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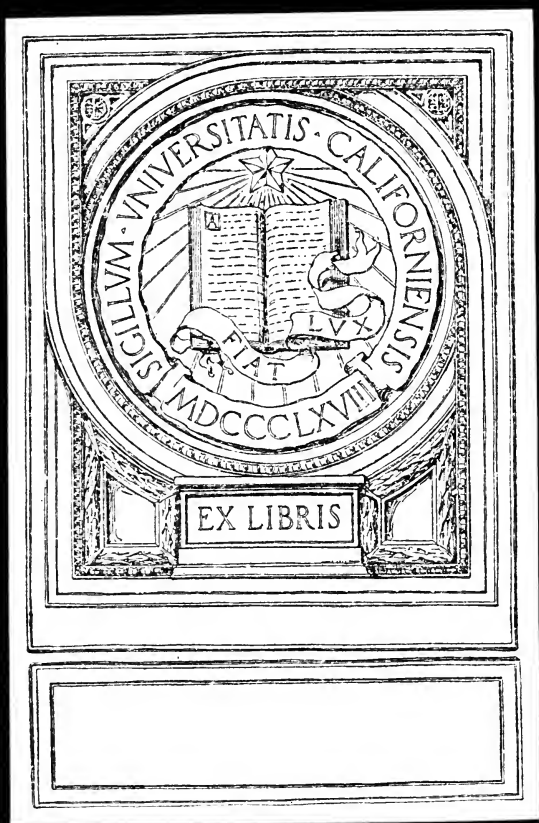
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# Inter-Collegiate Debate 1913-1914

*of*

## Baker University

### *THE QUESTION*

*Resolved: That through appropriate legislation,  
a minimum wage scale ought to be put into operation  
in the United States.*

Price One Dollar

*Edited by*

Geo. A. Brown and F. W. Osterhout

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**THE CONSTRUCTIVE AND REBUTTAL  
SPEECHES**

**Both Affirmative and Negative**

**of**

**BAKER UNIVERSITY**

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**AFFIRMATIVE AGAINST NEBRASKA WESLEYAN**

**A. R. Bradley**

**Ernest Reser**

**W. S. Davison**

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**NEGATIVE AGAINST WASHBURN**

**John Bass**

**Geo. A. Brown**

**F. W. Osterhout**

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Edited by

**GEO. A. BROWN and F. W. OSTERHOUT**

**Price: One Dollar**



ALFRED E. LEACH, A. B.

Debate Coach and Professor of Public Speaking

TO WHOM  
ADDRESS



**Affirmative Team:**

Defeated Nebraska Wesleyan

W. S. DAVISON  
A. R. BRADLEY                      ERNEST RESER



**Negative Team:**

Won Unanimous Decision  
from Washburn

GEO. A. BROWN  
JOHN BASS                      F. W. OSTERHOUT

These speeches are fifteen minutes in length, the rebuttals six minutes, and are printed as they were given against the Nebraska Wesleyan and Washburn Universities, two of the strongest debating schools in the Middle West.

### **A. R. Bradley, First Affirmative.**

Honorable Judges, Ladies and Gentlemen: Nations perish when their foundations crumble. Hence a question of vital concern to our laboring class must necessarily vitally concern our nation; for the great laboring class constitutes the basis of society. The wide spread interest which this question is arousing and the action which has been started in several states forces it upon the minds of the thinking public with a burning appeal. Following the example of Massachusetts nine states have enrolled on their statute books a minimum wage law. Hence, we are face to face with living progressive truths, no longer theories.

Industrial disputes are about the only form of contention in which the government does not arbitrarily compel adjustment, but even these are coming more and more under the jurisdiction of the state until at present two-thirds of our states have some form of law concerning labor and its interests. Why this increasing interest? There is a vast hord of laborers in the United States who are forced by starvation wages to exist among such sordid surroundings that they are wrecked in character and in physique, the greatest assets of a nation. In spite of the fact that through the long weary hours of toil they have produced wealth and luxury for their employers, these miserable beings are doomed to suffer for the lack of the things they themselves have created.

Slavery has not been abolished, friends, until all such disgraces as exist in our industrial world have been eradicated. All enlightened society from Massachusetts to Oregon is demanding that a remedy be found for the evil of the low wage. The fundamental principle of labor legislation is the conservation of the human resources of our nation, hence the wage question, because of what it involves, becomes one of our greatest national problems.

Ladies and gentlemen, in our presentation of the minimum wage we do not contend for some visionary adjustment which will force industry out of business and establish labor in luxury. We contend that upon no other basis than that of complete justice to both employer and employee can this question ever be settled, and it is upon such a basis that we present the minimum wage. We shall not argue that a minimum wage shall be arbitrarily fixed as a living wage, but we base our contention for a minimum as such a wage that will be just and fair to both employer and worker.

We concede that starvation wages are not the sole causes of poverty and wretchedness of the laborer, but statistics and investigation



prove beyond contention that a vast army of workers, especially the unskilled, are forced to toil for existence under conditions destructive to physical and moral being. The negative must concede this fact, and that a society based on such labor, whatever temporary success it may attain, must come to final degradation and ruin.

Likewise, Honorable Judges, the proposition as stated does not necessarily mean that a minimum wage apply to each and all industries. We admit that the highly skilled and well organized trades may not need it, and therefore we shall contend at no time that wages as a whole shall be tampered with or regulated. However, we do contend that a vast number of workers must be protected by this means against their own ignorance and helplessness as well as against the greed of the employers.

In this class are found the sweated laborer, the underpaid factory worker, women and children, and such industries as are dependent upon the mercy of employers. We do not advocate that a laborer should be paid more than he earns. That would be injustice to the employer. Our sole contention is that if labor is exploited and underpaid, as we shall prove, then in the name of eternal justice some remedy must be found and applied.

We realize that the plan, being a human device, is not perfect, therefore our argument is for the principle involved and can not be disproved by an attack on the minor details.

Now, Honorable Judges, having given you our conception and understanding of minimum wage I will now prove to you that the minimum wage becomes a necessity. That capital is to a deplorable extent oppressing labor in our country is an admitted fact. According to Professor Nearing, one of the world's greatest authorities on wage problems, one per cent of our population controls fifty per cent of the wealth of our country and further more than fifty-one per cent of the laborers of our country have an annual income of less than \$625, a sum estimated by some of our authorities as being barely sufficient to maintain American standards. With these facts in mind we see that labor is receiving a pitifully small proportion of that which it produces. It is impossible to believe that one per cent has produced as much as the other ninety-nine per cent. The report of the Bureau of Industrial Statistics of Pennsylvania shows that in seven trades employing more than 60,000 women the average yearly wage is less than \$300. Since a large per cent earn more than the average it follows, of necessity, that a great number earn less than this pitiful sum. According to a report of a government investigation in the state of Connecticut in the cotton industry 29 per cent earn less than \$7, the base fixed by this commission as a living wage; 58 per cent earn less than that in the silk, 49 per cent in the metal and 49.5 per cent in the rubber, or 48.4 per cent of the combined labor in these industries fall below the standard of \$7. It is evident, therefore, that nearly one-half receive less than a living wage. Honorable Judges, these figures were copied from the pay rolls and em-

bodied in this report to the government. The question arises, can the industries afford to pay more? A comparison of wages and the value of the products shows that labor receives less than 22 per cent of the value of the product which it creates. Who would contend that this is a fair proportion? A startling fact is shown by Adams and Sumner in their book, "Wage Problems," that wages in the sweated industries have decreased in the last decade. This statement has actually been verified by investigations. Since this is true it is clearly seen that conditions demand legislative adjustment. Again, quoting Professor Nearing, whose research is extensive and whose findings are without bias, one-fourth of the men and four-fifths of the women of the state of New Jersey receive less than \$468 per year. Ladies and gentlemen, I might present a labyrinth of figures proving that labor in this country is underpaid, but these facts, taken from governmental investigations in several representative states, proves beyond the shadow of a doubt that more action for the protection of American standards of living is essential. The underpaid man becomes the physical and moral degenerate. Note the conditions in the tenements and sweat shops of our cities, which are too well known to require comment. There are 20,000 such tenements in New York City alone in which abound disease, degradation and vice. Childhood is forced to contribute its uttermost to enrich able manufacturers. Poverty is ugly and repellant everywhere, but when it assails the cradle it assumes its most hideous form. To the extent that children are robbed of their inherent right to laugh and be free, to the same extent do you cripple and blight society. According to Professor Seager in his book, "The Bitter Cry of the Children," out of 171,732 deaths of children under five years of age in 1912, 78,263 were due to bad conditions and preventable. Appalling, and we maintain that nothing has been found so effective to prevent these sad conditions as the minimum wage. It is impossible to rear efficient, healthy and moral citizens in homes where the utmost wage of the father is insufficient to meet the needs of their frail bodies.

