shall then refer said matter to the Board of Arbitration, where the same shall be given an early hearing by a full board of three members.

General rules to expedite the practical work of the Trade Board provide methods for speedy attention to all griev-

ances; enforcement of decisions of the deputies or the Trade Board; immediate investigation of stoppages; appeal to the Board of Arbitration in case of refusal to obey decisions; submission of new specifications to the Trade Board when price changes are contemplated; conforming of price changes to changes in work, and the basing of new prices as far as possible on old; and notification of employees against whom complaints are brought, either at or before the time of entering complaint, so that they may notify their deputies. For the first time it is clearly recognized that stoppages are contrary to the spirit of the agreement:

> "If such stoppage shall occur because the person in charge of the shop shall have refused to allow the people to continue work, he shall be ordered to immediately give work to the people, or in case the employees have stopped work, the deputies shall order the people to immediately return to work, and in case they fail to return to work within an hour from such time such people shall be considered as having left the employ of the corporation, and shall not be entitled to the benefit of these rules."

Except for a change later made in the numbers of members of the Trade Board from 11 to 5, and other changes of detail this is substantially the constitution of the Trade Board as it has operated since 1912. The first officers of the Trade Board were as follows:

> Chairman—Mr. James Mullenbach.
>
> Workers' Representatives: Smith, Marimpietri, Kaminsky, Spitzer, Hirsch, Feinberg, Goldenstein, Taback.
>
> Company Representatives: Larson, Weinberg, Masche, Gutman, Duske, Leis.
>
> Workers' Deputies: Hillman (Chief), representing the coat tailors; Levin, the cutters; Miss Abramowitz, the vestmakers; Rothbart, the pantmakers.
>
> Company Deputies: Howard, Chief; Campbell, Assistant.

Soon after the adoption of this agreement it became clear that the original Board of Arbitration could function more effectively in its new capacity as a Board for the determination of general principles if the third arbitrator were chosen. Accordingly Mr. J. E. Williams was chosen Chairman of the

Board of Arbitration in December, 1912, and held that position until his death in 1919. Immediately after his appointment as Chairman and as a result largely of his intervention, several cases were disposed of by negotiation without decision of the Board. This method of settling whatever could be settled by informal arrangements between the parties or by negotiation has always been held by both sides and by the Board to be the best possible method of adjusting small differences, once the principle involved has been clearly established. The work of the deputies under the Trade Board was calculated to further this policy, whereby small or detailed problems can be adjusted before they become serious enough to be real grievances. It is a method that can only be practiced where there is a permanent organization created for that purpose, a clearly established set of fundamental principles mutually agreed upon, and a maximum amount of faith on the part of each party in the integrity and good sense of the leaders on the other side. The adjustment of grievances through the work of the deputies was, of course, subject to review by the Trade Board either on appeal by either party or where the deputies failed to agree. Their success in settling cases without resort to the Board is shown by the following record of adjustments:

From April 1, 1912, to June, 1914, the deputies adjusted 1,178 cases, or 84.1 per cent. of the total number; 206 cases, or 14.7 per cent. were decided by the Trade Board, and only 17, or 1.2 per cent. went as far as the Board of Arbitration. The disposition of the cases adjusted by the deputies in the first instance are not recorded, but the decisions of the Trade Board and the Board of Arbitration are completely recorded, and will be discussed in other chapters.

How far the Trade Board succeeded in accomplishing the purposes for which it was created is indicated in the statement by Mr. Winslow in a bulletin of the Bureau of Labor Statistics:

> "In the main, the Trade Board has served its purpose * * * to provide a tribunal of practical men working in the industry, who should constitute a court of original jurisdiction—a court

> competent to give more prompt and equitable service than could be reasonably required of the Board of Arbitration."

Hillman, in his testimony before the Federal Industrial Relations Commission, said:

> "This Trade Board was created so that it was really a new method of adjusting complaints—and that is an adjustment by the workers themselves. It introduces really what I call the new principle in organization, that if the workers are to be disciplined for any violation of the agreement, they themselves partly should be the judges."

The procedure for bringing in disputes since the creation of the Trade Board has been as follows: complaint is filed with the Labor Department, the two deputies of the Trade Board, one for each side, are informed of the case, they conduct a joint investigation in the shop and try to adjust the grievance. If they fail the case is automatically put on the Trade Board docket. The Trade Board then hears the case, calls witnesses, and either makes a decision or sends the case back to the deputies with instructions or recommendations. Gradually, as the machinery developed, decisions of the Trade Board came to be made more and more often by the deciding vote cast by the fifth member, the chairman. Thus the institution of the "Impartial Chairman" came into existence. The making of piece work rates, which became one of the functions of the Trade Board, is handled by a rate committee of three, one representing each side, and the third the Chairman of the Trade Board. In practice, however, the actual making of rates is usually done by the two members of the committee without the Chairman. In their decisions they are guided by the general rules agreed upon or laid down by the Board (e. g., changes in prices must correspond to changes in work). If the two agree, specifications and rates are recorded and put into effect. If they cannot agree, the full committee meets and makes a decision. Appeal may be taken from this decision to the Board of Arbitration if necessary, but no alterations are permitted after a decision has been made without the permission of the committee, or on appeal, permission from the Arbitration Board.

Problems or disputes involving general principles not already established will go before the Board of Arbitration directly, but all others may come before the Trade Board as a court of first instance. Some idea of the variety of the cases handled by the Trade Board, and their disposition can be seen from the following table:

NUMBER OF DECISIONS OF TRADE BOARD IN FAVOR OF UNION AND IN FAVOR OF COMPANY, BY NATURE OF GRIEVANCE, MAY 8, 1912, TO JUNE 1, 1914.

Grievance	No. of cases filed	Decisions in favor of union	Decisions in favor of Company
Wrongful discharge	75	24	34
Additional work, or prices too low	42	12	5
Disputes in price making	31	4	3
Reduction of rates of cutters	18	6	5
Discrimination against individuals or sections	15	5	4
Overcrowded sections	14	2	..
Preferring non-union help	7	3	1
Other grievances	21	5	2
Total	223	61	54

One of the most important contributions of this permanent adjustment machinery is the development of a working code of industrial law. The agreement itself is the constitution or fundamental law, while the decisions and precedents they establish are analogous to the common law. Thus these decisions and understandings have in time developed into a code of rules and procedure that all who work under the system must understand and be able to apply. The deputies and representatives of both sides must be thoroughly familiar with the law established, in order that they may adjust as many disputes as possible "out of court" fairly and equitably, and in the spirit of the agreement. E. D. Howard, in his testimony before the Industrial Relations Commission, described his own experience with this development:

> "This (organic growth of law) grows up through precedent established by various bodies and by people who have an opportunity to lay down policies. These precedents become law. At first, when you have a condition of no government, or despotism, and you are trying to change over to a republican form

> of government, which this is, you must have all these things worked out, you must have the constitution worked out, and you must have the fundamental law laid down, and you must have interpretations of it, and legislation * * * At first everything came up with us, all sorts of questions. Mr. Hillman and I would try to settle them ourselves. Of course, we could not, in a good many cases, and we by mutual agreement would say, 'Let us have this thing settled; let us have this precedent established; let us have laws and legislation' and we would refer it to a board of arbitration, and the board of arbitration gradually guided us, and has gradually enacted what expresses to a large number the ideas of the principles of justice in this industry, and since we have had this we have been able to settle practically all grievances."

Professor Tufts attributes the steady and consistent growth of these principles and precedents in part to the character and permanence of the personnel of the boards, which have made possible the development of a coherent and unified policy. Mr. Williams was Chairman of the Board of Arbitration for seven years, and Mr. Mullenbach of the Trade Board since 1912. Another factor was the practice of having the parties immediately concerned represented in cases by their deputies or labor managers, who are naturally more expert in presenting their cases and better acquainted with the detailed administration of the agreement. All this development of principles as the Trade Board became an established institution was of course not a matter of one or two years, but a long and slow matter of experiment and education that is still in the process of development. In the meantime, however, other important changes were taking place in the collective agreement and in the organization of the workers themselves.

The original agreement expired April 1, 1913, and as that date approached the situation was seen to be serious. Two months before the date of expiration the workers presented the following demands as a condition of the renewal of the agreement:

> 1) All workers must be members in good standing of the United Garment Workers and new employees must join the union within two weeks after employment.

2) The fifty-hour week for tailors and the forty-eight-hour week for cutters and trimmers.

3) Tailors: overtime must be paid for at the rate of time and a half; no overtime on Saturdays, Sundays or holidays; $16 minimum weekly wage; increases to be arbitrated; price committee to be created to determine prices and changes according to certain rulings.

4) Continuation of present Board of Arbitration during life of agreement.

5) $9 a week minimum for all workers.

6) No worker may be discharged without sufficient cause.

7) Overcrowding is considered a grievance.

8) All privileges of old agreement not covered here to continue as before.

9) For other departments, various wage and rate adjustments.

By an overwhelming majority the workers declared that if their demand for the union shop were not granted, they would strike. The Company objected on the ground that the employes were not sufficiently experienced to hold such power. This was, of course, the most important demand of the workers and both sides seemed determined not to yield. No agreement appeared possible and the workers prepared to strike on April 1st. It was a serious crisis, all negotiations ceased, and the arbitrators left the city. The Chairman of the Board, Mr. Williams, arranged with the Company for an extension of the period of the old agreement to May 13, 1913, to give time for more negotiations and thus possibly avert a break; but the workers refused to accept the extension. Finally, one week before the date of expiration, Chairman Williams and the Chief Deputies (Hillman and Howard) presented to both sides a tentative agreement providing for a preferential union shop, leaving practically all other issues in the hands of the Board of Arbitration, and providing for the continuation of the old agreement until another agreement could be reached.

On March 28th the Chairman issued the following statement of his interpretation of the agreement, in order that both sides might understand clearly what was involved:

"In facing the possibility of unsettled questions being submitted to arbitration, I find my present state of mind to be this:

"That, in addition to maintaining what has been gained in the present agreement, the chief interest of the employees centers around the question of an increased efficiency of organization, which requires a recognition of the need for such a substantial degree of preference as will tend to improve that efficiency, while the chief interest of the employers centers around the question of efficiency in business competition, which necessarily includes a recognition and consideration of cost and quality of production, with the shop cooperation and discipline necessary to secure it.

"I find my mind still open and ready to receive and be influenced by any light that may be offered by either side, and this statement is given to show, so far as I understand myself, what my present attitude is on the questions which most need to be considered and reconciled."

On March 29, 1913, the agreement was adopted and signed by representatives of the firm, of the Joint Board of the Hart, Schaffner and Marx local unions, the Central Federation of Labor and the Women's Trade Union League. The signing of this agreement was unquestionably one of the most important gains won so far by the organized clothing workers of Chicago.

Under the terms of this agreement, known as the Preferential Shop Agreement, all matters in dispute, except the question of preference, were left to the Board of Arbitration. The rest of the 1913 agreement was really issued therefore in the form of a Ruling of the Board of Arbitration, effective from May 1, 1913, to May 1, 1916. The Ruling incorporated the agreement for preference of March 29th; provided an opportunity for renewal of the agreement before the time of expiration in 1916; provided for the continuation of the Trade and Arbitration Boards; enlarged the powers of the latter by the so-called emergency clause; reduced hours of work in the tailor shops from 54 to 52; retained the minimum wage scale with certain exceptions; provided for pay at the rate of time and a half for overtime work and no overtime on Sundays or legal holidays; left the power of discharge and discipline with the company, subject to review; ordered

the maintenance as far as possible of a balance of workmen in the sections in order to keep different departments at work, complaints in regard to this being subject to review by the Trade Board; provided for the replacement of workers displaced by abolished sections in work as nearly as possible like their old work; and retained in full force those parts of the old agreement not in conflict with this, or obsolete.

The first decision prescribing the manner of applying the principle of preference was made on August 30, 1913. This application of the principle of preference is an excellent example of the building up of a code or body of practical law by the decisions of the Boards which interpret and apply general principles. The gist of the decision was as follows:

> "The test of preference is that it must strengthen the organization, while at the same time it must extend a 'reasonable preference' to old employes, and maintain the efficiency of shop discipline * * *. The Board * * * offers the following experimental interpretation: The application of the principle of preference made herein is based on the degree of unionization at present existing in the shops and is designed to prevent union membership from falling below its present status, and by its continued operation to strengthen the organization as contemplated by the agreement."

The decision then proceeds to establish classes for degrees of unionization, rules for preference in each class and for promotion of sections from one class to another, for slack season reduction in working force, and for preference in hiring. Special rules were made later for the cutters and trimmers to the effect that workers in cutting and trimming rooms shall be union members in good standing, except that the company may employ 20 non-union cutters and 9 non-union trimmers, this being less than 5 per cent. of the number employed in each case. In conclusion, Mr. Williams noted certain general rules in regard to the punishment of wilful stoppages or any other violation of the spirit and intention of the agreement. This decision became the guide for future applications of the preferential clause of the agreement. The strides forward that the union had made since 1911 and the

acceptance of the position that the organization should continue to gain and not lose strength, are clearly recognized in the above decision. The preferential shop did in practice soon come to mean the union shop, for with the increasing degree of unionization, the union saw to it that its members were available for preference when jobs were open. The degree of unionization under this agreement was naturally of the utmost importance, for it determined the class of the sections for purposes of preference, and in March, 1914, the Labor Department directed the foremen to take a census of unionization. Three months later, the union took a census of its members through the shop chairmen. The union figures, compiled in May, show a considerably larger proportion of union men than were shown by the March census. The percentage of union members in the pants shop (the lowest percentage of all the shops), according to March figures, was 51, and in May, 77.6. In the vest makers' section, the percentage of union members was 89 according to the March figures and 96 in May, and in the coat makers 82 and 91.6 respectively. The degree of unionization of cutters and trimmers was 95% at both dates. The total membership of the union calculated from the dues collected in the four months from January to May, shows an increase of from 2,592 in May, 1913, to 8,906 in May, 1914, or 344 per cent.

After January, 1914, new groups of workers (including ticket sewers, inspector tailors, and apprentices) who were not unionized at the time of signing the agreement in March, 1913, were brought under the agreement, due to their subsequent organization by the union.

Another provision in the 1913 agreement that was of great importance in the development of the strength of the union was the clause limiting the power of discharge by requiring that a sufficient reason be shown for discharge and by providing for appeal in the case of those believing themselves unjustly discharged.

The development of the position and function of the shop chairman, as a recognized officer of the Union, came largely during the life of this agreement. In the original agreement

there was no mention of a shop chairman. In fact, it was specifically provided that "any employe—may present a grievance in person or by an individual fellow worker." The progress and status of the Union were later recognized in a ruling to the effect that the Joint Board might designate any fellow employe of the company to represent them before the Arbitration Board. The institution was thus officially recognized and one "representative" was selected by the cutters, one each by coat, vest and pants tailors, and one each by the Polish and Lithuanian workers. Later, the Board interpreted "fellow worker" to be the official representative of the Union, the shop chairman, and still later the rights and powers of the shop chairman were defined in the Trade Board decisions of January 8, 1913, and September 5, 1914:

JANUARY 8, 1913.

"Inasmuch as the agreement is silent on the matter at issue a decision must rest on the most reasonable interpretation of the intention of the agreement and of the circumstances of shop operation.

"It is clearly intended and declared by the agreement that an employee may elect to present a grievance by a fellow worker rather than by himself. It will not be denied that an employe may bring a complaint to the representative of the firm during working hours. But under the agreement he may choose to make such complaint by a fellow worker rather than by himself. In this case the agreement confers upon the fellow worker all of the rights of making and adjusting the complaint that it lodged in the employe. The employe is entitled to place his representative—the individual fellow-worker—in full possession of the facts of his complaint."

SEPTEMBER 5, 1914.

"In the present case the question centers on whether, when an employe presents a complaint to an individual fellow worker (shop chairman) the individual fellow worker has the right to go to the place of work of the complainant and investigate the complaint.

"On this point the board rules that the individual worker (shop chairman) has the right to go to the place of work of the employe, where it is necessary for him to get full possession

Officers, Coat Makers Local 39 and Shop Chairmen, Hart, Schaffner and Marx—February, 1914

of the facts of the complaint. He may then take it up with the foreman, but the foreman is not required to discuss the complaint with him and may refer him to the other channels for adjusting complaints.

* * * * * *

"The shop chairman thus became the representative of the workers on the premises of the firm. Individual workers file their grievances with the chairman, who takes the matter up with the shop representative of the firm. If the chairman of the shop does not succeed in adjusting the matter, the grievances are brought (by the shop chairman) to the attention of the respective deputy. The deputy then takes the matter up with representative of the labor complaint department of the firm."

In February, 1914, representatives of 5,000 workers of the firm met to celebrate the success of their relationship after three years of peace. A most enthusiastic reception was given to Sidney Hillman, Chief Deputy for the workers. By this time, the agreement was recognized as a great achievement not only by those directly concerned with its operation but by the public and the press as well.

"No occasion in all Chicago's industrial history," said the Chicago Daily News, "has more clearly demonstrated how much more practical and profitable peace is than war, and how much more essential to peace and prosperity is the democracy of good will than any kind of oligarchy in industry * * * This is history in the making here in Chicago."

In the fall of 1914 came the break from the United Garment Workers and the appearance of the new organization which later became the Amalgamated Clothing Workers of America. Neither this great change in the organization of the workers, nor the subsequent general strikes of 1915-16 that tied up other clothing houses, affected the agreement of Hart, Schaffner and Marx with its organized employees. Recognizing the facts as they were, the firm continued the agreement with locals of the Amalgamated Clothing Workers that it had begun with the United Garment Workers, and during the general strike in the fall of 1915, the agreement continued in effect, so that no stoppages occurred among the workers of Hart, Schaffner and Marx.

On May Day of 1915, A. D. Marimpietri, head of the Joint Board of Hart, Schaffner and Marx workers issued a call to all clothing workers to celebrate May Day as the International Labor Day. It was the first attempt to do this and the response was beyond all expectations. Over 10,000 workers paraded through the clothing district, halting outside of the unorganized shops. The effect of the whole demonstration on the unorganized workers was tremendous. This May Day parade, aided by wide publicity in the daily press, did much toward laying the foundations for the general strike in the fall of 1915.

The next significant event in the history of the collective agreement with Hart, Schaffner and Marx came when the agreement of 1913 was to expire in 1916. The great figure of the year was Mr. J. E. Williams, Chairman of the Board of Arbitration, to whose efforts the renewal of the agreement is credited. Mr. Williams himself called the signing of the agreement his "crowning experience" as a labor adjuster. In discussing the character of the union in connection with the renewal of this agreement, Mr. Williams wrote:

> "There were those among the disbelievers in collective bargaining who foresaw the rupture of the Hart, Schaffner and Marx agreement in this settlement. There were those who believed that the union, after its five years of solidarity, would use its power to throttle the company * * * All these expectations were negatived by the result. Five years of power, instead of making the union arrogant, has only given it a sense of restraint and responsibility. It has proved that, guided by honest and intelligent leaders, the workers may be trusted with power, that industrial democracy is not a dream, but a potential reality."

Not that there were no serious problems at the moment to complicate the situation; serious questions of wage increases and reductions in hours presented in fact great difficulty, but the habit of collective bargaining that had been developed in the course of the previous five years of agreement, together with what Mr. Williams called "The Will to Agree," prevailed over the difficulties.

The agreement itself was the result of negotiations and conferences over demands of the union, which included, among other things, an increase in wages, the 48-hour week, the continuation of the Trade Board and Board of Arbitration as now constituted, and the preferential shop. Two weeks before the date for the expiration of the old agreement, the new agreement was signed for another period of three years, from May 1, 1916, to April 30, 1919. On the matter of hours a compromise was reached with the establishment of the 49-hour week. At the date of signing of the agreement, a 10 per cent. increase was granted, which the union, instead of applying horizontally, distributed in such a way as to give the lowest paid workers the greatest benefit. This action was cited by Mr. Williams as a proof that the union was highly developed, capable of self-control, and eminently fit to hold power.

The important provisions of the agreement of 1916 are substantially the following:

1. The old agreement and decisions based thereon, are to remain in force unless modified by or conflicting with this agreement.

2. The Board of Arbitration is to have full and final jurisdiction over all matters under this agreement, and decisions of the Board are to be conclusive. Members of the Board are to be: Mr. Thompson, Mr. Meyer, and Mr. Williams.

3. The emergency clause of the 1913 agreement is renewed.

4. The Trade Board is to continue as before, as the primary board for adjusting grievances. The following important addition was made to the rules for Deputies:

"The Union deputy shall have access to any shop or factory for the purpose of making investigations of complaints; but he shall in all cases be accompanied by the representative of the employer. Provided that the latter may, at his option, waive his right to accompany him, also that in minor matters where convenience or expedition may be served, the union deputy may call out the shop chairman to obtain information without such waiver."

5. Shop representatives (or shop chairmen) are specifically mentioned in the agreement and their duties and powers defined. The shop chairman is recognized as the duly accredited representative of the Joint Board, having charge of complaints and

organization matters in the shop. He is to receive complaints and have opportunity to investigate them, he may collect dues, etc., as long as it does not interfere with shop discipline or efficiency; and he must do all in his power to promote good will and cooperation.

6. Detailed procedure is outlined for the handling, investigation, and presentation of grievances, appeals, and for the enforcement of decisions.

7. Piece rate committees take up changes in all cases where changes are contemplated.

8. The preferential shop clause is to remain effective, as before.

9. The limitations on discharge of workers as provided in 1913 agreement remain in effect.

10. Stoppages are considered serious violations of the spirit of the agreement.

11. Workers are not to be detained in shops when there is not enough work.

12. Employes are to be notified of complaints against them so that they can notify a deputy.

13. Lay off of union workers is only permitted in case of alternation in slack times, reorganization, or reduction in sections, lawful discipline, etc.

14. During slack season work is to be divided equally, as far as possible, among all the workers.

15. Absence without cause or notification is equivalent to quitting.

16. Workers displaced by abolishment of sections are to be replaced in work as much like the old work as possible.

17. Workers absent because of sickness will up to a reasonable length of time be reinstated.

18. The provisions for preference require that the union keep its door open to the admission of non-union workers. Dues and initiation fees must not be prohibitive.

19. All provisions of the old agreement, except where superseded or conflicting with these, are to remain in effect.

From 1916 to 1919, a period of world war and unsettled economic conditions, the agreement and those who worked with it were confronted with new and unexpected problems. Fortunately the law of the industry proved itself elastic enough to meet such rapidly changing conditions. In January, 1917, 2 per cent. was added to the wages of piece workers, in addition to the 10 per cent. granted at the time

of signing the agreement. On May 1, 1917, 10 per cent. increases were granted by decision of the Board and this time applied horizontally. The following year, on April 22, 1918, the firm granted " voluntary " increases, the result of negotiations between the union and the firm, effective as of May 2, 1918, and amounting to 10 per cent and 15 per cent. Like other gains of the Hart, Schaffner and Marx workers, these increases were of great help in stimulating the campaign to organize the rest of the Chicago market, which still remained non-union.

On January 2, 1919, after seven years of distinguished and invaluable service, Mr. J. E. Williams, Chairman of the Board of Arbitration, died. James H. Tufts, Professor of Philosophy in the University of Chicago, was appointed to succeed him.

CHAPTER IV

THE BREAK FROM THE UNITED GARMENT WORKERS IN 1914

THE conduct and termination of the 1910 strike resulted in resentment and suspicious hostility of the clothing workers toward their leaders in the United Garment Workers of America. In order to realize the intensity of their feeling, and the accumulated sense of injustice that culminated in the fall of 1914, it is necessary to go further back and examine briefly the history, the methods, and the various activities of the clothing workers' organizations prior to the break in the ranks of the United Garment Workers in 1914.

It is from the first a history of exploitation and of chaos. It is clear from the nature of the industry itself and the course of its development, that organization of the clothing workers presented a highly complicated problem. The very conditions that made organization a pressing necessity tended also to retard its progress as we have seen in the sweatshop years before the 1910 strike. The immigrant workers; the highly seasonal nature of the industry; the prevalence of home work, with all the special problems of organization involved in that system; the constant division and sub-division of operations, setting the skilled workers at a comparative disadvantage; all these helped to make the clothing industry one of the most difficult of American industries to organize.

From the beginning many sporadic and ineffective attempts to organize the clothing workers were made by such unions as the Journeymen Tailors, originally formed as a benevolent organization only. For the most part these attempts were either too feeble to be effective, or disrupted by jealousies and dissensions, or undermined by corruption from within. Of these early organizations the Journeymen Tailors were the most powerful, especially in New York City,

where they were supported by the Central Labor Union in the first general strike in 1833. The first national organization of tailors, however, did not come until after the foundation of the Knights of Labor in 1866. It began, as most unions of that period did, in rebellion against an older union no longer effective. In 1873 the various locals under the Knights of Labor joined to form a national organization. One of the worst difficulties under which they labored was the necessity for secrecy, due to the blacklisting and lockouts in the reaction that followed the Civil War. Partly for this reason and partly through inherent weaknesses in the organization, the Knights of Labor were never very successful in organizing the clothing workers.

The decade of 1880-1890 was filled with uprisings, new organizations, counter-movements and revolts. Finally in 1891 the United Garment Workers was organized, supported at the beginning, by the United Hebrew Trades. The union was organized under the leadership of dissatisfied officers of the Knights of Labor and took immediate steps to entrench and safeguard itself by obtaining a charter from the American Federation of Labor. This step was strongly opposed by the United Hebrew Trades, which just a little while before had urged the organization of the United Garment Workers, and it passed a resolution in 1892 criticising their action in affiliating with the American Federation of Labor. In 1893 the new union engineered a strike that developed into a fight with the Knights of Labor, from which the United Garment Workers emerged victorious.

This strike was followed by a period of severe depression and unemployment, lasting until the beginning of the new era of inside shops. It was largely in these years, from 1883 to 1894, that the sweat-shop came to be the characteristic feature of the clothing industry, and became closely associated in the minds of the workers with the contract system that prevailed during that period. Beginning with 1894, however, the great inside factories began to spring up. Their effect was greatly to facilitate the work of organization, partly because of the greater accessibility of workers

through the grouping by sections, and partly because of the relative decrease in the number of home workers.

The United Garment Workers reaped the benefits of these great changes, and soon found itself the most powerful of the then existing clothing workers' organizations. The union comprised three main branches of the garment industry —overalls, shirts, and "men's and boys' clothing." Early in their history the United Garment Workers were fairly successful in organizing the pants-makers, children's jacket makers, and especially the overall makers. With the Brotherhood of Tailors of New York, however, which had affiliated with the United Garment Workers, but had to a certain degree retained its independence, the new organization got on badly from the beginning. This hostility continued and grew throughout the history of the United Garment Workers.

Viewed in the light of all the events up to 1914, and according to their own subsequent statements, the hostility and distrust of the tailors were founded principally on the following grievances: (1) The failure of the United Garment Workers to organize the tailors, or to support them in their attempts to organize or increase their membership; (2) refusal to take notice of the growing demand on the part of the clothing workers for industrial unionism rather than craft unionism; (3) autocratic and unrepresentative administration of the union's business, both constitutionally and unconstitutionally; (4) corrupt practices existing among the officers of the United Garment Workers, and the misuse of union funds, particularly in connection with the abuse of the union label. How far these complaints were justified, the events themselves show best.

Serious dissatisfaction with the union's policy in regard to the organization of the tailors was manifested in 1904 at the close of an unsuccessful strike in New York City. It was only one of many cases in which the clothing workers were to find themselves not only unsupported at a crucial

moment by their own leaders, but forced to accept unsatisfactory terms of settlement.

In the meantime there were many proofs of neglect in regular " peace-time " organization work as well, in the distress signals sent out by various locals seeking support for their failing membership. At the convention of 1906, for example, a Chicago tailors' local reported that its membership had fallen from 450 to 30, and they asked the national office to help them regain their membership. Another local reported " a state of loss of confidence, and in some cases discouraged to a great extent." Another Chicago local reported a drop in membership from 500 to 32, and said that the only way to organize was " to show outsiders the direct benefit, moral and financial, it is for them to be organized —we have nothing to offer." A St. Louis local appealed for help, reporting that they were " almost out of existence." Various other locals described similar conditions, but almost without exception their requests were ignored.

The distrust that had been awakened in the minds of the workers was further stimulated by the action of the leaders in the Tailors' first general strike of 1907 in New York. After the New York Tailors had struck for the right to organize and for the 53-hour week, there was a split within the ranks and the United Garment Workers' officials charged those who persisted in opposing them with insurgency, and expelled them from membership, although fifty thousand members had voted in favor of the so-called " insurgents." The split was apparently healed, but the strike was lost. But perhaps the most important single event that proved to the workers, not only that the national office was not primarily interested in organizing the clothing workers, but that it was actually in many cases opposed, was the Chicago strike of 1910, and its settlement. President Rickert in his report on the 1910 strike to the next convention shows clearly that the officers were opposed to the purposes of the strikers. In discussing the rejection of the first agreement which he had drawn up, and which provided that " no question of union or open shop or shop

organization should be submitted to, or passed upon by the collective machinery established," Rickert says: "in this they were aided by the English, Foreign and Socialist press as well as by other organizations, notwithstanding the fact that these same officials had, prior to the submission of this proposition, acknowledged many times that any agreement would be a good settlement."

Finally in 1911 the Tailor locals of New York and Baltimore called a conference at Philadelphia on the subject of the organization of the tailors, in which they voiced their complaints against the United Garment Workers:

> "The National organization of the United Garment Workers is in existence for the last few years, and we tailors have organized that body. We helped the organization in its moments of need, consequently we worked very hard and paid every cent to set the organization on a solid material basis. At last we enjoy very little of the benefits of this organization.
>
> "Who will deny the fact that the national organization is presently being controlled by representatives of the Overall Makers, who do not want and cannot understand the interests of the tailor in America?
>
> "Who will deny the fact that the officers of the United Garment Workers of America are not able to deal with more than the Union label, and probably not even this? * * * The Tailor Unions are now like a 'step-child' to the national organization."

The result of this conference was the formation of the Tailors' Council which, after bitter opposition, the United Garment Workers was forced to recognize.

A vigorous organization campaign by the tailor locals of New York City in 1911-1912 was then undertaken with astounding results. This new activity marked the taking of the lead by the tailors themselves toward improving their conditions and organizing the industry. Finally, when a general strike was called December 30, 1912, for the 48-hour week and wage increases, all of the workers in the industry responded. The organization campaign carried on by the local unions of the Brotherhood of Tailors in New York had been so successful that the general officers of the United

Officers and Executive Board Members Bohemian Coat Makers Local 6

Officers and Executive Board Members Polish Coat Makers Local 38

Officers and Executive Board Members Italian Coat Makers Local 270

Garment Workers, unlike on the occasion of previous strikes, gave their sanction to the organized fight of the tailors for better conditions.

From the first the officers of the United Garment Workers attempted to control the strike and to arrange " settlements " with the manufacturers. In January they submitted an agreement which was rejected because it did not reduce hours and offered only 5 per cent. increase in wages. The workers refused to vote on a second agreement negotiated by the national officers for a 52-hour week and an increase of $1.00 per week. Even when the employers agreed to reduce the hours to 50 as of January, 1914, the workers refused to consider it. Finally, on February 28, 1913, the general executive board of the United Garment Workers accepted without reference to the strikers another " settlement " with the manufacturers' association. This settlement provided for an increase of $1.00 per week, the abolition of sub-contracting and the creation of a commission to fix hours.

When these terms were made public, the Brotherhood of Tailors rejected the agreement on the ground that it was entered into without the consent of the strikers. The workers were so incensed by the treachery of their officers and the support given the unpopular settlement by the Jewish Daily Forward when the strike had been virtually won that they smashed the windows of the Forward offices in protest.

The Brotherhood of Tailors immediately called a conference of Jewish unions and other progressive organizations and formed a special committee to carry on the strike. The sum of $50,000 was raised. The Forward then followed the popular movement, realized its original error and urged the strikers on. General President Rickert and the other officers of the U. G. W. on the other hand wrote to the Mayor of the city urging him to stop further picketing by the strikers.

The strike was finally terminated on March 13th when a new settlement negotiated by the newly created strike committee was ratified by a referendum vote of the strikers. While the workers did not receive in full their demands, they secured important concessions in the improvement of work-

ing conditions. More than that they had laid the foundation for a permanent organization of all the workers in the clothing industry in New York City. Effective organization in New York dates from the 1913 strike. The action of the general officers of the U. G. W. in their attempts to force the workers to settle and their move to stop picketing after the refusal of the strikers to accept the settlement of February 28th represented only an attempt to do in New York in 1913 the thing which they had tried unsuccessfully in Chicago in 1910. The breach between officialdom and rank and file had been widened. To the officers of the U. G. W. the growth of the New York Tailor locals had become a serious menace to their continuance in power.

The opposition of the United Garment Workers to industrial unionism and their failure even to understand the demand was in part another phase of their antagonism to the tailors. For the demand rose not among the conservative shirt and over-all workers but among the progressive and dissatisfied groups of the clothing workers.

The very constitution of the old United Garment Workers was based on the principle of local autonomy. District councils were merely loose federations of locals in one city and were in practice almost powerless. Any local in the city might, for example, vote for a strike without reference to or consultation with the district council or other local unions in the same city, regardless of their interdependence. The matter would then go directly to the general officers for their approval or disapproval. Resolutions attempting to remedy this situation by giving the district councils more power were always defeated by the General Executive Board. But the fact that such resolutions were brought in increasing numbers as the years went on is proof of the dissatisfaction of the members with the existing system. As early as 1906 a resolution was submitted providing for the sanction and recognition of semi-annual conferences between different locals and district councils, having the power to legislate for locals represented, subject to the approval of the General Executive Board. This resolution was de-

feated. Many other resolutions of the same purport were introduced at this and later conventions. One recommended that all branches of the trade be represented on the executive board and another recommended the representation of each principal market. In 1912 a drastic resolution was brought:

> "We have resolved, The only means to bring about a powerful organization is with an industrial war, which will involve all occupations affiliated with the U. G. W. And it must extend wherever the U. G. W. has jurisdiction, and tie up the entire clothing industry, at such time as the delegates see fit; and we must have a uniform price for every occupation * * * We are using old-time methods * * * The garment workers cannot expect the rest of the tailors of this country to be organized and to have confidence in it or respect for it unless it gives some evidence of thought and intelligence and a careful consideration and genuine intention on this and other important matters before us demanding solution."

The committee on resolutions recommended that this be "received and spread on the minutes," which was done.

The utter failure of the United Garment Workers to understand the demand for industrial unionism was shown conclusively in the General Executive Board report to the 1914 convention:

> "The hue and cry for an industrial form of organization in the tailoring industry is difficult to understand * * * It is the opinion of your General Executive Board that this convention should go on record as flatly opposed to amalgamation in any form at this time with any of the other organizations in the clothing trade, and that the incoming general executive board be empowered to resist any encroachment upon our jurisdiction by any other union."

The constitution of the United Garment Workers providing as it did for local autonomy and dependence of the locals directly on the general officers, lent itself readily to autocratic control on the part of the officers. A few examples will show how the extraordinary powers held by the officers and General Executive Board under the constitution were misused by them. Foremost among these was the power to grant charters, which the general officers used so

as to strengthen their control of the union. Strikes were referred directly to the general office. No person was entitled to strike benefits unless he had been a member in good standing at last three months before the strike was declared. One article sought to protect the officers from criticism by providing for trial of members in "cases when a general officer has been slandered or libelled." Thus effective criticism was often stifled by fear of expulsion and loss of a job.

In addition to constitutional powers originally conferred upon them, the officers were constantly seeking to strengthen their hold by bringing in new resolutions. It should be noted that for years the officers had effectively controlled the conventions either through the appointment of committees or through control of the delegates, or through over-representation of those locals favorable to themselves—and often by all of these methods. This last expedient was made possible by the power to grant charters to any number of locals. The result was the chartering of many numerically small locals in those districts favorable to the administration, especially among the overall and shirt workers. Consequently, although their delegates sometimes out-numbered the delegates of clothing locals for purposes of voting, they were not actually representative of the majority of the membership. Thus by one means or another resolutions brought by officers were generally adopted, while those opposing them were unfavorably reported and lost.

One of the most striking resolutions seeking to secure the power of the officers was brought by Secretary Larger in 1906. He recommended that the general officers be given power to suspend immediately any local refusing to obey their orders. This recommendation despite much opposition was finally carried. Two constitutional amendments as to discipline were not even voted on by the convention but were merely concurred in by the Board and subsequently referred to as " amendments to our by-laws." In 1912 Sidney Hillman, then chief deputy for the Hart, Schaffner and Marx workers, forced a hearing for two delegates whom Rickert

attempted to disfranchise under these "by-laws," without giving them a hearing.

Due to the combined efforts of Rickert and Larger, nine resolutions for reform elections were reported unfavorably by the committee. Among these were resolutions for the secret ballot, for the restoration of the referendum, for the removal of officers by referendum and other similar reforms. It should also be noted that in 1912 as in most other years, Rickert and Larger were elected by acclamation. Nevertheless, strong opposition was already being shown, at that time, to their administration. Though the constitution originally provided for a referendum vote, the officers had tried to abolish it as early as 1906. To quote Rickert, who claimed to approve of the referendum in theory: "It has been conclusively demonstrated that in our organization for the general interest of its progress, the referendum has been an absolute failure. I would recommend that the constitution be so changed as to give the convention power to decide * * * without submitting it to a referendum vote." This resolution was adopted by vote of 44 to 17.

In opposing these resolutions to restore the referendum, Rickert, in 1912, said: "The referendum vote has been a bar to progress and advancement. I would leave the law as it is, giving the locals and General Executive Board the right to submit amendments between conventions, but feel that all laws adopted at conventions should go into effect without being submitted to the vote of the people." One of the measures thus passed was a resolution introduced by one of the officers raising the salaries of the general officers and awarding themselves back pay for two years, without referring this question to the membership.

The abuse of the union label as practised by the officers of the United Garment Workers is cited in the New York convention of 1914 as one of the tailors' most serious grievances and a direct cause of the revolt. From the beginning the United Garment Workers had neglected the organization of the tailors to a far greater extent than the organization of the overall and shirt workers. The explanation for

this discrimination is to be found in the fact that, through the use of the union label, the Garment Workers were able to control the overall workers more effectively than they could hope to control the tailors. The sale of union labels was the great activity of the United Garment Workers and they naturally found it profitable to devote most of their energies to organization in those branches in which the union label could be most readily used. As a result the union label was a serious cause of friction between the overall and shirt workers and the tailors.

In the hands of the officers of the United Garment Workers, the label, instead of being a safeguard to the workers as it was intended to be, became a dangerous weapon whereby large funds were extorted from the membership and misused, standards lowered, and the workers, either ignorant of the working of this system or else helpless to remedy it, were often forced to scab on each other. The union label became one of the most important sources of revenue for the officers. The United Garment Workers were supposed to sell labels to firms that were under agreement as to conditions of work and employed only union members. But in practice the granting of labels often amounted to conspiracy with the employers, some of whom retained the use of labels without conforming to union standards. In many cases the tailors knew the conditions of union label shops to be worse than the conditions in non-label houses.

Such use of the label proved to be profitable, however, and the officers again and again emphasized the advantages of the union label and urged their more extended use. Large sums were spent on labels and label advertising that might have gone into organization work. In one year, 1906, the general officers spent approximately $16,656 for organizing, $13,250 for strike benefits, $24,572 for labels and $10,748 for label advertising and propaganda.

In 1912 President Rickert said that the union label was "the most effective weapon that can be utilized by the wage earners of America. Its general demand would in a great measure bring peace to the labor movement. The exploita-

tion of the laborer would cease and strikes and lockouts would be minimized * * * the working men and women of this country do not appreciate the full value of the union label and hence it becomes necessary to have a large corps of label promoters in the field."

Often strikes in non-label shops would be given support by the United Garment Workers, while strikes in label shops would be betrayed by their own officers who supplied the employers with scab workers, to whom they had given union books. The workers for a long time did not dare to voice their grievance openly for fear of losing their jobs through the union. Such complaints as were made, to the effect that the officers were too lenient with firms that misused the label, were repeatedly ignored. Thus, for instance, many clothing manufacturers were enabled to retain the use of the label, despite the protests of the workers, when in reality, clothes in these shops were made under the worst sweat-shop conditions.

In 1906 a Chicago local protested against the selling of the label to special order coatmakers, who were using 50 per cent. non-union helpers, but no action was taken on this complaint.

In view of their use of the union label, the union officers naturally considered strikes an unnecessary expense and interruption, and they concerned themselves as little with the improvement of conditions through strikes as with the work of organization.

Faced by these abuses and the waning strength of the organization, both numerically and financially, the progressive members began to organize for resistance. As the time for the 1914 convention approached, the dissatisfaction of the workers came to a head and it was apparent to the officers that it would be difficult for them to retain their power. The methods used in past conventions they realized would not be sufficient to stem the tide of indignation that the tailors' locals were now showing more and more openly. " There was a general and widespread dissatisfaction among the membership with the former international administra-

tors who never acted in accord with the membership * * *. The membership growing ever stronger and more self-conscious, looked forward to the biennial convention as the place for correcting the different evils they were suffering from."

Nashville was chosen as the convention city for 1914, primarily because it was convenient for the overall and shirt-workers and very inconvenient for the clothing workers. An active campaign was waged by the clothing locals throughout 1914 against the re-election of the old officers. The selection of Nashville as the convention city was regarded as the first step toward reducing the power of these opposing locals. A motion to hold the convention in a more central location (Rochester), which was constitutionally made by a tailors' local and constitutionally seconded, was ignored by Secretary Larger and no vote was allowed, although the constitution specifically provided for such referendum. In giving the reason for his refusal to put this motion to referendum vote, Secretary Larger said that some of the locals seconding the motion were in arrears, whereas in fact locals charged with arrears had not yet had their accounts audited and were therefore supposedly in good standing. Motions to remove Larger for unconstitutional behavior were likewise ignored. At the convention Larger evaded the issue by making it appear that he was charged with violation of an entirely different clause of the constitution.

Referendum on a change of the convention city having been refused, in spite of the financial difficulty for a large number of eastern locals and in spite of the unconstitutionality of the procedure, the convention was called for October 12th at Nashville, Tennessee. The call included the following rulings for representation and credentials:

> "Representation in the convention will be based on the average membership on which local unions paid per capita tax for the twenty-five months ending August 31st, immediately preceding the convention. Delegates are not entitled to seats in the convention unless all the indebtedness of their local union

to General Office has been paid in full to August 31, 1914, and unless the Local Union has paid per capita tax to the International Union on all its members. At this convention matters of the greatest importance to the workers will be discussed and acted on, and every effort will be made to broaden the field and means for the organization of the yet unorganized workers in the clothing industry. Therefore, the importance of our movement, the duty to the present and for the future, demand that every local union entitled to representation shall send its full quota of delegates to the Nashville convention, October 12, 1914."

But the officers of the United Garment Workers knew that they would have to take even more drastic steps to hold their own against the rising opposition of the clothing delegates. Having already violated the constitution by refusing to submit the motion to convene in Rochester to referendum vote, they proceeded to disfranchise the majority of the opposing locals' delegates. In August, just before the election of local delegates, General Auditor Haskins was sent out to audit the books of the locals. He reported large indebtedness against those locals known to be in opposition to the officers of the United Garment Workers and declared them to be in arrears. On September 12th a circular letter was sent to all the locals thus charged with arrears, telling them that no credentials would be issued to delegates of locals whose bills were not paid. The letter rested this policy on the following clause in the Constitution:

"Section 10 of Article III of our International Constitution reads as follows:

"No Local Union shall be entitled to representation at the biennial convention unless the per capita tax and assessments are paid up to the first day of September preceding the convention. Your Local Union owes $ per Auditor Haskins' statement, which is herewith attached. Immediately on payment of the amount due as above stated, this office will forward credentials to your Local Union. The Local Union failing to pay its indebtedness, will receive no credentials and will not be entitled to representation at the coming convention."

The bills in most cases were declared by the locals to be fabricated for the purpose of disfranchising the local, and

in many cases were ridiculously large. The amount charged the New York local alone was $75,000. On September 28th a second letter was sent to these locals, threatening them with non-representation unless they paid at once. In both letters the officers claimed to be acting as required by the constitution. In reality, however, the letters and the whole proceeding were in violation of the constitution and the rights of the local unions concerned. According to the constitution, the representation of locals was to be based on the average membership on which local unions had paid the per capita tax for the twenty-four months immediately preceding the convention, no local union having more than four delegates. The delegates were not entitled to seats unless all the indebtedness of their local unions to the General Office had been paid in full up to August 31, 1914, and unless the local union had paid the per capita tax to the General Office. The locals charged with arrears, however, were not in arrears as provided by the constitution, inasmuch as they had paid the per capita tax for the twenty-four months ending August 31st, as well as the assessments called for, and had elected delegates in proportion to the membership on which they had paid the tax. Even if this had not been the case, however, another clause in the Constitution provided that any union three months in arrears shall be allowed until the seventh day of the fourth month, and if not then paid, shall be suspended, and also that the General Secretary shall notify the local when two months in arrears. None of the locals charged had been so notified by the Secretary or suspended for non-payment. The indebtedness reported by Haskins was in fact new, and the locals had never previously been informed of it. All were constitutionally, therefore, in good standing and " their standing was in no way impaired by the claim, made at the last hour, that they were indebted to the organization for per capita taxes or assessments in addition to those regularly paid by them from month to month."

The locals claimed, moreover, that even if the indebtedness reported had been correct, they were not given suffi-

Chicago members of the General Executive Board

A. D. Marimpietri
Sidney Rissman

Samuel Levin

Frank Rosenblum
Stephen Skala

cient time to pay. They pointed out that the constitution provided for certain contingencies, such as unemployment, that might excuse delay. In this event, therefore, the issue would be one of the facts in the case. It was the duty of the officers to ascertain the facts, to ask the local to prove the existence of the extenuating circumstances, and to require it to appear in its own defense. But no opportunity for a hearing was given the locals, either to protest their indebtedness or to prove the existence of these circumstances. The letters arbitrarily assumed the facts:

> "We desire herewith to notify you of that fact, [that all local unions in question are not entitled to representation * * * and will not be seated], so that if your Local Union is unable to pay up, you will know that your delegates cannot be seated."

Finally, the constitution provides that a Committee of Credentials shall pass on the right of delegates to sit, and the clothing workers held that it was therefore both unconstitutional and autocratic for the Executive Board and officers to take it upon themselves to decide the facts, and to act upon their own decision. It was plain to the delegates that it was the purpose of the national officers to disfranchise the locals they feared in whatever way they found possible.

The Convention opened Monday morning, October 12, in Capitol Hall, Nashville, Tenn. The New York delegates, the great majority of whom represented locals declared in arrears, circulated a printed appeal to the delegates stating their case and urging that they be admitted to the convention.

> "A determined effort is now being made by the General Officers of our organization to prevent the delegates of our locals from being seated at the Convention. And with that end in view, the General Officers have presented to the locals enormous bills for alleged deficiencies.
>
> "Whether or not these bills are correct is not the question before you at the present time. In most instances our locals claim that they are incorrect. This question must be adjusted through the regular channels of administrative procedure. If our locals should be found to be indebted to the United Garment Workers they will pay such indebtedness with all possible expe-

> dition, and if they should fail to pay, the United Garment Workers will have a constitutional remedy against them. The point we wish to make is that the question is entirely foreign to the right of our local to be represented in the convention."

When the Convention opened on October 12, 1914, the Credential Committee, appointed by Rickert, submitted a partial report, recommending the seating of 198 of 305 delegates, and making no reference at all to the others, who represented clothing locals in opposition to the existing administration. The meeting was about to proceed to business when Frank Rosenblum, one of the Chicago delegates who had been seated, asked if the report of the Credential Committee was complete. The President said that it was not yet complete and the session was adjourned without further action. Consequently, when the meeting convened the next morning, it was not yet legally organized. All delegates therefore had a right to be regarded as equal and having the same powers, until the convention was definitely constituted by the adoption of the complete report of the Credential Committee. From the very beginning, however, the delegates, whose status was not yet reported by the Committee, were refused admittance and were physically barred from the floor of the convention hall. About 150 of them (representing cutters' and tailors' locals) were thus illegally refused admittance, and they were only allowed to sit in the gallery. President Rickert was about to proceed with business when Frank Rosenblum raised the point of order on the organization of the convention and asked for a vote. The motion was put to vote, but Rickert, in counting, ignored the votes of the delegates in the gallery and reported the motion as "lost."

Delegate Rosenblum then immediately proposed the suspension of the roll call, as it was unconstitutional to proceed to other business until the Credential Committee had completed its report. This objection was cheered and applauded with great enthusiasm by the delegates in the gallery. Rickert overruled Delegate Rosenblum's point of order on the ground that business would be delayed too long if they were

to wait for a full report. Delegate Rosenblum appealed from the ruling and delivered a speech denouncing the autocratic methods of the officers and declaring that the delegates in the gallery were legally elected representatives of the workers with as much right as any, and more than some present, to a vote. He accused the officers of using unconstitutional and dishonest methods to maintain their position, because they knew that an honest vote would repudiate them. The appeal was put to a vote, and the majority voted in favor of the objection, but Rickert again refused to count the votes of the delegates in the gallery and declared the motion lost. Another motion made by Delegate Rosenblum to add the names of these delegates to the report was voted on with the same result, Rickert refusing to recognize all votes.

Delegate Rissman, of Chicago, then moved that "the president be removed for having violated the constitution, and that in his place be nominated, temporarily, Brother Schneid of Chicago." Rickert refused to put the motion to a vote, and Delegate Rissman, therefore, put the motion himself, counted it, and declared it carried. Delegate Pass then moved that since the majority had captured the convention, the regular convention representing the majority should adjourn and reconvene at the Duncan Hotel. He also put the motion, counted the votes, and announced it carried.

Thereupon all the delegates, whom the general officers sought to keep out of the convention, without charges, without a hearing and without a trial, and who represented the great majority of the membership, left the building in a body, joined by the few clothing workers' delegates who had been seated. The overall workers' delegates were practically the only ones remaining. The delegates left the building and marched through the streets to reconvene at Duncan Hotel.

The following call was immediately issued to all delegates:

"TO THE DULY ELECTED DELEGATES OF LOCALS OF THE UNITED GARMENT WORKERS OF AMERICA TO THE 18TH BIENNIAL CONVENTION HELD IN NASHVILLE, TENNESSEE, GREETINGS:

" The Convention of the United Garment Workers of America will be held this 13th day of October, 1914, at the Duncan Hotel, in the City of Nashville, State of Tennessee, at 12 noon.

" The reason why the location of the Convention is changed from the Capitol Hall to the Hall in the Duncan Hotel, corner Fourth Avenue and Cedar Street, is that the meeting place originally designated, for the holding of such Convention, has been seized by a minority of the delegates duly elected to the said 18th Biennial Convention by the locals constituting the United Garment Workers of America, and said place being improperly, illegally and by force, held by said minority, as an illegal and improperly constituted Convention of the United Garment Workers of America.

" And we urge all accredited delegates to the said 18th Biennial Convention to attend the meetings of the Convention at the time above given, and at the place above stated."

The first session of the Clothing Workers' Convention at noon of October 13th was attended by practically all the clothing workers' delegates. Mr. Jacob Panken, of New York, addressed the convention and was most enthusiastically received. A Credential Committee and a few temporary officers were elected, and the meeting then adjourned. The Convention was called to order in the afternoon by Chairman Schneid and the roll call taken. The Chair announced that all officers were absent, including General President Rickert, General Secretary Larger, General Treasurer Waxman, General Auditor Haskins, though they have all been notified to appear. Committees were then appointed and the convention proceeded to regular business and reports. On Wednesday, October 14th, the convention proceeded to the election of permanent officers amid great excitement and enthusiasm. Sidney Hillman, of Local No. 39, Chicago, was unanimously elected General President of the United Garment Workers of America, Joseph Schloss-

Joseph Schlossberg, General Secretary-Treasurer

berg, of Local No. 156, New York, was unanimously elected General Secretary and Tobias Lapun, of New York, was elected General Treasurer, while Isidor Kantrowitz, of New York, was elected General Auditor. Rosenblum, Marimpietri, Rabkin, and Seinfield of the Overall Workers, were elected members of the General Executive Board. Delegates to represent the United Garment Workers at the Convention of the American Federation of Labor were also elected. The convention was continued in the afternoon at 407 Union Street, and the officers were officially installed. Other business was disposed of or referred to the General Executive Board. The next convention was set for 1916 in Rochester, New York.

The organization that emerged from the Nashville Convention was in reality the nucleus of the Amalgamated Clothing Workers of America. The name, United Garment Workers of America, was retained until December, 1914.

Under the leadership of the new general officers elected at the Convention, the United Garment Workers proceeded to take up the fight against the old officers of the United Garment Workers and to fulfill its promises to the membership. Tailor locals in all the markets were in the meantime endorsing the action of their delegates. On October 21st, the Chicago locals assembled in a great mass meeting and ratified the action of their delegates at Nashville in the following resolution:

> "WHEREAS, At the Eighteenth Biennial Convention of the United Garment Workers of America held in Nashville, Tenn., on October 12, 1914, the credential committee reported adversely upon seating delegates representing seventy-five per cent. of the membership of the United Garment Workers of America, and
>
> "WHEREAS, Every possible effort was made to secure a hearing and explanation was demanded for such high handed methods but the delegates representing only twenty-five per cent. of the membership in the hands of the present officers of the United Garment Workers of America, in conjunction with one Robert Noren, Secretary of the Overall Manufacturers' Association and delegates who were absolutely not eligible to be seated, denied such hearing and explanation, and

"WHEREAS, These proceedings were the most vicious and unwarranted denial of the Constitutional law of the United Garment Workers of America, and a blot on the good name of Organized Labor and a disgrace to the Labor Movement of America, and

"WHEREAS, The delegates representing the seventy-five per cent. of the membership of the United Garment Workers of America felt it incumbent upon them to safeguard and protect the interests of those whom they represented, proceeded to organize the Convention of United Garment Workers of America under constitution and by-laws of said organization, said convention was held in the Duncan Hotel and transacted all the business pertaining to the United Garment Workers of America, and elected a full set of general officers for the ensuing term, now, therefore be it,

"RESOLVED, That we, the membership of the Chicago Locals in mass meeting assembled, October 21, 1914, in the West Side Auditorium, heartily ratify the action taken by our delegates to protect and safeguard our organization and hereby pledge our undivided support to our newly elected officers."

The old United Garment Workers' officers put up a bitter fight. On October 31st, a letter was sent out to all the locals by Larger describing the Convention and informing them of the status of the new organization in the eyes of the old General Officers:

"The convention held at the Duncan Hotel by the bolters, have taken the name of the New United Garment Workers of America. They have brought suit against the legally elected officers for possession of the national office, therefore we wish to advise you to pay no attention to any communication or order unless said order or communication is signed by B. A. Larger, General Secretary and on the letterhead of International Office, until further notice. Our offices are in 116-117-118-120-122-124 Bible House, New York City, and *checks in payment of labels and per capita tax MUST be made payable to B. A. Larger, General Secretary, as heretofore.* Send no checks to anyone else and recognize no label secretary except those authorized by us to act in that capacity. Recognize no local union or member except those who are loyal and in good standing in this organization."

In the meantime legal action, both defensive and offensive, was taken by the new organization, and a report on their

progress was made to the Special New York Convention.

In November the American Federation of Labor held its regular Convention. To it both organizations elected and sent delegates, each claiming to be the legitimate organization of the clothing workers. A complete and detailed report of the entire situation was printed by the new United Garment Workers and circulated among the delegates under the title, "The Case of the United Garment Workers of America." This report, signed by President Hillman and Secretary Schlossberg, was designed to put all the facts clearly before the American Federation of Labor. The American Federation of Labor, however, refused even to give the organization a hearing. The delegates of the Rickert faction were recognized and seated because Rickert and Larger were the only Garment Workers' officers officially known to the American Federation of Labor. On November 16th, President Gompers and Secretary Morrison sent out a circular letter to the clothing workers' locals informing them that the United Garment Workers was affiliated with the American Federation of Labor and that Rickert and Larger were its officers.

In December, 1914, the General Executive Board of the new United Garment Workers sent out a call to all district and local unions for a special convention to be held in New York, beginning December 25, 1914. The purpose of this convention was to begin the constructive work of removing

> " the antiquated and undemocratic forms and methods of our organization, as laid out by our present constitution; establish such organic laws as will insure to the Membership a determining voice in the affairs of our organization * * * not only at a time of a great crisis, when the Membership rises from under the heel of despotism, but at all times. In short the laws and institutions of our organization must be so changed as to permit of the freest and fullest expression of the truly progressive spirit of our Membership, and enable it to march unfettered abreast of the Modern Labor Movement."

The report of the general executive board to this convention included a summary of their activities during the first few months of their progress in the long-neglected work

of organization, and a re-statement of the principles and purposes of the organization. At this convention the General Officers elected at the Nashville Convention were confirmed. Their activities were endorsed by the delegates. The Convention proceeded to the drafting and adoption of a new constitution suited to the real purposes of the Union.

It was at this Convention also that the name of the union was chosen. An agreement with the Tailors' Industrial Union, formerly the Journeymen Tailors' Union, providing for their amalgamation with the new clothing workers' union, was submitted by the General Executive Board to the Convention and was adopted. The agreement was as follows:

> "First: This organization shall be known as the Amalgamated Clothing Workers of America.
>
> "Second: The officers shall consist of: General President, General Secretary, General Treasurer, General Auditor, and eleven General Executive Board Members, three of whom must be from the Tailors' Industrial Union.
>
> "Third: The General Executive Board shall organize the industry into departments when conditions warrant. Such department shall have full control of its own funds and shall have the right to make such laws to govern its department as it sees fit, providing such laws do not conflict with the general laws.
>
> "Fourth: Per capita tax payable to the general office shall not be less than fifteen cents per month for each member in good standing.
>
> "Fifth: Method of election of general officers to be left until after amalgamation, then for the general membership to decide by referendum."

With the ratification of this agreement and of the new constitution, the clothing workers were finally freed from the bonds of an unrepresentative and outworn organization. The Amalgamated Clothing Workers of America had now become a reality in name as well as in fact, and under new leadership made its formal entry into the American Labor Movement.

CHAPTER V

THE STRIKE OF 1915

THE settlement with Hart, Schaffner and Marx in 1911 left the rest of the Chicago clothing market unorganized. From then until the final victory in 1919 vigorous and continued effort was made by the Chicago clothing workers' union to organize the unorganized shops. For those who returned to work in 1911 under non-union conditions, the outcome of the 1910 strike was not a defeat but merely an interruption in this long battle that was to last eight years. From time to time, organization activity was carried on with increased energy. In 1913, for example, a vigorous organization campaign that had its fruits was conducted by the Chicago union. But the real beginning of the campaign came in 1915, after the break from the United Garment Workers, with the initiation by the Amalgamated Clothing Workers of America of a new and more vigorous policy of organization throughout the whole country.

Long before the crisis of 1915 was precipitated, the non-union employers in the clothing industry used old and tried methods in combatting organization campaigns of the union. The system of blacklisting, which had for so long been popular in the Chicago clothing industry, was conducted in the Medinah Temple as before. People who were known to have joined the Union could not in any circumstances get jobs. One worker testifies as follows:

> "I worked for Stein, Bloch & Co., Rochester, New York, and as a union man answered the call of a general strike in that city for the eight-hour day.
>
> "Eleven months later, the strike still on in Rochester, I came to Chicago and had only worked four weeks when a general strike was called there which was soon lost, and from that time to the present the workers have been beaten and the Employers' Association has been in the saddle.
>
> "After the strike was lost, I applied to different firms for a

position as cutter and was told by each 'go to the Medinah Temple and if you get a ticket come back and see us.'

"Rosenwald of Rosenwald and Weil told me to go over, get a ticket and come back to work. I went to the Medinah Temple and told them I had a job waiting. I was rebuked for not coming there first, told that Rosenwald nor anyone else could hire help without consulting the Medinah agency, given the third degree, then told there were several ahead of me who were more deserving, and anyway they had to investigate.

"I didn't get the job at Rosenwald but Martin J. Isaacs, real head of the Association, told me they had received word from Rochester that I had gone out there on a strike and he said he didn't think I had been punished enough and he would not have me in any of their houses. I appealed to him in the name of my wife and baby and he said I should have thought of them before I went out on strike."

As early as March, April and May, 1915, workers were discharged for joining the Union and in some cases shops were struck in protest against such discharges. This general condition continued until August, 1915, when, at the meeting of the General Executive Board of the Amalgamated Clothing Workers in Baltimore, it was decided to initiate a country wide campaign of organization with the purpose of organizing those sections of the industry that still remained unorganized. Of these non-union sections, Chicago was of course one of the most important.

On September 14, 1915, the organization campaign in Chicago was formally opened by a mass meeting of almost 5,000 clothing workers. At this meeting the demands on the non-union manufacturers were drawn up and an ultimatum issued by the union that these demands must be conceded by September 27th or their employees would be called out on a general strike. On September 16, 1915, the following demands were submitted to the non-union clothing manufacturers:

1. Forty-eight (48) hours shall constitute a week's work, which shall be divided as follows: Eight and three-quarters hours each week day, except Saturday, and on Saturday four and one-half hours ending at 12 o'clock noon.
2. No employee shall be required to work on a legal holiday

William A. Cunnea

Bessie Abramowitz
(Mrs. Sidney Hillman)

Jacob S. Potofsky,
Assistant General Secretary-Treasurer

and no deduction shall be made from the pay of week workers for such holidays.

3. All overtime shall be paid at the rate of time and one-half.

4. An increase of 25 per cent. in all wages and earnings.

5. During slack and dull seasons, work shall be distributed as equally as possible among all the workers.

6. Recognition of the Union, so that collective bargaining may be established and maintained in the industry.

7. No employee shall be discharged without cause and all fining systems shall be abolished, as well as all blacklisting agencies and sub-contracting in the shops.

8. Suitable arbitration machinery shall be established for the adjustment of future complaints.

9. The minimum scale of wages for week workers shall be as follows:

Cutters, $26 a week.
Trimmers, $20 a week.
Examiners and Bushelmen, $20 a week.
Apprentices, $8 a week.

10. Suitable provision shall be made for apprentices.

11. Any contract entered into shall apply to all contractors for whose faithful observance thereof the manufacturers shall be responsible."

These demands of the union the clothing manufacturers met with their customary contempt. Martin J. Isaacs, attorney for the Wholesale Clothiers' Association, characterized the demands as an attempt to create unrest among the working classes.

"I would not dignify the request for arbitration of differences," he said, "by admitting there is anything to arbitrate. Conditions are excellent in our factories, the wages are all that are desired and the workers are satisfied and willing to stay at their posts if only they are left alone. If, however, labor agents keep haranguing them on the theory that they are not well treated and publicity is given to such a campaign, then the workers may become convinced that they are entitled to something better and walk out.

"In case there is a strike, the employees simply will have to return to work under the old conditions, because we will not recognize the organization making the demands nor any of its officials. We know that the great majority of the employees do not believe in the Union or its leaders. The employers refuse to be frightened. They do not take strike threats seriously."

This, in substance, was the attitude of the great bulk of the manufacturers. The workers, however, thought differently about the matter. Even before the date of the ultimatum had expired shop strikes were occurring throughout the city and both the national and local officers of the organization used every possible effort to keep the workers in the shop until a strike was found unavoidable.

It soon became clear that the manufacturers would refuse to negotiate with the union or to submit the union's demands to arbitration. Even before September 27th they had already requested police protection for their factories, and, as in all past strikes in Chicago, the police responded. Chief Healy announced that " parades and demonstrations of the strikers will be prevented. Captains have received orders to halt any street speeches or large gatherings. Details of patrolmen and mounted police will be stationed in the immediate vicinity of all clothing houses. The manufacturers will be given the same police protection that any individual or business house merits. Though I do not expect any outburst, I am not taking any chances." At the same time President Hillman announced: " There will be no violence. Even picketing of the shops will not be undertaken. Our union is strong enough not to require this move. The leaders of each shop have been given orders to walk out quietly. The same day the strike began we called out four thousand workers from the shops of Royal Tailors, Lamm & Co., Fred Kaufman and Alfred Decker & Cohn." Together with the strike call President Hillman made the following statement:

> " The clothing manufacturers have been given ample opportunity to settle this controversy amicably and have denied our request for a conference. Instead of meeting us in a spirit of co-operation to work out an agreement such as is now in force in the largest clothing establishment in the city they have, through their paid agents, sought to ridicule our efforts and belittle our organization. Organized in strong associations and speaking as a unit through a chosen representative, the clothing manufacturers have denied to their workers the privilege which they claim and exercise for themselves.

> "We have been forced into this fight by the uncompromising attitude of our employers and we are in it to stay until the clothing workers are accorded a voice in fixing their wages and working conditions. We are willing to rest the justice of our position with the public or submit to any fair board of arbitration. The employers refuse to arbitrate so the workers are compelled to fight."

By September 29th the fight was on and 25,000 men and women were on strike. The police continued their anti-union activities. President Hillman announced in the Chicago newspapers that a captain of police was seen in Mr. Isaacs' office on Wednesday afternoon. "I presume he went there to receive his instructions. The clothing manufacturers have refused to meet us or to arbitrate our claims and they evidently expect to crush us through the Police Department. I issued instructions to our people to observe the law and from all the reports I have received they have kept within their rights as law abiding citizens. In spite of that, mounted policemen have run their horses on to the sidewalks among our women and girls, motorcycle policemen have clubbed our girls and have committed acts of brutality that are a disgrace. One of our men was shot by an employer, and from the statements of eye witnesses the attack was entirely unprovoked and uncalled for." Miss Mary McDermott, an investigator for Mrs. Louise Osborne Rowe of the Public Welfare Department, made an investigation of alleged police attacks during the day and reported numbers of cases in which men and women had been roughly handled by the police. The tactics of the police had become so vicious that President Hillman led a delegation including John Fitzpatrick, Edward Nockels, Mary McDowell, Agnes Nestor, Victor Olander, Ellen Gates Starr, St. John Tucker and Luke Grant to present the case of the strikers to Mayor Thompson. The Mayor was "too busy" to see the delegation, but his secretary told Mr. Hillman that the Mayor had sent word to Chief Healy "to stop the unnecessary interference on the part of the police. The Mayor told the Chief to keep the police neutral."

Police brutality did not, however, cease with this promise

of neutrality by the Mayor and at the beginning of October Alderman John C. Kennedy decided to present to the City Council evidence of the police activities and to demand an investigation. An investigating committee was appointed under the chairmanship of Alderman Henry Utpatel. At the hearings of this committee President Hillman, John Fitzpatrick and Edward N. Nockels of the Chicago Federation of Labor, all announced the willingness of the workers to arbitrate their differences with the employers, but the employers were obdurate. Martin J. Isaacs, their attorney, had already refused to confer with Attorney Jacob G. Grossberg of the State Board of Arbitration concerning mediation in the strike. Finally the employers declined to meet the committee of the City Council. A letter from the Presidents of the National Wholesale Tailors' Association and of the Wholesale Clothiers' Association stated " that only a comparatively small number of employees were not working and these on account of fear of intimidation and violence." " The present trouble," the letter stated, " was due to interference of professional agitators from an outside market. The prices paid to workers and the hours of work in the houses of these associations, according to available statistics, are better than in any competitive market." " The employers stand firmly for the open shop principle," said Mr. William M. Cahn. " In any pleadings they may have with the Aldermen they will not discuss the question of arbitration, mediation or compromise. We intend to maintain the open shop."

Finally, on October 16, 1915, the representatives of the clothing manufacturers met the aldermanic committee in the office of Acting-Mayor William R. Morehouse and informed him and the Alderman that they were not interested in proposals for arbitration.

The efforts to obtain a peaceful settlement of the strike were still continued, however, not only by the union but by disinterested and sympathetic citizens of Chicago. Sixteen prominent Chicago women including Grace Abbott, Mary McDowell, Mrs. Medill McCormick, Ellen Gates

Starr, and Sophonisba Breckenridge wrote to the Mayor in an attempt to enlist his support toward arbitrating the strike.

> "It has been shown," they wrote, "that in spite of the fact that Chief Healy's orders to the police were to avoid all unnecessary violence, one girl was beaten so severely that her breast bone was fractured; others have been hit on the head and body so that they carried the marks for days. Still other strikers have been seriously injured by private detectives in the employ of the manufacturers in the presence of the police without interference on the part of the latter. The affidavits as to these instances have been presented to the City Council and are a matter of record. The trials are called for next week.
>
> "The strikers repeatedly have stated through their agent, Mr. Hillman, that they will go back to work and submit their demands to arbitration the moment the manufacturers agree to do so. The manufacturers, on the other hand, have not only refused to make any statement of their position to members of this Committee but have even refused to appear before the Committee of Aldermen appointed by the City Council to investigate the strike, merely sending a representative to say that, as they could not be legally compelled to appear, they decline to do so.
>
> "In view of these facts, and in view of the magnificent record made by Chicago through you in the last six months in this matter of a peaceful settlement of industrial disputes, we earnestly urge you to take whatever steps may be possible to settle the present one, and, by signing the Council order to Chief Healy, by offering yourself as an arbitrator, or by any other means that may seem to you advisable, prevent our relapse into the old evil days of labor wars, days which we had hoped after your success in handling the great strikes of the early summer were gone forever."

The Mayor found, however, that he could not accede to this request.

The strike continued. The strikers marched in monster parades. The Council Committee on Police adopted a report, drawn up by Alderman Buck, censuring the Police Department for considering strikers at any time its natural enemies. Acting Chief of Police Schuettler agreed to the immediate removal of special policemen from clothing factories affected by the strike. On October 26th Samuel Kapper, one of the strikers, was shot and killed and a large number of others wounded in a riot at Harrison and Halsted

streets. More than ten thousand striking garment workers paid their tribute at the funeral to this hero of the strike.

