MAXIMUM HOURS, MINIMUM WAGE AND WORKMEN'S COMPENSATION

# "THE BALANCE WHEEL OF THE INDUSTRIAL SYSTEM": MAXIMUM HOURS, MINIMUM WAGE, AND WORKMEN'S COMPENSATION LEGISLATION IN ONTARIO, 1900-1939

By

## ELIZABETH JANE CAMPBELL, B.A., M.A.

## A Thesis

Submitted to the School of Graduate Studies in Partial Fulfilment of the Requirements for the Degree Doctor of Philosophy

> McMaster University September 1980

DOCTOR OF PHILOSOPHY (Sociology) McMASTER UNIVERSITY Hamilton, Ontario

TITLE: "The Balance Wheel of the Industrial System": Maximum Hours, Minimum Wage and Workmen's Compensation Legislation in Ontario, 1900-1939

AUTHOR: Elizabeth Jane Campbell, B.A. (Queen's University) M.A. (McMaster University)

SUPERVISOR: Professor Peta Sheriff

NUMBER OF PAGES: xv, 598.

### ABSTRACT

Recent attempts to extend Marx's analysis of capitalism by developing a class-based theory of the role and functions of the capitalist state have turned on the debate between the "instrumentalist" and "structuralist" perspectives. Subsequent critiques and extensions of these two conceptions of the relations between the state and the major classes within capitalist society have raised the issues of the role of class struggle in the development of state structure and policy as well as the impact of the capitalist state itself on the nature of class relations. Although theorists have pointed to the mutually conditioning effects characterizing the relationship between the state and social classes, there has been little empirical examination of this relationship. The precise nature of the kinds of mechanisms linking various social classes and the state together with the concrete effects of these links on state and class relations required further specification.

In response to this significant gap in the development of the theory of the capitalist state, the present research was formulated to address the issue of specifying the forms of mediation between the state, industrial capitalists and labour through an analysis of the history

iii

of maximum hours, minimum wage, and workmen's compensation legislation in Ontario between 1900 and 1939. These areas of legislation were chosen because of their significance for both capitalists and workers; they represent a potential drain on accumulated surplus for owners of capital and a potential improvement in subsistence and working conditions for labour. The development of legislation in each of these areas thus provided a focus for examining relations between owners of industrial capital, wage labour, and the state. The major sources of data for the primary analysis covering the period from 1900 to 1939 consisted of private papers, published and unpublished government documents located in the Public Archives of Ontario and the Public Archives of Canada, labour newspapers, and the journal of the Canadian Manufacturers' Association.

The analysis of relations between workers, employers, and the state around limitations on working hours, minimum wage regulation, and the establishment of a workmen's compensation program identifies a number of modes by which capitalist domination in the workplace is mediated to the level of political relations. These modes of mediation function through mutually reinforcing economic, political and ideological forms and have as their primary effect the frustration of the political organization of labour as a class. Capitalist modes of mediation are parallelled and

iv

supported by the modes of mediation adopted by the state in its role of managing class relations. In the process of the development of the areas of legislation which are the focus of this study, the state functioned to maintain the hegemony of capitalist social relations of production by transforming the economic class struggle and processing labour demands in such a way that subsequent state policy and structure were guided in the direction of compatibility with prevailing class relations of domination and subordination.

v

### ACKNOWLEDGEMENTS

Throughout the preparation of the present study, there were many persons, friends, family, and others with whom I came into contact while conducting the research, who generously offered their assistance. However, certain individuals deserve special thanks for their efforts on my behalf. To my supervisor, Peta Sheriff, I owe the largest debt of gratitude for her continuing support and intellectual guidance throughout my career as a graduate student as well as for her encouragement and valuable assistance to me in bringing this work to completion. I want to also extend my appreciation to Wallace Clement whose ideas and critical comments contributed significantly to the final product. Vivienne Walters and Bill Coleman deserve particular thanks for taking on the task of reviewing a work already nearing completion. Their interest and suggestions helped renew my own enthusiasm in the project.

The Canada Council provided financial support for a substantial portion of the period over which the present research was carried out. I received very willing and able assistance from the staffs of the Public Archives of Canada and the Public Archives of Ontario, where Allan MacDonald was particularly helpful.

vi

Margaret Belec not only devoted considerable time and energy to producing a beautifully typed finished copy but also contributed valuable suggestions on the multitude of details involved.

A "thank you" on paper will never be adequate to express my profound appreciation to Ian for his encouragement and endless patience as well as for providing a willing sounding board for my ideas and frustrations.

Т	Α	B	L	E	0 F	С	0	N	Т	E	N	Т	S

Chapter		Page
ONE:	CLASS STRUGGLES AND THE CAPITALIST STATE: A FRAMEWORK FOR THE ANALYSIS OF CLASS AND STATE RELATIONS	1
	Class Relati <mark>ons in the Capita</mark> list Mode of Production	6
	Functions and Practices of the Capitalist State	21
	The Developm <mark>ent of St</mark> ate Policy and the Structure of the Canadian State	39
	Notes	55
TWO:	THE CANADIAN STATE AND MAXIMUM HOURS, MINIMUM WAGE, AND WORKMEN'S COMPENSATION LEGISLATION: ISSUES AND HISTORICAL BACKGROUND	63
	Some Methodological Considerations	64
	Factors Condit <mark>ioning State</mark> Involvement in Maximum Hours, Minimum Wages, and Workmen's Compensation Legislation	75
	State Transf <mark>ormation of Economic</mark> "Problem" to Political Issue	85
	1867-1900: Prelude to Canadian Industrial Capitalism	88
	Introduction	88
	The Nature of the Accumulation System	91
	Structural Constraints to Capital Accumulation	96

	Responses by Owners of Capital to Structural Constraints	101
	Consequences for Labour and Labour's Response	106
	State Transformation of Economic Problems and Resolution	114
	Conclusion	126
	Notes	131
THREE:	1900-1914: ACCELERATION OF ACCUMULATION AND THE ESTABLISHMENT OF A WORKMEN'S COMPENSATION PROGRAM.	142
	Maximum Hours Legislation, 1900-1914	146
	State Identification of the Economic Constraint as a "Problem" at the Federal and Provincial Levels	146
	State Transformation of the Economic Constraint and Consequences for State Policy and Structure	161
	Conclusion	174
	Minimum Wage Legislation, 1900-1914	176
	State Identification of the Economic Constraint as a "Problem" and Trans- formation of the Economic Constraint	
	at the Federal Level	176
	State Resolution of the "Problem" at the Federal Level	179
	State Identification of the Economic Constraint as a "Problem" at the Provincial Level	181
	State Transformation of the Economic Constraint at the Provincial Level	182
	Conclusion	184

	Workmen's Compensation Legislation, 1900-1914	186
	State Identification of the Economic Constraint as a "Problem" at the Provincial Level	186
	State Transformation of the Economic Constraint	207
	State Resolution of the "Problem": Policy and Structure	216
	Conclusion	224
	Notes	233
	a l	
FOUR:	1915-1929: CRISIS, CONFLICT AND THE ESTABLISHMENT OF A MINIMUM WAGE FOR FEMALES	248
	Maximum Hours Legislation, 1915-1929	255
	State Identification of the Economic Constraint as a "Problem"	255
	State Transformation of the Economic Constraint and Consequences for State Policy and Structure at the Federal Level	265
	State Transformation of Economic Constraint and Consequences for State Policy and Structure at the Provincial Level	274
	Conclusion	279
	Minimum Wage Legislation, 1915-1929	282
341	State Identification of the Economic Constraint as a "Problem", Transfor- mation, and Consequences for State Policy and Structure	285
	State Identification of the Economic Constraint as "Problem" at the Provincial Level	293

#### X

	State Resolution of the "Problem" at the Provincial Level	299
	Conclusion	309
	Workmen's Compensation Legislation, 1915–1929	311
	State Identification of the Economic Constraint as a "Problem" at the Provincial Level	311
	State T <mark>ransformation of the Economic</mark> Constraint	326
2	State Resolution of the "Problem": Policy and St <mark>ructure</mark>	331
	Conclusion	338
	Notes	346
FIVE:	THE CAPITALIST ECONOMY IN DEPRESSION: THE ESTABLISHMENT OF A MINIMUM WAGE FOR MEN	370
	Maximum Hours Legislation, 1930-1939	375
	State Identific <mark>ation of t</mark> he Economic Constraint as a "Problem" at Federal and Provincial Levels	375
	State Transformation of the Economic Constraints at Federal and Provincial Levels	381
	State Resolution of the "Problem" at Federal and Provincial Levels	390

Conclusion 396 Minimum Wage Legislation, 1930-1939 398

State Identification of the Economic Constraint as a "Problem" at the Provincial Level 398

State Transformation of the Economic Constraint	411
State Resolution of the Problem: Policy and Structure	424
Conclusion	440
Workmen's Compensation Legislation, 1930-1939	442
State Identification of the Economic Constraint as a "Problem"	442
State <mark>Transfo</mark> rmation of the Economic Constraint	447
State Resolution of the "Problem": Policy and Structure	454
Conclusion	461
Notes	471
CONCLUSION: CLASS STRUGGLE AND THE STATE	495
Class Forces Shaping the Historical Development of the Legislation, 1900-1939	497
Maximum Hours Legislation	497
Minimum Wage Legislation	504
Workmen's Compensation Legislation	507
Conclusion	512
Class Struggle and the State	513
Forms of Mediation of the Domination of Capital	515
Forms of the E <mark>conomic Mode of</mark> Mediation	517

SIX:

Forms of the Political Mode of Mediation	520
Forms of the Ideological Mode of Mediation	524
Conclusion	527
Role of the State	532
Modes of Mediation	532
a) The Liberal Democratic State	532
<ul> <li>b) Typical Management Modes of Mediation of Class Struggle</li> </ul>	540
State <mark>Selective Mechanisms for</mark> Processing Class Conflict	546
Conclusion	555
Forms of Media <mark>tion of</mark> the Actions of Workers from the Level of Production to the Political Sphere	557
Forms of th <mark>e Econ</mark> omic Mode of Mediation of Workers' Activities	558
Forms of th <mark>e Political Mode of</mark> Mediation of Workers' Activities	561
Forms of the Counter-Ideological Mode of Mediation of Workers' Activities	565
Conclusion	568
Notes	571

APPENDIX	Α:	CHRONOLOGY OF SIGNIFICANT MAXIMUM HOURS, MINIMUM WAGE, AND WORKMEN'S COMPENSATION LEGISLATION, 1900-1939	572
APPENDIX	Β:	ORIGINS AND DEVELOPMENT OF ONTARIO DEPARTMENT OF LABOUR RELEVANT TO MAXIMUM HOURS, MINIMUM WAGE, AND WORKMEN'S COMPENSATION LEGISLATION	575
APPENDIX	<b>C</b> :	ORIGINS AND DEVELOPMENT OF CANADA DEPARTMENT OF LABOUR	576

## BIBLIOGRAPHY

## ABBREVIATIONS

AFL:	American Federation of Labor
CCF:	Cooperative Commonwealth Federation
CI0:	Congress of Industrial Organizations
CMA:	Canadian Manufacturers' Association
ILP:	Independent Labor Party
ISA:	Industrial Standards Act
OBU:	One Big Union
TLC:	Trade and Labor Congress
UFO:	United Farmers of Ontario
WCB:	Workmen's Compensation Board
WUL:	Workers' Unity League

X۷

## CHAPTER ONE CLASS STRUGGLE AND THE CAPITALIST STATE: A FRAMEWORK FOR THE ANALYSIS OF CLASS AND STATE RELATIONS

Given the prominent role of governments in the management of capitalist economies, especially since the depression period of the 1930's, it is perhaps ironic that Marx in his analysis of the dynamics and development of capitalism paid relatively little attention to the part played by capitalist states in maintaining the functioning of the economic system. Miliband has characterized Marx's conception of the state under capitalism as being based on two somewhat divergent views of the state's relations with the dominant class. Marx's primary view was that it existed as the instrument of the dominant class, i.e. the "committee for managing the common affairs of the whole bourgeoisie", qualified by the condition that the state may actually be in the hands of only a fraction of the ruling class or, at times, even another class which is not the economically dominant one. The secondary view of the capitalist state to be found in Marx's own works is that this institution stands above and is independent from all social classes so that it has political autonomy but still continues to

function as the economic protector of the dominant class.<sup>1</sup> These two conceptions of the state have been more recently elaborated in the theoretical work of Miliband and Poulantzas who have generally been regarded as espousing the "instrumentalist" and "structuralist" views respectively.<sup>2</sup> The subsequent debate respecting the appropriate starting point for a class-based analysis of the capitalist state turned on these alternative conceptions of the relations between the state and the ruling class.<sup>3</sup> However. dissatisfaction with the limitations of both perspectives, specifically the similarity of the instrumental view to elite theory and the functionalist basis implicit in the structural view of the state, has promoted further developments in attempts to root a theory of the capitalist state in Marxian class analysis. Offe has emphasized the institutional mechanisms mediating between class relations and the state while Gough, briefly, and Wright and Therborn in more detailed analyses also put significant weight on the class struggle as a factor directly shaping the structure and activities of capitalist states.<sup>4</sup> Although these writers, particularly Wright and Therborn have considerably advanced the articulation and definition of categories of state functions and possible modes of class-state relations, their work in general is limited by the failure to ground their theoretical models in concrete analyses of

specific historical instances. Thus, despite the fertile development of theory derived from categories of Marxian political economy, the specification of economic and political class relations through state institutions under given conditions of accumulation and class struggle remains underdeveloped.

The present research was undertaken in response to this lacuna in Marxian theory of the capitalist state with the object of contributing to a more detailed and concretized knowledge of state-class relations in the context of specific social and economic conditions and to determine the significance of such conditions for particular kinds of state activities. The potential scope of such a task demanded a narrowing of the focus of examination of actual instances to manageable proportions. As a result, only certain state activities were selected for analysis on the basis of their centrality to the interests of both capital and labour in the capitalist mode of production. Maximum hours, minimum wages, and workmen's compensation legislation have been enacted by almost every capitalist state at some stage in the history of the development of their national economies, suggesting a relationship of some significance between these measures and processes of production under capitalism. The basis of capitalism as an economic system rests on a

specific mode of organization of industrial production, the reality of which makes the workplace a critical arena in terms of class relations between capital and labour. The determinant role of the forces and relations of production in capitalist-based societies emphasizes the importance of the class struggle in the sphere of production because of its implications for other aspects of social and political life experienced by the various classes found within a capitalist social formation. The issues of hours, wages, and compensation for industrial injuries bear directly on the question of the costs of production to owners of capital and the level of subsistence realized by labour. The extent to which the costs resulting from the limitation of working hours, minimum wages, and workmen's compensation represent deductions from total surplus value, however, is largely a consequence of the economic and political conditions together with the class relations surrounding the establishment of the specific measures. As a result, the benefits of such legislation to labour could be subverted by the particular form given to each measure. The intervention of the state in the workplace through the medium of legislation affecting labour costs serves to bring capital and labour relations into focus around issues of possible conflict as well as to highlight the relations between these classes and the state.