Human nature is selfish, and greed relentless, and as long as it is possible a certain class of unscrupulous employers will ever exploit labor. Honorable Judges, does the fact that a man must toil justify an employer in taking an unfair advantage, to avail himself of labor half paid? No, eternally no.

Our opponents may contend that as a worker increases in efficiency in the same rate will his wages increase. This would be true if the pay check were always in the true proportion to the amount and efficiency of the labor performed. But what of the underpaid labor? How can we expect the poor ignorant man, starving mentally and physically, wholly lacking in incentive and initiative, to rise above his present low level? A minimum wage by giving justice to all is the only remedy which does not at the same time destroy efficiency.

It will be argued that wages are governed by the law of supply and demand, but this law, in the words of Gide, the great French

economist, is a blind law of a nature that has no regard for equality or justice. It does not take into consideration the fundamental principle does a laborer receive what he earns, but only is the supply so great that the laborer will be forced to accept whatever capital pleases to offer. Furthermore, the law cannot operate under abnormal conditions. Then, since the law of supply is inefficient and unjust, a legal minimum based on principles of justice is needed to prevent great moral injury being inflicted on our nation. Is it any wonder that so much vice and crime exists, in view of the fact that not half of the women wage earners of the United States receive as much as \$6 per week for their service? Furthermore, the death roll of the United States is greater than that of any other nation, due in large measure to industrial conditions. Because of the injury to the individual the state and public welfare must suffer for, be it known, the whole is no greater than the sum of its parts.

Honorable Judges, I have proven to you by government statistics that labor in many instances is underpaid in our country, whose fundamental principle is equal rights to all and special privilege to none. I have proven that conditions demand a remedy, that we may stay the physical and moral degeneracy of our great laboring class, that their children may have the opportunity to develop into normal men and women, to compel the freed, selfish employer to deal justly and fairly, to enable the mother to maintain her place in the home, not in the industrial world. A remedy I say must be forthcoming, and what remedy shall we seek for, what so just and fair to all concerned as the minimum wage? In fact, I maintain that a minimum wage is necessary and essential to the physical and political life of the nation.

Legislation is the only effective means for bettering conditions, because, organization is impossible. Those who require the minimum wage are, as a class, incapable of exercising the administrative ability necessary for effective unionism. Organization among the employers is impossible, for the majority will not organize, and those who would can not. Again, legislation is the only means, for industrial education is too slow a process. Legislation is the only effective means for giving the people, who enter into wage contracts, equality before the law, and such a policy effectively operated by a wage board consisting of a fair representation of employers, employees and public opinion is the only means for making true, for the first time, that which has long been held to be true, that is, the establishment of just relations between employer and employee.

Now, ladies and gentlemen, in conclusion we rest the issue upon the fundamental principles involved and ultimate effects upon society, not upon the petty details. To recapitulate, we would not fix an arbitrary minimum based on the cost of living, but upon the capacity of the worker and profits of the industry. We contend merely for a wage as shall be just to both capital and labor. We recommend the adoption of a policy in a cautious manner, and in those industries

where labor is most clearly exploited, and we shall insist that the negative recognize and meet the problem of starvation wages in those industries.

Briefly, having given you our interpretation of a minimum wage, I have asserted and proven that immediate adoption of the policy in certain industries is necessary because of conditions that exist, and I have further proven that legislation is the only effective manner for controlling these conditions.

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### Second Affirmative, Ernest Reser.

Honorable Judges, Ladies and Gentlemen: The first speaker of the Negative began his speech with the statement that a minimum wage had never been tried in any place except in England; that it was sometimes said there was one in Australia and in New Zealand, but that it was not so. After saying that he spent almost his entire time in trying to show wherein the minimum wage had not worked satisfactorily in New Zealand and Australia, thus flatly contradicting himself. The same speaker of the Negative challenged us to show that there was a minimum wage in effect in more than two states in the Union, namely: Massachusetts and Oregon. I have here the Journal of Political Economy for February, 1914, this month, giving the laws now in force and operation, creating a minimum wage scale in nine of the states in the United States. Either one of two things is true; our worthy opponents are either ignorant on the question and not up to date on it, or are seeking to dodge the issue that there is a minimum wage scale now operative in nine of our states.

Hon. Judges, my colleague has shown that the fixing of a minimum by legislation is necessary to immediately remedy the condition of underpaid, unskilled, exploited labor.

The fundamental purpose of labor legislation is, or ought to be, the conservation of the human resources of the nation. The general labor market is quite capable of absorbing all the available labor force, except that of the defective or superannuated, at a living wage. If in every large city thousands of persons must continue to work hard and get less than a living, the fact is an indictment against civilization. We know there are some objections to a legal minimum wage, but starvation wages, when encountered, are due to exceptional circumstances which justify extraordinary remedies. We pass inheritance tax laws and income tax laws, which swell the national treasury, and perhaps aid the middle class by slightly lowering their tax. But what of the poor working man who has nothing on which to pay tax; where does he get his share and wherein is his benefit? He has none, but is forced to grind on as before. What we need is a measure which will give food, shelter and clothing to those who need, and to those who earn it, the laboring class, on which rests the present and future

strength of our nation. The proposal of a minimum wage makes for itself a vast prima facie claim, in that it promises to end untold hardships and wrongs; and it is safe to say that at present no one is sure enough that it is not workable to justify him in definitely rejecting it. If it were our own lives and comforts which were at stake, we should sift to the bottom any argument which claimed nothing could be done.

The Negative will no doubt contend that a minimum wage will not increase the real wage, claiming it will raise the cost of living. But note this fact, Hon. Judges, that the minimum wage as we would adopt it will materially affect only the wages of the unskilled class, and not the whole scope of wages, and the tendency toward raising prices would be slight indeed. Later in the debate I shall show why the minimum wage will not increase the price of products, and also how increased efficiency will care for any slight increase there may be. Therefore, the minimum wage will increase the real wage, for an additional dollar paid the unskilled worker will buy just as much as a dollar paid the more skilled individual.

Plainly our opponents would still rely upon the law of supply and demand, but already we have relied too long upon the law of supply and demand to solve the problem of underpaid labor, and relying upon that law, our nation has allowed industrial conditions to grow worse and worse without the expected adjustment. In all other lines we have found legal regulation of capital necessary, and today, being augmented by immigration and the movement of labor to the cities, the condition of the oppressed and helpless worker has grown so intolerable that the people are fast realizing the fact that the time is now here when the law must step in and relieve the situation. Restriction of immigration and like measures will no doubt assist in this adjustment, but such measures alone cannot reach the needs of a very large part of those now suffering, for there has always been, and will ever be, a severe struggle between labor and capital; and until the public, through the law, step in and say that such things shall no longer be, capital, because of its superior power, will continue to force a great class of unskilled workers to labor for just what the employer is willing to pay. It is for this class we advocate the minimum wage.

Thus far, ladies and gentlemen, I have shown that a minimum wage will increase the real wage, and that we cannot longer depend upon the law of supply and demand to regulate the conditions of unskilled labor. Further considering the affirmative argument, I shall show that the obvious objections to a legal minimum wage are outweighed by its benefits.

First of all, it will raise industrial efficiency. The employer, unable because of economic law to seriously increase prices, will turn to scientific management; when he can no longer bargain for low wages, he must turn elsewhere to increase his profits. Antiquated machinery and old-time methods, now profitable only because of

ruthless exploitation of defenseless labor, will rapidly be discarded. Trade unions strive for and establish a minimum wage. The employer meets the situation by installment of modern machinery and modern methods. The employers of twelve states are today meeting the Workingmen's Compensation Act by substituting improved methods and safe-guarded machinery for antique processes and dangerous machinery. When the law prescribes a sanitation regulation the same is true. Efficiency will become the supreme law of the industrial world, the only hope of industrial preservation.