Attempts to arbitrate were again made. A committee of business men and social workers, headed by Miss Jane Addams, decided to make a last plea to the Mayor. The committee appeared before Mayor Thompson and asked him to become chairman of an arbitration board to settle the strike. "We thought," said Miss Addams, "that if you could be induced to take a hand in the matter we would be able to bring some sort of order out of chaos." The Mayor, however, still remained obdurate. "The Mayor of the city of Chicago," he said, "will not go into this because there is violence and as the Mayor of the city of Chicago, he will stay out of it because there is violence." In the same way ended all attempts to enlist the support of the Mayor of the city of Chicago.

The strike of 1915 was significant for the many features that characterized it. The most important of these was the attitude of the police toward the strikers and the efforts of the Aldermen Buck, Kennedy and Rodriguez to make public the effects of police mismanagement and to remedy the situation. The Aldermanic hearings on the activities of the police uncovered practices that had never been suspected by the citizens of Chicago. First Deputy Schuettler admitted at the public hearing that the police department employed spies and secret agents. "There are agents of the police department," he said, "who give us information and have done so for years. I defy this committee to compel me to reveal their names. I will resign my position sooner than do it." The assistant corporation counsel advised the police department that it need not give the information to the committee. Alderman Buck, in a splendid fight against this autocratic use of a public police department, said: "I for one want to know whether there are secret agents of the police attending these meetings and why they are doing it. The same argument was made when the question of the police 'squeal' book being exposed was discussed. In my

Samuel Kapper, Killed in 1915 Strike

opinion this secrecy about the inside workings of the police department is all bunk." A similar attack was made by Buck and his associates in the council against the use of special police during the strike and a resolution was adopted calling for their removal from the sidewalks in front of or in the vicinity of plants affected by the strike. The vigor and persistence of the council investigation into police methods during the strike had a permanent and useful influence in that it focussed public attention on police abuses, which had developed in secrecy and of which the public was ignorant.

The strike of 1915, like all strikes of the Chicago clothing workers, enlisted to an unusual degree the support of public-spirited citizens. Nor did their support consist only in offering advice and in lending moral succor. They stood day after day on the picket line; marched in the union parades; distributed circulars; raised money for the strikers; carried on campaigns to force arbitration and peaceful adjustment of the issues that had precipitated the strike, and in every way contributed toward the support of the strikers and toward presenting the facts of the fight to the public. The value of the services of such women during the strike as Ellen Gates Starr, Mrs. Raymond Robins, Jane Addams, Amelia Sears, Mrs. Lillie, Mrs. John Furie, Grace Abbott, and others, was incalculable. Without almost a single important exception the sympathy of the public leaned to the side of the workers and had its effect in weakening and undermining the morale of obstinate employers. The weight of public opinion, indefinable and hard to estimate, nevertheless had in the long run its influence.

Organized labor, likewise, in Chicago did not refuse to share its responsibility in the strike. As in 1910, John Fitzpatrick and Ed Nockels stood in every way behind the strikers. When, in the course of the strike, the American Federation of Labor and United Garment Workers issues were raised, for the purpose of diverting everyone's attention from the real issues, both Fitzpatrick and Nockels unequivocally and emphatically urged the support of the

members of the Amalgamated. The attack by Nockels and Fitzpatrick on Martin J. Isaacs, the manufacturers' attorney and director of the blacklisting bureau in the Medinah Temple, left no doubt as to where they stood. "He has sweated and gouged garment workers," said Fitzpatrick, "and brow-beaten customers, has always been victorious and able to turn to his employers with a smile and say 'I have delivered you again.'"

Throughout the strike public intervention had been a dismal failure. Attempts to force mediation or arbitration of differences, urged by club women, Jane Addams, the State Board of Mediation, the Aldermanic Committee and supported by Hillman and his associates, were every time rejected by the employers and greeted by specious and evasive statements from Mayor Thompson. The strikers were willing to arbitrate; newspapers urged public mediation; all classes of citizens proposed plan after plan for peaceful adjustment. But employers and city authorities alone remained adamant.

So the strike had to go on. On December 12, 1915, the strike was called off. It was not lost. Workers returned to their shops not as unorganized men and women but as members of the union. Although the union was not recognized, the employers were forced by the strength of the organization to make important concessions to those who had returned to work. The stopping of the strike was only a breathing spell in the struggle for organization. In 1916 the fight broke out in a city-wide strike of the cutters. This likewise did not end in formal recognition; but cutters returned to the shops, receiving advantages which could only come to those whose strength was realized by the employers. Recognition was now only a question of time; and it came in 1919.

The strike of 1915 was from the employers' angle a futile engagement. It was an expensive postponement of the day of peace and recognition. Through it all one wise and experienced observer of industrial strife and peace, watched the proceedings and recorded his observations. At the time

15,000 Striking Chicago Clothing Workers on Parade October 12, 1915

they had no more than an indirect influence. In retrospect, however, the following comments from the pen of J. E. Williams, then Chairman of the Board of Arbitration in Hart, Schaffner and Marx, lend a significance to the events of 1915 which a bare recital of its incidents cannot yield:

"In the Trenches,
"Chicago, Nov. 19, 1915.

"The clothing workers' strike is now on its eighth week, with no visible signs of ending. The dead-lock is as complete as that on the French frontier. Both sides have dug themselves in, and the war seems to have settled down to attrition and endurance. Not alone in dogged obstinacy does this industrial war compare with that in Europe; for in strategy, in generalship, in the fighting spirit of rank and file, the Chicago battle will compare in its degree, with the titanic struggle in the Old World.

"Strikes there have been before in the garment industry, and they have been fierce, violent, and hotly contested; but there has been none like this in organization, management, and, in the thoroughly planned and scientific efficiency of campaign. Previous strikes have been spontaneous uprisings of an aggrieved and infuriated populace, ruled by the mob spirit, with little or no leadership, with less plan or method. The present strike was planned with a coolness and thoroughness comparable to that of the general staff in Germany. Although the hand of the general was forced rather prematurely, yet the war with the anti-union manufacturers of Chicago had long been regarded as inevitable, and there was no lack of preparedness on part of the union. Organization had been perfected with each factory as a unit, and in charge of each factory group was placed a chairman, who was made responsible for his people. Over the chairmen were placed district leaders, over these department commanders, and above all the chief generalissimo, President Sidney Hillman.

Well Drilled Army.

"When the strike was called the general found himself in command of a well drilled, thoroughly officered, army. He could give a command from his headquarters in the LaSalle Hotel, and instantly the general staff at Hod Carriers Hall would transmit it to the eager and expectant chairmen on the north, south, and west sides, who would put the order into execution on the second.

"Thus it is that the movement is able to conduct itself with

such solidarity and precision. Everything in the campaign is foreseen, nothing is left to chance, and the eighth week finds the union hosts in better fighting trim than at the beginning of the strike. If the Joint Board, which is the name of the General Staff, were to deem it advisable to call off the strike tomorrow it would be done deliberately, forethoughtedly, and the retreat would be accomplished and in good order. Like the overpowered armies of Europe they would retire to a more favorable position, only to renew the battle as soon as more munitions were obtained.

No Retreat in Sight.

"But there is no sign of a retreat as yet. General Hillman assures me his lines are still intact, that supplies of munitions are coming in steadily, and unless the unforseen happens to his supplies he can hold the fort for another ten or twelve weeks. He admits, however, that the demand on the treasury is increasing. It is costing about $20,000 a week to run the strike, and when it is remembered the battle was begun with an empty treasury, and its cost has been borne largely by garment workers not on strike, it will be seen the financing of the campaign has been phenomenal. It is the stress of this need which now brings Miss Jane Addams and her colleagues to the front in an effort to raise $10,000 a week to help carry on the strike.

Manufacturers Stand Pat.

"It may be asked what the associated manufacturers are doing on their side of the trenches.

"So far as can be known, they are simply standing pat. Silently, relentlessly, inscrutably, like the sphinx, they defy every attempt to make them speak. Approached by judges, city officials, state arbitrators, eminent citizens, their attitude is always the same—silence. Deaf to importunities of press or representatives of the social welfare, their voiceless lips seem to give out only the old answer—'the public be damned.'

"And yet, through the aid of a friendly intermediary, I have been able to penetrate this screen of silence, and to hear the explanation that some of the more conscientious manufacturers give of their obduracy. It runs something like this:

"'We regard Sidney Hillman very highly. We believe him honest, high-minded, and capable. But we don't believe he can control his people. It is notorious that union leaders in the garment trade are short-lived; they kill each other off. With Hillman dead or dethroned we should be back in the hands of the old grafting pirates, who would not enforce an agreement, who would foment shop strikes for the purpose of

extorting money out of us, who would destroy the quality of our work, which has cost us so much to build up, who would, in short, make life a hell to us and either drive us out of business or into insane asylums.'

Give Hillman a Chance.

"I repeated this story to the little general, and he replied laconically:

"'Why don't they give Hillman a chance?'

"And that is the only answer. Whether Hillman can control his lieutenants and his people can only be determined by experiment.

"I believe he can. Why do I believe it? Because I have worked side by side with him for several years, dealing with just such questions as these manufacturers will have to face. In no instance have I seen him fail to control his officers or his people, and there have been plenty of cases in which he has had to report unwelcome findings. Yet he has never flinched, never failed to courageously face his comrades with unpleasant facts and never has failed to win their approval and loyalty. I have just received a private letter from one of the greatest generals on the opposite side who has worked with Mr. Hillman in much bigger situations than this. It contains this statement:

"'Too bad Friend Hillman bumped against such a tough proposition, but in time his work will be understood, and the manufacturers will be ready to treat with him.'

Plenty of Other Leaders.

"To be sure all this relates only to Hillman. But he is not alone in the movement. He has scores of colleagues imbued with the same ideals as himself, just as eager as he to have right principles and practices prevail in the industry. All of them are products of the new spirit in trade-unionism, men who regard it as the inevitable first step in the great movement toward industrial democracy and industrial peace. These men are far-sighted enough to know the inevitable limitations of the prevailing wage system, who have self-restraint enough to accept and make the best of it while it is here, who may work for the coming of the co-operative commonwealth in some happier day, but who do not expect it to co-exist side by side with the competitive system here and now. These men may be depended on to hold down the wilder spirits in the ranks, who may be tempted to rush the movement over some suicidal precipice.

THE IMPARTIAL THIRD MAN.

"But honesty and rationality does not depend so much on accident of leadership as formerly. The mechanism of the trade agreement has been so improved that the crooked walking delegate has no longer any chance to graft. The introduction of the impartial third man as umpire shears him of his power of mischief. He can no longer order a stoppage and hold up his employer for graft to call it off. Under the new dispensation all grievances must be brought before the joint board, and there is no power left in the hands of the business agent to make trouble. Neither need there be any misgivings about quality of work. I have it on the highest authority that the quality of work was never so high in Hart, Schaffner and Marx as right now—and that after five years of co-operation with the union.

"With these facts so obvious and so easily demonstrated why does the association continue to shut its eyes and ears and to play the sphinx?

"There seems no answer except an unreasoning timidity, or a sheer, wilful, obstinacy and pride of mastery.

"They will be up against it next season again, or the season after that.

"Why not settle now?"

CHAPTER VI

THE ORGANIZATION OF THE CHICAGO MARKET

THE organization of the Chicago market in the spring of 1919 was a great historic achievement for the Amalgamated Clothing Workers. For nine years Chicago had been the apparently unconquerable fortress of the clothing manufacturers and of all the forces that opposed the union and its purposes. Chicago was the last of the big markets to withstand the union and with its surrender the Amalgamated became a great national organization. The entire period from the loss of the 1910 strike to the signing of the market agreement in 1919 was in reality one continuous campaign for organization, sometimes flourishing, sometimes discouragingly feeble, but never ceasing. It was the work of these years and the foundations that they laid, that made the great campaign successful. One of the general organizers said of the 1919 campaign:

> "It is plainly seen that the attack of 1919 was made by veterans, and that the fruits of the campaign were the accumulated results of the knowledge and experience of ten years of constant endeavors."

The loss of the 1910 strike had been followed by a black period for the clothing workers. The real resumption of the work of organization began in 1914 after the birth of the Amalgamated Clothing Workers of America. The general strike of 1915 apparently left the workers not much better off as far as strength of organization or working conditions were concerned; nevertheless, it had important moral results. The failure of this strike was followed in 1916 by a strike of cutters, which while also apparently a failure, stimulated the work of organization and prepared the ground for the great drive of 1918-19. The success of the Hart, Schaffner

and Marx agreement and the publicity given to the gains of their workers contributed much to the growing dissatisfaction among workers in the Association houses. In fact, again and again, the Association houses were forced to grant concessions in wages or hours in order to hold their workers and continue to compete with Hart, Schaffner and Marx. Just before the active drive began, the manufacturers, hoping to weaken the campaign before it began, granted increases of 10 per cent. to all workers. Finally, the Executive Board of the national organization decided on an intensive campaign to organize the whole of the Chicago market. The campaign started officially in April, 1918, under the immediate direction of the leaders of the Chicago Joint Board. For purposes of organization, Chicago was divided into districts as follows: northwest side, west side and downtown districts, the "Loop," and southwest side; a staff of organizers was assigned to each of these districts and a special staff to the cutters and trimmers.

The campaign opened with a lively distribution of organization leaflets and circulars printed in all languages. The resolution passed in May, 1918, by the Hart, Schaffner and Marx workers, donating one week's increases granted them by the firm for the organization of the other Chicago workers, was printed in several languages and distributed to workers in the unorganized shops.

An important aspect of the campaign, and one that made itself felt almost at once, was the influence of the war and of the Government policy in the uniform shops. The ultimate effect of this policy was to help the union by bringing to light and removing the most unfair accusations that the employers sought to make against it. The Federal War Labor Board laid down the principles of collective bargaining for the guidance of the Administrator of Labor Standards. These principles recognized the right of workers to organize and bargain collectively and prohibited discrimination against workers by reason of their membership in labor organizations or of their participation in union activities. The union took it upon itself to inform the

Organizing Staff—1919 Campaign

workers of their rights to organize under Government regulations and, when the employers resisted their right to do so, took the grievances of the workers to the Administration of Labor Standards for adjustment. One of the most important of these cases was the John Hall Uniform Factory case, in which the firm had discharged the " agitators " who attempted to organize their shop in June, 1918. So keen was the spirit among the workers that they wanted to strike at once to compel reinstatement. President Hillman, however, wired the War Department asking that arrangements be made for the adjustment of the grievances and in the meantime instructed the workers not to strike. Conferences were held and the grievances eventually satisfactorily settled. Those who had been discharged were reinstated, wages were readjusted after a thorough investigation, and the employers were ordered to deal with the organization of their employees in accordance with the principles of the War Labor Board. Several other firms were charged with violating the Government war labor program by discharging workers because of their union membership or activity. The charges were investigated and proved to be true. Under pressure of the Administrator, one of the firms, which had discharged eight representatives elected by their fellow-employees to serve on a committee, reinstated these workers with back pay, recognized the shop committee, and agreed to the other demands of their workers.

A similar situation occurred in the Scotch Woolen Mills. After a long strike, the firm secured a sweeping order from Judge Smith enjoining the Amalgamated from picketing or maintaining pickets at or near the premises of the complainants or along routes followed by employees of complainants in going to and from their business, from watching or spying on places of business or employees, or those going in and out, or seeking to do business, from congregating near places of business or employees for purposes of compelling, inducing, or soliciting employees to leave their employment, or to attempt in any way to induce employees to leave their employment. But when the Scotch Woolen Mills

refused to appear before Prof. Ripley to answer the charges against it, he recommended to the Quartermaster General that all contracts with the firm be withdrawn until the firm agreed to appear. This was done. The firm of Rosenwald and Weil, likewise, had discharged the entire committee chosen by its employees and then refused to appear before the arbitrator. All the workers had gone on strike when the second committee was discharged, but for two weeks the firm held out. The demands of the workers as finally arbitrated by Professor Ripley included the 48-hour week, with time and a half for overtime, double pay for Sundays and no work on holidays; recognition of the shop chairman and shop committee; no discrimination for membership in the Amalgamated Clothing Workers; no arbitrary discharge; an increase of 30 per cent. to all workers; a minimum wage for women of $14 and for all operators of $24. After two weeks, recognition of the shop chairman and shop committee and a promise of no discrimination against union members were granted. The rest of the demands were submitted to arbitration.

In the meantime the work of organization was proceeding with vigor. One of the earliest successful mass meetings in the campaign was held in June, 1918, and added 400 new members to the ranks of the organization. The inauguration of the campaign brought on the usual program of opposition, misrepresentation in the press, and court injunctions. Two organizers and President Kroll of Local 61 were arrested near factories which they were trying to organize for distributing literature and two girls were arrested the same evening for speaking to non-union workers as they came out of the factory.

An incident that occurred early in the campaign illustrates the attitude of the police.

> "On November 11, 1918, Armistice Day, the cutters and trimmers of Hart, Schaffner and Marx, celebrating the cessation of war in Europe, paraded the clothing district of Chicago with a large American flag and the red banner of local 61 at their head. When they attempted to pass the Scotch Woolen

> Mills they found police drawn up clear across the street forbidding them to pass, but the men pressed on. In the scuffle the flag dropped low and an officer stepped on it, and when his attention was called to what he had done, said: 'To hell with the flag.'"

When that was heard the men could no longer be held; they swept the police lines aside and charged on the doors of the factory. It was these men, who would not be denied, who carried on the fight for years in Chicago.

At the close of the war more organization circulars were printed and distributed in great numbers. These brought responses from the employers such as the following:

> "WORKINGMEN, WAKE UP!"
>
> "You were induced to walk out by the organizers of the Amalgamated Workers. You ignore the fact that your only hope for prosperity is production. Produce more, not less, if you want to reduce prices * * * Production is the basis of all wealth * * * "

Some firms attempted to appeal to workers on the ground of race prejudice, and others assured the workers that the money they paid in for membership dues was being squandered by their leaders. In the meantime the membership continued to grow, thanks to the effective work of union members not on the staff, as well as by the organizers.

Organizer Kroll who was in charge of activities of the cutters at this time gives an idea of the spirit that prevailed among the organization workers:

> "These were the days that 25,000 leaflets would be distributed in one hour in the mornings, when organizers would be arrested for just talking to workers, when cards calling for a shop meeting would be passed out in the morning and at noon the men would be notified that they would find more money in their envelopes. Firms closed their factories before the men went out on strike and weeks later opened them again and the men refused to return. Cutters would be sent home in machines to keep the organizers away. A man seen talking to a union man would be fired the next day. Sluggers and police were used in front of the factories even before the strikes were on. Banquets were given, profit-sharing and bonuses 'A la

> Rockefeller Foundation' were proposed. In spite of all of this steady progress was being made.
>
> "The 'Floating Cutter' came in at this stage of the game. These were union men who secured jobs in non-union shops, went to work in the morning, talked unionism at noon and received a full week's wages and a discharge in the evening; secured another job the next day and went through the same performance. There were a number who had a lucrative profession for a while."

On January 8, 1919, Hart, Schaffner and Marx established for its workers the 44-hour week. This action forced the non-union manufacturers to move. So on January 22 the Special Order Tailors made a similar announcement, and one week later the Chicago Clothiers' Association announced the 44-hour week to become effective in all of their shops on April 28. But the Amalgamated Clothing Workers decided that the 44-hour week was to be established at once—on January 29th, and not on April 28th. The workers of Kuppenheimer & Company, in accordance with the decision, stopped work on January 29th at 4.30 instead of 5.15 in order to attend a shop meeting. By stopping at 4.30, they made their quitting time the same as that of those who were working a 44-hour week. At the shop meeting these workers were addressed by Levin, who instructed them to return to the shop the next morning, as usual, and to leave again at 4.30 to attend a shop meeting. The Amalgamated Clothing Workers, he announced, would undertake to care for any workers discharged for so doing. It is clear that this step could not have been taken had not the organization been fairly complete by this time.

On January 28, Alfred, Decker & Cohn published a statement in the press denying that they were offering the 44-hour week to their employees, but at the same time printed circulars were appearing which included a promise of a 44-hour week, as well as other advantages, provided the workers did not join the Union. The firm thought that when the workers quit at 4.30 it was a strike and consulted other firms in the Association. The result was something of a panic; a hasty change was made in the notices to the effect that the

Officers and Members Executive Board Coatmakers
Local 39

Officers and Members Executive Board Cutters and
Trimmers Local 61

44-hour week would be established on January 30th. This change was made three days after the original notice was posted. The significance of this victory was not only that approximately 32,000 workers got the 44-hour week on January 28th instead of April 28th, but it indicated that the Union was in such a position that it could dictate its terms and the Association houses knew it. This victory was celebrated by a great mass meeting on February 3d. The organization drive proceeded thereafter with renewed energy.

In the month of February membership grew by leaps and bounds, The northwest side, including some 13,000 workers, was put in charge of Mr. Glickman. With the assistance of the business agents and an active organization committee of fifteen, with Mr. Diamond as chairman, the work of the district was carried on. Meetings were held every morning before going to work. The committee had to get more members of the vest shops interested in the campaign, which they did to such an extent that after several of these meetings there were 50 to 75 members present every morning. The committee went on duty in front of shops every morning before going to work and left the shop 15 or 20 minutes before lunch time and before quitting time in the evening, in order to carry on their campaign work. Of course there was no pay for time lost. A meeting of one of the Kuppenheimer shops, one of the largest and most bitter anti-union shops. increased the membership by 50. The story of how this victory was won is told by Organizer Glickman:

> "The building at Winchester Avenue, and Bloomingdale Road, housing three shops of B. Kuppenheimer was one of the fortresses of the Association. During the entire period of the campaign, private detectives and sluggers were stationed inside and out of that shop. Numerous arrests of our officers and committees were made. On one particular evening in the month of March, 1919, 12 of our committee men were arrested. Six patrol wagons responded to a riot call sent in by the Company. Three of our men were badly cut with knives by the Company's employees and a great many more men beaten by policemen's clubs. In spite of all this, the work of the organization in this House was not weakened by this incident, and finally a group

of workers of this building attended one of the shop meetings, their numbers steadily increasing, until it led to the signing of the Agreement."

Things then began to move more rapidly.

"About the 1st of March, the people of the firm of Spiesberger, Erman & Co., a children's clothing house with two coat shops and one knee pants shop went on a strike. The usual arrests of pickets and slugging of our members took place. The majority of the people stayed about 6 weeks, when the organization decided to send the people back to work by arrangement with an elected committee of the people, and only a few weeks later, this House came under the general agreement signed with the Association. The next house to sign was the Pellstein Clothing Company, manufacturers of young men's clothing. After many shop meetings, demands were presented and on Easter Monday, 1919, the agreement with increases both for the tailors and cutters was signed. Another important event was the strike in the shops of Chas. Kaufman & Bros. after months of organization work. The people of that House went out on a strike about the middle of February. The cutters, working in the main building, also went out, and the picketing was supervised by these cutters. This House applied for and was granted an injunction against our organization. restraining us from doing anything except breathing. Many a member has had a ride in the patrol wagon. Sluggers and strike breakers were employed and after a period of five weeks, the people went back to work and about a month later this House came under the general agreement. The overcoat shop, "D," of Alfred Decker & Cohn deserves special mention. There were about 250 people employed there. As early as November, 1918, the organization got a strong hold in this shop. In December, 1919, the people had elected Brother Max Brown as their chairman at one of the shop meetings. Of course, he was not recognized, but due to the strength of the organization in this shop, he was not discriminated against. The following incident especially is worth mentioning, for it showed the spirit of the people as well as the power they commanded in the shop. In the middle of January, 1919, Lichtenstein, a collar maker, was discharged by the firm. At this time the chairman was taking up some complaints semi-officially with the company, so he took up the matter of Lichtenstein's discharge. After three weeks of unsuccessful efforts, the people displayed their strength by stopping work in the shop. This stoppage lasted about 2½ hours, tying up completely the

entire shop. The Company then re-instated the man, with pay for the three week's lost time, and also paid all the people for the time they lost during the stoppage. In February, 1919, the organization arranged a dance for the people of the shop at the Wicker Park Hall, which was an immense success, as not only the people of that shop attended, but invitations were extended to the workers of the other shops of this concern, and a great number of these were present. This was practically the first time that a shop, belonging to the Association, had attended a successful affair given by the Union. In the latter part of March, 1919, the people of the shop presented demands for recognition of their shop chairman and shop committee, also for an increase in wages. After several negotiations, the Company refused the people's demands. The people went out on a strike. After the first week of the strike, negotiations with the Company were started by the Chairman and committee, but with no avail; however, after the strike had lasted four weeks, successful arrangements were made for all people to return to work with recognition of the chairman and committee and no discrimination for union affiliation. The question of increases in wages was to be taken up later. The committee held only 3 or 4 meetings, and just when they were ready to make final arrangements, the general agreement was signed with that House.

"During all this time the organization campaign was pushed vigorously. Shop meetings were held daily, while the committees together with officers went in front of the shops three times a day. Many of the large and small shops attended these meetings. There were as many as 8 or 10 meetings daily and the prevailing spirit was very good.

"The Cohn & Rissman cutters walked out with the tailors early in March. Besides the usual formula of injunctions, sluggers, bribes and the police, the firm tried a new stunt which is worth telling. One mid-night the boss and the foreman went visiting the cutters' homes in an automobile, telling each one that the other was going to work in the morning. A loyal cutter called Brother Rissman at 12 o'clock and he called Brother Kroll (they had just come home from a meeting); they secured a machine and also went visiting about 1 a. m. and insisted that each cutter they called on, dress and get in the machine with them. So at 5 a. m. there were two-machine-loads of pickets in front of the factory and not a man went in.

"The Charles Kaufman men were also early to strike and immediately the 1916 injunction was put on the walls (that

was the style—one day a strike and the next day an injunction appeared). Despite this they put up a wonderful fight and were sent back to work just previous to the signing of the agreement.

"The Chicago Tailoring Association men were also organizing and one day the astounding news spread through the clothing district that every man in the cutting room had received a nine dollar raise which made them the highest paid cutters in the city, but they continued to organize.

"The Special Order cutters who were so hard to organize were now showing signs of activity. Soon the Bridie and Rogofsky men were in the union and made a demand for more wages and when refused they sat on the tables without working, went out at noon and came back and still sat on the tables. This continued for a day and a half until their demands were granted. Next day two active union men were fired and the rest walked out on strike and stayed out until an agreement was reached.

"The International Cutters were next in line. Here union men were discharged and the firm refused to reinstate them. The men then struck and soon the firm offered to reinstate the men, but the men then wanted a closed shop, and a telephone conversation ensued from the union office to the firm which secured for the men a $6.00 raise, but even then it took great effort to get them to return to work.

"The leaven was also working in Kuppenheimer's trimming room. One noon-day a young trimmer was asked to see what he could do towards organizing the trimming room and at 2.30 p. m. he brought the entire trimming force over to the Union Headquarters, about 25 boys all over 19 years, to join the union and they then returned to work.

"A shop chairman in Hirsch Wickwire's shop was fired out one day and a stoppage occurred in the factory, and then word was signaled from the street to the cutting room, the cutters stopped like a unit and the chairman was reinstated. This was the first demonstration of the solidarity of an entire factory in the campaign."

On March 12th, the National Tailoring Company, against whom a strike had been conducted for recognition and increase in wages, settled with the union, granting an increase

of $4 a week. On March 13th, the City Tailors settled with the union, giving a 10% increase in addition to 15% previously granted. The Continental Tailoring Company entered into a preferential agreement and granted a 7% increase. Still the association was maintaining a system of blacklisting by means of which they could discriminate against workers active in the organization. An application blank was filed for each applicant with the chief of the "Labor Bureau," indicating the opinions of the applicant, what organizations he belonged to, what offices he had held, if any, and the names and addresses of his last five employers.

On March 20th a great mass meeting to celebrate the organization campaign was held in Carmen's Hall. President Hillman, Secretary-Treasurer Schlossberg, John Fitzpatrick, and others addressed this meeting. A resolution was there unanimously adopted authorizing the Chicago officers of the union to enforce collective bargaining and to take whatever action they deemed necessary for such enforcement. The thrill of that meeting touched even the newspaper reporters, one of whom described it vividly in an editorial:

> "A rush of crowds, clamor and surge of seat hunting. Eagerness of spirit * * * Middle-aged men and women, listening not with attention but with passionate intentness * * * Sentences you could put your teeth into, like: 'While the world war was fought to make the world fit for democracy, we are fighting, we are organizing, and shall continue to fight and organize until we are 100% organized and can make the world a fit place and a decent place for working people to work in.' * * * Lavish literature everywhere—lavish in quantity and in style * * * The gustiness of it all caught you up and swirled you along * * * They did not ask things or plead for them. They crisply formulated demands."

Towards April, the employers were beginning to show signs of panic. They yielded on every side. Increase followed increase, but still the applications for membership came in by the hundreds. Individual firms, like the Continental Tailoring Company, were entering agreements with the union similar to the Hart, Schaffner and Marx agree-

ments. Under the Continental Tailoring Co. agreement even the impartial machinery was established, with Mullenbach as chairman. The Majestic Tailors and the Oxford Tailoring Company were by this time signed up while others were negotiating with the union.

On March 26th, the strike against B. Kuppenheimer & Co. was won. The firm agreed to reinstate all of its workers without discrimination, to recognize the shop committee, and to pay the strikers for all the time they were out. In the meantime, the organizers were kept busy enrolling new members from all the shops. By the end of March agreements were signed with seventeen more individual firms, and Mr. Rosenblum reported that the southwest district situation was better than it had ever been before. In April, Charles Kaufman & Bros., Alfred Decker & Cohn, and other important shops, sent out letters to all their employees urging them to return and made a last effort to induce them to be satisfied with their shop committee system. Organizer Glickman describes the attempt made by many of the firms to inaugurate the shop committee as a last device to smash the union:

> "In order to give a correct idea of these committee systems I will explain what they meant in one of the houses, B. Kuppenheimer & Co. The designer, the production manager, and the superintendent of the building called all the employees together on their main floor and explained to them that they wanted the people to elect their representatives in the shop, that they did not have to join the union in order to better their conditions, that all those who did not join the union would receive one week's vacation with pay and a bonus on their earnings. Three committees consisting of either men or women were to be elected on each floor. One committee was to represent all pressing sections, one all operating sections and one all hand work sections. A ballot box was then produced, slips of paper distributed and some workers, who were loyal to the company, voted. All union people refrained from voting, having been previously so instructed at the organization shop meetings. The company's representatives then took the ballot box with them, returned the following day, announcing the names of twelve workers who supposedly were elected. Among these were five good union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men. After this, they were called to the main building where a conference with the highest officials of the company was held. Again the same promises, and as expected, the union men were the spokesmen for the committee, working according to instructions given them by the union. They asked the company to issue all their propositions in a written form so that they might return to the people in the shop with something that was concrete. This the company refused. Six or seven conferences of a similar nature were held but the company received little or no satisfaction. Exactly what happened in Kuppenheimer's shop happened in the other association houses, as they all followed the same program with the same unsuccessful results, since the union had a perfected organization in almost every shop in the city as well as in the district."

It was now the beginning of the end. In the next few weeks more shops settled with the union. The firm of Cohn & Rissman secured an injunction against picketing and had nine strikers arrested. By the end of April three thousand workers were on strike for recognition. The firm of Alfred Decker & Cohn was completely tied up; the strike was again renewed against the Kuppenheimer Company and strikes against many small firms were in progress. Nearly three hundred pickets had been arrested, but the membership grew so rapidly that the northwest side district was forced to move its offices in order to accommodate the increase in membership.

The first day of May, 1919, was a day long to be remembered. The Ashland Auditorium was secured for the celebration. Word was sent to the non-union shops, calling upon the workers to join in celebrating the workers' international holiday and to demonstrate the solidarity of the working class. The hour for their stoppage was set at 2:30 P. M. On the hour the workers left their benches in the non-union cutting rooms and factories and all flocked to the halls which were soon crowded to the doors. The "shop committee" plans sponsored by the employers had now definitely failed. In the first week of May the strike against Alfred Decker & Cohn was settled; the firm recognized the shop committee and promised to establish machinery for collective bargain-

ing. On these terms work was resumed on Monday, May 5, and all the workers returned. The Cohn & Rissman strike was also terminated with a preferential shop agreement and a fifteen per cent. increase.

> "Then came reports of this house conferring with the union to get their strikers back, that house offering to sign on a certain date, others giving indications of willingness to negotiate. Then that day in May, when the world never seemed so bright and the sky so blue, came the word that the A. C. W. of A. and the Wholesale Manufacturers' Association had reached an understanding and an agreement was to be signed."

On May 13, 1919, President Hillman was ready to present to the Chicago clothing workers an agreement with the Association, providing for a preferential union shop and arbitration machinery. Notices were posted in all the shops of the Wholesale Clothiers' Association, notifying the workers that the Association had signed up and directing them to meet at 3:30 in the Carmen's Hall to vote on the agreement that would be there submitted to them. All the factories closed at 2:30 P. M. The Hart, Schaffner and Marx workers who had fought, bled and paid for this day, left their benches at 2 o'clock; and promptly at 2:30 the non-union factories opened their doors and the workers marched to the hall through the solid ranks of the cheering thousands of union men and women who had helped them in their struggle for emancipation. The meeting was opened by Mr. Rissman. After addresses by Rosenblum, Levin and a few others, President Hillman submitted the pact to the workers and it was unanimously ratified.

At the same time negotiations were in progress between the union and the Wholesale Tailors' Association. The Cut, Make and Trim Association agreed to sign with the union, granting a $35 minimum for cutters, and whatever the union scale was, to the tailors. This association included about two thousand people. On May 26, at another great mass meeting, the members ratified the agreement with the National Wholesale Tailors' Association by unanimous vote. This concluded the organization of the whole market. "The

U. G. ' Label Shops ' swung over at last, the Chicago clothing cutters were industrially free, no more Medinah Temple with its infamous blacklist, no more cringing or begging favors from bullying tyrants of foremen. At last our wildest dreams are brought to a realization—Chicago 100 per cent. Amalgamated."

General Executive Board, Amalg

ated Clothing Workers of America, 1920-1922

PART II

WAGES AND HOURS

CHAPTER VII

WAGES AND HOURS, 1911-1921

Wages of the clothing worker in Chicago at the beginning of 1911 were those of the unorganized and sweated worker. Fifteen dollars were the average earnings of the men workers and ten dollars the average earnings of the women workers for the full time week of 54 hours. These are the figures compiled by the United States Government from the payrolls of the clothing firms in 1911.

It is interesting that the first agreement of the union with Hart, Schaffner and Marx, March 13, 1911, contained as a concession to the union the following provision with regard to a minimum wage:

> "No employee shall receive less than $5.00 per week and no male employee above the age of 17 shall receive less than $6.00 per week, and no male employee above the age of 18 shall receive less than $8.00 per week."

The need for a minimum wage provision of this sort is revealed in the examination of the books of the clothing manufacturers in 1911 made by the Federal Government. The United States Bureau of Labor Statistics found that 8 per cent. of all women workers received less than $5 a week and that 49 per cent. received less than $10 a week. Only one out of every seven women workers received as much as $13.50 for a 54-hour week. Among the men workers 8 per cent. received less than $8 a week and 40 per cent. $13 or less. Or in other words, these 40 per cent. were paid at the rate of less than 25 cents per hour. Of all the men workers in the tailor shops in 1911 only one in twenty (5 per cent. of the total) received as much as 40 cents an hour for his work. Among the cutters the government found that 89

out of 583 cutters then employed in the factories selected for investigation in Chicago in 1911 received less than 30 cents an hour. The full earnings of these 89 cutters for a 48-hour week was $15 a week or less. In 1911 only 4 per cent. of all the cutters in the Chicago market received as much as 60 cents an hour.

The same report of the United States Bureau of Labor Statistics on wages in Chicago showed that men basters on coats in 1911 earned $13.65 on the average and women basters $10.94 a week. Bushelers and tailors averaged $14.11; cutters $19.30, although a few machine cutters were reported earning $24.60; examiners $15.36; fitters, reported as the highest paid section in the tailoring department, $17.13; men operators on coats $17.09; women operators $12.07. Pressers received on the average $14.21.

These were the average earnings when the people worked 54 hours per week. Seasonal unemployment was then, as it is still, a very serious factor. Taking into account the loss of earnings during the slack season, men workers in the Chicago clothing industry in 1911 hardly averaged more than $10 or $11 per week over the entire year. Even at the very low prices of 1910-11 these wages bought less food, clothing and shelter than was necessary to maintain even a minimum subsistence standard of living. For many workers with families it was virtually a starvation wage.

The first agreement with the union in the Chicago clothing market took some recognition of these conditions. The union succeeded in securing an increase for all of the workers. The agreement with Hart, Schaffner and Marx read as follows:

> "That there shall be a uniform increase in the wages of all the employes engaged in the manufacture of clothing in the tailor shops whether by piece work or by time work of 10 per cent."

In the trimming department the minimum rate was fixed at $8 per week and an increase of 10 per cent. was also granted. In the woolen examining department the piece work rate was adjusted to give a similar 10 per cent. increase.

Cutters' wages were raised 5 per cent. The agreement also specifically provided that in all departments persons that were paid by the week shall be paid time and a half for overtime. The company voluntarily extended the application of time and a half for overtime to the piece workers at the same time. Not until 1917, six years later, did workers in certain non-union houses in the Chicago market receive pay and a half for overtime. The agreement also established the 54-hour week.

The progress of the workers in the Chicago market, as a whole, in the matter of wages was very slow in the early years of the Chicago organization. In 1912 the government again examined the payrolls and reported that average wages of all workers had risen from $12.24 in 1911 to $12.68 in 1912. The gain was 3 per cent. Men workers had fared better than the women workers. Average earnings for the men rose $1.50 a week, or 10 per cent. from 1911 to 1912, while the wages of the women workers averaged only 2 per cent. more in 1912 than they did in 1911. Already the provision in the agreement of 1911 increasing the pay of the workers in Hart, Schaffner and Marx had had its effect upon the earnings of the workers generally, particularly the men workers.

A supplemental agreement was negotiated and made effective April 1, 1912. This agreement provided for the establishment of a trade board with authority to fix piece work rates. In fixing piece work rates the board was to be guided by the rule: "Changed prices must correspond to the changed work and new prices must be based upon old prices where possible." The effect of this rule was to place the making of piece work prices on a more scientific basis and to prevent possible under-cutting of the wage standard in effect by a change in specifications for work done. This rule has been in effect continuously since it was first adopted in 1912.

In 1913 the first agreement with the Hart, Schaffner and Marx Company was renewed. Specifically, no increases in wages were granted. Hours of work were reduced, however, from 54 to 52 and earnings were adjusted so that the

worker suffered no loss by the reduction in hours. In non-union shops, making a similar change in hours, weekly earnings were reduced. This is indicated in the survey of the payrolls made in 1914 by the United States Bureau of Labor Statistics which shows a falling off in the average earnings per full-time week of men workers in the clothing industry generally. The Bureau attributes the loss in earnings to the reduction in the number of hours worked.

The 1913 agreement with Hart, Schaffner and Marx, moreover, specifically provided that piece workers were to receive rate and one-half for overtime work. This had already been the practice since 1911, but it was written into the agreement for the first time in 1913. Minor changes were also made in the minimum wage provisions so that workers automatically were raised certain specified amounts after three months' service.

In July, 1914, the average wages of the worker in the coat shop and the increases over 1911 were as follows:

Operation.	Average Wages per Full Time Week. 1914.	Increase Since 1911.
Basters—		
Men	$14.48	$0.83
Women	11.49	.55
Bushelers and Tailors	14.67	.56
Cutters—		
Hand	22.01	2.71
Machine	25.22	.62
Examiners	17.40	2.04
Fitters	18.13	1.00
Hand Sewers—		
Men	13.40	1.46
Women	10.53	1.20
Operators, Coat Shop—		
Men	18.16	1.07
Women	12.74	.67
Pressers, Coat	16.59	2.38

The average earnings of men workers in the men's clothing industry in Chicago in 1914 were $16.49 per week, or roughly about 10 per cent. higher than in 1911. The earnings of women had, however, been increased more than had the earnings of the men during the first three years of the life of the Chicago organization. In 1911 the earnings of women for a 54-hour week were $10 on the average. In 1914, for a 52-hour week the average earnings were $13.69.

Wages were, it is true, higher in 1914 than in 1911, but they were still far below an amount necessary to permit the worker and his family a proper standard of living.

Early in 1915 a vigorous campaign of organization was begun in the shops not then operating under union agreement. The workers in Hart, Schaffner and Marx were then the only ones organized. As a result of the campaign, the workers presented demands through the union to the non-union houses for increases in wages, betterment of working conditions and the recognition of the union. The manufacturers refused to consider the demands of the workers and a long, bitter and costly strike followed.

The strike was terminated by " shop settlements," carrying a reduction of hours in the working week. In the tailors-to-the-trade houses hours were reduced from 52 to 48. The ready-made houses followed their example in April, 1916, and reduced hours from 52 to 50. Shortly after the strike was settled one of the largest tailors-to-the-trade firms gave a 10 per cent. increase in wages to the workers. The ready-made clothing firms then followed by granting a 10 per cent. increase in the form of a " bonus." The strike thus brought almost immediately increases in wages, although the manufacturers had " won." The spirit shown by the workers during the strike had forced concessions from the employers.

At the end of the 1915 strike there was no change in the number of firms officially recognizing the Amalgamated. The Hart, Schaffner and Marx Company continued to be

the only firm under agreement with the organization. But those who worked in the non-union shops had returned to work after the strike with a new feeling of loyalty to the union. The beginning of a permanent organization in non-union shops was under way. The manufacturers recognized the change in the situation. For the next three years, therefore, the history of wages in the Chicago market was largely determined by the progress made by the union in their dealings with Hart, Schaffner and Marx Company. The other manufacturers in the market made wage adjustments in 1916, 1917 and 1918 only as the union gained concessions in dealing with the house which since 1911 had recognized the union. Sometimes these increases (" bonuses " as they were called so they could be withdrawn more readily if conditions warranted) were granted while negotiations between the union and Hart, Schaffner and Marx were in progress. It was the purpose of the non-union manufacturers to anticipate the official increases pending in Hart, Schaffner and Marx. In other instances the increases immediately followed an agreement between the union and that firm or a favorable decision by the Board of Arbitration so as to keep in check as much as possible disaffection and organization campaigns in the non-union shops. Consequently, although the union was recognized officially only by the Hart, Schaffner and Marx Company, every concession gained by the union in its dealings with that company immediately affected the entire market.

The agreement of 1913 expired in the spring of 1916 and a new agreement with the Hart, Schaffner and Marx Company was entered into at that time. The signing of the new agreement marked the five-year anniversary of the Amalgamated organization in Chicago. The 1916 agreement provided that the company should give an increase in wages equal in amount to 10 per cent. of the total payroll of the shops. The union was granted the right to distribute this advance according to its best judgment. This unusual responsibility the union accepted and it distributed the in-

crease not uniformly among all workers, but in such a way as to grant the largest increases to those who worked in the poorly paid sections. The courage and wisdom of the union in suggesting and applying this procedure was publicly recognized at the time by a statement from the chairman of the Board of Arbitration, Mr. J. E. Williams. He then wrote:

> "And now I have to record what is to me the most remarkable feature of the whole settlement. Instead of taking the ten per cent. advance and applying it horizontally to all workers alike, the union has made the unheard of demand that it be permitted to distribute the ten per cent. in such manner as to more equitably compensate the poorly paid workers. That is, they want to give most of the benefit of the advance to those receiving the lowest pay, so that the inferior sections may possibly be raised twenty per cent. while the higher paid sections may receive only five per cent.—if equity requires it.
>
> "Consider what this means. It means that the stronger and more skilled workers are voluntarily denying themselves of an equal share in order that justice may be done their more needy brethren.
>
> "It means, too, that we have a union here so highly developed that it is able to devote itself to ideal aims and is strong enough to enforce these ideal aims on selfish and rebellious members—should there be any.
>
> "Will anyone say that a union that is able to rise to this height of self-discipline, is dangerous or unfit to be trusted with power? Will anyone pretend that such a union is incapable of self-control?

The cutting and trimming departments received special treatment in the 1916 agreement. All cutters whose wages were less than $26 per week were given an increase of $1 per week. In the trimming department all men receiving $15 or less per week were given increases of $2 per week; all men receiving over $15 per week and not exceeding $20 per week were given increases of $1 per week. In addition the agreement provided for periodical increases to underpaid workers to bring their wages up to higher levels.

The following provisions in regard to the minimum wage were made effective by the 1916 agreement:

The minimum wage scale in the tailor shops shall be as follows:

	1st Month.	2nd Month.	3rd Month.
Machine operators (male and female)	$5.00	$7.00	$9.00
Women in hand work sections	5.00	6.00	8.00
Men, 18 years and over, not operators	8.00	10.00	12.00
All men not included in above	8.00	9.00	10.00
Inspector tailors (men)	16.00	....	....

The new agreement made in 1916 also registered an important gain in the number of hours constituting a full-time week. Hours of work were reduced from 52 to 49. In January, 1917, the company again reduced hours from 49 to 48 and piece work rates were increased 2 per cent., again in order not to affect the earnings of the piece worker under the new schedule of hours.

The first general increase of wages during the war period was made by decision of the Board of Arbitration on May 1, 1917. This increase was granted after a hearing had been held under the so-called "emergency" clause in the agreement with Hart, Schaffner and Marx. Wages of week workers and piece work rates in the tailor shops were increased by 10 per cent. The cutters at the same time were given an increase of $2.35, which amounted, roughly, to 10 per cent. of their average earnings.

Early in 1918 the union again brought to the attention of the company the demand of the workers for higher wages. Direct negotiations between the union and the company were begun which culminated in a successful agreement, effective May 1, 1918. The question of higher wages in this instance

was not brought to the Board of Arbitration. Under the agreement of May 1, 1918, cutters, trimmers and week workers in the tailor shops were granted an increase of $8 per week. As in 1916 no horizontal increase for piece workers was made. The workers in the poorly paid sections were granted a 15 per cent. increase and those in the better paid sections a 10 per cent. increase. The average increase then given was 12½ per cent. The wage adjustment of 1918 followed the same general principle first adopted in the 1916 settlement. It brought up the wage standards of the workers of the more poorly paid sections to a higher level by distributing the advance in wages so that they would receive proportionately greater increases than the workers in the better paid sections.

The term of the agreement of 1916 was three years and the date of expiration was 1919. Negotiations between the union and the company were begun in the latter part of 1918 and were carried to a successful conclusion on January 7, 1919. At that time the Amalgamated in New York City was in a state of lockout, declared by the New York manufacturers in their efforts to defeat the movement for the 44-hour week. The new agreement with Hart, Schaffner and Marx established the 44-hour week and increased piece work rates by 8⅓ per cent. so that piece workers could earn in 44 hours as much as they had formerly earned during a 48-hour week. Week workers were granted an increase of $2 per week. The result of the agreement was a very important one, quite aside from its immediate effect on wages and hours in the Chicago market. It marked the inauguration of the 44-hour week in the clothing industry throughout the country and it seriously weakened the morale of the New York manufacturers who were still fighting the union on this issue.

Organization work had, in the meantime, been proceeding slowly but effectively in the non-union shops in the Chicago clothing industry. Early in 1919 the workers came to the

realization that they were now strong enough to demand their rights. There then followed in the non-union shops, from January to May, a series of shop strikes and section stoppages which forced concession after concession from the non-union employers. Increases were granted in some cases to sections and in other instances to whole shops. Several of the non-union firms were forced to grant general increases for all their workers of 10 per cent. in addition to increases already granted to individual sections. To quote but a few examples, on January 20, 1919, E. V. Price, a leading tailor-to-the-trade house, gave a 10 per cent. horizontal increase. On January 27 the Wholesale Clothiers' Association, composed of all of the important ready-made clothing firms in the city, with the exception of Hart, Schaffner and Marx, announced a 10 per cent. wage increase. Although it was stated that the increase was not to be put into effect until April 28, it was actually made effective by certain houses early in February.

On March 3 fifty cutters employed by the Chicago Tailors' Association, after a stoppage of work caused by the discharge of an active member, won a wage increase of $9.

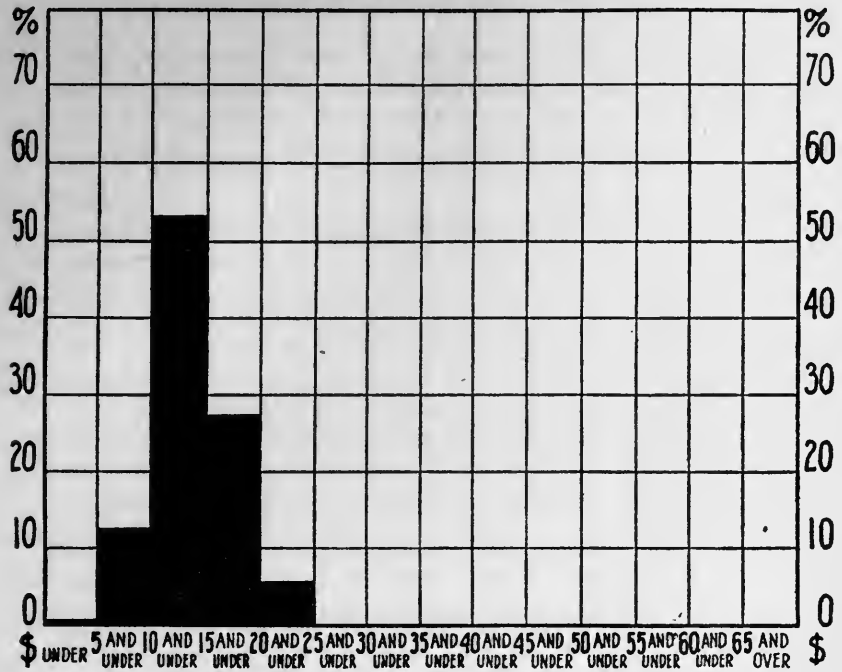
On March 12 The International Tailoring Company locked out cutters because they organized and asked for a wage increase. A settlement was reached the following day in which an increase of $4 was granted. The week before the cutters had received a raise of $2.

On March 13 City Tailors granted 10 per cent. increase following a previous raise of 15 per cent.

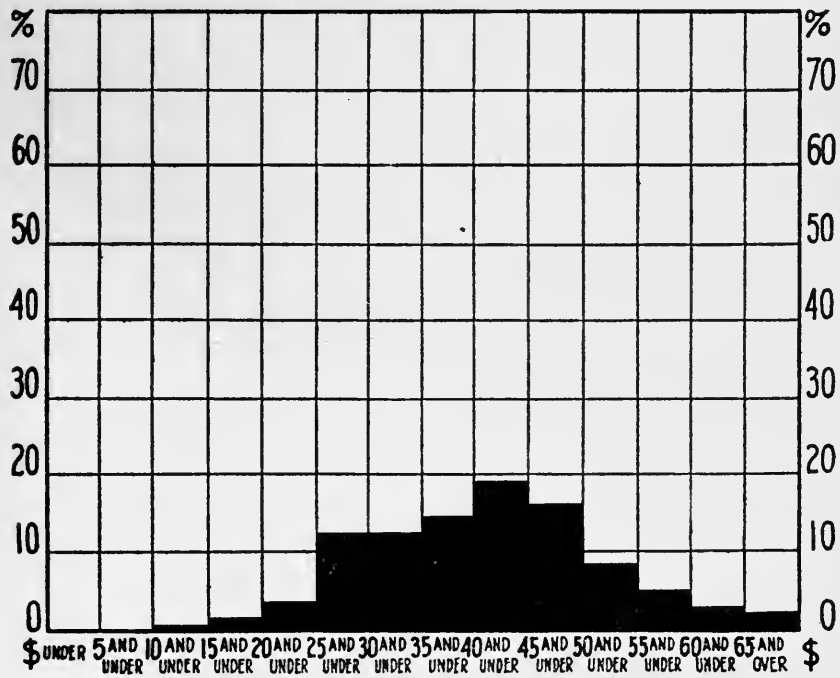
In the Hart, Schaffner and Marx Company wages remained stable during this period. The result of these shop strikes was the signing of a general agreement covering all of the Chicago market with the exception of Hart, Schaffner and Marx. That firm retained its original agreement. The new agreement provided for wage increases as follows:

> " All the piece work sections shall be classified by each house according to the average weekly earnings of each section, taking all the workers of each section in all the shops of each

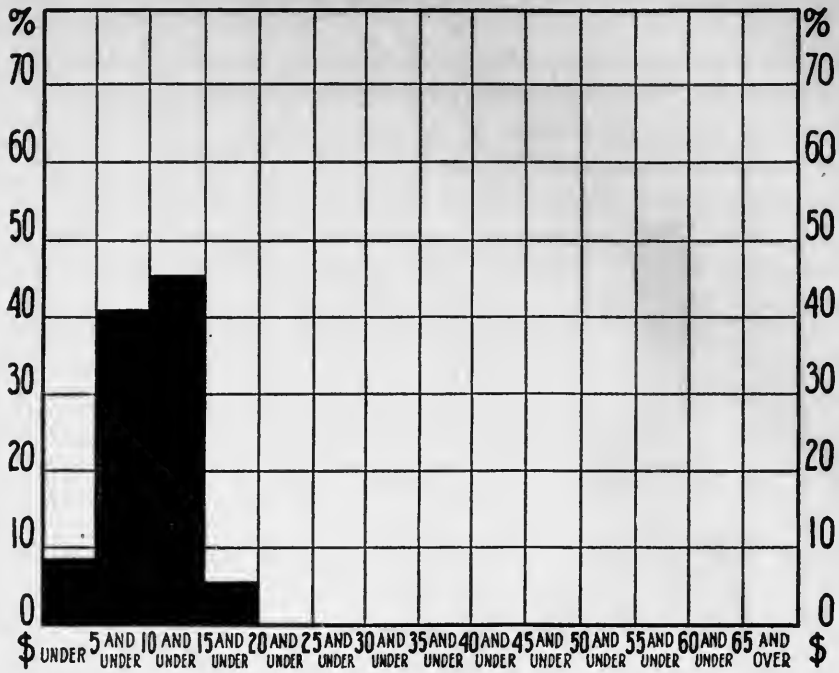
1. FULL-TIME WEEKLY EARNINGS OF MALE WORKERS, TAILOR SHOPS, 1911.
Distribution by Wage Groups—Source: U. S. Bureau of Labor Statistics, Bulletin 135.



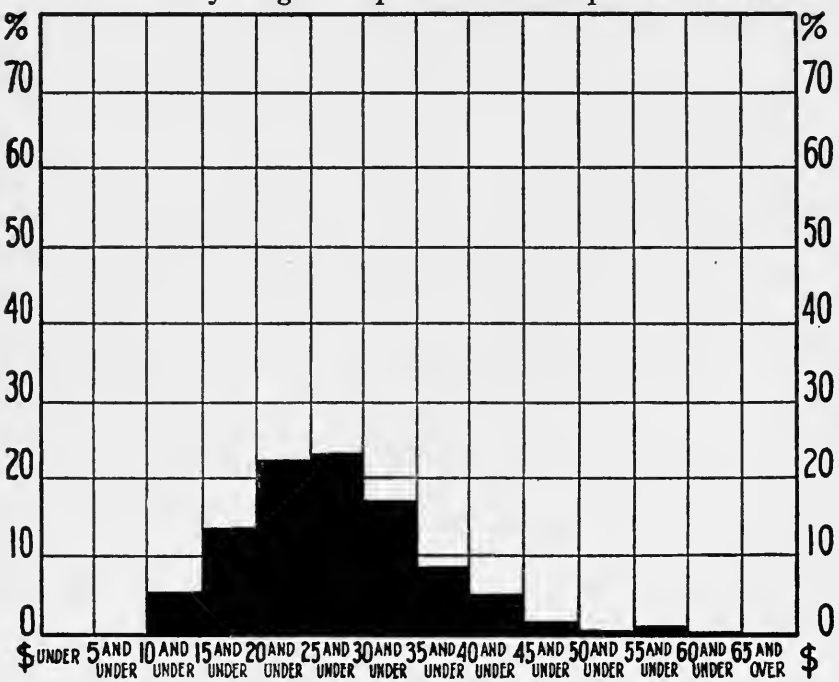
2. FULL-TIME WEEKLY EARNINGS OF MALE WORKERS, TAILOR SHOPS, 1919.
Distribution by Wage Groups—Source: Impartial Chairman.



3. Full-time Weekly Earnings of Female Workers, Tailor Shops, 1911. Distribution by Wage Groups—Source: U. S. Bureau of Labor Statistics, Bulletin 135.



4. Full-time Weekly Earnings of Female Workers, Tailor Shops, 1919. Distribution by Wage Groups—Source: Impartial Chairman.



house as a unit. For the purpose of this classification the average earnings for each complete section for the latest four full weeks (eliminating overtime) shall be taken.

"To the piece rates of all sections, the average earnings in which are $28 or under, an increase of 20 per cent. shall be added.

"To the piece rates of all sections, the average earnings in which are over $28.01 to $37.00, an increase of 15 per cent. shall be added.

"To the piece work rates of all sections, the average earnings in which are over $37.01, an increase of 10 per cent. shall be added.

"All week workers in tailor shops (excluding all superintendents, foremen, section heads and their assistants, and all learners employed less than three months in the trade) shall receive an increase, in addition to their wage rates, of $5.00 per week.

"All cutters, now receiving a wage of $31 per week or less, shall receive an increase of $5.00 per week, and all who are receiving more than $31 shall receive an increase of $4 per week.

"All experienced clothing cutters (excluding apprentices), hired after July 3rd, shall receive a wage of $37.00 per week. All regular cutters, excluding apprentices, whose wages, after having received the increases as herein provided, shall be less than $37.00, shall receive a further increase of $1.00 per month until their wages equal $37.00 per week.

"All trimmers in the trimming department shall receive an addition of $5.00 per week to their weekly wage rates."

In Hart, Schaffner and Marx, the same raises were granted to the workers by agreement between the union and the firm. The wage adjustment in this house also was made retroactive, as in the other houses in the market, to June 1, 1919.

The post-armistice boom in general business was then in full swing. In the clothing industry, particularly, there was unusual activity. Retail prices for clothing were going up by leaps and bounds because of the heavy demand by consumers. The cost of living was rising rapidly. Under these circumstances, many clothing workers could have made individual bargains which would have been extremely favorable to themselves. The union, however, took the position that

all gains should be made by collective bargaining. It held that wage adjustments should be made through the union and that such wage adjustments should so far as possible be made so as to benefit all the workers of the market and not only particular individuals. It accordingly took steps to stabilize rates of wages. During the fall season of 1919, the workers in the Chicago market again demonstrated their solidarity and their discipline by supporting the union's position.

At the close of this season and before the spring manufacturing season opened, the union presented to the manufacturers the demand of the workers in the market for wage increases. The employers asked for arbitration. The proceedings came before the Board of Arbitration under the "emergency" clause of the agreement. At the conclusion of the hearings, the Board of Arbitration awarded increases to become effective December 15, 1919. The details of the wage adjustment were as follows:

> "An increase of twenty per cent. (20%) shall be given to sections or occupations where the average earnings or wages on a forty-four hour basis are thirty dollars or less per week, and five per cent. (5%) to sections where the average earnings on a forty-four hour basis are fifty dollars or more per week.
>
> "An increase equivalent to $6.00 per week shall be given to sections where the average earnings are from $30.00 to $50.00 per week. An increase of 20% shall be given to all week workers now receiving less than $30.00 per week; an increase of $6.00 per week to week workers now receiving from $30.00 to $49.99 per week; and an increase of 5% to week workers now receiving $50.00 or more per week.
>
> "In piece work sections, the equivalent of the increase shall be calculated and added to the existing piece rates."

The chairman of the Board of Arbitration in his decision in this case pointed out that labor is entitled to improve its standards of living, and that to make increases proportionate only to the rise in the cost of living would defeat the workers' opportunity for progressive improvement. The Board also recognized the seasonal character of the clothing industry

and the greater risk undertaken by the worker because of seasonal variations in employment. This risk, the chairman held, should be taken into account in determining wages.

It is of interest to note in connection with the general award of December, 1919, that the Board of Arbitration in its decision followed the practice begun in 1916 by the Amalgamated, of rewarding the workers in the poorly paid sections most and giving relatively less to the others.

In addition to the increases specifically granted in the Board's decision, provision was made for increasing the earnings of those groups whose earnings still remained below the prevailing market levels.

A minimum wage for learners in tailoring shops was not fixed in the decision but was referred to a special commission for determination. Acting on the report of this commission, the Board of Arbitration fixed a standard minimum wage for learners of $15.00 a week, effective April 12, 1920. This minimum of $15.00 a week was based in part on the $16.00 minimum for apprentice cutters also established by the Board of Arbitration on February 20, 1920. The minimum for apprentice cutters, however, had been a matter of discussion before the December, 1919, decision and had been submitted to a joint committee of employers and employees for settlement. When this committee failed to reach an agreement, the question was settled by the Board of Arbitration. The minimum for apprentice cutters was made retroactive to become effective October 1, 1919, for all apprentices appointed after July 9, 1919.

The award of December, 1919, provided for the appointment of a commission to fix standards of production in the cutting rooms of the Chicago market. The chairman of the Board at that time indicated that, when these standards had been fixed, the cutters should receive a further increase in addition to the $6.00 a week given them in the award of December, 1919. A partial report of the cutters' commission was made to the Board of Arbitration on March 2, 1920. The group standards of production set by the commission were approved by the Board and a minimum stan-

dard wage of $45.00 fixed. But the Board in the following terms defined the conditions under which the increase should actually be paid:

> "The Board decides that these standards should be effective immediately on notification to the several houses. It further announces that beginning with Monday, March 8, the minimum standard for cutters will be $45.00. This same date will be regarded as the date for the whole Chicago industry, but no increase shall be actually paid to the cutters of any house until standards have been set in that house. The reason for fixing this date for all houses before some of them have actually had standards fixed by the Commission is to avoid unfairness due to delay in the case of the houses visited last."

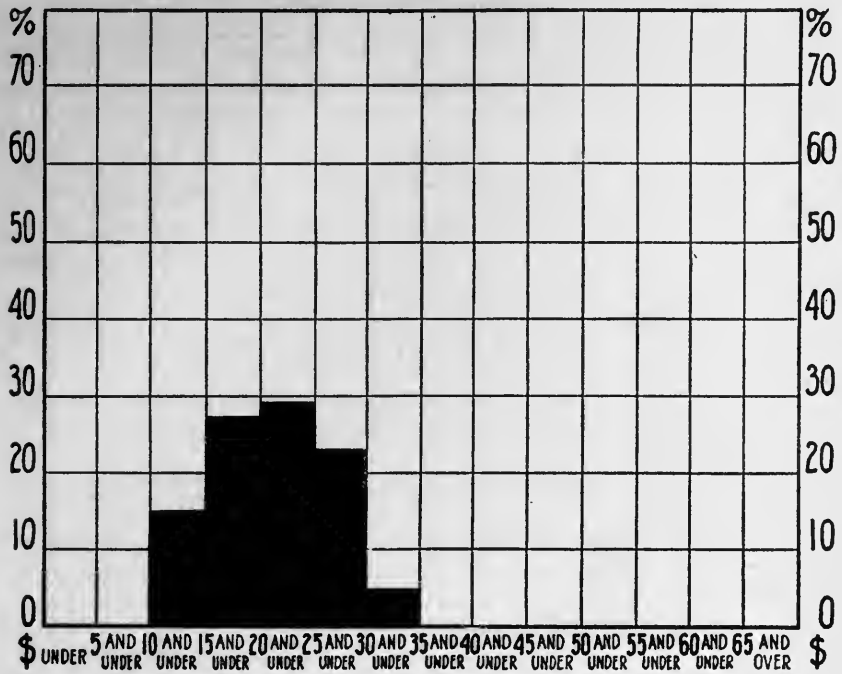
The increase effective March 8, 1920, was confined largely to cutters employed in special order houses. In a later decision, October 28, 1920, the Board said in further interpretation of its decision:

> "This minimum standard of wage was intended to accompany a standard of production which would be fixed for the several houses by the commission. The intent of the decision, it ought to be unnecessary to state, was not that every cutter in every house should receive $45.00 irrespective of his production, but that every cutter (or every group of cutters where a group standard has been set) conforming to the standard set for the particular house in question should receive the $45.00."

The clothing industry was one of the first industries to feel the effects of the industrial depression of 1920-1921. Sales of clothing began to fall off in April, 1920. Nevertheless, the cost of living continued to rise so that by July, 1920, the worker found himself receiving virtually 10 per cent. less because rates of wages had remained stationary while the prices of food and other necessities had increased. Despite the bad business outlook, the union felt it its duty to present the needs of the workers first to the manufacturers and then to the Board of Arbitration. It was apparent, however, that the clothing industry had already been hard hit by the industrial depression. The Board of Arbitration therefore ruled that no increase of wages would be justified

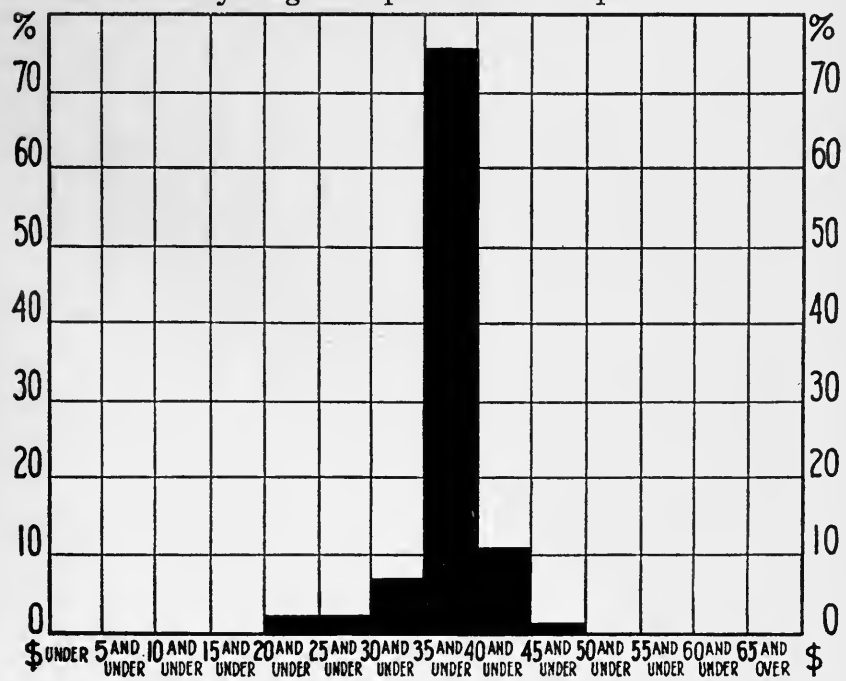
5. Full-time Weekly Earnings of Cutters, 1911.

Distribution by Wage Groups—Source: U. S. Bureau of Labor Statistics, Bulletin 135.



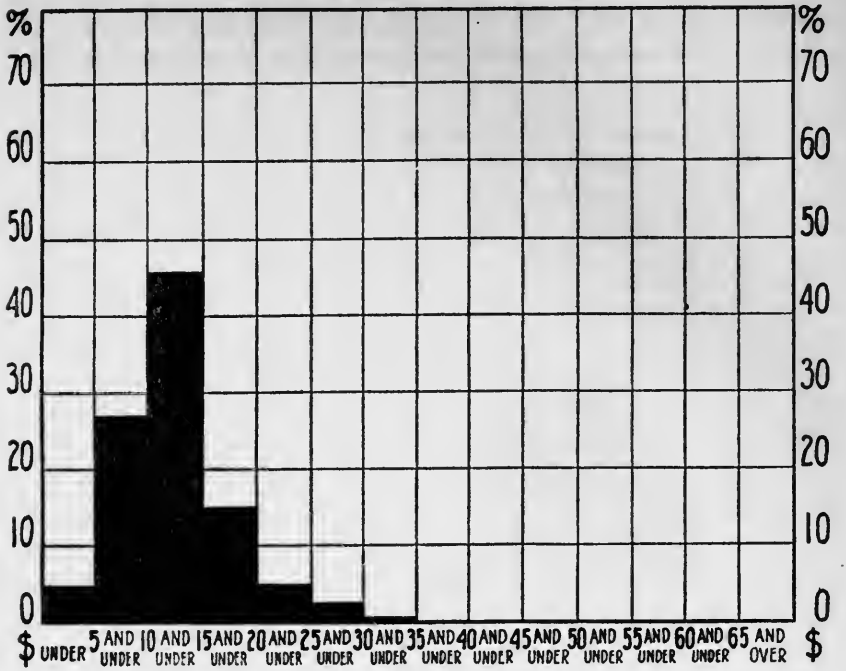
6. Full-time Weekly Earnings of Cutters, 1919.

Distribution by Wage Groups—Source: Impartial Chairman.



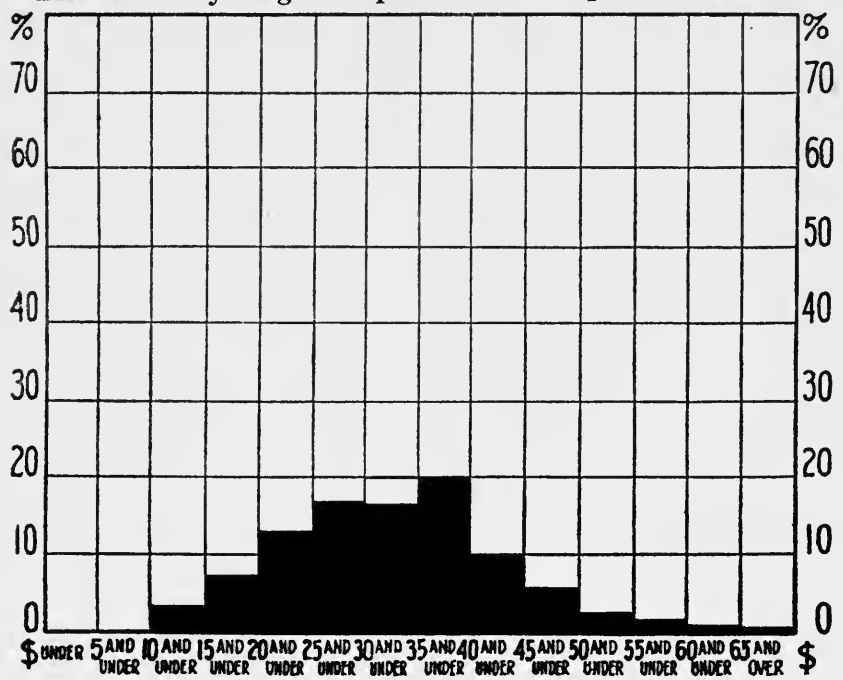
7. Full-time Weekly Earnings of All Workers in Tailor Shops, and Cutters, Combined, 1911.