The objectives of an analysis of the concrete development of legislation regarding maximum hours, minimum wages, and workmen's compensation is to provide an explanation, based on the movement of class forces, of the specific content and timing of the acts dealing with these issues within one jurisdiction. The choice of one political jurisdiction as the field for examination of class and state relations not only simplifies the task of an analysis of economic class linkages through the political sphere in which the state operates but also permits the addition of an historical dimension in analyzing the development of these acts. The passage of legislation concerning each of the above areas occurred at different times and in the context of diverse political-economic circumstances. Thus. focussing on one jurisdiction over a period of time provides a basis for assessing the possible relationships among the specific state activities under study in order to develop a dynamic model of the dialectics of class-state relations around the particular objects of class struggle in question.

The present research addresses a number of substantive issues coming out of recent developments in classbased theory of the capitalist state to be discussed below in greater detail. In addition, further specification of both the relevant theoretical and empirical bases for this study in the Canadian context needs to be elaborated.

However, before proceeding with these more specific tasks, a fuller presentation of general theoretical work in this area will provide the context for the more detailed discussion of the above mentioned points. The basic concepts derived from the categories of Marxian political economy guiding the present analysis also deserve clarification since their specific meaning and application have been subjects of controversy.

#### Class Relations in the Capitalist Mode of Production

The theoretical framework for analyzing the growth and function of the state starts with the premise that the state operates within the context of a social and economic system characterized by the dominance of a particular mode of production which is based on the private ownership of the means of production and, consequently, private appropriation of the product. In order to situate the state theoretically within this context it is necessary to first develop the meanings and interrelationships of a number of concepts as well as their implications for empirical application. Basic to an analysis of concrete instances of state intervention is an understanding of the nature of the social formation in which the state is situated, the modes of production characterizing this formation, together with the ways in which they are articulated with each other,

and the types and processes of class struggle to which they give rise.

"Mode of production" is the concept which provides the analytical framework denoting the way in which the elements of material production and reproduction are combined under specified historical conditions. Subsumed within this framework are two structures whose intrinsic connectedness constitute the mode of production in question. These are designaged by the concepts "forces of production" and "social relations of production". The productive forces consist of the raw materials and technology utilized for making goods in combination with the labour necessary for their production. This concept does not, therefore, signify only machinery or tools but, rather, stands for the interaction of the human agents and the instruments of production. Alternatively, social relations of production include the forms of association among the agents of production as they develop from and are shaped by their positions in relation to control over the production process. Thus social relations of production denote class relations structured by the forces of production and the corresponding relations of exchange, distribution, and consumption.

These two elements, the forces and relations of production, are combined in a dialectical relationship wherein each shapes and influences the form of the other.

However, the social relations of production are, in the final analysis, dominant. It is the class relations of a given mode of production which determine the forms of technology and technology-labour combinations. The development of specific mechanized processes of production with the transition from hand to machinery manufacture, for instance, were premised on the subdivision of labour at the hands of capitalist owners thus depriving workers of direct control over production and substituting machinetending skills in which the machines largely determined both the pace of production and quality of the product.<sup>5</sup> On the other hand, this increasing division of labour and development of the factory system not only served to reinforce the control of capital over labour but also gave rise to conditions promoting collective and individual resistance on the part of labour to exploitation and domination. With the growth of labour opposition to existing forms of capitalist control through disruption or subversion of the production process, new structures of domination were developed based on technological innovations, occupational structures, and job hierarchies. A determinate mode of production, therefore, is a union of the two structures of the forces of production and the relations of production such that reciprocal relations of influence exist between them.

Hunt has proposed a further specification of the concept "social relations of production". He differentiates the technical relations of production from the social relations of production as a means of discriminating between two levels of social relations. The technical relations are those between the agents of production that arise directly out of the productive forces and stand in a relationship of immediacy to them. They embrace, therefore, the specific forms of cooperation and combination between producers and between labour and capital in the production process. Alternatively the social relations of production proper are class relations and are expressed in politicolegal and ideological relations.<sup>6</sup> Thus, relations of exploitation in the economic structure of production find their corresponding forms in political and ideological structures of domination and subordination. The levels of the political and ideological are not, however, directly given by the social class relations of production but are formed by those processes and conditions mediating between all the classes or class fractions in a particular social formation. The antagonistic structure of class relations between capital and labour inherent in the capitalist mode of production does not reappear in directly parallel form at the political and ideological levels of a social formation but is, instead, transmuted by competition among

fractions of capital and relations of cooperation or antagonism among the various classes to be found in the social formation under examination.

To this point, the discussion has centred around the concept "mode of production" in its unspecified form. The concrete analysis of a specific case, however, necessitates an understanding of two historically determinate modes of production, the petty commodity mode and the capitalist mode. The capitalist mode of production is based on the concentration of the instruments of labour and raw materials of production under the ownership and control of one class while the other class, dispossessed of any means of production, is obliged to enter into exchange relations with the owners through the sale of labour power for subsistence. This is a description both of the essential nature of this economic and social structure and of an actual historical process.

The development of capitalist forces of production has been characterized by commodity production for exchange (as opposed to the production of use-values) under conditions of increasing mechanization and the technical division of labour. The concentration of ownership of the means of production has enabled capital to direct the pace of change and the forms of technology of production resulting in its ability to shape the labour process. As dependent wage

labour, workers have only been able to exercise minimal control over their conditions of work. This hierarchical relationship of class domination in the sphere of production has its effects and corresponding forms in areas of political and ideological relations but not in any directly determined sense. It is, in fact, the relative autonomy (in greater or lesser degrees) of the political from the economic level which partly differentiates the capitalist mode of production from other, especially the feudal, modes.<sup>7</sup> However, as a mode of production, capitalism is, above all, marked by the specific social organization of production based on the factory system in which commodified labour produces a surplus appropriated by the class owning the instruments of production.

The petty commodity mode of production is marked by the production of goods by an individual produced both to fulfill his own or his family's consumption needs and for a limited degree of exchange. These independent commodity producers own their means of production and offer only commodities for exchange, not their labour power as is the case of the wage worker in the capitalist mode. As such, they are outside the capitalist mode of production. Although they apply small amounts of capital to generate their income, they operate under conditions of low social and material technology, employing little labour

and utilizing traditional techniques of production. The handicrafts artisans, independent peasants and farmers, small businessmen and shopkeepers who form this class combine their own labour and their own capital to produce for their own subsistence.<sup>8</sup> The social relations characteristic of the class of petty commodity producers are based on exchange and competition among independent and equal family units. As Therborn has pointed out, because of these features of this mode of production, if a society consisted only of petty commodity producers, there would be no classes founded on relations of exploitation and domination and, therefore, no compelling force promoting the growth of a highly developed state apparatus.<sup>9</sup>

Although the mode of production is "real" in the sense that its fundamental elements occur and develop in historical time, it does not exist in a "pure" form in reality but only in combination with other modes of production in a particular social system at a given point in time. The term "social formation" designates this complex unit formed by the conjunction of different modes of production in a concrete society. This means that a specific social formation will consist of a definite articulation of two or more modes of production, circulation, distribution, and consumption of the means of material existence expressed as a determinate combination of the

economic, political, and ideological levels.<sup>10</sup> "Articulation" thus signifies the form constituted by the relationship of two processes, each having its separate existence and obeying its own dynamics of development, in a specific totality.<sup>11</sup> The articulation of more than one mode of production gives rise to more than two classes whose interaction produces determinate economic and political processes. In any social formation, however, one mode of production predominates and the other mode or modes, including their corresponding political and ideological relations, are subordinated to it. As the dominant mode of production develops, the previous mode (modes) of production becomes disjointed and its constituent classes become transformed and reconstituted. New patterns of domination and subordination are created along with new economic and political relationships. The uneven development of the dominant mode of production means that the changes within any given social formation tend towards disjunctures in the economic, political, and ideological processes.

In a social formation composed of the capitalist mode of production together with the petty commodity mode, the capitalist mode is dominant and the economic level within this mode plays the dominant role. The articulation of these two modes of production is characterized by the gradual

destruction of the class of petty commodity producers and the transformation of a large part of this class into wage labour. The interests of petty commodity producers in maintaining conditions conducive to the persistence of small capital and the potential for success of individual effort based on limited resources places them in opposition to large financial institutions, extended development of the state apparatus, and monopoly-dominated markets. Where this class can capture political hegemony, it has imposed democratic populist forms of political process, such as the power of recall, popular election of state officials, the referendum, and an enlarged role for juries.<sup>12</sup> As a result, participatory political forms and their accompanying ideology function to conceal the state's relationship to capital. In late capitalist social formations, the class of independent petty commodity producers undergoes transformation to one with a petit bourgeois base, subordinated to the political dominance of large capital. This petit bourgeois class continues to serve the function of confirming the ideology of "free enterprise" and "competitive" markets as typifying the capitalist economy. Moreover, the members of this class serve as tangible evidence of the value of "independence", thrift, success through individual effort and hard work, and are thus exploited ideologically by capital.<sup>13</sup> The petty

commodity producing class, therefore, stands in a complex relationship to both wage labour and capital and the petty commodity mode of production is articulated with the capitalist mode in determinate ways in a social formation at the economic, political, and ideological levels.

The ongoing historical development of the capitalist mode of production is propelled by the contradiction inherent in the relationship between the growth and socialization of the forces of production and the continued private appropriation of the surplus product based on private ownership of the means of production. This means that, as the factors of production are developed and improved by the assumption of responsibility for their enhancement on the part of society (through the agency of the state on the basis of taxation of all classes), only one class, supported by a politico-juridical framework guaranteeing the rights of private property, is entitled to the surplus produced by the combined instruments of production. The contradiction thus engendered ensures the instability of the system and produces crises in the economic structure of capitalism as the class agents of production pursue their opposing interests within this framework. Thus labour attempts to defend itself against exploitation while owners of capital increase the intensity of their demands for surplus labour or that quantity of labour over and above

what is necessary merely to produce for the subsistence of labour. This is the essence of the class struggle at the economic level.

Although labour has at its disposal the weapon of withdrawal of labour power for the purpose of decreasing or totally halting production, capital has a variety of weapons in its arsenal. Not only can employers deprive workers of their means of subsistence altogether, but they also determine the conditions of their labour, the pace of production, and the ease or difficulty with which workers are able to organize for collective action through the control of technological development and its utilization. Thus the production process gives rise to the class struggle but it is also affected by the class struggle. The accumulation process itself is directly shaped by the class struggle as this struggle affects the rate of exploitation through the degree of success of labour's demands for higher wages and improved working conditions. If productivity remains constant, while wages increase and the working day remains the same or decreases, then a greater portion of the surplus is captured by labour in the form of wages while the share going to capital is thereby reduced. However, the struggle is carried further by owners of capital as they replace living labour in production by machine labour with a concomitant expansion of production. By this process, the amount of surplus labour is increased while capitalists

partially decrease their dependence on living labour to maintain production. The division of the surplus is thus reestablished in favour of capital. The class struggle has an indirect effect on accumulation through its influence on state policies. Some state expenditures appear to contribute to an increase of surplus product through providing markets or technical research and development while other state expenditures mean. a drain on the available surplus because they are financed out of the growth in private production.<sup>14</sup>

The contradiction between the forces and relations of production at the economic level also reproduces itself at the political level. At the political level crises develop out of the contradiction between the growing dysfunctional consequences of capitalist production processes and the restricted ability of capitalist social relations to overcome these with solutions which are compatible with the optimal functioning of the system of capital accumulation.<sup>15</sup> The class struggle at this level, then, takes place over the extent to which state structures and processes will act as a support for the expanded reproduction of the "double domination" exercised by capital. This "double domination" is expressed through the material domination of the production process over the direct producers and the political domination of "private" law guaranteeing private

property over "public" law consisting of the maintenance of order and the responsibilities of public rule.<sup>16</sup> However, this double domination appears as a "single" domination located at the economic level with the political realm presenting itself as both external to the economic and based on the formal equality of universal law. The increasingly social character of production with its consequent growth of state intervention in the process of production has made the public-private distinction less clearly defined. The political class struggle, therefore, contains its own contradictions and proceeds in its own forms with its own conditions of existence differentiating it from the economic, although it is, in the final analysis, shaped by the forces and social relations of production of the social formation in which it is located.

The critical issue is, as Blanke <u>et al</u>. have pointed out, "how is the domination of capital over and in the process of production mediated to the 'sphere of the political' and to the institution of the state?". Similarly, "how are the actions of the workers . . . mediated into the 'sphere of the political'?".<sup>17</sup> Hall refers to this as the "re-presentation of the 'economic' at the level of the 'political'" which, he argues, passes through the representational forms and processes developing from the practices of political class struggle.<sup>18</sup> In analyzing the

forms of the mediation of relations between the dominant and subordinate classes through the agency of the state the major focus must be on the institutionalized forms which the mediation of power takes and the process of their institutionalization. The institutional mediation of power functions through the mode of organization of economic life, in particular, through the roles of property and the legal framework specifying rights and obligations, as well as through the structure of the state. The forms of institutional mediation structure the exercise of class power and the relations between classes in terms of domination and subordination, thus reproducing and reinforcing existing power relations. However, the institutionalized modes of mediation are determined by the class struggle based in the production process and must, therefore, also structure the demands and protests of the subordinate classes.<sup>19</sup>

State policy and state structure represent the condensation of class relations in the realm of the political. As such, they are not merely a reflection or parallel development of economic class relations but are, instead, the product of mediated relations among all classes in a social formation.<sup>20</sup> The development of the state, especially its relatively autonomous forms in social formations dominated by the capitalist mode of production, represents in part a

response to the needs and contradictions of the economic system but its forms, processes, and policies are primarily shaped and determined by class relations of conflict.<sup>21</sup> In terms of the structural social system determinants of the nature of the state, Therborn outlines four: the stage of development of the capitalist mode of production in the society, the position of this mode within the international stage of capitalist development, the concrete historical evolution of the capitalist mode within the social formation under examination and its articulation with other modes of production in the same formation, and the situation of the specific social formation in the international structure of related social formations.<sup>22</sup>

These conditions also affect the social relations among classes, their degree of cooperation and conflict, class alliances and class divisions. It is these forms of class relations which, at the political level, determine the character of state power and the state apparatus through which power is exercised. Conversely, the actual operation of state power and the specific structure of the state apparatus interact to produce conditioning effects on the position of classes in relation to one another, constraining and directing the interplay of classes at the political and economic levels. In addition, both state policies and state structure mutually condition each other. Specific
state policies give rise to particular structures for their implementation, while the choice of policy alternatives is affected by existing state structures since historically evolved structures place constraints on the perceptions of problems and feasible solutions, as well as giving priority to certain interests over others.

In discussing the nature and role of the capitalist state it is useful to differentiate between the general functions of the state, the practices through which it fulfills these functions, and the structure characterizing the apparatuses in charge of developing and implementing these practices. First, the various overall ends served by the activities and structure of the capitalist state will be outlined and then the types of ways in which the state carries out its functions will be examined. Throughout the following discussion of these points special attention will be paid to the implications of the nature of the capitalist state for class relations.