In the second place, the question of unemployment will not be so serious as often predicted. My colleague will show that in the five sweated trades in which the Victorian law was first applied, the wages have gone up from 12 to 35 per cent, and yet the actual number of persons employed has increased greatly relative to the increase of total population. No doubt a minimum wage will throw a few aged and decrepit workers out of employment, but is it not better to force a defective out of industry rather than let his competition pull down the wages of a dozen efficient men? Such incapables are properly a state charge, and it is better for the public to meet this responsibility than to allow the far greater burden of underpayment to fall on a much larger class of workers who are now suffering.

Moreover, the prime causes of unemployment are directly traceable to subnormal wages. Chronic malnutrition, diseases and inefficiency are daily increasingly augmented by starvation wages. The value of the efficient worker will continue to grow. Labor's working life will be lengthened. Labor's productive capacity will be increased. The human wreckage of industry will not become a subject of charity so early in life. The minimum wage by tending to give stability to industry, will decrease unemployment. The minimum wage removes the most important cause of unemployment, the physical basis.

Third, a minimum wage will materially aid in a more equal distribution of industrial wealth. Hon. Judges, note these few statistics: By the most conservative of stable authority, it is estimated that an adult woman cannot live in frugal comfort, good health and decent existence on less than from \$450 to \$500 per year. Yet, according to Prof. Boyle, of the wage-earning women in the United States, 60 per cent get less than \$325, and 90 per cent less than \$500 per year. A like estimate for men is \$600, based on a family of a wife and three children. However, Prof. Nearing, of the Pennsylvania University, recognized authority, states that in the section east of the Rockies and north of the Mason and Dixon line, one-half the adult males get less than \$500, and three-fourths get less than \$600 per year. Likewise a recent United States Government report on over 172,000 men in the iron and steel industry, gives 65 per cent as receiving less than \$500 per year. By these figures it is easy to see that there is undue oppression of the laboring class.

Again, it is common knowledge that 1 per cent of our population owns one-half the wealth of the United States, and only 29 per cent of the wealth is owned by 91 per cent of the population. By statement of Dr. Balch, there are over 1,000,000 families in the United States who receive as a total income less than \$500 per year. Yet, there are over 1,100 millionaires in New York City alone, that city where half the poverty is due to low wages; where one-half the deaths of children under five years is due to poverty, and where one out of every ten who die in the city are buried in a pauper's grave. I ask you, is it right, and is there not an inequality in the American standard of life which ought not to be?

Likewise it is common knowledge that many of our incorporated industries are making exorbitant profits. Just one illustration: The United States Steel Corporation, which employs over 200,000 men, by actual figures reported to the government, in 1910 made a clean profit on every man, above all the expense of the whole works, one and one-quarter times the amount paid that man. In 1911 they employed some fewer men and made a considerably higher profit on each man.

The Negative would have you believe we are trying to base a minimum wage upon what it costs the laborer to live. But this is not our contention, Hon. Judges. We have and shall throughout the entire debate advocate a minimum wage based upon the earning power of the lesser skilled individual. We realize the fact, and maintain that on the one hand, a laborer, man or woman, who is physically and mentally normal, is ethically and economically able to earn enough to keep him in reasonable existence, and that on the other side of the question, industry not only owes to that laborer, but is economically able to pay him, out of the profits produced by his hands, a sufficient amount to keep him in the frugal necessities of life. We further realize that if fixed by a board, representing the public, labor and capital, such board in establishing a minimum wage in a certain industry would take into consideration the needs of the worker, the amount paid by those establishments paying the better wages, and the ability of the particular industry to pay a reasonable wage. Thus you see, ladies and gentlemen, that rather than basing a minimum wage upon what it costs the laborer to live, we base it upon what he earns, and maintain that the normal laborer is able to earn a living wage.

In the fourth and last place, minimum wage is an effective check to the increasing tide of national degeneracy. Industries which suck the vital energies of their underpaid workers are parasitic. The parasitic industry is a social menace and should be suppressed. The present death toll of industry—wrecked and shortened lives, enfeebled women and children, and growing numbers of physical degenerates, is the terrible indictment against subnormal wages. "It is a reproach to national enlightenment and Christian civilization." Says Sydney Webb: "Every economist admits that by raising the standard of living we increase the national dividend."

Substitution for squandered national resources is comparatively easy. There are substitutes for wood and coal, but there are no substitutes for men, women and children. Conservation of the human resources of the nation is the crying need of the hour. The minimum wage is a preventative measure. It stops millions of workers from falling below the poverty line. This measure does not fix wages. It fixes the level beneath which wages shall not be paid. It protects defenseless labor. It simply proposes that industry shall not exist at the expense of the vital energies of its workers. It fixes the rules of a competitive game. Competition in wages has free play above the fixed level. But minimum wage demands that industry shall play fair with its workers.

Thus far in the debate, Hon. Judges, we have established the following facts: (1) That the fixing of a minimum wage by legislation is necessary to immediately protect unskilled labor; (2) That the obvious defects of a legal minimum wage are vastly outweighed by its benefits:

Because it will increase industrial efficiency, it will materially aid in a better distribution of industrial wealth, and lastly, it will effectively check national degeneracy.

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### W. S. Davison, Third Affirmative.

Honorable Judges, Ladies and Gentlemen: My opponent who has just left the floor has based his argument on the theory of this question, I shall base my arguments on facts.

Now, my colleagues have already shown that there is a large class of labor in the country that is underpaid, that 60 per cent of the women workers are receiving starvation wages, that 50 per cent of the men workers are not receiving a living wage, that wage legislation is the only adequate remedy, that the benefits to society will vastly outweigh its defects. The question now remains will the minimum wage be practical and efficient in operation?

I shall show, first, that the difficulties and objections presented are no greater than those presented by other reform measures; second, that the plan has behind it the weight of experience and the best of authority; third, that its enforcement will be possible.

First, the obvious objections are not insurmountable. Every step from slavery to citizenship, from absolutely monarchy to republic, has been fought bitterly by the cry of "impractical." The arguments against the minimum wage are not new, they have followed it and every other reform measure from country to country. Laws regulating hours of labor, child labor laws, workmen's compensation laws, and laws fixing a minimum of sanitation have been met by the same argu-



ment of impracticability and impossibility as our opponents are advancing here tonight. It was contended that they violated the natural laws and rights of the individual; that they would drive labor out of employment and ruin industry. But it has been shown that these objections are not insurmountable for today they stand as living embodiments of the indomitable genius of the American people for solving complicated problems.

My opponents have put much emphasis on the economic law of supply and demand as a proper law to govern such questions. Time after time this law has been disregarded by labor unions and corporations and has been discarded by our National and State governments as inadequate and insufficient. The fixing of railway and freight rates is plainly as much a violation of the economic law of supply and demand as is the minimum wage.

The minimum wage is based on the principle that the worker, whether man, woman or child, needs the protection of the state, not only against overwork, accident, and unsanitary conditions, but against unchecked competition and unregulated employment. Sidney Webb, the greatest living English Economist, and a professor in the University of London, says that the fixing of a minimum wage is less complicated and demands less technical knowledge than the fixing of a minimum of sanitation, which must be done for every factory, and that it demands less technical knowledge than the fixing and regulating of hours of labor. Then is it not reasonable to conclude that since similar objections have been overcome by other similar reform measures that these too will yield to the genius of the American intellect?

The minimum wage is not a new nor a radical innovation of legislation as our opponents would have you believe, but it is backed by a generation of actual experience. In Australia it has made a steady growth in power and influence. Since 1896 it has spread from five sweated trades to more than a hundred trades and industries. The official report of Victoria shows that, in the five sweated trades to which it was first applied, that wages have increased from 12 per cent to 35 per cent. The hours of labor have invariably been shortened, the number of factories has increased 60 per cent, and the number of workmen has more than doubled. Furthermore there are fewer dependents in Victoria today, with the population doubled, than in 1896. Contrast this, will you, Honorable Judges, with the conditions which exist in the United States where, in spite of the great increase in the cost of living, the wages in the sweated industries are less than they were twenty years ago.