Distribution by Wage Groups—Source: U. S. Bureau of Labor Statistics, Bulletin 135.



8. Full-time Weekly Earnings of All Workers in Tailor Shops, and Cutters, Combined, 1919.

Distribution by Wage Groups—Source: Impartial Chairman.



at that time (August, 1920). It ordered, however, the appointment of a commission to study the problem of unemployment in the industry.

Conditions in industry generally during 1920 became progressively worse. Industries, one by one, were affected by the general depression in industry and by the economic collapse of Europe. The slowing down of industry was immediately accompanied by sharp wage cuts in unorganized industries. Of all the industries, clothing and textiles had been hit first and hardest. The employers took advantage of lack of organization among the workers in the textile industries and reduced wages 22½ per cent. In the Chicago clothing market, manufacturers presented a demand to the union for a reduction of 25 per cent. On the union's objection, the case went to the Board of Arbitration for decision. A preliminary conference was held early in March and public hearings on March 23 and 24. On April 16, 1921, the decision was announced. It provided that workers in tailoring sections, who had been increased in December, 1919, by approximately 20 per cent. should suffer a reduction of 10 per cent. and that those workers who had received a 5 per cent. increase in December, 1919, should be reduced by the same amount, namely 5 per cent.

By the decision of the chairman of the Board of Arbitration the workers in the more poorly paid sections suffered the largest reductions. In this respect it reversed the practice first begun in 1916 of giving greater advances to the lower paid workers than to the higher paid workers. The chairman, however, held that since the workers in the higher sections had received only a 5 per cent. increase in December, 1919, that a larger cut in the wages of these workers would bring their wages below the standard arrived at by agreement between the manufacturers and the union. An arbitrator, the chairman held, was not justified in reducing wages below the level agreed upon in joint negotiation.

The decision also held that no reduction should be made in the wages of the cutters. The chairman, in fact, stated that the average cutter should receive $45.00 a week. Cut-

ters were classified into five groups with wages ranging from $41.00 to $49.00 a week. Inclusion in a higher or lower wage class was made dependent on output. The administration of this part of the decision was entrusted to a cutters' commission, composed of representatives of both parties, working under the direction of the Chairman of the Board of Arbitration.

This brief review of wages has necessarily included only general wage adjustments affecting the whole market. Data are not available relating to changes in individual sections. It is possible, however, to measure the earnings in 1920 of the clothing workers of Chicago. The following table, taken from figures submitted by the employers in the arbitration proceedings of March, 1921, shows, for the larger houses of the city, the average earnings of men and women in a 44-hour week of uninterrupted employment in the summer of 1920:

AVERAGE WEEKLY WAGES, 1920.

Firm.	Male.	Female.
House A	$51.50	$37.48
" B	47.79	34.23
" C	47.79	33.84
" D	49.72	34.85
" E	52.73	44.25
" F	57.98	40.78
" G	49.23	36.45
" H	53.54	41.12

Differences that appear in average wages in the various houses do not entirely reflect differences in the earning power of the piece-work rates. Earnings of piece-workers may and do vary considerably because of interruptions in the flow of work and differences in standards of quality.

The figures submitted by the manufacturers present a picture of wage conditions in 1920. It takes only a comparison of these figures with the statistics compiled by the

government in 1911 to show the gains made by the workers since they organized eleven years ago:

AVERAGE WEEKLY EARNINGS, 1911 AND 1920.

	Full Time Weekly Earnings.	Hours Per Full Time Week.
Men Workers—		
1911	$14.64	54
1920	48.44	44
Women Workers—		
1911	$10.10	54
1920	34.31	44

Of course, the value of a dollar in 1911, measured in the amount of food and other necessities which it could purchase, was much greater than in 1920. Nevertheless, making all allowances for changes in prices it is clear that the gain in wages achieved largely through organization of the workers has been a substantial one. The wage of the clothing worker is no longer barely enough to keep body and soul together as it was when the union came into being. To-day, the clothing worker does not have to depend upon charity during the slack season as did many in the years before 1911. The organized Chicago clothing worker has won much for himself, his family and his fellows.

Remarkable as has been the progress of the clothing worker since he has organized, it has not been progress of the worker at the expense of the industry. The percentage of labor cost in the garment to-day is not greater than it was in 1915. In fact, much of the advance in wages has resulted from the greater efficiency of the market. The Chicago clothing industry to-day is as far ahead of the industry in 1910-1911 as are the wages of the worker to-day ahead of the wages of the unorganized worker of 1910. The good will and efficiency of the workers have contributed in full measure to this progress.

CHAPTER VIII

THE GREAT WAGE ARBITRATIONS

In recent years, as the impartial machinery has become more firmly established and has been extended to include the entire Chicago clothing market, almost all of the changes in general market wage levels have been made by decision of the Board of Arbitration. The settlement of the problems of market wage levels by arbitration decision has not done away with the process of direct negotiation between the union representatives and the representatives of the manufacturers. In the arbitration of wages in the Chicago market there has always been adequate interchange of views between the two parties concerned before, during, and after the public hearing.

Wage arbitrations and particularly the public hearings held as a part of the proceedings have played a very prominent part in the history of wages in the Chicago clothing market. The method of determining wage levels for the market after hearing, discussion and by arbitration decision has been an important factor in building up the collective bargaining process and securing stability in wage levels. Under this plan wage levels have been adjusted not for the workers in a single section or even for an individual shop but for the market as a whole and with some regard for the interrelation of markets.

Wage arbitration has also tended to lessen change in levels arising from shifting of the bargaining power of the parties during a manufacturing season. In a seasonal industry such considerations are peculiarly important. The procedure of wage arbitrations developed in Chicago has placed emphasis on the permanent factors rather than seasonal influences affecting the wage problem and has thus placed a firmer foundation under the wage structure of the market. In this

way the great wage arbitrations have helped to give the stability sought for by the union.

From another standpoint wage arbitrations in the Chicago market are important. The Board of Arbitration has derived its authority to fix wages from the so-called "emergency clause" of the agreement. This clause reads as follows:

> "If there shall be a general change in wages or hours in the clothing industry, which shall be sufficiently permanent to warrant the belief that the change is not temporary, then the Board shall have power to determine whether such change is of so extraordinary a nature as to justify a consideration of the question of making a change in the present agreement, and, if so, then the Board shall have power to make such changes in wages or hours as in its judgment shall be proper."

Wages having been usually fixed by direct negotiation when the agreements are entered into, the Board may be said to be called upon, in a sense, to determine what changes are "proper." In the absence of a generally agreed upon standard of "proper" wages, the several proceedings in Chicago illustrate the limitations which the Chairman of the Board of Arbitration have themselves placed upon their own authority to fix wages.

The Board of Arbitration, set up under the agreement between the union and the manufacturers in Chicago, functions continuously during the life of the agreement. Moreover, although the Hart, Schaffner and Marx Company has a separate agreement and separately constituted impartial arbitration machinery, the personnel of the Board of Arbitration of the Hart, Schaffner and Marx agreement and of the general market is the same. In the wage arbitrations beginning with December, 1919, all manufacturers have been represented and a single proceeding has been held for the whole market. The permanent character of the Board of Arbitration has permitted the appointment of special commissions to report on questions raised in wage arbitrations which require detailed study for later decision by the Board without delaying an immediate decision on other issues. Commissions have also been appointed to work out the de-

tailed application of wage awards, when that procedure has been necessary to carry out the full intent of the Board's decisions. These commissions are usually composed of representatives of the employers and of the union and an impartial chairman. They have contributed much to the success of wage arbitration in the market.

These public discussions of wages, moreover, have had an important educational value. Workers have learned much about their industry and about industrial conditions generally. They have become aware of the individual workingman's position in the market, and of the relation of the Chicago market to the whole clothing industry of the country. Manufacturers, likewise, have seen the plane of wage controversies raised to new levels, where facts counted more than fancy. And the public has been granted an insight into the operations of a typical industry, which has proved invaluable as a basis for forming sound judgments on the character of industrial conflicts.

Strictly speaking, the arbitration method was resorted to in the determination of wages in 1911 when the first agreement was signed in the Chicago market, and again in 1913 in settling certain questions involving major working conditions. But it was not until 1917 that a request for a general increase in wages was submitted to the regularly established Board of Arbitration, and it has only been since the general agreement, including all manufacturers of men's clothing in the Chicago market, was signed in May, 1919, that wage arbitration has been the regular practice in the market.

In the arbitration of wages in 1917 the only workers affected directly were those of Hart, Schaffner and Marx, which alone at that time recognized and dealt with the Amalgamated. It will be recalled that in May, 1916, the union secured an increase when the agreement with the Hart, Schaffner and Marx Company for a three-year period ending April 30, 1919, became effective. Because of the continued rise in the cost of living the union raised the question of a general wage increase shortly after the beginning of the fall manufacturing season of 1917. The union asked for a gen-

eral advance in the wage level to make up for the loss resulting from higher prices for the necessaries of life. Higher wages were also asked because there had already occurred wage increases in the clothing industry and in other industries.

The company, while admitting that the cost of living had risen since the wage adjustment made by the 1916 agreement, contended that the average earnings of the workers, particularly of piece workers, had in fact increased from 30 to 35 per cent. The company pointed out that as a result of the greater volume of employment earnings had risen though wage levels had remained constant. It held, also, that to grant a wage increase after the prices of the fall season had been fixed and sales had been made on the basis of these prices would be unfair. The company would lose the entire amount of the increase granted the workers as sales had already been made, and it would have no opportunity to pass the increased burden of higher wages on to the consumers. Properly the company maintained increased wages should be added to the cost of the goods and should not come out of the company's margin between the cost of production and selling price.

The Board of Arbitration ruled that the workers had already suffered heavily in the diminished purchasing power of their wages. While admitting, in principle, the employers' claims, it held that the emergency was such that an immediate increase in wages was warranted. The Board of Arbitration awarded to the workers a general advance in wages. The wages of all workers, except cutters, were increased by 10 per cent. The wages of the cutters were increased a fixed amount—$2.35 per week—which was approximately 10 per cent. of the average weekly earnings of the cutters at that time.

The Board further ruled that any request for wage adjustments during the term of the agreement must be made in advance of sales for the season affected. Thus the Board recognized the contention of the employer that he should have the opportunity to pass wage adjustments on to the

consumers. The opinion of the Board of Arbitration in this case, given June 2, 1917, is as follows:

"The claims of the workers were explained to the Board by Mr. Sidney Hillman, international president of the Amalgamated Clothing Workers of America. He stated that the application was made primarily because of the enormously increased cost of living which had so diminished the purchasing power of money that it was virtually equivalent to a reduction in wages. He stated also that in response to this condition wages had been generally advanced in the clothing industry, that so far as human foresight could perceive the condition was a permanent one, and that the extraordinary situation which existed fully met the requirements of the provision of the agreement under which application for a readjustment of wages was brought. He made no specific demand, nor did he expect a full equivalent for the losses sustained by the workers by reason of war prices and conditions, but he maintained that a measure of relief should be granted, and the workers should not be required to bear all the burden of a common calamity.

"The company, through its representatives, acknowledged the claim of increased cost of living but called attention to the fact that since 1915 the average earnings of the people had increased from thirty to thirty-five per cent., due to the fuller employment brought about by a larger volume of business.

"More important, however, was the fact that the goods in the process of manufacture for the fall season were already sold at prices that were agreed on before the present claim was made, and this fact should be taken into consideration by the arbitrators in adjudicating the case.

"The Board of Arbitration approaches the decision of the question submitted to it with a deep sense of responsibility. The cause of our common distress is a national calamity which it is not in the power of the Board to remove or ameliorate. All that it has power to do is to readjust the burden so that it may not fall too heavily on the weaker party.

"It admits the truth of the claim that any advance granted in mid-season must come out of the company, and it recognizes the fact that ordinarily, increased wages should be added to the cost of the goods, and passed on to the consumer. But this is an extraordinary occasion. The workers have already suffered heavily in the diminished purchasing power of their wages and throughout the clothing and other industries wage increases have been made in response to the war prices which afflict the country. The Board believes that, on reflection, the company

Leo Krzycki

Nettie Richardson

Jack Kroll

Emilio Grandinetti

National Organizers, Chicago Campaign, 1919

can hardly expect to pass through the present war crisis and not share a part of the loss which falls so heavily on its workers, and, indeed, on all members of the community. It accordingly decides that the company shall give its workers a general advance of ten per cent. to be paid in the following manner:

"All workers under the jurisdiction of this Board, except the cutters, shall receive a horizontal advance in wages of ten per cent., to take effect July 1, 1917.

"The cutters shall receive an equivalent of ten per cent. converted into a uniform flat weekly increase, which is agreed to be $2.35 per week for each cutter, whether temporary or permanent, and also apprentices. In view of the fact that other departments have received more direct advances of wages than the cutters, it is decided that the cutters' increase shall go into effect June 1, 1917.

"It is decided that these increases shall be recorded separately by the company; that it shall take the place of the increase of pay asked for on behalf of the week workers in the tailor shops; and in the event of any other claim being made under the emergency clause of the agreement, that such claims must be made in advance of sales for the affected season being made by the company in order to be entitled to recognition by the Board of Arbitration.

"In the case of week-workers, the increase shall be calculated from the payroll of the last week in May, 1917."

FIRST MARKET WAGE ARBITRATION, DECEMBER, 1919

The first wage arbitration covering the whole Chicago market was held in December, 1919. All the firms in the market under agreement with the Amalgamated Clothing Workers participated. The case was filed on December 9th, a formal hearing was held on December 13th and decision was made on the 22d of the same month.

The union presented as reasons for a wage increase:

1. The increased cost of living.
2. The need for improvement in standards of living.
3. The great demand for labor in this industry which would have permitted greatly increased wages by bargains made by individual workers had not the union stabilized and moderated rates of wages during the previous manufacturing season.
4. The increases of wages already granted workers in the men's clothing industry in other cities.

5. The increased efficiency of the industry resulting from constant production not interrupted by strikes or other industrial disturbances. Costs had been reduced by eliminating the waste resulting from such disturbances. The union had also made an important social contribution in maintaining order and peace in industry in the midst of greatly disturbed conditions in the labor world. It held that the policy pursued by the union should properly be considered in the fixing of wages.

6. The efficiency which the Chicago market derives from being a piece work market.

The union in Chicago had brought the matter of increased wages to the Board of Arbitration after increases had already been granted in the principal clothing markets of the country through negotiation. The union, therefore, in this instance primarily rested its case upon the increase in the cost of living since May, 1919, and the increase of wages granted in the other markets. At the same time, however, the union raised a number of new points to which it directed attention.

It should be recalled that at this time prices of all commodities were rising rapidly. Charges of profiteering were frequent in all industries. Many of these charges were directed against the men's clothing industry. In many instances, not alone in the clothing industry but in other industries as well, high prices were attributed to profiteering by labor. The union, therefore, welcomed the opportunity afforded by the public hearing to bring to the attention of the public the significant facts as they were in the clothing industry.

The union told of the policy it had made effective in the Chicago clothing industry of stabilizing and moderating rates of wages during the fall manufacturing season of 1919 when there was an extraordinary demand for workers. During that season it had not permitted workers to secure advances which, because of the circumstances then prevailing, they would have been able to secure by individual bargaining. The union prevented the individual worker from holding up production by asking for a wage increase, and insisted that all increases and improvements in working conditions should be made by collective bargaining. Market conditions were

thus stabilized. The union had consistently held to this policy at a time when prices were rising in all lines of trade, including clothing, and when the margins of manufacturers and retailers were increasing rapidly. This policy of stabilizing wage conditions did much for the principle of collective bargaining in the Chicago market and set a firm foundation for the impartial machinery, then only beginning its work.

Moreover, the union pointed out that the increased efficiency of the clothing industry and of the Chicago market, in particular resulting from the policy adopted and carried out by the union, justified an increase in wages. The policy of the union for order and peace in the industry had been of great value. It had maintained constant production. It had stabilized market conditions. It had developed good-will and a sense of responsibility on the part of the workers. All of these factors had tended to reduce costs in a period when other costs and prices were being pyramided sky high. The worker, the union contended, had made this contribution to the efficiency of the industry and was entitled to share in the savings which had resulted therefrom.

The extension of piece work in Chicago had also put this market in a position to pay its workers certainly as much as they were being paid in less efficient markets. Finally, the union pointed out that the workers in the industry are entitled to a progressive improvement in their standard of living, provided the industry could afford to meet such standards.

The position of the employers, on the other hand, was that the Board of Arbitration should not at that time allow wage increases because:

1. Increases in wages in the industry had more than kept pace with increased cost of living.
2. Whatever may have been true of the demand for labor and the consequent market rate of wages, there was at that time a paramount duty to the public not to increase the cost of necessaries of life unless there was a real exigency, which in this case did not exist.
3. Employes in this industry were in a highly favorable condition as compared with those in other industries, both

national and local, when it was realized that only about one-third of those employed were heads of families.

4. Since deflation was bound to come sooner or later, every increase which adds to costs has a tendency in the wrong direction, and will make the inevitable shrinkage more keenly felt.

5. The indirect effects on prices and industry of any increase in wages at this time ought to be considered.

6. Local conditions in the Chicago market, both within the industry and in the relation of this to other industries, made any change undesirable from the point of view of the best interests of the agreement into which many of the firms had just recently entered.

The Board of Arbitration asked for and secured from both the manufacturers and the union statistics showing comparative earnings for the full time 44-hour week in Chicago and in other markets; wage increases granted in the market since 1913; changes in the cost of living as reported by government agencies; age and marital condition of workers with special reference to the number of their dependents; and comparisons of wages in clothing with other Chicago industries. In this arbitration proceeding for the first time, studies of earnings and wage rates in the Chicago and other clothing markets were made. The collection of these valuable data was itself a large contribution to the knowledge of wages and working conditions in one of the important organized industries of the country.

The decision of the arbitrator, Prof. James H. Tufts, is of particular significance for its penetrating analysis of the issues presented by both employers and employees. There had been increases granted in competing markets. There had been an increase in the cost of living since the agreement was signed in May. The arbitrator might have based his decision for an increase solely on these two points. He seized the opportunity, however, to discuss certain of the underlying implications in the wage problem and to bring to the attention of the industry and the public in very illuminating fashion the conditions in the clothing industry under the agreement as they affected the worker, the industry, and the consumer.

It was the arbitrator's opinion that the main question involved was whether a group of workers should be permitted under the agreement between the employes and the manufacturers to avail itself of its bargaining strength for the purpose of securing progressive improvements in its standard of living. To this question the chairman made the following answer:

> " In answering this question, the Board believes that it must be governed largely, although not exclusively, by the prevailing principles and policies of the country as embodied in its institutions. In endeavoring to give a just decision, the Board does not feel warranted in setting up a standard too widely at variance with our present social and economic order.
>
> " The principles and policies of the United States are, with certain qualifications, those of individualism, or the competitive system. This means that prices, wages and profits are fixed by bargaining under the forces of supply and demand. This general principle is qualified and limited in the case of ' property affected with a public interest,' such as railways. In private, as distinguished from public or semi-public business and industry, there is a moral disapproval on the one hand for such extremely low wages as make a decent standard of living impossible, and, on the other hand, for extreme increases in the prices of necessaries of life, but there is no general disapproval of the general principle of profiting by market conditions. In time of national emergency, we used the word ' profiteer ' to condemn taking advantage of the country's need for an unreasonable private gain. But in ordinary time, there is as yet no recognized standard for the fairness of prices of various goods, or for relative wages in different industries, other than what bargainers agree upon. This method may often fail to give justice as measured by various other standards of merit or desert. But for the most part, labor has had to bargain for its wages, and it cannot be expected to forego entirely the advantages which market conditions now afford.
>
> " Coming, then, to the specific concrete situation which confronts us, we have the outstanding fact that very substantial increases to clothing workers have been granted in all the other principal markets in this country and Canada, and in many less important centers. These increases have usually been five or six dollars a week; in some cases, they have been more. In these days when both employers and workers know of such increases and plan accordingly, it is not practicable to treat

> the Chicago market as an entirely distinct situation to be judged on its own merits, without reference to what is going on elsewhere in the country."

The Board also pointed out that it would be unfair to adopt the position taken by the employers and regulate only the use of bargaining power by labor. To adopt such an attitude would be in effect, to regulate labor and let capital, management and retailers take advantage of market conditions without any restraint. Such actions would be tantamount to setting up a moral standard for labor alone and none for management or capital.

> " It may be said," wrote Chairman Tufts, " in the first place, that if there is to be public regulation of any industry or moral judgment upon wages or prices, this should apply to every stage in the production and marketing; it applies to profits as well as to labor. It must consider not merely figures as to prices and wages, but the actual efficiency or wastefulness of the methods of production and marketing."

Moreover, if the bargaining power of labor alone were controlled it is doubtful whether the consuming public for whose benefit the control was presumed to be exercised, would receive the advantage from such control. For the " prices of clothing," the decision held, " have advanced and are certain to be further advanced whatever may be the decision of this case." Prices did advance. The Board recognized the competitive nature of the clothing industry and the fact that prices were not fixed for the Chicago market alone but for the entire industry and that the increase in the labor cost in the manufacture of clothing would mean only a relatively small increase in the total cost when sold at retail.

After disposing of the main question, Professor Tufts took occasion to discuss two other important aspects of the wage problem in the men's clothing industry. In the first place, he said, the seasonal character of the clothing industry, in which there is no guarantee against unemployment, must be taken into account. In such an industry there must be the same recognition of the principle that greater risk en-

titles the worker to higher wages just as it is generally conceded that capital is entitled to greater profits in an industry where the risk is greater than in an industry where capital is secure and its returns stable.

In the second place, the Board of Arbitration considered itself under obligation to reward the contribution of the union in its insistence on wage stabilization. This policy has resulted in continuous production and peace and order in the industry. "The industry," said Chairman Tufts, "as now organized under agreements which aim to substitute reason for force, is performing an important public service." This public service, the Board held, must be considered in fixing wages.

The specific terms of the award were:

> "Beginning December 15, 1919, an increase shall be added to the piece-and wage-rates now in existence under the agreements, in the shops of the firms and their contractors. The new rates thus established shall prevail up to June 1st, 1920, except when detailed changes may be ordered by the Board of Arbitration on recommendation of either of the Trade Boards.
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> "The increase shall be applied as follows:
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> "An increase of twenty per cent. (20%) shall be given to sections or occupations where the average earnings or wages on a forty-four hour basis are thirty dollars or less per week, and five per cent. (5%) to sections where the average earnings on a forty-four hour basis are fifty dollars or more per week. An increase equivalent to $6.00 per week shall be given to sections where the average earnings are from $30.00 to $49.99 per week.
>
> "An increase of 20% shall be given to all week workers now receiving less than $30.00 per week; an increase of $6.00 per week to week workers now receiving $50.00 or more per week.
>
> "In piece work sections, the equivalent of the increase shall be calculated and added to the existing piece rates."

In addition to the specific increases above granted, the Board ruled it was its purpose to bring the earnings of underpaid sections up to the market level and that it would grant further increases to such sections. A commission known as the "Leveling Commission" was created. This

commission was authorized to investigate relative disparities in rates now existing in the market, and to make recommendations for increases to sections earning less than the market level. This recommendation fixed market norms for many of the operations. The work was completed March 15, 1920. It was the intent of the commission to fix piece work rates that would yield to the worker equal earnings for equal effort and skill. The work of the " Leveling Commission," therefore, resulted in a large measure of wage standardization.

Another commission was created under the chairmanship of Dr. Millis, with equal representation of employers and workers, to determine standards of production for cutters and to make recommendations for a standard wage for these workers. Group standards of production for cutters and a scale of $45, to become effective when the group standards were made effective, was recommended by the commission and approved by the Board of Arbitration in March, 1920.

The award did not fix a minimum wage for inexperienced workers in the tailor shops. It, however, provided for a commission to go into the matter more fully and make a report to the Board of Arbitration. In March, 1920, the Board approved the recommendation of the commission that a minimum wage of $15.00 per week be paid to learners " employed less than three months in the trade." A minimum wage for workers in the cutting and trimming rooms was already in effect.

AN UNEMPLOYMENT INSURANCE FUND

Early in 1920 the union turned its attention to the problem of unemployment. At that time industry, generally, in the United States was operating at capacity. The clothing industry, although generally regarded as a seasonal industry under ordinary conditions, had been active continuously without seasonal lulls for several years. In the early months of 1920 there were no signs of an interruption in the industrial activity of the country. The union officials realized, however, that it is just at such a time that preparations must be made to meet the problem of unemployment which

had recurred in the past from time to time and which would undoubtedly recur in the future. In previous years the clothing worker had been subject to more or less regular periods of unemployment every year because of seasonal fluctuations that affected the men's clothing industry alone, and to longer but less regular periods of unemployment arising from general industrial depressions. The union therefore, early in 1920, undertook to present a plan for the solution of this most important problem. At the biennial convention of the Amalgamated in May, 1920, a resolution which stated the union's position in the following terms was adopted:

> "Justice dictates that the industry, which depends upon the workers to keep alive, should take care of them when they are unemployed.
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> "That can be done only by the creation of a special fund for the payment of unemployment wages; no gift and no alms, but wages from the industry to the worker. There is no reason why the industry, which pays a permanent tax to the various insurance companies in order to indemnify the employer in case of an emergency, should not likewise have a permanent fund for indemnification for lack of work. The welfare of the workers in the industry should be entitled to at least as much consideration as the property of the employer.
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> "The Committee, therefore, recommends that the convention go on record in favor of the creation of an unemployment fund. It is our opinion that such a fund should be created by the weekly payment by the employers of a given percentage of the payroll of our members, which shall not be deducted from the payroll but paid into the fund in addition to the payroll."

This resolution empowered the general executive board to work out methods for the administration of such a fund and authorized the executive board to take such steps as it thought necessary to bring this matter to the attention of the industry.

At the close of the spring manufacturing season of 1920 there was a sharp falling off in the sales of clothing at retail. The result was an almost immediate curtailment of activity in the men's clothing industry. Workers in the Chicago market, particularly those paid on a piece basis, had much

less work. Though wage rates remained the same, the earnings of workers were necessarily greatly lessened. On the other hand, the cost of living was still rising and continued to rise until by late spring it was fully ten per cent. higher than in December, 1919. The Chicago clothing workers were faced with the problem of making both ends meet when their earnings were falling and prices rising.

The union therefore presented to the Board of Arbitration the request of its membership for relief. The union asked for an increase in wages to compensate the workers for the loss in the purchasing power of their wages resulting from the rise in prices, and for the establishment of an unemployment insurance fund, as had been urged by the biennial convention in May. Emphasis in the arbitration proceedings that followed was placed upon the second proposal, namely, that providing for an unemployment fund. Hearings were held before the Board of Arbitration on July 1st and 2nd. At these hearings the union presented a comprehensive brief reviewing the whole problem of unemployment in the men's clothing industry. The union supported its demand for a fund by an analysis of the rights of the workers and of the manner in which such a fund would reduce the volume of unemployment.

1. Unemployment is beyond the control of the workers. It is due in large measure to conditions under which the industry is carried on. Its cost is therefore properly chargeable against industry just as any other element in the cost of production. The cost of unemployment compensation is comparable in kind to such other elements in costs as wages, maintenance expense for plant and machinery and costs incurred for industrial accidents.

2. The cost of unemployment must be met from a fund, established and supported by the industry and segregated for the purpose of meeting that cost alone. In this way, only, can the burden of the cost be sufficiently felt by those who are in a position to take steps to reduce it. It is a cardinal principle in social insurance that specific allocation of the responsibility and burden is an indispensable first step in the eradication of the evil.

The argument of the union was similar to that made by Mr. Bevin of the English dockers before the British court of inquiry into the wages and conditions of dock labor. Mr. Bevin, in summarizing the case for unemployment compensation for the dockers, said: "If it is moral to have maintenance charges for docks then it is equally moral to have maintenance for labor." The union also argued that the experience of the workmen's compensation laws had shown that specific allocation of responsibility for accidents upon employers had already done much to stimulate the movement for the prevention of accidents in industry. The union held that an employment insurance fund scheme would provide a similar financial incentive to the employer to reduce unemployment.

In its brief, the union stated that the unemployment fund should be based on contributions by manufacturers of a specified sum per worker per week, with provisions which would penalize those employers who had an excess amount of unemployment by making them pay a higher premium. In reply to the argument that a certain degree of unemployment cannot be eliminated by action of the industry alone, the union pointed out that in a competitive industry such as the men's clothing industry, the cost resulting from such unemployment would be shifted to the consumer like any other cost of production, and properly so. On the other hand, the employer who had reduced the amount of unemployment in his shop by reason of better planning and management would pay less to such a fund and would thus acquire a legitimate competitive advantage over his fellow employers.

When the hearings were held in Chicago early in July, it was apparent that the clothing industry had been hard hit by the change in the general business situation. Cancellations of orders for the fall manufacturing season in large and increasing volume came from the retailers. There were also many other indications that the country as a whole was drifting into a widespread industrial depression. The employers argued that under such circumstances it was un-

timely to consider any measures for the relief of the workers. The industry, they contended, found itself in a very critical position, the manufacturers faced heavy losses as their goods were thrown back on their hands, and the outlook for the future was at best unpromising.

The chairman of the Board of Arbitration in the Chicago market delayed issuing his decision until the hearing and arbitration proceedings in the other clothing centers had been concluded by the middle of August, 1920. In the meantime the situation in the clothing industry and in other industries had become worse. In his decision on August 17, 1920, he denied the request for a wage increase asked for by the union because of the depressed condition of the clothing industry. He recognized, however, the importance of an unemployment fund to the industry and to the workers and accordingly made provisions for the appointment of a commission, instructed to investigate and report the facts. The decision of the arbitrator, Professor Tufts, is in part as follows:

> "The first question raised was whether the present situation justifies action by the board under the emergency section. The union showed that changes were under consideration in other markets, while the manufacturers claimed that no emergency existed of the sort for which the emergency section provides.
>
> "The board rules that the purpose of the clause was to provide a safety valve, and that in construing the clause the principle of a broad rather than a narrow or technical interpretation should be used. In any case of a doubt it is better to investigate.
>
> "On the question of whether readjustment should be made, the union claimed that the cost of living had increased since the award of December 22, 1919, and it is still increasing and seems likely to increase further, and that increases are being given in various other industries.
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> "The manufacturers urged that, for the best interests of the industry, prices should be kept as low as possible, and submitted information as to present conditions in the industry. The board holds that conditions in the industry are not such as to justify a change in wages at the present time.
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> "With regard to the creation of a non-employment fund, the board believes that the first step in any case is to investigate.

> It will therefore appoint a commission on which both parties are represented, with a chairman representing the impartial machinery, to investigate the subject and to report as promptly as is consistent with the necessary study."

The industrial depression which first became apparent in the clothing industry at the close of the spring manufacturing season of 1920 became more general and severe in its effects in the latter part of that year. Activity in one industry after another was reduced; prices fell, and unemployment increased. For a time the nominal wholesale prices for men's clothing remained for the most part undisturbed. In November, 1920, however, the so-called " price guarantee agreement " expired and there was a sharp drop in prices. Despite the great price change, there was virtually no demand for clothing by retailers. Many of the large manufacturers in the Chicago market refrained from beginning manufacturing operations for the spring season until the latter part of December or early January. Production in other markets was similarly curtailed. At the same time the New York and Boston markets were in a state of lockout which had caused almost a complete cessation of manufacturing operations.

THE ARBITRATION OF MARCH, 1921

In the latter part of February the employers in the Chicago market formulated and presented demands to the union for changes in wages and working conditions to apply to all manufacturers under agreement in the market and to their several contractors. The requests of the Chicago manufacturers were as follows:

> 1. A flat reduction of 25 per cent. in all wage scales, both week and piece.
> 2. A reduction of those piece work rates which yielded earnings substantially in excess of the market norm, unless the higher earnings were due to unusual efficiency. The reduction in rates asked for was in addition to the flat reduction of 25 per cent.
> 3. Adoption of a system of " automatically enforceable standards of production " for cutters and trimmers. This sys-

> tem, said the chairman of the Board of Arbitration, amounted to " a piece work system under which the worker would be paid not for the quantity of work turned out during the payroll week, but according to the quantity turned out during a specified preceding period."

A general conference and preliminary hearing was held on March 5, 1921, to consider the request made by the manufacturers. At this conference, the employers submitted certain data showing average full time weekly earnings and computed average annual earnings of the more important sections in both the ready-made and tailor-to-the-trade branches of the industry; price conditions in the clothing industry and in the raw material markets; changes in the cost of living since June, 1920, and wage reductions in other industries, particularly the textile industries.

At the close of this preliminary conference, the union asked for the opportunity to make independent investigation and to prepare its case in light of the data presented by the employers. The union stated that it obviously did not have access to certain information available to the manufacturers. It therefore asked specifically that representative houses in the Chicago market supply figures showing the manufacturing costs and overhead expense in 1920 and 1921. It also requested that the manufacturers give data showing by months the number of orders received from October 1st to March 15th for the spring manufacturing seasons, 1918-1920 and 1920-21. The information on orders was designed to throw light on comparative business conditions during these three seasons, more especially to indicate the trend in the industry and the extent to which, if any, the business in the men's clothing industry in Chicago had improved from the extremely depressed state of late 1920.

Formal public hearings on the request of the manufacturers were held on March 28 and 29, 1921, in the assembly hall of the Northwestern School of Commerce. The hearings were very largely attended and considerable space was given to the proceedings by the Chicago newspapers as well

as by trade journals. Several hundred active members of the Chicago Joint Board of the Amalgamated attended the two all-day hearings. Many manufacturers, labor managers and other representative employers from the Chicago, Rochester and Baltimore clothing markets were present. Added interest was given to the proceedings by the fact that this was the first case brought by the manufacturers for a wage reduction before the impartial arbitration machinery in any of the large clothing markets of the country.

Considerable general interest was also manifested in this arbitration. Organized workers and employers particularly were concerned with the outcome. Though the wage reduction movement had been set in motion several months before, the wage changes that had become effective in unorganized industries had been made by employers without any check by an impartial tribunal, while in the case of organized workers wage reductions had in some cases been accepted after negotiations, or had been followed by strikes or lockouts. The arbitration proceedings in the Chicago clothing industry, affecting directly as it did 40,000 workers, therefore attracted much attention. It indicated an orderly method for settling problems of wage adjustment in periods of industrial stress. Because of the importance of the case and the circumstances under which the proceedings were conducted, the decision was destined to have a far-reaching effect upon arbitration proceedings or wage negotiations in other organized industries, as well as in the clothing industry.

The employers presented their case by the submission of a formal brief, many statistical exhibits and by oral argument. The position taken by the employers was, in brief, as follows:

> 1. For almost a year the clothing industry has suffered from acute depression. In the liquidation process that has necessarily resulted, all factors in the industry, except labor, have shared. Prices of raw materials and manufactured goods have been much reduced. But labor has failed to take a reduction in wages.

2. The volume of sales of men's clothing has declined because the prices of clothing are at a higher level than the prices of other commodities. The only remedy for this condition is the immediate reduction of all costs so that prices may be lowered to the point where they will stimulate sales. All items of cost other than direct labor costs, have already been reduced. Labor costs alone remain at the level of 1920.

3. This reduction in costs can be accomplished only by a substantial cut in wages. But such a cut does not mean reduced earnings, for it will be followed by expanding business, fuller employment, and, consequently, greater annual earnings.

4. The cost of living in Chicago it is estimated has decreased from June, 1920, to February, 1921, by fully 16 per cent. It is likely to fall still further in the immediate future. "Even though we should be disappointed," said the brief of the employers, "in our hope of increasing earnings by the reduction asked for, we should still be within the limits of justice if we based our requests on the cost of living alone."

5. Wages in the clothing industry in Chicago have been increased two hundred and fifty-four per cent. since 1915. They have increased more than has the cost of living; they have increased more than have average wages in other organized trades. Moreover, an unusually large proportion of the workers in the Chicago clothing industry have no dependents or but one dependent. The wages of the workers in the clothing industry can therefore easily stand a reduction.

6. Wages in other industries have been reduced. In some cases the workers who have already suffered a reduction were organized.

The employers' case, therefore, rested first, on the proposition that during industrial depressions labor should share the burdens of liquidation; second, that there was a "normal" relationship between prices in one industry and those in another, and that this balance must be restored if normal business conditions were to be secured; third, that an industry by reducing prices could divert for at least an indefinite period purchasing power now used in buying other commodities to the purchase of the goods manufactured by it; fourth, that the increases in wages in the past had been made with reference to changes in the cost of living, and the reductions asked for were therefore justified by the reduction in the cost of living from the "peak" prices of

1920; and fifth, that there is some general level of wages in this country which must be closely approached by all industries. The clothing workers' wages in Chicago are above this level. Their earnings must be reduced as they have already been in certain other industries.

In attempting to measure changes in the cost of living and earnings since 1915, the manufacturers by inference also contended that that year represented the "norm" or standard from which relative changes were to be measured, though the general market agreement had been signed in May, 1919, and wage rates, hours and working conditions had been fixed by direct negotiation between the union and employers at that time and had been modified since only by action of the impartial arbitration machinery.

The employers submitted in support of their general argument a large number of statistical exhibits. Among the more important of these exhibits were:

1. Tables showing average weekly earnings (four best consecutive weeks in 1920 under existing piece work and week work rates) in the coat, trouser and vest shops, by operations, and for both the ready-made and special order houses.
2. Charts showing variations in total payroll by weeks for coats, trousers and vest shops, for the purpose of indicating average amount of employment throughout the year and thus average annual earnings.
3. Reports of unit volume of business booked for the spring manufacturing seasons 1919, 1920 and 1921, for individual representative houses.
4. Reports of manufacturing and other costs for both ready-made and special order houses.
5. Average prices in 1921 and 1920; and concentration of spring business for 1921 as compared with 1920 on various priced models.
6. Volume of cancellation of spring orders 1919, 1920 and 1921.
7. Unit volume of returned goods in the fall of 1921 as compared with 1918 and 1919.
8. Changes in the cost of living compared to increase in earnings for all workers in a single large wholesale clothing firm January, 1915, to January, 1920 (suggested as representative of increase in average earnings for the market in this period).

In their argument the employers had put particular emphasis upon the necessity of labor's sharing the burdens of liquidation in a period of industrial depression and the need for making further reduction in cost so that prices to the consumer would be lowered and buying stimulated. Only by the acceptance of this theory of wage liquidation could the employers justify the drastic wage reductions which they requested the Board of Arbitration to make. On its part the union contended that the granting of the requests of the manufacturers would only result in a serious impairment of the workers' standard of living and therefore was wholly unwarranted. The union spokesmen, therefore, in their oral arguments and in the written briefs submitted to the Board addressed themselves not alone to the questions of changes in living costs, wage reductions in other industries, relative wages and the trend of business conditions in the men's clothing industry, but also to the economic theory of wage liquidation advanced by the employers. The brief prepared by the research department of the union dealt in a series of separate memoranda with the following aspects of the case:

Wages in the men's clothing industry in Chicago.
Wages and cost of living.
Cost of living in Chicago.
The extent of wage reductions.
Wage reduction in the textile and oil industries.
Relation between cost and wages in the Chicago clothing industry.
Business conditions.
The economic theory of wage liquidation.
Labor's share in liquidation.

The union was represented by President Sidney Hillman, Manager Samuel Levin, General Executive Board members A. D. Marimpietri and Samuel Rissman, and Dr. Leo Wolman in the oral arguments at the public hearings. By the very nature of the case the arguments of the union spokesmen were directed in large measure toward a refutation of the position advanced by the employers. However, at the very outset the union directed attention to the present

status of the workers in the Chicago clothing market as organized workers.

The union laid stress on the importance of the fact that the clothing workers of Chicago were now organized into a strong trade union. This, the union said, was fundamental to an understanding of the case and a proper decision by the Board of Arbitration. The workers had organized for the express purpose of protecting the standards which they had since secured through organization and for steadily raising their standards of well-being. Throughout the argument of the employers this outstanding fact of the situation had been overlooked. The union as a labor organization could not accept a theory of wage liquidation during industrial depressions which would wipe out gains made during more prosperous times and tend to undermine standards attained by negotiation and agreement.

Neither would the union consider that reductions in wage rates suffered by unorganized workers be taken as a guide in the determination of the wages of organized workers. Such wage reductions, wherever accepted by the workers, indicated only the superior strength of the employers without regard to the fairness or the necessity for the lower wage standards. In fact, the union showed that in two important industries, in which the employers said in their brief the most drastic wage reductions had made, profits and dividends paid had been extraordinarily large for the year 1920. It was obvious that in these cases there was no justification for the wage reductions made by the employers.

The union considered first the principal contention of the employers—namely, that the Chicago clothing industry was in a condition of acute depression and that recovery could only come after a drastic wage reduction and lowered labor costs had made possible lower prices. In reply the union contended:

First, that prices could be reduced without a reduction in wages. In the past, said the union, there has been no close relationship between changes in wages and changes in prices. During the boom period of 1919 and early 1920 it is a well-

known fact that prices of men's clothing (and of other commodities) were determined not by any relation between wages and prices but solely by what the traffic would bear.

Second, that the cost data presented by the employers show that labor cost does not constitute the all-controlling element in the cost of making clothes. The information on costs furthermore shows that there are diversities in labor costs and in the other elements of cost reported by different manufacturers. In certain houses overhead expense is the largest item. In other instances cost of raw material, woolens and trimmings, represents a greater proportion of total cost than does any other element. The cost figures show that the wage reductions demanded by the manufacturers even if made would have little effect on the total production cost of making clothes and a still smaller and more remote effect upon the final price of clothing paid by the consumer.

Third, that before reducing labor costs as requested by the employers the Board should inquire into the fairness of the present level of labor costs.

> " The employers," said President Hillman, " have asked for a reduction in labor costs without defining what a proper labor cost is. They have simply said they are excessive. The union submits that the Board must take into account, in determining a fair standard of labor costs, whether labor costs have increased disproportionately to total cost; what steps had been taken by the union to reduce costs through increased efficiency, and finally, the primary obligation of the industry to assure to its workers a decent standard of living. The figures will show that though earnings have increased, labor costs have not increased disproportionately to total costs; that the union has made contributions to the efficiency of the market and that though workers' standards had risen they were not excessive and that they did not place an unfair burden on the consumers of men's clothing."

The union cited in this connection the cost figures and data showing change from week work to piece work in the market, which had been submitted by the manufacturers. The cost figures showed that for ten of fourteen houses labor cost was less than thirty per cent. of total cost. Labor cost

to-day, March, 1921, does not constitute a larger proportion of the total costs, even after there have been reductions in other items of cost as the employers have stated, than did labor cost in 1915. Labor cost to-day, therefore, is clearly not excessive.

For this result the union showed it was in a large measure responsible. " In the period since the agreement was signed in May, 1919, labor cost," said the union's brief, " has been reduced mainly through the energetic co-operation of the union. On the basis of calculations made by the union, it has been found that the reduction in labor costs brought about by the co-operation of the union has been, in the period from May, 1919, to date (March, 1921), fully as great as ten per cent. with respect to the savings due to changes from week work to piece work alone.

It is pertinent to quote at this point the statement of A. D. Marimpietri made before the Board of Arbitration:

> " The union has always helped and in many cases volunteered suggestions for the elimination of unnecessary costs in the process of manufacturing. To-day it can be safely said that the industry is running, so far as the manufacturing part is concerned, more efficiently than ever before. It can be asserted without fear of contradiction that this market exceeds all others in the matter of manufacturing efficiency.
>
> " To secure the good-will of the workers, it has taken considerable patience and effort on our part, and with the help of the impartial machinery we have been quite successful. I want to emphasize the weight that we give to the good-will of the workers because I know that without it my best intentions and that of my colleagues would be of very little value.
>
> " A still further reduction would to my honest conviction seriously affect the good-will of the workers toward the employers, the agreement, and the impartial machinery to which they have been and are being educated to look for protection and justice.
>
> " A still further reduction would in the long run prove ominous to the industry, because it would impair the efficiency of the workers.
>
> " Let me explain the meaning of the last statement: since the signing of the general agreement in this market a stupendous amount of energy was released from our piece workers, energy

that was kept in reserve for fear of rate reductions, a fear amply justified by the past custom in our industry.

"Piece work rates were instituted by foremen or other executives and I do not intend to criticize the way the rates were arrived at, but I want to say that although these rates were generally low, it happened sometimes that a particular worker or a particular section would earn a little more money, with the consequence that the rate was immediately reduced. Cases of this kind were quite frequent and so the workers learned of it and most naturally applied their own remedy for correction, which was the refusal to give extra energy for no extra compensation. I shall tell my own experience in the matter, and I do not fear being accused of any wrong-doing, because I firmly believe I was entirely justified and I would do it in the future again under the same circumstances.

"I was given certain piece work rates by the foreman of the shop where I worked. As a whole the rates were quite satisfactory; by working hard I was able to earn a fair wage for that time, but I knew how far I could go, because I had seen and heard of rates being reduced for the only reason that the pay envelope looked too big to the employer or to the foreman. The fact that one worker was doing the work previously done by three, as in my case, was of no consideration whatever. Being the only one on that particular job I was in a somewhat peculiar position. If I worked extra hard I could manage to take care of it; if I refused to speed another worker would be added and then there would never be work for both of us. I decided to work extra hard and at the same time turn in tickets for only weekly amounts which I knew, or I thought I knew, was the maximum allowed, and keep the rest for a slack period if that period was near or destroy them if need be rather than submit to a reduction of rates. This lasted for quite a while, until more of that kind came in the shop and a new worker, just arrived from Europe, was put beside me. He worked as hard as he could, turned in all his tickets at the end of the week and the next thing I knew, a reduction of 33 per cent. in the rate had taken place.

"Under the agreement, such a system has disappeared, hence the releasing of the energy of which I am speaking.

"That our workers are more efficient since the agreement cannot be justly denied, and if they are earning at present when at work a living wage, it is due chiefly to their increased efficiency, as a result partly of close co-operation between the employer and the union and partly of the introduction of labor saving machines."

Moreover, said the union, earnings at present wage rates do not yield to the worker and his dependents a standard of living which is excessive and a burden to the industry or to the consumer of clothing. To determine the weekly earnings of a clothing worker the annual earnings should be averaged over the fifty-two weeks of the year. The clothing worker is obliged to spread his earnings over the fifty-two weeks of the year, although he is actually employed for a considerably fewer number of weeks. If the necessary allowance be made for unemployment and earnings are spread over the whole year, the actual weekly income of a workingman is seen, in the following table, not to be excessive:

AVERAGE WEEKLY WAGES OF CLOTHING WORKERS. CHICAGO, 1920.

(1 Year=52 Weeks.)

	Ready Made.		Special Order.	
	Men.	Women.	Men.	Women.
Week Workers.				
Coats	$31.00	$20.00	$28.00	$19.00
Pants	24.00	16.00	29.00	19.50
Vests	29.00	19.00	33.00	22.70
Piece Workers.				
Coats	$39.60	$28.30	$36.90	$25.30
Pants	38.20	25.00	35.30	27.80
Vests	38.20	23.40	36.80	26.90

"On no level of prices," said the union's brief, "can those wages be said to be more than adequate." No reduction of labor costs at the expense of wages can be justified if the industry's obligation to support its workers is recognized as a primary one.

Fourth, that wage reductions cannot be justified on the ground that all interests other than wage-earners had taken losses in the process of liquidation and that labor should take

its share by accepting a wage cut. The union did not deny that many manufacturers had suffered losses during the period of liquidation which followed the decline of business in 1920. The union maintained, however, that "while there is no fair comparison between the nature and extent of liquidation experienced by workingmen and by business men, the employers' figures show that in the last six months of 1920 workers in the clothing industry in Chicago suffered serious and continuous unemployment. This unemployment carried with it enormous reductions in earnings. Furthermore, earnings of workers had been also reduced by changes in the quality of work demanded of them." Yet the manufacturers were now demanding virtually that workers share their losses of liquidation, though when business was booming, prices high and profit margins large, the employers had not asked the workers to share in the profits. "In every respect the condition in the last six months of 1920 and early 1921 was one of real liquidation so far as the workers in the clothing industry were concerned. Man for man, the economic sacrifice experienced was fully as great as that experienced by any manufacturer or any other agent of industry in the clothing industry. The whole process of liquidation has meant for the worker a definite set-back in the standard of living."

Fifth, that an analysis of the factors operating in a depression would show that even if the wage reductions asked for by the manufacturers were made they would not bring the stimulation of sales and increased volume of employment that they had hoped for when they had presented their case. The union pointed out that general price reductions in a period of industrial depression do not bring an increase in the volume of business. On the contrary, a stable price level is essential to the stimulation of sales. Buyers hold off when they believe prices will go still lower and begin to buy once they are assured that prices are fair and stable, provided the purchasing power of the consumer has not been impaired because of wage cuts or unemployment, and finally,

that the acute depressed condition in which the clothing industry found itself at the beginning of the spring manufacturing season of 1920-21 and upon which condition the manufacturers had based their case, had, in large measure, passed.

As the spring manufacturing season of 1920-21 advanced, there was a marked increase in the number of orders received by Chicago clothing manufacturers. This fact was revealed, the union pointed out, in the figures for the number of orders received which were submitted by the manufacturers to the Board of Arbitration at the request of the union. This increase in business had already reflected itself in the volume of employment enjoyed by the clothing workers in Chicago and in other clothing centers. "Already only one month after the employers' brief was submitted," said the statement of the union, "clothing markets report a shortage of workers and advertisements in newspapers for additional workers are to be found."

The brief of the union also directed attention to the reports in trade papers of the withdrawal of offerings of woolen lines for the fall, 1921; the improvement in the Federal Reserve Banks' reserve ratio and the consequent easing of the credit situation; the resumption of activity in the building industry; the favorable reports made by department stores to the Federal Reserve Board on the volume of trade in January and February; and the increase of activity in certain industries, particularly those dealing with such goods as boots and shoes, textiles and wearing apparel, as constructive factors in the general business situation. The union held that the men's clothing industry had in fact made a distinct recovery from the depressed condition of 1920 and that an improvement in the general situation would still further aid in expanding the volume of business in the industry. Recovery had then in part set in, although there had been no change in the wage level.

The employers had laid much stress on the decrease in the cost of living which occurred between June, 1920, and December, 1920, in their argument for a reduction. The

union challenged the conclusions of the employers on a number of grounds. In the first place the union pointed out that wage adjustments since 1917 had not been on the basis of changes in the cost of living. They were due to the efforts of the union to raise the workers' standard of living and the wage reduction asked for by manufacturers if granted would reduce the standards reached by agreement. In fact, in the case of many of the increases granted the lower paid sections were given a relatively higher increase than the better paid sections so as to raise the standard of the more poorly paid workers.

Mr. Samuel Levin, Manager of the Chicago Joint Board, discussed at the public hearing the effect of a horizontal wage cut on the Chicago market. "In practically all of the adjustments," said Mr. Levin, "in wage rates made in the market, workers in the more highly paid sections have been given smaller increases relatively than have been given workers employed on the more poorly paid operations. It has been the union policy to use the official increases granted to it to raise the standards of the more poorly paid workers. A wage reduction would first reduce the standards of the low paid workers whose level of well-being the union has been able to raise only after considerable effort. It would also result in reducing the standards of the more highly paid workers whose wages were never advanced as rapidly as the cost of living. The reduction of these workers cannot be justified upon any slight reduction in the cost of living index."

In the second place, the union held that the employers had attempted to measure changes in living cost from June, 1920. June, 1920, was not a proper base. The workers had been given no increase in 1920 to compensate them for the rise from December, 1919, to June, 1920. It was the union's contention that change in living cost should be measured, if at all, from December, 1919, to March, 1921.

In the third place, the union challenged the accuracy of the figures of the employers for measuring changes in living costs. On the basis of a new series of index numbers

constructed by the union which differed from those of the United States Bureau of Labor Statistics by giving a new and proper weight to rents, the union showed that there had been only a slight change downward in the cost of living from December, 1919, when the last change in wage rates had been made in the Chicago market. On the basis of this index the estimated decrease in the cost of living from December, 1919, to May, 1921, was from three to five per cent. Furthermore, it was the union's contention that there was a probability of an increase in prices, particularly of food, rather than a further decrease.

In the fourth place, the union, while admitting that when the changes are very great, the index number of the cost of living is a legitimate index; it at the same time directed attention to the difficulties inherent in changing wages whenever there is only a slight change in the cost of living index. The union said:

> "Finally the union urges the necessity for great caution in making any wage adjustments whatsoever on the basis of only slight changes in an index number of the cost of living. A wage reduction is after all a very real and personal thing. It has to be explained to large masses of people, each of whom has his own personal experience with regard to both income and expenditures. It is a debatable question whether any adjustment in wages downward is justified in a highly organized industry when there may exist considerable difference of opinion with regard to the validity of the various measures of changes in the cost of living."

The employers had contended that the earnings of the workers in the Chicago clothing industry had increased, according to the figures of the manufacturers, 254 per cent. since 1915. This increase, they said, in the earnings of the clothing workers was greater than the increase in living costs and more than earnings of workers had increased in other industries. To cut wages in the clothing industry would not reduce standards below a proper level.

The representatives of the Amalgamated pointed out, however, that the demand of the manufacturers was for a reduction of wage rates, and that even if the figures of the

manufacturers were correct and typical of the market as a whole they were not pertinent to the question before the Board of Arbitration. Changes in earnings, the union said, are due only in part to wage increases. Earnings of workers in the Chicago market have been affected by increases in output and efficiency. To reduce wages because earnings were high would penalize the worker for his greater contribution and would amount to adopting "the bad principle that all gains resulting from improvement in efficiency should go to the employer."

Even if earnings or wage rates had increased more than had the cost of living or than had wages in other organized industries since 1915, they were not a proper basis for the granting of a wage cut. The employers had selected 1915 as a starting point from which to measure relative changes in living costs and earnings of clothing workers in Chicago. "Why," said the union, "select 1915 as a base? There is no agreement by the union that earnings in 1915 yielded the workers a proper standard of living, even at 1915 prices. As a matter of fact, earnings of clothing workers in 1915 were notoriously low and only by raising wages, through organization, faster than the increase in the cost of living, could the clothing worker attain a proper standard or reach the level already reached by other organized workers." The union, therefore, objected to the comparison of relative changes in wage rates or earnings with the cost of living, unless a proper base was selected from which to measure such changes.

But the union did not content itself with a discussion of the principles involved in the use of a comparison between wages and cost of living. It showed that official wage increases in the Chicago market had in fact lagged behind the increase in the cost of living. Earnings, no doubt, had risen at a higher rate than shown by a compilation of official wage adjustments. But these higher earnings, as had been shown, resulted in part from other causes than general market wage adjustments.

After the public hearings the union questioned the power


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of the Board of Arbitration, acting under the specific provisions of the Chicago agreement, to change wages unless there had been " a general change in wages in the clothing industry." No such general wage change, it submitted, had taken place. This challenge of the jurisdiction of the Board the union did not present until after the public hearings had been held. It did not submit its objections on this matter sooner because it wished to afford an opportunity to the Board of Arbitration to fully investigate the claim of the manufacturers that an emergency within the specific meaning of the agreement actually existed.

DECISION OF THE CHAIRMAN OF THE BOARD OF ARBITRATION

The question raised by the union as to the power of the Board to make an award had, of course, to be disposed of first. After reviewing the use of the emergency clause in previous hearings, the chairman held that Professor Tufts when chairman, in making his decision on the arbitration proceedings of July and August, 1919, had ruled " that the purpose of the clause was to provide flexibility and a safety valve; and in construing the clause, the principle of broad, rather than of narrow or technical interpretation should be used." At the time Professor Millis was making his decision the lock-out was still in effect in the New York market. He called attention to the fact that if a strict interpretation was given to the wording of the agreement that it would be " necessary for the workers and manufacturers in Chicago, now the largest market, to wait until something had been done in one or more of the other markets, before the Arbitration Board could decide a question of wages at issue. The chairman, quite independently of the case in hand, feels that such procedure would be unfortunate."

Professor Millis therefore ruled that the Board had power under the terms of the agreement to render a decision at that time on the question of wages in the Chicago market.

As a basis for the decision on the wage cuts requested by the manufacturers, Professor H. A. Millis, chairman of the

Board of Arbitration, analyzed the data which had been submitted by both sides. The Chairman first discussed the relation between earnings and wages in the Chicago market to determine whether the standards of the clothing worker were in fact excessive. "Data drawn from typical houses by the representatives of the manufacturers and submitted to the Board show for very good or the best successive four weeks (in each house) average earnings for a 44-hour week as follows:

	Men.		Women.	
	Piece Work.	Week Work.	Piece Work.	Week Work.
Coat Shops	$51.75	$40.59	$36.28	$27.52
Pants Shops	52.20	37.65	37.44	26.57
Vest Shops	51.19	41.57	32.63	29.57
Average	$51.79	$40.30	$36.13	$27.48
Average for all workers (based upon 11,500)			$48.44	$34.31

"These averages of course, show earning power with full and uninterrupted employment for 44 hours per week and with approximately 71 per cent. of the men and 79 per cent. of the women on piece work and applying themselves intently and working rapidly as piece workers do. They are averages only and behind them, as would be expected, are great diversities of earnings by occupations—the extremes for men in the ready-made coat shops, for example, being $55.04 for sleeve sewers and $24.50 for finishers on week work, and $59.09 for edge pressers and $30.20 for a finisher on piece work; for women, $41.25 for button hole makers and $18.31 for basting pullers on week work, and $52.94 for sleeve sewers and $23.62 for basting pullers on piece work. Moreover, the averages presented are drawn from the tailor shops only; cutting rooms, spongers, machinists and other, these aggregating an eighth or a seventh of the workers employed, are omitted from consideration. With minor expectations, these mentioned are week workers, but taken as a group they have wages averaging about the same as those of their fellow week workers in the tailor shops."

Comparing these data and making allowance for the higher earnings for piece workers, the chairman concluded that the standards of the clothing worker set by agreement in 1919 " cannot be said to be exorbitant and could not be regarded as having placed a tax or improper burden upon those served by the clothing industry."

The chairman then discussed the effect of a wage reduction on the business outlook of the clothing industry. He found, in the first place, that " from data supplied by a large number of manufacturers in a form requested by the Board, it appears that with the changes in prices induced by keen competition and in costs of manufacture and sale, a large part, if not most of the business is being done at a loss." On the other hand, he called attention to the fact, emphasized by the union, that direct labor cost in a large majority of houses reporting is less than thirty per cent. of the total cost of manufacture.

The employers had contended in their argument that a drastic wage cut would so stimulate business and afford a larger measure of employment that despite lower wage rates, earnings of the workers would be increased. With this contention of the employers the chairman held that he could not agree. " Of course, a reduction in wage rates would be followed by some increase in buying, if we may assume that any saving in labor cost will be passed on to the consumer. There is, however, no substantial reason to believe that a reduction of twenty-five per cent., as requested, would so favorably affect business that earnings would be maintained or increased because of the increased amount of work."

Revival in the clothing industry, in the opinion of the chairman, was dependent upon revival in industry generally. " The fact is," said the chairman in his decision, " that the volume of business and the amount of work in the coming months will depend more upon what happens outside the clothing industry than upon what happens within it. If general business conditions improve materially, as many think they will and as there is much reason to think will be the case, there will be a good demand for clothing, for peo-

ple will in that event have money to spend and will be of an optimistic frame of mind. If, on the other hand, there is widespread unemployment and reduced earnings in other industries, a great reduction in the cost of producing clothing would not make the clothing industry normal or anywhere near normal. In other words, there is much in the situation entirely beyond the control of the clothing industry. In fact, the clothing industry is a very dependent one; very dependent upon the ups and downs in the general business situation."

Coming then to the effect of a price change resulting from a wage reduction the chairman said: "Certainty as to costs and stability in the market would be helpful regardless of any change in costs and prices. But, it must be said that if costs were reduced but instability still continued because of unusually keen competition for business and price cutting, there would still be more or less waiting. Moreover, whatever may be the merits of the case, there is a rather prevalent feeling that prices are too high and that something should be done and will be done to bring them down to that indefinite and undefined thing, a 'fair level'." Nevertheless, he held that "the psychological effect of a readjustment in cost, provided any saving is not withheld from consumers, would have a favorable effect on the clothing business."

He did not, however, "share the manufacturers' view that a drastic reduction in wages would so stimulate business as to maintain or increase earnings."

> "Such a drastic reduction would mean that the standards of wages set up by agreement would be impaired," read the decision of the Chairman. "The chairman is of the opinion that in the present situation these standards should not be impaired because (a) they were set up by agreement by the parties in interest; (b) they cannot be said to have been exorbitant when tested by what organized workers of a comparable type received or by the cost of any socially acceptable type of living and therefore cannot be said to have placed a tax or improper burden upon those served by the clothing industry; (c) the workers cannot well be asked to accept losses which would in all probability accompany a drastic cut unless they are promised a share in profits when profits are very good."

The chairman therefore held that "any adjustment will therefore be within the limits of the reduction in the cost of living and will not undermine the general standards set up by agreement in 1919."

The cost of living had declined, making allowance for changes in rent about 8 or 9 per cent. from December, 1919. Many had received then a large increase in wages. On this basis clothing workers who had "had the larger increases in the clothing industry of Chicago are better off by 15 per cent. or more than they were with equal employment in June or July, 1919, and 8 or 9 per cent. better off than immediately after the wage award of December, 1919. Only a small number of the workers are less than 10 per cent. better off in respect to purchasing power of their wage rates than they were in June or July, 1919, and these are some 8 or 9 per cent. better off than they were left by the award of December, 1919."

The Board therefore held that in view of the general situation that a reduction within the limits of the change in the cost of living was justified. Moreover, the chairman expressed the opinion that some reduction in wages at this time will be of assistance to the market situation and to the agreement.

For the above reasons, the Board of Arbitration therefore ordered the following reductions in the wages of workers in tailor shops:

> "(a) that with the exception of those who came in the 'five per cent. class' under the award of December, 1919, and except for cutters, trimmers (other than shop trimmers), and apprentices, the wages and piece rates of the workers employed by the manufacturers within its jurisdiction, and also of those of the workers employed by the several contractors doing work for these manufacturers, shall be reduced ten per cent. (10%). this reduction to become effective at the beginning of the payroll week in each house on or following April 28, 1921. The wages of no week worker may, however, be reduced below the sum of $15.00 per week, which is the present minimum wage for learners in tailor shops and which is hereby continued in effect."

"(b) That the wages of the workers or sections falling within the 'five per cent. class' under the award of December, 1919, shall be reduced five per cent. (5%), effective as of date above indicated.

"(c) That the norms for tailors, examiners, bushelmen and bushel girls shall be reduced by ten per cent., and thus reduced, are continued in effect and shall be observed as hitherto."

The Board ordered a reduction of 5 per cent. in the wages of trimmers and of other workers in the trimming-room, provided, however, that in no event shall any wage be reduced below the sum of $15 per week.

The award of the Board of Arbitration did not make a reduction in the wages of cutters or of apprentice cutters. In this case the Board decided that:

"The Chairman is of the opinion that $45.00 per week is none too much at this time for a good, average cutter. The majority of cutters are mature men with families to support from their earnings. As tested by what other union men of comparable ability, training and responsibility receive in Chicago, the wage of $45.00 is not a high one. Moreover, the cutters have not advanced as rapidly in wages as have their fellows in the tailor shops. The Board will therefore not rule with reference to cutters' wages in such a manner as to compel any reduction in the average received."

It will be recalled that the employers had requested a wage cut of 25 per cent. for these workers as well as for the other workers in the clothing industry and had asked in addition for the establishment of "automatically enforceable standards of production" in cutting and trimming rooms. Such standards would represent a change from the group standards, which had been set by the cutters' commission created by the decision of the Board of Arbitration of December, 1919, to individual standards of production under which the cutter or trimmer would be paid according to his production.

When the cutters asked for a wage increase in December, 1919, the manufacturers complained of reduced production. To meet the problem presented the Board then appointed a commission to set standards of production, which were sub-

sequently approved by the Board of Arbitration. The manufacturers and the union had, at that time, agreed upon standards "in the form of an average for the cutters receiving the minimum or about the minimum wage set by the Board." The "group standards" then fixed had not worked satisfactorily, said the manufacturers, and therefore they now demanded individual standards "automatically enforceable"—i. e. a system of payment according to production amounting to "a piece-work system under which the worker would be paid, not for the quantity of work turned out during the payroll period, but according to the quantity turned out during an earlier period."

The chairman held that while he recognized the failure of the so-called "group standards" he was of the opinion that the automatic enforceable standard system requested by the manufacturers would be undesirable from the point of view of both management and workers. He said on this point:

> "On the one hand, it would give rise to problems of quality, of yardage, of disinclination to do certain kinds of work on which the worker felt that he could not make as good a record as on some other. On the other hand, it would be regarded as unfair by workers because the allowance could never be made exact; the work cannot always be divided evenly among the workers; it is easily possible to change the quality of work required or the conditions under which it is done; it is very difficult to make allowances for time lost through no fault of the worker; and, in special order houses especially, there is frequent waiting for work. For these reasons and the further reason that considerations other than output should have weight, the Chairman is of the opinion that cutting in this market is not a piece work job. Nor can there in any strict sense of the term be 'automatically enforceable standards.'"

He held, however, that the problem of production was one "which calls for solution in the interests of the manufacturers, workers and impartial chairman," and that the solution would be found in establishing a closer relation between work done and wages. The failure of the group standard system he ascribed primarily to the fact that the faster worker was obliged under that system to give greater

production without proportionate reward to make up for the deficiency of the slower worker, so that the average for the group might be maintained.

Accordingly the decision of the chairman directed the establishment of two cutters' commissions to fix standards of production, where none now existed and to revise existing standards "at those points where experience has shown the necessity for such revision." Cutters were to be classified into five groups for the purpose of relating production to wages as follows:

Class.	Production.	Wage Per Week.
A	115 per cent. or more of standard	$49.00
B	105 per cent. but less than 115 per cent. of standard	47.00
C	95 per cent. but less than 105 per cent. of standard	45.00
D	85 per cent. but less than 95 per cent. of standard	43.00
E	Less than 85 per cent	41.00

The classification of cutters was to become effective one month after standards had been fixed by the commission and approved by the Board. It was provided further that no cutter should be reduced more than $4.00 from present wages on account of reduction in production. To make allowance for length of service it was provided that no cutter "employed in a house for five years or more shall be reduced below $43 per week."

The Board specifically ordered that there should be no changes in the minimum scale or the wages of apprentices in the cutting-room. Provision was made for the setting up of such machinery as may be necessary for the administration of the classification scheme. The Board also directed the commission to set similar standards of production and wages for the trimmers, as soon as the standards for cutters had been established.

There still remained for decision the request of the manufacturers for a reduction of those piece-work rates which yielded earnings substantially in excess of the market norms. While agreeing in principle that the manufacturers should be permitted to reduce so-called " peaks " whenever the high earnings of workers under the existing rates did not result from extra effort and skill, the chairman held that each case would require special investigation and individual action so that the fundamental rule in the market relating to piece-work rates, namely " equal pay for equal effort " and additional pay for additional effort would not be violated. A commission consisting of a representative of the union, Mr. Marimpietri, and the labor manager for each house was set up to investigate and report on these cases. Only a few cases of " peaks " came before the Board of Arbitration for subsequent action, many of the cases being withdrawn after investigation by the commission. The entire matter was practically disposed of in the case of the Majestic Tailoring Company, decided July 5, 1921. The company asked then that piece-work rates for 22 operations be reduced. The Board held that it would make no changes in present rates if such rates were above the market level for similar work because of the prices set or wages paid by the firm before the agreement was entered into. It adhered, in other words, to the same general principle upon which the decision on the main question of wage reduction had been based—namely, that the Board had no authority to reduce standards fixed by agreement between the manufacturers and the union or to change conditions made by employers before there was an agreement. Moreover, the chairman held that with regard to " peaks " it would not reduce piece-work rates voluntarily increased by the firm " without collective bargaining " and that it would not reduce any rate unless it is substantially in excess of a fair price. The chairman therefore held that 18 of 22 alleged " peaks " would not be ordered changed. In the other four piece-work rates, it ordered only slight reductions.

Four wage arbitrations have been held in the Chicago market. In 1917 only the workers employed by Hart, Schaffner and Marx were directly affected. In the last three proceedings the arbitration decisions have applied to the entire Chicago market. Wage increases were granted in May, 1917, and December, 1919. The decision in the arbitration proceedings in 1920 made no change in wage levels. In April, 1921, the award favored the employers, and wage reductions for the workers in the tailor shops, in some cases of 10 per cent. and in others of 5 per cent., were made.

The Board of Arbitration in the proceedings of 1917 found a difficult situation. On the one hand it was clear that the cost of living had risen and was continuing to go higher. Wages measured in terms of food and other necessaries of life which money wages could buy were being reduced. Unless the worker was given a wage increase his standards would be impaired. On the other hand, the case of the clothing worker had not been brought before the Board of Arbitration until after the firm had fixed its prices for the season and had made sales at these prices. An award for the workers at that time would not have permitted the manufacturers to pass any additional burden on to the consumer, certainly not to the extent that competitive conditions and the consumer's willingness to pay might have permitted at the beginning of the season. A decision favoring the employer would however impose a hardship on the workers. The Board decided to preserve workers' standards, although it pointed out its obligation under more normal conditions not to put the manufacturer at a business disadvantage.