## Functions and Practices of the Capitalist State

At the most general level of the state's role in a capitalist social formation, the state functions to maintain the cohesion of the social formation composed of several modes of production, which includes at least two antagonistic classes, and to reproduce the economic, political, and

ideological relations of class domination.<sup>23</sup> This results in the extended reproduction of social classes both by the reproduction of the positions in which class agents are located and by the reproduction and distribution of the agents themselves to these positions, in other words, the extended reproduction of capital, labour-power, and the means of production.<sup>24</sup> In order to defend and advance the existing relations of production the capitalist state undertakes a number of critical functions. One crucial role performed by the state lies in its management of problems arising out of the basic contradiction between socialized production and private appropriation characterizing the capitalist mode of production. In the development of the capitalist mode of production conditions inherent in the exchange process pose problems for its continued operation. However, these obstructions cannot be overcome by the market relationships themselves. Thus the state, as the only agency standing outside this relationship and based on non-market principles of operation, attempts to provide compensating mechanisms which will not interfere with or destroy the process of private appropriation. The state's task, therefore, is to increase the compatible coexistence of the private mode of production and accumulation and the socialized processes which are created by it.<sup>25</sup> In this

respect state activities function to displace contradictions, conceal exploitation, and manipulate relations among classes and sectors of the economy.<sup>26</sup>

This function of the state in relation to the total operation of the capitalist mode of production stems in large part from the institutional self-interest of the state. The capitalist state is dependent on smoothly operating processes of production to ensure its political power. A more extensive and intensive exploitation of labour leads ultimately to more surplus available for utilization by the state and enables it to avoid the kinds of problems inherent in allocation and distribution of limited resources among competing classes and class fractions, the "fiscal crisis" of the state. This means that the state must necessarily intervene in the economic structure of production and market relations in such a way as to attempt to promote its optimal functioning through the extension of capitalist social relations and the commodity form of production and exchange.<sup>27</sup> Some of the tasks undertaken by the capitalist state to guarantee and extend this kind of accumulation process include the creation of the institution of private profit, the establishment of a universalistic legal framework based on this, the creation of a system of taxation to permit state expenditure on the development of infrastructure, provision of technical and scientific research and training, admini-

strative regulation of production and exchange, and support of market operations through spending and taxation.<sup>28</sup>

Another vital function performed by the capitalist state is that of organizing the political hegemony of the dominant class fraction in its relations both to other fractions of the dominating class and to subordinate classes such that the state maintains a degree of autonomy from this hegemonic fraction.<sup>29</sup> Because the capitalist class is marked by internal cleavages resulting from relations of competition and cannot perceive a common class interest on its own, the state acts as organizer of the interests of capital as a whole while maintaining the political domination of certain class fractions of the power bloc. To promote overall political interests of capital, the state will sacrifice short-term economic interests of this class although the balance between individual capitalist interests and the total class interest is fragile and a source of dissension among capitalist class sectors.<sup>30</sup>

The counterpart of the state's function in unifying and articulating capitalist class interests is its function in politically disabling the subordinate classes, especially the working class in the capitalist mode of production.<sup>31</sup> Without an effective framework to organize and consolidate the interests of the working class in opposition to capital, its political and economic domination is preserved. Policies

of the capitalist state such as welfare and economic security programs in addition to their apparent objectives also operate to politically divide the working class and reproduce the economic divisions within this class (processes which are outlined in greater detail below).<sup>32</sup> At the same time, political and state structures function to neutralize the political demands of subordinate classes by transforming them into forms consistent with capitalist social relations.<sup>33</sup>

Finally, the state is the agent which is best able to fulfill the function of oppressing anti-capitalist interests and conflicts. Since the preservation and extension of the existing social order is of prime importance, the state, in presenting itself as representative of the national interest and as upholder of universalistic laws, can act to ensure political and social stability. However, its interventions in this regard serve to maintain and reinforce the prevailing forms of labour-capital relations.

There are a variety of practices pursued by the capitalist state in order to carry out and fulfill its necessary functions in maintaining or furthering the material and social relations of the capitalist mode of production. These practices are, broadly speaking, actions undertaken by the state aimed either at directly affecting

the relations between classes and class fractions in the economic sphere or indirectly influencing class relations by structuring the conditions framing political relations. However, the economic role of the state in the reproduction of capitalist relations of production is governed by political class domination since the state itself is constituted in the realm of the political.<sup>34</sup> Throughout the specific histories of the development of state activities in certain social formations, some of these practices have been expressed in the form of state interventions which have resulted from the struggle by labour to obtain political rights or the means of subsistence. The subsequent state policies have therefore been the outcome of class struggle and developed as a direct response to class forces. Other instances of state intervention, however, come about through the state's own initiative and are undertaken to serve certain ends relevant to the restoration or continuation of the stable functioning of the system. Regardless of the circumstances surrounding the inception of the various forms of state activity, the mode of the institutionalization and administration of such policies can vary only within relatively narrow limits in accordance with constraints dictated by capitalist forces and relations of production, thus resulting in the necessary incorporation of diverse state practices in the implementation of any single policy.

It is critical, therefore, in an analysis of concrete instances, to differentiate the factors surrounding the inception and adoption of state policies from the functions which the policies serve as a result of their specific forms of implementation and administration. The distinction between origins and consequences, as well as between those results which are intended in contrast with those which are unintended, is important to an understanding of class and state relations.

The institutionalization of political "counterpower" has served to generate a unified interest for capital and a high degree of structural autonomy for the state as well as to further the cooptation of working class demands into forms congruent with bourgeois political relations.<sup>35</sup> This development has occurred historically through the growth of the framework of liberal democracy, a development which has, in many cases, been a significant victory for working class forces against the capitalist monopoly of state power.<sup>36</sup> It represents, essentially, the institutionalization of mechanisms which, together with the process of selective representation discussed below, provide a "counter-power" to the sectional and short-sighted interests of individual capital units, thus enabling the state to evolve an articulated general interest for capital as a whole. This process appears as a relative

autonomy of the political system and state apparatus from any one particular unit of capital or fraction of the capitalist class. At the same time, the institutionalization of such forms of political relations as universal suffrage, general elections, freedom of association, and "responsible" government have incorporated practices of cooptation which pre-empt and contain or displace working class demands. While working class cooptation has frequently been the effect of liberal democratic forms of political struggle in capitalist-dominated social formations, these forms have also provided a basis on which, given the appropriate coincidence of other conditions, working class groups have been able to mobilize and enforce their demands. In this respect, the timing of state intervention and the specific forms which this intervention takes clearly have significant consequences for the furthering of existing social relations of production.<sup>37</sup>

A key problem for the capitalist political system as a result of the institutionalization of "counter-power" mechanisms is the maintenance of mass loyalty to capitalist forms of political and economic relations. To meet the requirements for mass loyalty, the avoidance of interest group conflict and the existence of a minimal level of apathy among the population are necessary conditions.<sup>38</sup>

Practices of social integration are instrumental in preventing the development of conflict and in promoting social peace and stability. In addition, mechanisms for carrying out integration processes function to create both an acceptance of the prevailing order and a willingness to contribute to its maintenance.<sup>39</sup> However, the mechanisms which serve to integrate the dominated classes into the system of their domination also fragment those classes by integrating them only partially and sectorally while setting up barriers and isolating other segments from the political system. Again, the form of the bourgeois democratic political system itself consists of important integrative practices through the institutions of the franchise, free elections, political parties, and parliament.

Other critical integrating practices are based on the kinds of policies which are frequently referred to as constituting the "welfare state". Social security programs function in part to provide a minimal degree of economic security for workers but a high degree of political security for capital, especially when gained as concessions resulting from working class struggles.<sup>40</sup> The provision of economic support by the state also reinforces the bond between dominant and subordinate classes by increasing the contribution of the working classes to the existing structure

of exploitation and by involving them to some extent in the disposition of the surplus product. The capitalist system of taxation extracts fiscal resources from the working classes to maintain the state structure of capitalist political domination. Moreover, there is a more ready acceptance of increased taxes for "public" services than there is for policies which directly increase capitalist profits.<sup>41</sup> On the other hand, while income security programs integrate sections of the working class into the ongoing system, they also operate to reproduce divisions within the dominated classes. Measures such as unemployment insurance which leave poverty essentially untouched and assist that portion of the working class which is already able to sustain labour market contact meet the political demands of the more articulate sector of the working class, not the economic needs of all unemployed persons. The structure of transfer payment programs channels income from one sector of the labour force to another (sometimes from those who are less well off) to assure the security of more highly paid workers.<sup>42</sup> Other "welfare state" measures redistribute wealth among sectors of the economy on the basis of life phases -between generations, periods of sickness and health, and between working age and retirement age. Although one can speak of the state as a centre for the redistribution

of economic resources, this activity takes place not between classes but largely on an intra-class basis.<sup>43</sup>

A third major set of practices engaged in by the state to maintain and extend capitalist relations of production can be termed "representation" processes. The manner in which places within both the political system and the state apparatus are filled is highly class specific in the sense that anti-capitalist ideologies are systematically filtered out while socialization into an orientation favouring support for institutions of private property is carried out by prior education as well as by training within the state system. 44 The ritualized processes of parliamentary office function to minimize working class representation in the political structure and has resulted in a marked degree of concentration of political representation in the hands of lawyers and other professionals, even in "labour" parties and governments. The organization of electoral politics in bourgeois democracies has been based on the selection of "notables".<sup>45</sup> The election process proceeds by way of the formation of committees and loosely structured parties of notables together with the collection and utilization of funds for mass media campaigns in which the appeal of the candidate is based on his similarity to the "average" or "common" man. From this

process emerges a "natural" choice for political leadership as "outstanding" persons are continually propelled forward from among the unorganized members of the bourgeois classes.<sup>46</sup>

In early capitalist states, and to a limited extent in modern capitalist formations, patronage was an important mode of representation in the state apparatus. This was especially useful as a cooptive instrument linking working class political leaders to bourgeois political parties. 47 The trend in development of joint or "tripartite" bodies of state, business, and labour representatives as consultative or policy-generating mechanisms has served similar ends in that inclusion of members of workers' organizations on such bodies is intended to divorce the leadership from their rank-and-file and transform it into a means of control over the membership. 48 Thus the representation of various interest groups of class fractions in the state apparatus has a dual function: to act on behalf of their specific group in the negotiation process surrounding policy making and implementation and, at the same time, to act as regulating agents vis à vis their groups to persuade them to accept solutions and make concessions. The extent to which either the regulatory or representative role predominates in each case of representation depends upon whether the representation base

is that of the dominant or subordinate classes. In the former instance, representation in policy making will be extensive while in the latter case, the relationship between state members and these classes will be primarily regulatory in nature.<sup>49</sup>

The final practice characterizing state activity is that of repression. Repression is the generalized term for those practices which act directly against conflict, crisis, or challenge threatening the authority or ability of the state to maintain the prevailing system of reproduction. Modes of repression include the restriction of, or complete prohibition against, opposition such as radical or left-wing political parties, the right to strike either by certain groups or in particular services, and unofficial work stoppages. Other modes utilized by the state are harassment or violent suppression and surveillance of the activities of groups and individuals defined as potentially threatening to the security of the system or to social stability. A final repressive practice can be called, following Therborn, "ideological excommunication". This consists of defining certain ideologies as deviant, then proceeding to refuse them a normal, intelligible means of expression. Instead, these ideologies may even be interpreted as perversions, depravity, or madness.<sup>50</sup>

The practices of repression, then, are not limited to the use of force on the part of the state's repressive apparatus but also function on an ongoing basis through ideological and legal relations.

The structure of both the political system and the administrative apparatus of the state has, in itself, consequences for the development of policy. Such factors as the form of organization of the government, the degree of centralization of power and authority, the kinds of decision-making mechanisms all serve to shape the nature of the policy outputs and the ways in which they are implemented or administered. Simeon suggests that the specific structural arrangements of state institutions may themselves be considered as policies which act to impose certain procedures and constraints on decisionmaking. Structure functions as both an independent and a dependent variable in the policy generating process.<sup>51</sup>

The political systems of the advanced capitalist societies are based on various forms of bourgeois liberal democracy. Generally speaking, the structure of this type of political system is characterized by a formal written constitution, an elected assembly responsible in theory to the electorate and vested with the right to frame laws, and a party system on which governmental rule is based. The existence of a constitution provides guarantees of

equality in the political realm and can usually be changed only by the elected body of the state. However, the content of this document is evolved from the same classbiased practices which exist in respect to other policymaking processes of the state, i.e. the institutionalization of "counter-power", integration, representation, and repression. The basis on which representatives are chosen and elected to the legislative body is the party system. Although they have a potentially broad base in all classes in a universal franchised system, bourgeois political parties are usually financed primarily by capitalist enterprises and their leaders are generally from the dominant class, sharing the same world view as owners of capital.

The historical development of the party system provided a highly centralized machine for the control of the electoral process and parliamentary activity. Power became concentrated in the party leadership after the extension of the franchise to the working class whereas formerly, with representatives drawn from and elected by the propertied classes only, the individual representatives could be allowed greater freedom of operation in parliament. By the same token, bourgeois party representatives, originally responsive to their restricted constituencies,

became answerable, instead, to the party leaders and prime ministers. Since the bourgeois state is organized around the concept of the "nation" the need arose for highly structured parties able to integrate class interests on a national basis and to govern in the name of the "national" interest. Within the parliamentary body, consequently, the reins of power have come to be held by the cabinet, composed of party ministers, which dominates parliamentary activity. The juxtaposition of a theoretically broad class base. for party membership and the centralized internal. power structure of the party enables bourgeois parties to manipulate various sectors of the subordinate classes by mobilizing particular groups on the basis of class bias, especially the middle and petty bourgeois strata, and by fragmenting the political identification of the working classes.<sup>52</sup>

The second aspect of state structure to be considered is that concerning the forms of organization of the administrative apparatus. Two different elements can be distinguished in analyzing the structure of the state apparatus, the modes of relationship among the various branches of the apparatus and the internal organizational principles structuring the operations of the branches. Since the state is a distinct set of political relationships resulting from the articulation of the modes of production

within a social formation and shaped by the contradiction arising from the economic level and the class struggles developing out of them, the relationship between the diverse branches of the state will correspond to these complexities of the social formation. The dominance of specific classes within the apparatuses will depend on the kinds of activities undertaken by the branch as these relate to the class(es) concerned. As a result, the relations among the branches will correspond to the relations of domination and subordination of classes within the mode of production level and corresponding divisions and cleavages will mark these linkages. Class alliances and relations of support and cooperation may also shape the forms of connection among branches. However, the patterned structure of the branches has its own specific unity and its own set of conditions of movement. Thus each capitalist social formation develops its specific form of capitalist state characterized by particular modes of relations among its branches.