According to the best judgment of the people of Australia the law is a success, for five successive times the temporary act of 1896 has been re-enacted by an overwhelming majority in both houses. Minimum wage provisions have been in existence in New Zealand since 1894 where its most outspoken opponents admit that it has eradicated the sweating evil. The English Government sent Earnest

Aves to carry on a special investigation in these countries and, in view of the facts presented in his report, the Wage Board Act of 1909 was created, establishing a minimum wage in certain industries. The bill not introduced by radicals but was introduced and supported in Parliament by Winston Churchill of the English Cabinet. It was backed by such men as Balfour and Herbert Gladstone. It is a significant fact that it has proven such a success that it has since been extended to the chain making and the coal mining industries. Thus the English Parliament, the most conservative law making body in the world, voiced almost unanimously its approval of the minimum wage. In the chain making industries an increase in wages of from 35 per cent to 60 per cent was realized at the first award and in the coal mining industry of from 20 per cent to 30 per cent and in no case has the industry suffered. In view of the imperative need for labor legislation our Government sent Dr. Victor Clark to carry on a special investigation in Australia, and in his report he says that in its operation and results the minimum wage is a success "beyond expectations" and draws the unquestionable conclusion that it may be successfully applied in this country.

The argument by my opponent that the minimum will become the maximum is not substantiated by past experience. The Survey for January 8th shows conclusively that the minimum did not become the maximum in England. The average wage of the coal mines is 13 per cent above the required minimum. It did not become the maximum in Australia. The average wage paid in the clothing industry is 42s per week as compared to prescribed minimum of 36s. The average paid to men is 56s as compared to a minimum of 45s. An average of nearly 20 per cent above the minimum. Scholefield, who is authority on Political Economy in New Zealand, says that there is scarcely a factory which does not show a large number of workers with wages above the legal minimum. This is conclusive evidence that the minimum does not fix the maximum, and that wages still continue to vary with the individual capacity of the worker.

Furthermore, the minimum has found favor with the employers as well as the employees, for 45 per cent of the wage boards now in existence in Australia were created at the request of the employers. In the investigation carried on by Aves in Australia these questions were sent to the employers, "Is legal adjustment of wages advantageous to employers?" Eighty-one per cent answered yes. "Is legal adjustment advantageous to your trade?" Seventy-nine per cent answered yes. "Is legal adjustment advantageous to your community?" Seventy-eight per cent answered yes. These facts show that justice has been rendered to all classes.

The experience of trade unions in the United States proves the practicability and the efficiency of the minimum wage. The principle of the minimum wage has been partially practiced by hundreds of trade unions throughout the country. Their fundamental purpose, admittedly good, is that of securing an adequate wage. What we are

proposing to do is to take the same principle and put behind it legal authority and the moral support of equal representation on wage boards, which will insure justice to all concerned. In hundreds of instances in the past decade the wage question has been taken out of the hands of the employer and the individual and settled by a commission or joint arbitration board. The minimum wage is fundamentally an arbitration board and is known by that name in New Zealand. Since the fundamental principle of the minimum wage is worked successfully in the United States by trade unions, commissions, and arbitration courts, we logically conclude that it will be workable and beneficial when backed by law.

The minimum wage is endorsed by the best of authority. The National Progressive party has pledged to work unceasingly in state and nation for minimum wage standards in all industrial occupations. Father Ryan of the Catholic Church, declares in unquestionable language for the minimum wage.

In the first case of its kind in the United States Judge Cleeton, of the Oregon Circuit Court, contended that if laws regulating hours of labor for women and children are within the police power of the state and therefore constitutional that these laws are complementary the minimum wage law being necessary in many instances to make laws regulating hours of labor effective.

Many of the greatest political economists in the world have allowed themselves to go on record as favoring the minimum wage. Among the most prominent are Winston Churchill and Gladstone of England, Charles Gide of France, and in our own land the list is almost endless, Seager of Columbia, Jenks of Cornell, Adams of Michigan, Henderson of Chicago, Ely and Commons of Wisconsin, Hadley of Yale, Tausig of Harvard, Groat of Ohio, Nearing of Pennsylvania, and Victor S. Clark of Washington, D. C. Hence we see that the plan is supported by the best of authority among labor leaders, economists, and social workers.

Now my opponents have cited isolated cases where the minimum wage provisions have been violated and have contended that they can not be enforced. But we contend, Honorable Judges, that the best laws on the statute books of Nebraska are not rigidly enforced, they are not perfect it is true, but would the gentlemen advocate their repeal on that account? According to the authorities which I have quoted, other countries are making minimum wage provisions reasonably affective and arbitration boards in this country succeed in enforcing their wage provisions.

It will be backed in its enforcement by all honest employers to whose interest it will be to enforce the law on their dishonest and disloyal competitors. Reports show that in England some of the employers tried to evade the law but others brought them to terms.

It will be passed in the interest of the largest class of people in the United States, the working class, who, when represented on the wage boards, will give their unwavering support. It is a social reform designed to lessen unnecessary hardships, protect the public health, and lessen the vice of our great cities, hence it will have the loyal support of social reformers and the general public, whose life and health is daily endangered by present sweat shop conditions. It will have the hearty support of the consumers' leagues of the land, for the State, the National, and the International Consumers' Leagues have pledged to aid in the enforcement of minimum wage laws. Hence a law backed by so large a majority of the people will make enforcement not only possible but imperative, because of the weight of public opinion.

In conclusion, if our opponents' arguments are to stand, we demand that they substantiate their contentions by answering these questions. If it is a matter of state control to fix a minimum of sanitation and to regulate the hours of labor, why is it not equally a matter of state control to fix a wage below which employers, for the good of society, shall not be allowed to pay? If the measure is so undesirable, why has it been continually reenacted and extended in Australia? Why is it that England, conservative England, has adopted the minimum wage as the best solution for subnormal wages? Why has the measure been adopted by nine of our states and by hundreds of business firms throughout the United States? Why have the Consumers' Leagues of the world rejected other plans and pledged themselves to work for the establishment of minimum wage laws?

To sum up our argument, we have established the following facts: That the minimum wage is the only adequate remedy for conditions resulting from starvation wages. That it is practical and desirable, for its benefits to society will vastly outweigh its obvious defects. That the difficulties of application are no greater than those of other reform measures which are now in successful operation. That the plan is backed by the successful experience of England, Australia and New Zealand. That its enforcement will be possible, for it will be backed by all honest employers, the laboring class, and the consumers.

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#### **A. R. Bradley, Affirmative Rebuttal.**

Honorable Judges, Ladies and Gentlemen: Throughout the debate our opponents have attacked the smaller details of the minimum wage policy. They have demanded a definitely outlined plan in hope that some minor point would prove defective and through this they would be able to attack the great principle involved. The plan, being a human device, is not flawless; however, the defective minor details could and would be corrected, after a short time, in practice.

Our opponents have made much of the law of supply and demand. But what is the law of supply and demand? Does it mean that because there is a great supply of labor, a worker must take such a wage as an employer pleases to offer? No other interpretation can be given. There is no equity nor justice in this. Is the principle that might makes right the solution of this problem? If my worthy opponents advocate this, likewise they would advocate that the trusts of our country should have the power to force the consumer to pay such prices for commodities as they shall be pleased to fix, likewise such a policy would enable a strong nation to wilfully oppress the weaker one. The law of supply and demand is a relic of the past and modern institutions and standards of progress demand the enactment of a minimum wage law.

Again, our opponents contend that the minimum wage will raise the cost of commodities. However my colleague has shown that a large part of this difference will be made up by the increase of efficiency of the worker. This would at least care for part of the increased expenditure without raising prices. In some cases the employer could pay without infringement on necessary profits, in others the unskilled employee would be eliminated. Then again, according to Mr. Grant, in his book, "Scientific Management," the ratio of what is accomplished in our industries to what might be accomplished is the ratio 1:3. Hence, by scientific management the difference might be cared for. Even granting that there might be a slight rise in prices upon first adoption, is it not better that working people should divide among the vast number of consumers the hardships which are now shouldered by the very few of the obviously underpaid? Our nation does not require the product of any business so badly that human lives must be sacrificed rather than pay enough that these worthless may receive a reasonable wage.