Different conditions confronted the Board of Arbitration in December, 1919. The industry was extraordinarily prosperous. The union was pressing for higher standards. Market conditions of supply and demand were favorable to the workers. The manufacturers contended that it was the duty of the Board to refuse to permit the workers to take advantage of these conditions because to do so would be contrary to "public policy." The chairman of the Board held that under the competitive system "labor had had to bar-

gain for its wages and it cannot be expected to forego entirely the advantages which market conditions now afford." It is interesting to note here that in the brief submitted by the manufacturers in the arbitration proceedings of March, 1921, they said on page 44 that " by and large, progress of wage earners is made by taking advantage of normal adjustment to cost of living during an upward swing and by holding some part of the increase when the tide turns."

In the wage arbitration of July and August, 1920, the serious condition with which the clothing industry was then confronted was the outstanding fact. The effects of the depression were already evident in the clothing industry. Though the cost of living had risen and earnings had fallen because of decreased volume of employment, no relief could be forthcoming from a business situation then so acute. The Board made no attempt to anticipate a possible change in the bargaining strength of the parties to the agreement. It made no change in the existing wage level.

The last wage arbitration took place after the first stage of the depression which had first affected the industry in the spring of 1920 had passed. Inventories of raw materials and stocks of clothing had, generally speaking, been liquidated with some loss to the manufacturers. The earnings of the workers on the other hand had suffered because of wide-spread unemployment. The question presented to the Board of Arbitration was whether it was within the province of the Board to reduce the standards of the workers fixed by the agreement on the ground (1) that labor should share with the manufacturers the losses of liquidation and (2) that a reduction of wages would permit lower prices to consumers and thus stimulate business. To this question the chairman answered that he was not justified in reducing wage standards below what the workers had gained by agreement with the manufacturers. Employers had not shared profits with the workers. There was no agreement that workers should share losses with the manufacturers.

But, the Board maintained, it did have the power and was justified in reducing wages to the extent that the cost of

living had decreased, but only to that extent. In other words, while the Board could reduce money wages, it could not cut real wages—wages measured by the amount of food, clothing, shelter, etc., which the wages could purchase—when standards had been fixed by agrement between the manufacturers and the union.

Under the " emergency clause " of the agreement which provides for wage changes by the Board of Arbitration, the Board, it will be recalled, has wide powers. It is given authority to make such changes in wages as in its judgment seems proper. The Board of Arbitration has, however, severely limited its own authority. It has not arbitrarily attempted to fix a " fair wage." In the December, 1919, arbitration the chairman, when faced directly with the issue, decided that the Board should not interpose its authority to prevent the union from bettering the standards of the workers when the industry could afford it on the ground, which the employers had urged, of " protecting the consuming public." He granted a wage increase equal in amount to what had been given in other clothing markets. Again in April, 1921, the Board of Arbitration, though granting a wage reduction, refused to lower the standards of living of the workers attained by the union through direct negotiation. The chairman did not accept the theory of " wage liquidation " used so prevalently in these days of wage reductions to justify, if possible, drastic wage cuts. He confined himself to a wage adjustment in conformity with changes in living cost.

PART III

GOVERNMENT IN INDUSTRY

John E. Williams

Chairman, Board of Arbitration, 1912-1919

CHAPTER IX

INTRODUCTION

THE story of the rise of the clothing workers in Chicago would be seriously incomplete without accounting for their achievement of citizenship rights in the industry. The growth of the workers' rights as free partners in the enterprise of producing clothing dates from the settlement of the 1910 strike. By that settlement the firm of Hart, Schaffner and Marx agreed to the creation of a Board of Arbitration with power to "fix a method for settlement of grievances, if any, in the future." It was an act of industrial statesmanship on the part of one firm. But it can scarcely be supposed that those responsible for the step taken foresaw how far-reaching would be its consequences within a few years. They were, in fact, laying the foundation for a system of industrial government that was destined within a decade to revolutionize industrial relations in all the important clothing markets of the country. Its influence upon the development of workers' control in related industries cannot yet be adequately estimated.

Up to the time of the strike, absolutism had held virtually unbroken sway in the tailor shops of Chicago. Since then, it has been forced out from one stronghold after another through the organized power of the workers, until in 1919 it was completely superseded by constitutional rule. Ownership of a clothing factory at one time conferred upon the employer almost unlimited personal authority over the lives and happiness of the workers in his employ. To-day, its claims are being increasingly subordinated to the needs of the industry as a joint enterprise and a public utility. The rights of the owners to all possible profits have yielded ground to the demands of expert management for efficiency on one side, and to the human rights and interests of the workers on the other. Government in the industry to-day

means that personal and arbitrary authority has given way to law and joint determination in all matters affecting the workers' interests. The economic power of the parties to production can express itself in the making and the changing of the laws, but once established by agreement these laws govern both, and cannot be ignored or violated with impunity.

This fundamental change must be understood in the light of the growth of workers' organization and of the economic power acquired by the workers as a consequence of organization. But the characteristic fact is the manner in which the union's power has been exercised in this case—the fact of leadership with a vision. Other trade unions in this country have been content to use their power negatively and obstructively. They have used it to place narrow restrictions upon management, but have not desired to share also in management's responsibilities. The interests of the industry were not their concern. The Amalgamated, on the other hand, has been keenly alive to the welfare and development of the clothing industry. It has, indeed, identified its own permanent interests with those of the industry, and is concerned to see it grow into ever greater efficiency and prosperity. Because of this constructive policy, dictated by its long-range outlook, the Amalgamated has been aggressively instrumental in setting up jointly with the clothing manufacturers a constitutional form of government for the industry. This government, culminating in the " impartial machinery," has been promoted by the union, who are willing to have it curb their own freedom of action, if necessary, in the interest of the industry. The union has voluntarily relinquished the right of direct action or of using its economic strength without stint or limit for gaining present advantages that might injure the larger and more enduring interests of the industry as a whole.

The impartial machinery under the Hart, Schaffner and Marx agreements—its origin and constitution—has been described in a previous chapter. By its help the parties concerned have been able to develop in peace and to secure

reasonable justice during the years of its operation. Its success justified its extension to the rest of the market, when, in 1919, the other houses came under a similar agreement with the union. In this case it was not necessary to repeat the experimental stages of the enterprise—its trials and errors. The system was adopted in its full-grown form. A Trade Board and a Board of Arbitration were set up, on the pattern of the existing ones, with offices in the Medinah Building. They were given jurisdiction over all the firms belonging to the three manufacturers' associations, which were for this purpose united in the Chicago Industrial Federation of Clothing Manufacturers. These firms, either individually or in groups, engaged labor managers—men who were experts in industrial relations—to administer their labor policy in keeping with the requirements of the agreement, and to represent them before the boards in all hearings affecting their interests.

In jointly selecting the first impartial chairman of the new Trade Board, the parties were fortunate in securing for the place Professor Harry A. Millis, economist, of the University of Chicago. Professor James H. Tufts had early in the year succeeded Mr. Williams as chairman of the Board of Arbitration for Hart, Schaffner and Marx. He was now chosen to preside also over the corresponding Board for the Federation. When, toward the close of 1920, Professor Tufts resigned owing to his absence from the city, he was succeeded by Professor Millis. The vacancy created in the Trade Board by the promotion of Professor Millis was presently filled by the appointment of Mr. Benjamin M. Squires, who brought to the work the experience of a mediator in the shipbuilding industry during the war.

Through the personality of Dr. Tufts and later of Dr. Millis, the impartial machinery for the entire market has from the outset been unified at the top. This unity facilitated the carrying over to the recently organized houses of the accumulated body of principle and precedent that had grown out of some eight years' experience under the Hart, Schaffner and Marx agreements. The new agreement was itself

modeled after the other in all its essential features. Moreover, as a result of the impartial chairman's decisions under it there grew up a rule that on any point in dispute not covered by the language of the new agreement, the practice or precedent obtaining for Hart, Schaffner and Marx is to be binding for all alike. Thus the whole Chicago industry is, in effect, governed by a single collective agreement and a single body of law.

Viewed from the standpoint of constitutional government, the impartial machinery corresponds to the judiciary or the courts. It comes into operation on the complaint of one or both of the parties to adjust differences between them that cannot be promptly settled by direct conference. It hears and adjudicates these differences in accordance with rules and principles laid down in the agreement and in previous decisions under the agreement. In the absence of such written law, the impartial chairman is guided by recognized custom or usage in the market. Decisions of the boards, insofar as they bear on the general principle or a market situation, in distinction from a particular or unique condition, in turn make new law through serving as precedents to govern future cases. The Board of Arbitration, it is true, is at least theoretically empowered to disregard past precedents and even to modify the agreement itself in response to new needs of the industry created by changing conditions. In practice, however, the Board exercises this power conservatively. It endeavors, rather, to bring about such needed changes in the fundamental law through the processes of joint negotiation and agreement between the parties themselves. Legislation, as such, is properly their work, and the method is that of collective bargaining.

Powers and Practice of Board of Arbitration

The two functions—the making of law and its application or interpretation—are not, however, sharply differentiated in this industrial government. The making of the agreement itself is, to be sure, the result of direct negotiation of the union with the manufacturers. But this is only the groundwork. Many arrangements and administrative details have to be worked out from time to time on the basis of joint in-

vestigation and weighing of the facts. For this purpose semi-administrative, semi-legislative committees or commissions have to be created. They are frequently appointed or even presided over by the impartial chairman, who decides in the event of disagreement. Occasions are numerous, moreover, when the chairman by means of mediation can bring about agreement between the parties even after the dispute has been brought to a hearing. He thereby obviates the necessity for imposing a decision that, while it would be obeyed, might not improve the mutual attitude of the parties. When he does render a decision, it does not merely express his private opinion on the merits of the case before him. Nor, on the other hand, is it merely a technical adjudication of the issue on the basis of formal rules or precedents derived from past experience. The practice of the adjustment boards has been even better than their theory. It has consistently aimed at concrete justice and has attained this aim within the obvious limitations imposed by the character of our industrial situation, so full of underlying conflict.

CHAPTER X

THE POWERS OF MANAGEMENT

An essential condition of an efficient industry is efficient management. An indispensable element in efficient management is the power of initiative and execution. In other words, those who manage the industry must be left free to devise such new methods and processes as they conceive to be of technical advantage, and they must have the authority to introduce these changes without undue resistance from the workers affected by them. In an industry where the workers have no voice or recognized rights, the management theoretically has a free hand in giving orders, however these may affect the interests of the workers. It does not follow, however, that such autocratic management is the most efficient. On the contrary, the resistance of the workers to innovations which they regard as harmful to their own interests—either by way of undermining wage standards, of speeding up, or of reducing employment—is merely aggravated. It is apt to take the form of ca'canny or sabotage, just because there is no effective organization to give expression to their discontent and to obtain redress.

It is different in the clothing industry today. With a powerful organization of the workers to afford them protection in their interests and their standards, it has become safe to entrust management with the powers and functions needed for efficient administration. It has become safe, because the orders of the management are now of a provisional character rather than, as formerly, absolute and undebatable. They can be challenged by the workers in regular form and reviewed by an impartial board with respect to their effect on the workers' rights and standards. If they invade these rights of the workers or in any manner conflict with the intent of the agreement, orders of management can be vetoed by the Trade Board and the workers compensated for any

loss actually sustained by them through the execution of such orders. On the workers' side there is the obligation to carry out all orders given by the management, and to abide the decision of the Trade Board in cases of dispute. Neither they nor their officials are to set themselves up as judges of the legality of the management's action by resorting to direct action against it. In a joint memorandum supplementary to the Hart, Schaffner and Marx Agreement of 1919, this point was covered in the following language: " The function of interpreting the agreement belongs to the Trade Board and Board of Arbitration. The responsibility of management requires the giving of orders promptly and authoritatively. In order to protect the employes and maintain the integrity of the agreement the Trade Board shall have the right to set aside and annul any executive order that is in conflict with the agreement or decisions. Such executive orders, however, are valid until thus passed upon and will be obeyed by the employes."

By making executive orders subject to protest by the union and to review and veto by the impartial machinery, the management gains a desirable freedom of initiative while the workers secure a guarantee against injury to their rights and interests. The limits upon the practical freedom of action of management are drawn at the point where it impinges upon the essential interests and rights of the workers and their organization.

Within these practical limits the workers as an organized body respect the rights of management to conduct the industry in accordance with its own insight, policies and methods. They do not seek to obstruct the executive activities of management where these do not run counter to the guaranteed rights of the workers. On the contrary, to the extent that the purposes of management aim at the orderly and efficient operation of the industry, the union endorses them and agrees to co-operate with the management in making possible their realization. This relationship of a mutual recognition of rights as a guiding principle for the parties in all their dealings has been formulated by Mr. Williams

in the preamble to the Hart, Schaffner and Marx agreement. It reads, in part, as follows:

> "On the part of the employer it is the intention and expectation that this compact of peace will result in the establishment and maintenance of a high order of discipline and efficiency by the willing co-operation of union and workers, rather than by the old method of surveillance and coercion; that by the exercise of this discipline all stoppages and interruptions of work, and all wilful violations of rules will cease; that good standards of workmanship and conduct will be maintained and a proper quantity, quality and cost of production will be assured; and that out of its operation will issue such co-operation and good will between employers, foremen, union and workers as will prevent misunderstanding and friction and make for good team work, good business, mutual advantage and mutual respect."

In conceding to the employer this measure of recognition of his rights, the workers do not compromise their own rights in any sense. Rather do they assure themselves, through a give-and-take relationship, of a fuller and freer recognition of their own rights and purposes on the part of the employer. These rights and purposes of the workers, moreover, concern not merely the specific shop conditions and working standards necessary for their welfare as employes. They concern also those more general and permanent interests pertaining to the strength and prosperity of the workers' organization as an agency of industrial government.

Chief among these permanent interests of the workers for the sake of which they have undertaken the responsibilities of the agreement, is that of building up within the industry a stable and effective organization of their own. They understand that upon the maintenance of such an organization ultimately depends the protection of all their concrete interests as workers. And they have asserted this understanding as a fundamental purpose of the agreement in another paragraph of the Hart, Schaffner and Marx preamble, as follows:

> "On the part of the union it is the intention and expectation that this compact will, with the co-operation of the em-

> ployer, operate in such a way as to maintain, strengthen, and solidify its organization, so that it may be made strong enough, and efficient enough, to co-operate as contemplated in the preceding paragraph; and also that it may be strong enough to command the respect of the employer without being forced to resort to militant or unfriendly measures."

Taken in conjunction with the paragraph previously quoted, this statement in practice implies nothing less than the creation of a working partnership between the employer and the union for the administration of all industrial relations. Such a joint government of the industry on its human or labor side represents an advanced stage of what for want of a better term is known as

COLLECTIVE BARGAINING

Collective bargaining is the law-making function in industry. It does not supplant the administrative function of management, but lays down the rules of the game—sets the limits and standards, which the management must observe in its dealings with the people. It is the method by which the people through their representatives exercise control over the conditions of their work and pay. This method did not spring into existence full-fledged in the clothing industry. It could not become operative until the union had been officially recognized by the employer. The agreement of 1911 made no provision for collective bargaining. Under it the company retained unrestricted freedom of action, while conceding to the people the right of presenting their grievances before an Arbitration Committee, and later before the Trade Board. Since that time, with the growing strength of the union more and more ground has been won for the operation of collective bargaining, until today all "labor conditions," or matters affecting the workers' interests, broadly conceived, are included within its scope.

Collective bargaining as a union device has the double purpose of promoting the material interests of all its members and at the same time protecting and strengthening its own existence as an organization. Both of these purposes are

best served in a competitive industry like the clothing industry by a policy of standardization. In pursuance of such a policy, the union endeavors to make an agreement with all the employers in the market, and even in other competing markets, covering certain basic standards and working conditions. In this way competition among employers may not be carried on at the expense of their workers and no undue advantage is enjoyed by one portion of the industry at the expense of another. No employer may depart from such standards, once jointly established, unless a change is authorized by further joint action of the parties to the agreement, i.e., by collective bargaining. The standards are likewise binding upon the workers. Thus, the union is ready to bring pressure to bear, through the impartial machinery, upon any employer who should attempt to alter wage or working standards in his factory without its consent. On the other hand, it is prepared to disavow or penalize the action of any of its own members who should connive at such unlawful procedure, whether it involve a lowering or a raising of standards.

Individual bargaining may bring present benefits to small groups of workers here and there who are more fortunate than their fellows in respect to skill or scarcity. But such benefits as these are usually obtained at the expense of other workers in the industry, and in any case are neither permanent nor secure gains, for they lack the supporting power of the union to make them so. Individual bargaining, moreover, tends to undermine the strength and solidarity of the union itself and to render less effective its collective bargaining power. If workers are led to look to the employer rather than to their own organization for advancing their interests, they may, if they are exceptional individuals, receive favors and promotion at his hands. But for the great mass of workers, at least, it remains as true as ever that what the employer has given under conditions of labor shortage he can also take away with interest when conditions change in his favor—unless the union energetically interferes to protect the gains.

The benefits of collective bargaining do not, however, accrue exclusively to the union and its members. The employers, especially the more stable and responsible among them, come in for a share of the beneficial effects. One of the outstanding effects of collective bargaining is its stabilizing tendency. Standardization, as we have seen, rules out, so far as possible, all differential advantages of the less over the more scrupulous employer on the score of lower wage or working conditions. It likewise eliminates competition among workers for jobs on such a basis. Finally, it minimizes fluctuations in the relative bargaining strength of the two parties from one season to another and reduces friction. The total effect of these tendencies is the stabilization of the labor market and of labor relations in the industry. The employer stands to gain by stability, inasmuch as it enables him to figure his labor costs in advance with some degree of certainty, and releases energies otherwise absorbed in the unproductive business of petty bargaining with his labor. For these and similar reasons do progressive employers favor the system of collective bargaining, once they have been induced to embark upon it by coming under the agreement with the union.

And yet, collective bargaining involves an unwelcome check upon the power of management to exercise functions both legislative and executive. It is for this reason that instances are not altogether rare of employers attempting to proceed either by individual bargaining with their own employes, or by executive order without consulting either the people or their representatives. In either event the union has recourse to the Trade Board. The former of the two modes of procedure named seems to have been followed by the employer in a certain case[1]* in which the union complained to the Trade Board that the manager of the factory had introduced an "honor system" into the finishing section. About fifteen finishers had been put in a separate class. The

* The numbers above the line refer to written decisions of the Trade and Arbitration Boards, which will be found indexed under the corresponding numbers, i.e., in the order of their citation in the text, in Appendix I.

coats of these finishers were not systematically examined as were those of the other finishers, though they were examined occasionally. The union claimed that the system was breeding dissension and jealousy among the girls and was objectionable from the standpoint of the unity and efficiency of the factory as well as the organization. The company replied that the arrangement was satisfactory and efficient, tended to put a premium on good work, and had occasioned no dispute or dissension. As an administrative measure, the company contended, it was allowable and outside the jurisdiction of the Trade Board unless it could be shown that the workers were injured thereby.

In dealing with this problem the Trade Board rested its decision upon a precedent established in an earlier case,[2] where off-pressers had been divided into "honor men" and others directly under the control of the examiners. In that case the following ruling had been given: "The chairman of the Trade Board will not undertake to rule in the matter beyond the point of ordering the installation of one comprehensive system, leaving to the company the selection of which of the two systems above mentioned it desires to substitute for the present scheme." The effect of that ruling was to require equal treatment for all the workers in the section and to deny the company the right of according preferential treatment to some and thereby discriminating against others. The company appealed the case to the Board of Arbitration, and the chairman ruled as follows:

> "The appeal is made on * * * an alleged limitation of the administrative powers of the company by the Trade Board * * * The chairman believes that the administrative power remains in the hands of the company to be used by it in the interest of discipline and efficiency, subject to review by the board if invasion of the rights of the worker is charged by the union. In the present instance, the result of the rule introduced by the company designed to promote the efficiency by creating a roll of honor seems to have been unfortunate, and to have impaired the efficiency of the union by creating dissatisfaction and disharmony among its members; and its discontinuance is, therefore, directed. The chairman doubts the wisdom of promoting

> efficiency by creating distinctions between workers, and suggests that the administrative power of the company might have better results if used some other way."

Having cited the foregoing decision, the Trade Board held that "the two cases are quite similar except that the complaint of the finishers has not been accompanied by a stoppage. The same ruling of the Board of Arbitration should apply." The Trade Board accordingly directed that the distinction between the finishers be abolished and that the system of examination include all the finishers.

It appears, then, that the employer is limited in his choice of means for promoting efficiency to such devices as do not create invidious distinctions between workers, or otherwise "impair the efficiency of the union". In another instance[3] the people complained of the use by the company of a blackboard to designate publicly pressers who fell off in their quality and amount of work. The union contended that such action should not have been taken without consulting the people; also that the use of the blackboard for general instructions was not objected to, but the entry of the personal numbers or names was intended as public discrimination between the men and aroused a just resentment as an unwarranted form of discipline. The company maintained that the board was used simply to promote better efficiency among the pressers by distinguishing between good and bad pressers, and that it was effective, as the notation "No. 2423 had 8 coats returned yesterday," had since led to his doing better work. After hearing the evidence the Trade Board held that "the use of the blackboard in giving publicity to names or numbers of pressers who fell off in quality or production is objectionable as a method of discipline. The element of publicity in such a matter is what makes such a practice obnoxious, and undoubtedly led to the shock and resentment described by the witnesses of the people. * * * The use of the blackboard in this respect is a device of questionable usefulness and apt to arouse much more opposition and less co-operation in doing

the work." Its use was accordingly ordered to be confined to general instructions.

LABOR CONDITIONS

The point at which the freedom of management to act at its own discretion gives way to the more democratic procedure of collective bargaining is the point where established or customary labor conditions and standards are involved. Management is free to organize and reorganize the processes of production up to the point where these touch the interests of the workers in the form of change in their wages, hours, or other conditions of work. Such change can be effected only with the approval of the union, subject to appeal to the Trade Board. The issue is brought out in respect to working hours, or more strictly, the starting hour, in the following case[4] decided by the Trade Board. The firm in this case agreed with its cutters to change to a 10-hour schedule, beginning work at 7:30 A. M. instead of 8:00, and counting the first half-hour of each day as overtime. The union objected to this arrangement, claiming that they could not permit to have them put in any overtime before 8 A. M., that being the starting hour agreed upon. The firm contended that it was within the functions of the management to decide as to what constitutes a proper starting hour, and requested the Trade Board to determine:

> "1. Whether or not the management may order operations begun at its discretion, provided the hour is reasonable.
> "2. What constitutes a reasonable starting hour in the morning."

At the hearing before the Trade Board the union made no objection to the starting hour being set at 7:30, if this was to be the regular arrangement and consistently applied by the firm. It was also agreed between the parties that there should be no overtime at the beginning of the day's work. There remained, then, only the first question, as to the authority of the management to order a change in the starting hour. The union maintained that such a matter

must be settled by collective bargaining. In deciding this issue, Professor Millis, as chairman of the Trade Board, ruled as follows:

> " The question of principle raised in this case is an important one. It is a question as to how far the employer may exercise his discretion subject only to complaint of unreasonable exercise, and as to how far matters are to be controlled by collective bargaining or, that failing, by decision of an impartial tribunal. The Trade Board is of the opinion that needless restrictions upon management must be avoided, but that if the agreement is to operate efficiently, what may be called ' Labor Conditions ' must be determined by collective bargaining. Thus the employer may make a change in his equipment without agreement, the worker having a right to expect an adjustment if the conditions of his work are changed, but a price for the new work must be decided upon by collective bargaining before a worker may be required to perform it. The question is whether the starting hour is a ' question of management ' or a ' labor condition ' to such an extent that it should be changed only by agreement, or in the event of failure to agree, by arbitration. The Trade Board holds that the starting hour having been at 8 o'clock in this case, it should not have been changed by executive order * * * "

In matters that come under the head of " labor conditions " and that properly call for collective bargaining and agreement, the obligation to confer and endeavor to agree rests not only on the employer but also on the union. Collective bargaining operates as a check upon direct action of either party. In such a matter as instituting overtime work, the initiative in the Chicago market has customarily lain with the management. But if the union for any reason objects to overtime being worked, it has recourse first to conference and then to the Trade Board. In a case of this character[5] a firm complained of a deputy for prohibiting overtime work by the cutters. The firm had instructed its cutters to work overtime. The cutters were willing. The shop chairman, however, called up the union and the union official prohibited the shop chairman from working overtime, thus countermanding the orders of the firm. The firm contended before the Trade Board that this action of the deputy tended to

undermine discipline; that the question of overtime work was for it to decide; that the deputy took the law into his own hands and did not confer when he thought overtime should not be worked; and that he produced what was in effect a stoppage. The deputy gave as one reason for his action, the feeling that some cutters should not work overtime while others are unemployed. He advanced the claim of the union that overtime is not a right, but a concession willingly made by it in the busy season but withheld when there is unemployment. Finally, he maintained that if the union official issues an order countermanding an order issued by the firm, the firm has recourse to the Trade Board.

In passing on the disputed question of procedure in this case, the Trade Board held that " past practice was not far from right. The practice has been for the firm to decide when it wants overtime work. If its decision is unsatisfactory to the deputy, he should not issue a countermanding order, but should take up the matter in conference with the labor manager. If no agreement is arrived at in conference, the matter should be taken to the impartial machinery. We must not have order and countermanding order. Divergent interests are not to be conserved in this way."

If the scope of collective bargaining is to be co-extensive with " labor conditions," it must, of course, include the whole question of wage determination and adjustment; for this touches most closely the interests of every worker. In our later discussion of the adjustment of piece prices and specifications, it will be made evident that this entire field is one for joint control by management and workers' organization. Hardly a step can be taken here by the employer without either consultation and agreement with union representatives or the reserved right of the workers affected to appeal to the impartial machinery for review and redress. The procedure of collective bargaining applies, moreover, to increases in wages as well as to their reduction. This is for the reason, already suggested, that the interest of all the workers and of the market as a whole must be consulted if injustice and instability are to be avoided. Individual bar-

gaining may solve a particular employer's problem at a particular time with reference to a particular worker or section. But it is almost certain to create new problems, if not for him, at any rate for other employers and for the union, that are not so readily disposed of.

In a case in point[6] the union filed complaint with the Trade Board to the effect that the foreman in a certain house had violated both the agreement and the Board of Arbitration award by inducing a former employee to return to the firm by offering to pay her 3 cents for an operation for which the established price was 2.4 cents. The union requested the Trade Board to instruct the foreman with reference to his province. Acting upon the union's request, Chairman Millis ruled, in part, as follows:

> "When this foreman bargained to advance the piece rate from 2.4 to 3 cents, he acted contrary to the agreement, for all piece rates must be made by collective bargaining. Foremen have no power to change piece prices. It is entirely out of their province. Moreover, the foreman's action was in violation of the Arbitrator's award (of December, 1919), for the award provides that approved piece rates must not be changed during the light weight season except upon the Trade Board's recommendation and the Arbitration Board's approval. Furthermore, the action was highly objectionable because it tends to beget discontent, instability in the market, and direct action. These the manufacturers, the union, and the impartial machinery have been trying to remove."

The same principle holds for increasing the wages of week workers. Such increases are to be effected through conference with the union representative and not by executive authority. In one instance involving this principle,[7] the union complained to the Trade Board that a firm had given increases voluntarily to certain workers, although refusing to admit the justice of complaints presented by the union in behalf of other workers who were underpaid, for three of whom it specifically requested increases. The firm admitted having raised the wage of one worker from $27 to $30 without request from the worker or the deputy. This worker was said by the union to have boasted of the fact that she

got an increase without asking for it and to have aggravated the dissatisfaction of other workers whose requests for increases had been denied. The union stated that many complaints had been taken up in behalf of low-paid week workers but that practically no increases had been granted by the firm; and the deputy found it highly embarrassing when the firm granted increases on its own initiative. The Trade Board reaffirmed the rule of collective bargaining to govern such cases as this in the following statement:

> "* * * The firm should not place the union in the embarrassing position of seeming to oppose an increase. If it is felt that an increase is called for it should be taken up with the deputy, who is after all closest to the workers and must answer their complaints. If the workers find that they can get more by dealing individually with the firm than by laying their complaints before their shop representatives or deputies, effective control—without which the agreement is meaningless—will be lost. It is as much to the interest of the firm as it is to the interest of the workers to see to it that the procedure laid down in the agreement for the handling of complaints is adhered to strictly. The union has a right to expect that the agreement 'will operate in such a way as to maintain and strengthen its organization so that it may be strong enough to cooperate, as contemplated by this agreement, and to command the respect of the employer.'"

The Trade Board then directed the firm to take up with the union for further consideration the complaints of the above three workers cited in the petition.

A situation combining some of the features of both of the preceding was presented to the Trade Board in another case[8] in which the union complained that the firm had violated the spirit of the agreement by individual bargaining, refusing to grant an increase on certain work when the union deputy took the matter up with the labor department, and later granting an increase voluntarily after the people had gone on strike. In passing judgment on the firm's action in this case, the impartial chairman stated:

> "The Trade Board has found it necessary on several occasions to review individual adjustments made by foremen after

authorized representatives of the workers had failed to secure redress. In each case the Board has condemned the practice and pointed out its consequences. For the most part the adjustments have been permitted to stand, as a self-imposed penalty, in spite of the danger that the workers might be encouraged to resort to direct action to adjust future grievances. The increase granted by the foreman in this case is to stand, of course. The chairman of the Trade Board would state very frankly, moreover, that he would regard action of this sort as sufficient ground for discharge if repeated. The firm cannot afford to have in its employ a foreman who exercises so little judgment on issues of such vital importance. The workers complain about their rates. The foreman turns a deaf ear. The deputy attempts to secure an adjustment. The foreman will not consider it. The workers strike and the foreman proceeds to seek them out and offer them an increase to come back. What respect the workers must have for orderly procedure; what confidence in their deputy, under such circumstances! If one were to attempt deliberately to destroy the agreement and break down effective control by the organization, it would be difficult to find a more effective way than that followed by the foreman in this case. The Board hopes that the organization will be at pains to convince the workers that the adjustment is to stand not because they forced it by direct action, but as a penalty upon the firm for the acts of its foreman."

A more common misuse of administrative power on the part of management than the increase of wages by executive action or individual bargaining, is the attempt to reduce them, as a rule indirectly, without the consent of the union. Since the wages of piece workers are intimately dependent not only on the quality, but also on the nature and the method of work required of them, even a slight change introduced in any of these will be immediately reflected in the workers' earnings. Changes in each of these elements of the work are being constantly made. The decision as to what these changes are to be rests logically with the management, since management has the responsibility for styles, sales, and production policy, and must be free to adopt the most efficient means for carrying out the policy. But the putting into effect of the management's decision requires the consent and co-operation of the union. The specification embodying the

exact definition of the task, no less than the piece-work rate corresponding to it, is a matter for joint negotiation and agreement. Neither can be imposed on the workers, even provisionally, by the management acting on its own initiative. Nor, once established by collective bargaining, can rates or specifications be altered by administrative action. Changes do not become effective until approved by the joint Rate Committee, or, on appeal, by the Trade Board. "The firm cannot proceed alone" in these matters.

It follows from these premises that even when a worker's operation is reduced, the management is not free to reduce his piece rate in the same proportion without first securing the consent of the worker's representative to the change. Even when the proposed reduction in the operation involves merely the withdrawal of a differential previously established by agreement with the union, such a reduction may not be put into effect without again being authorized by the representatives of both parties. In an early decision by Mr. Williams,[9] dealing with this question, it was ordered that "Any claims for such withdrawal should take the course of any other change of price and be acted on by the price committee before it can take effect." And the principle underlying this procedure was enunciated by him in the following much-quoted language:

> "Automatic reductions, or reductions by direct or executive action, are to be discouraged as creating a sense of injustice and wrong. Reductions should not first be made by the company and the onus of proving them wrong placed upon the workers. It is clearly the intention of the agreement that no change of price or change of work equivalent to a change of price should be made without being submitted to the price committee."

The restriction on the powers of management here laid down is dictated not by any desire to limit the employer's initiative in matters of economy or of technical improvement. Rather is it called for by the necessity of safeguarding against impairing the wage and working standards of the people on the one hand, and the welfare of the organization on the other. And this is possible only by giving them

through their representatives a check upon the action of management at every point where changes in price or in work are to be introduced. This balanced adjustment between administrative initiative and the protection of the workers' legitimate interests is the aim and purpose of most of the joint machinery, of which the price committee is an important part. In the course of the same decision from which we have already quoted,[9] Mr. Williams stated this relationship as follows:

> "The company should be free to institute improvement in methods of operation; but if the proposed changes are sufficiently important to impair the earning power of the worker, or to give rise to a reasonable belief that it will cause such impairment, the change should not be instituted by executive order but through the price committee; and if such change requires a period of trial before it can be tested and approved, the workers shall be paid by the hour during such period of trial * * *"

The freedom of the management to introduce changes, however small in its own judgment, is sure to come in conflict sooner or later with the instinctive conservatism of the workers, who see in every change in conditions the possibility of an attack on their existing standards. The conflict is avoided where the workers' interests are safeguarded through having the change introduced on terms agreed upon between the representatives of both parties. But employers frequently consider it to their own interest to introduce changes by direct action or executive order. This is so, first, because it seems a more expeditious method, and secondly, because it enables them to reap the full advantage of the innovation. Accordingly, the clash of interests occurs at the point where the employer proceeds to make practical use of his freedom of administrative initiative. In view of the relative wastefulness of hour work, he is under inducement to introduce minor changes in work without prior reference of the matter to the committee or to the Trade Board. The result is usually resistance on the part of the worker and probably of his shop representative. This conflict of authority fre-

quently leads to the discharge of the insubordinate worker and not rarely, also, to a stoppage of other workers in protest. Direct action on the part of the management thus defeats its own ends.

CONFLICT OF AUTHORITY

The problem and the way out are presented concretely in the case of S, a "cleaner," who had been discharged for demanding hour work when a slight change was introduced in her operation. She had been supported in her demand by the shop chairman. The Trade Board ordered her reinstatement. The company appealed the case, and Chairman Williams of the Board of Arbitration made the following ruling[10] which, on account of its far-reaching import, is here quoted at length:

> "In this case the old question of how to avoid friction over the introduction of small differentials again arises. The company appeals to the board to give a 'decision which will be a plain guide as to the right course of action when difficult questions arise.' It especially wants a ruling that will prevent conflicts of authority between foreman and chairman, and also avoid the wasteful alternative of hour work.
>
> "The special problem set for the chairman in this appeal is this: How can sufficient power be left in the hands of the foreman to permit him to make needed changes in operations, while at the same time safeguarding that power so that it can not be used to force disadvantageous changes on the workers?
>
> "Any answer the chairman may make to this question must be consistent with decisions previously made, which have become part of the working structure of the agreement. Among them is this: 'Reductions should not first be made by the company and the onus of proving them wrong placed upon the workers. It is clearly the intention of the agreement that no change of price or change of work equivalent to a change of price should be made without being submitted to the price committee.'
>
> "Let us ask what is the occasion of the friction and misunderstanding for which a remedy is asked in this type of cases. It is usually a case where the foreman seeks to introduce a change of work which he deems trifling and negligible, but which the workers think is sufficiently important to require consideration. Our problem is, therefore, how to proceed when differences of this kind arise.

"The company's solution is that in the interest of efficient administration the foreman's power to institute the change should be unrestricted, subject to correction later if error is found. In reply to this the union contends that to leave this unchallengeable power in the hands of the foreman would deprive the workers of the protection assured them by the agreement. Also, it would upset the entire practice under which we are working and to which the people have become educated, and would be likely to create far more friction than it would remove.

"After due consideration, the chairman is of the opinion that the worker has an interest in this question of the initiation of changes of which he cannot be properly deprived and which it would be difficult to adequately safeguard by subsequent adjudication. He cannot therefore agree to a solution of the difficulty by giving the foreman a free hand in its adjustment.

"Is there, then, no remedy? Must we continue to endure the friction and waste complained of?

"Clearly, there can be no remedy that ignores the claim of the workers. There is no authoritative short cut by which a dispute can be settled by the dictum of the foreman. With this fact in mind, the chairman has thought over the question with the hope of reaching a workable solution. He now submits the following:

"Whenever a change needs to be introduced, which is likely to give rise to objection or dispute, the foreman should take steps to have it authorized by the representative of the workers, who should at the same time see that their interests in the matter are safeguarded. The union member of the price committee should attend to the call as promptly as practicable. After hearing the nature of the change proposed, he should, if consistent with justice and just claim of the workers, direct the section to proceed with the work pending the formal disposition of the matter by the price committee. The chairman recommends that hour work be not insisted on except where necessary to get work done and there is no other practicable way to compensate the worker. It is hoped that a friendly conference between representatives of the company and of the union would result in the adjustment of disputed points and in the prevention of delay, of friction, and of needless hour work.

"It is obvious that such a proceeding as is here recommended would be void of useful results unless both parties are animated by the desire to be mutually helpful and are free from petty arrogance and pride of power. The chairman does not impose it as a new interpretation, or a new order, but as a helpful suggestion of how to use the powers already implicit in the agree-

ment and in daily use in other directions, to solve the vexatious questions attending the adjustment of small variations and changes of work.

"The decision of the Trade Board in regard to the reinstatement of S is affirmed."

The issue involved in a change of work introduced by order of the management may be more than a question of price on the new work. It may be the customary right of the worker to his operation, his vested interest in the work itself. Ordinarily, the employer is the best judge of the value from the standpoint of efficiency of a proposed change in the method of organization of work in his factory. But the standpoint of efficiency alone cannot be decisive if it conflicts seriously with the interests of the workers as guaranteed or implied in the agreement. For then the innovation is certain to create enough discontent and resentment on the workers' part to make of it—apart from its injustice—a wasteful rather than an economical step. It is, therefore, necessary that the union should exercise a check upon the power of management to introduce changes in work by executive action. This applies particularly to such changes in work as menace the rights and interests of the workers, over and above the immediate question of pay. To provide this protection to the workers against unfavorable changes in the character and conditions of their work, they have the right of having disputed changes in specifications as well as in prices passed upon not only by the union representative on the price committee but in case of disagreement also by the impartial machinery. The agreement provides, as follows, when dissatisfaction arises over change of price or working conditions: "It is believed that the agreement provides a remedy for every such grievance that can arise, and all complainants are urged and expected to present their cases to the proper officials and await an adjustment * * *." One type of problem to which this general provision refers is exemplified and constructively dealt with in the following case,[11] decided by the Board of Arbitration in June, 1915:

The company in this case decided to combine the work of sewing collar pieces with the work of armhole basting, thus uniting the work of two sections, and asked the Trade Board to fix a price for the joint operation. The Trade Board held that the agreement did not require the armhole basters to do the work of sewing collar pieces. The company appealed on the ground that the board had exceeded its authority in limiting the power of the company to either combine or subdivide sections, and asked for an order requiring the board to fix a price for the work described in the specifications.

The union replied that the work of these two sections was in several ways incompatible; that it would work hardship on the armhole basters, compensation for whom could not be equitably calculated; and that while it irremediably injured the armhole basters, the joining of the two sections would give no appreciable advantage to the company, either in economy or efficiency.

Chairman Williams thereupon recorded his opinion, as follows:

> "The real issue involved in this case is not so much the obligation of the Trade Board to fix a price on any given specifications, as the question of the conditions under which the company may exercise its right of uniting sections. This right, like others not specifically limited by the agreement, inheres in the company; but it is to be exercised in such manner as not to infringe on the rights of the workers. If they consider their rights invaded they may file their complaint in the regular manner and the case shall be adjudicated in the usual way * * *
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> "The company takes the position that it is obligatory on the Trade Board to fix a price on any specifications submitted, and that it is debarred from passing on the rightfulness of any such specifications by virtue of Section D of the general rules which is as follows: 'Whenever a change of price is contemplated the specifications shall be submitted to the Trade Board', and the specifications with the prices fixed therefor shall be certified to the firm by the chairman of the board.'
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> "The chairman (of the Board of Arbitration) is of the opinion that it was intended in this clause to confer the power on the Trade Board to fix and certify prices whenever a 'change of price' was contemplated; but that it was not intended to

deny the power of the board to pass on the rightfulness of specifications if it appeared that the specifications worked such injury to the workers that it could not be remedied in making the price.

"The chairman is mindful of the necessity of giving the company the widest possible freedom of administration consistent with the rights of the workers as provided for by the spirit and purpose of the agreement, and due care should be exercised not to hamper that freedom unless it is clearly necessary to do so to protect the rights of the workers.

"The effort to sharply demarcate the rights and powers of the parties is always difficult, and usually accompanied by strain and tension and is provocative of ill-will and bad feeling. Whenever a change is sought to be introduced by the company calculated to raise the question of rights and powers, the chairman strongly urges that the matter be discussed in advance with representatives of the union, and, if necessary, with the chairman of the Trade Board, to the end that an agreement be arrived at and the strain and bitterness caused by a conflict about authority be avoided.

"In the appraisal of the facts in the present case, the chairman sees no reason to believe that the Trade Board has erred, and its decision with respect to the disposition of the case under consideration stands * * * "

The rights and powers of management relating to the introduction by executive order of changes in work are, in practice, narrowly limited. They are limited not only by the demonstrable effect of such changes upon the immediate earning power of the workers concerned. They are limited also by the psychological effect upon these workers as manifested in dissatisfaction or resentment on their part against the change. Thus, where the people are on a week-work basis and therefore not at all affected in their present earnings by the innovation in their work, they may nevertheless offer strenuous resistance to a technical improvement whose future effect on unemployment they fear. This fear tends to be excited by any change in the usages or customary methods of work, and it can only be allayed by such assurances against eventual injury to their interests as the union may be in a position to give to its members. The principle of joint procedure, as we have seen, had been established

by Mr. Williams for situations involving resistance of workers to administrative changes on grounds of impairment of earnings. In the following decision[12] by Mr. Tufts a similar principle was recommended for meeting the issue of executive freedom of management where other interests of workers are involved.

The case turned on the question as to the right of the firm to issue executive orders, changing certain methods of management, or usages, which were held by the people to be established as shop usages or standards. The particular instance before the Trade Board had been the case of a man who had refused to obey an executive order by which the height of the lay in the case of felt in the trimming room may be in certain cases one hundred high instead of ninety. The firm contended that irrespective of the merits of the particular order in question, the general principle is fundamental, namely, that the firm has the right to give an executive order which is not in violation of the agreement and that complaint of such order should be brought before the Trade Board in the method provided. The union contended that the method of effecting changes in established usages by executive order is calculated to produce friction and unnecessary irritation and that it would be a better method to take up such matters in advance with the representative of the union.

The Board of Arbitration, to whom the Trade Board referred the case, found that

> "An earlier ruling laid down a principle for changes which affect the earning power of the worker, in which it used the following language: 'The company should be free to institute improvement in methods of operation; but if the proposed changes are sufficiently important to impair the earning power of the worker, or to give rise to a reasonable belief that it will cause such impairment, the change should not be instituted by executive order, but through the price committee.' The present case as to the height of the lay does not seem to fall under this ruling because the trimmers are on the week work plan. Nevertheless the Board believes that in cases where there is no emergency requiring immediate action, and where there is

serious interference with established standards, it would be desirable to proceed through expert commissions on which both sides are represented. Such commissions are already in existence in the price committee and the cutters' commission. The Board believes that it would be well to experiment with other similarly constituted bodies. The Board will not proceed further than to advise the Trade Board to appoint a commission to investigate the problem. After experimentation with expert commissions and with other methods which the company has under consideration, it may be possible to give a decision which shall be more general in character."

The criteria set up by the decision for determining in a given situation whether or not management may exercise its administrative powers to introduce a technical improvement, are, first, the existence of an emergency, and, secondly, the maintenance of established standards. Under these conditions only, management may proceed to inaugurate the change, leaving the workers free to resort to the impartial machinery if they feel their interests jeopardized.

As a rule, however, changes are of such a nature that with a spirit of forbearance on both sides, their application can be effected without injury to any interest. A situation exemplifying the need of mutual accommodation in these matters is presented in the case[13] of four finishers discharged for refusal to call for supplementary coupons on cuffs on overcoats. The deputy had refused to approve the use of the coupons and had asked that the matter be put over for consideration by the price committee or the Trade Board, neither of which would be available for a couple of days. The chairman of the Trade Board ordered the reinstatement of the workers with pay for lost time. The company appealed the case to the Board of Arbitration, and Chairman Millis ruled as follows:

"Cases of this kind should be and can easily be avoided by proper cooperation. The loss to workers from the use of the coupons would be negligible * * * The deputy could well have been guided by Mr. Williams' advice in case 293, where he said: 'The chairman is mindful of the necessity of giving the company the widest possible freedom of administration, etc.' If, however, the deputy was of the opinion that the use of the

coupons would involve the workers in a material loss, he could well have cooperated in the absence of the company's price man and the chairman of the Trade Board, by permitting the use of the coupons and then asking for a revision of price, this to be retroactive.

"On the other hand, there was no emergency which would call for such action as the company took. A similar matter had been up before and the coupons were not used after complaint was made by the deputy. The deputy complained in this case and the matter could easily have awaited consideration by the Trade Board as suggested in case 364 ('Whenever a change needs to be introduced which is likely to give rise to objection or dispute, etc.' see p. 207). There was no need to proceed in such a manner as to cause workers to refuse to obey orders, as they certainly would after they knew the deputy had objected to what it was proposed to do * * *"

And the chairman ordered that the company should pay for half the time lost by the workers.

Any change in work that involves no irremediable injury to the worker's interests is expected to be accepted by him pending an adjustment of price by the committee. To quote again from a section of the agreement already referred to, "All complainants are urged and expected to present their cases to the proper officials and await an adjustment. If anyone refuses to do this, and, instead, takes the law in his own hands, by inciting a stoppage or otherwise foments dissatisfaction or rebellion, he shall, if convicted, be adjudged guilty of disloyalty to the agreement and be subject to discipline by the Trade Board." This procedure represents the obligation of the worker corresponding to his right to challenge the management's use of its administrative power in introducing changes in work. A case[14] partially illustrating the principle is the following:

A finisher was discharged for refusing to sew on a hanger to a coat after the coat had been cleaned. The circumstances of the case were these: A few coats had come through without hangers and labels and had been taken care of by the finishers without objection. But by some oversight an unusual number came that week and the matter became at once of some significance to the finishers as the increase in the

number of garments without hangers naturally increased the work of the finishers. The chairman of the Trade Board held that " Under the circumstances the girl should have continued to do the work as formerly and brought complaint for additional work by reason of the disproportionate increase of garments with shortages of hangers or labels." And the Board directed the reinstatement of the girl without back pay.

The interests immediately at stake whenever a change is introduced are two. On one hand, there is the employer's interest in making improvements with the least possible friction or interruption in production, and over against it is the worker's interest in maintaining his wage standards and other rights against infringement. The task of the joint machinery, price committee and Trade Board, is to conserve both of these interests. In many trivial changes, at least, no irreparable harm accrues to the worker by accepting them provisionally or under protest until his claim can be adjusted. For this reason the Trade Board has ruled[15] that in case of dispute as to whether there is change of work of importance, the worker should do the work and bring complaint for reimbursement. In such cases the management seems to be the judge of the dispute, subject to review and reversal by the Trade Board.

When a change of work is occasioned by a defect in the material for which the management is responsible, the worker is not under the same obligation to proceed with the work pending an adjustment. Such change in work, not being instituted in the interest of efficiency or technical improvement, does not fall within the legitimate scope of the administrative powers of management. Nevertheless, this does not mean that the agreement sanctions stoppages or any interruptions of work in such cases. The rights and duties of the parties in a situation of this sort are illustrated by the disposition reached in the following case[16]: The question at issue was whether or not the shop trimmers in a certain house could be required to cut imperfectly perforated coupon sheets or whether the company must make separations in such

cases just as it cares for other defects and shortages. The Trade Board, reinstating one of the trimmers suspended for insubordination, ruled as follows on the question: "The trimmers were not required by specification or by practice to use their shears in separating the sections of the coupon cards. It is admitted that some of the cards were not properly perforated. Under the circumstances, the trimmers seem to have followed the usual procedure where defective work or shortages appear. They referred the defect to the examiner, as they would any other defect or shortage. He should have taken care of these defective cards."

The company appealed from this ruling of the Trade Board, setting forth its position, in part, as follows: "The company concedes the right of any employe to make complaint according to the rules of procedure and to be heard by the Trade Board in case he is not satisfied with the adjustment of the labor department * * *." The chairman of the Board of Arbitration in upholding the decision of the Trade Board, refused to lay down any general rule of procedure for cases of this type, but dealt with the particular problem before him. "If the trimmers followed the usual practice of referring defective work and shortages to the examiner, and if the coupon sheets were unusually bad, both of which were established as facts to the satisfaction of the Trade Board, the Chairman finds no fault with the ruling from which appeal is taken. He makes the observation that it is undesirable to handle matters in such a way as to make Trade Board litigation necessary. If there was dispute as to what the trimmers were required to do, it could have been placed before the price committee for immediate decision. The holding up of the work or the placing of the trimmers on hour work could have been avoided by having someone do the cutting required on the improperly perforated coupons."

The right of the workers to request differentials in price with changes in their work, however slight, is in practice unlimited. In the case cited below an unsuccessful attempt to limit it was made by an employer. In this case[17], the Trade Board ruled that a differential requested by the union in

behalf of certain sleeve makers was warranted by the difficulty of handling the shady goods, and referred the pricing of such a differential to the members of the rate-making committee. The case was appealed by the company, and the chairman of the Board of Arbitration entered the following ruling:

> "The essential principle involved in these * * * cases is * * * in effect an assertion on the part of the company that trifling variations in operation are made the ground for asking that differentials be allowed, causing an excessive draft on the time of the price committee, increasing the amount of hour work unnecessarily, and interfering with the free flow of work through the sections. As a remedy, it suggests that a minimum line of variation be established, below which no claim for differentials shall be entertained.
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> "The union contends that no such frequency of claims for differentials exists as is represented by the company; that the total number of such cases in the past year can be counted on the fingers of one hand; and that it is not possible to modify the present practice without depriving the union of safeguards necessary to protect the rights of the workers.
>
> "The chairman after listening to a long and searching discussion of the points involved in this controversy, finds himself unable to propose any remedy that he feels sure would be an improvement on the present system. Price fixing is a difficult art. We cannot expect it to be 100% perfect, and it is a matter of never-ending surprise and admiration that our price committee gets such excellent results as it does. The chairman, for the present, prefers to leave the curing of any avoidable defects in the system to the expert skill and intelligence of the price committee rather than take the chance of making it worse by any crude device that he can invent. He hopes they will continue their patient and efficient cooperation, that they will continue their efforts to reduce hour work and litigation to a minimum, and do all in their power to so perfect the system of price making that all reason for complaint may be removed and that the proper interests of both parties may be safeguarded. He believes it wisest, however, to leave the power to bring these ends to pass where the Trade Board has left them, in the hands of the Price Committee itself."

Prof. Harry A. Millis,
Chairman, Trade Board, Wholesale Clothiers, etc., 1919-1920
Chairman, Board of Arbitration, 1920-

James Mullenbach,
Chairman, Trade Board, Hart, Schaffner and Marx, 1912-

Prof. James H. Tufts,
Chairman, Board of Arbitration, 1919-1920

JOINT PROCEDURE

Changes in work and in methods of work vary greatly as to the circumstances under which they are introduced and as to the manner and degree in which they affect the interests of the workers concerned. As a consequence, it is not practicable to define once for all the powers of management and the procedure to be followed in giving effect to such changes. Hard and fast rules or principles laid down in advance cannot but fail to meet complex situations that were not to be foreseen. For this reason, if for no other, it is of the essence of justice to leave wide room for joint discussion and negotiation between the representatives of both sides. Whenever a dispute arises in relation to any particular change proposed by the management, the mere fact of the dispute, whether or not the grievance be a real one, calls for conference and an understanding. It is the danger signal indicating that the workers' interests are menaced or at least in need of safeguarding against the administrative initiative of the management. And the facts of whether those interests are actually endangered and how they are to be protected, have to be determined in each particular situation anew. Hence the need of a continuously functioning joint machinery, like the price committee, to deal concretely with every case of disputed authority as it arises.

The encroachment of workers' control upon the sphere of management takes two general forms. On one side is the restrictive or negative type of control, which is aimed at limiting the freedom of administrative action of management at those points where it comes into open conflict with the rights and interests of workers. On the other side, there is the positive or constructive tendency in the movement for workers' control. This is marked by the intervention of the workers' representatives in the counsels of management before the conflict of interests reaches the point of open breach. In other words, the initiation of a change in the conditions of work or pay is in this case not effected by executive action subject to review and reversal. Rather, it is the result of

joint discussion or collective bargaining and agreement between the parties or, failing this, of adjudication by the impartial machinery. The terms and conditions under which the intended change is to take effect are stipulated beforehand and are such as to safeguard all the essential interests involved. Furthermore, they have legal status under the agreement and are enforcible under its authority.

By way of illustration, the decision by Mr. Williams in the following case[18] throws light upon the conditions under which even so relatively innocent a device as the substitution of hour-work for piece-work may be resorted to by executive action of the management when a change in work is enacted, and under what other conditions such a change must first be authorized by the price committee or the Trade Board. In this case a question arose over the division by the company of the payment of a button-hole operation, which involved the paying of part of it on hour-work, and part on piece-work. The union complained that the more lucrative part of the operation was put on hour-work, while the less lucrative was kept on piece-work, thus reducing the average earning power on the whole operation. It also contended that the company was not entitled to change a price fixed by the price committee, by administrative action, but was required to resubmit it to the price committee if it desired a change. The company explained that in this case the price committee was otherwise occupied when the change was sought, and it had recourse to hour-work as the fairest way to dispose of the matter while the committee was busy elsewhere. It held, further, that it had of right the option of substituting hour-work for piece-work whenever, in its judgment, it seemed advisable, and, accordingly, it was justified in making the change in question.

The Board of Arbitration observed that the point in dispute was not specifically covered either in the agreement or in previous decisions. And in order to avoid future disputes it gave out the following interpretation of the rights of management under the agreement:

"1. The right of the company to substitute hour work for piece work is intended to apply to periods of change before the price committee has had opportunity to fix a legal price.

"2. After the price committee has fixed a price it cannot be changed by executive action of the company, but must be resubmitted to the price committee or Trade Board, except as follows:

"3. In case of a substantial change in the conditions which calls for a readjustment of the price, the company shall give notice to the chairman of the Trade Board that it intends to ask for a readjustment of the price, and desires to introduce hour-work.

"4. The chairman of the Trade Board shall proceed promptly to take suitable action, and shall in his discretion be authorized to put in hour work or institute a temporary piece work price if the regular price committee is unable to act with sufficient expedition.

"5. After a price has been made by the Committee, it shall go into effect on the morning of the second day following."

A more drastic use of administrative power by the employer, where joint or co-operative procedure was indicated by the agreement is exhibited in the following notable decision by the Trade Board.[19] The union in this case complained that the people were kept waiting in the shop when there was no work, and the manager refused to grant them passes; also that hour-work had been withdrawn and the manager was attempting to compel the people to work at piece-work rates on operations not in their section.

The company admitted that orders had been issued requiring individuals who are in one-man sections to remain in the shop, as the operation of the shop depended on their attendance; but the company claimed that offers had been made to these one-man sections to combine them and so provide work sufficient for these individuals. The company objected to hour-work, asserting that it is only a bonus system, involving allowances to piece-workers which they do not earn. The company was seeking to reduce hour-work to a minimum.

The union contended that these orders violated the agreement in two ways: (1) In respect to the provision regarding "detention in the shop," which reads:

> "Workers shall not be detained in the shops when there is insufficient work for them. The company or its agent shall exercise due foresight in calculating the work available, and as far as practicable shall call only enough workers into the factory to do the work in sight. And if a greater number report for work than there is work for, those in excess of the number required shall be promptly notified and permitted to leave the shop. The work on hand shall be divided as equally as may be between the remaining workers. The company and the deputies have agreed to cooperate together to abolish all unnecessary waiting in the shops."

And (2) a change of work was ordered contrary to the ruling of the Board of Arbitration: "Automatic reductions or reductions by direct or executive action, are to be discouraged, etc."

The question in this case turned on whether the company was within its rights under the agreement when it sent out the order to reduce hour-work to a minimum; to grant no passes to workers in one-man sections; and to order sections to be combined. In ruling on the question, Chairman Mullenbach held as follows:

> "The order to refuse passes to workers who have no work and require them either to sit in the shops idle or accept work on terms fixed solely by the company's officials is contrary to both provisions cited above. The provision as to 'Detention in the shop' clearly intends to reduce waiting in the shop to a minimum, and this was to be done by cooperation between the company and the deputies. But in the present instance no cooperation was attempted. An executive order requiring waiting in the shop without work was sent out. The ruling of the Board of Arbitration (cited above), states that 'It is clearly the intention of the agreement that no change of price or change of work equivalent to a change of price should be made without being submitted to the Price Committee.' There is no question that there was a 'change of work equivalent to a change of price' in respect to these one-man sections, and that such a change should not have been made until the Rate Committee had taken the matter up.
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> "Under the circumstances the Trade Board rules that the status quo prior to the order be restored * * *, and that the matter of any readjustment be referred to the Rate Committee for consideration."

The line between the proper spheres of the employer's executive jurisdiction and of workers' rights and interests is often a narrow and indefinite one. It is, therefore, all the more essential that in matters likely to affect these rights and interests the management should proceed with caution and restraint. This means, practically speaking, some form of joint or constitutional procedure. Joint procedure not only defines the workers' rights and interests in a given situation in the light of the agreement; it also protects those interests against invasion, and consequently prevents a sense of wrong and resentment such as resulted from direct action by management in the case reported above. Nor is the reaction of the workers always limited to rebellious feeling, held in check, as in this case, by union discipline. Often enough it finds expression in stoppages, which merely complicate the difficulty. Such was the result in the following case[20] where an official of the management exceeded his authority and thereby provoked a stoppage.

The union in this case complained that the management (examiner) changed the stitch of the Wilson machines and caused the workers to lose time. The union asked for pay for lost time and a fine on the management for violation of the agreement. The company admitted that the change of stitch was improperly made, but denied that the people had any valid claim for redress, as they stopped work and tried to secure redress through direct action. The union also contended that the company violated the agreement in adjusting the machines and requiring a finer stitch without calling on the Rate Committee to revise the specification. The company admitted that the examiner had no right under the agreement to alter the stitch, nor did he have any authority from his ranking officers to make the change. It was done on his own initiative. The Trade Board ordered a week's lay-off for the examiner as penalty for the unauthorized alteration of the stitch and as a warning against similar action by agents of the company.

In this case, it appears, the action of the official in changing the work of the machine operators was doubly arbitrary. On

one hand it was taken without the sanction of the general management of the factory, which should at least have been consulted. On the other hand, it was taken without the previous knowledge or consent of the workers' representative, and as such constituted a violation of the agreement. If the change had been in itself a legitimate one, as claimed by the examiner, it could have been effected without friction by way of the regular procedure of conference and joint authorization.

CHAPTER XI

DISCIPLINE AND DISCHARGE

If we look back at the condition of the workers in the Chicago clothing shops in the year 1910, we find in the larger establishments that the power of discipline and discharge was lodged in the hands of foremen. As these men had generally risen from the ranks and felt keenly their power over the rest of the workers in the shop, it was not strange that abuses of authority should be frequent and tyrannical treatment common. Not only were workers laid off or discharged by the foreman without a chance to be heard in their own defense, but that petty autocrat was wont to impose fines and deductions, to order overtime work, to cut piece rates, or even to lock out his workers, with a free hand. Foremen were usually selected for other qualities than those of personal refinement or respect for workers' rights. Many of them were typical bullies and of low moral sensibilities. With women and young girls constituting at least half of the people under them, some of these foremen did not scruple to subject the more defenseless workers to brutal insults and indignities. They were able to do so with impunity, for at that time the workers had no effective redress against mistreatment at the hands of their " superiors." It was abuses of this sort that in their cumulative effect precipitated the great strike of 1910-11, thereby compelling consideration of the fundamental defects of the autocratic régime in the clothing industry. One of the few provisions embodied in the resulting peace pact between the firm of Hart, Schaffner and Marx and its employes limited the company's right of discharge from that time forth by the obligation not to discriminate against members of the union —even where these had taken an active part in the conduct of the strike.

That obligation, however, was merely voluntary on the

part of the company and was predicated upon its good-will alone. There was no power, as yet, on the side of the union to compel its observance in practice. As a matter of fact, the company maintained through its employment department a system of classification of all its employes, grading them as A, B and C, according to their previous record in its shop and re-employing them only in this order of preference. Thus the firm practiced an indirect, though none the less effective, discrimination against those of its former employes who had for whatever reason earned the classification of C. If, then, a worker was refused re-employment or was re-employed and subsequently discharged by the firm, he might, theoretically, appeal his case to the newly-established Board of Arbitration. But the burden of proof of discrimination on account of union membership was upon himself, not upon the employer.

A survey of the growth of union control in this field, as it is recorded in the decisions of the Trade Board, and the Board of Arbitration, shows three main lines of progress. In the first place, extensive inroads have been made upon the employer's traditional power of discipline and discharge, a considerable share of this power having come to be lodged in the impartial machinery. From this transfer of power there have followed two other developments of importance: (a) the adaptation of disciplinary measures, both as to kind and degree, to the objective needs of the situation; that is to say, the elimination of arbitrary and of drastic penalties against workers. And (b) the coming of foremen and other representatives of management—and incidentally also of the union in the shop—under the sway of law and discipline as administered by the Trade Board.

In the second place, there has been a widening of the circle of rights for the worker and a growing up of guaranties protecting him in the exercise of these rights without fear of discipline or discharge. From being virtually a rightless "wage-servant" whose tenure of his job was dependent on the pleasure of the employer and whose liberty of action on the job was equally precarious, the worker has come to oc-

cupy something of the status of a citizen in the industry, with a voice in its management wherever his own interests are involved, and with definitely recognized rights over against the employer.

The third line of advance toward control has been in the direction of increasing participation by the union in the maintenance of shop discipline and morale. Once feared and fought by the employers as the great menace to discipline in the old autocratic sense, the union has gradually become one of the most potent factors, if not the mainstay, of law and order in the shop. It has become an indispensable ally of management in the task of securing the willing co-operation of the workers in the industry, that has superseded the enforced co-operation under the old régime of fear and hate. And along with its enlarging responsibilities for the discipline of the shop, the union has acquired corresponding rights and privileges, that have, in turn, contributed to its growth both in numbers and in solidarity, and made of it a powerful force working toward self-government in the industry.

LIMITATION OF THE EMPLOYER'S DISCIPLINARY POWER

Prior to the growth of organization among the clothing workers, the employers were unrestricted in their choice of means to make their authority prevail in the shop. Nor were they over-squeamish in their use of this power. Apart, however, from the free resort to discharge and other penalties on every occasion, the galling thing about the system was rather the possibility if not always the fact of petty tyranny and oppression by foremen and executives generally. Personal favoritism on one hand and discrimination, amounting even to persecution, on the other, characterized the relations of those in power toward the rest.

A favorite whip wielded by the employers over the people was discharge. Discharge is, in general, the extreme form of punishment for a worker. It means for him not only a temporary cutting off from his livelihood, but a brand that

in many cases closed against him other doors where employment might be found. The discharge penalty is particularly severe at times when there is a dearth of work in the trade, or, what comes to the same thing, a surplus of labor seeking jobs. It is just at such times, however, that the employer is under the greatest inducement to apply this penalty on slight provocation, since it affords him a convenient method of "weeding out" the insubordinate, inefficient, or otherwise undesirable individuals in his employ. And if need be, he experiences no difficulty at such times in filling their places with more willing workers from the street.

This conservatively outlines the tendencies with reference to discharge which had free sway in the industry until the union grew strong enough to counteract them. It accomplished this object of control over discharge not, as in New York, by prohibiting it and thereby laying up against itself for the future the grievances and resentment of the employer. The method in Chicago was that of entrusting to the impartial machinery the function of reviewing the disciplinary acts of the employer, of testing these by the principle of the preferential shop, and allowing it gradually to absorb to itself a large share of power in the entire matter.

The effect of the union upon the kind and degree of penalties imposed upon workers by their employers makes itself felt directly through the Trade Board. But the mere knowledge that any act of discipline may be appealed by the worker affected, through the union to this tribunal, operates as a check upon the employer's free use of his power. Notwithstanding this check, however, many instances of discharge occur which, on being brought to the Trade Board for review, lead to reinstatement of the worker and the substitution of other, usually lighter, forms of penalty. In illustration of this moderating influence exerted by the impartial machinery upon shop discipline, we may cite the case[21] of R, a cutter, whose discharge had been ordered as a result of several serious mistakes in his work following repeated complaints on account of poor work. He had, however, immediately called the attention of the foreman to one of the mistakes, thus

frankly acknowledging responsibility for it. In consideration of this fact the chairman of the Trade Board ordered the cutter's reinstatement, leaving him the loss of his wages for the two weeks elapsed since his discharge as a penalty to insure greater care on his part in the future.

There are other conditions that may operate as extenuating circumstances and protect a worker from outright discharge which might otherwise be warranted by the seriousness of his offense. Such are, for example, a previously clear record, or severe provocation. In cases of this sort, the discharge penalty may be set aside by the Trade Board and reinstatement on probation or a warning accentuated by forfeiture of a few days' wages, administered in its stead. Of such a character was the case[22] of two trimmers discharged for starting a fight in the shop. Though they denied that they actually came to blows, the Trade Board was convinced "that the affair was little different from what is generally regarded as a fight. * * * Their conduct was wholly uncalled for; it cannot be permitted in the shop and it is a reflection upon the union. *This is their first offense of this sort, however,* and the Board will not approve the extreme penalty of discharge. They are to be reinstated April 15th without pay for time lost, this to serve as discipline, and are warned that a second offense will mean discharge."

While the formal right and the initiative in matters of discipline and discharge remains with the employer, exception is to be noted in the case of union officials, a subject considered later in this chapter. The actual power has largely passed out of his hands and into the keeping of the Trade Board. It has already been seen that, owing to the free use made by workers of their right of appeal in discharge cases, the practical effect of discharge by the employer is merely that of suspension pending the final determination by the Trade Board as to what the exact form and measure of discipline shall be. The tendency observed toward less severe forms of discipline must be ascribed to the growing power of discretion vested in the Trade Board. The power thus transferred registers, in the last analysis, the growing power of

the union—power wrested from the employers and exercised through this tribunal in the interests of both.

The power of the union in limiting the employer's right of discipline manifests itself not only in reducing the degree of punishment, but also in placing restrictions upon the use of certain forms of penalty. Thus the imposition of fines upon workers by employers has been practically prohibited in the Chicago market. In a case[23] where a worker was suspended for damaging a coat and the firm offered to reinstate her on condition that she pay for the damage, the firm argued before the Trade Board that the collection of a money fine would be a reasonable form of discipline. The union, on the other hand, contended that the imposition of fines was a chief cause of the strike of 1910 and was specifically prohibited in the agreement then made with Hart, Schaffner and Marx. In its decision the Trade Board called attention to the fact that it had "in several instances advised against the imposition of fines and now officially rules against it * * *. Experience shows that this form of discipline lends itself so easily to abuse that it becomes improper. Frequently fines are used as a device to undermine and reduce wages. Their imposition invariably leads to bad results in the long run * * *."

In another case[24] an apprentice cutter, who had made a mistake, was offered the alternative of being discharged or paying the firm the sum of $1.75 for the damage. On hearing the case, the Trade Board disallowed either of the penalties proposed, and stated that "the firm should know that the system of charging workers for mistakes has been abandoned long ago in this market." While directing the worker's reinstatement, the Board ordered him to lose three days' pay as discipline, thereby in a manner taking over the power of imposing fines.

The objection to fines or similar forms of discipline is not so much to them on their own account as it is to their application by the employer. In the hands of the Trade Board, however, the chance of abuse of so dangerous a device is slight. Accordingly, we find the same Trade Board that had

prohibited employers from fining workers, doing the same thing on its own authority. In a case[25] where the cutters and trimmers of an establishment had stopped work in protest against the suspension of one of their number, the Trade Board, after reinstating the suspended worker with pay for lost time, fined the other workers for violation of the agreement. The union appealed the issue to the Board of Arbitration, contending that "fines are a mistaken method of discipline," etc. The chairman of this Board dissented from the union's position that fines should not be used at all. "If not used too frequently and if used with good judgment they find a proper place in Trade Board discipline * * *. Fines are not a method of disciplining workers alone. In this case the Trade Board imposed an indirect fine upon the firm by requiring it to pay the suspended worker for all time lost. The Chairman is of the opinion that the selection of methods of discipline must be left to the good sense of the Chairman of the Trade Board."

A safeguard against any possible mis-application of a novel method of discipline by the Trade Board lies in the right of appeal to the Board of Arbitration. That this right is occasionally invoked to some purpose by the union is shown in the following case:[26] A firm petitioned the Trade Board to penalize its cutters who had stopped work for three hours and to compensate the company for the resulting loss in production. In addition to loss of pay for the period of stoppage, the Trade Board ordered the cutters to work overtime for three hours and to be paid at straight time instead of at overtime rates. The union appealed from this part of the decision and the chairman of the Board of Arbitration ruled that "the form of discipline in question is very appropriate in cases where a stoppage is not provoked and the firm is without fault," but not otherwise. In the case under review there was found to be a certain amount of provocation, and because of this the Board concluded that "a fine would have been a more suitable penalty than the overtime order", and directed that each cutter should pay a fine equal to one and

one-half hour's pay, the Trade Board to determine how the money should be used.