The manifestation of class relations within the structure of the state apparatus, though, is not a complete parallel to those class relations within the social formation but instead responds to changes in the class struggle with certain lags and breaches as shifts in relations of domination and subordination occur among the branches. At

the same time, the inter-branch relations are marked by a greater degree of rigidity than class relations stemming from the articulated modes of production. Thus the state appears as external to and autonomous from direct relations to the mode of production with its own unity and internal contradictions, while also reflecting a certain correspondence to the class relations at the level of production.<sup>53</sup>

This outline of the basic parameters of the relationships constituted by the economic-political nexus has attempted to situate the state's functions, modes of operation, and structure within the context of a social formation dominated by the capitalist mode of production. In so doing, the intention was also to define and clarify the overall conceptual framework of a class based analysis of the role of the state and to indicate the basic elements of the analytical model underlying the present research. Two major issues emerge from the discussion in the preceding pages which form the starting point for the task undertaken here. These are, first, what is the nature of the mechanisms mediating between the dominant class, the dominated classes, and the state, and second, how are such mechanisms institutionalized and what are the institutional forms they take? The first question concerns the nature and forms of the class struggle rooted in the production process as it is translated into the political

sphere. The second question involves two distinct concerns underlying the ways in which the state responds to the class struggle. These are the ways in which the state both transforms economic class struggle into political class relations and the manner in which it processes this conflict into a contained mode compatible with existing social relations of domination. Essentially, this asks what the state does and how it does it with regard to the management of class relations.

## The Development of State Policy and the Structure of the Canadian State

The delineation of the foregoing general theoretical context of the present research requires additional elaboration of its specific relevance to the narrower focus of this study. The following chapters present a detailed analysis of the relations between capital, labour and the state in Canada as they are played out around the adoption by the provincial level of the state in Ontario of legislation establishing a maximum working day, a minimum wage, and financial compensation to injured workers. The time frame for the analysis extends from 1867 with the formal creation of a Canadian federal state to 1939 when the start of the Second World War introduced changes in the world capitalist system which were to alter international and national political and economic structures to a considerable extent in the decades following.

The decision to undertake examination of the historical development of such legislation in Canada immediately introduced another consideration. The division of powers between the federal and provincial levels of the state in Canada has resulted in the allocation of jurisdiction over labour and working conditions to the provincial political system. Although a comparative study of the selected types of legislation among all ten provinces would provide a broader basis for analysis of state-class relations, the exigencies of research of this nature necessitate a selective narrowing of the field to manageable proportions. As an alternative to carrying out a comparative analysis of certain pieces of legislation from province to province the focus of the research consists of a more detailed examination of the history of class, economic and political relations, and state activity with regard to the regulation of the length of the working day, the setting of a minimum wage, and compensation for workrelated injuries or disease within one province. Since the concrete subject of study is related to conditions of industrial labour, Ontario, with its relatively early and

rapid transition to industrial hegemony in Canada, offers a highly appropriate case for this purpose.

In Ontario, the history of state involvement with respect to working hours, wages and industrial accidents is marked by four cardinal legislative acts in the period covering the development of industrial capitalism between 1867 and 1939. These are the Ontario Factory Act of 1884, the Workmen's Compensation Act in 1914, the Minimum Wage Act of 1920 with a significant amendment in 1937, and the Industrial Standards Act in 1935. Each of these pieces of legislation was established at a different point in the history of capital and labour relations in Ontario and, to a considerable extent, they each signify a different stage in the development of industrial capitalism and political class relations.

Both the specific setting of the research and the historical period under examination are factors which, at this point, deserve further theoretical elaboration of the role of the state in the phases of early capitalist development and the particular form of the state in Canada, namely, its federal structure situated in the context of colonial relationships. The nature of capitalist development involves some discernable historical stages characterized by changes in the nature of the production process itself as well as in the degree of concentration of ownership of the means of production. The history of capitalism begins with a period of primitive accumulation in the transition from feudalism and has advanced from that point to the present stage of international monopoly capitalism. However, of relevance here are those periods marked by the transition from simple commodity production to expanded reproduction, the development of mechanized and centralized production, and the movement towards consolidation of ownership and expanded application of machine technology to production processes. Of course, these phases do not have clearly defined boundaries which make a simple periodization of historical growth possible but, instead, overlap widely as each stage contains the embryonic elements out of which the next emerges.

To obtain an understanding of the role of the state in each of the phases of capitalist development outlined, a focus on the structural constraints to accumulation in each stage will direct attention towards the forms of state activity premised on overcoming these constraints.<sup>54</sup> Given the state's interest in smoothly functioning accumulation processes, intervention by the state in the face of constraints to these processes is predictable and may be expected to take specific forms in response to the particular structural constraints encountered. The state in the capitalist mode of production is a condensate of

class relations in a society defined by the dominance of capital and, as such, is subordinate to the capitalist social relations characterizing that society. In the early stage of transition from simple commodity to expanded reproduction the primary constraints to capital accumulation are the limits on the surplus resulting from a still restricted size of proletariat and lack of close supervision of the production process by capital. Solutions come with the kinds of structural changes which promote the expansion and organization of the factors of production, for example, policies intended to swell the numbers of free labourers such as immigration and land reform and those facilitating concentration of production in one place in the form of the factory system.

In the next phase where simple manufacturing typifies the production process inadequate supplies of cheap labour usually persist but another constraint emerges as well. The rate of surplus value is limited by the low level of productivity coupled with high reproductive costs of labour. At this point the means of overcoming these constraints are found in technical innovations which cheapen the reproduction costs of labour and reduce the amount of living labour required in production. The state's role in relation to these constraints is likely to consist of indirectly promoting the changes outlined

by establishing limitations on the ability of capital to exploit labour to its biological limits. These would include restricting the length of the working day and prohibiting child labour as well as some regulation of the safety aspects of production. With the rise of machine and factory production constraints come from the growth of working class organization and intensified demands for shorter hours and higher wages. As mechanization proceeds, the substitution of living labour by machinery increases the organic composition of capital while variable capital declines in proportion, restricting upward movement in the rate of profit. Solutions to these impediments come through periods of depression which eliminate inefficient or weak units of capital and hasten concentration through the general devaluation of capital. Again, the growing tendency towards technological advancement in production provides a partial solution, although it also contributes to the problem in the long term.

The part typically played by the state in the face of these structural constraints is to adopt measures which will discipline and contain working class organizations in order to restrict their demands. On the other side, the state creates conditions facilitating the concentration of capital or, at least, does not throw up barriers to this movement, such as stringent and effectively enforced anti-combines measures. The final stage of

capitalist development to concern us here is that characterized by the rise of monopoly capitalism and predominantly mechanized production processes. With a rapid rise in productivity occasioned by technical innovations a lag in consumption leads to problems of realization. This crisis is accompanied by the growth of radical and militant labour movements. In this period, the state responds directly with Keynesian-type intervention to support demand and other measures to meet the threat of working class militancy, policies based either on repression or attempts to integrate labour within the structure of capitalism such as the institutionalization of collective bargaining.

This outline of the growth of the capitalist mode of production and its relation to forms of state intervention is necessarily brief and much oversimplified. It does demonstrate, however, that different modes of state activity may be more appropriate to some stages than others and also that, although the "laissez-faire" state of classical competitive capitalism is largely myth, the state's role has expanded with the overall expansion and concentration of capitalist production. However, the discussion is not meant to imply an automatic response on the part of the state to economic conditions since the state, as an embodiment of class relations, only finds its

<u>raison d'être</u> as the political manifestation of relations of class conflict and struggle at the economic level. Rather, the foregoing offers primarily an illustrative depiction of the role of the state in early stages of capitalist development. There remains the task of analyzing the links between the economic and the political levels with regard to the state's recognition and interpretation of certain processes as "problems" to be translated into the sphere of public policy as well as to examine the class interests both involved in influencing the subsequent development of such policy and affected by its outcome. These are the issues which the present research attempts to answer.

The Canadian state, as created by the Act of Union in 1841 and extended and formally institutionalized by the British North America Act in 1867, was established as a colonial federal structure in the British Empire.<sup>55</sup> The passage of the BNA Act was not an expression of the will of the people in a democratic framework but, rather, as Whitaker points out, ". . . an act of the British Parliament, passed on the advice of a small elite of colonial politicians . . [who] were strikingly antidemocratic in sentiment, viewing democracy as an American heresy".<sup>56</sup> Indeed, the establishment of a degree of local self-government in the colony of Canada was combined with

other features to provide a safeguard against the possibility that local autonomy would represent a danger to the imperial interests of Great Britain. Thus the central and provincial levels of the state obtained limited legal control over internal matters but lacked any authority over matters related to external affairs such as relations with other nations or having any effect upon British interests. The Governor-General continued as Britain's local representative with certain powers to act in this capacity.<sup>57</sup> The Canadian state, therefore, is characterized by its historical role as a link between the ruling class of Canada and a foreign ruling class, a dual role which has meant both that the state in Canada has been shaped by the development of a dependent capitalist economy and that the state has been utilized to promote the growth of dependent capitalism.<sup>58</sup>

The specific role of the Canadian state in this respect has been based upon its establishment as a federal structure. The result of the bargain struck with the Maritimes and between the two language groups around Confederation was a structure of divided authority but with the central government retaining nearly all significant economic powers and revenue sources while the provinces were given few financial powers but the responsibility for maintaining educational, charitable and health institutions

and authority over property and civil rights, areas not regarded as highly significant at the time.<sup>59</sup> The intention of the colonial and imperial ruling classes was to fashion a strong central state to pursue a policy of transcontinental economic development as a counter to the powerful economy of the democratic republic to the south. Financial crisis and political strife over local issues had rendered the government of the Province of Canada almost ineffectual while an expanded union with extensive economic powers would create a credit structure to attract new capital. For this reason, the Dominion government secured to itself the accumulation functions of the state centred around transportation, tariffs, banks, and currency as well as unlimited powers of taxation.<sup>60</sup>

The powers adopted by the central level of the federal government vis à vis the provincial units made the relationship between the two levels similar to a colonial one, paralleling to some extent the colonial relations between the British state and the Canadian state. The federal level had powers of disallowance over provincial acts; it controlled judicial appointments to superior provincial courts and it appointed provincial lieutenant-governors, thereby controlling power of assent to bills of provincial legislatures.<sup>61</sup> This division of powers and relationship of domination-subordination between

the two state levels was accompanied by state-class relations at provincial and federal levels which both reflected and accounted for the superior position of the Dominion. The fractions of the bourgeoisie which controlled the railways, banks and tariff-based manufacturing concentrated their attention largely on the central state while independent commodity producers and developing resource industries found the representation of their interests effected primarily through the provincial subunits. Subsequent changes in the balance of power between federal and provincial state levels reflected shifts in the strength of regional fractions of capital and the success of provincial governments in appropriating more accumulation functions.<sup>62</sup>

The federalist structure of the Canadian state has had certain implications for relations among classes, class fractions and the state in Canada. The division of political powers and jurisdictional authority has allowed the continued autonomous reproduction of different fractions of the bourgeoisie which have been relatively free to develop regional economic and social structures to promote their own interests. This situation has perpetuated regionalism in the Canadian economy while political cleavages have been superimposed on regional economic divisions to reinforce them, causing other

cleavages to be interpreted in terms of regionalism or else to be largely overlooked.<sup>63</sup> On the other hand, federalism has also resulted in the confinement of conflicts, particularly class conflict, to the sub-central level of the state, away from the political sphere at the national level. This has enabled the federal state to present itself as a non-class-based institution representative of the national interest of all groups. At the same time, however, federalism has fragmented various class forces and forestalled their mobilization at the national level. Such groups as farmers and labour lack collective strength through organization at the level of federal politics. Instead the labour movement has assumed a federal structure at this level which parallels the federal character of the state, not to mention American control of "international" unions -- especially in production.<sup>64</sup> The development of regionalism and the focus of conflict in the provincial state has resulted in the emergence at this level of reform movements and third parties representing regionally-based class interests but has inhibited the translation of these into national movements or parties with the potential to challenge established interests at the level of the federal government.

The division in jurisdiction has had various consequences for the different fields of state action. Stevenson has suggested, for instance, that provincial control over labour matters may have produced greater coercive control of labour by the state than might have resulted in a unitary state since the competitive struggle for capital investment among provinces has also created some competition in the repression of provincial labour forces.<sup>65</sup> Another implication of jurisdictional division in a federal structure has been that, instead of struggles over the definition of boundaries being played out in the political arena by groups supporting and opposing legislation as in unitary state systems, these struggles have often been deflected to the courts where interests opposing changes could appeal to arguments based on unconstitution-This introduces the additional influence of the ality. legal system in establishing jurisdictional boundaries, a system which in the British legal tradition is based on a certain methodology of legal interpretation that weighs in favour of those interests able to utilize the courts to challenge the extension of state activities.<sup>66</sup>

In the present study of maximum hours, minimum wage and workers' compensation legislation the focus is on only one provincial sub-unit of the Canadian state. However, because of both the federal and colonial nature

of the Canadian state, the class relations at the national level as well as those international class relations of imperialism will to varying extents condition the class struggle around these issues at the provincial level. In developing an understanding of state, labour, and capital relations around these areas of legislation, the logic of analysis is based on the following theoretical model. The two major spheres which constitute the basis for analysis are signified by the economy and the polity. The forms of class struggle are the critical determining factor in the shape of the economic infrastructure and the political superstructure. The fundamental relationship of the class struggle to these spheres is indicated by the ability of the class struggle to transform both the forces and social relations of production. The economy, essentially consisting of the combined forces and technical relations of production sets limits to the economic forms of the class struggle. This constellation of relations, that is, forces and technical relations of production together with their specific economic forms of class struggle, give rise to distinctive political forms of class relations characterized by a particular form of capitalist state. The state, based on and incorporating political forms of class struggle, both mediates and limits the forms of economic class struggle and their relationship

to political class relations. Within the institutionalized forms of political class struggles designated as the state, the two aspects of structure and policy are influenced by reciprocal relations of constraint, conditioning, and limitation.

In the analysis undertaken here, the primary focus is on the relations of limitation and transformation which link the forces and technical relations of production, together with their accompanying economic forms of class struggle, to the political class struggle and the state around the issues of workmen's compensation, maximum hours and minimum wage regulation. The mutual relations of structure and policy with regard to these areas of state activity will be examined as well as the ways in which the state, so far as these particular issues are concerned, mediates and sets limits to economic forms of the class struggle in each period under consideration. The development of the forces of production in Canada has served as a basis for characterizing the periods being examined. In the earliest period, from 1867 to 1900, industrialization, based on centralized factory production, became firmly established in Ontario; 1900 to 1914 was a phase of rapid and extensive expansion of industrial production processes, consolidation and capital accumulation; the First World War

promoted intensive mechanization and the subsequent years were ones of rationalization and reorganization of production; the 1930's were a decade of depression and deflation which acted as stimulants to the restructuring of overall capitalist production. In each of these periods the state responded in different ways to the particular areas of legislation discussed. The analysis focusses on the class relations between capital and labour in production and among the major classes of the social formation at the political level as a means of understanding the typical role of the state in relation to the development of industrial capitalism in Ontario.

## NOTES

<sup>1</sup>Ralph Miliband, "Marx and the State", in John Saville and Ralph Miliband, eds., <u>The Socialist Register</u> (London, 1965), pp. 282-283.

<sup>2</sup>Ralph Miliband, <u>The State in Capitalist Society</u> (London, 1973); Nicos Poulantzas, <u>Political Power and</u> Social Classes (London, 1973).