We agree with the Negative that the minimum wage will throw a few out of employment. However, because of the higher wages paid, the employer will demand the most efficient, hence those thrown out of employment will be the industrially inefficient, those lacking physically or mentally. This would force the state to solve the problem of the unemployed and the unemployable, which must come sooner or later. Economists are agreed that there is enough labor for all the employable, hence the problem then is the distribution of labor. England, likewise Massachusetts, have established free employment bureaus that are proving very successful. As to the unemployable, the inefficient and the aged, surely the most disastrous way to care for this class is to allow them to compete with the able bodied workman, thus forcing wages down to their level. Hence, a minimum wage will cause this class to stand out clearly, then such measures may be adopted as required to care for them. Therefore, the problem of throwing workmen out of employment is not serious.

Concerning the minimum becoming the maximum, I will say that in reply to personal letters, Holcombe of Harvard, Seager of Columbia

and Mills of Vassar have all said that they did not believe that such would be the case. Why? Because it has not proven so in other countries. The Quarterly Journal of Economics, August, 1910, gives conclusive statement that in Australia and New Zealand, 61 per cent receive more than the prescribed minimum. A selected committee from the British House of Commons, in a report following a careful investigation, states: "It is a significant fact that in the clothing industry of Australia wages are 17 per cent above the required minimum. In our country the minimum established by trade unions has not become the maximum, and the two are analagous. The minimum will do for the ignorant unorganized laborer what the trade unions have done for organized workmen.

If the minimum wage is a failure in Australia, why has it endured seventeen years, constantly growing and extending? It was adopted only temporarily and five different times it has come up for discussion, always to be readopted. Victor Clark says concerning Australia, "The minimum has succeeded beyond expectations." Why did England adopt the minimum wage after investigating its operation in this country, if all the predicted evils follow in the wake of minimum wage legislation?

In summary, we have shown that labor, to a great extent, is underpaid in our country. The underpaid workman stands as a perpetual indictment of the hypocrisy of those who preach the brotherhood of Good and the brotherhood of Man. We have shown that the benefits of the minimum wage, such as we have proposed, far outweigh the disadvantages, that it is practical in application, and that it is just to all concerned. And finally it corrects and checks those conditions which if allowed to go unchecked will ultimately bring our nation to ruin. Therefore we contend that a minimum wage law ought to be put into operation in the United States.

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### **John Bass, First Negative.**

Honorable Judges, Ladies and Gentlemen: Before I take up the discussion for the negative I wish to call your attention to the argument set forth by my worthy opponent. His speech can be divided into two parts, in one portion he tried to picture the deplorable conditions as he saw them. In the other portion he paid a tribute to the minimum wage of Australia. My colleagues in the course of their argument will prove that the minimum wage in Australia has been an overwhelming failure, and should under no considerations be adopted in the United States.

The negative admit that the labor conditions in the United States are not what they should be; but we do not admit that they are as deplorable as my worthy opponent has pictured them. Honorable

Judges, are we facing a crisis; are we plunging into an abyss of wreck and ruin owing to a few abnormal conditions in our laboring system? Experience proves that we are not.

The Senate Investigating Committee of the Sixty-first Congress reports, that during the last seven years there has been an increase of eighteen per cent in the scale of wages and an eight percentage decrease in the length of working hours in forty-one of the leading industries. The labor report of the State of Connecticut states, that the average wage of women, exclusive of minors, was over \$9.00 per week. The committee of the Kansas legislature that investigated the laboring conditions of this state, reports that every girl who was worth \$9.00 per week is receiving \$9.00. The 950 girls working in the Emery, Bird, Thayer Dry Goods Company of Kansas City, Mo., are receiving an average of \$10.00 per week. These facts go to prove, Ladies and Gentlemen, that the conditions are not as deplorable as my worthy opponent has so eloquently stated. The official organ of the American Federation of Labor says, "A great majority of our industries are paying more than a living wage to their employees, and where low wages are paid it is due to exceptional circumstances." It is of these exceptional circumstances that I wish to speak.

The Negative maintain that the cause for low wages, which exists in a few industries cannot be remedied by minimum wage legislation. My worthy opponent said if we maintain that the minimum wage cannot remedy the conditions of low wages, we must produce a better remedy. Honorable Judges, it is not necessary for the negative to produce a better remedy. The only thing we have to do is to prove the fallacies and defects of a minimum wage, and that is what we are going to do, beyond that we have no prerogative.

In considering the question of wages, we must consider those fundamental economic laws that underlie the whole theory of wages. In the first place wages constitute the price paid for the service of labor, and hence come under the general law of supply and demand. This economic theory seems to be ignored by the advocates of a minimum wages, but the great authorities on economics like Tausig, Seager, Ely and Feters, support the theory, that labor is controlled and regulated by the laws of supply and demand that are above any artificial laws that may be promulgated by the mind of man in a moment of restlessness. How can a few men assembled in a state or national legislature establish laws to regulate a certain economic element, over which they have no control? The scale of wages will increase when the labor market is limited or restricted, in spite of the fact that men may legislate to the contrary. Any country has a high scale of wages when labor is scarce, but when its labor supply exceeds the demand as it does in some of the industries in the United States, the scale of wages will be low.

State regulation of wages is by no means a new thing. England tried it and failed, because the supply and demand of labor could not be regulated by acts of parliament. A certain school of economists set forth the reason, that because the police power of the state can enforce laws regulating the length of hours and unsanitary conditions, it can likewise regulate the rate of wages. Such a hypothesis is wrong both in theory and in practice. There are no economic laws regulating length of hours and unsanitary conditions to interfere with such legislation, but in the question of wages, between employer and employee, the economic laws plays a vital part and defies legislation.

Furthermore a minimum wage is not elastic, and cannot adjust itself to the ever fluctuating labor market. Suppose during the time of a commercial depression a large number of men are thrown out of employment, how could a minimum wage, established during a period of prosperity, adjust itself to the vast over supply of labor? The price of labor in such a time would rapidly decrease, but the minimum wage being fixed by legislation would remain the same, in spite of adverse conditions. Therefore, because the minimum wage would seek to control labor which can only be controlled by economic laws; and that it would not be elastic in moments of depression, it is hailed by most students of economics as false in theory and dangerous in practice.

Now let us apply this economic law of supply and demand to the situation of labor in some of the lower industries. That there exists in some industries low wages, we admit, but at the same time there exists in these same industries an over supply of unskilled labor. It is my purpose to prove that these conditions attributed to low wages are due primarily to the influx of unskilled and ignorant labor. The oversupply of labor is due to two causes:

First: Foreign immigration.

Second: The movement from the rural districts to the cities.

There are coming annually to our shores one and a quarter million immigrants, largely from Eastern and Southern Europe, who are ignorant of our customs and conditions. This class of unskilled and ignorant immigrants, because of their ability to endure long hours, and because of their low standards of life, have been the chief factor in bringing about the conditions that exist in the textile and sweated industries. The recent immigrants have little money when they arrive, and to avoid starvation they are forced to seek employment at any cost. About 75 per cent of the workers in the sweated industries are Southern and Eastern Europeans. This influx of foreign immigration has so greatly exceeded the demand that today there exists a severe competition among the immigrants themselves, and these conditions in those industries have forced wages down to a very low standard.



The sweated industries did not exist prior to 1885. That year marks the coming of the Italians and Poles to our shores. They immediately congregated in the slums of our large cities; and owing to the severe competition among themselves for employment, they have brought about the conditions that exist in those industries. The conditions in the textile industries of New England were very favorable, previous to the coming of the ignorant and illiterate immigrants from Southern Europe. The American workers in those industries were receiving good pay and working under favorable conditions, but the coming of the Europeans, with their low standards of living, so increased the supply of labor that the native Americans were forced to leave. The foreigner today constitutes 80 per cent of the population in the industries where low wages are paid. Their ever increasing numbers and low standards of life are the chief causes for those conditions, and how is it possible to pass a law regulating low wages when those wages are caused by the nature of the individual?