The second general consequence of the accumulation of power by the impartial machinery is its extension of disciplinary control over the representatives of the union on one hand and of the management on the other. Under the old régime of personal government of the shops, the employer or his foreman—like the king of old—could do no wrong. There was no law to reach him if he did. With the rise in the industry of government by law and reason, however, the officials of the firm in their dealings with the workers come under the sway of the impartial machinery and must answer to its authority. In the actual application of discipline to such officials the Trade Board is, of course, limited by the nature of the situation. It cannot, for example, impose immediate discharge on a foreman without consulting the convenience of the firm in replacing him. Nor can it suspend a member of the firm for an offense which, when committed by an employe, would merit such penalty. Nevertheless, there are at the disposal of the Trade Board forms of discipline adapted to all cases that arise. Inasmuch as foremen are the representatives of the employer in the shop, the application of discipline to them is usually entrusted to the firm, although the specific character of the penalty may be laid down by the Trade Board. Thus, in one case[27] the union requested discipline of a foreman and an assistant foreman, who were charged with having used abusive and insulting language toward workers. The assistant foreman's offense was the more flagrant and he was voluntarily discharged by the firm directly after the hearing. This the Trade Board considered sufficient to serve as a warning "that loose remarks will not be tolerated. It is expected that the firm will make this clear to the foreman and see to it that there is no further cause for complaint."

Where it is shown, however, that an official of the firm has been guilty of wilfully violating the spirit of the agreement or disobeying a decision of the impartial machinery, the Trade Board applies the penalty directly. In one such case[28]

a charge of fighting with a worker in the shop was brought against the superintendent. Because of his position of authority and influence, such action on his part was more serious than it would have been in the case of an ordinary worker. The Trade Board expressed the opinion that " only in a clear case of self-defense to prevent bodily harm would a foreman or a superintendent be justified in striking a worker, because discipline in the form of discharge is immediately at hand* * *. The superintendent is to pay a fine of fifty dollars," to be used by the Trade Board as a relief fund.

Trade Board discipline reaches still higher up. The union on one occasion preferred charges against a member of the firm for using insulting and improper language to a shop chairman. The Trade Board in its decision set forth that " the representatives of either management or workers are entitled to courtesy and respect. The language used by Mr. W. was neither courteous nor respectful * * *. Apart from the effect upon the workers of this exhibition of temper, the Board feels that it is a serious charge against management and may well be a matter of market concern. The charge stands as a matter of official record. The Board adds to the record that the behavior of Mr. W. merits severest condemnation. The Board reprimands him openly and gives notice that the language used and the attitude taken will not be tolerated."

As appears from the cases cited, the Trade Board may, if necessary, call upon the individual firm for assistance in carrying out discipline against a foreman, or superintendent, and possibly upon the association of firms in the market for action against one of its membes. In similar manner, the Board may deal with cases of delinquency of minor union officials by entrusting the application of disciplinary measures to the union as represented in the Joint Board for the market. As this phase of the matter will be considered under the head of union discipline in the latter part of this chapter, attention is here directed only to the taking over by the Trade Board of disciplinary jurisdiction, as restrict-

ing the employer's right of discharge and discipline, in all cases involving shop chairmen and other union officials employed as workers in the shop.

In order to insure necessary freedom of action and protection against discrimination for the representatives of the workers who are themselves workers in the shop, the Hart, Schaffner and Marx agreement has, since 1913, contained the following provision: "Complaints against members of the Trade Board as workmen are to be made by the foremen to the Trade Board. Any action of any employe as a member of the Trade Board shall not be considered inimical to his employment with the corporation." This same immunity has been extended since then to shop chairmen and other union officials as well.

The dual status of the shop chairman as both a worker responsible to the foreman and a representative of the workers responsible to the union and indirectly to the impartial machinery makes it imperative that he should be doubly protected against arbitrary discharge at the hands of the employer. For such discharge, for whatever ostensible reason, may easily strike at the rights of the workers whom he represents and is always open to the inference that it was directed against his activities on their behalf.

In the days before the union came to power in the market its growth and very existence were threatened by the constant elimination through discharge of those workers who were known to be active in the organization. To make discrimination of this character impossible, shop chairmen are subject to a special procedure in the event of discipline.

The state of the law on the subject is well summed up in the case of a shop chairman[30] who had been suspended by the firm for distributing during working hours an announcement of a lecture to be given under the union's auspices. The firm defended the suspension on the ground that the shop chairman's action was in violation of a company rule (requiring special permission from the management for circulating such handbills in the shop). After hearing the case the Trade Board directed that "the shop chairman should

be reinstated the next morning * * * and that he be paid for the time lost on the ground that, whatever may be said as to the propriety of the rule, he should not have been suspended at all. More than once the Trade Board has urged that shop chairmen should not be suspended or discharged unless an emergency developed, but that they should be brought before the Board for discipline * * *."

Similar special treatment is now accorded to assistant shop chairmen as well. This principle was established for the entire market by a ruling[31] of the Board of Arbitration, in which the chairman of the Board declared that an "assistant shop chairman should not have been suspended but should have been proceeded against like a shop chairman * * *. The Board sees no reason why there should be a distinction between chairmen and assistant chairmen in the matter of discipline."

Other union officials, who are at the same time regular workers in the shop, come under the same rule, and for a like reason. Thus may be mentioned the case[32] of the treasurer of a local union, who was brought up by the firm before the Trade Board for discipline on account of "habitual tardiness and absences." Some of this irregularity was found to be due to proper union business. The Trade Board, on being assured of improvement in this man's attendance, agreed to suspend action.

In the discipline of shop chairmen, the Trade Board has an alternative to discharge in the lesser penalty of removing him from office. This form of discipline, however, involves the co-operation of the union to give it effect. In one instance[33] a shop chairman was charged by the firm with having ordered a stoppage of workers. The Trade Board found that he had acted under strong provocation, yet characterized the case as one of "unwarranted display of authority," and decided that it would be "sufficient discipline if the shop chairman is relieved of his duties as representative of the workers for a period of thirty days. A temporary chairman is to be elected and will be recognized * * *."

On the other hand, shop chairmen do not merely by virtue

of their official position, enjoy immunity from discharge at the hands of the Trade Board. If anything, more is expected of them as regards their behavior in the shop and their upholding of the letter and spirit of the agreement than is demanded of the rank and file of workers, who bear no such responsibility of leadership. In the light of this principle is to be understood the action of the Trade Board[34] in ordering the removal and discharge of a certain shop chairman who was found guilty of abusive language and repeated fighting with fellow workers. As a worker he is in the same position as other workers, bearing similar rights and duties, and, as set forth in another decision:[35] "If the shop chairman is unable to measure up as a worker he is not only unfit to serve as shop chairman but cannot expect to hold his place as a worker."

Notwithstanding its power of discipline over shop chairmen, the Trade Board is not expected to take the initiative even in these cases. It must wait for specific complaints on the employer's part against such union officials before it can proceed even to investigate their conduct. The purpose of this restriction of the Board's function is, obviously, to keep it a strictly judicial body and to protect it against any imputation of taking sides, which might easily impair its authority and prestige. On one occasion[36] a firm petitioned the Board of Arbitration for a change in this system, under which the firm had "no right to initiate discipline (of union officials) and the chairman (of the Trade Board) refused to take any responsibility for necessary discipline." In denying the petition, the Board of Arbitration stated the issue thus: "The management feels that the chairman of the Trade Board should do something more than hear cases filed with him, that in some way or other he should be active in the administration." And the Board's reply was that "the chairman of the Trade Board cannot well take the initiative in this or other matters, except perhaps by suggesting needed conferences to the parties in interest. He must not only be impartial but must also at all times be careful to avoid incorrect expressions that he is not impartial."

Trade Board of the Wholesale Clothiers, Wholesale Tailors, Cut Trim and Make Association, etc., B. M. Squires, Impartial Chairman

Cutters and Trimmers Commission, Hart, Schaffner and Marx, James Mullenbach, Chairman

EXTENSION OF WORKERS' RIGHTS

Under the old régime of exclusive employer's control, the worker on entering the factory left behind whatever liberty he might enjoy as a member of the community at large. He submitted himself not only to such rules as a stereotyped factory discipline entailed, and to such restrictions on his comings and goings, his associations and activities even while off duty, as those who controlled his job might impose upon him, but also to the whims of the foreman and of others in authority over him. He submitted simply because he had no rights that had become recognized or that could be enforced against the employer—short of a strike by the entire shop. Even elementary personal needs could be satisfied during working hours only with the foreman's consent. Whatever shop regulations might be promulgated by the employer became law for the workers in that shop.

With the participation of the union in shop government, these rules and prohibitions came under scrutiny and had to square with the agreement jointly entered into, or go. Employers could no longer discipline workers for refusing to obey orders that ran counter to the workers' rights as guaranteed or implied in the agreement. Among their rights so reserved and guaranteed are those personal liberties within the shop that do not conflict with efficiency and good discipline, and that freedom of movement and choice outside the shop which is compatible with the law. The principle is illustrated in a Trade Board case[37] turning on the discharge of a worker for leaving the shop without a pass. The worker, desiring to see a doctor, had been refused a pass by the foreman who required him to submit first to a physical examination by the company's medical staff. The Trade Board held that "compulsory attendance on company's physician would be a limitation of personal liberty not stipulated in the agreement nor established by general practice," and directed that the worker be reinstated with pay for time lost.

In another case,[38] the firm had issued instructions to all its employes that any of them found gambling at a certain

nearby cigar store would be discharged. The threat was soon afterward put into effect against one worker who was taken in a police raid on the place but who claimed he had taken no part in any gambling, and the charge against him was dismissed in court. The Trade Board directed his reinstatement with pay for time lost. "The discharge was wholly unwarranted. * * * The firm can scarcely expect to say where its employes are to buy cigars or assume that anyone found buying cigars at this place is perforce a gambler. * * * The Board expects the firm to use judgment in exercising its right of discipline."

The safeguarding of the worker's right to the job and the corresponding limitations upon the employer's right to "turn over" his labor force, i.e., to discharge workers, apply only after the two weeks' trial period is past. During the first fortnight of his employment, the worker is on probation. He must earn the right to permanent employment by proving his fitness for the particular position which he is expected to fill. If he meets the requirements of the job he is accepted and has what is known as a "mortgage" or presumptive claim upon it. If he fails for any reason whatsoever to satisfy the employer, the latter is free, before the expiration of the two weeks, to dismiss him and call upon the union for another worker to fill the vacancy.

The probationary period through which every new worker must pass before his employment is secure, is of great importance to the employer from the standpoint of proper selection of his help. This is especially the case where the organization of work in his shop is in any degree different from that prevailing in other establishments in the market, and since the order in which the union supplies him with candidates for the position does not insure detailed fitness for it. But, while viewing the matter through the employer's eyes, the union concedes to him broad discharge powers at that stage of the worker's employment, it has even here succeeded in erecting certain safeguards against the abuse of such power. It has insisted that the power of dismissal shall not be used as an instrument of discrimination or of intimidation, or in

any way for undermining the union. And to make effective its insistence, the union has in Chicago won the right for a member discharged during the probationary period to appeal to the Trade Board in any case where evidence points to discrimination. The burden of proof in such cases rests, of course, on the union. In the words of one decision, " The probationary period is for the purpose of determining the fitness of the new worker and the firm is given considerable latitude during this period. The burden of proof in case of discharge rests upon the union and discrimination must be clearly shown."

In the event that a worker is finally engaged, the terms and conditions of his employment thereafter are understood to be those which obtained during his probationary period, and cannot be changed except by agreement with the union. Nor can the employer enforce under threat or by the use of discipline, any private arrangement entered into with the new worker in consideration of his being retained. The probationary terms of employment, by virtue of the implied contract, take on the character of rights and duties under the collective agreement and are enforcible through the impartial machinery.

The union in one case[39] complained of the discharge of a certain trimmer. The firm claimed that the man's production had failed to reach a standard promised by him during his probationary period—a standard, however, in excess of that actually set by him during that period. In deciding the case against the firm, the Trade Board stated: " The only standard of production that the Trade Board can recognize under circumstances such as these is the standard set by the worker during his probationary period. If the record of this is clear and beyond question and the firm chooses to retain the worker beyond the probationary period without definite understanding with the union as to the conditions under which the worker is retained, the firm may be said to have accepted the standards set during the period." In case the two weeks' period was too short a time for observing the worker's performance under the most favorable conditions,

the firm had the right to request the union for an extension of that worker's trial period.

Once a worker has earned his status as a regular employe, he cannot be dislodged as long as his work and general conduct do not fall below the reasonable standards of the shop. It happens, sometimes, that an employer desires to rid himself of a particular worker for some ulterior purpose, but lacking sufficient cause to justify discharge before the Trade Board, welcomes an occasion for compromising in order to discharge him. If the discriminatory intent behind such discharge can be shown, the worker will be fully protected. In one case of this sort[40] the firm allowed a cutter to make a wasteful cut before calling his attention to it and then suspended him on the strength of it. The union contended before the Trade Board that the man was no more careless than other cutters and that the complaint in question was handled in such a way as to give reason to believe that the worker was discriminated against. The union charged, moreover, " that the firm is using this means to secure closer lays and hopes to intimidate other cutters by discharging this man." In ordering the reinstatement of the worker with pay for time lost, the Trade Board observed that " the firm appeared to be more interested in getting something on the worker than in avoiding the waste of material or correcting habits of carelessness in the worker. Even if the worker was clearly at fault and his carelessness was admitted, the Board would not be disposed to hold the charge against him in the face of the method used to convict him."

HOLDING FOR INVESTIGATION

Next in importance to the general presumptive right of the worker to the job itself, one of the most important rights he has acquired through the power of the union is that of holding for joint investigation any garment on which the workmanship is in dispute between him and the management. Before the recognition of this right it was possible for an employer to charge a worker with unsatisfactory

workmanship on a given garment and to discipline him accordingly, while in reality the workmanship was up to the standard or, if inferior, was chargeable to some other worker. To prevent injustice of this sort and to enable the union to present evidence before the Trade Board that would otherwise not be available, the right of the worker to require disputed garments to be held for joint examination by the union deputy and a higher official of the management has become established.

Cases still occur where a worker is suspended for refusing to bushel a garment returned to him by the examiner. If he as a worker considers the workmanship to be adequate he has the right of bringing it to the attention of the shop chairman. If this official then agrees that the work is right and takes charge of the matter, making formal request, the garment must be held pending investigation. The shop chairman, of course, "is presumed only to take up cases brought to his attention with a request, not to take the initiative in holding for investigation."[41]

The law of procedure governing all cases of holding garments for investigation has been gradually worked out in the course of many decisions primarily under the Hart, Schaffner and Marx agreement. One of the earliest cases[42] decided by the Trade Board turned upon this question as to whether the worker might require his work to be held for examination where complaint had been made of workmanship. On this point the Board ruled that "where it is convenient the entire lot should be held for investigation when the worker demands it. Where it is not convenient to hold the entire lot, then a selection of the garments is to be made, as follows: the worker or his representatives may select a sample of the work that they think is passable; the representative of the firm may select a sample that he regards as evidence of the worst workmanship. These two samples will be presented to the Board if it becomes necessary, as evidence of the workmanship. This ruling does not apply to *rush* lots."

It appears from the above decision that the responsibility in the matter of having disputed work held for investigation,

and even in the matter of selecting the only sample to be held, virtually rested with the worker himself. The union had not yet gained sufficient power or prestige to command a distinct function and corresponding rights in the situation. Consequently, it is not greatly surprising to find that in practice the worker's right to have even one garment held under these conditions was not securely established for several years and did not effectually protect him against discharge for exercising that right. This observation is borne out by the fact that, in 1917, a test case[43] was made by the company of a decision by the Trade Board reinstating with back pay an off-presser who had been discharged for asking that a coat be held for investigation. The company appealed the case on the ground that the ruling of the Trade Board "gave the worker an immunity bath and took the authority from the foreman to discipline for bad work or to have him complete the work." On October 11, 1917, the chairman of the Board of Arbitration laid down the following ruling in this case, known as No. 370:

> "The chairman is asked to review this case with special reference to defining the conditions to be observed when a garment is to be held for investigation. In this case an imperfectly pressed garment was asked to be held for investigation, and while the company consented to hold the garment, it suspended the presser pending inquiry. The Trade Board found the garment imperfect and ordered the presser to fix it, but at the same time reinstated him in his position with back pay. From this decision, the company appeals, and asks that the holding for investigation be more clearly defined.
>
> "The principle upon which the right for investigation depends is the right of the worker to be protected against the exaction of an excessive amount of work, beyond the amount agreed upon in the specifications. If the worker believes more effort is required of him by examiner or foreman than is called for by the specifications, he may appeal to the proper authority for a judgment. Unless the request is accompanied by insubordination or other offense, the mere request to hold for investigation shall not of itself be a subject of penalty pending the inquiry; neither shall it be used as a shield to protect the worker from discipline if on other grounds he is deserving of it.
>
> "Inasmuch as the challenge of the judgment of the examiner

or foreman by the worker involves some possible complications, it is well that such an act should be attended by some formal steps, and the following are directed:

1. "If the worker wishes to have work held for investigation in any department he shall first call over the shop chairman who shall examine the work. If he approves the request of the worker he shall make formal demand on the foreman or superintendent to hold work for investigation.

2. "He shall limit himself to one garment, unless it is clear that it is not enough for a representation; then he shall hold the least number consistent with needs of a fair investigation. In no case shall a garment from a rush lot be held.

3. "The chairman shall notify his deputy as promptly as possible and he shall visit the shop and pass on the garment before the close of the next business day. If prevented from getting there by reasonable cause, he shall report such fact to the deputy of the company and shall have until the end of the following day to make the investigation.

4. "Unless the worker shall have had the endorsement of his deputy by the end of the third day from the making of the demand, he shall proceed to fix the garment; or as soon as the deputy's endorsement has been denied.

5. "If the deputy shall endorse the position of the worker, the company may then take the case to the Trade Board, who shall give the case a hearing as promptly as practicable. Failure to appeal by the company, the worker shall no longer be held responsible.

"The Trade Board may consider at its hearing all the issues and complaints that may be involved in a case of 'hold for investigation,' and in its decision may include all collateral questions."

By this decision, Mr. Williams not only standardized the procedure to be followed in the type of case referred to. He placed further limitations upon the company's administrative and disciplinary powers by vesting in the union officials discretion in all matters relating to holding of garments for investigation. Union officials were now charged with the responsibility, first, of passing upon the validity of the worker's request to have the garments held, and upon the number to be thus held; and secondly, of passing upon the merits of the disputed work itself before the employer could appeal to the Trade Board. The effect of this procedure was

to establish an expert joint commission intermediate between the worker directly concerned and the general adjustment board.

Part of the limitation imposed upon the powers of management by the decision consisted in the extension of the function of the shop chairman in these cases. The decision placed upon the shop chairman, at least by implication, the responsibility of selecting the number of garments he believes necessary for an adequate representation of the disputed work. It was but natural that conflict should arise sooner or later over the use made of this power by shop chairmen in critical cases. Accordingly, in February, 1919, that issue came up for adjudication[44] before the Board of Arbitration for Hart, Schaffner and Marx, as Case No. 690. Chairman Tufts took occasion to reaffirm the transfer of power to the shop chairman and to define the procedure intended to safeguard it against abuse, in the following important ruling:

> "The Board of Arbitration believes that the intention of the ruling in Case No. 370 was to insure a fair investigation. Ideally this would involve an impartial witness during the whole procedure. Neither the superintendent nor the shop chairman is completely impartial. But the Board believes that it is desirable to make it very clear to the worker that his rights are being protected, even if need be at the expense of inclining the balance somewhat in his direction and giving him the benefit of the doubt. It holds, therefore, that the shop chairman must take the responsibility of deciding whether more than one is needed for representation. As a check upon abuse of this responsibility, it suggests that if any superintendent has reason to believe that a shop chairman is either incompetent to judge whether several garments are needed for the investigation, or is wilfully aiding in holding work beyond what is necessary, he may file complaint against such chairman with the Trade Board. If the Trade Board finds the complaint justified it may censure the chairman. In such case the records of the work held for investigation by the chairman for a period of time may properly be considered."

This decision, of which the foregoing excerpt is the essential part, has furnished the precedent for a series of later

Trade Board rulings. A case directly in point[45] is that of a cleaner, who was discharged for refusing to clean a coat of which the management complained. The shop chairlady wished to have the coat held for investigation. The superintendent refused on the ground that one coat was already being held for investigation by this girl. The chairlady claimed she could hold this coat also; the superintendent stated that his orders were to permit only one coat to be held. As the girl refused to clean the coat under instructions from the shop chairlady, the girl was suspended and discharged. In the light of the above quoted ruling by the chairman of the Board of Arbitration, the Trade Board found that the superintendent was required to hold the coat if the shop chairlady requested it to be held, and that the suspension of the girl was not warranted. The Trade Board decided, therefore, that the girl should be reinstated with back pay.

The right of the shop chairman to require a garment to be held for investigation whenever in his judgment it is necessary, even where, upon review by the Trade Board, his judgment proves to be mistaken, has been confirmed by the Board of Arbitration. This interpretation of the shop chairman's responsibility was made in a case[46] in which F, a worker in a trouser shop, " insisted that the garment be held for investigation even though other garments were being held at that time involving exactly the same principle. The Trade Board held in this case that " even though other garments were held by others presenting the same defect charged against F, it seems clear that he had a right to request that his own garments be held for investigation." The Board of Arbitration, to whom the company appealed, dissented from the ruling of the Trade Board as to the merits of the case only, and gave the following interpretation of the law:

> " In the decision of the Board of Arbitration in case No. 690, it was the intention to provide for two principles: (1) That the shop chairman should have the responsibility for deciding how many garments should be regarded as necessary evidence.

This was intended to be set off against making either the superintendent on the one hand or the worker himself on the other, the judge; (2) That in case the company believes that the shop chairman is either incompetent in his judgment as to how many garments should be held or is purposely holding garments not needed as evidence, it may file a notice with the Trade Board of the case and either at that time or later when additional instances of this same sort occur, may ask the Trade Board for such action as the case demands.

"The Board of Arbitration holds that these two principles may be properly applied to the present case, although this involves the somewhat different angle that several workers are involved and that the company considers that one garment is sufficient evidence, and that therefore it is not necessary that each man should have his own garments held.

"It seems to the Board that on this principle it would not necessarily be the case that a garment from each of several workers should be held for investigation. Therefore, it cannot be said that each man has a right to have his garment held for investigation irrespective of the fact that it is of the same character as other garments. The important and controlling point is not whose garment it is but whether there is a real and essential difference in the garment. If, therefore, a worker claims to have his garment held when there is already another garment being held for investigation, he cannot rest his claim simply on the fact that it is his garment. He must show that it involves some different point or kind of workmanship.

"But the shop chairman is to be the judge as to any claim so made. He must take the responsibility of saying whether one or two or three or more garments are needed, whether they come from one workman or from different workmen. This protects the workman because the shop chairman is his own representative. The shop chairman, in making his decision, is to be guided by the principles stated in the preceding paragraph. That is, he will not hold additional garments simply because they come from different workmen unless there is such a difference as makes it important for a fair decision that they should be retained as evidence.

"Finally, the company has a check upon the efficiency and sincerity of the shop chairman in the method of record and hearing before the Trade Board.

"It is the belief of the Board that if this method is followed it will be possible after a sufficient interval to find out whether both sides are adequately protected. It is desirable, therefore, that a record should be kept so that at some later time it may

be possible to review the situation and ascertain whether some different adjustment is needed * * * "

The effect of the foregoing decision was to set up alongside of the guaranteed right of the shop chairman in the situation, his accountability to the impartial machinery for the discriminating use of this right. It is a right conditioned in its exercise, like all restrictions upon the freedom of management, by the necessity of protecting substantial interests of the workers. In other words, the shop chairman's decisions in the matter of holding for investigation must be reasonable rather than arbitrary. It was to establish this principle of reasonableness that the company appealed from a certain Trade Board decision,[47] which had declared that " The right to hold for investigation cannot be withheld from the union or its official because the company's manager thinks the demand is unreasonable or unnecessary in any case * * *." The chairman of the Board of Arbitration agreed with this statement of the Trade Board. He added, however, the following qualification: " It is expected that a reason shall be given when a request is made that a garment be held and that the shop chairman shall be held responsible for the proper use of the right accorded * * *."

If the management still thinks the shop chairman is making an unnecessary demand for holding a garment, or that his reason for holding it is not an adequate one, it may complain to the Trade Board. An illustration of this procedure is found in the case[48] of W, a shop chairman, whom the company charged before the Trade Board with having held an excessive and needless number of coats for investigation. On hearing the evidence, the Trade Board found no sufficient reason for special discipline except to warn W to be more careful in exercising the right to hold garments. " That right carries a very definite responsibility for its careful exercise and shop chairmen should hold the least number of garments necessary to illustrate and support their complaint. The holding of garments is an interference with management and is only allowed because the interests of the workers need safeguarding, but the interference with the flow of work

should be kept at its lowest terms. In general, this has been the case in the observation of the Trade Board, but the point needs constant watching and restraint by the shop chairman."

The obligation resting upon the shop chairman to observe moderation in the use of his right to have garments held for investigation extends also to the worker directly. In the language of a recent Trade Board decision[49]: "The right of a worker to ask that a garment be held for investigation is admitted, but judgment is to be exercised and the worker is expected to be willing to recognize and admit obvious mistakes; otherwise, every mistake would have to be made a matter of joint investigation." The worker's obligation to fix work returned to him that he himself knows to be poor, is not set aside by his right of refusal in other cases.

Even when, in the worker's judgment, the work should be held for investigation and the shop chairman makes a selection of garments as a representation of those in dispute, the worker is not released from the obligation of fixing the other garments in dispute that are not thus held. This principle was laid down in a decision by Chairman Tufts,[44] already quoted in part. He ruled that "The worker shall fix all other coats and may not ask for a further holding for investigation until the case is decided." And in a later decision[50] he elucidated this point as follows: "The clause (just quoted) shall be understood to mean 'the worker shall fix all other coats than those which the shop chairman decides to be necessary for a fair investigation'."

This obligation on the worker and the reasonable limits within which the management may be justified in enforcing it, are illustrated in a recent Trade Board case already cited.[49] A worker was suspended for refusing to fix work other than that held for investigation. The chairman of the Trade Board, citing the Tufts decision as applicable, declared it "to mean nothing less than that the worker is to fix the coats in this case. His refusal to do so was sufficient ground for discipline. At the same time the chairman of the Trade Board would state it as his opinion that the main concern in the case of disputes of this nature should be to

determine without delay whether the firm or the worker is at fault and not to insist on having the work done a certain way irrespective of its urgency. If the work can be laid aside without loss until an investigation can be made or the case can be heard by the Trade Board, this should be done rather than insist on putting the work through. If the work, other than that held for investigation, can not be delayed, the firm is quite within its right in insisting that it be done. Rush work, of course, cannot be held for investigation." The Trade Board directed the reinstatement of the worker.

On the other hand, the worker may not be required, pending a decision by the committee or by the Trade Board on the work held for investigation, to do better work than that in dispute. Otherwise, the management would be practically making itself the judge of the dispute. In one instance[51] a worker was suspended for refusing to do his work better than a sample already laid aside for investigation. The Trade Board directed his reinstatement with pay for time lost. The basis for this decision was stated as follows: "Investigation is for the purpose of establishing what is correct work. To make a demand that the work be done better than that held for investigation as a condition of being permitted to work is improper, for the question of what is correct work has then passed from the foreman and man to others for decision on its merits. Pending a decision, the firm is not to demand better work than that being passed on. On the other hand, the man must correct all poor work done (that less good than that held for investigation) and may be disciplined for refusal to make such correction or for persisting in doing poor work."

From the beginning, as has been shown, the right to hold for investigation has not been conceded as applying to garments from a "rush" lot. The reason for this exception from the point of view of management is obvious. In one case[52] where a worker was suspended for refusal to do certain work as ordered and for asking it to be held for investigation, the Trade Board upheld the action of the firm. It ruled that "the lot in question was a rush order. The worker had

no right to demand that the garments be held for investigation or to refuse to do the work as directed." In view of this and previous complaints the Board declined to reinstate him.

Since the right to hold for joint investigation belongs also to the employer, the procedure must be such as to protect the worker against the possibility of its misuse. Thus, in one case,[53] a garment was presented by the firm for joint investigation without any notice of such intention having been given either to the worker or to the shop chairman at the time the garment was held. When it was presented the worker accused the foreman of having tampered with it for the purpose of "framing" him. The Trade Board in its decision approved the contention of the union that "when a worker is accused of poor work and this is to be made the basis of a specific complaint and formal investigation, the defects should be brought to the attention of the worker and the shop chairman and definite arrangements made for a joint investigation. There should be no occasion to question that the work is in exactly the same condition as the operator left it."

Beyond the well-defined right to be represented by his shop chairman whenever disputed work is to be held for investigation, the worker has gained the more general right of calling upon the shop chairman for advice and help in whatever matter he may feel the need of it. This right of consultation has been clearly established by a decision of the Board of Arbitration[54] in a case brought to it on appeal. The appeal was taken by the firm "from the principle enunciated by the Trade Board that the employes have a right to do anything which is not strictly forbidden in the agreement." The union contended that no such right was claimed, nor did the chairman find such a principle announced by the Trade Board. It simply affirmed the right of the worker to call upon his shop chairman, which right, under the agreement, the Trade Board held, could not be denied by a rule requiring him to obtain permission from the foreman. And the chairman of the Board of Arbitration ruled as follows:

"The right of the employe to have free and unimpeded access to his shop chairman is implied on pages 6 and 7 of the agreement (1916), which would not otherwise be workable; although it is provided that the foreman shall be informed of the purpose of the employe's movements if he so desires. Like any other right it is susceptible to misuse, and if any worker is found abusing this right by using it to kill time, or for any improper purpose, he is subject to such discipline as may be imposed by the Trade Board."

The right of the worker to be accompanied in person by the shop chairman when complaints of any sort are to be taken up with him by officials of management is not so clear. Nevertheless, a trend in this direction is apparent. The present status of the right is shown in a more recent Trade Board case[55] of a worker discharged for refusing to answer the labor manager's questions unless the shop chairman were allowed to be present. The union upheld the worker in this position, but the Trade Board refrained from laying down any general rule. It found that "some complaints are of such a nature that the shop chairman should be present when they are taken up with the worker. However, the firm can scarcely be denied the right to interview the workers individually." The issue presented in this case is likely to come up again in other forms as workers or union feel the need of protection against possible abuse of the employer's right of individual interview.

PARTICIPATION BY THE UNION IN SHOP DISCIPLINE

Up to this point, in discussing the growth of union control over shop discipline, the emphasis has been chiefly upon the defensive phase of the situation. The union has been shown operating in the capacity of defender of the individual worker against arbitrary or oppressive treatment at the hands of the employer. It has appeared as demanding, both directly and through the authority of the impartial machinery, the restriction of the employer's freedom of action in discharge and discipline in particular cases. It has labored successfully in

the direction of strengthening the impartial machinery and enhancing its authority over matters of discipline at the expense of the employers. And finally, it has enforced regard for certain rights of the worker for which it has from time to time secured recognition and verbal embodiment in the agreement and the decisions. Every step on this road has redounded to the greater security of the individual worker in his job and in the enjoyment of those rights and conditions that go with the job in a union shop.

But there is another aspect to the picture. That is the collective aspect. The union, as the organization of all the workers in the industry, has certain larger and more permanent interests to serve alongside of the protection of individual workers against the untoward consequences of their daily actions in the shop. These larger interests are (1) those of building up a powerful organization that can act promptly and effectively in the interest of all the members when called upon; and (2) of an efficient, stable industry as the solid foundation for the structure of the union itself. With these two main aims in view, the union pursues its policy of collective bargaining and agreement-making as the one best calculated to promote peaceful development of both union and industry.

Now, the agreement is necessarily a two-sided affair. It is entered into for the mutual benefit of both parties. Each gives as well as receives, its relative strength at the time determining how favorable or unfavorable the bargain. The agreement guarantees rights and privileges to each, and the rights of one are the obligations of the other. Thus, the rights of the workers relate to such matters as wages and working conditions, security in employment and opportunity for redress of grievances against the employer. In conceding the workers' rights in all these respects, the employer, through the agreement, acknowledges his own obligation to meet the requirements and restrictions they impose upon him. He accepts definite obligations toward the workers in his employ. Similarly, the union, as spokesman for the workers, accepts certain obligations toward the employer—obligations

corresponding to the recognized rights of the employer. The rights of the employer are those of management. They bear chiefly on the control of production and the operation of the factory. They are not absolute rights, but are to be exercised with reasonable restraint, and with due regard to the rights of the workers affected. As such the union acknowledges the employer's rights and thereby accepts the responsibility for upholding them, even against its own individual members, if necessary. Concretely, the union undertakes to see to it that, so far, at least, as the matter rests with the workers, there shall be no unnecessary interruption or interference with production and no unwarranted disorder in the shop. The authority of the management over the workers is to be upheld so long and so far as it is exercised in accordance with the agreement, or the custom of the market. There are positive reasons of policy why the union can afford to give this co-operation to the employers, but apart from these it can be easily seen that the workers themselves have not least to gain from good order and efficient management in the shop. Participation in maintaining shop discipline in this sense becomes, in time, a genuine concern of the organization.

This is not to say, of course, that the union is under obligation to take the initiative in shop discipline. That initiative still rests with the employer, who is more immediately concerned and benefited by its exercise. But the union's function in this connection is that of backing up the employer and the impartial machinery in the enforcement of the employer's rights under the agreement, whenever its violation at the hands of the workers is in question. The entire machinery of the union both in the shop and in the Joint Board office, which at times operates in behalf of the rights of the workers under the agreement, is called into play at other times to secure performance of their duties under the agreement. As a result of this " responsible " character of the organization it is in a position to demand and gradually to obtain a recognized place and share in the government of the shop.

Practically considered, this means that the employer be-

comes increasingly dependent for production and the smooth running of his establishment upon the good will and co-operation of the union. He may, of course, exercise his right of discipline in dealing with individual workers who offend against his legitimate authority. But he cannot in this way deal with an entire section or shop that has become rebellious or disorderly. Disciplinary measures applied wholesale would only aggravate his problem. Workers are no longer to be cowed into obedience. They must yield it willingly, if at all. An antagonistic or suspicious frame of mind is to be dispelled not by force but by conciliatory and educational means, for force provokes counter-force. Any innovation in methods of work or pay that is imposed by order of the management is apt to call out opposition from the workers affected. To discharge them for insubordination may merely result in a general stoppage of work and resentment all round. The employer is not properly concerned with the abstract right of having his orders obeyed. He is greatly concerned with getting out production, and this depends on the willing co-operation of the workers. These must, accordingly, be induced to give their consent to the change proposed; they must feel assured that their rights and standards will not be jeopardized by it, even indirectly. Such assurance can ultimately come to them only from their own organization, as the sole power that can be depended upon to protect their interests against the employer under all circumstances.

As an illustration of the way in which the union functions as a force for maintaining order in the shop, we may cite the case[56] of a firm whose discipline, according to its own statement, was very unsatisfactory. In order to remedy the situation, the firm had called on the union for assistance. The labor manager and the deputy investigated conditions and were working together to bring about improvement, when a new clash occurred. One day, when the shaper was absent, the piece presser was told to do some shaping. He refused to do the work and was suspended. The procedure on both sides was improper. The worker, if he felt that he was

wrongfully required to do something outside his regular duties, could have protested and called the shop chairman, to make sure that his interests would be safeguarded. The foreman, likewise, had this opportunity to obtain the endorsement of the union representative for his order. He chose the way of direct action. In reinstating the worker, the chairman of the Trade Board called attention to the importance for the firm of entrusting to the union what amounts to a greater share in the government of the shop. "Discipline," he declared, "rests with the firm but its effectiveness depends in considerable measure on the co-operation of the union. The union is co-operating, as testified by the firm, in helping to restore discipline in the shop. The deputy told the worker in this case that he was to carry out the order of the foreman. This is the kind of co-operation that brings results. * * *"

When necessary, the union goes further, taking a positive interest in the conduct of its members in the shop. Evidence of this is supplied by the case of a certain apprentice cutter,[57] who was discharged for impertinence to the proprietor after having had a bad record in the shop for general insubordination. At the hearing the shop chairman testified that he had taken the matter up with the union in an effort to bring the worker under control. He felt that there was no hope of making an acceptable cutter of the young man and that he should not be reinstated. In cases of this sort, the interest of the union in a well-conducted shop coincides, to a certain extent, with that of the employer, since the habitual misbehavior of one worker, if unchecked, may eventually demoralize the entire shop.

The union further holds itself ready to enforce, at the employer's request, the worker's obligation to give reasonable notice before quitting his job when there is a shortage of help in the market. Since this creates for the employer a like obligation toward the worker in the case of lay-off and on other occasions, such co-operation on the union's part is only good policy.

Probably the most serious breach of shop discipline, which

is at the same time a violation of the agreement, and, therefore, of direct concern to the organization, is the stoppage or shop strike. This may be regarded as a survival of the time before collective bargaining and regular machinery for adjusting complaints had been established in the industry. Stoppages were then not only frequent occurrences, sometimes even taking on the dimensions and stubborn character of an actual strike, but they were unavoidable as a way for the workers to obtain attention for their grievances. They were explosions of rebellious feeling bound to result under a system of repressive shop government that refused to take the human instincts of the workers into account. Under that system there could be no parley between workers and management, for the workers' spokesman would be liable to prompt discharge for his pains, and certainly would be regarded as an undesirable agitator.

This state of affairs has radically altered in consequence of the coming of the union and orderly government into the industry. No longer are absolute powers wielded by foremen over their workers without regard to these workers' rights and wants. Instead, we now have foremen shorn of all arbitrary power and even the higher officials of management exercising what authority remains to them subject to the restraints of law, established procedure, and judicial review. Instead of an occasional spokesman risking his job for his fellow workers in presenting their grievances, they have regularly elected and duly recognized representatives in every shop, who enjoy not only immunity from persecution but also the courtesy and respect due union officials in dealing with the management. And, finally, instead of grievances accumulating until they become unbearable and find vent in sporadic revolt, every grievance or dispute can be effectively aired and adjusted through the legally established channels, as it arises.

And still there are stoppages of work. They occur less often and involve less bitterness than formerly, but they interrupt production and may entail loss of earnings to other workers. From the standpoint of reasonable adjustment

of differences, stoppages represent a step backward. They are a form of direct action that is both wasteful and unnecessary because other methods of redress are available. In view of this wastefulness of stoppages as regards both workers' earnings and shop production, and also because of their undermining effect upon the authority and prestige of the union itself, stoppages have been outlawed under the agreement. They are specifically forbidden and the union accepts responsibility for suppressing them. Under these circumstances, a stoppage, from being merely a question of shop discipline—a problem primarily for the employer—may become a matter of organization discipline—a problem for the union. For it is at this point that the union is concerned not merely with maintaining the flow of production but also with vindicating its authority and prestige with the membership.

In carrying out its police function in cases of stoppages the union, through its officials, appeals to the workers concerned to return to their places in the shop and to resume operations. Sometimes the authority of the shop chairman is insufficient to secure compliance and it is necessary for a deputy of the organization to be called in. The procedure as well as the law on the subject may be illustrated by the following case:[58] A firm complained that an entire coat shop had stopped work for four hours, and requested the Trade Board to impose " such discipline as it deems just to prevent a recurrence of this violation and restore order in this shop." The stoppage had developed out of the lay-off of an off-presser, who, before leaving the shop acted in a manner to rouse sympathy for himself among other workers. As he left, first some and then all except the shop chairman stopped work. The shop chairman failed in his effort to get them to resume. So did a deputy sent by the manager of the union. It was only when the regular deputy for the shop came in that they returned to work. In ruling on this case, the chairman of the Trade Board gave the following opinion: " With operation under the agreement for more than a year and a half, and with explanations and orders from

the shop chairman and a deputy, the Trade Board sees no excuse for the behavior in this instance. The workers grossly violated the agreement, which explicitly provides that there shall be no stoppages or interruptions of work and provides a reasonable way to see that justice shall be done. They have not acted as intelligent and responsible members of the Amalgamated, which, as shown by its efforts, deplores such action." As a penalty, the Board imposed on every participant in the stoppage a fine equal to four hours' earnings, the money to be applied by the Trade Board to relieving cases of need.

The union has, in the course of time, come to assume the full responsibility for suppressing and preventing unauthorized stoppages by its members. In a case[59] similar to the above, all the workers in a coat shop stopped work when a pocket maker was discharged, although the cause for his discharge was apparently unknown to them at the time. Both the deputy and the shop chairman tried to get the people to resume work and finally took them to union headquarters. But while some on returning to the shop resumed work, others still refused and demanded the reinstatement of the worker. The Trade Board in its decision stated that the firm would have been justified under the agreement in discharging these recalcitrant ones. Technically speaking, the firm had this right and was inclined to invoke it, but practically it saw an advantage in leaving discipline of the offenders to the union.

The union, through the agreement, denies the employer the right to discharge automatically workers who participate in a stoppage, except in aggravated instances like the one just cited where they fail to return within a specified time of being ordered back by the union. The organization is therefore under the obligation as well as under the incentive to see that its orders to such workers to resume work are obeyed. Stoppages are in violation of the agreement. The union is as much concerned as the employer in making sure that the agreement is lived up to. The power to enforce observance by its members of the terms of the agreement,

i.e., its disciplinary control over the membership, is indirectly involved. It is the basis for the union's claim that it is able to carry out the obligations assumed by it under the agreement. Upon that control over its own members, moreover, rests the right of the union to protect against automatic discharge those of their members who violate the agreement by taking part in stoppages.

The habit of resorting to stoppages of work is still fairly strong among the rank and file of clothing workers. It is the habit of striking or striking back when the method of peaceful adjustment seems too roundabout or too slow. It is this impatience or lack of confidence in the processes of adjustment by conference or judicial hearing and decision that accounts for much of the difficulty union officials meet in ordering workers to abandon a stoppage. Nevertheless, the total elimination of stoppages is now an avowed purpose of the organization. It places sufficient confidence in the workings of the impartial machinery as an instrument of justice to be willing to disarm to this extent. Furthermore, it is committed to carry out this policy of its own initiative and actively to support the impartial machinery in its efforts to the same end. The task of abolishing stoppages, however, is not to be accomplished by fiat or resolution. It means uprooting habits of long standing—mental habits bred by bitter experience in the years when nothing but an open show of force would avail against the employer's force. It is a task of education requiring time and effort rather than severe measures of repression. For, ultimately, it aims at nothing less than preparing the workers for full citizenship in the industry—a citizenship capable of supporting a civilized shop government, as distinguished from the rule of violence and reprisal. In the meantime, the union is exerting its authority and moral influence to create this new attitude on the part of the membership. And the impartial machinery is increasingly relying on these educational efforts of the union for the gradual elimination of stoppages altogether.

The manner in which the union acts not only to combat an existing stoppage but also to discourage future stoppages

may be seen from the following case:[60] The cutters in a certain house stopped work as a protest against the discharge of a fellow worker. They refused to resume though instructed to do so by the shop chairman, the foreman, the superintendent, and the labor manager, and even by the union deputy over the telephone. It was not until the deputy came in person that they returned to work. The Trade Board in its opinion on the case declared: "Every stoppage is a flagrant violation of the agreement. The Trade Board is determined to put an end to stoppages and has every confidence that the union will co-operate to that end. In this case the union deputy has held a shop meeting and exacted a promise from every worker that a stoppage would not be participated in again."

Inasmuch as the transfer of disciplinary power from the employer to the impartial machinery takes place in the interest of the rule of reason and law, it follows that the union itself must bow to this new authority. The union no less than the employer becomes subject to the law of the industry as it is laid down in the agreement and developed through the decisions of the impartial chairman. The union no less than the employer becomes accountable to the impartial machinery, as the embodiment of the law, for the proper enforcement of its decisions and orders. In fact, in the language of an opinion by the Board of Arbitration,[61] "the firms and the deputies are the agents of the impartial machinery in carrying out decisions from which they do not appeal." The union to this extent becomes the custodian of the law, charged with the responsibility of upholding it against infraction by its own members.

But the union is not, primarily, a policeman. It is first of all the spokesman and defender of the workers over against their employers. It cannot be expected, therefore, to take the initiative in shop discipline, except where the integrity of the agreement is involved. In that case, the union intervenes to protect its members against themselves. Its function as disciplinarian—apart from maintaining organization discipline within—is, rather, that of putting into effect meas-

ures ordered or recommended by the Trade Board against its members. In this it takes over what would otherwise be a function of the employer or of the management. Thus, for example, in a case where the Trade Board had decreed a fine against a group of cutters for an unlawful stoppage, the fine was to be deducted from their wages by the employer. The union appealed the case to the Board of Arbitration,[61] with the result that this Board ruled that " with reference to the method of collecting fines, it may well be that it would be better to collect them through the shop chairman or the union than through the firm as has tended to become customary in this market."

In another case[62] a cutter asked for a release, and on being refused instead of taking the matter up with his shop chairman tried to invite discharge by threatening and insulting the foreman. The Trade Board in pointing out that mere discharge would not be discipline in this case, since it would but meet the cutter's request, ordered that he be discharged and directed the union not to transfer him to another cutting room for a period of four days thereafter.

In other situations the co-operation of the union with the impartial machinery takes the form of education and advice rather than of punishment of delinquent workers. Thus, in the case of a certain stoppage,[63] the Trade Board found that " a number of the workers in this case claimed that they did not know of the provision against stoppages. If this is true," the chairman observed, " the union should be at pains to see to it that every worker is acquainted with the terms of the agreement and the method of procedure in case of complaint." In dealing with another stoppage,[64] the Trade Board, after reprimanding the workers participating in it, charged the union with " the responsibility of impressing upon them that stoppages are in violation of the agreement and contrary to the principles of the organization." And then, referring to the low morale in the shop, the Board concluded: " The union is seeking to co-operate with the firm in bringing about better discipline. This * * * should be kept constantly in mind and emphasized to the workers

at shop meetings." In still another stoppage case,[65] the Trade Board, having ordered the discharge of several instigators, directed the union "to take active measures to put an end to stoppages."

Where the stoppage grows out of the workers' fixed belief that direct action is justifiable under conditions of provocation, the need for enlightenment at the hands of the union is particularly urgent. In such a case,[66] the Trade Board declared that "it does not recognize that stoppages are ever justified under the agreement. These workers feel, apparently, that some complaints can be adjusted in no other way than by stopping work. That attitude, if persisted in, is as certain to undermine effective control by the organization as it is to break down the spirit of the agreement which means nothing if not the substitution of orderly processes for direct action. It is clear that educational work is badly needed with this group of workers if they are to measure up as members of the Amalgamated. The Board * * * expects the union to keep constantly before the workers their obligations under the agreement."

In obstinate cases, where a severe strain is put on the authority of union officials in their efforts to call off the stoppage, the union may be even more concerned than the employer in the immediate success of these efforts. Such outbreaks are capable of shaking the very foundations of the fabric of collective bargaining. For this rests, after all, on the power of the organization to guarantee performance by its members of their obligations under the agreement. In cases of this type, the Trade Board leaves to the union's discretion the specific remedy to be applied, since the offense is one not merely against shop discipline and agreement, but against the authority of the organization as well. In one instance of this sort,[67] the deputy came to the shop and succeeded in putting the people back to work. He left the shop and in about five minutes the people stopped again and remained idle until the end of the working day. After hearing the case brought by the employer, the Trade Board stated that "the stoppage was not only an act of contempt

for the orderly procedure established by agreement, but was an offense against the organization and the deputy * * *. The workers deliberately disregarded the instructions of the deputy and indulged in another stoppage as soon as the deputy left the shop. The organization cannot afford in its own interest to permit so flagrant a disregard of authority to go unchallenged. The Board places upon the union the responsibility of seeing to it that these workers are not in doubt as to their obligations to the organization and under the agreement, and warns the workers that severe discipline must be imposed by the Trade Board if the offense is repeated."

In another stoppage of this character,[68] occasioned by the employment of an apprentice, the cutters in question were ordered to resume work by the foreman, the shop chairman, the union deputy (over the telephone) and by the coat shop deputy in person. In defiance of all orders, according to the firm's complaint, they steadfastly refused to work until sometime after Union Deputy G. arrived on the scene. The union at the hearing of this case volunteered to apply its own discipline, giving assurance to the Trade Board " that a thorough investigation would be made, individual responsibility determined, and summary action taken, even to the extent of removing from the cutting room those found guilty." The Trade Board, in acceding to the union's suggestion to assume the punishment of its insubordinate members, pointed out that " their offense consisted not alone in violating the agreement; they ignored, in fact, the acts of their own organization in protesting the employment of an apprentice sent to the firm by the organization. Because of this the Board believes that the organization should have the opportunity of measuring out its own discipline. It will be better for the organization and will accomplish, from the standpoint of the agreement, all that Trade Board discipline would accomplish."

As a result of such enlargement of the union's responsibility and power in matters of discipline, there is growing up an effective co-operation between it and the Trade Board

that enhances the authority of both in the government of the shop. Incidentally, it creates an increasing reliance by the Board upon the organization as an executive organ of this government. As has already appeared in the matter of stoppages in particular, the union's co-operation may take the form not only of the direct application of its own penalties to offending members, but also of educational and moral pressure exerted upon them. Thus, the union may offer to stand surety for a member who otherwise would incur punishment by order of the Trade Board, which punishment would be carried out by the employer. By way of illustration, there is the case of B,[69] a trimmer discharged for wasting time, low production, and cleaning up before quitting time. Though the evidence against B was weighty, the Trade Board directed his reinstatement on the strength of the union's promise that he should cease wasting time, obey orders, and increase his production at least to his former rating.

ORGANIZATION DISCIPLINE—SHOP CHAIRMEN

As the principles of collective bargaining come to be applied to more and more of the relations between the workers and the industry, the union acquires constantly new and larger functions. It extends its control gradually over all the questions of shop government—questions affecting not merely the conditions of work and pay but also the rights and duties of the workers in the shop. The shop itself has become the main theatre for the union's activity: the field for the exercise of its rights and powers on behalf of its members. The rights and powers of management, to be sure, remain as before in the hands of the employer. But they are no longer exclusive rights: their exercise is limited at every point by the rights and interests of the workers. And these rights and interests are expanding. The workers through their organization are thus gradually acquiring a permanent stake in the industry itself, and an effective voice

in its management, at least in so far as the control of their own lot as workers is concerned.

But as the extension of the union's function into the sphere of management proceeds, it follows inevitably that along with its new rights and powers the union takes on corresponding responsibilities and obligations. These take the form of organization discipline, control over its own membership. Organization discipline is needful from two points of view: that of conflict with the employers, and that of cooperation with them. In case of strike, for example, the union acts as an army with centralized command and willing support from the ranks. In ordinary times this solidarity is somewhat relaxed, but it cannot be abandoned entirely without risk of losing what has been won by struggle and sacrifice. The collective agreement registers these gains; but it does not of itself guarantee their maintenance. The enforcement of the agreement, so far as the workers' interests are concerned, rests ultimately with the workers' organization. And the power of the organization to make such enforcement effective depends upon the degree of discipline within its ranks. On the other hand, the spirit of the agreement demands that while the workers' rights under it are to be enforced, their obligations under it shall also be observed and the power of the union shall be employed if necessary to enforce their observance. The effect of this is to extend the sphere of organization discipline right into the shop and to make the union responsible, in so far, for shop discipline, production, and even the general welfare of the industry in the market.

The need of a strong and stable union to uphold the collective standards of the industry against anarchic competition not only on the side of individual employers but also of individual workers, i.e., against its own members, is fully recognized. In view of this need the agreement provides for the strengthening and stabilizing of the union by various means. Among these is the reinforcement of organization discipline and of the authority of organization officials at the hands of the impartial machinery. Under the Hart, Schaff-

ner and Marx agreement " the Trade Board and Board of Arbitration are authorized to hear complaints from the union concerning the discipline of its members and to take any action necessary to conserve the interests of the Agreement." Under this clause the union is able to secure the support of the impartial machinery on behalf of the collection of dues and assessments from its delinquent members. The performance by a union worker of his membership obligations and his observance of the rules of his organization have become a concern of the Trade Board, inasmuch as the strength and discipline of the union are recognized as essential to the maintenance of the agreement.

In one case before the Trade Board[70] the union asked for discipline of V, a member who had failed to pay his assessment quota. V stated that he would pay $10 on account by Friday of that week. His promise was accepted by the union and the Trade Board, with the stipulation by the Board that if he does not pay $10 on Friday he will be subject to discharge at the close of work that evening.

A similar case[71] is that of P, whom the union brought before the Trade Board for discipline for refusing to pay his dues and assessments. The Trade Board was not impressed by the excuses that P gave for failure to pay, as he was evidently in better financial condition than most of the workers. The Trade Board therefore directed that P was to go to the union office and pay his back dues and assessments by Monday evening and was to secure an O. K. to that effect from the deputy before being permitted to work Tuesday morning.

In another case[72] the union requested the discharge of a trimmer who had been suspended from the union for refusing to pay a fine duly imposed by the organization. The firm protested that the worker had been fined for " refusing to obey an order of the assistant shop chairman, which order was contrary to an order of the foreman." The Trade Board, in granting the union's request, found " nothing unreasonable in the rule of the union that workers must carry out the instructions of the shop chairman or shop representative. On the contrary, the union cannot maintain discipline otherwise."

Officers and Executive Board Members, Pant Makers Local 144

Officers and Executive Board Members, Vest Makers Local 154

Officers and Executive Board Members, Cloth Examiners and Spongers Local 271

and the union's right of discipline over its members who fail to carry out the rules of the organization was sustained by the Trade Board on the ground that, without it, " there is no assurance that it can maintain that degree of control essential to the effectiveness of the agreement." The Board accordingly ruled that the trimmer in question " may not be employed by this firm at this time unless he is reinstated as a member of the union."

Not only does the impartial machinery strengthen the union's hand in matters of internal control, but also in the case of shop chairmen who fail in their duties as officials is the union given fairly broad discretion in the application of its own discipline. The shop chairman being accountable for his conduct in the shop to the organization, insofar as he acts in his official capacity, it is expedient to charge the organization with his discipline. In a Trade Board case[73] involving this question of the union's right to impose its own discipline upon a shop chairman who had employed abusive language to a fellow worker in the shop, the Board ruled as follows: " The Trade Board has gone on record previously as favoring discipline by the union through its own agencies in cases involving the relationship of union members and where there is indication that the discipline will be effective. It is as much to the interest of the union as to the interest of the firm to see to it that the shop chairman enjoys the confidence and respect of his fellow-workers. The Trade Board directs that the union advise the action taken by the Executive Board with respect to the charge * * *."

In an opinion by the Board of Arbitration[74] approving this policy, it declared that " the Trade Board has acted wisely in withholding decisions in some cases in order to give the union opportunity to make a needed change (in its shop representative), for this gives the best assurance against unwise selections to fill a vacancy * * *."

Since the shop chairman is responsible to the organization for his conduct as an official, his discipline is to that extent a matter of internal discipline. But even in his capacity as worker the behavior of the shop chairman is of concern to

the union, and his discipline at least partly under its control. A case in point[75] is that of J, a shop chairman, who was discharged by the firm after having been caught "fooling around" a number of times. The Trade Board found that discipline had been lax in that department and that "horseplay" and fooling around had been engaged in. The Board nevertheless disallowed the discharge on the ground that although J had been falling down as shop chairman, these facts had not been "brought to the attention of the union, as is expected in the case of shop chairmen. The evidence shows that J's record was carefully followed by the deputy for two or three months after he was sent into this place and that he was reported to be satisfactory. The firm has not informed the deputy of any change in the record, and this is expected in the case of shop chairmen."

The question of disciplinary jurisdiction over union officials in the shop came up before the Board of Arbitration[76] on request by the Trade Board for an interpretation of the clause in the Hart, Schaffner and Marx agreement, which reads as follows: "Complaint against members of the Trade Board as workmen are to be made by the foreman to the Trade Board." The company contended that this clause did not render a shop chairman immune to suspension for breaches of discipline and misconduct, as contrasted with complaint as to his work. The Board of Arbitration decided unanimously that the above procedure should apply to all cases of complaint against shop chairmen as workmen, and stated: "This extension of the procedure is intended to give additional dignity to the union officials in order that they may co-operate more efficiently in carrying out the purposes of the agreement * * *." In a later decision,[77] dealing with a case on appeal, the chairman of the Board of Arbitration took occasion to urge upon all labor managers in the market that "in the cases of discipline which involve shop chairmen they shall proceed by filing charges before the Trade Board rather than by summary action. In many cases, of course, the best method will be to proceed by bringing the matter first of all to the attention of the union deputy."

By thus removing shop chairmen for all practical purposes from the disciplinary control of the employer, the union gains greater freedom of action in the shop—a freedom of action that is necessary in the interest of efficient administration of the agreement. Besides this immunity to company discipline, the shop chairman enjoys certain rights and prerogatives that pertain to his office and in which he is protected by the impartial machinery. These rights and prerogatives, conceded to him in the name of the organization, extend to all matters of organization business that must be transacted on the floor of the shop. On this point the Hart, Schaffner and Marx agreement provides, in part, as follows: "The union shall have in each shop a duly accredited representative authorized by the Joint Board who shall be recognized as the officer of the union having charge of complaints and organization matters within the shop * * *. It is understood the shop representative shall be entitled to collect dues and perform such other duties as may be imposed on him by the Union, provided they be performed in such manner as not to interfere with shop discipline and efficiency."

Claiming the protection of this provision of the agreement for all workers in the market, the union complained in one instance[78] of the rule of a firm requiring the special sanction of the labor manager for the distribution by the shop chairman during working hours of any printed matter, appeals for contributions, etc. The Trade Board ruled that "with reference to collections other than of union dues and assessments, there should be none made on the floor except for such cases or causes as are approved by the representatives of the Union and the firm." As regards the giving out of handbills in the shop, however, the Board observed that "a shop chairman naturally dislikes to be placed in the position of having official announcements of his organization passed on, even as a formal matter, by a labor manager. The Trade Board feels that the firm's rule should be revised so as not to apply to the distribution of announcements of union meetings, classes, concerts, lectures and (union) elections."

In another case[79] a firm brought complaint against a shop

chairman for unnecessary activity on the floor of the shop during working hours, specifically for selling union picnic tickets to the workers. In disallowing the firm's complaint, the Trade Board held that " Tickets for the annual picnic of the Union were disposed of to workers in all the shops in the market. It may be regarded as union business and the rule (that the conduct of union business is not to interfere with shop efficiency), applies."

Most of the rights and powers accorded by the agreement to the union in the shop are exercised by the shop chairman. It has already been shown that the shop chairman enjoys a special position among workers with reference to discipline and discharge, which in his case rests with the Trade Board and the union. In so far as his official duties require, moreover, he is entitled to special consideration in respect to his production or output. The minimum standard, to be sure, is fixed for him as for any other worker by the record made during his probationary period on the job. For " the shop chairman is a worker, and if he is going to be a good chairman he must be a good, conscientious worker." But an allowance is made in his favor on account of time spent by him in conducting necessary union business during working hours. In one case[80] the firm requested the discharge of a shop chairman on the ground that his production had fallen considerably below his probationary performance. The Trade Board ruled that " the firm has a right to expect him to maintain that standard when the work is on the floor. Some allowance should be made on account of his being shop chairman, but this should not affect his production materially. The Trade Board directs that he be placed on probation with the explicit understanding that he is to come up to the standard * * * less an allowance because of his duties as shop chairman."

Obviously, such an allowance cannot cover more than this. It cannot be used to shield a shop chairman from the consequences of inefficiency as a workman. In one case,[81] the company asked for the discharge of P, a shop chairman in the cutting room, basing its request on P's production rec-

ord. The company considered his falling off in production so unexplainable as to indicate deliberate waste of effort on his part. The Trade Board, however, held that if P's lack of production was due to his official duties, as he claimed, that could be made manifest by relieving him of his official responsibilities, thus enabling him to give all his time to cutting. The Trade Board accordingly recommended "that P be withdrawn as a union official and given the same status as a regular cutter. This should enable him to recover his former production."

In a similar case,[82] the company complained of one F, shop steward, on the ground of habitual tardiness and low production, and requested discipline. On the basis of his production record, which was far below average, the Trade Board was of the opinion that " F's low production cannot be accounted for except on two grounds: either he is deliberately laying down on his work or he spends so much time on his duties as a union official as to reduce his production so seriously. In view of this consideration, the Trade Board recommends that F be withdrawn by the union as shop steward and be given an opportunity to advance his production without being hindered by any official duties. This should also improve his record for tardiness."

The scope of the shop chairman's authority as representative of the workers in relation to the management is defined broadly in the agreement in these terms: " He shall be empowered to receive complaints and be given sufficient opportunity and range of action to enable him to make proper inquiry concerning them." Questions frequently arise over the limits of his authority in practice, where it conflicts with the authority of the foreman or other representatives of management. Thus, in one case,[83] where the employer had complained of a shop chairman giving orders to the people contrary to the orders of the management, the Trade Board ruled that a shop chairman " should know that he has no authority to contradict or countermand orders of the management, but he has full right to complain and protest against an order." In another case[84] the Trade Board held

that " the shop chairman has no business to ring the bell " at quitting time, this being the function of the time-keeper. Furthermore, " a shop chairman is not to run around the shop looking for or making trouble."

In the matter of disputed work, for example, " a shop chairman is presumed only to take up cases brought to his attention with a request, not to take the initiative in holding for investigation." " But he does have the right to take up complaints of workers on the floor, and, if necessary, to leave his place of work to do so." In the words of a Trade Board decision,[83] " Shop chairmen under the agreement have the right to transact union business on the floor of their factory, and if this business requires them to go to another factory (of the same firm), undoubtedly permission can be gotten, but it must be applied for, and cannot be assumed. A shop chairman possessing authority as an official of his union can always afford to be courteous and observe the rules of the game. If a reasonable request is refused he can bring complaint." And on his part, in all his relations with the management, he is entitled to recognition and courteous treatment:[85] " The shop chairman is to be dealt with as the representative of the workers and accorded the same courtesy that representatives of the firm have a right to expect."

The rights and powers of the shop chairman, however, are not personal privileges and immunities enjoyed by him as an individual. They are directly related to his duties and responsibilities as a representative of the union in the shop. Thus, while the shop chairman may, when necessary, " leave his place to investigate complaints," this right is qualified by considerations of general discipline and efficiency in the shops. For " the foreman may, if he deems it necessary, ask to be informed of the purpose of his movements, and the representative (shop chairman) shall comply with his request." The agreement contemplates, moreover, that the relations of the shop chairman to the management shall be dignified and mutually helpful rather than strained or based on a contest of authority and technical rights. In any situation involving friction between the workers and the

firm, the shop chairman's function is to uphold orderly procedure as against direct action. "It is expected," declares the agreement, "that he will represent the cooperative spirit of the agreement in the shop, and shall be the leader in promoting that amity and spirit of good will which it is the purpose of this instrument to establish."

In a case before the Trade Board[86] a firm complained of a shop chairman on the ground of lack of cooperation and general incompetence. The Board, after concluding from the evidence that this official had not taken the proper attitude toward the management, but had magnified his authority, declared that "a shop chairman should be able to protect the interests of the workers at every point and at the same time convince the management of his fairness and willingness to cooperate * * *. When a worker is in the wrong, it is as much the duty of the shop chairman to tell him so as it is the right and duty of the shop chairman to defend the worker when the firm is in the wrong." As a representative of the organization, the shop chairman is expected to uphold both purposes of the agreement: that of efficient production as well as that of an efficient union, and both are to be promoted by methods of reasonable adjustment.

Among the various duties of the shop chairman is that of forestalling resort to direct action or other infractions of the agreement by the workers in the shop. Many stoppages, for example, are due to the workers' fear, sometimes unfounded, that the employer is trying to "put something over." Whenever, in particular, the management undertakes to put into operation some new or changed method of work that might conceivably affect the workers' standards, their suspicion and consequently their opposition are promptly aroused. The innovation may be trivial or its effect on earnings may have been foreseen by the firm and duly referred to the price committee for adjustment of the piece rate. But this is not sufficient. The workers affected by the change must be informed of whatever joint arrangement has been made, if any, between the firm and the union

representative. They must be assured that their interests are fully safeguarded under the new method and that they are justified in doing the work as ordered. This is the duty of the shop chairman in the situation, he being the representative of the union on the ground. It is for him to communicate to the people in the shop the action of the union on their behalf, so that there be no misunderstanding and no interruption of work. If he is efficient in protecting the workers' interests at every critical juncture, there need be no attempt on their part to take matters into their own hands.

To illustrate:[87] A firm complained of a stoppage by its brushers, who had refused to baste vents. The deputy and the firm had agreed a week before on a price for this new work. Though the shop chairman was informed of the price agreed upon he failed to explain it to the brushers, hence their refusal to do the work when ordered. The chairman of the Trade Board stated at the hearing that " there is no reason why the workers should not have been advised explicitly what they were to do and what they were to receive for doing it. The shop chairman had ample time to do this but whether from indifference or ignorance as to his duties, made no attempt to prepare the workers for the additional operation and seemingly made little effort to end the misunderstanding after it had arisen." And, then, by way of impressing upon the shop chairman his responsibility in such situations, the chairman of the Board concluded: " If this is a fair sample of the way he measures up as shop chairman, the union will do well to see to it that he is replaced by a worker who has more initiative and some sense of the responsibility that attaches to the office of shop chairman."

In another case,[88] where stoppage was occasioned by the employment of an assistant foreman previously employed by a non-union house, the shop chairman and the deputy were censured by the Trade Board for failure to prevent it. The Board found that " what this shop needs is stronger leadership—someone who will impress upon the workers that complaints are not to be adjusted by stoppages; and who is constantly on the job to prevent trouble."

The shop chairman is at all times and under all circumstances bound to use his authority for law and order as embodied in the agreement. For him to order a stoppage or to incite it in any manner is a misuse of his power and a violation of his trust as an official. In one instance of this kind,[89] the Trade Board held that " the shop chairman knows that stoppages are forbidden by agreement, but seems to feel that in cases of extreme provocation there is nothing else to do but display authority. This attitude cannot be permitted on the part of a shop chairman who is supposed to be the representative of the organization in the shop and to be zealous in upholding orderly procedure."

Corresponding to the right accorded the shop chairman by the agreement to be " recognized as the officer of the union having charge of complaints * * * within the shop," he is charged with the responsibility of taking up with the management all complaints of fellow workers brought to his attention. The individual bargaining that once obtained between foreman or superintendent and the particular worker complaining or complained of, easily led to injustice and recrimination or even to personal violence. Today the worker is represented by his shop chairman, who not only understands the concrete background of the complaint but also stands on the jointly accepted principles of the agreement, and can, if necessary, appeal to the power of the union and the impartial machinery to back him up. Under these circumstances the worker has no justification or need for resorting to direct action in any form in cases of dispute with the foreman. When such clashes do occur, they are frequently due to some failure on the part of the shop chairman either to be called in or to function properly as an official of the union. The latter situation is illustrated in the case of a cutter[90] discharged after an altercation with the foreman over his production. At the hearing the shop chairman supported the cutter's testimony that he worked steadily and honestly at his board, also that the cutter came to him complaining that the foreman " picked on him " and the chairman approved of the cutter going over to tell the foreman

so and to challenge him to "lay off." The Trade Board ruled that the shop chairman had no business to permit the cutter to go over to the foreman and talk as he did. "If the man thought he was being picked on, the chairman should have handled his complaint. The chairman's statement that he thought it of no importance is not a satisfactory explanation." The worker's quarrel with the foreman became a concern of the union as soon as it was reported to the shop chairman, and thereafter the union would bear the responsibility for the consequences.


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I.P.E.U.

MEETING OF ALL OF JOINT BOARD
DELEGATES, LOCAL EXECUTIVES AND
SHOP CHAIRMEN.
WEST SIDE AUDITORIUM, JAN. 13, 1921
PRESENTED TO CAPTAINS AND LIEUTENANTS
OF THE $1000,000 LOCKOUT FUND
CHICAGO JOINT BOARD
AMALGAMATED CLOTHING WORKERS
OF AMERICA.

CHAPTER XII

PROTECTION OF WORKING CONDITIONS

THE record given in the foregoing pages of the growth of constitutional checks upon the employer's discharge power means, from the worker's point of view, the achievement of a presumptive right to the job. This right is of prime importance and serves as a foundation for other rights that have been built upon it. The conditions that make the job a thing worth defending have themselves to be defended. In the present chapter it is intended to trace the development of the worker's right to the maintenance of the conditions and standards of his work. Those working conditions and standards are particularly exposed to a nibbling process whenever a change is ordered in the worker's assignment or method of operation within the factory. Accordingly, it is at such points that the union has struggled and succeeded in establishing the principle of protection for the worker's tenure of his job and for the customary conditions of his job against deterioration.

THE TRANSFER OF WORKERS

Among the administrative functions expressly reserved to the employer by the agreement is that of transferring workers within the establishment. The transfer may be made from one operation or section to another, from one method of work to another at a given operation, or under certain conditions from one form of compensation to another. The exercise by the employer of his power of transfer is, however, limited by consideration of the worker's rights and interests under the agreement. It is limited and controlled very much as are other administrative powers of management affecting workers, such as the power of discipline, of lay-off, etc. While the use of the right of transfer within these constitutional limits does not require justification by the employer,

at least the implicit assumption in every case is that it serves the ends of efficiency. In the language of the agreement,

> "The company has the right to transfer employes for purposes of administration or discipline, subject to review by the Trade Board. If the Board finds that any transfer is being made to lower wages, or for any discrimination or improper purpose, or if injustice is being done the worker by the transfer, the Board may adjust the complaint."

The right to transfer workers for purposes of discipline is occasionally invoked by employers in preference to the harsher penalty of suspension. In view of the safeguards against abuse erected in the clause of the agreement just cited, it confers on the management no perilous power over the worker's conditions of employment. Even when transfer takes the form of a shift from week-work to piece-work, it must not have the effect of reducing the worker's earnings. The natural tendency of such a change is to stimulate him to greater effort in his work and to increase production. But so long as it does not unduly "speed up" the worker in the attempt to make his customary wage, it is often the most appropriate remedy against slacking.