<sup>3</sup>Nicos Poulantzas, "The Problem of the Capitalist State", <u>New Left Review</u>, No. 58 (Nov./Dec. 1969), 67-78 (hereafter <u>NLR</u>); Ralph Miliband, "The Capitalist State -- Reply to Nicos Poulantzas", <u>NLR</u>, No. 59 (Jan./Feb. 1970), 53-60; Ralph Miliband, "Poulantzas and the Capitalist State", <u>NLR</u>, No. 82 (Nov./Dec. 1973), 83-92; Nicos Poulantzas, "The Capitalist State: A Reply to Miliband and Laclau", NLR, No. 95 (Jan./Feb. 1976), 63-83.

<sup>4</sup>Claus Offe, "Political Authority and Class Structures: An Analysis of Late Capitalist Societies", <u>International Journal of Sociology</u>, II, No. 1 (Spring 1972), 73-108; "The Theory of the Capitalist State and the Problem of Policy Formation", in Leon N. Lindberg, Robert Alford, Colin Crouch, and Claus Offe, eds., <u>Stress and Contradiction in Modern Capitalism</u> (Lexington, Mass., 1975), pp. 125-144; Ian Gough, "State Expenditure in Advanced Capitalism", <u>NLR</u>, No. 92 (July/Aug. 1975), 53-92; Eric Olin Wright, <u>Class</u>, <u>Crisis and State</u> (London, 1978); Göran Therborn, <u>What Does</u> the Ruling Class Do When it Rules? (London, 1978).

<sup>5</sup>See the recent studies by Marglin and Stone on the historical development of the division of labour and authority in industrializing Britain and the United States. Stephen Marglin, "What Do Bosses Do? The Origins and Function of Hierarchy in Capitalist Production", <u>Review of Radical Political Economy</u>, VI (Summer 1974), 60-112, and VII (Spring 1975), 20-37; Katherine Stone, "The Origins of Job Structures in the Steel Industry", <u>Review of Radical Political Economy</u>, VI (Summer 1974), 113-174. Harry Braverman provides a more general analysis of the relationship between technology and capital in the development of the labour process. See Harry Braverman, <u>Labor and Monopoly</u> <u>Capital: The Degradation of Work in the Twentieth Century</u> (New York, 1974).

<sup>6</sup>Hunt also includes a third level of the social relations of production which he terms the "general or historical relations of production" but this seems to be a concept of a different order than the first two and its utility is not readily apparent. See Alan Hunt, "Theory and Politics in the Identification of the Working Class", in Alan Hunt, ed., <u>Class and Class Structure</u> (London, 1977), pp. 98-101.

<sup>7</sup>This is perhaps Poulantzas' most significant contribution to the development of a Marxist theory of the state. He has provided a cogent analysis of the structural autonomy of the capitalist state in opposition to the instrumental perspectives and elite analyses. See Poulantzas, Political Power and Social Classes.

<sup>8</sup>Frank Bechhofer and Brian Elliott, "Persistence and Change: The Petite Bourgeoisie in Industrial Society", <u>Archives Europeennes de Sociologie</u>, XVII, No. 1 (1976), 76-78.

<sup>9</sup>Therborn, <u>What Does the Ruling Class Do When It</u> <u>Rules?</u>, pp. 120-121.

<sup>10</sup>Poulantzas, <u>Political Power and Social Classes</u>, pp. 15-16.

<sup>11</sup>Stuart Hall, "The 'Political' and the 'Economic' in Marx's Theory of Classes", in Alan Hunt, ed., <u>Class</u> and Class Structure (London, 1977), pp. 47-48.

<sup>12</sup>Therborn, <u>What Does the Ruling Class Do When It</u> <u>Rules?</u>, p. 121.

<sup>13</sup>Bechhofer and Elliott, "Persistence and Change", 78, 96, 98-99.

<sup>14</sup>The extent to which state expenditures contribute to an overall increase in the available surplus or actually
represent a reduction of the surplus has been an issue of controversy in analyses of the role of state under capitalism. John Hutcheson, "The Capitalist State in Canada", in Robert M. Laxer, ed., <u>(Canada) Ltd., The Political</u> <u>Economy of Dependency</u> (Toronto, 1973), pp. 161-162. Two recent contributions to this debate are Gough, "State Expenditure in Advanced Capitalism", and Ben Fine and Laurence Harris, "'State Expenditure in Advanced Capitalism': A Critique", <u>NLR</u>, No. 98 (July/Aug. 1976), 97-112.

<sup>15</sup>Claus Offe, "'Crises of Crisis Management': Elements of a Political Crisis Theory", <u>International</u> Journal of Politics, VI, No. 3 (Fall 1976), 47, 51.

<sup>16</sup>The characterization of the capitalist mode of production as based on a "double domination" is suggested by Blanke, Jurgens, and Kastendiek. See Bernard Blanke, Ulrich Jurgens and Hans Kastendiek, "The Relationship Between the Political and the Economic as a Point of Departure for a Materialistic Analysis of the Bourgeois State", <u>International Journal of Politics</u>, VI, No. 3 (Fall 1976), 80.

<sup>17</sup><u>Ibid</u>., p. 71.

<sup>18</sup>Hall, "The 'Political' and the 'Economic'", 47.

<sup>19</sup>Anthony Giddens, <u>The Class Structure of the</u> <u>Advanced Societies</u> (London, 1973), pp. 121, 186; Therborn, <u>What Does the Ruling Class Do When It Rules</u>?, pp. 181, 219-220.

<sup>20</sup>Nicos Poulantzas, <u>Classes in Contemporary</u> Capitalism (London, 1975), p. 25.

<sup>21</sup>Poulantzas argues that the class struggle in the political sphere plays a primary and basic role in the relationship of the state to the dominant class, i.e. the degree of autonomy of the state. For O'Connor, the economic needs of the monopoly capital sector are the critical factor in determining the nature of the capitalist state. Gough maintains that the political class struggle is the major determinant in shaping state activity while Fine and Harris emphasize the development of state intervention in response to crises and uneven growth in the process of capitalist production. Therborn gives the predominant place to the class struggle in determining both state power and the state apparatus but argues that there must be a "structural fit" between the state and society based on the state's responses to the logic of the mode of production. See Poulantzas, <u>Political Power and Social Classes</u>, pp. 277-278 and <u>Classes in Contemporary Capitalism</u>, pp. 24-25; James O'Connor, <u>The Fiscal Crisis of the State</u> (New York, 1973), pp. 6, 83-85; Gough, "State Expenditure in Advanced Capitalism", 72-76; Fine and Harris, "'State Expenditure in Advanced Capitalism'", 98-102; Therborn, <u>What Does the Ruling Class Do When It Rules?</u>, pp. 45-48, 162.

<sup>22</sup>Therborn, <u>What Does the Ruling Class Do When</u> It Rules?, p. 162.

23Poulantzas, "The Problem of the Capitalist State", 77; Therborn, What Does the Ruling Class Do When It Rules?, pp. 145, 161.

24
Poulantzas, <u>Classes in Contemporary Capitalism</u>,
p. 28.

<sup>25</sup>Offe, "'Crises of Crisis Management'", 47-51.

<sup>26</sup>Therborn, <u>What Does the Ruling Class Do When It</u> Rules?, p. 224.

<sup>27</sup>Claus Offe and Volker Ronge, "Theses on the Theory of the State", <u>New German Critique</u>, VI (1975), 139-140; Gosta Esping-Andersen, Roger Friedland, and Erik Olin Wright, "Modes of Class Struggle and the Capitalist State", <u>Kapitalistate</u>, No. 4/5 (1976), 201; Blanke <u>et al.</u>, "The Relationship Between", 98-99.

<sup>28</sup>Therborn, <u>What Does the Ruling Class Do When It</u> <u>Rules?</u>, pp. 102-103.

<sup>29</sup>Poulantzas, <u>Political Power and Social Classes</u>, pp. 284-289; <u>Classes in Contemporary Capitalism</u>, pp. 97-98. <sup>30</sup>Poulantzas, <u>Classes in Contemporary Capitalism</u>, pp. 97-98; Offe, "'Crises of Crisis Management'", 48; Claus Offe, "The Abolition of Market Control and the Problem of Legitimacy", <u>Kapitalistate</u>, No. 1 (1973), 111.

<sup>31</sup>Poulantzas, <u>Political Power and Social Classes</u>, pp. 284-289.

<sup>32</sup>O'Connor, <u>The Fiscal Crisis of the State</u>, pp. 139-140.

<sup>33</sup>Esping-Andersen, <u>et al</u>., "Modes of Class Struggle", 198.

<sup>34</sup>Poulantzas, <u>Classes in Contemporary Capitalism</u>, p. 99.

<sup>35</sup>Offe, "The Abolition of Market Control", 111; Therborn, <u>What Does the Ruling Class Do When It Rules?</u>, p. 226.

<sup>36</sup>Macpherson has outlined how the development of the party system was shaped by the need to continue its function of sustaining private property and market relations. See C. B. Macpherson, <u>The Life and Times of Liberal</u> Democracy (London, 1977), pp. 65-69.

<sup>37</sup>Therborn, <u>What Does the Ruling Class Do When It</u> <u>Rules?</u>, pp. 224-226, <u>229-230</u>; John Saville, "The Welfare State: An Historical Approach", in Eric Butterworth and Robert Holman, eds., <u>Social Welfare in Modern Britain</u> (London, 1975), p. 58. Therborn argues that, historically, bourgeois democracy developed out of working class victories in their struggle against the tightly held political rule of the bourgeoisie but that the bourgeoisie was able, by its control over the pace and forms of democratization, to convert these working class gains into processes of cooptation. Giddens also maintains that, although the working class only secured inclusion in the polity of the capitalist state through their struggles, the result was to stabilize instead of weaken the institutional mediation of power through the agency of social democracy. See Giddens, The Class Structure of Advanced Societies, p. 285. <sup>38</sup>Offe, "Political Authority and Class Structures", 98.

<sup>39</sup>Offe, "The Abolition of Market Control", 111; Therborn, <u>What Does the Ruling Class Do When It Rules?</u>, p. 230.

<sup>40</sup>Poulantzas, <u>Political Power and Social Classes</u>, p. 284; Gough, "State Expenditure in Advanced Capitalism", 73; Saville, "The Welfare State", 57-58.

<sup>41</sup>Therborn, <u>What Does the Ruling Class Do When</u> <u>It Rules?</u>, pp. 226-227, 237, 239.

<sup>42</sup>O'Connor, <u>The Fiscal Crisis of the State</u>, pp. 138-140. O'Connor argues that those social security programs in the United States based on transfer payments really transfer income from competitive sector workers to monopoly sector workers, thus reproducing the economic divisions within the labour force. The ultimate aim of such programs, according to O'Connor, however, is to increase capital accumulation by reinforcing work discipline, creating harmonious labour-management relations and thus raising production levels. These are economic consequences at the level of production and do not exclude the creation of other effects at the political level.

<sup>43</sup>Therborn, <u>What Does the Ruling Class Do When It</u> <u>Rules?</u>, p. 115.

<sup>44</sup>Miliband provides an excellent discussion of the mechanisms which operate to ensure similarity of views among the business community, political leaders, civil servants, and the judiciary. See Ralph Miliband, <u>The State in</u> <u>Capitalist Society</u>, especially pp. 55-70, 88-93, and 107-130.

<sup>45</sup>Therborn uses this designation to describe one of his "formats of representation". See Therborn, <u>What</u> Does the Ruling Class Do When It Rules?, pp. 187-190.

46<u>Ibid</u>., p. 187.

<sup>47</sup>Martin Robin, <u>Radical Politics and Canadian</u> <u>Labour 1880-1930</u> (Kingston, 1968), p. 2. Robin points out that, for labour, representation in the state apparatus was a mixed blessing. The effective enforcement of factory legislation required officials sympathetic to the position and needs of labour but this could only be accomplished at the expense of cooptation of labour leaders since government jobs were dispensed on a patronage basis.

<sup>48</sup>Therborn, <u>What Does the Ruling Class Do When It</u> <u>Rules?</u>, p. 108.

<sup>49</sup>Rianne Mahon, "Canadian Public Policy: The Unequal Structure of Representation", in Leo Panitch, ed., <u>The Canadian State: Political Economy and Political Power</u> (Toronto, 1977), p. 183.

<sup>50</sup>Therborn, <u>What Does the Ruling Class Do When It</u> <u>Rules?</u>, pp. 174, 220-222; Offe, "Political Authority and Class Structures", 99.

<sup>51</sup>Richard Simeon, "Studying Public Policy", <u>Canadian Journal of Political Science</u>, IX, No. 4 (Dec. 1976), 573-575.

<sup>52</sup>Macpherson, <u>The Life and Times of Liberal</u> <u>Democracy</u>, pp. 65-68; Therborn, <u>What Does the Ruling Class</u> <u>Do When It Rules?</u>, pp. 88, 104, 106, 190-195.

<sup>53</sup>Poulantzas, "The Problem of the Capitalist State", 73-75; <u>Classes in Contemporary Capitalism</u>, pp. 27, 98; "The Capitalist State: A Reply to Miliband and Laclau", 75; Therborn, <u>What Does the Ruling Class Do When It Rules?</u>, pp. 41, 153.

<sup>54</sup>The following discussion of structural constraints to accumulation in periods of transition during capitalist economic development is based on Wright, <u>Class</u>, <u>Crisis and</u> the State, pp. 168-169.

<sup>55</sup>Stevenson argues that many elements of a state structure were established by the 1841 Act of Union and Confederation merely adapted and extended the existing form without changing either its basic character or its legal relations with Britain. However, Confederation apportioned certain functions to the newly created sub-central levels of the state, i.e. the provinces, marking the origin of a federal structure. Garth Stevenson, "Federalism and the Political Economy of the Canadian State", in Leo Panitch, ed., <u>The Canadian State: Political Economy and Political</u> <u>Power</u> (Toronto, 1977), p. 74.

<sup>56</sup>Reg Whitaker, "Images of the State in Canada", in Leo Panitch, ed., <u>The Canadian State: Political Economy</u> and Political Power (Toronto, 1977),pp. 44-45.

<sup>57</sup>J. R. Mallory, <u>The Structure of Canadian</u> <u>Government</u> (Toronto, 1971), pp. 325-326.

<sup>58</sup>Hutcheson, "The Capitalist State in Canada", 162, 170.

<sup>59</sup>Whitaker, "Images of the State in Canada", 44, and Stevenson, "Federalism and the Political Economy", 75.

<sup>60</sup>Mallory, <u>The Structure of Canadian Government</u>, 332-334.

<sup>61</sup>Ibid., pp. 326-327.

<sup>62</sup>Stevenson, "Federalism and the Political Economy", 75, 77, 83.

<sup>63</sup>Richard Simeon, "Regionalism and Canadian Political Institutions", in Peter Meekison, ed., <u>Canadian Federalism:</u> <u>Myth or Reality</u> (3rd ed., Toronto, 1977), p. 301.

<sup>64</sup><u>Ibid</u>., p. 301; Stevenson, "Federalism and the Political Economy", 91-92.

<sup>65</sup>Ibid., p. 88.