In the second place our over supply of unskilled labor is due to the exodus from the rural districts to the cities. In 1890 the rural population constituted 72 per cent of the country's population; in 1910 it constituted 60 per cent. This decrease of the rural, and increase of urban population has had its effects upon the labor market. The cotton manufacturers of the South have lured the poor white from their mountain homes to settle in the cities. This movement so greatly increased the supply of labor in the cotton factories that the child labor question has been the result. That we have an over supply of unskilled labor is proved by experience. There were 3,000,000 out of employment in 1907. Last December, two months ago, the city council of Chicago passed a resolution asking the state to give them aid for 100,000 idle men. Kansas City reported 50,000 idle men in 1911. The inability to find employment is gathered by the department of labor at Washington which investigated the Italians in Chicago. It reports that the Italian is able to work on an average of only four months in the year owing to the great number of Italians in that city. My opponent has quoted the average yearly wages of the employees in certain industries which on the face of it appears low. But remember that the amount he quoted is the wage they received for working a portion of the year. If the worker was able to work 52 weeks in the year his wage would have been at least four times that which my worthy opponent has quoted.

This overcrowded market of unskilled labor, caused by the influx of foreign immigration and movement from the rural districts into the city have been the causes of low wages. These conditions constitute the exceptional circumstance for the causes of low wages in some industries as mentioned by the organ of the American Federation of Labor. Now the question is simply this. Can a minimum wage law eliminate these economic difficulties, decrease the number of unemployed and diminish the oversupply of unskilled labor? To accom-

plish that is the impossible, as mere legislation can not regulate nor control economic laws.

Now, Honorable Judges, since minimum wage legislation cannot eliminate the causes for low wages, why is such legislation agitated? The first place we hear of modern minimum wage legislation is in Australia. It was agitated for political purposes. Australia today is considered the world's experiment ground for every form of freak legislation. It has no complicated commercial and industrial problem, and for that reason the people of that island spend their time in adopting every form of radical legislation. Every piece of social legislation today, whether good or bad, had its origin in Australia. The minimum wage was advocated by the Socialist parts of Australia. This same party is now trying to regulate the cost of food products as attempting to regulate the price of a loaf of bread.

But what has been the success of the minimum wage in Australia? McDonald, that noted English expert upon this subject, says: "If a minimum wage could have succeeded anywhere it would have been in Australia where they have tried various forms since 1894. The country is small, its industries simple; its population is but a handful and is not crowded into large cities; its industrial inspection is child's play, and it is protected by a high protective tariff. But in spite of these favorable conditions, my colleague will prove that it has not been successful, and experience in that distant island would not justify its establishment in the United States. Mr. Aves and Clark were sent out by the English and American governments to investigate the minimum wage law in Australia. After two years of investigation they made a detailed report of their findings in which they warned their respective governments against its adoption. The minimum wage was adopted by England in 1909 during the greatest strike in its history. Coming to America, it was passed in Massachusetts in 1912 during the period of the Lawrence strike. Both employer and employee were opposed to this law, but in spite of their opposition it was passed by unscrupulous politicians and urged upon the non-interested voter. Mr. McSweeney, a member of the Massachusetts Industrial Board, said: "The so-called minimum wage law which went into effect July 1, 1913, is a monument to the timidity of the Massachusetts legislature which allowed itself to be bullied into passing without debate, a bill not for the sake of humanity, but for the fear that the failure to pass it might cost them votes."

An investigation shows that the best economic students of our day are opposed to minimum wage legislation. President Wilson and Dr. Hadley of Yale are among its opponents. As a whole both American capital and labor are opposed to it. Both organized and unorganized labor have repudiated and denounced minimum wage legislation. Mr. Gompers, the most influential labor leader in the United States, in voicing the sentiment of the American Federation of Labor, says: "We must not, we cannot depend upon legislative enactments to set

wage standards." During the agitation for minimum wage legislation in California the working women of that state sent eight representatives to their legislature who bitterly opposed the minimum wage law. About a year ago our legislature voted down the minimum wage law, and when the bill was under consideration, petitions were sent to the legislature signed by thousands of Kansas working girls requesting the legislature to defeat the measure for the sake of their pride and interest. Since both the employer and employee are opposed to it what reasons are there for its adoption in the United States.

In conclusion, I have proved: First, that labor is controlled by economic laws and not by legislation.

Second: Low wages, where they exist, are due to the conditions of labor market and cannot be remedied by a minimum wage law.

Third: That both the employer and employee are opposed to it.

For these reasons we maintain that a minimum wage should not be put into operation in the United States.

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### George A. Brown, Second Negative.

Mr. Chairman, Honorable Judges, Ladies and Gentlemen: In the beginning I wish to call your attention to my opponents attempted argument. The gentlemen have claimed that immorality is caused by low wages. This claim is absolutely without a foundation, because if immorality is caused by low wages only those would be immoral that receive a low wage. Legislation can not cure immorality, it is a state of mind. I wonder if my opponents can explain why immorality exists to such a great extent among the wealthy.

My opponents have made the assertion that the law has eliminated strikes in Australia. One of the most noted strikes in the history of Australia was the Victorian railway strike in May, 1903. In 1908, Australia passed a law which made the employers subject to a fine of \$250 each for striking, and the employees subject to a fine of \$50 each. The fact that there were 91 strikes in Victoria alone in 1911 shows that even this law combined with minimum wage law has not eliminated strikes.

I also wish to make it plain that labor unions are opposed to minimum wage legislation. Mr. Gompers, President of the American Federation for Labor, says: "We stand for minimum wage by economic forces rather than by legislative enactments."

The gentlemen have demanded the negative to give a remedy for the conditions of the laboring people. It does not fall upon the negative to even suggest a remedy. We are not debating the affirmative side of this question. And, before this debate closes even my opponents

will be convinced that a minimum wage scale should not be put into operation.

By way of summary, my colleague has shown that capable workers are receiving a good wage, and where low wages exist they are due to exceptional causes. Causes that can not be remedied by minimum wage legislation. He has also shown that minimum wage legislation is undesirable, and that the economic law of supply and demand is the correct method of determining wages. It is my purpose to show that minimum wage legislation is unsound in principle, and dangerous in application. The third speaker will show that minimum wage legislation has not worked and can not be made to work.

Authorities agree that minimum wage means a "living wage," and both affirmative and negative have agreed upon this interpretation. Then, minimum wage is based upon the cost of living rather than upon the worker's earning capacity which is obviously wrong. Since minimum wage is based upon the cost of living it is inadequate. First, because an individual minimum wage is impossible, the government can not assess the needs of each individual, such a plan being complicated and extremely expensive. If a moderate family, say a man with three children, is taken for the basis of determining the minimum, the wage becomes too large for the man with one child, on the other hand it is too small for the man with five children. The fact that an individual minimum wage is impossible, and a moderate family taken from the basis is inadequate explodes the theory of minimum wage legislation as well as its application. And, the economic law of supply and demand remains the correct method of determining wages.

Please note that the nominal wage is that which the worker receives in dollars, the real wage is what the worker can buy with the nominal wage. My opponents have said that the law has increased wages in Australia, but they failed to show that minimum wage law caused this increase. Wages have increased in other countries which are free from minimum wage law and more in some countries than in Australia where the law has been tried for seventeen years. Judge Heydon of Australia only names one class of regulated industries where wages have increased more than in the non-regulated industries. Mr. Aves, the English expert, says: "Taking the trades where any appreciable percentage of women are employed those not subject to the law show an increase of wages on the average of \$3.03 per week; while the trades which are subject to the law show an increase of \$2.15 per week." In this case wages have increased over forty per cent more in those industries which are not subject to the law, than in those industries which are subject to the law. These figures signify that legislation can not even raise the nominal wage above certain economic conditions. Dr. Findlay says: "Here in Australia we scarcely hear of the economic law of supply and demand but the result of minimum wage laws is a step to the position that wages are determined chiefly by economic laws." Statistics show that an increase

in wages has always been followed by an increase in the cost of living. Mr. Hobbs, a member of the board that published the New Zealand Year Book for 1912, says: "That an increase in the cost of living has been the only result of legislation so far." Raising the prices reduces sales, thus it lessens the number employed and thereby adds to our army of unemployed. An increase in the cost of living decreases the purchasing power of a dollar and thus reduces the real wage. We, the negative, demand of the third affirmative speaker to show that minimum wage legislation has or can increase the real wage. And, when the law has failed to increase the real wage it has failed to render the workers any benefit.