In an early case[91] involving this use of the power of transfer and decided on appeal by Mr. Williams, the issue presented itself in this form: "Has the company a right to transfer a worker for disciplinary purposes, especially to check 'soldiering,' from week-work to piece-work?" And the conclusion was that "in the opinion of the chairman the company has the right, subject to review by the Trade Board. The facts in any such case may be investigated by the Board, and if it is found that the transfer is being made to lower wages, or for any discriminatory or improper purpose, or if injustice is being done the worker by such transfer, the Board may take such action as in its judgment is necessary to give justice to the worker, whether by adjusting his earnings in the new position or by reinstating him in his old position."

When workers are transferred for administrative reasons from the shop to a corresponding operation in another shop of the same firm, they are obliged to accept the conditions

and specifications of work obtaining in the section to which they are assigned. The only limitation imposed on the employer in this connection is that the workers' wages shall not be lowered in consequence of the transfer, and their interests generally shall not be injured. In a case before the Trade Board[92] the union asked for reinstatement with back pay of five second basters discharged for refusing to baste coats according to the method used in the shop to which they had been transferred. The company claimed it was simply seeking to secure conformity to the practice in this shop and was following a recognized usage which requires the person who is transferred to adopt the practice of the shop to which he is transferred. While directing the reinstatement of the men, the Trade Board denied the request of the union for back pay, on the ground that it could not treat the claim other than in similar cases in the past when a dispute had arisen about a specification and the usage in a shop. "In this instance the standard usage, as well as the language of the specifications, so far as it is definite, supports the company's position."

The transfer of a worker from one shop to another involving no material change in work or pay is clearly within the sphere of executive action by management. If the worker thus transferred believes himself disadvantaged in any respect, he may, of course, bring complaint through the regular channels. The case is somewhat different when the transfer is made from one section to another, thus entailing a change of work and earnings for the worker. If the new work is unfamiliar, the problem presented is analogous to that where a major change of work is introduced in the section that necessitates a period of learning or re-adaptation to the new process. The worker is entitled to have his customary earnings maintained. That is to say, if necessary, he may demand to be paid temporarily on an hour basis. Whether the employer is obliged to grant this demand or has the option of paying the transferred worker at the existing piece rate pending an adjustment by the price committee, seems to

depend on the circumstances in the particular case, and has not been finally decided as a principle.

One such case[93] came up on appeal early in 1916, when a collar edge baster was suspended on the alleged ground of insubordination. She had been asked to do work in another section and declined to do it unless she was assured of hour-work pay. The manager held that the rule of the house did not require him to assure her hour work but that she should accept the transfer either on hour or piece work, subject to later adjudication. Upon her refusal to accept the transfer on this basis, she was suspended, and the union then complained that the suspension was unjust and asked for back pay. In the absence of the other members of the Board of Arbitration, the chairman refrained from passing on the general issue of the right of a worker to refuse to accept the order of the foreman if it seems to him to be contrary to the provisions of the agreement. On the concrete issue of the claim of the company to transfer a worker from a slack section to a congested section at its option at the piece-work price of the latter, the chairman merely expressed doubt as to the soundness of the company's position. Later decisions have tended to establish the workers' right to refuse a transfer on terms that would entail a reduction of his customary earnings. Only, if the worker voluntarily accepts the transfer on the understanding that he is to be paid at the piece-work rate of the new operation, he has no grievance if his earnings should fall below his customary standard at his former operation. Insofar as the transfer is made by executive action, the governing principle is that earnings shall be maintained. In the case of temporary transfer, at any rate, of piece workers to operations other than their own, their right to demand hour work has been definitely recognized.

The considerations limiting the employer in his exercise of the right of transfer of workers for administrative purposes may be illustrated in a special situation[94] where such transfers were made on an extensive scale. The situation was that of many firms which during the war undertook large orders for manufacturing army uniforms. This required

them to divert a considerable part of their working force and plant equipment to the new task, and consequently involved the transfer of many workers not only from civilian to army clothing but even from one operation to another, as the balancing of sections might dictate. In the case of one important firm having a large order for army overcoats, the first step was the drawing up by the price committee of a tentative scale of piece-work rates for all operations. The rates were so fixed as to enable the various sections employed on the army coats to maintain their customary earnings on civilian coats. It was agreed that any revision of the rate of any section was to be upon the basis of the corresponding or most similar operation on civilian clothes. For example, the pocket-making section was to maintain the same earnings on army coats as on regular coats; but if a high paid or a lower paid operator from some other section or factory should be transferred to pocket-making on army work, his former scale of earnings would not be taken into account in making revision. This did not mean, of course, that the individual thus transferred could be compelled to suffer loss of earnings in the process. The acceptance of transfer was to be optional with the worker. Once he had accepted, however, the special agreement required him to accept likewise the tentative piece-work rate of the operation to which he was assigned. And this rate would be effective at once, with no basis for claim for hour work while learning. If it became necessary to again transfer the worker, his earnings on the new operation were not to be less than on the previous one.

The principle that a worker's earnings must not be reduced in consequence of a transfer ordered by the management applies not merely to piece-work earnings but to week-work wages as well. And it applies likewise to such transfers as involve a change from week-work to piece-work or vice versa. Under certain conditions this principle of conserving standards of earnings works out, in practice, to raise them. Such was the effect in the case[95] of a certain under-presser, V, a week worker at $15.80 per week. V was transferred to a piece-work operation, canvas pressing, at which he earned

$18 to $20 per week, and over. After this he was restored to his week-work job and his wages reduced to his old scale, $15.80 per week. When the case came up on appeal to the Board of Arbitration, the chairman held that this was an unjustifiable reduction. "He feels that the week-work rate fixed for V was based on the then accepted estimate of his earning power; that the continuance of that scale was interrupted by his change to another position; that the new position enabled him to demonstrate that his earning ability was greater than the amount previously fixed; and, in view of the fact that the week-work to which he was restored was substantially similar to his piece-work operation, there seems no valid reason that he should be required to work for a smaller wage than what he has demonstrated his ability to earn." The chairman accordingly confirmed the judgment of the Trade Board, namely, that V should receive the rate determined by the piece-work earnings with back pay for such period as he had been receiving the lower rate.

The worker may have other interests than earnings at stake in the event of transfer. These are such as relate to the desirability of the work, privileges associated with it, opportunities of advancement afforded by it, and the like. He has the right to have these interests conserved along with his wages; in other words, transfers as administrative in distinction from disciplinary measures, while they may involve promotion, may not entail demotion for the worker, without his consent. A decision[96] vindicating this principle is found in the case of F, a worker in the under-collar section, who was transferred to the matching table, as he believed, to his disadvantage. He had been reinstated by the Trade Board, and the company appealed the decision. The chairman of the Board of Arbitration found that the question turned on whether the worker had been transferred without adequate reason to his own injury. On examination, F testified that he had worked in the under-collar department for a year and a half, and he felt that this transfer was a demotion. After hearing all the testimony, the chairman held that no adequate

reason had been offered for reversing the decision of the Trade Board, and it was, accordingly, sustained.

In another case,[97] the worker's complaint was that having been transferred from the firm's inside shop to the outside shop, his customary privilege of receiving pay for holidays was withdrawn. The Trade Board recognized the right of this worker to carry the conditions and privileges of the inside shop with him when transferred to the outside shop, and ruled that he was entitled to pay for holidays.

The protection in connection with this transfer of the worker's wage and other standards which is accomplished under the clause of the agreement quoted on p. 282 above, was not afforded by the agreements prior to 1916. Accordingly, in a decision of the Board of Arbitration[98] given in 1915, the issue arose as a question of interpretation of the minimum wage clause of the agreement then in force. The company in that case held that when a machine operator was transferred to a section with which he was unfamiliar, he should take the lower minimum wage of a learner in that section—*i. e.*, $5 a week. The union, on the other hand, held that any machine operator who had served over three months would receive not less than $8 a week wherever he might be placed. The chairman was of the opinion that the interpretation of the union was correct and that after service of three months the machine operator was entitled to the minimum wage of $8 wherever placed, with the exception of certain sections especially noted in the clause of the agreement in question.

THE INTRODUCTION OF LABOR-SAVING DEVICES

Thus far we have dealt with the general principles evolved by the union for limiting the power of management in the matter of initiating changes in work or pay by administrative decree. Closely related to this general problem is the special problem of regulating the introduction of technical improvements in the methods of work, whose effect on the workers, if left to the uncontrolled action of management, might in-

volve serious injury to their standards. The most immediate and obvious tendency of such technical improvements is to displace workers now employed, who are rendered superfluous by the greater efficiency of the "labor-saving" device. Indeed, this is in most cases not merely an incidental result, but a direct object of the innovation. The fear of losing his job—and possibly his livelihood—through being discarded along with his accustomed skill or method of work by reason of a new invention, is so deeply rooted in the worker's mind that he instinctively resists every change proposed by the employer to simplify his task. This also explains the persistent opposition of workers, both organized and unorganized, to the sudden substitution of machine processes for hand labor in their trades. It is only as they gain the power through organization to control the conditions under which such improvements are to be introduced and used that their attitude toward the latter changes to one of toleration and then of co-operation in the technical progress of the industry.

The Amalgamated Clothing Workers, conscious of its power to protect its members in their jobs and their rights against infringement by mechanical improvements, today takes the position that no unnecessary restrictions shall be placed upon such improvements. In a supplement to the Hart, Schaffner and Marx Agreement of 1919, the point is covered in the following language: "It is not the purpose or intention of the Agreement to hinder the introduction of improved methods or force the retention of inefficient methods. Under the supervision of the Trade Board, the company shall not be limited in making experiments and may select and hire persons for experimental work according to its judgment."

There remains the question as to what restrictions are necessary and how they are to be applied to the management when a technical innovation is contemplated. Speaking broadly, the general principle that the interests of the workers affected by the change must be safeguarded is applicable here as it is in the case of other changes in work or-

dered by the management and the procedure is similar. The earliest adjudication of this question as one of principle of which we have record, is found in the opinion by Mr. Williams,[99] dated April 2, 1915, upholding a decision by Mr. Mullenbach in the same case.

The subject in dispute was the introduction of a labor-saving device—perforated patterns—in the trimming room. The union took the position that it was not opposed to the introduction of labor-saving machinery, but did not favor the introduction of processes designed to supplant skilled by unskilled labor for the purpose of saving wages by lowering the established scale. While not opposing the introduction of machinery designed to promote a more efficient production, the union realized that it would work to the injury of its members and felt that it should be made as little oppressive as possible, and to this end it claimed that its members should be used to operate any machinery or process thus introduced. In the case in question it appeared that the company sought to use a young man or office boy in the operation of the perforated pattern device, and the Trade Board had ruled that regular employes of the trimming section should be given that employment. From this ruling the company had filed an appeal.

The company contended that the Trade Board had no power under the agreement to limit its range of selection of employes for such operations as this; that the operation in question was properly a boy's job and it should not be required to pay trimmer's wages for the operation; that the trimmers were unfriendly to the device, and that its success ought not to be entrusted to unfriendly hands, and that no trimmer would want to stay permanently at such work, because it would be in the nature of a demotion and would offer no prospect of an advance of pay or status to the man who worked on it.

In his decision of the main issue, Chairman Williams made the following ruling:

> "With respect to the introduction of labor saving devices and processes, the chairman concurs in the common agreement

> that the company has the clear and undisputed right to introduce them. If claim is made that their introduction affects the rights of workers under the agreement, such claims may be considered and adjudicated in the same manner as any other claim, whether it relates to wages, persons, or conditions of work.
>
> "In view of the probable hardship to persons displaced by such labor-saving device or process, the chairman is inclined to the position that the persons employed at the work should as far as possible and practicable be employed to operate the new device or process; and that such employment would be more likely to counteract their natural unfriendliness than would be the act of displacing them altogether.
>
> "Applying these considerations to the situation in the trimming room, the chairman holds that the company should employ some of the regular employes of the trimming room to operate the perforating device in dispute, and, therefore, concurs in the action of the Trade Board."

The substitution of a mechanical device for the older manual process usually involves a simplification of the operation. It thereby enables the employer—but for the resistance of the union—to man the new device with unskilled persons at a lower wage. These would in a short time be able to operate it as efficiently as the skilled hand workers whom they had displaced. The effect would be to undermine not only existing wage standards, but even the power of the union in the industry. The resistance of the union, however, is not merely obstructive; it is, in effect, constructive. For it makes possible the prompt adoption of an improvement in productive technique while at the same time protecting the workers in their jobs and their other rights under the agreement.

The principle established by the decision of Mr. Williams regarding the operation of the perforating device served as a precedent the following year, when a similar issue was presented for adjustment. In this case[100] the union complained that by the introduction of a new process in the trimming room, the work formerly done by regular trimmers had been given to boys earning from $7 to $8 a week. The union took its stand on the ground of the earlier decision, which held

that in the event of the introduction of a new mechanism or process the work should be done as far as possible by the workers in the section affected without loss of earning power. The result was an adjustment by mutual agreement, by which the trimmers were assured the work which had formerly been theirs.

The principle that workers have a virtual property right in their jobs, which forbids their displacement by other workers when the method of work is changed through the introduction of a machine or other labor-saving process, has only become established in consequence of repeated contests successfully waged before the impartial machinery. The same is true of the rule that such workers' earnings are to be maintained when they pass from the old to the new method of working. The following case[101] is of special historic interest because it marks a decisive vindication of both of these principles and has provided, in its turn, a precedent for later decisions.

Professor Howard, as deputy for the company, presented the following:

"PETITION TO BOARD OF ARBITRATION FOR RULING CONCERNING VEST PRESSING MACHINES.

"The company desires to install automatic vest pressing machines. These machines effect a large saving of labor and expense, principally by making unnecessary the employment of skilled pressers to operate them.

"I can find nothing in our agreement which forbids the company to operate these machines with men adapted both by physical strength and standard of wages to the machines. The scale of this grade of labor is about $15.00. As soon as possible, the price committee should make a piece-work price based on work of a similar grade of skill and effort.

"The pressers by hand are receiving an abnormal piece-price which is one of the errors made irrevocable by the first rulings of the Board which forced the company to retain all prices then existing plus 10 per cent. There would be no possibility of retaining the present pressers on this work, because their specialized skill is not needed and because they are not adapted to the work. The agreement provides that these pressers shall be given 'employment as much as possible like the new work from

which they were displaced.' This would probably be coat off-pressing.

"The deputy for the company wishes to have a ruling from the Board as to the correctness of this interpretation of the agreement and to make sure that nothing which might be construed to be adverse to this interpretation may not have been overlooked. Also, if it please the Board, the company would welcome a suggestion as to the best practical way to make the change."

The union, in reply, submitted the following brief:

"The company has applied to the Arbitration Board for the right of introducing machines to press vests, heretofore pressed by hand, also for the right to have these machines operated by cheaper help.

"In the first question, the Union does not advance any objection, though do regret that a number of its members must be displaced.

"To the second question the Union beg to submit to the Arbitration Board the following:

"By the Trade Board agreement the right to make prices was given to the Trade Board with the following restrictions: 'Change of prices must correspond to the change of work and new prices must be based upon old prices where possible.'

"Since this has been in effect, many sections were changed from hand work to machine, and in no case has the company claimed that work done by machine should be done by less expensive help. Instead, their representative on the Price Committee, together with the representative of the Union, have always agreed that work transferred from hand to machine should enable the machine operator to earn at least as much as the hand worker used to earn. Furthermore, it was always agreed between these representatives that the people displaced by introduction of machinery ought to get the first opportunity to operate these machines, and this has been the practice in many cases. * * *

"The introduction of the machines for pressing vests does not abolish any vest pressing, but merely changes the pressing from hand to machine. Consequently, the power of the Board is restricted by the clause of the agreement which I repeat: 'Change of prices must correspond to the change of work and new prices must be based upon old prices where possible.'

"Inasmuch as in this case it is not only possible, but it is very evident, that old prices, being yet in operation, can be used

to fix a new price for the pressing of vests by machine,—the Board's attention is called to the importance of this case, which imperils the life of the Union and the Agreement itself."

The ruling of the Board of Arbitration in response to the company's petition was a majority decision, signed by Chairman Williams and Mr. W. O. Thompson, for the union. Mr. Cresap, for the company, wrote a dissenting opinion. The Board decided that:

"It does not agree with the interpretation of the agreement proposed by the deputy of the company, as a whole.

"It agrees that there is nothing in the agreement which prevents the introduction of machinery for the purpose of saving labor and increasing efficiency even though its introduction may reduce and displace the hand workers usually employed in the affected section. But in fixing the scale of wages for the operation of such machinery, the Board believes the company is restrained by the agreement, and by the precedents and practices hitherto obtaining, from reducing the earnings of the workers employed in the section.

"The company contends that the change of work caused by the introduction of this machinery is so great as to constitute a new section, and that the substitution proposed would virtually amount to an abolition of the old section. The Board is unable to coincide with this view, but holds instead that, in substance, the continuity of the section would be unimpaired, the same work would be performed, the same points in quality of pressing must be safeguarded, and that the principal difference would be in the speed with which the operation is performed. Thus believing, the Board holds that the proposed change is a change mainly in the instruments of pressing, and does not amount to the creation of a new trade, or such an alteration in the conditions of vest pressing as to justify the claim of an abolition of section.

"The decision of the Board is that in the event the company introduces the vest pressing machinery, as suggested, the prices for operating the same shall be fixed by the price committee, upon the same principles and basis as are regularly used by them in making all changes in price under the agreement, and which are specified in the section hereinbefore quoted."

Almost five years after this decision had been rendered, the issue then disposed of arose again in a somewhat modified form and with the emphasis on the claim of the particular section to the work under the changed conditions of op-

eration. In this case,[102] the question was whether the shop trimmers or a joker sewer should man a stamping machine which would place in the hands of the operator parts of the work heretofore done by both of these on shady lots. There was also involved the question as to whether the price should be based upon the earnings of the trimmers or upon those of the joker sewer. The Trade Board, after hearing the case, had found that a machine was being substituted for hand-work in the trimming section and "in line with the ruling of the Board of Arbitration in the case of the vest pressing machines," had ruled that work on the new machine should "be assigned to the trimming section."

In submitting the decision of the Board of Arbitration in this case, Chairman Millis ruled as follows:

> "The case here presented is similar to the vest pressing machine case. The principle there laid down by 'majority decision' has been consistently followed for several years and has proved its worth. It should be applied properly in the present case. The only material difference between it and the vest pressing machine case lies in the fact that in the one the interests of two sections are involved while in the other the question was as to whether the company might employ new and cheaper help on the machine or must employ the workers there engaged in hand pressing, and fix prices which would conserve their earnings. In the case before the Board the company wishes to man the machine by a joker sewer at a price based upon the earnings from that occupation, (some $40 a week). The union, on the other hand, wants it manned by a trimmer at a price based upon trimmer's earnings, (approaching $50 per week).
>
> "The Board is of the opinion that the matter should be disposed of with some reference to the nature of the machine operation, but with chief reference to the relative importance of the claims of the two sections, part of whose work is to be done or eliminated by the machine.
>
> "In certain respects a joker sewer would be best fitted immediately to operate the machine, but its operation would involve the heavier responsibilities borne by the trimmers and not by the joker sewer.
>
> "It appears that nearly all of the work to be done or eliminated by the machine has until recently been done by trimmers * * * It would appear from the estimates given by the company and the payroll that about three-fourths of the whole here in-

volved has been done by trimmers, about one-fourth by joker sewer * * *

"Considering the responsibility connected with the operation, the prior claim of the trimmers, and the fact that even recently most of the work involved has been done by the trimmers, it is held that the trimmer should be placed upon the machine and a price made which, with efficient operation, will yield trimmer's earnings.

"This decision does not give the company the greatest immediate gain from the new machine. The chairman is of the opinion, however, that the company's interests are best served in the long run by avoiding the development of opposition to machinery and new methods."

Whenever a technical improvement is proposed or introduced by the employer, the immediate effect on the worker is to put him in a defensive attitude of mind. The worker's experience has taught him that he has interests at stake in every change affecting his work, and that those interests, being in general opposed to the immediate interests of the employer, can only be properly defended by himself or his organization. Where the anticipated harmful consequences of the innovation relate not to present displacement or wage reduction but to an eventual depreciation of craft skill or deterioration of bargaining power of the worker, such consequences are both harder to prove and to insure against. The resulting tendency on the worker's part is to resist outright the innovation, not trusting to promises as a guarantee against possible injury to his interests in future. Under these conditions resort to direct action is not out of the question, as happened in the case of the cutters in a certain house.[103] These being ordered in an emergency to lay up different fabrics were so imbued with the fear of the ultimate hurtful effect of the change on unemployment of cutters, that they engaged, first, in a prolonged stoppage and, later, in deliberate restriction of output. As a rule, however, the discipline of the union together with the union's concern with the permanent interests of its members suffices to safeguard these interests through the regular legal procedure.

Technical changes in work are usually introduced by the management in the interest of greater efficiency in produc-

tion. They may involve, on the other hand, disadvantage or loss to workers that offsets their advantage to the employer. Both interests being legitimate, it devolves upon the impartial chairman to attempt to reconcile them or, failing that, to determine which of the two is the more vital in the given situation. This issue is illustrated in the following case.[104] The repair man in the trimming room had been given the additional work of sharpening the knives of the machine operators. The union objected on the ground that it took work away from union men and gave it to a non-union man. The Trade Board sustained the contention of the union.

The company appealed from the decision on the ground that the matter was not so much a question of preference to the union as it was a question of the company's right to install more efficient methods in the trimming room. The union rejoined that it did not object to improved methods but wanted them brought about without injury to the workers. In this case it held that the trimmers would be seriously harmed by not being permitted to sharpen their own knives, that knife sharpening was an essential part of the trimmer's trade, that if he did not know and practice it he would not be able to work in other houses than Hart, Schaffner and Marx, and so would be heavily handicapped in earning his livelihood.

In deciding this issue, Mr. Williams recorded his opinion as follows:

> "The chairman feels strongly that the company should be supported in its efforts to improve the methods and has no sympathy with the anti-improvement attitude which has characterized some of the trade unions in the past, yet he believes that changes when made should not be at the expense of the worker where it is possible to avoid it. In the present case, he does not feel that the amount of work or saving involved is important enough to make it a test case of the efficiency principle, or that the nice balancing of the factors of efficiency of work and injury to worker really requires to be subjected to the test of adjudication in this doubtful instance * * *
>
> "The chairman is inclined to give the workers the benefit of the doubt in a case where serious crippling of earning power is claimed, and where the effect on the company is not important, and he therefore is willing to confirm that part of the Trade

> Board decision which reads as follows: 'The work, accordingly, is ordered to be restored to its former condition.'
>
> "But this decision should not be understood to imply that the chairman is not in thorough sympathy with the legitimate attempts of the company to improve its processes * * *"

As in the case of substituting a machine for a hand process, so in changing one machine for another, the employer is bound to conserve the interests of the workers affected. If, for example, the new machine is more difficult to operate than the old, application must be made to the price committee for an adjustment of the piece rate, so that the operator's earnings shall be maintained. The fact that the new machine is more efficient than the old one and enables the operator with the same effort to turn out a greater number of garments, does not in itself entitle him to increased compensation. The gain in efficiency under present conditions accrues primarily to the employer, except insofar as the bargaining strength of the union may secure a share of the gain for the worker through fixing an advantageous piece rate for his changed operation. The question of risk, on the other hand, like that of effort, enters directly into the calculation of piece rates and earnings. The greater care demanded and strain on the worker's attention involved in operating a dangerous machine must in fairness be offset by an increase in rate, if only on the theory that his effort is increased or the time per unit of output necessarily lengthened. This point gets negative illustration in the case of a trimmer[105] who refused to use a certain cutting machine unless he were paid a higher wage, and who had caused another operator to refuse to work it. The chairman of the Trade Board, after hearing the facts, held that the machine in question involved no more risks than other cutting machines, and that the firm was therefore within its rights in assigning the trimmer to operate the machine without increase in pay.

Even as between the worker's accustomed machine and another of exactly the same kind, the substitution of one for the other may entail for him a real point of grievance. The change may merely upset temporarily and in slight de-

gree the worker's habits of adjustment to his machine; but to this extent it affects his earnings unfavorably, and must somehow be compensated. The problem is clearly presented in a Trade Board case[106] growing out of the combining of two shops by the firm during a slack period, and the proposed part-time employment of both groups of workers on one set of machines. The workers transferred from the abandoned shop objected on the ground that their accustomed machines should be transferred with them to the other shop. In adjusting the dispute, Chairman Mullenbach gave weight to the following considerations:

> "The Trade Board is impressed with an observation that has been frequently noted in the shops. One may say it is customary for a machine operator to wait while his machine is being repaired by the machinist, though usually extra machines are available. Taken in connection with the fact that the operator is a piece worker and anxious to employ his time, this refusal or objection to using the special machine must count in favor of the people's contention. Machines have habits the same as the workers have who operate them, and these habits have to be learned.
>
> "To sum up, the union bases its contention for an adequate supply of machines, one for each individual worker, on the usage that has hitherto prevailed under the agreement; and on the disadvantage of using a strange machine. The union does not object to consolidation of the shops but argues that their people should not suffer and each should have the guarantee that he is not surplus labor but has his recognized place in the shop. The company objects to installing the equipment chiefly on account of the expense, and argues that the reduction of expense in every possible way is necessary in order to meet the need of low cost of production.
>
> "Previous rulings by the Board of Arbitration on merging shops, introducing improved processes, etc., have indicated that the Board has had in mind that the company was to be aided in its effort for more efficient methods, but that such changes should not be made at the expense of the workers or at least the injury ought to be minimized as much as possible."

The chairman of the Trade Board, accordingly, ordered an estimate to be submitted of the expense involved in having the machines removed from the old shop to the new, as an intermediate step to a final decision.

Trade Board, Hart, Schaffner and Marx: James Mullenbach, Chairman.

Deputies representing the Union: Joseph Kaminsky, Joseph Glickman, Morris Spitzer, Oscar Elet, Michael Taylor, Samuel Geier.

Deputies representing the Firm: Thomas Harwood, Carl Steffensen, Roy Jacobson, J. W. Washburn.

Dolly Chimenti Verracchi on Witness Stand.

CHAPTER XIII

THE ADJUSTMENT OF WAGES

The problem of wages and the method of payment is one that constantly touches every wage-earner, whether employed by the piece or by the week. The story of the rise of the general wage level and of the great wage arbitrations in the Chicago clothing industry since the entry of the union in the market has already been told. In the present chapter it is proposed to direct attention to the broad principles of procedure and of justice governing the establishment of wage rates and their adjustment. Insofar as these principles have been evolved out of the operation of the agreement and the impartial machinery, they form part of the established law of the industry. Instead of wages being left to the arbitrary determination of the employer, at least in the interval between the making of the collective wage contract and its expiration, these laws and principles control the actions of the employer in every detail of his wage relations to the worker. They impose certain obligations upon the employer which spell rights for the worker and the union. From the standpoint of growth in union control, the development of law and justice in this field of industrial relations is even more important than any specific gains in the wage rate itself.

THE MAKING OF PIECE-WORK RATES

We are not here called upon to raise the ultimate question as to the justice of the wage system itself, or even as to what constitutes a " fair wage " in the abstract. It is sufficient for our present purpose if we succeed in finding through a study of the decisions the evolution of certain general principles, whose application secures to the workers such a measure of practical justice as the existing state of industrial organiza-

tion permits. The outstanding feature of the wage system as found in the Chicago tailor shops before the 1910 strike, was not so much the generally low level of the workers' earnings as it was the exploitation of those workers through the abuse of the piece-work system of payment.

Piece work has for many years been the prevailing basis of payment in the tailoring operations. While the power of fixing and altering piece-work rates remained unregulated in the hands of foremen, the workers were exposed to all the evils of sub-contracting, speeding, rate-cutting, unfair competition, unfair discrimination, and the like. After the strike, the firm of Hart, Schaffner and Marx instituted a system of written specifications and prices for all operations. Although this standardization resulted in an immediate lowering of earnings for many workers because of increased requirements as to quality, it represented a long step in the direction of a constitutional procedure in the making and adjustment of piece-work rates.

The basis of piece-work rates in the market today are schedules of prices and specifications for all the piece-work operations in each house. The schedules were arrived at in the first place through joint negotiation with the respective houses and made part of the agreement for each house. Since the work of a section in the industry differs more or less widely between shops and from one season to another, the specifications and the prices necessarily vary considerably and often. To meet this necessity and to insure fair prices to piece workers at all times, a joint machinery has grown up under the agreement in the form of a piece-rate committee. The Hart, Schaffner and Marx agreement provides: "Whenever a change of piece rate is contemplated the matter shall be referred to a specially appointed rate committee who shall fix the rate according to the change of work. If the committee disagree the Trade Board shall fix the rate." According to the Trade Board chairman, "as a matter of practice, the work of rate making is carried on almost exclusively by the two members representing the company and the people. While some cases are brought before the

full committee, these cases are exceptional when compared to the number settled by the two members."

In the case of each of the larger houses in the market a special union deputy is assigned as price expert, and he acts as the people's representative on the rate committee for that house. In case of inability to agree, this deputy reports to his chief price deputy who, in turn, is the union's representative on the market rate committee. "Whenever a question of piece-work rate arises, it is taken up in the first instance by the two members of the committee and an attempt is made to reach an agreement. If an agreement is reached, a specification of the work to be performed and the rate to be paid is prepared and signed by both representatives without any further action. If, however, the two parties are unable to reach an agreement, the case is taken up with the full committee and an agreement reached, or a decision made fixing the rate and specification. If this decision is unsatisfactory to either party, the decision may be appealed to the Board of Arbitration."

Changes in specifications are proposed, whenever necessary, by the company, being a primary concern of management. But since they concern directly the worker engaged on the operation and may easily affect his earning power, every such change before becoming effective is a matter for joint negotiation, agreement and record by both parties. In the course of an early arbitration decision[107] bearing on this matter, Chairman Williams ruled as follows:

> "In order that disputes about specifications shall be minimized, the union shall be provided with a copy of all specifications, for the exclusive use of its member of the price committee. He shall make proper examination of such specifications, and if he objects to any on account of undue age, irregularity or other reason, he shall give notice of same, and endeavor at once to arrive at an adjustment and agreement. In case no such notice is served within a reasonable time, all such specifications shall be deemed regular and in force. If there be a serious lapse of standard by the workers below the specifications, the union shall be notified and shall co-operate with the company in restoring the standard of the specification."

Changes in rates, on the other hand, are entirely a matter of collective adjustment. They cannot be instituted, even provisionally, by act of the management. They do not become effective until they have first gone to the Price Committee and been adjusted there on the basis of the changed conditions.

When the Trade Board is called upon to fix a rate regarding which there is a disagreement, the chairman of the Board endeavors first of all to bring the parties closer together on the basis of the agreed facts. If he is successful in leading them to agree on a rate, he then merely gives official sanction to it. Otherwise, he may, as an alternative to fixing the rate himself on the spot, recommend a temporary rate to be applied experimentally and subject to revision. Or he may refer it back to the rate committee for further investigation or observation, or for elaboration as to detail. Thus, in one instance,[108] where the price committee had been unable to agree on certain rates, the union requested the Trade Board to investigate and decide. The Trade Board made a ruling with respect only to basic rates for the operations in question, and instructed the price committee to work out necessary differentials, thereby narrowing the field of possible controversy.

When the case of a disputed rate goes to the Trade Board, it is sometimes necessary for the Chairman to make a personal investigation before he can reach a satisfactory decision. The investigation, however, extends merely to the facts in the case. In deciding upon what is a fair price for a particular operation, the impartial chairman is not expected to determine questions of ultimate justice. He is guided by a provision in the agreement which reads: "In fixing the rates, the Board is restricted to the following rule: changed rates must correspond to the changed work and new rates must be based upon old rates where possible." Where this is not possible, existing market rates may become the criterion of fairness. In other words, usage and antecedent collective bargaining or arbitration decisions provide the point of departure from which the Trade Board proceeds.

It has no power under the agreement to revise or alter this basis.

The setting of piece rates for new work consequently involves various questions of fact, and for this reason it is necessary for those who are charged with that function to be thoroughly familiar with the character of the work and the conditions under which it is and has been performed in the particular shop. It is also necessary that adequate records be kept of the various operations and of the rates paid for each.

With the multiplicity of operations and of variations in them, it sometimes happens that detailed specifications and differential prices are not a matter of written record, but merely of custom or informal understanding. Whenever a change in the work or the rate is alleged by either side, the first question, obviously, is as to the facts. In one such case before the Trade Board,[109] the union complained that the firm had reduced the brushing rate on Palm Beaches without the consent of the union and requested the restoration of former rates. The firm contended that it had always paid the lower rate for Palm Beach coats and that the higher had been paid only for half and quarter lined coats. The Trade Board found that " the case turns on the facts, which the firm feels can be checked up by an analysis of payroll and production records." The Board directed that this be done, promising to review the case if it were not disposed of by such an analysis.

Regular procedure demands that nothing shall be left indeterminate in the definition of piece work operations and prices. For only by having them duly written out and signed and authorized by both parties can the possibility of arbitrary action later be avoided. Disputes over rates hinge largely on conflicting interpretations in applying prices and specifications. In one case[110] where the union complained that the firm had reduced the rate on pressing pockets on certain models which the firm claimed were not included in the original rate, there was no written schedule to show whose claim was correct. The payroll evidence, however,

indicated that the usage of the previous year justified the firm. While the Board, accordingly, denied the request of the union, it took occasion to point out that "any correction in rates and specifications, however obvious, should be a matter of formal record with the firm and the deputy, so that questions of this sort need not arise." And on another occasion[111] the Board declared: "When rates are adjusted by negotiation there is no good reason why they should not be made a matter of record and be signed by the representatives of both sides."

Once the specifications and prices are fixed by agreement between the firm and the union, they are legally binding on the workers and the foreman in the shop. The power of changing them rests, under the agreement, with the original parties, or at their instance, with the Trade Board. In the words of the agreement: "After the specification and rate have been authorized by the Rate Committee, there can be no alteration of the terms either by the company or the people without permission from the Rate Committee." The logic of this procedure may be illustrated by a case[112] of collusion between a section head and the pocket makers on a temporary arrangement whereby work was decreased without a corresponding decrease in the rate and without the attention of the foreman and the production manager being called to the arrangement. The firm petitioned the Trade Board to declare the change invalid and to restore the established rate. The Trade Board, directing the restoration of previous specifications and rates, declared: "The workers benefited by the arrangement during a period of several months, and while the Board must disapprove of changes in specifications and rates except by joint action of those authorized to make such changes, it does not appear that anything more than a temporary arrangement was contemplated or that the pocket makers can contend justly for its continuance indefinitely. The section head is reprimanded for his action, however innocent his intent * * *."

A case[113] in which the workers themselves decreased their work in disregard of the specifications and without a corre-

sponding adjustment of the price is that of certain edge stitchers, whose rates had been established by agreement. For stitching all around the rate was six cents; for breaking off it was seven cents. The workers subsequently found the latter rate was more favorable, and upon their complaint the foreman ordered them to break off on all edge stitching and he would pay the rate of seven cents. Instead of this the workers went ahead as previously, stitching all around in some cases and breaking off in others, according to convenience, but they were paid a uniform rate of seven cents, until the firm discovered the practice. The Trade Board supported the firm in putting a stop to it, holding that " the rates of six and seven cents for edge stitching were established in regular order," and that it does not follow that the seven-cent rate is to be applied to work for which a six-cent rate is established merely because the workers saw fit to do the work other than directed and got by with it for a time * * *. The Board holds, therefore, that the seven-cent rate is to apply when the stitching is broken off, but is not to apply to stitching all around. If the rate for stitching all around can be shown to be too low; that it was not established regularly or with a full knowledge of the facts in the case, or that it is a temporary rate the earning power of which has been found to be inadequate, the Board will review the situation on that basis."

The same problem arose in a modified form[114] in another shop of the same firm. Here the foreman permitted the edge stitchers to stitch all around, yet paid the rate for breaking off. This was done for a year or more and the firm accepted the work. " Now the firm is insisting that the edge stitchers break off and accept the established rate. The workers quite naturally insist that having been permitted to stitch all around for so long a time they should not be asked at this time to do more work for the same price * * *. The ignoring of specifications by foremen or making specifications to suit their convenience is occurring with regrettable frequency. It is a holdover, perhaps, from the days when specifications and rates were not a matter of agreement and

record, but it can have no place under the present arrangement. In this case if the foreman acted on his own authority he robbed the firm of a quality of work to which it was entitled and for which it had paid. If specifications are to have any significance they must be observed strictly and foremen who do not observe them are a liability to the firm. The Trade Board has no other recourse in this case but to rule that the firm must accept the consequences of the poor judgment exercised by its foreman * * *."

In the case just cited the time element plays a significant part. The fact that a year had passed without any action by the firm in repudiation of the arrangement improperly entered into by the foreman gave a presumption of right to the workers' claim for its continuance. Through the passage of time a usage had become established and a corresponding expectation set up in the minds of the workers that the firm's apparent acquiescence was consent. Long usage or custom, whatever its manner of origin, acquires the force of agreement. As such it may supersede earlier agreement and can only be set aside, in turn, by subsequent agreement between the parties. On this principle, a specification or a rate that is not enforced over a considerable period of time lapses by disuse and the actual practice becomes the rule or law. Thus in one decision[115] the Trade Board held that "a disputed rate becomes obsolete if not used or if the operation is changed to avoid the dispute." And in another case[116] the union requested the Trade Board to fix a rate for top seam pressers in a certain house on the ground that additional work had been given to them in the form of shrinking fronts. The firm claimed that this operation was properly a part of their work, though no written specifications for it existed. The Trade Board concluded "that whether they were supposed to do it or not, the top seam pressers have not been shrinking fronts. It may be inferred that they were not shrinking fronts when the rates were passed on by the leveling commission. In the absence of specifications and on the evidence presented, the Trade Board rules that this is

additional work and refers the matter to the price committee to fix appropriate rates."

When the Trade Board undertakes the adjustment of disputed rates, where an operation has been changed, it may employ several methods for determining the extent of adjustment called for in the particular situation. It may make direct comparative observations of the old operation and the new and thus estimate the relative degree of difficulty of the one over the other. Or it may proceed by means of time studies of the operation in question, these to be conducted by the firm and the union either jointly or independently. In either case the "changed rates must correspond to the changed work." To illustrate:[117] the union complains that the edge and shape presser has been given additional work and requests that his piece rate be adjusted with back pay. The rate for edge and shape pressing has been 5.74. Recently the firm has changed from hand to machine collars. It is admitted that the shape pressing is now more difficult. "The Trade Board has observed the operation in question and feels that a rate of 6.50 for edge and shape pressing machine-made collars is fair. This rate is to be retroactive to the change from hand to machine."

The method of time study as a measure of the change in work is exemplified in a case[118] where the firm requested the Trade Board to set a differential rate on pressing inseam flat at the crotch, which work was added to the regular seam pressing. The rate without the added operation was 4.14. The results of three-time tests were submitted at the hearing. The Board directed that further tests be made, as the union and the firm had been unable to agree on the tests and had made separate reports. The Trade Board set a rate of 4.55 for seam pressing to include the added operation, the differential representing "about the relationship of the new work to the old".

THE MAINTENANCE OF EARNINGS

The principle underlying and governing all these adjustments of piece rates is the maintenance of hourly earnings

of the workers concerned. The theory is that a worker is entitled to his customary earnings as long as he is occupied at his own work or at work requiring an equal degree of skill or effort. If the necessary degree of skill or effort is raised by a change in the required quality of his work or its intensity or in the method of performing it, so that he can only turn out fewer garments per day than he produced before, the piece rate for his operation must be correspondingly increased so as to yield him the same earnings per hour as he previously received. The converse proposition, in general, also holds. The principle of maintenance of earnings presupposes, in practice, that there is enough work in the shop to keep the worker fully occupied at his own operation. It becomes inapplicable when work is slack, i.e., when he must wait for work. For in that situation his earnings, depending as they do on output, diminish in the same ratio as his total production declines.

The worker is entitled to maintain his earnings as against changes in his work initiated by and on behalf of management. But he cannot make the same claim as against a loss due to irregular employment in slack season—a loss in which management also shares and for which it is not wilfully responsible. On one occasion[119] the union requested the Trade Board to readjust certain rates on the ground that there had been a reduction of earnings of the workers in question. The Trade Board found that the rates compared favorably with market rates, but that the chief trouble was lack of work. "In part at least this is a result of general market conditions from which many workers have suffered. As a general rule, the Trade Board will not revise rates passed on by the leveling commission unless it can be shown that the operation has been changed." This being not the case in the present instance, the Board denied the union's request.

At a time of lack of work in the shop the union may object to a change in rates corresponding to a change in specifications that would leave a man with still less work to do and therefore with earnings still further curtailed.

This was the situation in a case[120] where a firm complained to the Trade Board that the union refused to reduce the piece rate on collar shape pressing in keeping with the reduced work on the operation. The union did not deny the subtraction of work but contended that because of scarcity of work a reduction in rate would work an injustice to the collar shape presser, whose earnings would be reduced in the same proportion. The firm then proposed to give him other work to compensate him for the reduction, without entailing any loss in earnings for any other worker. To this the union agreed and proceeded jointly with the firm to readjust the collar shape pressing rate to conform to the change in operation.

A change in specifications may consist in a change in the proportion of garments or of materials of certain kinds that are handled by a worker in the daily course of his work. If his operation on one model, for instance, is more difficult or time-consuming than on another, and the proportion of the former model in the total number of garments is materially increased, this will constitute ground for a revision of rates upward, so as to maintain earnings. Even where the model is not more difficult but its more frequent occurrence brings to light an inferior earning power of the rate originally agreed upon for it, this basic rate may itself be reconsidered. A certain firm[121] had a rate of 19.35 for regular pockets, with a differential of 9.09 for turned pockets including stitching. Only a few turned pockets had been made in the past. The firm now proposed to make practically all of its pockets turned. The extra stitching was to be given to a week worker and the firm petitioned the Trade Board to fix a rate that should not include the extra stitching. The Trade Board found that there had been no way of testing the adequacy of the differential for turned pockets, because very few had been made. But " with all pockets made turned, it should be possible to determine what work is necessary to maintain earnings * * *. Tests made thus far indicate that the differential of 9.09, *exclusive* of extra stitching, is not too high if all the pockets are to be made

turned." And the Board directed this differential to remain in effect for the reduced operation " subject to later review if necessary."

A change in a worker's operation may amount to a transfer of work or the substitution of one operation for another. This happens when the worker is shifted from one type of garment to another, as, for example, from sack coat to overcoat; or vice-versa. In such a case the new work may differ so markedly from the old as to make it difficult to base the new rates upon the old. If there is no established rate for the new work the worker may be temporarily placed on an hour work basis, while the piece rate for the new operation is being determined by the price committee. The considerations by which the committee is guided in their determination are those (1) of the worker's previous earnings, (2) of his performance on hour work or under time tests, and (3) of the prevailing rate paid for similar work in the market. A firm complained to the Trade Board[122] that it had failed to reach an agreement with the union covering trimming on ready-made overcoats. The Board found that the main difficulty lay in reaching an agreement as to the basis for determining rates in this case. Earlier in the season rates had been adjusted to cover trimming on ready-made sack coats. The Board ruled that " the rates for overcoats should be fixed at a figure that would enable the workers to maintain previous earnings " on sack coats, and directed an adjustment on that basis.

Any piece rate adjustment by calculation in advance, whether by estimating differentials in work or measuring them by time study or computing them from output on hour work or by comparison with market rates is liable to appreciable error. Whichever method is used in arriving at the new rate must be supplemented by actual experiment and observation. The new rate must be tested in the light of its actual earning power to determine whether it is a " fair rate." For this reason when rates are set by the price committee, or even by the Trade Board, they are not final. In the language of the agreement: " New rates are always provisional and

temporary and are subject to review after sufficient period of trial to determine their merit. The Committee seeks to make the temporary rate as nearly equitable as possible, both for its effect on the people and to save a repetition of the negotiation." But this is not always possible, and the matter goes to the Trade Board for review. A case in point[123] is one where the firm petitioned the Trade Board for a revision of the temporary rate for stitching French facings. The union admitted the right of the firm to request a revision of a temporary rate, but contended that a comparative time test should be made of the operation on the two models: the old and the new. The Trade Board directed that such a test be made jointly. The results of the tests were unfavorable to the workers and inconclusive. The Trade Board held that " time tests, covering, necessarily, a limited amount of work, should not be the sole criterion of what is a fair rate." The rate was then adjusted in the light of former hour earnings of these workers.

In another case[124] the Trade Board had reduced the rate for off-pressing from 4.59 to 4.24 because of a change in operation. When the new rate was put into effect by the firm, the earnings of the off-pressers fell below their previous level, and the union complained to the Board. The union contended that the rate established by the Trade Board was intended to maintain earnings; that earnings were not maintained, thus demonstrating that the change in operation did not reduce the time required in the degree contemplated by the Trade Board, and that reconsideration of the rate was necessary. The Trade Board directed that hourly earnings of off-pressers be computed for comparable periods for two successive years, and with these figures of earnings as a basis referred the matter of adjusting the rate to the Price Committee.

In order that no injustice shall be done to workers who accept a temporary rate that later proves to be too low, the Trade Board[125] has held that such workers are entitled to back pay for the difference between the temporary rate and the revised permanent rate. This guarantee also makes for

better shop discipline, inasmuch as it reduces the friction attending the introduction of a new rate.

When an operation or a method of work is materially changed at the instance of the firm, so as temporarily to impair the efficiency of the workers concerned, without necessarily altering the amount of work required of them, they are entitled to be placed on an hour work basis. They remain on hour work only long enough to gain the necessary familiarity with the changed operation. After that they return to piece work, either at their former rate or at a new rate agreed upon on the basis of a change in the work. On this point the agreement provides that "in the event a piece worker is required to change his mode of operation so that it causes him to lose time in learning, his case may be brought to the Rate Committee for its disposition." In one such instance[126] a man had refused to continue working at his customary piece rate after the character of his work had been changed. The firm discharged him. At the hearing he contended that the work should have been done on an hour basis instead of by the piece. The Trade Board upheld him and ordered his reinstatement with pay for time lost.

In another case[127] the union complained that the company was requiring certain piecers to do their work in a new way, and the change was resulting in loss of earnings. The workers claimed that the new method had seriously hindered their speed and asked for a period of hour work in order to get acquainted with the new method of handling. The Trade Board observed the work and found that "there does not seem to be any vital difference in the amount of work, simply a rearrangement of the handling. In the opinion of the Trade Board the people should be given two weeks of hour work to gain facility in the new method." In keeping with this principle, also, is the Board's decision in another case.[128] The Board there ruled that a worker transferred to another shop was entitled to hour work for the time needed to acquire ordinary acquaintance with the work, to the same extent as were the workers originally in the shop when the new operation was introduced.

The principle, stated in general terms, is that workers are not to suffer in their earnings when their output is temporarily reduced in consequence of an act of the management. Thus stated, the principle applies not merely to piece workers on hour rates, but also to week workers with standards of production, as illustrated in the following case:[129] The firm in this instance had introduced a new method of off-pressing and a new quota for the pressers. The section was divided into three squads of twelve men who were given special training in the new method while being paid on an hour basis. But while the first squad was retained under instruction for three weeks, the others were given only one week, with a consequent loss in their quota of work and their earnings during two weeks following their return to piece work. The Trade Board held that since " the innovation was at the instance of the company, * * * any loss attending the inauguration of the new system should be borne by the company, unless it can be shown that the off-pressers are responsible for the reduced production. That has not been shown in this case and the Trade Board directs that the losses for these two weeks for the off-pressers shall be paid."

The determination of hourly rates for piece workers who are temporarily on an hour basis, is provided for in the agreement as follows: " In case workers are changed from piece to hour work, the hour rates for such piece workers shall be based on their earnings on piece work." In this way the workers' earnings are guaranteed pending their return to piece work. The procedure to be followed in computing the hourly rate of any piece worker was laid down in a decision[130] by Mr. Williams in 1917. He ruled, in substance, that in arriving at a basis for hour work, the company should take the average of the piece work earnings of the individual concerned during a period of four full weeks, and base his hour work on such average piece work earnings. And, in conclusion, Mr. Williams stated: " The purpose is to base hour work on full time piece work, and to avoid as far as possible, including slack work periods of piece work on the hour work rate."

It is customary for firms to re-figure hour rates from time to time—in a few cases on their own initiative, more commonly at the request of the workers—in order that these rates may reflect changes in the piece-work earnings of the workers. For this reason it is all the more important that they be based on full-time earnings, since otherwise they would be too low. In one case[131] the union complained that the firm had not figured the hour rate properly in the case of several workers and requested the Trade Board to inform the firm of the proper way. The Board found that "the difficulty in this case arose from slack work and the absence of full-time employment over a sufficient period to test properly the earning power of the piece rates in question." The Trade Board accordingly suggested that an earlier period be selected until such time as there may be full time work again.

Not only are hour rates to be computed on the basis of a normal flow of work, but, according to a Trade Board decision,[132] four weeks must be selected "when piece rates were permanently fixed and when workers had had opportunity to become thoroughly acquainted with the work."

The principle of guaranteed earnings for piece workers on hour work is subject to the same qualifications as the hour rate itself. They are both based on full-time employment. Thus, when work becomes slack, the worker whose hour rate has been computed on full-time piece-work earnings, is not guaranteed against a reduction in his rate corresponding to the reduction in his earning power at such a time. To illustrate: the union on one occasion[133] complained that a canvas baster employed by the firm was not making the earnings guaranteed by the Trade Board, and requested that a proper rate be set for the operation. In a previous decision, when the worker in question had been transferred from hand to machine work, the Trade Board had ruled that his new piece rate must be such as to protect his previous earnings, namely, $1 per hour. The case turned, therefore, on an interpretation of that earlier decision, particularly as to whether it was intended to guarantee earnings irrespective of the amount

of work going through the shop. The chairman ruled that "the stipulated earnings of $1 per hour was what the worker should earn on full-time work and that it was not intended to guarantee those earnings when work was slack. * * * Hourly rates are based on full-time employment. It is not contended that the rate in question would be inadequate under conditions of full-time employment * * *." In view of these and other facts the Board denied the request of the union for a revision of the rate.

The status of a piece worker on an hourly basis differs somewhat from that of a week worker. It differs in the first place in that the piece worker is subject, as illustrated in the case just cited, to periodic adjustments of his hour rate in accordance with the flow of work in the shop and his own piece-rate earning power. It differs, further, in being merely temporary. "A piece worker[134] with minimum guarantee is customarily employed on one kind of work in a specific section, with limited duration of the guarantee till the worker becomes acquainted with the particular piece work operation. The whole arrangement in such a case looks forward to permanent transfer to piece work, and the minimum is maintained only as a temporary arrangement." In a piece work market like Chicago the tendency is to put all specialized workers on a piece basis as far as practicable.

The principle of maintenance of earnings applies no less to workers transferred from a week work to a piece work basis than it does to piece workers changed either temporarily or permanently to hour work. To illustrate: The union in one case[135] complained that F, employed previously by the firm as a week worker, was now on piece work and could not earn as much as on week work. Owing to the many operations allotted to the worker, the union felt that piece work rates were impracticable. The worker had received $40 at week rates, making vents and yokes. He was put on piece work when the shop reopened with the season. His earnings for five weeks on piece work averaged only $20.57 per week. The Trade Board directed that his earnings be equalized during the time he had been on piece work,

on the basis of his previous weekly rates of $40, and that he be limited to two operations, for a week or more, to determine whether an adjustment of piece rates was practicable.

When such an adjustment is not practicable, that is to say, when the transfer of the worker from week to piece work entails for him a loss of earnings, the union has ground for protesting against the transfer itself. This situation is apt to arise if the transfer to piece work is made at a time when there is lack of work in the shop, because at such a time piece work earnings immediately reflect the slack. In one such case[136] the union complained that two workers had been changed from week work to piece work with loss of earnings and requested their return to week work. In its decision the Trade Board declared its belief " in a wide application of the piece work system. It is of the opinion, however, that a change to it from week work should be made when earnings can be maintained. To do otherwise is to tend strongly to develop opposition to piece work * * *. The Trade Board is of the opinion that the two workers should be retained on week work for the limited time necessary for the volume of work to become such that their former earnings can be maintained. It, therefore, grants the union's request."

The general principle that workers shall not suffer loss in earnings by reason either of orders or of the fault of management, finds application in a variety of cases. For example, it is customary for workers to bushel any of their own work that is found defective by the examiner. If, however, the defect is not discovered and reported before the work has gone through another section, thereby raising a possible question as to the responsibility for the defect, the worker charged with it may not be required to bushel the work without additional compensation. Moreover, if a defect in work is due to a previous defective operation on the garment that has been passed by the examiner, the burden of busheling it may not be imposed on the worker who last handled it. The management by virtue of passing the garment in the first place has assumed responsibility for its sub-

sequent defective condition. In a certain case[137] turning on this principle, the union requested pay for lost time for G, an edge stitcher. The management had required this man to bushel coats that on their own admission could not be busheled, because the edge basting was bad. After hearing the evidence the Trade Board expressed the opinion that " work was being required of G that could not be reasonably expected of him." It found that the basting was ripped on one coat and removed on another. " Under such a condition it is difficult to see what ground the management had for insisting on the busheling. G's proposal to bushel the coats after they had been re-basted would seem to be a fair one and as much as could be expected. The management seems to have acted inconsiderately." And the Trade Board directed that G be paid for one hour loss of time, as the refusal to give him work had no justification.

Loss of time to the worker through no fault of his own occasionally results from a breakdown of machinery and a failure on the part of the management to repair it promptly. Such was the cause of complaint by the union in a case[138] where some operators lost time on account of the neglect of the firm to repair their machines properly. The union at the conclusion of the hearing withdrew its claim for lost time, but requested the Trade Board to direct the firm to provide adequate machinist service thereafter. The Board, accordingly, ruled that " the firm will see to it that machines are repaired promptly and that if a machinist is not available when needed, duplicate machines will be kept in repair. This is as much to the interest of the firm as it is to the interest of the workers * * *."

A clearer case of this sort[139] involving fault of the management is that of N, who lost time on account of the condition of her machine and on whose behalf the union requested compensation. The girl stated that she had been having trouble with her machine and that she complained about it to the foreman and manager before going on her vacation. An examination of the payroll showed that in the week following her return she earned $15.05, or at a rate of 60 cents an

hour, her regular hour rate being 89 cents. The Trade Board expressed the belief that "the girl has suffered some loss on account of the condition of the machine. For this week she seems to have lost about 29 cents an hour for 24.85 hours, or about $7.20. The Trade Board directs that she be paid this amount as an offset for the condition of the machine which prevented her from making her usual rate."

Another instance of loss of time by a piece worker caused by a fault of management and therefore compensable, is the following:[140] The union accused a certain foreman of pulling a coat away from P and preventing him from getting on with his work. Because of this interruption the man claimed he lost two coats of his quota and pay therefor was requested. The evidence in the case was rather contradictory and the Trade Board decided that a reasonable settlement would be to allow P one coat on that day's quota.

One source of loss of time for the workers is that of waiting for work in the shop. This is a condition frequently beyond the power of management to control, and but rarely due to bad faith or gross mismanagement. Where the latter is shown to be the case, however, the Trade Board may penalize the responsible official. The principle of compensating the workers for loss of earnings has not found application in these cases because of the risk of abuse involved in such a practice. In a case of this type brought by the union before the Trade Board.[141] compensation was asked for a certain section for time lost waiting in the shop. The union's claim was based on the provision in the agreement (1916), reading as follows:

> "*Detention in Shop.*—Workers shall not be detained in the shops when there is insufficient work for them. The company, or its agent, shall exercise due foresight in calculating the work available and as far as practicable shall call only enough workers into the factory to do the work in sight. And if a greater number report for work than there is work for, those in excess of the number required shall be promptly notified and permitted to leave the shop * * *."

In the case under consideration the Trade Board ruled in favor of the people's petition. The firm appealed the case

and the chairman of the Board of Arbitration affirmed the decision of the Trade Board insofar as it ruled about waiting in the shop, but modified that decision as regards the compensation it awarded to the workers: "With respect to the penalty the chairman is of the opinion that it should operate to discipline the party found guilty of offense, rather than as an attempt to compensate for the loss, and the award of the Trade Board is altered to correspond with this view. A fine of $20 is, therefore, assessed against Superintendent S. as a disciplinary penalty, to be paid into a fund which shall be held in trust by the company until a mutual agreement shall be arrived at between union and company as to the disposition of fine funds."

The question of paying workers for time spent waiting in the shop came up squarely soon afterward,[142] when the union petitioned the Trade Board on behalf of certain welt makers for pay for time thus lost by them. The Board ruled adversely on the claim of the people. Appeal was taken to the Board of Arbitration and Chairman Williams ruled, in part, as follows:

> "He realizes that it is a burden for people to have to wait for work, but he is also quite clear that he ought not to invoke a remedy rejected by the parties in interest unless the situation is very desperate, and unless all other remedies have failed. He must consider also whether the evil complained of is not inherent in and inseparable from the business and one that cannot be completely eradicated so long as the present interdependent sectional system continues. The chairman invites the parties hereto to make suggestions looking to the improvement of the waiting evil. He is disinclined, however, to adopt the remedy of paying for waiting until a plan is devised that will eliminate the dangers and safeguard against its possible abuses."

Waiting in the shop is frequently bound up with the irregular flow of work through the sections. Every interruption in this flow and every change in the proportion of workers in the various sections tends to upset the balance in the shop, to produce congestion at some points in the process and waiting for work at others. One of the underlying problems, therefore, is that of balancing of sections as a condition

of regularizing the flow of work through the shop. In a memorandum to the Hart, Schaffner and Marx agreement of 1919 it was agreed "that the company shall undertake experiments in controlling the flow of work for the purpose of giving the maximum of work to piece workers and avoid waste of time. The union promises to co-operate in the balancing of sections upon which regularity of flow of work depends."

Loss of time to the worker through having to wait for work in the shop is not compensated, since it is always an unintended result of factors that are usually beyond the power of management to control or foresee. Where the management is demonstrably at fault, however, it does not escape the penalty of its failure to keep the work flowing. This point has already been illustrated in the case of Superintendent S, above. In a more recent Trade Board decision,[143] the principle is set forth as follows: "Unless very definite evidence can be furnished to prove gross negligence or bad judgment on the part of the officials, no redress can be given under the ruling of the Board of Arbitration. If a worker has to wait because the foreman or manager has not used reasonable care in supplying (him with work) the manager may be fined, but there is no other redress." In other words, as in the case of seasonal slackness so in other cases of lack of work, the piece worker has no guarantee against loss of earnings from idleness in the shop. On the other hand, such idleness is kept at a minimum partly by the imposition of fines on officials of the firm where it is shown to be preventable or due to poor management.

WAGE STANDARDIZATION IN THE MARKET

In order that the earnings of workers of a given grade in the market may be protected against deterioration from any cause, it is necessary that standards be set up not only within each house but for the market as a whole. For workers change their employment from one house to another, and any discrepancies in wage rates, whether of piece workers or week workers, create competitive inequalities among

employers and dissatisfaction among workers. For this reason the Board of Arbitration is given power under the agreement to establish wage standards for the market, and in accordance with these to equalize the rates of pay of corresponding groups of workers.

In connection with its market wage decision of December, 1919, the Board of Arbitration[144] authorized the appointment of a " leveling commission," or Committee on Disparities in Rates, to be presided over by the Chairman of the Trade Board. The task of this Committee was to investigate the subject of relative inequalities in rates then existing in the market and to recommend such increases for underpaid sections as would bring them up to the market rate. In February, 1920, the committee made its report and the Board of Arbitration approved its recommendations[145] as to specific rate increases and declared them retroactive to December 15, 1919, when the general wage increase had gone into effect.

The disparities in rates as between different houses in the market evidently were very considerable in some instances. It is significant of the strength of the union, therefore, that all the leveling was upward. The extent of it is suggested by a case brought[146] before the Board of Arbitration on a question of interpretation of the award, late in March, 1920. A petition, filed by the representative of the vestmakers, set forth that Mr. G., labor manager, had advised a certain contractor not to give the back pay due on account of the report of the Committee on Disparities in Rates. The union asked for redress. Mr. G. explained that he understood that the award by the leveling committee was not to cost the employers more than 20 per cent. of their payroll, and in this case it would cost the contractor considerably more than 20 per cent. to conform to the award. The Board of Arbitration, however, held " that the award must be carried out as uniformly as is practicable and that to make an exception for this contractor would be without justification. As regards the 20 per cent. limit, this was an estimate, made in Decem-

ber on the best information then available, but was not a fixed limit."

The whole trend of wage adjustments through the medium of the impartial machinery has been in the direction of securing greater uniformity in rates if not in the actual earnings of workers. The union has favored such standardization partly because it makes possible the elimination of individual bargaining together with the consequent dangers to minimum standards and to organization discipline, and partly because it shifts the burden of competition among manufacturers from wage standards and labor conditions generally to the field of managerial efficiency. The employers have, on the whole, accepted standardization of wages with little opposition up to a certain point. They have been concerned with reducing labor turnover in the height of the season, when free competition by employers for workers unrestrained by considerations of union scales would have brought serious embarrassment to some of them.

We have already seen by what procedure standardization of piece rates was accomplished for the Chicago market through the agency of the leveling commission. A like commission about the same time rendered a similar service for week workers in the tailor shops, specifically for tailors, bushelmen, bushel girls, and examiners or inspector tailors. In this case it was proposed by the union that minimum scales should be set up for the various groups of week workers, based on a classification of the operations performed by them. Such a classification was jointly agreed upon and approved by the Board of Arbitration,[147] to whom the committee reported. The union's argument on behalf of minimum scales was that " they tend to stability in the market and to prevent constant irritation and dissatisfaction on the part of workers who believe that they are being paid less than other workers of similar ability in other shops, or in the same shop." The employers' chief objection was that " any minimum rate ought to be matched by a definite standard of production in both quality and quantity." In view of this objection, the Board of Arbitration was unwilling at the

time to take the responsibility of fixing a minimum by decision. Such basic questions of wage determination are best left to negotiation and agreement between the parties, in which the function of the impartial chairman is merely that of mediator. The Board did, however, take a considerable step in the direction of standardization by setting average standards for the market. Its decision[147] on this point reads, in part, as follows:

> " Standards of Wages—Insofar as the wages paid to workers are below those paid to other workers of similar ability in other shops, or in the shop, there is bound to be dissatisfaction. A discontented worker is not usually a good investment for a firm. The figures submitted by various houses show that there is a considerable difference which can scarcely be credited entirely to the respective efficiency of the different workmen. Standards will naturally be expected to consider to some extent the relative rates in different markets, in different houses in Chicago, between different groups of workers, and finally between different workers of the same sort. The Board believes that the general effort to do justice to these various considerations by leveling up the lower-paid houses, which has already been carried out to a considerable degree in the case of certain piecework sections, may properly be directed to secure greater uniformity in the case of certain at least of these week workers. It will not fix a flat rate, as a minimum for every week worker, but it will fix a market average rate. It will permit the firms latitude in their present practice of making a distinction between the more and the less efficient * * * ."

In line with the same general policy of standardization of wages in the market are the efforts to reduce extreme disparities in earnings above the norm. As part of the market decision on wages[148] of April, 1921, the Board of Arbitration provided for the leveling down of " peaks " or unduly high rates of pay in certain sections of the industry. The intention was to offset exceptional advantages gained by workers in such sections at a time of labor stringency chiefly through individual arrangements with their employer either on his or on their initiative. A number of employers made application to the Board under this ruling for leveling of peaks in their establishments, but

in most of these cases their request was denied. The general position of the Board of Arbitration is that where wage rates have been duly fixed by agreement or collective bargaining they are beyond the jurisdiction of the impartial machinery to revoke. Thus in one case[149] brought to the Board of Arbitration under the decision on "peaks," the Chairman ruled "that he will not consider and reduce alleged peak rates predating the signing of the agreement in 1919." And he advanced as a reason for his refusal that "except in an emergency he does not believe that it is his function by decision to undo what has been done by agreement of the parties in interest." Consistently with this position, the Chairman then recommended that the parties negotiate among themselves with regard to the peaks in question and apply the savings effected at those points to leveling up any underpaid sections still remaining. In this way it was made easier for the union to agree to a reduction of peaks while the demand for such reduction on the employer's part was rendered less insistent.

In another case of this character[150] the request of a manufacturer for the reduction of certain peaks was denied by the Board of Arbitration on the ground that though the workers concerned had an earning capacity considerably above the market norm for these operations, still by comparison with piece rates paid for similar work by other houses in the market, the rates in question were only slightly if at all excessive.

If a Chicago manufacturer desired to avail himself of that paragraph in the market wage decision of 1921 which bears upon the reduction of peaks, the burden of proof rested upon him. He had to prove, first, that the worker or section in question had increased their piece rate since the market agreement of 1919 went into effect; secondly, that the increase, though brought about through individual bargaining, was involuntary on the firm's part; and thirdly, that the protested rate was excessive as compared with prevailing rates for such work in the market. These rules were laid down by the Board of Arbitration[151] in passing on the merits of

twenty-two different peak rates, whose reduction had been requested by one firm.

The reason for the first of these rules, viz., that " the Board will not make reductions where there has been no increase under the agreement other than by the general award of December, 1919," is to be found in the principle that what collective bargaining has given, arbitration may not take away. To attempt to do so might discredit the method of wage arbitration itself. The second ruling, that the Board " will not make reductions where the firm itself gave increases, without collective bargaining, except where it is shown that such increases resulted from pressure exerted by workers or shop chairmen," is based on a policy of discouraging individual bargaining. " The Board does not regard it as proper policy to place a premium on anything but collective bargaining. Everyone knows that under the agreement piece rates are to be fixed by collective bargaining between the firm's representative and the union's authorized representative. If they are fixed otherwise it is mismanagement of a type that tends strongly to undermine the agreement. The Chairman does not regard it as good policy to relieve a firm from the results of mismanagement, especially where it has been very evident." The third rule, that the Board " will not reduce any rate unless it is substantially in excess of a fair price," is intended to discourage a multitude of claims that might entail a general lowering of piece rates in the market.

All three of the foregoing rules are found illustrated in the decision of the Board of Arbitration in reference to the twenty-two alleged peak rates. The firm had raised the question of prohibitive labor cost in its coat shop and in the Board's opinion there was no doubt of its being relatively high. Nevertheless, the Board refused relief on this score, holding that the high costs were " due very largely to prices set and wages paid by the firm before the agreement was entered into." The Board then declared that it had " consistently followed the rule not to reduce wages below the level obtaining at the time the agreement was entered into.

It will not deviate from that rule in this case (1) because it doubts its authority under the agreement to do so in a special case, and (2) because there are other costs in which there is as much need for readjustment as here."

The rule outlawing rates resulting from individual bargaining finds application in the refusal by the Board to reduce the rate for front shaping, which had been increased from 9 to 10 cents on request of the worker and without knowledge of the deputy. The worker's rate was found to be " somewhat high, but the increase was granted by the foreman on request of the worker and without threat of quitting, so it is permitted to stand." Where pressure is brought to bear by the worker to secure an increase in his rate, the increase is illegal and may be taken away by the employer or by the Board, as in the following instance: " The rate for lining making on sack coats is 20 cents. * * * The basic rate was increased 3 cents after the deputy refused to take up the worker's request for an increase. The worker * * * went to the foreman and stated that he would quit unless he was given an increase of 3 cents. This the foreman gave. * * * Both the rate of earnings and price are high. Inasmuch as the worker did not accept the disposition of the deputy whose business it is to fix piece rates in this house but threatened to quit, and inasmuch as the foreman did not take the matter of the piece rate up with the deputy as he is expected to do, the Board directs that half of the increase given shall be taken off."

In illustration of the rule that a rate, to be considered a peak, must be markedly excessive, there is the case of the brusher in this house. His rate " is not much above the average for houses where the work is comparable. It is permitted to stand." On the other hand, where the discrepancy is marked, the leveling process does operate: " The rate for seam and pocket pressing * * * was increased from 6.98 to 7.5, * * * and then to 8.5 cents. As usual, the dealings were between foreman and worker. Whether or not there was a threat to quit is in dispute. Rate of earnings,

comparative prices and other details warrant a reduction of ½ cent from the present price."

The policy of standardization of wages, whether in the form of piece rates or of weekly scales, carries with it as a consequence a tendency toward stability. Once wage standards have been fixed for the various operations in the industry, and are uniformly applied to all employers and workers under the agreement, it becomes immediately to the advantage of the employers as a group and of the union to enforce these standards against any individual—either employer or worker—who might be disposed to ignore them. Furthermore, because of this common vested interest set up in market standards, it becomes more difficult to change them, the more so in view of the effect of any change upon the competitive position of the market as a whole in relation to other markets. Today we see standardization of wages gradually extending beyond the limits of the local market and taking on national scope. Proposed changes in any market come, therefore, to involve elaborate negotiations and arbitration, and considerable force of facts and argument is required to realize them. Thus, standards tend to perpetuate themselves insofar as they become customary and as the industry becomes adjusted to them.

There are, however, other forces making in the opposite direction, namely, for upsetting existing standards. Chief among these is the fluctuation of business and employment —whether of the seasonal or cyclical type. At a period of brisk trade, when workers are fully employed and the requirements of the industry for labor exceed the available supply, the advantage of having wage standards backed up by the union lies primarily on the side of the employers. They stand immediately to gain through the restriction of competition among employers for workers on a basis of individual and sectional wage increases which benefit only certain privileged groups of workers as against the rest. The union's concern is with the entire membership without discrimination or favoritism. When the tide turns and depression in the trade sets in, it is the workers who derive the

primary benefit from the existence of wage scales and standards. The maintenance of these standards by a powerful organization prevents that undercutting of rates when jobs are few and workers are many that used to demoralize at every slack period the industry and the people in it, and to destroy what there was of organization among them.