<sup>66</sup>Mallory, <u>The Structure of Canadian Government</u>, p. 347.

#### CHAPTER TWO

THE CANADIAN STATE AND MAXIMUM HOURS, MINIMUM WAGE, AND WORKMEN'S COMPENSATION LEGISLATION: ISSUES AND HISTORICAL BACKGROUND

Before proceeding with an outline of the relations between capital, labour, and the state during the initial period of industrialization in Canada, a brief discussion of a number of specific theoretical and methodological issues pertaining to the research will provide a more concrete framework for the subsequent presentation of the analysis of maximum hours, minimum wage, and workmen's compensation legislation. Accordingly, the first section below explains the empirical basis used to indicate the collective categories of "capital", "labour", and the "state". This is followed by a discussion of the specific questions quiding the study and situates these concerns within the context of class and state relations around such legislation in Ontario. The factors which have been found to be significant in conditioning the involvement of the Canadian state in actions to limit working hours, set minimum wages, and establish workers' compensation are subsequently outlined as are those processes by which the

state transforms "problems" arising out of the class struggle in production into issues which are amenable to political management. The second half of the chapter describes the essential characteristics of the formative stages of Canadian industrial capitalism in terms of the growth of the system of capitalist production, the constraints on accumulation at this point, and the nature of the class struggle between industrial capitalists and labour. The outcome of these class relations is seen in the development of state policies oriented towards controlling labour supply and promoting the subordination of labour to capitalist social relations of production.

#### Some Methodological Considerations

An examination of the historical development of particular areas in which the federal and provincial government have sought to legislate allows us to trace the origin and nature of the influences on the legislative areas outlined and to focus on the ways in which these have been shaped by the state's management of political class relations. The critical question then is how do we account for the adoption of specific legislative measures at particular points in time when these same issues had assumed prominence in the political arena at various times previous to their being codified in law? In other words, petitions,

entreaties, and demands for action on a range of issues are projected into the public forum by diverse interests on a continuous basis and some questions resurface in similar or varying guises again and again. However, only a small number of these appeals are ever acted upon while the remainder seem to fall, as it were, on deaf ears. Moreover, particular issues which are recurring subjects of public debate would appear to be virtually ignored as worthy objects for political concern while at other times they may indeed find a degree of sympathy within the political realm only to be discarded after some greater or lesser scrutiny. Yet, at certain junctures a concrete piece of legislation which purports to address some specific demand or appeal is produced as a result of "due consideration" by the state.

It is clear, then, that various publicly debated issues have differing outcomes and also that particular acts of legislation have diverse histories. It is pertinent, therefore, to ask not only why certain acts are adopted at specific points but also whether these same issues which constitute the objective of the legislation were previously matters of concern to the public (or some segment of it) but ignored by the state. Any explanation for the first part of the question must also be able to account for the second.

As the preceding discussion of the theoretical framework for the present research has indicated, an analysis of the state's activity or inactivity on the issues of maximum hours, minimum wage and workmen's compensation has been developed based on a model in which class struggle is the major independent variable. The use of the term "class" in the present context designates a collectivity of individuals who stand in the same objective position in relation to ownership and control of the means for producing commodities without imputing necessary degree of development of class consciousness to this collectivity as a whole. Class consciousness is a quality which is unevenly distributed throughout a class and which is likely to vary in its distribution Moreover, since class consciousness is over time. basically an amalgam of different actions and thus has many manifestations, it is very difficult to assess the degree and extent of its existence from empirical indicators.

In the research under consideration here the field of analysis has been narrowed to those fractions of the class basis on which industrial capitalism as a distinct mode of production rests, i.e. owners of industrial capital and workers directly involved in production. For present purposes the location of these class fractions in the Canadian

socio-economic structure has been designated by the manufacturing, construction, and mining sectors of the economy. In the process of gathering historical data which pertains to the subject of the research, the terms "employers" and "manufacturers" have been accepted as virtually equivalent to "owners of industrial capital". "Manual workers", "skilled", "semi-skilled", "unskilled", "labourers", "manufacturing" and "construction" workers have all been understood as constituting the working class, although the division of workers on the basis of skill level customarily includes workers from other sectors of the economy than just manufacturing, construction, and mining. These latter sectors have been the major focus for deriving the class categories pertinent to the issues under examination. Given the constraints of a historical data base, this method has been adopted as yielding the most valid approximation of an industrial capitalist class and a working class.

The use of specific categories of individuals grouped on the basis of occupation, skill level, or economic sector does not, however, allow us to treat classes as realities in themselves in the sense that class collectivities take action, press demands, and generally attempt to advance their objectives. Without the existence of a class in which a fully developed consciousness has

produced class organization based on an adequate comprehension of its role qua class it becomes necessary to search for class actors in the guise of other types of existing organizations. The extent to which a civil organization or association can be considered as a bona fide class actor depends upon how close it comes to satisfying three main conditions: whether there is a high degree of similarity in the class basis of its membership, whether its raison d'être is rooted specifically in the economic activities of its members, and whether acts to advance the common economic interests of its it members. We can have a greater degree of confidence that an organization is indeed a class sector if it both recruits from and consists of members of a single class or class fraction, if its primary objectives and origins are closely related to the economic base of that class, and if it more or less consistently promotes the similar economic interests of its members.

Our search for organizations which can be treated as class actors is thus facilitated by a definition of the concept of class in terms of the objective location of individuals in relation to the means of production. In the Canadian context, the choice of organizations which can be viewed as class actors on behalf of owners of industrial capital and on behalf of the working class was not a

difficult one as the development of organizations representing each of these interests has parallelled the growth of industrial capitalism itself. The Canadian Manufacturers' Association started as a small local group in Ontario in the 1870's organized primarily to promote tariff protection for emerging domestic industries. By the 1930's it was a national organization with a substantial membership among largely indigenous industrial capital and having a complex structure with many departments specialized according to function. I Trade union organization similarly advanced with the growth of an industrial economy, starting from the numerous purely local mutual benefit and craft associations in the middle of the nineteenth century and developing into a network of larger unions united under a few central bodies of which the Trades and Labour Congress was the largest.<sup>2</sup>

Neither the CMA nor the unions of the TLC can be said to be representative of their respective class bases in a statistically valid sense but they do represent the economic interests of their members and, in so doing, reflect certain interests vital to the entire class out of which they have emerged. Although these two organizations "speak for" specific interests which have their bases in different classes, they "represent" their respective constituencies in fundamentally different ways. The CMA

consisted of individual owners of industrial firms who were intent upon promoting the general economic interests of their businesses to the benefit of the owners while, at the same time, legitimizing this class interest in terms of a conception of the "national interest". The association was also a significant organ for shaping the members' perceptions of their interests and for articulating these interests through the organization's leadership to other economic or political organizations. The TLC, on the other hand, was a federated body composed of various unions, largely those with a craft basis, which, in turn, were theoretically required to obtain their direction from the democratic expression of the wishes of their rank-and-file. Moreover, while the TLC represented workers whose position in relation to the means of production was one of subordination to capital and thus was without a power base except for the collective solidarity of its members, the CMA represented owners of the means of production who both singly and collectively had power resources outside the existence of the organization itself.

The social institutions within which political relations between classes are organized is a major focus of the research. The state as a concept designating the realm of social relations known as "political" has been discussed in the previous chapter but the state as a

concrete institution and social actor requires clarifica-The political structure of the state, the state tion. bureaucracy, and the judiciary are distinct sub-structures of the overall state organization. However, each has its own specificity and its own logic according to which it is organized and which prescribes its functioning. These structures have an existence qua structures in reality and their activities cannot consequently be reduced merely to the individual propensities or psychologies of their various role incumbents. When individual actors assume positions within the state structure they also assume all the constraints inherent in the position, constraints which are a product of the specific organizational rationale and history of that structure. Thus decisions and actions which emanate from individuals as the living actors in the situation are, for the largest part, outcomes of those organizational processes and logic which characterize the state and in which individuals participate as agents of this structure.<sup>3</sup>

Therefore, in the nature of things, we must look to the pronouncements and actions of individuals for our concrete data but this data is treated as the manifestation of actions and decisions undertaken by the state as a structure. Of course, such data carry differing import depending on the level of the hierarchy of state positions from which

they issue since those at or near the top of this hierarchy are more likely than those lower down to be able to put their own individual stamp on state activities. At the same time, however, role incumbents at the higher levels of the hierarchy are generally more acutely aware of specifically state-engendered constraints and are far more likely to accept these as legitimate and necessary influences on their actions for it is the individuals who occupy these positions who identify most closely with the objectives and functions of the capitalist state.<sup>4</sup>

In attempting to understand the role of the state in the terms in which this issue has been discussed above, that is, through an explanation of the varying histories of three different areas of legislation, the research addressed the following four specific questions. What are the primary constraints to capital accumulation and the responses to these constraints on the part of both manufacturers and workers in each of the periods under consideration? Does this constraint become identified as a "problem" by the state and, if so, how does the state come to realize it as a "problem"? How does the state interpret/transform/translate this economic "problem" into one appropriate to the political realm? Finally, in what way is this "problem" resolved by the state, i.e. is the barrier to optimal capital accumulation overcome by the efforts of the state and how has this been accomplished?

The two critical sources out of which develop a number of possible constraints to accumulation consist of the dynamics of intercapitalist competition and working class resistance to exploitation. The responses of capitalists to these two factors take several forms and are conditioned by the nature of the constraints encountered at any particular point. The responses of owners of capital to their situation also serve to change the conditions of accumulation to a greater or lesser degree and, at the same time, to invite further working class response (which may take the form of inaction or passivity). State involvement in answer to structural constraints to accumulation may be an outcome of three possible alternatives, either singly or in combination with one another. The state may be forced to respond to pressure exerted by the dominated class or classes, pressure which may result from direct action on the part of these classes or which may result from a significant increase in overt class conflict. The state may also take steps as a consequence of direct appeals by owners of capital for action to remedy the situation they see themselves facing. Lastly, the state may undertake a course of action on its own initiative based on its independent perception of problems associated with the optimal functioning of the system of accumulation.

Following the involvement of the state, i.e., the state's recognition, for whatever reason, that there exists a state of affairs seen as problematic, the state processes this "problem" into a form capable of being dealt with within the sphere of political relations since the state itself stands outside the relations of production and exchange which constitute the mode of capitalist production. Thus, although there inheres in any one problem a wide range of possible alternative courses of action, only a very limited number of these are even considered as being feasible solutions. In transforming a problem in the capital accumulation system into one appropriate to state intervention, the state selectively perceives some aspects of that problem while systematically ignoring others. The "resolution" of the problem by the state is institutionalized as a policy output, the enforcement of which is assigned to existing structures or is taken on by a newly created structure, each of which adds the weight of its logic of organization to the enforcement process with specific consequences for owners of industrial capital and for workers. Both the processing of the "problem" and its resolution by the state are phases in which the state undertakes to shape class relations through the activities indicated in the previous discussion of the

state practices of "representation", repression, social integration, and the institutionalization of "counter-power".

# Factors Conditioning State Involvement in Maximum Hours, Minimum Wages, and Workmen's

# Compensation Legislation

An examination of the history of state involvement in the regulation of hours, minimum wages, and workmen's compensation indicates that both workmen's compensation legislation and minimum wage legislation were perceived by the state and capital as steps towards the removal of certain restraints to accumulation at the time. On the other hand, the ten-hour day continued to exist in legislative form until the Second World War because an officially established eight-hour day was regarded by capital as too great a restraint on the system of accumulation throughout the entire period of this study. Although all three areas of legislation dealt with long-standing demands of labour groups, their ultimate adoption had less to do with labour's demands than it did with the recognition by capital that, under the prevailing conditions of accumulation, certain of these measures would remove particular impediments to the optimal functioning of capital accumu-

The Workmen's Compensation Act, for example, was lation. passed in 1914 by the Ontario government primarily as a result of the support given to it by the Canadian Manufacturers' Association which wanted to rationalize an increasingly unpredictable and costly system of employer liability while at the same time promoting an image of cooperation and compromise with a recently combative labour force. Similarly, a minimum wage for men was established in 1937, although demanded by some labour groups from an early point in the depression, as an outcome of a series of attempts by the provincial state to accede to the pleas of small capitalists for the regulation of competition from the larger retailers and manufacturers. In both the above cases, legislation which at first glance would appear to be concessions by the state for the benefit of workers and which would be assumed to be a disadvantage to capital in terms of increased costs of production, was instead introduced only when owners of capital supported such steps as anticipated remedies for their own inability to overcome constraints to accumulation.

The state showed itself to be consistently insensitive to labour's articulation of workers' needs and interests through its failure to act directly to meet these needs. Labour demands developed out of workers' perceptions of their economic insecurity and political domination. These demands focussed both on issues con-

cerning subsistence and those concerned with increasing workers' capacity to control their own conditions of existence. Capitalist demands arose in response to the development of barriers seen to be impeding the optimal accumulation of capital and took specific forms as a consequence. However, there was no automatic link between capitalist demands and state response. Instead, the timing and nature of state response concerning maximum hours, minimum wages, and workmen's compensation were conditioned by five factors in all three of the principal periods under examination. Moreover, these factors appear to form a hierarchy of importance in terms of the extent to which each served as a premise for state action. Ordering these factors into a hierarchy according to their significance for invoking state response also structures them in a funnel-like arrangement from those having the broadest social significance to those based on the narrowest political consideration.

The most critical factor which consistently summoned forth a response on the part of the state was the existence of an actual or potential increase in the political mobilization of labour as a result of prevailing social and economic conditions. Although the political mobilization of other non-capitalist classes, such as the petitbourgeois farmers following the First World War, was of

concern to the state as well, especially where their objectives conflicted with those of resources and manufacturing-based capital, it was above all the growth of political consciousness and action on the part of the working class to which the state was most sensitive. Consequent efforts to contain and restrict the political mobilization of workers, either by force or by changing the conditions which promoted such activities, implied a recognition that the ultimate effects of political power wielded by labour would be the dismantling of the existing system of technical and social relations.

A second conditioning factor influencing the state's response to the political mobilization of anticapitalist classes was the perception by the state of the ability of owners of capital to control labour engaged in production without this control resulting in an increased level of political awareness and organization. Employers, both individually and collectively, undertook vigorous campaigns to prevent the unionization of their labour force and to repress strikes and other forms of industrial conflict. Workers, impelled by necessity to struggle for an improved level of subsistence, were thus forced to expend their resources in workplace-centred conflicts for such things as increased wages, decreased hours, and the right to belong to a union. As long as such conflict

could be restricted to the workplace and focussed on economistic demands, the possibility of a growth of extensive political activity directed against the state on the part of labour was significantly reduced. On the other hand, the very conditions of existence for workers under capitalism involved a high degree of economic insecurity and the attachment of workers to production fluctuated with the stages of the business cycle. As a result, workers might suddenly find themselves released from employment to join the more or less chronically unemployed. Under these conditions demoralized workers could, given a particular confluence of circumstances such as existed after the First World War and during the Depression, focus on the state as the appropriate agency for redressing their grievances. This stage of political mobilization occurred outside the sphere of direct control of capital and became a situation of immediate concern to the state itself.