One of my opponents has said that the negative would probably say that the law would throw workers out of employment. The gentleman has made a good guess and it is evident that he thought there were some reasons for such argument or else he would not have made such a statement. The law is dangerous for the very reason that it will throw thousands of workers out of employment, and thereby enlarges upon the greatest labor problem before the American people. The Victorian Commission for 1903 shows that when the law went into operation a large employer with a staff of 280 workers dismissed from sixty to seventy hands; while another employer who gave work to 160 hands expressed the opinion that one adult male out of every eight in the trade had lost his employment. A furniture trade in New Zealand dismissed thirty-one employees on the ground that they were not worth the minimum wage. These figures show that 12 per cent of the employees lost their employment. Prof. Taussig of Harvard, says: "That probably the only thing minimum wage can do, is to divide labor into two classes, those who are worth the minimum and those who are not." But, this does not solve the wage problem. It is class legislation which is contrary to the principles upon which this nation was founded. Ladies and Gentlemen, I have not only given you substantial reason but I have also given you illustrations which show that where the law has been put into operation a large per cent of the employees lost their employment.

Now, let us get our bearings on my opponents ingenious contention that minimum wage legislation can help sweated and inefficient labor. First of all what is sweating? The best economic students say that it is the product of the evolution of modern industry. In other words our demand for unskilled labor is becoming less. In short, inefficient labor is that class which can not obtain better employment. Further sweated labor is largely home work which is done by women. If a woman has four or five hours to work after her housework is done, shouldn't it be her privilege? Minimum wage legislation will take from sweated, inefficient labor, the only source from which they can obtain a living. Because if the minimum wage law is to provide this class with a living the minimum will be made higher than their efficiency and instead of having a fair wage they will have no wage at all. One only needs to know the conditions of labor in Manchester,

England, to know the impossibilities of regulating inefficient labor. Manchester and other English cities have had municipal minimum wage laws for decades and in Manchester there are over 300,000 families living in attics. This evidence is sufficient to show that minimum wage law can not render any one self-support who was not able to earn it before.

The affirmative has claimed that minimum wage law will increase the efficiency of labor by giving them better food and shelter, as soon as the law is put into operation the less efficient will be thrown out of employment and they will have neither food nor shelter. The negative holds that the law will decrease the efficiency of labor. First, because when we once establish a law assuring a certain wage the inefficient workers will have no desire to become efficient. The efficient workers will hold their employment because they are able to earn the minimum wage, if the inefficient workers are employed they are put on the level with the efficient workers and thus discourages efficient labor. Mr. Aves, says: "I think that the evidence is conclusive that the conditions in New Zealand are tending so far as adult male workers are concerned and over a wide field toward a lower efficiency." Mr. Clark says: "It is the unanimous testimony of the employers of Australia that their men do not work as well under minimum wage law as before." In the last four days the negative has received letters and official reports from Australia and New Zealand which admit that the minimum wage law has decreased the efficiency of labor tremendously.

Honorable Judges, in conclusion, I have shown by illustrations, argument and facts, that minimum wage legislation is unsound in principle and dangerous in application.

First: Because the minimum wage can not be fixed to suit one man's conditions without working an injustice upon some other worker, thus the law is inadequate and unjust.

Because the law can not increase the real wage and thus it fails to render the workers any benefit.

Because minimum wage legislation will throw thousands of workers out of employment and thereby enlarges upon the greatest labor before the American people.

Because it will take from the less efficient the only source from which they can obtain a living.

Because the law can not render self-support to anyone who was not able to obtain it before.

Because minimum wage legislation will cause our labor to become more inefficient by causing the negligent and careless workers to become more worthless, and by discouraging the efficient workers.

Because minimum wage legislation will increase the cost of production, due to a decline in the efficiency of labor which must result in an increase in the cost of living and thereby react upon labor and make their conditions more deplorable than in the start.

In view of these facts the negative holds that a minimum wage scale ought not to be put into operation by legislation.

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### F. W. Osterhout, Third Negative.

Honorable Judges, Ladies and Gentlemen:—The gentleman, who has just left the floor, spent nearly half of his speech dwelling upon the fact that nine of our states have adopted a minimum wage law. But simply because a few of our states have adopted a minimum wage law, it is no proof that it is a just and desirable law, for on the statute books of our states can be found many laws which are absolutely worthless. For instance, Maryland has a law which makes hanging the penalty for burning a hay stack. Will the gentleman of the Affirmative say that we should have such a law throughout the United States simply because it can be found on the statute books of one of our states?

Attempts have been made to regulate wages by law in the past, and they have always failed. England passed an unsuccessful maximum wage law in her Statute of Laborers of 1349. Even the minimum wage itself has been tried in the past. King Philip of Spain adopted a minimum wage for miners four hundred years ago. But the law soon fell into disuse because of its impracticability and impossibility of enforcement. The English Poor Law of 1796, which embodied the principles of the minimum wage, resulted in the laborers becoming careless, inefficient and improvident. The report of the Commission of 1834 stated that this law actually injured the laborers and their families, the very persons for whose benefit the law was passed.

Thus we see that the attempts to regulate wages by law in the past have had one common result, namely, failure.

And a minimum wage law will fail in the United States, first, because it can not be enforced. One of the many ways in which the minimum wage law can and is being evaded is that the employers sell the raw material to the workers on credit and buy back from them the completed articles at a stipulated price. This method of evading the law is common in the boot and harness industries of Australia.

Another way of evading the law, which would be especially baffling to eliminate in the United States, is that the employers enter on their wage book a wage which is above the fixed minimum, while in reality they are paying less than the minimum. Exhaustive investigations, in Australia, show that this method of evading the law is especially

common among the smaller factories. For example, a number of men were receiving \$7.30 per week while their wage was entered upon the factory wage book, for the inspectors examination, at \$13.38 per week.

Although Australia and New Zealand never did have the complex labor problems which are found in the United States, for the total population of Australia and New Zealand combined is less than that of New York City alone and is scattered over a territory greater than that of the United States, yet these facts show that even in those sparsely populated countries the minimum wage law can not be enforced. The inspectors themselves admit this to be so. Inspector Bishop, of Victoria, acknowledges that the minimum wage legislation can not be enforced there.

In the United States, we are already so overburdened with laws that it is almost impossible for the employers to obey the laws we have, but if we add to these our opponents unjust minimum wage law it will only serve to tempt the unscrupulous employers to evade it. For think, Honorable Judges, how preposterous it is to suppose that such a law will be obeyed in the United States when it compells the employer to pay, say \$9 per week for a worker who is incapable of earning more than \$6.

We scarcely need ask why they will evade such a law in the United States, for when the workers' only source of support has been taken away by legislation, or in times of industrial stress, or panic, or when the workers can not get work, it is perfectly clear, Honorable Judges, be there a minimum wage law or no minimum wage law, the workers will obtain employment at whatever wage they can command, for the right to sell one's labor to provide food for one's wife and children is supreme, and no law will stand in its way nor will any jury, with a moral conscience, in any state, convict under such circumstances.

In the second place a minimum wage law will fail in the United States because it will discourage industry; first, by favoring foreign competition; second, by discouraging investments and, third, by discriminating against the small industries.

The Negative has already shown that an increase in wages means an increase in prices, and an increase in prices will favor foreign competition and thereby discourage home production. The manufacturers of New South Wales state that the minimum wage laws have compelled them to decrease their business and that instead of giving employment to workers in Australia to make the articles which they need in their business they are in reality giving employment to workers in Europe and in America.

But, Honorable Judges, since we know that the minimum wage has ended in a like result in New Zealand we are doubly sure that a minimum wage in the United States will favor foreign competition. And, statistics for New Zealand show that since the minimum wage



law has gone into operation the exports of manufactured articles have decreased while, at the same time, the imports of such articles have increased.

Further a minimum wage law will discourage investments. The Bovril Company was prevented by labor legislation from erecting a plant in New South Wales which would have meant the expenditure of several million of dollars. And, the minimum wage will have a like result in the United States. This is a statement which is proven by the fact that one of our large American corporations was intending to locate a steel plant in Australia which would have meant the expenditure of two million dollars, but they gave up the project on account of the labor conditions. They state that the uncertainty created by labor legislation makes the whole management and administration of business subject to the caprice of party politics and absolutely deadens the spirit of investment.