It is at such times, also, that the more far-sighted and responsible among the employers remember the beneficial workings of standards upheld by the union against its individual members at the peak of the season, and consider the value of similar cooperation by the union in the future. These employers are, accordingly, disposed to cooperate in their turn for the maintenance of union standards. It is because the union, as the permanent organization of all the workers, is concerned not merely with the temporary advantage of some of its members—such as individual bargaining at the height of the season might secure them—but rather with the permanent advancement of all, that it pursues a policy of stabilization of wage rates. It aims to minimize the seasonal ups and downs and the dependence of wages on every flurry of trade, and proposes to assure to its members humane and progressive standards of income as a fixed charge upon the industry with which they are so vitally identified.

It is a fact that the union through its enforcement of wage scales and otherwise has exercised a stabilizing influence upon the industry in Chicago at a time when a short-sighted opportunism might have dictated the opposite course. This fact has been clearly recognized by the Board of Arbitration on several occasions in its wage decisions as entitling the workers to special consideration at its hands. In his market award[144] of December 22, 1919, Professor Tufts took occasion to declare that " both the Firms and the Union members have made certain financial sacrifices for the sake of a larger end. The labor market is being stabilized; good will is being cultivated, responsibility is being built up. This cannot be overlooked by the Board." And in April, 1921, in a period of severe business depression, when the tendency of wages

M. C. Fisch,
Recording Secretary

Louis Schultz,
Vice President

Joseph Goldman,
President

Charles H. Burr,
Secretary-Treasurer

A. N. Fisher,
President, 1920-1921

Alex Levin,
Chairman, Board of Directors

Officers Chicago Joint Board

everywhere was downward, Professor Millis[148] summed up the union's position on this point in the following language:

> "In periods of rising prices and of business activity, the Union has exercised its powers of discipline over its members and has restrained them from accepting substantial increases in wages which they could have received with great ease and which indeed were frequently offered by the employers themselves. The agreement has therefore operated in such periods so as to stabilize the market and reduce labor turnover. The Union feels that in return for the stability and restraint granted in periods of business prosperity, the members of the Union should be assured by the agreement the same stability and protection against instability when there is a business lull and when the market is falling. It would be entirely natural for its members to feel that an agreement which made for stabilization in periods of business activity when they were asked to make sacrifices, and which did not ask the same sacrifices of the manufacturers in periods of business depression, was unfair to them. It would be unfortunate, indeed, if the workers were made to feel by a decision that the Board of Arbitration employed double standards."

CHAPTER XIV

THE PRINCIPLE OF UNION PREFERENCE

THE original Hart, Schaffner and Marx Agreement, adopted at the close of the 1910 strike and signed on January 14, 1911, was a strictly open-shop agreement, in the sense that it guaranteed equal treatment to all workers employed by the firm, regardless of their membership in the union. The second of the four provisions embodied in that simple document stipulated that "There shall be no discrimination of any kind whatsoever against any of the employes of Hart, Schaffner and Marx because they are or are not members of the United Garment Workers of America." The agreement, it must be noted, was entered into not officially with the union but only with the employes of Hart, Schaffner and Marx who were, at the time, on strike. The union, as such, was not recognized as a party to the arrangement. It was entitled to exist as a voluntary association of workers who wished to belong to it, but it had no means of approaching the management directly as a trade union. Nor was it, on the other hand, to be singled out for discrimination or suppression, as is usually the case under a so-called open-shop plan.

But to tolerate the existence of a union when it is weak and without power to interfere with the acts and regulations of management affecting the workers, is one thing. To permit that union to grow strong and to seek to extend its control over the workers as a step toward exercising control over the management, is quite another. The theory of the open shop as a permanent arrangement presupposes a stable balance of power as between the employer and the workers, if not a safe preponderance of power on the side of the former. It breaks down in practice as soon as one or the other party attempts to alter the balance. It breaks down when the employer feels himself sufficiently powerful to endeavor to

rid himself of whatever restraints the activity or the mere presence of the organization imposes on his freedom. It breaks down, likewise, when the organization gains in power relative to the employer and uses this ascendancy to secure from him recognition for itself and concessions for its members that he would not voluntarily grant. In practice, therefore, the tendency of an open shop is either to degenerate into a non-union shop or to develop into some form of union shop with union recognition and participation.

This statement describes with substantial accuracy what happened in the case of the Hart, Schaffner and Marx experiment with the open shop. The clothing workers had carried to a successful conclusion a long and bitter strike. They were keenly conscious not only of their old grievances —for which the agreement promised redress—but also of their new power through solidarity and organization. The company, on the other hand, was embarking on its new labor policy in the hope of dealing with its people in so humane and enlightened a manner as to disarm hostility and suspicion, to win their personal loyalty, and thus to cut the ground from under the growth of a rival loyalty to the union. The union on its part was only nominally an organ of the United Garment Workers. The people regarded it as intimately their own, and it embodied for them their hopes and aspirations for the future. The leaders, distinguished above the rest by their greater faith and vision, lost no opportunity to make the union an active reality in peace as it had been in war. The many evils of the old autocratic order that constituted the grievances of the workers before the strike, and the other numerous issues between the management and the workers that arose as problems of the new order required some form of joint conference for their presentation and adjustment. It was necessary that the workers should be somehow represented in their dealings with the management and particularly with the newly created arbitration board, by those who could speak for them effectively and with authority. This is where the union found its function and its opportunity to serve the people. With the inauguration of

the Trade Board in May of 1912, this opportunity was greatly extended, since it involved the recognition and functioning of regular deputies and other officials responsible in all but name to the organization.

When the time came for renewing the agreement, early in 1913, the people presented among many other demands one for the virtual establishment of a union shop. They asked for this because they wished to insure themselves against the possibility of discrimination on account of union activity, on one hand, and, on the other, to secure a larger measure of control for their organization which by that time had greatly strengthened its hold upon the adherence of the people. The company, however, was not willing to surrender so much control to the people as was implied in the demand for a 100 per cent. union shop, fearing the use a militant union might make of such suddenly acquired power. Out of this deadlock and the prospect of another clash of forces there came the suggestion of a preferential union shop as a compromise solution. This was presented to both sides by Messrs. Williams, Hillman, and Howard, and adopted on March 29, 1913, two days before the expiration of the old agreement. The first clause in this working basis of a preferential agreement provided:

> "That the firm agrees to this principle of preference, namely, that they will agree to prefer union men in the hiring of new employes, subject to reasonable restrictions, and also to prefer union men in dismissal on account of slack work, subject to a reasonable preference to older employes, to be arranged by the Board of Arbitration, it being understood that all who have worked for the firm six months shall be considered old employes."

The application of the principle of "reasonable preference" was left to the Board of Arbitration to work out in detail. Mr. Williams, the chairman, in accepting this new responsibility, outlined the point of view from which he would approach the problem of protecting the people's interests under the preferential arrangement, in these words: "The chief interest of the employes centers around the ques-

tion of an increased efficiency of organization, which requires a recognition of the need for such a substantial degree of preference as will tend to improve that efficiency."

The preferential system inaugurated by the agreement of 1913, and elaborated in subsequent agreements, has resulted in the practically complete unionization of the industry, first in the factories of Hart, Schaffner and Marx, and later throughout the market. The steps by which this result was achieved can only be suggested in this place. The agreement of 1913 definitely recognized the union. It was concluded between the Joint Board of the Garment Workers on one side and the Company on the other. It provided for union preference in hiring and discharge. The manner in which such preference was to be applied was formulated in a series of decisions promulgated by the Board of Arbitration in August of 1913, and these became part and parcel of the agreement. Thus was laid down, once for all, the fundamental law of the industry on the momentous question of—

PREFERENCE IN HIRING

"When in need of additional workers the company shall give the first opportunity of employment to union members if they can be obtained; if the union cannot furnish them the company may procure the needed help from any other source.

"To give effect to this preference with as little friction or inconvenience as possible the following provisions are made:

"The company shall furnish the union a list of the number and kind of workers needed, specifying the date on which the applicants must report, which list shall be furnished as far in advance as possible.

"The union shall keep on file with the company a list of such union applicants for work as it may wish to offer, which list shall be corrected from time to time and kept up to date.

"The company shall keep an employment record which shall show the date of engagement of all new workers and the kind of work they are employed for and the place of work in which they are assigned.

"If, after advance notice has been given, the union fails to have on its list of applicants the number and kind of workers needed by the company on the specified date, or if the needed applicants fail to report in person on that date, then the com-

pany may assume that union workers are not available and may procure help elsewhere.

"In case of an emergency, when advance notice cannot be given, the company may communicate orally or by telephone with the representatives of the union, and in case the union cannot furnish help, the company may proceed to hire elsewhere.

"If an applicant has been recently discharged for cause, or if under the influence of liquor, or obviously incompetent, the company shall not be required to employ him. Otherwise, the candidates offered by the union shall have first opportunity of employment."

In accordance with this decision,[152] the union was presented with an opportunity for placing its own members in jobs whenever vacancies had to be filled by the company. One important consequence of this preferred position of the union in the labor market was that it attracted to itself a great many new members who saw a very definite material advantage for themselves where previously they had only seen a sentimental reason for joining the union. A further consequence was that with a rapidly expanding membership the union soon acquired sufficient control over the labor supply in the market to greatly augment its bargaining power with the employer. Looking backward over the nine years during which the preferential shop has been in operation, its total effect has been practically the same as would have followed from a closed union shop, except that it has permitted of greater elasticity in the labor supply in response to the changing needs of a growing industry.

How this elasticity is attained without injury to the union's right to preferential treatment of its members out of work, is indicated in the following case.[153] The union requested the Trade Board to direct the company to discharge two non-union cutters, who had been taken on when the cutting force was to be increased. The company replied that the labor manager had notified the union deputy that the company needed fifty more cutters; that later a written requisition was sent to the union office; and that the union had sent only one cutter in response to this requisition. The Trade Board ruled that technically the objection of the union as to the

filling of the places of cutters before the union had an opportunity to supply men to the company was sound. "The fact, however, that it was practically impossible for the union to supply the cutters required must be taken into consideration. If it should be that the union did supply the cutters by the next day or two, the complaint might have some substantial support. But it is known that cutters are not available and will not be available. Under the circumstances, the Trade Board can find no ground for directing the withdrawal of these men. When the union is unable to supply the necessary cutters, the company is free to help itself as it can by using non-union men."

The employer is required to give the union a reasonable opportunity to fill his requisition for help before he may proceed to engage workers through other sources. The later Chicago agreements, including those with Hart, Schaffner and Marx as well as with the associations, provide on this point in substantially similar language, as follows:

> "It is agreed that the principle of the preferential shop shall prevail, to be applied in the following manner:
>
> "Preference shall be applied in hiring and discharge. Whenever the employer needs additional workers, he shall first make application to the union, specifying the number and kind of workers needed. The union shall be given a reasonable time to supply the specified help, and if it is unable, or for any reason fails to furnish the required people, the employer shall be at liberty to secure them in the open market as best he can."

Exactly what is a "reasonable time" for the purpose in question is not defined in the agreement. But usage in Hart, Schaffner and Marx allows three days, while for the rest of the market forty-eight hours is the standard. In one instance[154] the union complained that the company had violated the agreement in that it hired people before sending in a requisition, or before the requisition had expired. The company in reply claimed that they had always filled vacancies before requisition was issued, or before it expired. If the union sent in help these newly hired workers were let out. The Trade Board ruled that the agreement was to be

observed. Workers were not to be hired except after requisition had been turned into the union, and three days' time was to be allowed for filling the requirements. "If an emergency arises, the union should not be insistent on its rights under the agreement but give sufficient cooperation to avoid handicapping production."

The obligation of the employer under the preferential clause of the agreement to give the union reasonable time to fill his requisition, holds good, however the vacancy was caused. Thus, if a worker is sent by the union in response to a requisition and he is rejected after trial or quits of his own volition, the union is entitled to another interval of time in which to replace him. "In either case the right to hire in the open market cannot follow immediately without defeating in effect the preferential clause of the agreement." On the other hand, it is expected that the union will give prompt attention to requisitions in the interest of efficient production. Not only in an emergency is this cooperation expected, but generally whenever no sacrifice of essential interests is involved. A case illustrating both the legal obligation on the employer's side and the moral responsibility on the part of the union is the following:[155]

The firm in this case had filed requisition for a canvas presser on July 8. The union did not fill the requisition. On July 13 a brother of the shop chairman made application for the place and the employment manager took him to the union for an O. K. The union refused to give an O. K., claiming that other men were available. The next day the union sent a man with an O. K. He quit at the end of the day, whereupon the firm re-opened its requisition. The union did not send another man up to 12.30 p. m. of the next day and the firm hired the brother of the shop chairman. This worker also quit at the end of the day, the firm claiming that he was forced to quit by the union. After hearing both sides, the impartial chairman declared that the firm was technically bound by the agreement not only to reopen its requisition after the first man quit, but again to wait forty-eight hours for another applicant to be sent by

the union. "At the same time," the chairman held, "the union should make every effort to replace those sent on requisitions who quit or who do not meet the requirements of the position, without standing on technical rights * * *. To stand on technical rights is to subject the preferential clause of the agreement to undue strain and defeat its main purpose."

In the foregoing case the firm waited beyond what has come to be accepted as "reasonable" time, in order to give the union ample opportunity to fill the requisition. The question as to what constitutes reasonable time, however, cannot be settled without regard to circumstances. It must depend within limits on the ability of the employer to foresee a need for help and to wait for having it supplied. Although for practical purposes an interval of two or three working days has been adopted as the customary minimum allowance for the union to find the needed workers, if an employer should find himself under exceptional pressure to fill vacancies or add new workers to his force, he has a right to call on the union to supply his need in less than the allotted time. In the event of the union's inability to do so, he may supplement its efforts on his own account. This right is based on the clause in the agreement, already quoted, which reads: "In case of an emergency, when advance notice cannot be given, the company may communicate orally or by telephone with the representatives of the union, and in case the union cannot furnish help, the company may proceed to hire elsewhere."

The distinction between ordinary situations and emergencies in the hiring of help that is implied in the above cited provision, was invoked by the Trade Board in a concrete case,[156] where the question of what is "reasonable time" was the issue. In the words of the decision, "'reasonable' time has been held to be forty-eight hours. The Board appreciates that emergencies may arise in which the firm has no advance knowledge of a vacancy. The union is expected to cooperate in meeting such an emergency and to use every effort to see that requisitions are filled promptly." In return

for such cooperation on the part of the union, the employer may be expected not to construe too technically the term "reasonable time," when there is no emergency and the union needs more than the minimum period for filling a requisition.

When an employer is in need of help he must apply for it to the employment office of the union, specifying, in accordance with the agreement "the number and kind of workers needed." The union is expected to meet the employer's requirements as nearly and as promptly as possible. But if the union has reason to believe that there is anything improper in the requisition, it may decline to fill it with respect to the disputed specification, pending appeal to the Trade Board. In one instance of this sort[157] the firm complained to the Trade Board that the union had failed to honor a requisition for a female operator and had sent a male worker instead. The Trade Board ruled that the man was to be hired and given a fair trial. The union cannot be expected to be a party to sex discrimination, especially when this may lead to a lowering of standards. In another case[158] where the union refused to honor a requisition calling for female operators, the Trade Board ruled as follows: "What is and what is not a proper requisition depends upon circumstances. If women workers are wanted at low wages to fill places heretofore filled by men at higher wages, the requisition becomes improper. If, on the other hand, the workers in the section are women and a man would be a disturbing element, a requisition for a woman worker with explanation why only a woman worker is wanted should be accepted and make no difficulty."

When no interests of the workers or of the union are infringed, the union must either furnish the help called for by the requisition or leave the employer free to find the needed workers elsewhere. On one occasion[159] the union petitioned against the employment of girls in the jack section of the trimming department. The chairman of the Board of Arbitration, ruling on the principle at issue, said: "The chairman holds that 'jack boys' is a colloquial and familiar ex-

pression, not necessarily a sex definition, and does not imply a prohibition of female labor. If and when girls are employed in the jack section, they shall receive the same rate of pay as boys when doing the same work."

A requisition may be improper because its indirect effect is to lower the standard of wages in the shop. A certain firm was following the practice of filling vacancies in the tailor shop with learners. It had been requisitioning the union from time to time for learners at the minimum wage. The position of the union in complaining to the Trade Board[160] of this practice was that it does not have learners but does have experienced workers and that the practice tended to reduce the average wages for the section. The Board held that a requisition for learners was not a proper requisition. The principle involved was, according to the Board, " whether the firm may employ new workers at wages that will reduce the average for the section. It has been held in several previous cases that this may not be done. * * * The average for the section must be maintained, otherwise the firm might break down standards by employing new workers at lower wages."

In the hiring of new workers the agreement is explicit in requiring the employer to give preference to union members. As long as the union is able to supply workers not obviously disqualified, the employer must hire them and may not obtain help otherwise. This principle was upheld in a Trade Board decision[161] and confirmed on appeal by the Board of Arbitration. The union in that case had complained of the rejection by the company of trimmers supplied by the union on requisition. The Trade Board ruled that the language of the agreement required the company to hire such union men as might be sent to them on requisition; that the company is not at liberty to depart from hiring union men until the supply of union men is exhausted, and the company was found in violation of the agreement. The company appealed the case, and the chairman of the Board of Arbitration stated: " This case relates to the practice of preference in the selection of union men at time of hiring. The company claims it has unlimited

right of selection and rejection. The union claims the company must accept any union man sent until by trial he proves himself unfit for the job. The chairman finds this question defined in the old agreement about as clearly as he feels able to state it * * *." The provision referred to is the final paragraph under the head of "Preference in Hiring," quoted above, and reading as follows:

> "If an applicant has been recently discharged for cause, or if under the influence of liquor, or obviously incompetent, the company shall not be required to employ him. Otherwise the candidates offered by the union shall have first opportunity of employment."

In another case[162] the union complained that a pocket maker whom it had sent to the company was refused employment. The evidence showed that the employment manager refused to hire him on the ground that his frequent quitting on previous occasions had made him an undesirable employe. The Trade Board ruled that "under the agreement the company is required to hire the worker sent by the union unless he has been recently discharged, is obviously incompetent, or is intoxicated at the time of application. None of these conditions are found in this case."

The employer is required to hire workers sent by the union on requisition in the order in which they are sent. This insures, insofar as the union's employment bureau is efficiently conducted, that those members who have been longest unemployed shall be the first to be placed in jobs. In one case[163] the union complained that G, a seam and pocket presser, had not been given employment. G had formerly been employed in this factory and had been laid off at his own request for three months. Before the expiration of this period, however, he had heard of a vacancy in his section and applied to the union for the place but was rejected by the firm because his lay-off permit had not expired. The Trade Board, on hearing the evidence, directed that he be employed. He was entitled to the position, "because a seam and pocket presser had been requisitioned and he, as a union man, had been sent in response to the requisition. If the company was not in

need of a seam and pocket presser the agreement could not require the company to give G work until the permit expired. But when the company needs a presser and G needs the work it would seem that under the general provisions regarding preference in hiring G could report for work and would be entitled to work. If his work is not satisfactory, the company has the usual means for discipline available."

The only valid grounds for refusing to hire a worker sent by the union on requisition of the employer are those laid down in Mr. Williams' decision on the subject[152] of August, 1913. The passage reads as follows: "If an applicant has been recently discharged for cause, or if under the influence of liquor, or obviously incompetent, the company shall not be required to employ him." Relying on this section, the union in one case[164] complained to the Trade Board that the company had refused to hire B, an off-presser, sent in response to a requisition. The company's objection to hiring B was that he had been found undesirable when formerly employed there. At that time B had been suspended by the company but was ordered reinstated by the Trade Board. In view of this fact, the Trade Board found that the company had not followed the provisions of the agreement, and directed the employment of B with one day's back pay.

In the foregoing case the worker's record was cleared by the action of the Trade Board in reinstating him. Had his suspension been confirmed or had he resigned his position in order to avoid trial, he would have forfeited his rights as a candidate for re-employment later. This, at least, is the construction placed upon the provision in the agreement by an arbitration decision of Professor Millis.[165] The occasion for that decision was presented by the case of a woman worker who applied for a position as finisher in a factory where she had been previously employed and had served as shop chairlady. In connection with charges of intimidation growing out of a Trade Board case at that time she resigned her chairmanship and took a layoff. When she returned in response to a requisition of the firm, she was refused employment on the ground that she had been a "trouble maker".

The union then charged the firm with violating the agreement, citing the clause of disqualifications in support of its claim. The Trade Board, on hearing the complaint, expressed the opinion that the resignation of the girl on the previous occasion indicated that she had not wished to meet the prospective charge of intimidating a witness. Rather than do so, she had resigned her office and taken a layoff. "The opposition of the company to such evasion can be easily understood and their refusal to rehire the girl warranted by the record and circumstances attending her resignation. Moreover, such refusal to hire works no hardship. The demand for finishers always exceeds the supply." When the case came up for review by the Board of Arbitration, the question as it presented itself was "whether when one resigns under fire, he or she may properly be refused re-employment when sent on requisition." And the chairman ruled in the affirmative:

> "It is obvious that if a worker who has 'quit under fire' must be accepted by the company it would defeat the purpose the Board had in view when it made its earlier ruling (August, 1913), unless after re-employment suspension can be imposed for something done previous to such re-employment. It is obvious, also, that if re-employment can be immediately followed by such suspension, nothing is accomplished. The chairman is of the opinion that where a worker 'quits under fire,' the company may properly refuse to re-employ him or her, but that this refusal should be subject to review by the Trade Board. This would protect the worker, and disposes of the matter as it would be were the worker discharged and if questioned, the discharge reviewed by the Trade Board."

The concluding clauses of the decision just quoted assure the candidate for re-employment against unfair discrimination, even where the circumstances of his previous quitting have clouded his record. The same protection of appeal to the Trade Board is extended to the applicant for employment with a firm for whom he has not previously worked at all. If sent on requisition and refused employment by the firm, he has the right of appeal to the impartial machinery on the merits of his case. Though he has not been hired and is, therefore, technically not an employe of the firm, he may

through the union bring complaint against the firm and, if justified, secure employment. To illustrate: The union charged before the Trade Board[166] that the company had refused to hire one A, a cutter, when presented for employment in response to a requisition for help. The company refused to submit evidence to the Trade Board when the issue was brought to trial, on the ground that the cutter was not an employe of the company and therefore not entitled to the use of the trial boards. The alleged ground on which the man had been refused employment was that of incompetence. The Trade Board thereupon ordered the cutter to be employed by the company. The company appealed to the Board of Arbitration, and the full Board decided that the company was in error in refusing to submit its evidence and proceed with the trial. The three arbitrators agreed unanimously in this decision and directed that the case be remanded to the Trade Board to be tried on its merits under the evidence.

Before the union had come to be recognized in the Chicago clothing industry, and the preferential union shop had become an established institution, the employers enjoyed practically unlimited freedom in hiring and selecting new help. This freedom, especially when exercised by them collectively through a central employment bureau controlled by the manufacturers' association, gave to the employers a fearful power over their workers. It enabled them by means of a system of records to control the opportunities for employment in the market. It made possible a blacklisting system which for a long time effectively undermined every effort at unionization of the workers. Through the adoption of the preferential principle in hiring, the control over the supply and allocation of labor in the industry has in large part passed into the hands of the union. It is the union's employment bureau that has first call on the providing of workers to the employer and that makes the selection of candidates for him. Anti-union discrimination is no longer possible. Nor is it any longer permissible for employers to agree among themselves to deny employment to any worker on

grounds other than those specifically mentioned in the agreement. The union must be a party to any regulation or legislation bearing upon its members' right to employment. And whenever this right is in dispute, the union becomes its defender on the basis of the agreement.

A case[167] in which the above principle finds illuminating application is that of certain finishers whom the union sent to X and Company, in response to requisition, and who were not given employment while non-union girls were hired. The company stated in justification of this action that the Market Committee of Chicago had made a rule that people leaving without consent the employment of one company would not be hired by another, in order to preserve intact the manufacturing organization of each employer. Because of some temporary slackness in the shops of the Y Company, some finishers had left there and had been sent by the union to X and Company for employment. The company, conforming to the rule laid down by the Market Committee, had refused to hire the girls. The union replied by protesting this rule by the Market Committee and contended that it could have no force or effect in view of the provisions of the agreement dealing with the rule of preference in hiring workers. The union pointed out that the language of the agreement is definite: "Whenever the employer needs additional workers, he shall first make application to the union, etc." The union contended that the company in accepting the rule of the Market Committee and in acting in conformity with it had actually abrogated the preference provisions of the agreement regarding hiring; and that therefore neither the union nor the trial boards could recognize the validity of the rule of the Market Committee, as all these parties—the union, the company, and the trial boards—were bound by the terms of the agreement, and these terms could not be modified or set aside by any arrangement with other manufacturers to which the union was not a party. While agreeing that a stabilizing of the market was desirable and necessary for the best interests of the industry, the union would not admit the validity of the Market Committee rule

in the face of the specific provisions of the agreement. The Trade Board regarded the position of the union as clearly supported by the language of the agreement, and directed that the girls sent by the union be given employment.

A similar issue[168] arose between the union and another firm in the market, to whom an operator had been sent on requisition. According to the union's complaint, the firm had inquired of the worker where she had been employed previously, and then refused for nearly two and a half days to employ her. The firm stated at the hearing that the shops manufacturing children's suits had been inconvenienced greatly by workers leaving without notice and had agreed that no one would be employed who had left another shop without notice. This worker had been employed as soon as it could be ascertained that she had not quit her last place of employment without notice. Chairman Squires of the Trade Board in deciding this case in favor of the worker and against the Market Committee rule, gave the following carefully considered opinion on the point at issue:

> "The Trade Board appreciates the inconvenience and loss resulting from separations without notice and believes that it should be possible by closer cooperation between the firm and the union to protect the interests of both without resorting to an agreement and practice of the nature indicated. The union does not stand for quitting without notice, though it seems not to have been possible thus far to find a way to insure that a worker thus quitting will not be given work elsewhere. At the same time the Board does not approve the method used by the firm. Carried to its logical conclusion it is the equivalent of a leaving certificate plan and might easily develop into something even more objectionable. In a previous decision the Trade Board stated that if the practice of quitting without notice became an abuse it would be a proper subject for conference or for action by the Board of Arbitration.
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> "In this case the worker had given notice at her last place of employment and been released. Irrespective of the propriety of the agreement between the firms it should have been a matter of minutes rather than days to ascertain the fact that due notice had been given. It should have been unnecessary for the union to bring complaint to the firm. The Trade Board directs that the worker be paid for time lost."

When an employer hires a worker sent on requisition, he is obliged to pay him the scale of wages established for the operation specified in the requisition. If he subsequently decides to employ the worker at a lower-paid operation, he is not free to reduce the wage correspondingly. In one case[169] of complaint by the union that a worker had been hired below the scale, it developed that the worker had been hired as a tailor on requisition and then put at pulling threads and paid accordingly. In his decision the impartial chairman stated: "The Trade Board would condemn in no uncertain terms this method of hiring. Wage arrangements should be made at the time of hiring and should not be left open to invite dispute * * *. If the firm requisitioned for a tailor and put him to work as a cleaner * * * it is the firm's loss and not the tailor's."

Even in the case of newly hired workers for whose operation no established scale exists, the workers' interests in maintaining their customary wage standards are protected. In such cases the new worker is entitled to receive the wage received by him in his previous place of employment. This applied until recently to the cutters and in particular to the trimmers before their earnings were determined by the measure of their production. Several cases have been brought before the Trade Board in which employers had objected to accepting cutters or trimmers sent by the union and paying them the wages paid in their last employment. Except in one case, where a trimmer had been last employed in an independent house to which he had gone at a considerably higher wage than he had received in an association house, the Trade Board has ruled against the employers on this question. When the decision in these cases was appealed to the Board of Arbitration for review,[170] it was sustained, the chairman ruling as follows: "For the present, unless obviously unfit, or intoxicated or recently discharged for cause, and unless it can be shown that irregularity is involved in the filling of the requisition, the firm shall accept the trimmer sent by the union and place him at work at the wage received in the place of last employment, provided this is an associa-

tion house." Although this rule, at the time it was made, was calculated to work to the advantage of the trimmer changing his place of employment, it was a fair rule in view of the fact, pointed out by the chairman, that at a time of strong demand for trimmers in the market, the union had accepted responsibility for holding its members on the job, when it was easily possible for them to secure more money elsewhere and when it would have been possible for the workers to have exacted higher wages than they had received in their last place of employment.

The exception made on behalf of the trimmer last employed in an independent house rests on the same principle. During the time of active competition among employers for workers, the union's responsibility for restraining its members from leaving their places of employment for higher wages elsewhere had not extended to the independent houses, with the result that the wages there paid ranged higher than in association houses. In these cases another decision of the Trade Board,[171] confirmed by the Board of Arbitration in connection with the above ruling, applies:

> "The Board recommends that where a trimmer comes from an independent house * * * he shall be set at work unless obviously unfit. The firm may discharge him after trial or bring the case to the Trade Board and ask that a fair wage be fixed for him. If he is discharged he shall be paid the wage received in his last place of employment. If, on the other hand, the matter is brought to the Trade Board, it will take all of the facts into consideration and fix a fair wage. When the case is brought, however, the firm should signify its willingness to continue the worker in his employment at the wage fixed, reserving, of course, the right to discharge for cause."

By vesting in the Trade Board the power of fixing a fair wage in those cases where the maintenance of previous wages might be inequitable, the decision above quoted provides protection for all interests involved. At the same time it removes the question of wage adjustment in such cases from the field of individual bargaining and places it under joint control.

PREFERENCE IN LAY-OFFS

One of the undisputed rights of management is that of laying off workers for administrative reasons. This right, like others, was exercised by employers without restriction until the union through the agreement defined the conditions and the procedure under which workers might be laid off. The necessity for lay-offs arises in part from the seasonal nature of the clothing business. The regular rise and fall in the demand for clothing and the changes in its character from season to season impose upon the manufacturer the necessity of alternately expanding and contracting his productive activities. In the early history of the industry practically the entire burden of these fluctuations was borne by the workers in the form of periodic unemployment and overemployment. It was easy for the manufacturer to reduce his force or even to close his shop during the dull season, thereby throwing his workers out of employment. He needed to assume no responsibility for them at such times, since he could readily replace them with the resumption of operations the following season.

With the formation by the clothing workers of a permanent and effective organization, the evils of seasonal unemployment have been gradually alleviated. The up and down movement of business from one season to another still continues and forces the manufacturer to adjust his production policy to it. But he can no longer shift the entire burden on to the backs of the workers. Nor does he even wish to do so. New forces have come into play that make for a stabilization of production throughout the year as good business policy. But more particularly it has become good labor policy, and not a little of the credit for this change belongs to the union. The union has sought ways and means of meeting the periodic unemployment of its members due to seasonal slackness in the trade, to general depression in business and industry, to lack of orders or contraction of business in particular houses, etc. It has devised a variety of administrative measures, and imposed them on the employers, for spreading work and employment more

evenly through the season and generally. Among these devices are the right to secure the reduction of over-crowded sections, the right to equal division of work, the right of transfer without loss of earnings, permanency of tenure and the right to the job, rotation in temporary lay-offs, etc. But from the union's point of view, all these devices are made more effective and more valuable in stabilizing employment and equalizing work among its members through the application to them of the preferential principle.

At this point we shall consider only the application of preference in cases of lay-off. The lay-off of union members is, in a sense, a last resort. It is invoked, even temporarily, only when other devices are inapplicable for administrative reasons. The Hart, Schaffner and Marx agreement, while recognizing the right of the company to initiate a lay-off, lays down the following general limitations upon its use:

"No union member who is a permanent worker shall be laid off in the tailor shops except for cause, whether in the slack or busy season, except as provided herein. Cause for temporary lay-off may be alternation of working periods in slack times, reorganization or reduction of sections, lawful discipline, and such other causes as may be provided for herein or directed by the Trade Board." Under this provision, the conditions permitting the employer to resort to a lay-off of union workers are defined. But what is more important, the burden of proof is placed upon him to show in any disputed case that such conditions actually exist to justify the action taken. The judgment as to the necessity in a given situation for laying off workers rests with the Trade Board.

Preference to union workers in this connection, however, signifies more than the right to appeal to the impartial machinery against the action or decision of the employer. It means a practical distinction between union and non-union workers, in favor of the former, in the order in which they are to be dismissed. The most usual occasion for putting a lay-off into effect is a shortage of work in the section, that

is not merely due to a passing irregularity in the flow of work through the factory but to a seasonal or more permanent slackness in trade or unbalance between sections. Such a condition of persistent under-employment of the people is known as over-crowding of sections. The interests of the management and those of the union as to the continuance of this condition are frequently opposed. In general, the management prefers to keep the working force intact through a slack period, unless the section consists of week workers. The union, on the other hand, is concerned about securing whatever work there is to be done for its own members and distributing it equally among them. In other words, it seeks to realize the benefits of the preference principle, particularly if there are any non-union workers employed in the section. Under the caption of "Overcrowding of Sections," the agreement provides in the following terms for the manner in which the principle is to be applied:

> "Overcrowding of sections is important in this agreement as the point at which the provision for preference (in lay-offs) becomes operative. It is agreed that when there are too many workers in a section to permit of reasonably steady employment, a complaint may be lodged by the union, and if proved, the non-union members of the section, or as many of them as may be required to give the needed relief, shall be dismissed. For the purpose of judging the application of preference the Trade Board shall take into consideration the actual employment condition in the section, as to whether there are more people employed at the time of complaint than are needed to do the work, and whether they or any of them can be spared without substantial injury to the company. If it is found that the section can be reduced without substantial injury, the Trade Board shall enforce the principle of preference as contemplated in the agreement."

The practical effect of this provision from the union worker's standpoint is to minimize the shock and stress of unavoidable unemployment for union members by shifting the main burden of it to those workers who for any reason have failed to join the union. Incidentally, the arrangement supplies a solid inducement for many workers to come into the organization who might not be amenable to less material

arguments. The motives impelling the employer to give preference in lay-offs to non-union workers, thereby running counter to the interests and rights of the union under the agreement, are various. Frequently, non-union workers are lower paid, as, for example, apprentices and other helpers who are not members of the union. Their retention at work while union men were laid off would constitute a violation of the preference provision, and in case the employer was guilty of bad faith, would warrant his discipline at the hands of the Trade Board.

The situation is exemplified in a complaint[172] brought by the union against a firm on the ground of having laid off two trimmers, members of the union, while a non-union boy in the canvas section of the trimming room remained at work. The firm contended that the " preference in lay-off " provision applied to the section and not to the shop as a whole; that canvas trimming was a distinct section at this house. The Trade Board in its opinion overruled the firm. It held that " the canvas section is to be regarded as a part of the trimming room in applying the principle of * * * preference in lay-off. The non-union worker should have been laid off before union trimmers were laid off. The Board directs the discharge of the non-union worker. If his place is filled the firm is first to file requisition with the union."

Preference to union workers in lay-off does not, of course, protect such workers against lay-off in the event of a necessary reduction of force greater than the number of non-union workers employed in the section. In that event, however, preference must be shown to those union workers who have been longest employed; those most recently taken on are the first to become subject to lay-off. This elaboration of the principle is embodied in a provision of the agreement entitled " Preference of Seniority," which reads as follows:

> " If in order to properly balance sections, a reduction of force be required greater than can be secured by the laying off of a non-union worker as provided for herein, then there may be laid off those who are members of the union in the order of their seniority who have been in the employ of the company

> for a period of six months or less, provided that any exceptionally efficient worker, or any especially valuable member of the union may be exempted from the rule of seniority. Provided, also, the company shall give notice to the chief deputy of its intention to discharge under this clause, and if he fails to agree the matter shall be referred to the Trade Board."

It follows from this provision that the effective initiative which belongs to the management in the matter of lay-offs affecting non-union workers only, is materially curtailed when union workers are to be dismissed or when an exception is to be made in favor of some particular individual. The union must be consulted in such cases and its consent obtained. That failing, the Trade Board has to decide the issue. In effect, the laying off of union workers under the seniority rule is a matter for joint determination in every case. The principle was decisive in a certain case,[178] in which the company appealed from a decision of the Trade Board holding with the union that four men had been improperly laid off and ordering their reinstatement with back pay.

In this case the company, needing to reduce the force to a point that required the displacement of union men, had proceeded to lay off four union trimmers. The union had protested on the ground that a number of non-union men were retained, contrary to the provisions of the agreement, while the union men were let out. The company contended that the retained men were virtually union members, having filed their applications for membership, and by reason of that fact had acquired the right to be treated as members by virtue of the clause on "Union Membership": "The provisions for preference made herein require that the door of the union be kept open for the reception of non-union workers, etc." The company claimed under this clause that "such application automatically becomes a membership," and that therefore it was justified in assuming they were members of the union.

In deciding the contention in favor of the union, Mr. Williams relied upon the explicit language of the "Preference of Seniority" clause. He ruled as follows:

> "The chairman cannot agree to this interpretation (of the company), which would enable one side to dispose of a case in dispute without any judicial process whatever. The makers of the agreement apparently foresaw difficulties of this sort and provided a method of dealing with them, for the agreement states * * * that 'The company shall give notice to the chief deputy of its intention to discharge under this clause, and if he fails to agree the matter shall be referred to the Trade Board.' * * * The chairman cannot accept any 'automatic' interpretation of the open union clause, which would prevent a disputed case being passed on by the Trade Board before action is taken.
>
> "The four men who were laid off should be reinstated with back pay as directed by the Trade Board."

Among the necessary powers of management—necessary in the interest of efficient administration of the factory—is that of reorganizing sections and, if need be, abolishing them. Such changes are usually the result of important innovations in the character of the product, and sometimes in the methods of production. Under such circumstances, the problem of reconciling the conflicting interests of efficient production and of the workers' claim to fair treatment has to be met. It is recognized in the agreement under the heading: "Abolishment of Section.—When sections are abolished, the company and its agents shall use every effort to give the displaced workers employment as much as possible like the work from which they were displaced, within a reasonable time." This provision, with the relatively free hand it leaves to management, does not, however, apply unless the section is entirely discontinued. Where merely a reduction of section is involved, the freedom of management is further limited by the principle of union preference, as has been already shown. The application of this principle to an entire shop is not specifically provided by the agreement, but it seems to be implicit in the general clause relating to preference in discharge. At any rate, this has been the construction placed upon the clause by the Board of Arbitration in the following case.[174]

Factory "J" was discontinued by action of the company and a dispute arose over the disposition of the workers in

that factory. It was understood that shop "X" would occupy the premises vacated by Factory "J," and that it would be enlarged, and thereby would take care of about two-thirds of the Factory "J" workers, leaving the other third without their usual place of work. The company proposed to dispose of these workers according to the principle of the "abolishment of sections," under which it would try to put the displaced workers in other positions to the best of its ability. The union held that under the principle of preference the non-union workers should be first laid off and the union people be given their places. The Trade Board having authorized this preferential procedure, the company protested against the decision and asked for a review by the Board of Arbitration. Against the decision it urged that the "Seniority" clause invoked by the Trade Board had reference solely to the reduction of sections; that it did not apply to a shop as a whole; that such an application would be wrong and harmful and work injustice to the organization (of the shop).

In deciding that the situation presented in this case properly came within the scope of the preferential principle, Mr. Williams ruled as follows:

> "The chairman feels that in the present case we are facing practically a new situation. We have not before dealt with the shutting down of a large factory and the displacement of workers on a considerable scale. It is possible such a contingency was not in mind when the 'Preference of Seniority' clause was adopted, and it may have been more specially designed, as stated, for the reduction and balancing of sections. But the situation is upon us. If it be contended that the clause is not in point, then it is the business of the Board to provide means adequate to deal with the situation in the spirit of the agreement.
>
> "As indicating the principle to follow we have a clear and unmistakable guide in the language of the agreement itself * * * It states: 'Should it at any time become necessary to reduce the force in conformity with the provisions of this agreement, the first ones to be dismissed shall be those who are not members of the union in good regular standing.' This statement is made without reservation or qualification, without re-

gard to section, shop, or place of employment. It is clearly applicable whenever it may 'become necessary' to reduce the force. The chairman cannot escape the conviction that there is a reduction of force at the present time and that the union is within its rights under the agreement in its claim for the dismissal of non-union people.

"With respect to the method of putting this principle into practice, the chairman is not able to conceive any better order for laying off people than that provided by the clause 'Preference in Seniority.' Whether or not it was intended for such an occasion as the present, it has the advantage of the sanction of both parties for something very similar, and if we want to resort to so disagreeable a thing as a dismissal, we can probably find no way that is fairer or more acceptable."

The operation of the seniority principle as a method of preference as between union workers on a basis of length of employment, is not defeated by previous transfers of such workers within the establishment. In other words, a worker is entitled to preference in lay-off under this principle according to the total length of his employment with the firm in question. This point is illustrated[175] by the case of Eva S——, who had been laid off, as the union complained, in disregard of her rights under the "Seniority" provision. This girl had been employed by the firm as a label sewer for several months after which she was transferred twice to other sections. When it became apparent that her section was permanently over-manned and had to be reduced, the labor manager searched for other work that Miss S. might do, but finding none, he informed the deputy of his intention to lay the girl off. Under these conditions a lay-off was within the rights of the firm. But after hearing the evidence, the Trade Board found that the firm had not applied properly the senority rule in laying off Miss S., for two of the three girls retained in the section had been employed more recently than she. It appeared that the selection had been made on the length of service in the section rather than on the length of time employed by the firm, as the rule clearly requires. The Trade Board, therefore, directed that Miss S. be reinstated.

The principle of preference according to seniority in em-

ployment has its counterpart in preference according to seniority in union membership. Though this latter rule is not set down anywhere in the agreement, it has been deduced from the most general principle of union preference underlying the agreement. Wherever the application of preference does not entail definite detriment to the interests of efficiency, the presumption of the agreement is in its favor. Under the caption, "Avoidance of Injury," the agreement defines the limits within which claims for preference are to be enforced. The clause reads as follows:

> "Among the things to be considered in the enforcement of preference are the needs of maintaining an adequate balance of sections, of the requirements of the busy season, of the difficulty of hiring substitutes, and the risk of impairing the efficiency of the organization. The claims for enforcement of preference and for avoidance of injury to the manufacturing organization are to be weighed by the Trade Board, and the interests of both claims safeguarded as far as possible, the intention being to enforce preference so far as it can be done without inflicting substantial injury on the company."

It was under this clause, as well as on the basis of a verbal understanding between the cutters and the company, that the petition of the union was originally brought for the application of preference by seniority in union membership. The understanding in this case[176] was to the effect that the temporary cutters employed that season, who had just become members of the union, were to be subject to the lay-off of men as non-union men. Owing to the novel principle involved, the Trade Board referred the matter to the Board of Arbitration for interpretation of the "Avoidance of Injury" clause.

In presenting its case before the Board of Arbitration the union contended that under the operation of the preference clause as then administered, an old and valued member of the union might be laid off and a recently acquired member who joined only to get a job might be retained. It claimed that this practice not only worked a substantial injustice to the older member, but it also injured the union by failing

to recognize the value of long and faithful membership and by giving preference to members of transient connection and possibly sordid motives. The company replied that its interest in the matter was purely that of efficiency, that in the lay-off period it wanted to lay off the less efficient worker and to retain the better one, and that it wanted as wide a range of choice as possible for its selection. In this interest it had exercised the choice given it by the agreement without regard to their status in the union, and solely with a view of retaining the better workers.

After due consideration of the arguments of both sides, Chairman Williams ruled as follows:

> "It appears that the adjustment of conflicting claims of preference and efficiency has been left by the agreement in the Trade Board, which in this case passes it on to the Board of Arbitration. There being no specific direction on the point in controversy, we must fall back on the general principles on which the agreement is founded. The chairman before accepting the office has stated these to be in brief, the strengthening of the union and the promotion of efficiency. On page 13 of the agreement, it speaks of 'the intention being to enforce preference as far as it can be done without inflicting substantial injury on the company.'
>
> "In balancing the claims of preference and efficiency in the present instance, it seems to the chairman that it might be possible to grant the recognition of seniority in union membership asked for by the union without inflicting substantial injury on the company. They ask that those who have been members of the union for six months or more shall have preference over those who have been members for a shorter period and that in case of a lay-off those with less than six months' membership shall be the first to be laid off. This means to the chairman to propose a reasonable disposition of the question of preference by seniority of union membership and is accepted as such by him. It is directed, therefore, that hereafter temporary workers in the cutting and trimming departments who have been members of the union less than six months shall be laid off before those who have been members six months or longer. In case of a disagreement about the term of employment, the Trade Board shall decide."

The union is directly concerned whenever any of its members are laid off. As long as they are involuntarily out of

work they naturally look to the union for placement. The union's burden and responsibility are the greater the more of its members are unemployed and the longer they have been idle. If the organization is informed in advance of a proposed lay-off of union workers, it can sometimes make adequate provision for them without loss of time on their part, and in any event can assist them in finding employment elsewhere. It is from considerations of this character that the rule has sprung up requiring the management to give notice to the union of such proposed lay-offs and to take counsel with union officials with a view to reducing to a minimum the unavoidable hardship to the workers concerned. This rule, as we have seen, has the sanction of the agreement whenever workers are to be dismissed under the " Preference of Seniority " clause, but it is not explicitly made to apply to temporary lay-offs. The extension of the rule to such situations, however, has been effected by special order houses. For other houses, it has, as yet, only the support of the most approved usage and of several decisions of the Impartial Chairman. The following is a case in point.[177]

The union in this case complained that the firm had closed its cutting and trimming room one Saturday and also laid off three cutters without taking the matter up with the union. The question of laying off three men had not been taken up with the shop chairman until just before closing time Friday. The right of the firm to close the shop or to lay off workers was not questioned by the union. What the union objected to was the manner in which the firm had handled the question. The Trade Board recognized that there was no agreement for ready-made houses as for special order houses covering specifically the manner in which such questions were to be taken up; " nevertheless market practice and certainly good management are in favor of advance notice to the union. Short weeks on lay-offs present problems to the union as well as to management. The problems should be approached in a spirit of co-operation and not by arbitrary action on the part of either. The lay-off of the three men appears to the Trade Board to have been uncalled for and to have been handled

arbitrarily. The labor department was not consulted. The shop chairman was not notified until just before closing time." The Trade Board directed not only that the three cutters be returned to the shop but also that they be paid for time lost.

The employer's motive in failing to give advance notice of an intended lay-off, where this is the case, usually resolves itself into the fear that some or all of the workers might leave his employ prematurely and refuse to finish out the work in process. But such conduct on their part would not have the endorsement of the union. On the contrary, if the employer deals openly with the union, observing his responsibilities with respect to preference, conference, etc., the union assumes on its part a corresponding obligation. It undertakes to keep his productive organization intact by refusing to recommend for employment with other firms workers who quit their places without notice. In view of this fact, and of the general spirit of the agreement, the union has gained the right to be consulted and notified beforehand whenever a lay-off is contemplated by the employer. The principle of advance notification has, indeed, received its broadest and clearest confirmation on this ground of mutual responsibility of the parties. To this the decision of the Board of Arbitration in the following case[178] convincingly testifies.

In this case a firm, preparing to discontinue one entire shop had dismissed three workers without previous notice and others with inadequate notice. When the case came before the Board of Arbitration, Chairman Tufts made the following constructive ruling:

> " The Board of Arbitration concurs with the Trade Board on the point that this case is not definitely covered by the agreement or by precedents in Hart, Schaffner and Marx. This precise contingency of a firm closing up an important part of its business, was probably not in the minds of the parties to the agreements. The question, therefore, is, may the firm act in accordance with previous usage and discharge men without notice (as in the case of the three workers first discharged in this case), or with very short and indefinite notice, or does the

general character of present agreement between firms and union justify a different view of responsibility.

"The question of usage has repeatedly arisen in hearings before the Board of Arbitration for Hart, Schaffner and Marx. The present chairman has ruled that although usage raises a certain expectation and is, therefore, to be given due weight, it is not to be regarded as final. The question whether a given usage is reasonable may be raised. Usually, it has been the union which has claimed usage; in this case it is the employer.

"The Board of Arbitration holds that the older usage in accordance with which neither employer nor worker had any responsibility to the other after the end of a day's work is not in the interest of the industry. It certainly may bear very hard upon the individual worker. In the case in question some of the workers were apparently given no notice whatever and they were thus placed in a serious situation. It was not treating them with proper consideration to discharge them without notice. It is possible that the firm might fear that all workers would suddenly leave if it should become known that the firm was about to close. This ought to have been taken up with the union and an arrangement worked out by which the work on hand could be finished up.

"It is stated by the Trade Board, and is not, so far as I know, denied by employers, that the union has aided to a large degree in stabilizing working conditions and preventing men from leaving one firm suddenly to go to another for higher wages. There has been, therefore, under this agreement, some increased responsibility on the part of the union. This Board holds that it is only proper that there should be an increase of responsibility on the part of the employers. It is to be hoped that this particular situation will not often arise, but this Board holds that for the future it must be clearly recognized that there is a mutual obligation."

A large reduction in the working force of a firm such as is entailed in the discontinuance of a shop or a factory, almost inevitably involves the laying off of a considerable number of workers. Short of a system of insurance against unemployment, which does not yet exist in the industry, such a crisis, especially at a time of general business depression and industrial contraction, cannot be fully met by the union alone. The burden is one that the industry—in this case the employer—should at least partly share. He does so in a small measure by giving the workers and the union advance notice

of the proposed closing, as contemplated in the Tufts decision just quoted. But in a seriously depressed labor market, even such notification is of little avail. A larger share of responsibility for the workers affected must be assumed by the employer. What form this shall take in the absence of an insurance fund, was the problem that the Board of Arbitration had to meet in the following case.[179]

The firm in this case, having no need for continuing one of its two vest shops, decided to merge it with the other. This would have involved the simultaneous displacement of a large number of workers then employed by the firm. The employer's right of closing a shop as an administrative measure cannot be denied under ordinary conditions. It serves the ends of efficiency, which is one of the major purposes of the agreement. But efficiency is not the only purpose. Of equal if not greater importance is the maintenance of the rights of the workers as human beings and in a sense partners in the industry. In the language of the preamble: "On the part of the workers it is the intention and expectation that they pass from the status of wage servants, with no claim on the employer save his economic need, to that of self-respecting parties to an agreement which they have had an equal part with him in making; that this status gives them an assurance of fair and just treatment, etc." The conditions in this case were extraordinary, and the union challenged the firm's right to close the vest shop suddenly without making some provision for the workers employed there. In meeting the issue thus presented, Professor Tufts made the following notable ruling:

> "In general, this Board is always in favor of economy in production, provided this can be secured without injury to other more important interests. In the present case the Board holds that we ought to be considerate of the conditions caused by this very large reduction in work. Although we have as yet no adequate means of caring for the burdens due to seasonal and exceptional maladjustments, nevertheless, we ought not to aggravate any of the necessary evils but ought rather to minimize them. Assuming then, that the desirable thing is for many of the vest makers to find work elsewhere, as rapidly as possible,

and very likely that for the younger workers this work will be found in many cases in other occupations, the Board holds that the company can well afford a slight additional expense for the sake of avoiding the feeling of resentment so far as possible, which follows when persons have entered employment supposing it to be permanent and later find themselves out of work.

"The Board directs therefore that until October 1 (5 weeks later), the merging of the shops be suspended."


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I. P. E. U.


TO SIDNEY HILLMAN
INTERNATIONAL PRESIDENT A.C.W. OF A.
HIS RETURN FROM EUROPE
AT THE
EDUCATIONAL MEETING AND CONCERT
BY THE
CHICAGO JOINT BOARD OF
CLOTHING WORKERS OF AMERICA
ASHLAND AUDITORIUM
KAUFMANN & FABRY CO.
CHICAGO

PREFERENCE IN TRANSFERS AND PROMOTIONS

When in 1913 the principle of union preference was first introduced in the relations of the clothing workers with the firm of Hart, Schaffner and Marx, it was made to apply only to the hiring of workers and to their dismissal. In other dealings of the company with its employes, such as transfers and promotions, the management was not in any way bound to show preference to union members. But such preference was of considerable importance to the union in its quest for control. Without it non-union workers who had done nothing toward building up the organization or toward achieving the working conditions and standards shared by them with the rest, might continue to enjoy privileges over union workers whenever a transfer or promotion was in question. Furthermore, the absence of any provision for union preference at these points tended to defeat the object of the preference provision in connection with lay-offs. The reason for such a result is to be found in the ease with which non-union workers could, at a time of reduction of force, be transferred instead of being dismissed, or could even be retained in their places while union workers in the section were being transferred to less desirable positions elsewhere.

The status of the early law on this subject of preference and the way in which in a critical borderline issue it might be stretched to cover even certain situations involving transfers, is well shown in the case[180] decided by the Trade Board, and later, on appeal, by the Board of Arbitration, some time during 1915. In the reorganization of a certain section it became necessary to reduce the number of workers, and the company removed the superfluous ones to other places. Of those retained, one was a non-union girl, and the union claimed that under the principle of preference she should have been the one to be removed and a union girl retained. The company maintained that this was a regular case of transfer and under the agreement it was not required to show " preference " in transfer but only in cases of hiring and discharge. The union replied that this was not a case of trans-

fer but a case of lay-off, and as such came within the scope of the preferential principle. The union pointed out that the force in the department was permanently reduced, and that while it was true that the workers had been offered other employment, in most cases it was of so disadvantageous a character that the workers could not make wages and in some instances the workers had quit work and were without employment, so that in effect the removal amounted to a dismissal.

Basing his opinion on the facts as stated, Chairman Williams, of the Board of Arbitration, held " that elements are present in this case that differentiate it from ordinary cases of transfer; that, in principle, it partakes more of the nature of a lay-off than of a transfer, and in view of this preponderance of the element of lay-off in the transaction the application of preference may properly be asked for and granted. The chairman does not find that the Trade Board has erred in the matter, and is unable, therefore, to grant the appeal of the company."

The union, however, was determined to extend the application of the preferential principle to all cases of transfer and promotion, regardless of the presence or importance in the situation of any element of lay-off or of hiring. Accordingly, in the later agreements with the firm of Hart, Schaffner and Marx, the union secured the inclusion of the following express provision bearing on the subject of

PREFERENCE IN TRANSFERS

" If it becomes necessary to transfer workers from one shop to another, the non-union workers shall be the first to be transferred, unless at request of the foreman, union workers are willing to go.

" Or if it becomes necessary in the judgment of the company to transfer a worker from a lower to a higher paid section or operation, it is agreed that union workers shall have preference in such transfers. Provided, that nothing herein shall be construed to be in conflict with the provisions relating to transfer for discipline, and, provided that they are qualified to perform the work required and that their departure from their section does not work to the disadvantage of that section."

In the course of the six years that have elapsed since these provisions were first written into the agreement, the proportion of non-union to union workers has been effectively reduced. This process of unionization has gone so far that it has deprived the preferential principle of some of its early significance. Nevertheless, cases of discrimination continue to occur in connection with transfers no less than with lay-offs and hiring of workers. These are cases in which union members receive at the hands of employers less favorable treatment in comparison with non-members than under the preference clause of the agreement they are entitled to. As a rule, the discrimination is incidental and not deliberate, but this does not diminish the need for vigilence and the assertion of its rights by the union. A case in point is the following, of recent occurrence:[181]

The union in this case protested against the transfer of L. C., an inspector-tailor, from Factory " A " to " B " and later to " R," and asked for his re-transfer to " A," and that a non-union man in " A " be laid off. In support of this request the union cited the general preference provisions of the agreement relating to the lay-off of non-union men during the slack season. In any event, the union maintained, the rule regarding transfers provides that non-union workers are to be transferred unless union workers are willing to go. The company merely contended that C had suffered no loss by his transfer to " B " or " R." At the time there were four inspector-tailors in " A " who were non-union. The Trade Board held that in view of this fact, " these men by the provision of the agreement are subject to lay-off or transfer before union men. C could not be transferred while non-union men were retained during the slack period. Nor could he be transferred against his will while non-union inspectors were available for transfer." The Trade Board accordingly directed that C be retransferred to " A." If this transfer should overcrowd the section, non-union men were to be laid off in sufficient number to relieve the overcrowded condition.

Since transfer is preferable to lay-off, union workers are

entitled under the agreement to be transferred from an overcrowded section if there are non-union workers that can be laid off to make room for them. An illustration is found in the case of Anna B.,[182] who was laid off because of slack work in Factory " B," where she had been employed. The union had requested that she be transferred to Factory " R," where a non-union girl was employed at similar work. The company objected on the ground that the agreement restricts transfers because of overcrowded sections within each shop and between separate factories. The complaint was then brought to the Trade Board. The evidence showed that this non-union girl had been hired without a requisition. In view of this fact the Trade Board directed that the non-union girl be dismissed and the place given to Anna B. The Board further directed that Anna be paid for time lost between her dismissal from " B " and her date of employment in " R."

Had there been no irregularity in the hiring of the non-union girl, it is still probable that the company would have been obliged to dismiss her to make room for the union girl from another factory. On the other hand, the claim of a union worker to preference does not extend to the point of displacement of a non-union worker in another section. Nor does it involve even the right of the union worker to be transferred to a section other than his own where there exists a vacancy, unless he has the necessary qualifications to fill it. These issues were tested and decided by the Trade Board[183] in two instances, which are here summarized:

The first instance is that of J and K, who had been marking patches in Factory " L " when laid off. The union asked that they be placed as floor boys, as there were two non-union floor girls in " R," one in " J " and one at " L." The company objected that they could not be required under the agreement to displace a non-union worker who was not employed in the same section. The Trade Board in this case found the position of the company to be sound. It " cannot find in the agreement any provision as to preference which would compel the company to dismiss non-union people employed in one section to make room for union people em-

ployed in another section. If J and K had been employed as floor boys in " L " the union's claim for their employment as floor boys elsewhere where non-union floor boys are employed would be sound, and the company could be required to dismiss the non-union help in favor of the union workers. That is not the case in the present instance. These two workers were not employed as floor boys and they cannot get benefit of the preference provision under the agreement."

The other instance is that of N, who had been marking bolts when laid off. The company needed bottom sewers and the union suggested that N, who had had a little machine experience, be given this work. The company refused on the ground that this was a girls' section and N was not a regular bottom sewer, and they were not compelled to put him in the section. The Trade Board could find no authority in the agreement to place N in the section of bottom sewers so long as he was not a bottom sewer. " If he were a bottom sewer, the union might have a claim, even though the section were a section of girls."

Transfers that are in the nature of promotions involve, as a rule, the shifting of a worker from one section or operation to another where higher earnings are possible. The case just cited makes sufficiently clear the proposition that preference to union workers in transfers of this character presupposes not only the existence of a vacancy and the employer's intention of filling it but also the union worker's ability to do the work of the other section. This may or may not imply actual previous experience at the particular operation to be performed. Experience with a related operation may in some cases be adequate preparation. The minute division of labor prevailing in the larger factories carries with it a high degree of specialization on the part of most workers that precludes expertness in more than one or two operations. At the same time, there are enough elements of similarity between a number of different operations to make transfer between them frequently practicable. The question of fact as to whether or not a worker is " qualified " is to be determined by the employer. It is to be determined experiment-

ally, however, that is, with the presumption in favor of the worker recommended for promotion by the union and otherwise eligible under the agreement. An adverse decision by the employer in advance of a trial for the candidate, may be challenged by the union and appealed to the Trade Board, like any other dispute under the preference provision of the agreement. It was on this point that the decision of the Trade Board in the following case turned:[184]

In this case the union asked for promotion of Ethel W., a sleeve lining sewer, to a position as cuff tacker in Factory "L." The union claimed at the hearing that this girl had spoken to the labor manager about the promotion, but instead of obtaining the position the superintendent had given it to a non-union girl. The labor manager testified that the superintendent had given the other girl the place because she had worked one time as a cuff tacker and was therefore experienced. The union cited the provision of the agreement under the head of "Preference in Transfers" (see p. 364 above). They contended that this section required the company to give the position to the union girl. The company contended that they were not required to give her the position, as one of the provisions is that the worker seeking promotion must be "qualified to perform the work required," and that in this case the girl was not qualified, as she had never worked at cuff tacking. The union replied that whether the girl were qualified or not could not be determined until she had been tried on the job; that if no one were to be promoted unless he was able to do the work, no promotions could take place under the present sectionized system of production, and the company's interpretation of the clause would make the whole section ineffective, whereas it was clearly the intention of the section to make promotion possible and that union workers should be given the preference.

The Trade Board, after considering the evidence and arguments in the case, upheld the union's position. The chairman ruled that the section of the agreement in question "was intended to give the union workers preference in promotions, that is, they were to be given first chance at the job, and if

they were found to be qualified, that is, were able to turn out the work efficiently, they would be entitled to hold the position. If the Trade Board were to accept the company's interpretation, it would have to regard the provision: 'Qualified to perform the work,' as a joker, which would rob the entire section of any significance. If promotions could take place only as workers were 'qualified' in the sense which the company urges, no one could be promoted, except on option of the management, whereas this section was intended to lay down a rule determining preference in promotions for union workers." And in accordance with this opinion, the Trade Board directed that the girl be given opportunity to do the cuff tacking.

When preference in promotion is accorded to a union worker over a non-union worker, as in the foregoing case, the employer is not limited to any particular individual but is, in general, free to choose which union worker to promote to the position. In the case just presented, the company demurred against that part of the decision requiring it to give the appointment to Ethel W., as against some other union worker in its employ. In meeting this question as to whether the company has liberty to select the girl who is to be promoted, the chairman stated he did not find anything in the agreement to limit the company in this respect. "The individual to be promoted must be a union member qualified to do the work and whose promotion will not work to the disadvantage of the section from which he is promoted. The union holds that the first girl to make application for the promotion is to receive it, but I find nothing in the section in question to warrant this construction."

The employer's liberty of selection, however, even as between union workers, is not unlimited. It may not be used in such a way as to entail unfair discrimination against individuals. There may even be said to be some recognized grounds of preference as between one union worker and another. Among such grounds of precedence are, as in the matter of lay-offs, those of seniority in employment and in union membership. The following Trade Board case illus-

trates not only this limitation on the employer's freedom of selection for promotion, but also the application of the experimental principle for determining the relative qualifications of the union's candidate as against the firm's.

The union in this case[185] complained against the employment of a man new on quality off-pressing, while an old man, a former off-presser, was available for the work. The union contended that the old employe, S., was a former off-presser by hand, had done work of the required grade as a bushelman, and was qualified to press the quality work in question. The company contended that in the selection of a man on week work they were at liberty to select any man they thought fit for the work, and further, that the man selected was better qualified than S., who, the company claimed, could not do the work. In adjudicating this issue, the chairman of the Trade Board held that " the people had a grievance that ought to be determined on the merit of the two men; that unless the new man was clearly a superior workman to S., the latter, as an old employe of many years, ought to have whatever opportunity for advancement there might be, the more so as he had been displaced as a regular off-presser when the machines were introduced." Accordingly, an examination of the work of each man was made. The result appeared to show that S. was at least of equal ability with the new man as a presser, and the Trade Board thereupon ordered that he be substituted for the new man on this work.

Frequently, when transfers from one section to another or from one shop to another are under consideration, the principle of preference to union workers requires that the management shall not proceed alone. Interests of workers and of the organization are involved that can only be properly conserved by having the union join in the arrangement. For example, where a question of precedence arises or as to the conditions of the transfer, it is of importance even to the employer that any suggestion of discrimination be avoided. The participation of the union in fixing the terms under which such transfers are to be carried out serves, on one

hand, to protect the interests of its members concerned. On the other hand, it insures the management against subsequent claims and complaints by workers who in the absence of such union sanction might feel themselves disadvantaged by the change. The impartial boards have recognized the need for such joint control over critical cases of transfer in several important decisions. An instance is the following:[186]

The firm of Hart, Schaffner and Marx proposed to discontinue one of its factories, in which several hundred workers had been employed, and at the same time was planning an extension of one of its other shops by adding about one hundred workers. The union asked the Board of Arbitration that these additional people be transferred from existing sections, and that the whole matter of transfers be placed under the supervision of a committee. The chairman of the Board thereupon directed that the whole matter of transfers caused by the closing of the factory and the extension of the shop in question be subject to revision and approval of a committee consisting of Messrs. Marimpietri, Levy and Mullenbach, and that any differences arising in the course of the adjustment should be decided by Mr. Mullenbach.

The need for proceeding by joint agreement and consent has been recognized even more clearly in the matter of transferring workers from one section to another. This need rests upon the fact that except in times of ample employment in the market, the union has an interest in controlling and restricting such transfers in the interest of its unemployed members, who would be available for filling vacancies. The issue was presented to the Trade Board in a case[187] involving the question as to whether the company, without arrangement with the union, might transfer a worker from one section in one shop to another section in a second shop, or whether the company must make requisition upon the union. The Trade Board ruled that though " the agreement is not specific on the point," a transfer *between sections* was " contrary to the agreement and to previous practice."

From this decision the company appealed. Before the Board of Arbitration it maintained that it had the right under

the agreement and had " times without number " exercised the right of transfer from one section to another; that the only limitation upon such right was that the worker should not sustain uncompensated loss from it; and that the right in question was essential to efficient management. The union, on the other hand, stated that it had no objection to transfer from one shop to another within the same section, provided of course that no uncompensated loss was involved, but that it did object to the transfer from one section to another when it had workers out of employment. It contended that no transfers from one section to another had been made without requisition and without arrangement with the union.

The chairman of the Board of Arbitration, in agreement with the Trade Board, found that the agreement does not specifically provide for or prohibit the transfer of workers from one section to another. However, he observed that the right appeared to be implicit in at least one clause of the agreement: " If it becomes necessary in the judgment of the company to transfer a worker from a lower to a higher paid section or operation, it is agreed that union workers shall have preference in such transfers." In view of this clause the chairman dissented from the Trade Board conclusion that the arrangement entered into with the worker in this case was " contrary to the agreement and to previous practice." He then rendered the opinion of the Board of Arbitration, as follows:

> " It must be said, however, that it is laudable for the union to seek to have as many of its members as possible share in the work available. That was its desire in this case. It is equally proper for the company to wish to give those on its payroll as continuous work as possible and to protect itself against the tendency of a section of week workers to spread work when it is slack. That was its object when in this case it arranged with a union inspector-tailor to transfer him to a tailoring job in another shop. Where there are two proper interests involved the chairman feels that a matter should be worked out in a co-operative way. Moreover, unlimited transfer from over-crowded sections to others by individual agreement might lead to the break-down of the section system assumed in lay-offs and division of work in the slack season. No doubt, if there were

> perfect freedom of transfer by the company, the union workers would ask for the lay-off of non-union workers and that their places be filled by the transfer of union workers from other sections. Because of these considerations, the chairman urges that transfers from one section to another in the tailor shops be made as arranged with the union."

The agreements in Chicago do not provide for the transfer of workers between different houses or firms. Yet there are situations that would make such transfers advantageous for both workers and employers. This applies in particular to the temporary shifting of workers from "ready-made" to "special order" or tailor-to-the-trade houses. Each of these groups of houses in the market has its own seasonal fluctuations—its busy season and its lull—and these do not coincide with the corresponding seasons of the other. Consequently, when the ready-made manufacturers are at the height of their production period, the tailors-to-the-trade have scarcely begun operations for the season. And conversely, when these shops are in full swing, the factories of the others are at the end of their season and running more or less far below capacity. At such times it was customary for many workers, especially cutters, having been laid off in the ready-made industry, to seek temporary employment in the special order branch of the industry, and vice versa, until the return of the season in their own branch. It did not follow, however, in all cases that they returned to work for their former employers. Instead, they might through the union or independently secure places in other houses, in this way imposing the costs of a high labor turn-over on the industry in general and on the employers concerned in particular.

Out of this situation there arose, late in 1919, a desire on the part of certain tailors-to-the-trade for an arrangement by which temporary transfers of cutters from their own establishments to ready-made houses could be effected. The demand for cutters in the market was such as to make it doubly desirable for an employer to keep his force together from one season to another, and this was the object at which the arrangement aimed. Since the agreement did not speci-

fically cover this situation, the employers attempted to proceed directly in the matter. But the union interposed objection to this procedure on the ground of its interests and rights under the preference provision of the agreement. The matter came to an issue in a case brought before the Trade Board[188] and decided on November 20, 1919. The case was instituted by two firms, which may here be designated as E. & Co. and S. & Co., which asked the Trade Board for a ruling as to their rights under the agreement to effect a transfer of workers between them. The facts as set forth by these firms were as follows:

> "That S. & Co. (tailors-to-the-trade) find that the present volume and the immediate future demands of its business do not justify the employment of its full number of cutters on full time. The firm, however, wishes to be in a position to meet the demands of its next busy season by expanding its force of cutters, when the occasion justifies such action. In the meantime, it wishes to make an arrangement with E. & Co. and possibly other 'ready-made' houses for the temporary transfer of certain cutters to such firms with the understanding that they will be returned on request of either party.
>
> "In accordance with such a plan of transfer the labor manager of S. & Co. consulted four cutters in their employ who have had experience in 'ready-made' houses. These men expressed a willingness to be transferred. The shop chairman who was advised of and in sympathy with the proposal, went with the four men to the union headquarters and asked for their transfer. The deputy refused, saying in effect that if E. & Co. wanted cutters they should have made a requisition to the union; that there were cutters then unemployed who were available.

Among the arguments advanced by the firms in support of their plan of transfer were the following:

> 2. "That the proposed arrangement is beneficial to the workers involved. It makes for a periodic expansion and contraction of the cutting force according to the demands of the business at various stages of the season and makes for uninterrupted employment both to the workers transferred and to the permanent force. It works toward the permanent employment of the workers and against 'floating.'
>
> 3. "That it aids the employer in maintaining a stable and permanent personnel, which is essential to highest production.

It is especially important to the 'special order' houses, which are the smaller factors in the industry, to exercise some measure of control over the supply of cutters which is trained for their particular requirements.