The third condition which helped shape the form and extent of state activity with regard to hours, minimum wages, and workmen's compensation was the perception by the state of the degree of organization of owners of capital and their subsequent readiness to meet the expected crisis in capital accumulation. The necessity for the state to

attend to this factor was signalled primarily by declining revenue levels of the state as the productive base shrank. The loss of wartime markets as war production ceased created such conditions in 1919, as did the decline in investor confidence and the situation of excess capacity in the 1930's. The more critical conditions became, the more that owners of capital were divided amongst themselves as the exigencies of intercapitalist competition overcame collective efforts to seek an economic solution.

A fourth factor, then, which affected the kind of response offered by the state was the nature of the specific demands made by capitalists when they appealed to the state, as they very often did, for assistance. Owners of industrial capital launched a program at the end of the first decade of the 1900's to persuade the Ontario government to adopt a specific form of workmen's compensation program. They also made known their preference for a particular kind of minimum wage law in 1919 and, in the 1930's, it was manufacturers and small retailers who constituted a significant pressure for a minimum wage for male workers. In each case the form which the subsequent legislation took either reflected these demands fairly faithfully or, at the very least, were not directly antagonistic to them. The most notable instance where the state countered a specific demand by owners of capital was in

making the workmen's compensation program non-contributory in nature. However, this was largely as a result of the greater priority attributed by the state to conditions affecting the political mobilization of labour as well as to the fact that other aspects of the program more than counter-balanced this "loss" to capital.

The final influence conditioning state response to labour and capital was that which resulted from the immediate political constraints perceived by elected officials of the state, i.e. the more narrowly political concerns of elections and party loyalties. In contrast to the limited conception of the state's role that underlies the cynical view that all political decisions have their roots in this soil, the argument here is that political considerations in these terms are the last order of priority and enter largely after other factors have for the most part already shaped the response of the state.

In general, labour demands were not a direct cause for concessions on the part of the state in so far as these took the form of traditional agitation for particular programs or pieces of legislation. This was largely a result of the fact that the traditional advancement of demands by organized labour was, from an early point, well-contained within the prevailing Parliamentary system governed by party ties. Labour existed as a significant

influence on state action only when the growth of political awareness on the part of workers gave increased expression to their opposition to capitalist institutions as in the case of socialist and communist unions and political parties. The very great sensitivity of the state to this kind of situation is indicated by the fact that the state never failed to bring its weight directly down on these bodies despite only an extremely small proportion of workers ever belonging to such organizations.

The course of the particular pieces of legislation examined here owed their timing primarily to action taken by the state and owed their specific form and content primarily to the input of owners of capital to the policygenerating process. Where labour was also involved in this process it was not as an independent party contributing in equal part to an outcome based on a compromise of interests. Rather, labour's involvement took the form of the presentation of workers' conceptions of their interests which were then recast by the state into a mold compatible with capitalist social relations and the optimal functioning of capital accumulation. The progress of the workmen's compensation legislation throughout four years of admission hearings and delays provides a detailed account of the input of capital and labour and the way in which the state acted upon this input. However, in the case of legislation

proposed to establish an eight hour day, it was the very inability of the state to shape this demand into a form capable of coexisting with the prevailing level of mechanization without restricting the accumulation of capital which kept the general eight-hour day from being established until the Second World War.

The specifically federal structure of the Canadian state facilitated its greater responsiveness to capitalist interests in two distinct ways. The bi-level jurisdictional structure and the unclear division of powers were utilized to block labour demands by shifting their appropriate jurisdiction from federal to provincial responsibility or the reverse. This was a strategy which was used by both the federal and provincial levels of government to deal with the issue of an eight-hour While this condition had been one of the earliest dav. and most consistent of the demands put forward by labour, owners of capital had just as vigorously and consistently opposed any concession in this regard. The federal structure of the state allowed both levels to avoid action on this demand while maintaining a posture of concern and the appearance of action.

The two-tiered structure of the Canadian state also enabled industrial capitalists to direct particular appeals for government assistance to the level which would

result in the least restrictive conditions for accumulation or, conversely, the most restrictive control of labour. The choice of level on which manufacturers focussed their demands was determined primarily by the constraints of intercapitalist competition, not by any clearly understood division of powers between the central and subcentral levels of the state.<sup>5</sup> In practice this meant that direct benefits to manufacturers such as bonuses, incentives, etc., were sought at the provincial level to give a competitive advantage to capitalists in the one jurisdiction, while direct benefits to workers, such as, for instance, an eight-hour day, was argued by manufacturers to be appropriately granted only at the federal level, resulting in the equalization of unfavourable conditions to capitalists across all jurisdictions.

On the other hand, the federal form of the state meant that labour was not as likely to have benefits established at the provincial level where organized labour was usually relatively more powerful than it was at the federal level. Provincial governments were not inclined to favour labour demands as they feared a flight of capital resulting from businesses moving to jurisdictions where labour would be cheaper and conditions less restrictive. In order to have benefits established at a national level, labour had to face much more powerful national associations

of manufacturers and national interests vested in transportation and trade. In terms of labour legislation, then, the federal structure of the state in Canada was far more suited to the furtherance of the interests of owners of capital than to those of workers.

## State Transformation of Economic "Problem"

#### to Political Issue

The second major question which this study addresses with regard to the role of the capitalist state was how the state, once it has responded to a certain situation by identifying it as a "problem", i.e. a situation requiring some form of action on the part of the state, interpreted/transformed/translated this economic "problem" into one appropriate to the political realm. Given the high degree of sensitivity of both the federal and provincial levels of the state to the possibility of the political mobilization of labour, the state faced the necessity of transforming the divergent demands of capitalists and workers, demands which were often based on antagonistic economic interests, into commonly accepted political terms. In this respect, then, the particular issue was not perceived by the state in terms of an economic priority but, instead, it took on the critical political significance of promoting the conception of the

interests of capital and labour as being fundamentally identical.

At the same time, however, this process did not imply the state's effecting a simple compromise between the two parties, as the handling of the 1910 eight-hours' bill and the Workmen's Compensation Act development both indicate, for a compromise means that both parties give up something and move toward a common middle ground. Instead of mutual concession on items regarded by owners of capital and by organized labour as being of equal significance to each party's interests, labour found that its basic political interests were transmogrified into strictly economic terms or into narrowly conceived political terms compatible with existing capitalist social relations.

The state at both levels was the major agent for "processing" labour demands in this way. This was usually done outside the specifically political arena of elected Parliaments through such structures as Select Committees, Royal Commissions, and state-sponsored conferences. These were structures that were removed from direct political influence and which could constitute a forum for soliciting evidence from both industrial capitalists and labour groups. These devices helped to preserve the appearance of the "neutrality" of the state and permitted the demands and

arguments presented by each side to be recast in terms of the "national interest".

The state bureaucracy was also instrumental in "handling" labour demands. However, that part of the state bureaucracy which dealt primarily with labour matters, the Federal and Provincial Departments of Labour, was in a particularly favourable position for resolving issues of contention between capital and labour since they were established as the "representative" of labour within the state. This enabled these departments to play a significant role in translating the specific class interests of workers into a form compatible with the status quo while, at the same time, they were accepted as the legitimate representation of labour interests. They additionally served the functions of "anticipating" labour demands, thus preparing for appropriate action on them, and articulating labour demands in a form suitable for management by the state.

Since the constraints to accumulation varied in their nature and intensity in each of the periods considered, attempts to reduce or eliminate them gave rise to differing responses and demands for state action on the part of owners of capital. In its reaction to capitalist efforts to overcome barriers to accumulation, labour also emphasized the need for particular measures at different times. The

passage of the Workmen's Compensation Act in 1914, minimum wage legislation in 1920 and 1937, and the failure to legislate an eight-hour day before the Second World War came to be seen by the state and by owners of industrial capital as appropriate courses of action to resolve the problems affecting the optimal accumulation of capital at the time in which they were undertaken or, as in the case of the eight-hour day, as a further detriment to conditions of accumulation. Before turning to a detailed examination of each of these areas of legislation within the context of the state of capital accumulation at the time, an outline of the relations between the state and labour in the critical formative period of Canadian industrial relations from 1867 to 1900 will provide a necessary introduction to the subsequent chapters which carry the analysis of the role of the state through to the beginning of the Second World War.

# <u>1867-1900: Prelude to Canadian</u> Industrial Capitalism

### Introduction

The last three decades of the nineteenth century saw the firm establishment of the process of capitalist industrialization within an economy hitherto dominated by agriculture and trade. In this period the production

process itself was characterized by the transition from small-scale manufacturing for primarily local markets to a more centralized factory system aimed at supplying a growing national market. Capital accumulation, however, remained at relatively low levels, in contrast to the 1900 to 1914 period, and was just beginning to receive the stimulation provided by the mechanization of production. Although the framework for a capitalist labour market had been established prior to this period, fully capitalist labour relations were only at an incipient stage of development and labour relations remained largely rooted in a paternalistic conception of employer-employee ties.<sup>6</sup> The main constraints to capital accumulation from Confederation until amost the end of the century centred on the development of a supply of completely "free" wage labour, the extension of markets, and the availability of capital for further industrial investment. Organization of labour was advancing steadily but did not, as yet, pose a significant barrier to capital accumulation.

While capitalists responded to these constraints with both individual and collective "solutions", such as mechanizing their production processes, repressing trade union organizations, and increasing their female and child labour forces, as well as developing their own organizations, they also launched various appeals to the state for protec-

tion from competition and assistance to extend their national markets. The major consequences of these activities for labour during this period were to be found both in the changing nature of the labour process and in the conditions of work. Production became centralized with the emergence of the factory system permitting oppressive supervision of the labour process. In addition, the age and sex composition of the labour force shifted with the growth in employment of women and children. Working conditions deteriorated; wages declined and a greater insecurity of employment developed as owners of capital attempted to promote the rates of accumulation. Furthermore, employer attacks on unions made it very difficult for workers to organize in opposition to these conditions.

Worker resistance did, however, occur both in the workplace, as machinery was frequently destroyed when first introduced, and in the political sphere. The Nine Hour Movement in 1872, the rapid growth of the Knights of Labor, and the extension of the network of other union organizations all pointed to workers' desires to limit their economic exploitation as well as their condition of political domination.

The role undertaken by the Canadian state in these initial stages of industrial capitalism was that of building and supporting the framework necessary to promote an

expanding capitalist economy. In addition to attracting investment capital and providing tariff protection to the nascent manufacturing sector, the state also faced the task of firmly putting into place the rudiments of a structure which would foster capitalist social relations of production. This meant an aggressive interventionist state which manipulated labour supply and attempted to control the capacity of workers to organize. This role also led the early Canadian state into an active search for an appropriate frame of reference to underpin capitalist industrial relations. Although the framers of Confederation envisioned a federal Canadian state primarily as a credit instrument and promoter of capital accumulation on behalf of imperially linked commercial and industrial interests, the state's mandate to undertake the building of a Canadian economy led inevitably to its assumption of the role of manager of the labour force.

# The Nature of the Accumulation System

Perhaps the best single term which characterizes the nature of the Canadian economy from 1867 to 1900 is "transitional", particularly in terms of the development of a solidly established industrial capitalist system of accumulation. The transitions were several: from an almost exclusively agricultural productive base to a

burgeoning industrial base, from small scale decentralized manufacturing to the more mechanized factory system, from an overwhelmingly rural population to rapidly growing urban centres, and from a pattern of dispersed markets for consumer goods to a national market structure for both consumer and producer goods.

The beginning of the long process of decline of the agricultural sector in the Canadian economy was signalled by the drop in its contribution to the gross national product from 33.3 per cent in 1870 to 27 per cent by 1890. At the same time the contribution of secondary industry, i.e. construction and manufacturing, increased from 22 per cent of the gross national product to 28 per cent, three-quarters of this increase being attributable solely to the growth of manufacturing.<sup>7</sup> Thus, by 1890, secondary industry had slightly exceeded agriculture in terms of its weight in Canadian gross national production.

The development of a viable industrial sector proceeded on the basis of changes in the production process itself. The transition from artisanal manufacturing to the factory system implied a concentration of both workers and capital within increasingly larger units of production as well as the beginnings of a transformation in production techniques based on mechanization and an increasing division of labour. In Ontario, the Canadian
centre of industrial growth, the number of firms which had a total value of output of at least fifty thousand dollars rose from 568 in 1881 to 993 in 1901 while the average amount of capital investment for each of the firms in this category more than doubled from approximately sixty-six thousand dollars to almost 166,000 dollars.<sup>8</sup> The average number of employees in the largest firms in the province in 1871 numbered 213 in the steel industry, 99 per firm in cotton factories, and 71 in sewing machine factories. By 1900, the clothing and textile industries were the biggest employers and the average number of workers in cotton mills had more than tripled to 337 while men's clothing factories had an average of 468 workers and women's clothing factories had 107.<sup>9</sup>

Mechanization appears to have been introduced fairly early in such industries as boot and shoe manufacturing and textiles. Sewing machines were introduced into some of the firms in the former category, such as Brown and Child's and Scholes and Ames of Montreal, even before the 1860's.<sup>10</sup> The testimony of employers and workers heard by the Royal Commission on the Relations between Labour and Capital indicated the extent of mechanization in this industry as well as in those manufacturing woollens, barrels, and horse-drawn wagons. For instance, one early estimate of the state of mechanization

in the shoe industry in 1882 put the number of sewing machines in thirty Montreal factories at 675 together with thirteen other kinds of machines used in the shoe-manufacturing process.<sup>12</sup>

The increasing spread of power-driven machinery had its effects on the skill level and composition of the traditional occupational structure. Some skills were disappearing while others were either called into existence by new methods or, as was most commonly the case, were constituted as separate less-skilled occupations as a result of the division of labour in a traditional craft.<sup>13</sup> Under these conditions, too, the apprenticeship system was rapidly disappearing from many of the trades.<sup>14</sup>

Labour market shifts accompanied the transition to industrial capitalism in Canada because of the increasing regional centralization and specialization of industry. Ontario became the dominant manufacturing province and urban centres in the south-central portion of the province flourished.<sup>15</sup> In the one decade from 1880 to 1890 the gross value of all Canadian urban manufacturing output increased by 58 per cent.<sup>16</sup> The urban labour market in Ontario was swelled both by immigration and the continuing exodus from the rural areas of the province whose population based relative to the urban areas declined by over one third from 1871 to 1900.<sup>17</sup> Whereas only 22 per cent of

the population could be classified as urban in 1871, by 1901 approximately 43 per cent of the province's population was living in urban centres.<sup>18</sup>

Changes in the pattern of population distribution reflected the demand for increased labour created by the growth of a viable manufacturing sector and the introduction of new production processes. At the same time, the markets for the goods produced by this sector were provided both by the urban populations and by the breakdown of the more locally self-sufficient economy.<sup>19</sup> This breakdown was hastened by the rapid extension of railway lines, from a total of 2,617 miles in 1870 to almost eighteen thousand miles by the end of the century.<sup>20</sup> The vast scale of railway construction was also a leading factor in the growth of heavy industry in Canada, especially iron and steel.<sup>21</sup>

The period from 1867 to 1900 was marked in general by the expansion of industrial capitalism within the rural economy as indicated by the steady rate of growth of primary and secondary manufacturing. The transitions occurring in various aspects of the Canadian economic and social structure, such as the centralization of industry, the urbanization of the population, and the mechanization of production, were far from fully developed but they did

signal irreversible trends in the nature of the system of capital accumulation.