Again, the minimum wage will discriminate against those industries in which the margin of profit is small, and in many cases it actually forces such industries out of business. A few years ago a minimum wage law was put into operation in the coal mining districts of England. But many of these mines were already paying all they could, the margin of profit being so small that when the minimum wage law raised the wages of the employees, they were forced to discontinue business, and the miners, instead of being guaranteed a minimum wage, received no wage at all.

A large brush factory left Australia on account of the minimum wage laws. A tobacco firm moved its factory from Victoria. While in this same state no less than forty-seven of the smaller boot and shoe factories were forced out of business.

The Affirmative has contended tonight that such industries which cannot exist under the minimum wage are parasitic, and that the country would be better off without them. But Massachusetts was not so sure of these industries being parasitic, for, notice this, Honorable Judges, when the cotton industries of Massachusetts complained that they would be unable to pay a higher wage; Massachusetts, ever before her minimum wage had gone into operation, passed an amendment to her minimum wage law giving the courts the right to declare the minimum wage inoperative for any industry which in their opinion could not afford to pay the minimum wage.

These facts show that a minimum wage in the United States will discourage industry, because, it will favor foreign competition, it will discourage investments, and it will discriminate against the smaller industries.

Honorable Judges, I have not only given you sound reasons for these statements, but I have backed them up with concrete examples taken from those countries where the minimum wage is in actual operation.

In the last place, I wish to show you that the gentleman of the Affirmative was mistaken when he said that a minimum wage law in the United States would not tend to become a maximum. Honorable Judges, it is nothing more than reasonable to expect that if the employers are compelled by law to pay too much to some of their workers they will, in self-defense, in order to keep working expenses within reasonable bounds, pay less to others than they deserve. Take the case of the employer where he has two men working for him. One, an inefficient man at six dollars per week; the other, a capable man at twenty dollars per week, and there is, says, a twelve dollar minimum. If this employer is compelled by law to pay twelve dollars to his inefficient six dollar man we can expect nothing else than that he will take part, if not all, of this increased wage from the wage of the twenty dollar man. And, this would be unjust to his twenty dollar man, for such a proceeding would stifle his incentive. Honorable Judges, we have no reason to believe otherwise than that if a minimum wage law is put into operation in the United States, it will draw the wages of the efficient down towards the minimum. In short, the minimum will tend to become the maximum. To show that this must be the inevitable results of such a law in the United States, we need only turn to those countries where the minimum wage is in operation, and in nearly every case the minimum tends to become the maximum, and in numerous cases, the minimum has actually become the maximum. In the coal mining districts of New South Wales a minimum wage was put into operation which was somewhat below the general averages of the wages. And immediately the minimum became the maximum, and no less than six thousand employes were compelled to accept a wage of from eight to nine per cent below that which they had been receiving before. Similar results were experienced in the timber industry of Australia where, again, several thousand employes were compelled to accept a lower wage. In the clothing industry of New South Wales a minimum wage of four dollars and eighty-seven cents per week was adopted for women and girls, and official reports show that there are clothing factories in New South Wales where no woman or girl is receiving more than four dollars and eighty-seven cents per week, in other words, the minimum became the maximum.

In conclusion, Honorable Judges, I have shown you that the attempts to regulate wages by law in the past have failed. Likewise, the minimum wage laws of Australia are proving unsuccessful. For the very fact that the minimum wage laws of Australia have been amended and re-amended time and again, is proof in itself that the minimum wage laws of Australia are not satisfactory. I have also shown you that the minimum wage will fail in the United States; first, because it can not be enforced, for it is an utter impossibility to enforce a law in the United States which is not based on justice and equity. Second, the minimum will discourage industry because it will favor foreign competition; it will discourage investment, and it will discriminate against the smaller industries. Third, the minimum will tend to become the maximum.

Honorable Judges, in closing, I would have you notice this, the gentlemen of the Affirmative would adopt their unjust minimum wage law throughout the United States; a law which must extend over forty-eight different states with all the varying conditions. They would adopt a plan which has been tried in the past and which in every case has, in time, proven unsuccessful. Shall we adopt such a law in the United States which fixes a certain wage on the one hand and at the same time prescribes no fixed return of service on the other? If we are to give both the employer and the employee an absolutely fair and equal chance, the law will have to prescribe a fixed return of service for a fixed wage, and such a plan is neither practical nor possible.

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**George A. Brown, Negative Rebuttal.**

The third affirmative speaker concluded the constructive argument for the affirmative by urging that we should adopt minimum wage law because we have passed work-hour and sanitary laws. These laws are simple in both their scope and administration when compared with minimum wage law. There is no economic law governing the length of work days, but there is the law of supply and demand which governs wages, and it must be recognized.

The gentleman said that the minimum wage law had restricted immigration in Australia; it is evident that he is not aware of the fact that Australia has immigration laws against the Southern and Eastern Europeans, if anything has restricted immigration in Australia it has been their immigration laws and not their minimum wage law.

It is rather humorous the way my opponent tried to line all the economists up on his side. He named Dr. Hadley, and the gentlemen have also claimed that the law will increase the efficiency of labor, let us see what Dr. Hadley says about the law increasing the efficiency. He says, "That increased efficiency of work necessary results from improvement in wages, seems a dangerous fallacy." The gentlemen have repeatedly named Sidney Webb. Sidney Webb is a radical Socialist of the first magnitude; and, to prove my case I only need to use Mr. Webb's own quotation in which Mr. Webb says: "Minimum wage law is simple when compared with sanitary laws." Think, Honorable Judges, of the absurdity of saying that a law that goes into a man's pocketbook and demands him to pay a certain wage is simple when compared with a law that merely requires certain sanitary conditions. Why, a moment's reflection cancels such authority.

In my main speech I demanded of the affirmative to show that the law could increase the real wage, the main argument of this debate is closed and the gentlemen have not attempted to answer

our demand. If the gentleman attempts to answer this challenge in his rebuttal we hold that he is afraid of his argument. No affirmative can hope to win the debate when they have failed to show that the law will increase the real wage. The official reports from New Zealand show that since the law has been put into operation wages have increased 19 per cent, and the cost of living has increased 22.5 per cent. This means that the real wage is 3.5 per cent less in New Zealand than when the law was put into operation. Mr. Schofield, a New Zealand writer, says: "That an increase in wages has always been followed by an increase in the cost of products to the consumer who is generally the laboring man himself."

By way of summary the negative has shown:

First, that the law is not even sound in theory. The third negative speaker has shown beyond any controversy that the law has proven unsatisfactory in practice.

That minimum wage legislation can not restrict the 900,000 ignorant and inefficient immigrants that come from Southern Europe annually, and check the exodus to the cities.

That the minimum wage can not be fixed to suit one man's conditions without working an injustice upon some other worker, and thus the law is inadequate and unjust.

The negative has given abundance of evidence which shows that the law has not and can not increase the real wage. Even Australia authorities admit that in spite of legislation wages are governed by economic conditions.

That the law will cause labor to become more inefficient, by causing the negligent and careless workers to become more worthless, and by discouraging efficient workers, due to the leveling of wages. My colleague has shown that the minimum tends to become the maximum. He has given cases where the minimum has actually become the maximum.

That the law will cause an increase in the cost of production, due to decline in the efficiency of labor, and here the law fails to increase the real wage.

That the minimum wage scale theory will throw thousands of workers out of employment. It has been estimated by the Father Ryan that those who will not be able to earn the minimum wage will number 8,000,000. The official reports from Victoria show that twelve per cent of the employes lost their employment. This is proof that the law will take from the less efficient the only source from which they can obtain a living.

Lastly, those whom the law will effect are opposed to it. For example, the Chicago merchants in conference, held April 1st, declared themselves against minimum wage law. The employes, the

very ones for whom the law is supposed to benefit, have repudiated and denounced minimum wage legislation.

In conclusion, minimum wage legislation not only fails to remedy the causes of the conditions of the laboring people, but it is not even sound in theory, and has proven unsatisfactory in practice. It is inadequate and unjust; it can not increase the real wage, and thus fails to render the workers any benefit; it makes the conditions of the workers more deplorable than in the start by throwing thousands of them out of employment, and by decreasing their efficiency. Hon. Judges, in view of these facts we ask you to hold the affirmative to strict proof.

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