5. "That the proposed arrangement is in accordance with a long standing practice in the Trade and does not involve conditions adverse to the interests of the workers which the agreement is intended to rectify * * *"

The union in its argument maintained that in all cases transfers of union workers must be approved by the union, that when an employer desired additional help he must make a requisition upon the union, that this was the Hart, Schaffner and Marx practice, and that any other arrangement would be unsatisfactory because the available work would not be properly spread among the membership of the union, which the organization was expected to effect.

In the course of his decision in the light of the arguments advanced by both sides and of independent investigation, the chairman of the Trade Board held that:

"The practice of the Hart, Schaffner and Marx firm does not support the contention of the firms in this case that an employer 'is not bound by the agreement to requisition the Union for help when it is possible to secure union workers in some other way.' The contention (5) that the arrangement proposed in this case 'is in accordance with a long standing practice in the trade' is of no weight, for it was one object of the agreement to effect a change in that practice and the part of the agreement here involved was certainly given due consideration in the conference and was not merely copied without a knowledge that it involved a change from the past procedure in securing help.

"The Trade Board holds that Article IV of the Agreement (Preference) means just what it says. * * * It states that 'whenever the employer needs additional workers, he shall first make application to the union, specifying the number and kinds of workers needed.' It is left to the union to determine who of those properly qualified and available shall be sent to fill the requisition. But if the union for any reason fails within a reasonable time to send workers as applied for, the employer is at liberty to secure them in the open market as best he can.

"The Trade Board rules against the main contentions made by these firms. Transfers must be made in harmony with the

> clause in the agreement providing for requisition upon the union when additional workers are wanted. The Board recognizes, however, the importance of what is stated in contentions 2 and 3, as well as the importance of spreading work among the union workers in the trade. It seems to the Trade Board that a more definite understanding relating to transfers should be agreed upon by the firms and the union. The representatives of the union have offered at the hearing to make an arrangement whereby a transfer will not result automatically in a higher and relatively unfair wage when a man returns to his regular place of work and to guarantee the return of men loaned with its approval. This opens the way to secure much that the firms desire to secure through transfers of workers."

The union's offer to insure employers against excessive wage demands by individual workers returning after temporary employment by another house has reference to the way in which the principle of wage maintenance in transfers worked out in a time of strong competition for workers. A worker might be employed by another firm for a short period of time at an increased wage and then return to his former position to receive at least this higher wage—a sum out of proportion to what those who had been in continuous employment were receiving. If, therefore, after such temporary employment elsewhere, workers were to be required to return to their places, not at the increased scale but at the rate previously received by them, such restraint upon the workers as regards individual bargaining for wages could only be exercised by the union. The employers were in need of the union's cooperation in this matter, and the union offered it, together with a guarantee to return the workers to their former places by way of the union's employment bureau.

But the employers wanted more than this. They wanted if possible to eliminate entirely the union's intervention in such transfers, and, failing that, to secure joint control with the union over the selection of the workers. Accordingly a month after the foregoing decision had been announced by Dr. Millis, the firms appealed to the Board of Arbitration. In their brief presented to the Board[189] they raised the question of strict interpretation as applied to Article IV of the

agreement. They claimed that the primary purpose of the article on the preferential shop was to give members of the union preference over non-union workers, and not to give exclusive control over the allocation of labor to the union. They further claimed that a strict interpretation of the section in question with an exclusive control over the distribution of employment in the hands of the union would preclude a joint employment agency, which they considered a fairer and more efficient method of finding the right man for the right place. They claimed further that the principle of collective bargaining did not exclude all individual bargaining, for otherwise the preface of the agreement relating to "the establishment and maintenance of a high order of discipline and efficiency" would be defeated, as the management could exercise no function whatever in selecting the men whom it needed for its various kinds of work, but would have to depend entirely upon the judgment and wish of the union as to whom it might employ. The firms, therefore, wished the way left open for a joint employment bureau, and in particular asked for a ruling on the principle of strict interpretation, on employment of members of the union without requisition, and on arrangement for transfer and release with individual workers without the intervention of the union.

On behalf of the union Mr. Levin argued that the language of the agreement was explicit and that if the proposed practice of transfer were permitted two other provisions would be nullified, namely that providing for the dismissal of non-union help and that for equally dividing the work in the slack season. He also stated that the firm was given a trial period of two weeks in which it might decide whether to retain any worker sent, and that the office of the union undertook to exercise discretion as to the kind of workers to be sent to a particular firm in order to select those who would be best adapted to the methods and standards of that firm.

In rendering the decision of the Board of Arbitration in this case the chairman made it clear that the principle of broad as against strict interpretation of the agreement should govern. He pointed out that wherever there was doubt as

to whether the words of the agreement expressed the definite intent of the parties, or as to whether the case in question was actually of the sort contemplated by the makers of the agreement, the general purpose as set forth in the preamble must be taken into account in construing the meaning of particular sections. Proceeding from this principle, Dr. Tufts ruled as follows:

> "It is the opinion of the Board that the primary purpose of this section (concerning the preferential shop) was to give preference to union over non-union workers, and that it would be going beyond the clearly expressed purpose if it is interpreted to provide for a complete and exclusive allocation of workers. It is stated by the union that the firm still has some choice under the clause as it stands, for the firm has two weeks in which to give the workers a trial. It does not seem to the Board that this fully meets the needs of efficient management. In former times the attitude of the employer towards the requests by the worker for some say as to the conditions of employment was: 'Here is the job; take it or leave it.' It savors of the same exclusive attitude if the union should say to the employer who desires to have some voice in selecting the particular kinds of men which he thinks would be suited for his work: 'Here are ten men; take them or leave them.' Instead of the former attitude the agreement under which the parties are now working has substituted conferences and joint action on a large number of important conditions such as prices, etc. It would clearly be more in accordance with the spirit and purpose of the agreement to have similar joint action in the case of selecting workers such as might be provided under a joint employment agency or an employment agency supervised by the impartial machinery. The Board would therefore hold that the section in question is not to be interpreted as giving the union such exclusive control over the personnel of employes as to exclude the setting up of such a joint bureau * * *. Giving all due credit to the union for its desire to fit the workers to the needs of the different firms, it does not appear to the Board that its records and equipment are adequate for the purpose, and the Board believes that any exclusive assumption of control is less likely to be fair to both sides than a joint control * * *"

Up to this point the decision carried a concession, at least in theory, to the empolyers' request for a recognition of the principle of joint control of hiring for the purpose of future

negotiation. Over against this, the second part of the decision constituted a denial of the employers' particular proposal to deal directly with each other and with their individual workers for purposes of transfer, instead of through the agency or with the consent and cooperation of the union. In other words, the principle of collective bargaining and agreement was reaffirmed by the Board of Arbitration as governing any arrangement of this character. The Board continued:

> "As to whether the principle of collective bargaining permits the firm to make individual arrangements with the workers for transfers, or to employ members of the union without requisition, the Board would hold that such arrangement must be subject to the general principle of collective bargaining. So far as this Board is concerned it deals primarily with the union as represented through its officials, on the one hand, and with the firms as represented through their officials, on the other. It must assume that the parties to the agreement are the union and the firms rather than the individual workers or the individual foremen, superintendents, or stock-holders. Therefore any bargaining between individual members of the union and individual foremen or others representing the firms must be subject to the rules of their respective organizations or to the authority granted by the union or the firms respectively. Doubtless there are numerous practices involving individual bargaining, but these must be regarded as subject to the authority of the principals on each side, namely, the union and the firms. Otherwise it would be quite impossible for the union to be responsible for its men or the firms for their officials, and it is a necessity for the proper working of the agreement that there should be this responsibility on each side. In the case of transfers in employment, it may very well be in the interests of both parties that certain arrangements should be made for getting men in successive years who have had previous experience with the houses, but such arrangement should be worked out under a general plan agreed upon by both sides. The decision of the Trade Board recognizes certain desirable features in such arrangements.
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> "In summary, therefore, this Board holds that the principle of preferential shop is to be interpreted as providing for joint rather than exclusive control over allocation of workers, and for joint arrangement for such individual bargaining as may be desirable, and would recommend to both parties the need

> of taking up this matter and working it out in accordance with the general spirit of the agreement and co-operation."

Following out this recommendation of the Board of Arbitration and its own original suggestion, the union agreed with the manufacturers upon a plan of transfers under joint supervision. This plan provided for the release of cutters from their employment during the slack period in the trade to take employment temporarily with another house on the understanding with the union deputy that they would return to their places at the request of the original employer. By this arrangement the employer was assured of retaining the services of cutters whose familiarity with the work in his establishment made them particularly valuable to him. At the same time the union was in a position to give or withhold its sanction for the transfer of each and every cutter thus released. And along with this control over the process, the union assumed responsibility for the return of the worker when needed, on the terms of his previous employment.

This responsibility of the union, where such a joint arrangement had been entered into, is enforcible through the impartial machinery, like any other phase of the agreement. In one case[190] a firm petitioned the Trade Board for the return of a cutter released on temporary transfer. In granting the petition the Board stated " that the firm has reason to expect the cutter to be returned because of the general practice, the promise made by the cutter at the time he left and the promise of the deputy to see to it that all of the cutters named on the list presented to him, this man among them, would be returned at the beginning of a new season."

Where no joint arrangement is made by the employer with the union for the transfer and subsequent return of the cutters in his employ, the union is under no obligation to see to it that such cutters return. They are free to remain in their new position or to seek employment elsewhere and the union is at liberty to send them out on requisitions in the order of their application. Formally, it is true, the employer is not prohibited from individual bargaining with the workers in reference to their temporary release and later resumption

of their places. But when he resorts to this method he does so on his own responsibility and cannot expect the union to enforce the arrangement in his favor. An illustration is at hand[191] in the refusal of the union to sanction the return of a certain cutter, who had been previously released with promise to have his job back on his return. The union not having been a party to the arrangement, declined to recognize it and considered the cutter as having quit his position with that house. He could return there only by making application to the union office for employment. In disposing of the firm's complaint in this case, the Trade Board held that "The union was clearly within its rights in insisting that this man take his turn with other cutters. The proper course in case of a temporary release is to have a joint understanding and to make arrangements accordingly. For the union to observe any other rule than that of placing workers and filling requisitions in order of application is to leave the way open for charges of preference and destroy all confidence in its employment office. The only exception that can be made to this rule is when arrangements are made at the time of leaving."

EQUAL DIVISION OF WORK

One of the objects sought by the union through larger control over the hiring, lay-off and transfer of workers, is to insure a more equitable distribution among its members of the opportunities for employment in the industry. The principle of the preferential shop is of direct assistance to the union in this endeavor to lighten the burden of unemployment for its members. In the case of hiring, we have seen how union preference operates to allocate union workers to jobs in their order of application. Those longest out of work, other things equal, are first to be placed. In the matter of lay-offs on account of over-crowded sections, non-union workers are the first to go, thus leaving the available work to be divided among union workers and to that extent reducing the burden of unemployment within the organization. When union workers have to be laid off, the order is determined by seniority in employment and in union membership, and the organization has an opportunity to cooperate. When union workers are to be transferred, not only are their standards maintained but in the case of transfers between sections and between firms, at any rate, the union is given a voice in the arrangement. It is insofar enabled to protect the interests of its unemployed members, as in the cases last cited.

But the efforts of the union to conserve and to spread work among its members are not limited to the enforcement of preference under the agreement. They extend to the application of another principle: that of the equal division of work during slack seasons. If a given amount of idleness unavoidably falls on union workers at such times, it is obvious that the sharing of the burden among a larger number of them makes it easier to bear for each and all. On this point the agreement provides as follows: "During the slack season the work shall be divided as near as is practicable among all hands." This provision is of far reaching significance and is one of the most important steps achieved by the union in the direction of stabilizing as well as equalizing

employment. It places responsibility upon the manufacturer for keeping all union workers in his employ at least partially supplied with work as long as his shops remain open. And by making the provision enforcible through the impartial machinery, the agreement prevents discrimination on the employer's part between workers as regards their individual share of the total work that is to be done.

The practical significance of the rule of equal division of work, moreover, is heightened by the application to it of the principle of preference. Thus, non-union workers are not entitled to the benefits of the rule, i. e., they may not share in the work in the shop at such times. As part of the original decision of August 30, 1913, interpreting the principle of preference,[192] this point is covered in part by the following provision:

> "If it becomes necessary to reduce the force in the tailor shops during the slack season in order to give a reasonable amount of employment to the workers who are retained, the Trade Board may order such reduction under the conditions hereinafter mentioned. The principle of preference to union members shall be applied in any reduction that may be made and the method of making a reduction on account of the slack season, shall be as follows:
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> "The Company shall, in its discretion, initiate a lay-off whenever it deems the condition of the shops requires it.
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> "Should it not exercise its power in such a manner as to prevent overcrowding of sections, the Chief Deputy shall, if he deems it necessary, make application to the company for the required reduction of sections, and if it fails to comply, he shall appeal to the Trade Board which shall decide whether or not the section is overcrowded as charged. In deciding the question of overcrowding, the Trade Board shall take into consideration the claims of the company for protection of its organization, while giving effect to the principle of preference * * *."

In applying the rule of equal division of work, elements of conflict constantly arise between the interests of the employer and those of the union. On one hand, the employer would restrict as far as possible the operation of the rule of preference in this connection, which obliges him to dismiss non-union workers whom he would otherwise retain. On

the other hand, the employer frequently prefers, when work is slack, to cut down overhead costs by reducing his personnel, especially those on week work, and dividing the available work among a smaller number of people of his own selection. It is at this juncture that the union's insistence on an equal division of work among all his union people prevents some of these from being thrown entirely out of employment at the very time when jobs are hardest to find. A typical case of this kind[193] is that of a firm which attempted to discharge a number of its workers who could be spared during a period of acute depression in the industry. The firm claimed that the obligation to divide work equally during the slack season was not applicable to existing conditions. The Trade Board, however, refused to release the firm from responsibility for continuing to give employment to all its union workers, unless further investigation should show that such a course would prove to be impracticable.

The apparent conflict between the right of the employer under the agreement to lay off union workers when necessary to reduce sections, and his obligation to divide the work equally among all of them is responsible for many complaints by the union under the provision in question. But the conflict is in most cases only apparent, not real. The right to dismiss union workers applies merely in situations calling for a permanent reduction of the force, not to seasonal slackness in trade. When the nature of the situation is in dispute it is left to the Trade Board to decide. Thus we have the case of one O,[194] a pocket maker, in whose behalf the union complained that he had been discharged without cause.

At the hearing the union maintained that this worker had been discharged in violation of the clause in the agreement providing for equal division of work during the slack season. The firm contended, on the other hand, that under another section of the agreement it had a right to discharge union men whenever necessary, provided that any non-union men were laid off first. It contended, furthermore, that it was judge of when a situation made it " necessary " to discharge a worker or workers. It contended, finally, that a reduction

of the number in the section involved in this case was "necessary" in order to prevent the workers (all on week work) from "going slow" and thus keeping themselves in full employment.

In deciding which of the two contending principles was applicable in this case, the chairman of the Trade Board stated:

> "The evidence shows that this man was not discharged for 'cause,' but merely because the number of pocketmakers was larger than needed to do the work available during the slack season. The Board rules that one section of the agreement provides explicitly as to how such situations shall be met: 'During the slack season the work shall be divided as nearly as is practicable among all employes.' The particular problem here involved being covered fully and explicitly by this provision, other and more general provisions of the agreement do not apply. With reference to the contention that if all are retained, the workers may then 'go slow' to keep themselves in full employment, the Board merely points to the fact that the firm would in such an event have ground for a complaint of restriction of output and could ask for appropriate action.
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> "This ruling does not mean that a firm may not seek to remove from its payroll workers not needed during the slack season. It may quite properly seek through the union to have those not needed placed in jobs elsewhere. If such an effort fails, however, the available work is to be divided as indicated above."

The Trade Board accordingly ordered the pocket-maker to be reinstated.

Not the least significant feature of the foregoing decision is that which makes the cooperation of the union essential for any reduction of force in the slack season, so far as it involves union workers. Until the union can find places for such workers elsewhere, the responsibility for keeping them employed on equal terms with other workers remains upon the management. The principle underlying this dependence of the employer upon the union for relief from a temporary surplus of week-workers is the same as that governing the transfer of cutters and trimmers between different firms in the market.

The equal division of work in the slack season is a right guaranteed to union workers by the agreement, that cannot be defeated by any general powers of management in conflict with it. It is a right that takes precedence not only over the employer's right of reducing sections or closing shops temporarily but also over his power of discipline. This is the meaning of a Trade Board decision[195] in the case of a worker who was laid off as discipline for burning a garment in pressing. The firm in this case claimed that under the agreement it had the full right of discipline and discharge, and as a measure of discipline the firm had a right to refuse to give work to one who had carelessly damaged a garment. In the opinion of the Trade Board, however, " the scope and nature of the discipline the company may inflict is limited by the terms of the agreement. It does not seem permissible for the company of itself to inflict discipline that means the suspension of one of the clauses of the agreement as the one requiring equal division of work."

The only limits placed by the agreement upon the application of the rule for dividing work equally are the limits of practicability. When this exception is invoked by the employer, the burden of proof rests upon him, and the Trade Board decides upon the merit of his contention. In a case[196] bearing on this point the union had requested that C, a man employed in the under-collar department, should share equally with the cutters in their temporary lay-off between seasons. The company objected to laying him off on the ground that he was the only man who could cut under-collars efficiently with the up-and-down machine, and also on the ground that he had not been having equal lay-offs with the cutters in the past. The record bore out this latter contention of the company. In view of the fact that C had had no lay-off for over five years, although lay-offs had taken place in the cutting room during that time, the Trade Board found that C was not required to accept lay-offs along with the cutters. " Usage has established his status."

In practice, the equal division of work may be interfered with by an attempt of the employer to introduce overtime

work in any section or department in which some workers are temporarily on lay-off. It is a well known policy of the union to discourage overtime work by some of its members while others are unemployed. But, under certain conditions, overtime work may be necessary in the interest of maintaining the balance of sections or the flow of work through the shop. To make such overtime possible while at the same time preventing its abuse and providing against its interference with the equal division of work among all the people entitled to such work, the Trade Board has laid down the following rules:[197] (1) "That overtime shall not be resorted to for the purpose of increasing the normal capacity of the shop so long as any of the workers are laid off; (2) that where a section falls below the normal so as to disturb the balance of the shop and to make it necessary for other sections to wait for work, overtime is permissible; and (3) that where a given section works overtime, those of that section on lay-off shall be given equal opportunity to work overtime when they return from lay-off."

The equal division of work in slack season may be effected in a variety of ways. Workers may be employed either short days, i. e., a reduced number of hours every day, or short weeks, i. e., a reduced number of days in the week. They may be rotated in lay-off, on the principle of successive shifts, or they may be transferred through the intervention of the union from one shop to another, or finally from one firm to another. In the last case, the process of equalizing work is extended by agreement from an individual house to the market as a whole. The particular method of sharing work most acceptable to both sides at any given time and place varies according to circumstances. So that an arrangement that satisfies the workers in one shop or season may raise decided opposition in another. The curtailment of work and earnings that is necessarily involved when any division of work is put into effect is in itself a sufficiently unpleasant fact for the workers concerned. If, then, the division is such as to leave any ground for doubt as to its equality, if any of the workers

feel that the arrangement works out to their disadvantage as against their fellows, mere discontent becomes resentment, and the workers have a grievance for which it is the function of the union to seek redress.

Because of this direct responsibility of the union toward the people in connection with the equal distribution of work in slack season, the need for management to secure the consent of the union to any proposed scheme of distribution has come to be recognized. The matter of giving practical effect to the rule requiring work to be divided has thus become one for joint conference and agreement in advance. As early as 1915 this solution of the problem was urged by Mr. Williams in an arbitration decision[198]. The dispute in the case before him turned on the question of how the provision of the agreement was to be applied in a particular situation; and out of this arose the broader question of procedure in such cases.

In a certain section of off-pressers the company had directed that this provision be enforced by laying off two workers in turns, thus giving the workers an equal number of days in the shop. The union contended that this plan, while it secured equal division of lay-off, did not secure equal division of work; that owing to the variable output of the factory some days were more favorable than others, with the result that some earned several dollars per week more than others; that the off-pressers preferred to come into the factory each day and share equally such work as came in, and that they should not be deprived of a method they liked and to which they were accustomed when such a practice involved no expense to the company. The Trade Board having ruled that "all people be at work unless by special agreement some other arrangement is made," the company appealed on the ground that "no unnecessary limitation be put on the management" which should cause an "unnecessary strain upon the harmonious relations between the union and the company."

In adjudicating the issue of jurisdictional rights thus presented to him, the chairman of the Board of Arbitra-

tion ruled that the principle involved in this case of division of work was similar to that discussed in his "Decision on Joining Sections."[11] In this latter decision he had held: "This right like others not specifically limited by the agreement, inheres in the company; but it is to be exercised in such manner as not to infringe on the rights of the workers." On the present occasion he reiterated this principle, saying that the company may exercise its right of initiating changes in the organization of work in the shop by administrative order, as recognized in previous decisions, but must not invade the rights of the workman in so doing. "Any such act if it causes a complaint is subject to review." But, in conclusion, the Chairman went further than this. He stated:

> "In view of the discontent and injury to the good relations between workers and company which need to be sedulously cultivated and maintained, the chairman strongly recommends that the company confer with the representatives of the workers before initiating any changes likely to be objected to as injurious by those they are designed to affect. Such a conference becomes imperative when established wages or practices are affected by the proposed change."

The rule requiring the equal distribution of work in slack season applies not merely to the workers in a given section, or even to the tailor shop as a whole, but to all the workers in all the shops of a given firm. Thus, if a firm has two tailor shops, the Trade Board has ruled that the division of work between the two shops should be equalized as regularly as possible in order to avoid dissatisfaction. In one such case[199] the Board proposed that the problem be met by a conference between the firm and the union. At the same time the Board suggested the transfer of some of the workers from one shop to the other by joint arrangement, as a possible way of sharing the work equally among all.

In another case,[200] the firm with the consent of the union, had divided its Shop No. 5, to establish Shop No. 6 with half of the workers from No. 5. Later the union com-

plained that the workers in Shop No. 6 had not received as much work as those in Shop No. 5. On the basis of data showing the distribution of work between the two shops, the Trade Board decided that "the shops must be kept distinct with approximately the same amount of work over a given period of time or reunited and put on the previous basis. The division of Shop No. 5 was certain to lead to dissatisfaction if those who were transferred did not have the same opportunity for employment as those who continued in Shop No. 5. This does not mean hair-splitting exactness with respect to hours or earnings, but it does mean approximate equality. With these considerations to guide, the chairman suggested a conference between the firm and the union.

The rule for dividing the work equally between different tailor shops of the same firm applies, furthermore, not only to inside shops directly controlled by the manufacturer, but to outside or contract shops as well. The status of contractors and of the workers employed by them in relation to those directly employed will be dealt with in a subsequent section. At this point it is sufficient to state that union workers in approved contract shops are on an equal basis with the firm's own employes as regards their right to share the work in slack season. In a case in point,[201] a firm had sent out some of the work done formerly by one contractor to a second contractor who also employed union people and maintained the market rates of wages. No complaint had been made by the union for two months after the change was made, thus leaving the inference that it was agreeable. The Trade Board held that although the firm was under obligation to provide work to the people employed by the first contractor, those in the second contractor's shop had developed a similar interest, and claims to the work. And the chairman ordered the work to be divided between the two contractors as it had been prior to the complaint.

Even where the several shops of a firm are engaged in producing different styles of garment—such as overcoats in one, and sack coats in another—the claim of the workers

in these shops to share between them whatever work the firm may have, has been recognized. Thus it happens that at the beginning of the light-weight season, when no more overcoats are to be manufactured, a firm may deem it economical to close temporarily the shop which is specialized for the production of these winter garments. There seems to be nothing in the agreement to prevent the firm from discontinuing even temporarily a department of its business for which there is no more need, by laying off the workers in that department with due notice in advance, and without discrimination. But if these workers are qualified to do the work of a related department which continues in operation, and especially if they have on previous occasions shared in the work of the other department, there is ground for their claim to share in the work again.

A case of this character[202] came up before the Trade Board in the form of a petition by a firm for a ruling as to its right under the agreement to " temporarily close down our overcoat shop due to the fact that we have completed our overcoat manufacturing program for this season and will not have work for several weeks." In support of its position the firm contended that the workers in the overcoat shop had during the past year enjoyed more hours of production and greater pay than any of the other shops. For this reason, the firm maintained, to close its overcoat shop temporarily would not be an infringement or violation of the equal division of work clause in the agreement. The union, on the other hand, contended that past practice should continue; that the agreement was for the clothing industry, not for the sack coat or overcoat industry; that as a rule workers made more on overcoats than on sack coats; that hours worked in the overcoat shop were incidental to the season; and that the practice in the market was to go from overcoats to sack coats, or vice versa.

The Trade Board in deciding this case in favor of the people, held that " the interests of management, apart from practice or the rights of the workers, make it inadvisable to close the overcoat shop as contemplated and disrupt the

working force. However, the Board does not make this the basis for its ruling. Overcoat workers have been given sack coats during the slack season in the past and are entitled to share the work now * * *."

A more difficult problem from the standpoint of the worker's claim to an equal share of the work is presented in the event of a more permanent contraction of business, such as would ordinarily lead to a reduction of the force. Even then, however, the principle of equal division has gained recognition as being preferable to outright dismissal in disposing of union workers in a time of depression. The issue arose in a typical case[203] where the firm had abandoned one of its two coat shops without making any provision for the workers formerly employed therein. The union requested the Trade Board to order the firm to make room for all of its coat shop employes so that they might share equally in its work. Both the shops (No. 1 and No. 7) had been closed during the slack season. The firm, failing to reach an agreement with the union on the permanent discontinuance of one of them, reopened shop No. 1 but kept No. 7 closed at the beginning of the new season.

At the hearing the union contended that all of the workers employed in Shop No. 7 must share equally in the firm's work, be that much or little. It based this claim on the clause of the agreement providing for equal division of work in slack season, and on the practice at Hart, Schaffner and Marx when shops have been merged. The firm, objecting to the union's suggestions for keeping all the people employed, contended that under the agreement it was not required or expected to go beyond what was practicable in the division of work. It also pointed to a paragraph in the agreement reading: "Should it at any time become necessary to reduce the number of employes, the first ones to be dismissed shall be those who are not members of the union." And by direct implication, the firm argued, it had the right to discharge members of the union when it became necessary to reduce the number of employes.

The chairman of the Trade Board rejected this view of

the firm's rights in the matter. He stressed, on the contrary, its responsibilities. Referring to an earlier Trade Board case, dealing with a similar situation, he quoted from it as follows: "All Trade Board and Board of Arbitration decisions bearing upon the matter have been to the effect that some degree of responsibility has been developed for all union workers brought into the trade and employed by a firm so long as the firm continues to manufacture clothing." The chairman then stated that "all cases thus far coming up in connection with the closing and merging of shops have been settled (by agreement except in two instances) in the light of this principle, all union workers being continued in employment unless it was impracticable to do so. The present case has been approached in the same way."

The evidence presented at the first hearing on this case convinced the Trade Board that it was not practicable to continue shop No. 7 or to enlarge shop No. 1 as suggested by the union, and that the firm's obligations to its workers under the agreement did not extend that far. On the other hand, the Board felt that something more than had been done was called for, especially at a time "when employment in the community presented a problem not to be enlarged if it could reasonably be avoided." It therefore called for exact data on what had been done in transferring workers to shop No. 1 and on what possibilities of employment this shop afforded. The data presented at the second hearing showed that somewhere between 50 and 60 of the original 118 workers from shop No. 7 would remain unprovided with jobs and individual stations even after vacancies in shop No. 1 had been filled and certain additions by transfer made. With reference to these the chairman announced the following decision:

> "The Board is of the opinion that no arrangement can be made for their employment that will not be open to some objection by them, their fellow workers, and the firm. Nevertheless it feels that the situation is such that they should be given a chance to share the firm's work by 'rotating' with the others in

the sections in which they have worked. The chief difficulty involved in this from the workers' point of view lies in the fact that two or more operators in rotation will in a few cases make use of the same machine. To meet the problem of adjustment required the Board rules that each operator going on or returning to a machine used by another in this rotating process, shall have hour work for the first two hours.

"This arrangement for a merger of the two shops, is a makeshift. It is recognized that quitting for better jobs will before long reduce numbers to those needed to man the shop. The process will not give the best possible selection of workers and may be open to other objections by the firm. The payment of a limited amount of hour work in a few cases will cost a little. The firm, however, has responsibilities to the workers which should and must be met, though not convenient. The Trade Board regards the arrangement * * * as practicable, the situation being what it is, and called for by the agreement, which provides that 'During the slack season * * * the work shall be divided as nearly as is practicable among all employes.'"

The principal method recommended by the Trade Board in the foregoing case for equally distributing the work is that of transferring workers from one shop of the firm to another. This method combines the economy of reduced overhead costs to the manufacturer with the advantage to the workers of sharing on an equal basis, at least temporarily, in whatever work there be. Such an arrangement is sometimes made by voluntary agreement between the employer and the union, and in that case the matter does not come up before the impartial machinery unless one side or the other fails to live up to its engagements. Thus in the following case,[204] in which the union charged that the firm had not carried out arrangements to transfer the people from shop No. 1 to shop No. 4. The people in shop No. 1 had been laid off, while those in shop No. 4 were working. After conference with the union the firm had agreed "that the work was to be made in shop No. 4 and that we would transfer shop No. 1 workers to shop No. 4." The complaint of the union was that after a lapse of more than three weeks, a considerable number of people formerly in shop No. 1 were still out, and

further that the firm was reported as considering sending work out to contractors. The Trade Board ruled as follows on the action of the firm:

> "The agreement cited above contemplated the transfer of shop No. 1 people if and when there was work for corresponding sections in shop No. 4. In other words, if the people in any section in shop No. 4 were working the people from the corresponding section of shop No. 1 were to be called back at once to share whatever work was in shop No. 4. The Board understands that sections in shop No. 4 have been working and that people from like sections in shop No. 1 have not been called back. In the degree that this is correct the firm has violated the intent of the agreement and is to be censured for it. The firm is directed to carry out the agreement at once. Procrastination in matters of this sort breaks down the spirit of negotiation and leads to unnecessary litigation. The Board would state further that to send work out to contractors in the light of the circumstances noted would work an injustice that the firm could scarcely defend before the Trade Board."

When, subsequently, the union requested the Trade Board to order payment for time lost by workers from shop No. 1 in consequence of the firm's dilatoriness in transferring them the impartial chairman directed that:[205]

> "An equitable arrangement will be to give the workers in question an opportunity in connection with lay-offs to make up the time lost. If they had been transferred promptly they would have had some of the work that has been done by others. It will be fair now to give the others a greater amount of lay-off, that these few may have their share of work * * * The Board is of the opinion, moreover, that the firm can well afford to permit the representatives of the workers to share in the responsibility of lay-off arrangements and that less disaffection will follow such a course of action. This does not subtract from the powers of management. Rather, it helps to fix responsibility and to make control effective."

The apportionment of lay-off periods as a method of equalizing work in slack season is most commonly applied to week workers, notably to cutters and trimmers. Since their earnings are not immediately affected by the flow of work from day to day, an equal division of time is at least as equitable from the standpoint of earnings as a strict division

of work would be. Moreover, a lay-off extending over a week or two at a time may be utilized by the worker as a vacation period or otherwise, while a shorter work day or work week does not offer corresponding compensations. Notwithstanding advantages of this nature on the side of a lay-off system of dividing work, the sentiment of the workers may in a given situation be opposed to it. We have already met with such an attitude in the case of the off-pressers cited above (p. 388). The determination of what particular method is to be used cannot, therefore, be left entirely in the hands of the employer. Although in connection with the case[198] referred to, Mr. Williams had recommended conference between the parties whenever interests of both were involved, the claim of management to sole jurisdiction in these matters has not been entirely relinquished.

In a fairly recent case before the Board of Arbitration[206] the representative of the firm asked for a definition of their rights with reference to the equal division of work in slack season. They claimed it was the function of management to administer this equal division by any method which would, in the judgment of the management, give the best results, as by rotation of lay-offs, by shortening the day or week, or by shutting down the whole shop for a period. The Board of Arbitration ruled that the method of administering the equal division was "both a matter of management and a matter of convenience to workers. Neither is absolute. In case an agreement cannot be reached between the firms and the union, upon a method which will satisfy both of those interests, the case is to be referred to the Trade Board."

Despite this and the earlier ruling, however, some employers persist on occasion in instituting independently some particular form of division of work, instead of previously consulting the union and securing its approval for the arrangement. In such instances the union obtains redress through the Trade Board. This was the procedure followed in the case of a firm[207] that according to the union's complaint, had issued orders that the shop would close Saturdays. The firm stated at the hearing that the order was the

result of business conditions; that the cutters and trimmers were rotating lay-offs and the people in the tailor shop were working short time or rotating lay-offs, but that even with this arrangement there were not enough orders coming in to work the full week. The union contended that any proposed change in lay-off arrangement should be taken up in conference. While insisting that employment should be for a full week at a time whatever the system of rotation, the union suggested that if the firm wished to shut down Saturdays payment should be made for a full week and overtime be worked during the busy season so that earnings would be spread more evenly over slack and busy times.

In his decision in this case Chairman Squires, besides recommending a conference between the union and the firm with a view to working out a more satisfactory arrangement for equalizing employment, rendered the following opinion on the broader issue:

> "The Trade Board feels that the right amount of cooperation should make for an arrangement that will recognize and protect the interests of the firm and the workers. Neither the firm nor the union can escape the burden of slack seasons, but it should be made as easy as possible. Market practice is not uniform with respect to lay-offs. In some cases the short week will cause more dissatisfaction than a rotation arrangement even though the earnings in the aggregate are unaffected. The firm is expected to meet the convenience of the workers in the matter of lay-offs so far as it is not inconsistent with efficient management."

The responsibility of the employer for alleviating the necessary evil of seasonal unemployment for his workers finds its most effective expression through his co-operation with the union in putting into practice the rule for an equal division of work.

DIVERSION OF WORK

The operation of the equal-division-of-work rule under the preferential principle carries a further implication that has yet to be considered. We have thus far given attention chiefly to the rule as it stands, that is, to the claim of the individual worker to share equally with his fellows in the work on hand. In the succeeding pages the situation will be viewed as it is affected by the application of the principle of union preference. For not all the employes of a firm are entitled to share in the work. Nor do those who are have an equal claim to it. Preference involves distinctions even within the group of union workers—distinctions based upon their status as employes of a particular firm and in a sense analogous to that of seniority in relation to lay-offs and transfers. Where, as in Chicago, there is virtually complete organization of the workers in the industry, the principle of preference gets new significance by becoming attached to other factors than mere union membership. In this way it comes to serve positive policies and ends for which the union stands.

Under the general principle of the preferential shop, it is already clear that union workers have the first claim not only upon the jobs but upon the work in the shops. This means not merely that they shall divide among themselves the work during slack season, as against sharing it with non-union workers, who are first to be laid off. It also means that supervisory employes—officials of the management, members of the firm, foremen, examiners, etc.—shall not be considered workers and may not participate in the productive work of the shop in a manner to reduce the share of any union worker employed there. The implied principle underlying the application of preference in this field is that a union worker through the fact of his more or less permanent employment with a firm establishes a right to the job and to all the conditions and privileges pertaining to the job. These cannot be diminished or diverted by the employer at a time when work is slack. It is at such times,

however, that employers are under the greatest temptation to encroach upon the workers' acquired rights, and the union must be correspondingly vigilant in protecting these rights.

The question of whether a foreman may during the slack season perform labor that would otherwise be performed by union workers came up before the Board of Arbitration[208] on appeal from a Trade Board decision as early as the spring of 1914. The company, contesting the Trade Board's decision in this case claimed that it was an economic waste to let its foremen remain idle during the slack season when they might be put at productive labor to the advantage of the company, and ultimately, of the industry. The union replied that this saving should not be made at the expense of union members. It held that to permit such practice might lead to serious results in the future, inasmuch as there were a large number of supervisory people who under such a rule could be used to displace an equal number of union workmen. It held, too, that the matter was covered by the agreement which provided that in the slack season the work should be equally divided. After weighing all the arguments, Mr. Williams announced his decision as follows:

> "The chairman is impressed with certain points of value in both these claims (that) are worthy of being conserved. That economic waste should be avoided is a truism. But the chairman feels that to permit the foreman to take the work which the workers feel they are entitled to under the agreement will cause more dissatisfaction than would be compensated by the saving. He, therefore, does not feel warranted in controverting the interpretation of the agreement as made by the Trade Board, or of reversing the decision. He recommends, however, that the union be not technical in its objection to foremen performing such labors as do not run counter to union interests in a tangible way, and that they be encouraged to be useful in such ways as may be possible without raising greater difficulties than can be compensated."

The union's contention in the foregoing case that in the absence of restrictions upon the right of supervisory officials to share in the productive work of the shop such officials might be used to displace union workers, is not as fanciful

as it may sound. On a small scale, any redistribution of work between workers and their supervisors, though inaugurated in the name of economy, has this effect if it enables the firm to reduce a section by even one union man. The way in which such diversion of work may operate to reduce the employment of union people, whether on week or piecework, is illustrated in the following Trade Board case.[209]

The management in this case had given certain busheling to the examiners to do which had previously been the work of the armhole pressers. This was the busheling required after repairs on the coat by some other section, and therefore not to be done by the armhole pressers without compensation. In this case the armhole pressing was by hour work, and the company stated that it was opposed to having the section bushel its own work on hour work. The union contended that this transfer of work from union workers to the examiner was contrary to agreement and to a ruling of the Board of Arbitration.

As to that ruling, however, the chairman of the Trade Board did not agree that any definite decision had been made forbidding the examiner or foreman from doing work under any circumstances. He held that the Board of Arbitration had confined itself to a strong recommendation that work be not transferred from the people to a foreman, especially during the slack season and where " such labor runs counter to union interests in a tangible way." In the present case, he held, " it is clear that turning busheling over to the examiner affects the interest of the people in a tangible way. It deprives them of work and compensation that they formerly received. By ' busheling ' the Trade Board refers to the busheling required where the error or defect does not fall in the armhole presser section. If an armhole presser does not do his work properly he can be required to bushel it without additional cost to the company. But armhole pressing when required because of busheling of another section would seem to be the legitimate work of armhole pressers."

As part of the same case, the union complained that a boy who had been doing neck-marking had been transferred to

another shop, and instead of sending in a requisition the company had given his work to the examiner. The company stated that the boy had been transferred to other work without loss to himself, and that, therefore, there was no loss to the people. In finding the company in error in this case, the impartial chairman ruled: "This was a specific task performed by a worker in the union and under the agreement. The Trade Board cannot see how this position, when vacated by transfer of the worker, can be filled by the examiner. The procedure would be to file requisition to fill the vacancy but not to pass the work to an examiner." In a supplementary decision the chairman cited in support of this ruling the provision in the agreement that "whenever the employer needs additional workers he shall first make application to the union," etc. And he concluded: "An examiner is not classified as a worker. He is excluded from the provisions of the agreement and is not eligible to become a union member by reason of the fact that he is an examiner. Where a vacancy occurs, as in this case, the company cannot substitute a non-union worker for the union man until application has first been made to the union. The agreement is clear on this point."

Conflict over the right to the work of a firm may arise not merely as between union and non-union workers, or as between union workers and foremen or other officials. It may arise even as between union workers regularly employed and other union workers newly hired when work is slack. During slack seasons every additional worker hired from outside would naturally reduce the employment and earnings of those already on the job, whose work such a new-comer would be permitted to share. Hence, the rule of preference at such times operates necessarily against some union members and in favor of others, who have by seniority in employment established a prior claim to the available work. Without the protection of such a rule, union workers of long standing might find themselves actually displaced from their jobs as a result of an overcrowding of section produced by the management in adding new workers when none were needed. An

illustration of this type of diversion of work is presented in the following case.[210]

The union in this instance complained that the work of off-pressing on knickerbockers, which until recently had been done by the regular pressers on trousers, was now being given to two new men. The union contended that the company had no right to hire these pressers while regular pressers were available. The company replied that inasmuch as the work was hour work they were free to hire whomsoever they wished to do it. The union then pointed out that there was not sufficient work for the regular pressers and that if any additional pressing was to be done it should be done by regular pressers. Investigation showed that the regular pressers were easily capable of turning out the additional work on knickerbockers. Under the circumstances the Trade Board sustained the contention of the union and directed the work in question to be given again to the regular pressers.

The practical problem to which all these efforts of the union are addressed is that of distributing the available work among union people in such a way as to secure for them the greatest possible stability in employment. This is the object also of the union's policy favoring the inside as over against the contract shop with the ultimate elimination of the latter. The principle of preference has been extended so as to make this policy a recognized policy of the market. The contractor is the least stable factor in the industry. Not only is he financially less secure, as a rule, than the independent manufacturer. His relatively small investment of capital tends to make him less conservative both as a business man and as an employer. Besides, his activity in production tends to fluctuate more markedly with the seasons than does that of the inside manufacturer. But whatever the precise reasons for the policy, preference in the distribution of work is within certain important limits to be accorded to the inside shops. Without going into the still unsettled question of the status under the agreement of the contract shop, we may briefly indicate in the following pages the manner in which the principle of preference operates in this field.

In the report of a committee of which Professor Tufts was chairman and which was appointed by him to work out a plan for dealing with the contractors' situation,[211] we find the following recommendation:

> "That in slack season, firms shall endeavor to make such distribution of work between their own shops and their contractors as shall reduce as much as possible irregularity of employment, and especially prevent the sudden cessation of all employment for persons who are employed either in their own shops or by the contractors. Provided, this shall not be understood as opposing a general policy of change from contracting to work in inside shops."

Inasmuch as union workers are employed in contract shops no less than in inside shops, it is obvious that the union is concerned that no discrimination be practiced against its members irrespective of where they are employed. This consideration must, consequently, limit the application of preference as against workers in contract shops. As a matter of practice, therefore, preference of this nature relates principally to the future and to new situations, rather than to conditions already existing and fixed by usage. It has particular significance, of course, in dull times, when the question of dividing the work among the people entitled to it presents a real problem.

To illustrate: A dispute came to the Trade Board[212] over the sending out by a firm of several hundred overcoats to contractors in the course of a month. The union contended that these garments should have been made in the firm's own shops, for the workers were being laid off. The Trade Board had before it the question as to how decisions are to be made with reference to where work shall be done; in other words, as to the respective claims upon the work of the inside and the outside shop workers. The chairman based his ruling upon the above mentioned report of the committee to the effect that contract work should not be encouraged and, by implication, that garments should be made in inside shops as far as practicable. He stated: "In the spirit of this report, which has been generally accepted as sound, some

of the labor managers have advised their firms not to send out work to new contractors without first conferring with the union. The results show the wisdom of this policy. In the interests of harmony and a sound development of the market, the Trade Board urges that such conference be had in all cases."

The division of work between the people employed in the inside shop of a firm and those employed by a contractor to whom the firm sends part of its work, depends on the claim to the work established by the contractor through past practice. Concretely, if a firm has been accustomed to do 60 per cent. of its work in its own shops and to distribute the other 40 per cent. among two designated contractors in the proportion of three to one, then, even in slack season, the workers in the two contract shops are entitled to 30 and 10 per cent., respectively, of all the work this firm may have, while the people inside will have no grievance if they continue to receive at least the customary 60 per cent. of the total. If, however, the firm has no such existing relations with contractors, whose workers may rightfully expect to share in the work up to the usual proportion, the firm may not send out work to any new contractor without previous consent from the union, particularly in slack season. The claim of a contractor's workers to share in a firm's work must be established by usage over a period of time. Thus, if in the busy season the firm has more work than can be conveniently turned out by its own shops, it may, by an understanding with the union, send the excess of work to be made in an outside shop. After that, whenever the firm is again in the position of having to send out work of that character, the same workers have a first claim upon such work. But no greater proportion of the firm's work may be sent out even to these workers than they had previously received from the firm in question. Where a contractor has been accustomed to receive a definite proportion of the firm's work, whether in or out of season, his workers have a claim to share in that work to the usual extent even while the inside shop is slack.

Some light is thrown upon this somewhat complicated

system of preference by a few typical cases. In one case[213] the union complained that a firm when slack had diverted work from its coat-shop to two contractors, and requested that the sending out of work be stopped and the firm's workers be paid for that already made outside. The firm answered that it had sent work out when its workers were employed full time and, once begun, it should now be permitted to continue to do so when its own shop was somewhat slack. The evidence submitted to the Trade Board showed that until very recently the workers had been in the shop 44 hours per week, and also they had had fairly full employment. In view of these facts the Trade Board ruled that " in sending out work the firm has not been acting improperly and it rules adversely on the union's request that the firm's employes be paid for this work. It rules, further, that while work is slack the firm may continue to send out the same proportion of its work (namely, 9.6 per cent.), to the two contractors it has sent them since September, but that to send them a larger proportion or to send coats to another contractor would be improper and contrary to a just claim of its workers."

In the foregoing decision the Trade Board proceeded on the assumption that a claim had been established on the part of the contractors to a definite share in the firm's work, and that to this extent the workers directly employed by the firm could claim less than the total of work even when slack. In the following case no such established relation between the firm and the contractor existed and it was not, therefore, at liberty to send him work without special arrangement with the union while any of its own employes were working short time.

The union complained on this occasion[214] that a firm had sent work to contractors against the orders of the Trade Board, and that this action had caused a stoppage of the entire shop. The firm admitted sending work to contractors but contended that the shop generally had been working full time with overtime for four weeks prior to the stoppage, though some of the sections might have less than

full-time work owing to the character of work being made in the shop. The Trade Board finding the firm at fault in the matter held that "the principle is fairly well established that work is not to be sent outside when the people in the inside shop are working short time. This does not apply, of course, in cases where the division of work between inside and outside shops has been recognized or where certain work has been made outside regularly. In this case there is no question that the work sent outside belonged to the inside shop."

A certain preference is due to the workers in the inside shop even where by agreement or usage a firm has established definite relations with a contractor, in accordance with which the firm is entitled to send work out to such contractor in a fixed proportion of its total work. For this proportion is intended as a practical maximum, not to be exceeded even temporarily. The firm may not withhold work from its inside shop and send its garments out to contractors in excess of the established proportion. This issue came up before the Trade Board[215] through the complaint of the union that a certain firm had closed down its inside coat shop and was sending out its work to outside shops. The work sent out in this case was rush work. The firm was the one in whose favor the Trade Board had previously ruled (see p. 405), permitting it to send not to exceed 9.6 per cent. of its coats to contractors. The firm, apparently without the knowledge of the labor manager, had placed its own interpretation upon that decision and had sent more than 15 per cent. of its work out, expecting to even this up later. The impartial chairman disallowed such procedure, stating: "This was not the intention of the Trade Board. It did not expect the firm to go ahead, exceed the percentage allowed, and even up in the course of time." The Board therefore directed that no more coats be sent to contractors until the total sent them since the date of the previous decision no longer exceeded 9.6 per cent. of the total, and from that time forth to remain within the percentage allowed.

Several months later this firm was again the subject of complaint.[216] The union charged that the firm was about to close its tailor shop and to send the work to contractors. The union requested the Trade Board to direct that no work be sent outside while the tailor shop was closed. The firm argued that it was privileged by Trade Board decision to send 9.6 per cent. of its coats to contractors; that for several weeks no coats had been sent out; that the firm had fallen below the permitted quota; and that the number to be sent out while the tailor shop was closed would not bring the total above the percentage authorized by the Trade Board. The chairman of the Trade Board, taking all the circumstances of the case into account, ruled against the position of the firm both on the ground of its technical rights and on the score of expediency. The chairman ruled that " while the firm may close the tailor shop if it chooses, it may not send the work out to contractors while the shop is closed."

Within a few weeks of this decision the union complained[217] of its violation by the firm and requested that the people be paid for work that should have been given them. The firm admitted sending out some work but stated that the bulk of the work sent out consisted of Palm Beach coats, which had not been made in the inside shop, and that the only other work sent out was rush orders which would have cost the firm valuable patronage if delayed. In ruling upon this complaint, the chairman stated: "This is not the first time that this firm has chosen to violate a decision of the Trade Board. The firm must have known that it would have to meet the problem of rush orders and should have taken the matter up with the union or the Trade Board and not have gone ahead in the face of a Trade Board decision. The Board rules that * * * the Palm Beach coats not made inside previously might be sent outside during the week the shop was closed without violating the decision. The workers are to be paid for the other coats sent outside while the shop was closed."

An aggravated form of diversion of work, even more

serious than a violation of the preferential principle within the shop, is the sending by a firm of its work to a non-union outside shop. Non-union workers have, of course, no claim to share during slack season in the work of a firm operating under the agreement with the union. Nor has such a firm a right to send any of its work at any time to a contractor who does not employ union workers, whether the purpose be to reduce costs or not. The only exception to this rule is a situation in which no union contractor is available to do the work required by the firm, and even then an understanding with the union is called for.

A case in point[218] is one in which the union requested the Trade Board to order a certain firm to discontinue sending work to a non-union shop. The firm disclaimed knowledge of whether the shop was union or non-union until complaint and investigation, after which it had withheld further work pending the hearing. The chairman of the Trade Board stated at the hearing that "under the preferential clause of the agreement, firms are to give preference to contractors operating union shops. This places upon the firm the responsibility of ascertaining in advance whether the contractor is operating a union or a non-union shop." The Board directed that no more work be sent to this contractor. The question, of whether union contractors were available or whether the work could be made inside was left to be met jointly by the firm and the union.

In a competitive industry in which labor costs are a factor of weight, it is to be expected that some manufacturers will seek an advantage over competitors by an attempt to evade the union regulations and labor standards. One method of doing this without declaring open war upon the union is to divert some distinct part of their work to non-union shops and to justify this on technical grounds. The agreement, however, is broad enough in its scope to prohibit any such evasion. The preference principle contemplates that whatever work a manufacturer who is a party to the agreement may have, belongs of right to union workers.

A house cannot be part union and part non-union if the preferential shop is not to break down.

The issue has arisen in the Chicago market on several occasions. In one case[219] the union raised a question with the Board of Arbitration as to contract work being placed by X and Co. with non-union firms. Investigation showed that a dual organization was being maintained. Under the name of X and Co. the firm had been and was doing a special order business as always, the suits being cut and trimmed in its own shop and the garments then sent into union contract shops to be manufactured. Some weeks previous to the complaint, however, the same people had organized as Y and Z to engage in a mail order business. This firm was having all of its manufacture, including cutting, done by contractors. Among the contractors were two union houses in Chicago, a well-known non-union house in Chicago, and a non-union establishment in a southern state. The union contended that its agreement covered men's and children's overcoats, suits and pants manufactured by X & Co., and that those manufacured for it and distributed under the name of Y and Z were a part of its business. It contended that to have any part of these manufactured in non-union houses here or elsewhere was a violation of the agreement.

In deciding this question the Board of Arbitration sustained the union's contention, ruling that " the agreement between X and Co. and the union covers all men's and children's overcoats, suits and pants manufactured by X and Co. It matters not that new lines of these are taken on or how they are distributed. It (the Board) rules specifically that the work sent into contract shops and then distributed under the name of Y and Z is covered by the agreement and must be made in union shops. It is obvious that to rule otherwise would be to open a loop-hole which would destroy the agreement in effect. The Board directs that all 'woolens' in all non-union shops and as yet uncut shall at once be withdrawn and that henceforth none shall be sent to any non-union house. This applies both to houses in Chicago and to those outside. No penalty is imposed in this case

because of the absence of proof of improper intent, and because this is the first case of the kind to come before the impartial machinery of this market."

The second case was soon to follow, however.[220] The union complained that B and Co. had been violating the agreement by sending out work to be cut, trimmed and made in a non-union house, and requested that this be stopped, compensation ordered, and proper discipline imposed. The answer made by the firm was that a distinct company, not B and Co. and not under agreement with the union, had sent out the work in question, and that this distinct company, C and Co., had a right to do what it had been doing.

The chairman of the Board of Arbitration ruled against the contention of the management that C and Co. was separate and distinct from B and Co., had no agreement with the union, and could send its work where and as it wished.

> "The fact is that while there are two corporations, the one is an off-shoot of the other and is being used to solve the problem of this other; their finances are related; their management and control are one. For the purpose of manufacture they are to be regarded as one. To rule otherwise would be to open a loop-hole which would make it possible for any firm to rid itself of the responsibilities it has assumed under the existing agreement. Moreover, the manufacture of the C line and the manufacture of the B line were conducted as one business last year. Sending out the C work this year is a diversion of work from B's workers. It may not be done.
>
> "* * * The work was sent into the non-union house under circumstances that the chairman feels a penalty should be imposed. He, therefore, orders not only that there be no further violation of the agreement, but also that the firm shall pay $2.50 for each suit sent to date into this non-union house. This is to be paid to the firm's workers with claims upon this work, To what workers it shall be paid, and how it shall be divided among them, will be arranged in conference by the labor manager for the firm, a representative of the union, and the chairman."

The rule that the union workers of a firm have a claim upon all the productive work that the firm may have to give,

applies particularly to such work as has been done by them on previous occasions since the signing of the agreement. In such a case the workers' claim upon the work in question is not only established by implication through the preferential provisions of the agreement. It has the additional sanction of past practice to support it. The manufacturer is, therefore, not free to send out any work thus belonging to his union employes, except such as is in excess of his capacity, and to have it done at reduced cost elsewhere. Especially where the outside house is a non-union house—even though no union contractor be available for the work—the recent decisions of the impartial chairman on the subject stamp such diversion of work as clearly unlawful. The problem has arisen particularly in connection with canvases and linings, which some firms have been making in their own shops. Finding that they could obtain them more economically outside through specialty houses employing non-union help, some of these firms have proceeded to send out their linings and similar parts to be made up under contract or bought them ready-made according to specification.

One of the first cases of this particular type[221] brought to the attention of the impartial chairman as Case No. 757 was that of a firm which had sent out one-piece linings to be made in a non-union house. The Trade Board referred the case to the Board of Arbitration as involving a market problem, and Chairman Millis ruled as follows:

> "The question here is whether a firm making linings when the agreement was signed can, in the interest of economy, divert this work to an outside house when this reduces the amount of employment for the firm's union workers. The general principle involved has become fairly well defined and recognized in the market. Work may not be transferred by one firm to another for the sake of reducing costs because it reduces the amount of work available for the firm's union workers."

After this decision had been rendered the union endeavored to have it applied generally in the market wherever there had been a diversion of work made inside at the time or since the existing agreements were signed. In this the union

was not successful, so that it was obliged to file similar complaint against a number of other firms which were not operating in accordance with the decision. Extended argument by both sides before the full Board of Arbitration[222] led to a decision from which the representative of the firms on the Board dissented but which reaffirmed the ruling of the Chairman in Case No. 757a. The decision set forth, among other things, the following:

> "The Board cannot rule otherwise than that the agreement covers for each house the different branches and parts of manufacture engaged in at the time the agreements were entered into. If it were ruled that some part of manufacture was not covered by the agreement it would be to rule that any part a firm wished to divert was not covered by the agreement, unless the Board should legislate and arbitrarily say that certain things would be excepted. The Board is not a legislative body.
>
> "The Board and the Trade Board have made rulings in different types of cases that have direct bearing on this situation insofar as it involves diversion of work, without understanding, to be made under contract. More than once has it been ruled that a firm may not send out work to be done under contract except that in excess of its capacity. The only exception made is where a firm has all the time divided its work between its own shop and a contract shop. There the customary division has been approved. The ruling has been accepted. In the cases now before the Board it has not been a question of getting an excess of work made up but a question of getting it done more economically and at less cost. In contract cases the rulings have been consistent to the effect that a firm may not divert garments from its shops to a contract shop merely to save costs.
>
> "Because of the above reason and the feeling that any diversion of work from union workers would lead very naturally to complications and loss of good will, which is a far larger asset than any savings from having linings and canvas fronts made up under contract, the Board rules as did the Chairman in No. 757a * * *"

The foregoing decisions establish firmly the principle that no manufacturer under agreement with the union may send out work to non-union houses without the consent of the organization. Nor, on the other hand, may such a manufacturer accept work to be done either in his own shops or

with his assistance in other shops, for the account of a house upon which the union has declared a strike. For the making of such "unfair" work is not only giving aid to the strike-bound firm against the union in the struggle. It is also contributing to that extent to the permanent diversion of work from the union workers who have a right to it. In the absence of an agreement outlawing the work of an "unfair" house, the union would have to be conceded the right to strike against any manufacturer who knowingly joined in the attack upon the union by accepting such work. As it is, this right of direct action is superseded in Chicago by the assumption by the impartial machinery of jurisdiction over all such cases. In one instance[223] the workers in a certain house, believing that the work in the shop originated in a strike-bound house with the approval of the union stopped work in order to force its abandonment. When the case came to the Trade Board the chairman gave the following ruling:

> "Chicago manufacturers have agreed that no strike-bound work shall be done in this market. The position of the Trade Board with respect to such work has been stated clearly in past decisions. It is not only unnecessary for the union to take summary action on its own initiative, but such action amounts to saying that, however willing the union may be to submit other questions, it is unwilling to submit the question of strike-bound work to the impartial machinery * * * The Trade Board directs that hereafter in case of suspected strike-bound work the union take the matter up with the General Labor Manager. It shall be given precedence over all other business, and if it cannot be adjusted in 24 hours it shall be brought to the Trade Board. An emergency hearing will be held and if there is reason to believe that the work is strike-bound the Board will direct that the work be stopped until the facts can be ascertained."

Arrangements Committee, 5th Biennial Convention, Amalgamated Clothing Workers of America, Chicago May 8-13, 1922

APPENDIX I

Index to Decisions of Impartial Machinery Cited in Part III

(a)	(b)	(c)	Date.
1	H	393	5-1-1921
2	H	115a	11-23-'16
3	H	701	2-17-'19
4	C	11	10- 7-'19
5	C	407	10-20-'20
6	C	130	4- 6-'20
7	C	963 & 964	10- 1-'21
8	C	854	7-23-'21
9	H	BA	7-20-'14
10	H	364a	7-16-'17
11	H	293a	6-17-'15
12	H	661a	2-25-'19
13	H	69a	3-14-'21
14	H	302	2-22-'21
15	H	799	10- 7-'20
16	H	382a	5- 9-'21
17	H	133a	11-15-'16
18	H	BA	no date
19	H	111	9- 7-'20
20	H	170	10-23-'20
21	C	365	9-30-'20
22	C	692	4-12-'21
23	C	424	11- 4-'20
24	C	809	6-18-'21
25	C	707a & 19d	5-26-'21
26	C	610a	3-16-'21
27	C	802	6-14-'21
28	C	751	5-23-'21

(a) Numbers in this column refer to corresponding numbers printed above the line in the text in connection with decisions cited.

(b) This column indicates the jurisdiction of the Board making the decision, e. g., H=Hart, Schaffner and Marx; C=Chicago market exclusive of Hart, Schaffner and Marx.

(c) This column identifies the decision by its own serial number.
"BA" stands for Board of Arbitration as the source of the decision, when it has no serial number.
"TB" stands for Trade Board. Wherever the number alone is used, the decision is by the Trade Board.
"a" indicates that decision is by Board of Arbitration on appeal; "d" that it is decided directly by the Board of Arbitration.

(a)	(b)	(c)	Date.
29	C	968	9-24-'21
30	C	458	12- 2-'20
31	C	610a	3-16-'21
32	H	60	7-16-'20
33	C	893	8- 6-'21
34	C	480	12-23-'20
35	C	764 & 768	6-16-'21
36	H	BA	5- 8-'21
37	H	66	8- 4-'20
38	C	849	7- 9-'21
39	C	980	9-10-'21
40	C	970	9- 7-'21
41	C	486	12-27-'20
42	H	TB	9- 5-'13
43	H	370a	10-11-'17
44	H	690a	Feb. 1919
45	H	905	1-15-'20
46	H	711a	4- 8-'19
47	H	353a	3-26-'21
48	H	349	3-19-'21
49	C	1153	12-12-'21
50	H	905a	2- 3-'20
51	C	471	12-10-'20
52	C	627	3-12-'21
53	C	803	6-19-'21
54	H	562a	4- 4-'18
55	C	789	6- 7-'21
56	C	769	5-21-'21
57	C	377	10- 6-'20
58	C	454	12- 1-'20
59	C	804	6-14-'21
60	C	633	3-14-'21
61	C	707a & 19d	5-26-'21
62	C	805	6-13-'21
63	C	611	3-10-'21
64	C	814 & 818	6-22-'21
65	C	870	7-20-'21
66	C	873 & 874	7-21-'21
67	C	863	8- 5-'21
68	C	824	6-25-'21
69	H	142	10- 8-'20
70	H	321	2- 4-'21
71	H	283	2-11-'21
72	C	695	4-14-'21

(a)	(b)	(c)	Date.
73	C	607	3-12-'21
74	H	BA	5- 8-'21
75	C	368	10- 7-'20
76	H	691a	2-25-'19
77	C	46a	2-26-'20
78	C	458	12- 2-'20
79	C	893	8- 6-'21
80	C	729	5-21-'21
81	H	350	3-17-'21
82	H	139	10- 4-'20
83	H	342	3- 8-'21
84	C	445 & 446	12- 4-'20
85	C	855	7-14-'21
86	C	794	6-14-'21
87	C	852	7-13-'21
88	C	867	7-19-'21
89	C	893	8- 6-'21
90	C	479	12-23-'20
91	H	168a	1- 8-'15
92	H	172	11- 6-'20
93	H	365a	2-25-'16
94	H	Joint Memo.	11- 7-'17
95	H	525a	2-27-'18
96	H	87a	9-20-'18
97	C	834	7-22-'21
98	H	BA	6-23-'15
99	H	BA	4- 2-'15
100	H	BA	6-21-'16
101	H	BA	11-23-'16
102	H	253a	3-16-'21
103	H	BA	6- 8-'20
104	H	522a	5- 8-'18
105	C	54	1-28-'20
106	H	167	10-28-'20
107	H	BA	6- 5-'14
108	C	524	3-11-'21
109	C	882	7-29-'21
110	C	884	8- 6-'21
111	C	823	7- 9-'21
112	C	1133	12-14-'21
113	C	876	8- 8-'21
114	C	891	8- 9-'21
115	C	897	8- 4-'21
116	C	577	3- 9-'21

(a)	(b)	(c)	Date.
117	C	890	8- 3-'21
118	C	885	8-15-'21
119	C	641	3-10-'21
120	C	889	7-29-'21
121	C	886	8-15-'21
122	C	910	8-10-'21
123	C	800	6-21-'21
124	C	868	8- 3-'21
125	H	90	8-20-'20
126	C	845	7- 9-'21
127	H	176	11-10-'20
128	H	343	3- 8-'21
129	H	428	6- 3-'21
130	H	BA	3-29-'17
131	C	884	7-29-'21
132	H	327	6- 3-'21
133	C	883	8- 6-'21
134	H	982	4-30-'20
135	C	612	3-12-'21
136	C	493	1- 4-'21
137	H	289	2-17-'21
138	C	862	7-22-'21
139	H	136	10- 4-'20
140	H	275	2-11-'21
141	H	199a	3-12-'17
142	H	445a	12-12-'17
143	H	325	4-30-'21
144	C&H	BA	12-22-'19
145	C&H	5d	2-25-'20
146	C	10d	3-31-'20
147	C	9d	4-14-'20
148	C&H	BA	4-14-'21
149	C	18d	5-10-'21
150	C	20d	7- 5-'21
151	C	21d	7- 5-'21
152	H	BA	8-30-'13
153	H	326	2-24-'21
154	H	381	4- 8-'21
155	C	881	8- 2-'21
156	C	669	4- 4-'21
157	C	736	5- 9-'21
158	C	404	11- 2-'20
159	H	417a	8-28-'17
160	C	859	7-22-'21

(a)	(b)	(c)	Date.
161	H	335a	5-31-'17
162	H	967	4- 2-'20
163	H	383	4-19-'21
164	H	392a	3-21-'21
165	H	193a	5- 2-'21
166	H	456a	11-15-'17
167	H	953	3-17-'20
168	C	835	7-13-'21
169	C	942	9- 6-'21
170	C	318a, 378a, 507a	7-16-'21
171	C	545	2-14-'21
172	C	786	5-26-'21
173	H	398a	8-16-'17
174	H	436a	10- 3-'17
175	C	31	11-29-'19
176	H	352a	6-29-'17
177	C	1024	10-11-'21
178	C	201a	6- -'20
179	H	BA	8-23-'20
180	H	296a	- -'15
181	H	293	5-16-'21
182	H	145	11- 9-'20
183	H	314	2-28-'21
184	H	115	7- 7-'20
185	H	710	3-15-'19
186	H	BA	4- 3-'18
187	H	234a	5- 2-'21
188	C	27	11-20-'19
189	C	27a	3-30-'20
190	C	517	1-29-'21
191	C	719	4-27-'21
192	H	BA	8-30-'13
193	C	351	9-22-'20
194	C	40	12-24-'19
195	H	303	2-18-'21
196	H	160	10-22-'20
197	C	629	3-11-'21
198	H	BA	6-17-'15
199	C	858	8- 8-'21
200	C	707	5-16-'21
201	C	285	9-17-'20
202	C	1150	12-14-'21
203	C	502	1-12-'21
204	C	1151	12- 8-'21

(a)	(b)	(c)	Date.
205	C	1199	1-28-'22
206	C	12d	8-12-'20
207	C	761	5-13-'21
208	H	78a	4-17-'14
209	H	151	10-14-'20
210	H	866	12- 1-'19
211	C & H	3d-suppl.	3- 3-'20
212	C	434	11-20-'20
213	C	437	11-26-'20
214	C	1082 & 1083	12-12-'21
215	C	522	1-20-'21
216	C	839	6-30-'21
217	C	857	7-20-'21
218	C	1021	10-25-'21
219	C	15d	2-15-'21
220	C	16d	2-17-'21
221	C	757a	8-26-'21
222	C	23d	11-29-'21
223	C	638	3-17-'21

APPENDIX II

A comparison of the earnings for a full-time week received by the Chicago clothing workers in 1911, and in September, 1919, immediately after the complete organization of the Chicago clothing industry, is given in the following tables. The charts appearing in chapter VII are based upon these data:

TABLE 1

DISTRIBUTION OF MEN WORKERS IN TAILOR SHOPS BY WAGE GROUPS, 1911

Earning Group.	Percentage of Workers Receiving Amounts Specified.
Under $5	.5
$ 5 and under $10	12.8
10 " " 15	53.4
15 " " 20	27.5
20 " over	5.8

TABLE 2

DISTRIBUTION OF MEN WORKERS IN TAILOR SHOPS BY WAGE GROUPS, SEPTEMBER, 1919

Earning Group.	Percentage of Workers Receiving Amounts Specified.
Under $ 5	0
$ 5 but under $10	0
10 " " 15	0.5
15 " " 20	1.5
20 " " 25	3.8
25 " " 30	12.6
30 " " 35	12.6
35 " " 40	14.6
40 " " 45	19.2
45 " " 50	16.2
50 " " 55	8.4
55 " " 60	5.1
60 " " 65	3.1
65 and over	2.5

TABLE 3

DISTRIBUTION OF WOMEN WORKERS IN TAILOR SHOPS BY WAGE GROUPS, 1911

Wage Group.	Percentage of Workers Receiving Amounts Specified.
Under $5	8.3
$ 5 but under $10	40.8
10 " " 15	45.5
15 and over	5.5

TABLE 4

DISTRIBUTION OF WOMEN WORKERS IN TAILOR SHOPS BY WAGE GROUPS, SEPTEMBER, 1919

Wage Group.	Percentage of Workers Receiving Amounts Specified.
Under $5	0
$ 5 but under $10	0
10 " " 15	5.2
15 " " 20	13.7
20 " " 25	22.6
25 " " 30	23.4
30 " " 35	18.1
35 " " 40	8.7
40 " " 45	5.1
45 " " 50	1.7
50 " " 55	0.6
55 " " 60	1.1
60 " " 65	0.3
65 and over	0.1

TABLE 5

DISTRIBUTION OF CUTTERS BY WAGE GROUPS, 1911

Wage Group.	Percentage of Workers Receiving Amounts Specified.
Under $5	0
$ 5 but under $10	0
10 " " 15	15.0
15 " " 20	27.6
20 " " 25	29.2
25 " " 30	23.2
30 and over	5.0

TABLE 6

DISTRIBUTION OF CUTTERS BY WAGE GROUPS, SEPTEMBER, 1919

Earning Group.	Percentage of Workers Receiving Amounts Specified.
Under $ 5	0
$ 5 but under $10	0
10 " " 15	0
15 " " 20	0
20 " " 25	2.4
25 " " 30	2.4
30 " " 35	7.0
35 " " 40	75.7
40 " " 45	10.9
45 " " 50	1.2

TABLE 7

DISTRIBUTION OF WORKERS BY WAGE GROUPS, MEN AND WOMEN IN TAILOR SHOPS, AND CUTTERS, COMBINED, 1911

Earning Group.	Percentage of Workers Receiving Amounts Specified.
Under $5	4.9
$ 5 but under $10	27.1
10 " " 15	44.7
15 " " 20	15.1
20 " " 25	5.0
25 " " 30	2.5
30 and over	0.5

TABLE 8

DISTRIBUTION OF WORKERS BY WAGE GROUPS, MEN AND WOMEN IN TAILOR SHOPS, AND CUTTERS, COMBINED, SEPTEMBER, 1919

Earning Group.	Percentage of Workers Receiving Amounts Specified.
Under $ 5	0
Under $10	0
$10 but under $15	3.7
15 " " 20	7.4
20 " " 25	13.2
25 " " 30	17.0
30 " " 35	16.6
35 " " 40	20.0
40 " " 45	10.0
45 " " 50	5.9
50 " " 55	2.8
55 " " 60	1.8
60 " " 65	1.0
65 and over	0.8

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