## Structural Constraints to Capital Accumulation

The development of a manufacturing sector in the Canadian economy provided the basis for an industrial capitalist class whose interests lay in the promotion of an expanded system of capitalist production. From 1867 to 1900 an optimal level of expansion of this mode of production was hampered to some extent by a number of constraints. These centred primarily on limitations in the development of the necessary factors for capitalist production, labour, investment, and markets.

The requisites for a permanent capitalist labour market had been established in Upper and Lower Canada by the 1860's fuelled by early waves of Irish, English, and Scottish labourers and artisans imported for canal and railway construction.<sup>22</sup> Restrictive land policies in the colony limited the access of these immigrants to agricultural settlement, thus preserving the existence of a landless labouring class to be later drawn upon by industry.<sup>23</sup> However, although immigration levels were relatively high in the middle part of the 1867 to 1900 period, i.e. from 1882 to 1892, the entire period was characterized by a negative net migration in every year except 1871-1873, 1880,

1899, and 1900, reflecting the generally depressed conditions of trade which prevailed from 1873 to 1896.<sup>24</sup> Despite the increase in population in Ontario by thirtyone per cent from 1871 to 1891, the supply of skilled labour was not sufficient to meet demands being made by employers for skilled help at cheap rates.<sup>25</sup> From the mid-1860's the growing tendency of skilled workers to form trade unions helped them to control the supply of skilled labour and wage rates to some extent.<sup>26</sup> During the first decade following Confederation, the previously highly localized basis of most labour organizations was broadened with the extension of mutual aid among unions engaged in strikes and as a result of the more general Nine Hour Movement of the early 1870's in Ontario and Quebec.

In addition to the factors affecting the supply of skilled labour, the organization of unskilled workers in the industry-based Knights of Labor was also regarded by owners of capital as an impediment to accumulation. The Knights of Labor moved into Canada in 1881 and, by 1886, there were Assemblies in forty-five locations in Ontario with the result that this organization became very influential in the province's labour movement.<sup>27</sup> The existence of trade unions among their labour force limited

the extent to which employers could freely exploit their workers and, as a potential threat to the untrammelled exercise of their "rights" as business owners, unions were unanimously opposed. That this was more than merely an ideological position taken by capitalists but was translated into definite anti-union activities is indicated by the evidence of both workers and employers before the Royal Commission on the Relations of Labour and Capital, some of which is presented below.<sup>28</sup>

A further constraint to accumulation in this period was the lack of a fully integrated national market for manufactured goods. Confederation, which linked New Brunswick and Nova Scotia with Ontario and Quebec into a common financial and trading structure, meant the acquisition of new markets for Central Canadian manufacturers.<sup>29</sup> Further efforts were expended by manufacturers to have tariffs established to protect their home markets from American competition and support for extensive railway construction was very strong among this sector.<sup>30</sup> By the mid-1880's, after the inauguration of the high tariffs of the National Policy and the accompanying increase in the flow of domestic and foreign investment capital, overproduction had led to factories and mills operating at below capacity levels.<sup>31</sup> Manufacturers engaged in struggles

with domestic rivals over shares of the home market with the result that profits were eroded by the intense competition.<sup>32</sup>

The competitive struggle among manufacturers over the division of a protected market also reflected the relative marginality of manufacturing within the Canadian economy. The capitalist class in late nineteenth century Canada had its roots in British money markets and financial houses whose funds flowed primarily into Canadian railway and shipping networks secured by state guarantees. The dominant sectors of capital were, consequently, located in transportation and mercantile activities.<sup>33</sup> The growth of manufacturing, on the other hand, followed a different and somewhat slower route as a consequence of the relative disinclination of these funding bodies to regard a fledgling industrial sector as a viable investment alternative.

In this period, the character of Canadian industrial development was largely a product of enterprise, skills, and small initial outlays of capital combined with the exploitation of wage labour on an increasingly larger scale. Before the influx of American direct investment into branch plants had accelerated and overtaken indigenous manufacturing, the manufacturing sector was developing according to two different patterns.<sup>34</sup> One

was based on the growth of industry through external financing by joint-stock arrangements, generally resulting in control by groups originating in the finance, trade, or transport sector. The other pattern, which seemed to be the dominant one in the decade of greatest industrial expansion, the 1880's, was the evolution of small craft establishments into much larger industries on the basis of internal resources, usually consisting of the entrepreneurial ability and craft skills of the owner together with reinvestment of a relatively low profit mass.<sup>35</sup>

This mode of development of a capitalist manufacturing sector was therefore an indication of the relative lack of capital investment to stimulate rapid industrial expansion. At the same time, the state of exploitation of labour was not highly enough developed to provide a sizeable surplus for reinvestment. The mechanization of labour processes was not yet advanced to a point allowing for an intensive exploitation of labour. In addition, the extensive use of women, children, and other unskilled labour in the early stages of the subdivision of skilled jobs meant a relatively low level of labour productivity.<sup>36</sup>

The fairly widespread existence of out-work arrangements, especially in the clothing industry, was indicative of this stage of productivity.<sup>37</sup> The system for subcontracting the manufacture of clothing resulted in a

multitude of small independent workshops with a few women or children engaged in piece-work production for wages approximating one-quarter to one-half those of adult males similarly employed.<sup>38</sup> This pattern of extensive, rather than intensive, labour exploitation, coupled with the continuing low levels of external investment in manufacturing during this period, constituted another structural constraint to capital accumulation. This constraint was particularly critical for the long-term development of Canadian industry since it led businessmen from the 1880's onwards to wholeheartedly welcome American investment in Canadian manufacturing through the branch plant system. Indeed, the tariffs of the National Policy were expressly intended to attract foreign investment in order to build up a Canadian industrial base.<sup>39</sup>

# Responses by Owners of Capital to Structural Constraints

In the face of these perceived barriers to an optimal level of accumulation, owners of capital responded with measures aimed at eliminating or overcoming these barriers. Some of these were consciously conceived while others were largely determined by the internal logic of capitalist development. In the latter category belong the continuous efforts of capitalist employers to restructure

production processes through mechanization and to substitute cheaper female and child labour for skilled male workers by increasing the division of labour.<sup>40</sup> A more explicitly framed strategy to cope with the threats to business security and stability perceived by owners of capital was the establishment of collective structures to both facilitate the expression of their demands and to provide a united response in their attempts to control labour.

The Manufacturers' Association of Ontario, formed in 1875 by a small group of manufacturers who were suffering from American "dumping" during the trade depression of 1874 to 1879, had roots in earlier organizations of manufacturers intent on establishing tariff protection for their home markets.<sup>41</sup> In 1882, the Ontario association aspired to a national basis, becoming the Canadian Manufacturers' Association which provided support and assistance to other trade associations, including those formed to restrict competition.<sup>42</sup> In the 1880's the struggle for the national market resulted in businessmen embracing collective means to reduce intercapitalist competition. Retailers, wholesalers, and manufacturers of a large variety of goods formed associations among themselves for the purpose of reaching agreements regarding trade conditions and production. 43 Combinations were

established among manufacturers of biscuits, confectionary, leather goods, milled oatmeal, cordage and barbed wire, salt, coffins and undertakers' supplies with the intention of controlling the prices of these items.<sup>44</sup> The mere existence of such combines was no guarantee, however, of complete stability as the logic of capitalist competition prompted some businessmen to capture quick profits by undercutting the agreed prices.

The one area in which the greatest degree of consensus existed among all sectors of the employing class was with regard to labour unions. From a very early point, employers undertook the formation of organizations to fight the spread of union activities and to attempt to break up those labour groups already in existence.<sup>45</sup> Usually combinations of employers were formed on a local basis within specific trades or a particular geographical area.<sup>46</sup> The list of employers' associations published by the federal Department of Labour in 1905 included two hundred such organizations, over half of which had been established before 1900.<sup>47</sup>

Employers resorted to various other tactics to combat trade unions on a more individual basis. Manufacturers readily pulled up stakes and moved their enterprises to new locations either to obtain cheaper labour

or to dispense with a unionized work force. Alternatively, an employer might fire his entire staff to eliminate unionized workers or require his employees to sign a document promising not to join any union while in his employ. Many employers turned to female and child labour as a relatively submissive work force in comparison to organized male workers. 48 With the continued growth of labour organizations, and especially with the creation of federated labour bodies at municipal and provincial levels, there were beginning to appear indications presaging the later transition on the part of employers to a greater emphasis on "industrial relations" techniques in their dealings with employees. Such publications as the Monetary Times and the Canadian Manufacturer which reached mainly a business audience argued that better working conditions and treatment of workers would pay off by producing a healthy, happy work force and at the same time a more productive work force.<sup>49</sup> Even the promotion of a system of technical education by the CMA and various Boards of Trade was seen to be an antidote to unionism by emphasizing skills and work values appropriate to industrial capitalism and thus "unfit [workers] as candidates for trade unionism".<sup>50</sup>

The growth in recognition of common political and economic interests among manufacturers during the 1867 to 1900 period meant that the collective structures which emerged as a result also functioned as informal conduits to state institutions as these owners of capital attempted to create a political and legal structure sympathetic to their concerns. During periods of economic crisis such as during the business depressions in 1858 and 1875, or when their markets were threatened as in 1866 when tariffs were lowered as part of the Confederation arrangements, manufacturers typically responded with the formation of an organized body to pressure the state for increased tariff protection.<sup>51</sup> The most enduring of these organizations, the Manufacturers' Association of Ontario (later to become the Canadian Manufacturers' Association), translated this demand into concrete political and financial support for Macdonald's "National Policy" platform in 1878.<sup>52</sup> The Conservative policy rested on railway expansion into new markets and protective tariffs put on a permanent basis, the latter plank having originally been put forward in 1877 by the Manufacturers' Association as its most important political objective.<sup>53</sup>

The responses of capitalists in the manufacturing sector to constraints on their ability to accumulate took three principal forms. One of these was based on trans-

formation of the process of production towards increasing the division of labour and replacing skilled and unionized labour with machinery or with cheaper unskilled labour. This served both to promote levels of production as well as to lessen the dependence of employers on living labour in possession of the knowledge or skills required for production. Another form of response by owners of capital was rooted in the development of class conscious organizations representing the collective interest of employers in controlling labour. The third mode of capitalist response was to organize as a politically class conscious body capable of articulating and pressing its partisan demands.

#### Consequences for Labour and Labour's Response

The consequences for labour of the courses of action pursued by owners of capital in their efforts to overcome structural constraints to accumulation were reflected in the changing nature of work and working conditions, the level of subsistence available to workers, and their ability to develop political forms for the expression of their class interests. The capitalist drive towards mechanization and the subdivision of jobs was beginning to effect profound changes in the labour process itself. The transformation of the nature of work from a basis in the skills possessed by individual workers to a

series of unskilled tasks frequently controlled externally by the pace of machinery has been very well documented elsewhere.<sup>54</sup> In this history of industrialization in Canada the period from 1867 to 1900 was one in which the introduction of mechanization was widespread in a variety of industries but its further progression was uneven and slow, hampered primarily by the continuing low levels of industrial investment. The reorganization of production processes in terms of a division of labour and increased centralization of production were manifested on the one hand in the extensive spread of workshop manufacture and out-work arrangements in which women and children comprised the bulk of the labour force.<sup>55</sup> On the other hand, the average plant size in terms of both the number of employees as well as capital investment increased markedly in the field of producer and heavy goods' manufacturing.<sup>56</sup>

The working conditions which arose in each of these two settings were equally noxious and miserable. The small size of the contractors' workshops combined with their desire to increase profits by recruiting additional labour and by reducing their overhead created overcrowded, poorly ventilated work areas often located in basements or attics. Lack of adequate lighting and sanitary facilities added to the kinds of conditions which took their toll through debilitating diseases and shortened life spans.<sup>57</sup>

Working hours in these "sweating" establishments in the clothing industry averaged between fifty-seven and sixty a week in 1884 while seamstresses averaged a sixty-nine hour week. <sup>58</sup> At the same time, the average annual earnings in this industry were lower than the average annual wages for all workers surveyed that year by the Ontario Bureau of Industry. <sup>59</sup>

Workers in the newly mechanized industries which were undergoing centralization of production often found themselves subject to particularly harsh and dangerous conditions.<sup>60</sup> The use of untrained labour and child labour, both of which could be obtained cheaply, contributed to a growing accident rate as did the lack of safe-guards on power-driven machinery.<sup>61</sup> Open elevator shafts, unprotected engines and boilers, poor ventilation, inadequate lighting, and lack of fire escapes all added to the number of injuries and deaths. An examination of the evidence provided by an 1885 survey of industrial occupations undertaken by the Ontario Bureau of Industry indicates that wages in the different factory-type establishments tended to be lower than the average wage for all of the over two hundred occupations investigated.<sup>62</sup>

The level of subsistence of workers in general was not very high nor was the availability of a means of subsistence very secure. In a comparison of average yearly

earnings with the cost of living for those workers surveyed, almost 54 per cent of these workers had earnings below or just equal to their average living requirements. A significant factor accounting in part for the higher earnings of those whose incomes were greater than their living costs was the fact that these employees averaged a full 63.5 days more work annually than the least well-off group. Moreover, the average yearly earnings so calculated also included overtime and the wages of other family members, thus inflating the picture of individual workers' wages relative to the requirements of subsistence.<sup>63</sup>

With the growth of capitalist industrialization also came an increasing tendency towards cyclical patterns of prosperity and depression resulting in significant fluctuations in the demand for labour. Workers frequently found themselves either on shorter hours or without employment altogether and with very little in the way of resources to carry them through such a period. The only means of public support were the municipal Houses of Industry which provided minimal amounts of assistance under very restricted conditions and the jail system in which unemployed persons were frequently incarcerated as vagrants.<sup>64</sup>

In addition to the impact on the nature of work and the levels of subsistence, capitalist response to structural constraints also had a determining effect on the

capacity of workers to organize and the forms such organizations took. Individual and wholesale firings of workers attempting to unionize, blacklisting, relocation of factories, the substitution of female and child labour, and punitive supervision were some of the constrictions shaping the circumstances workers faced in attempting to organize in opposition to their working conditions. The prevalence of out-work production in the garment industry and the employment of women and children in that industry as well as in others functioned to reduce the potential for widespread organization in these cases. The dominance of craft-based labour unions facing the threat of the erosion of their occupational base with the tendency towards an increasing division of labour did not help to promote the capacity of less skilled workers to organize. Given the variety of devices and forces working against them, it is perhaps an indication both of the necessity for organization and of the perseverence of many workers that unionism actually progressed to the point of developing central labour structures in the last two decades of the nineteenth century.

Labour's response to the process of capitalist industrialization took both economic and political forms. The major concerns of organized labour during this period, as expressed by the existing central bodies, the Canadian

Labour Union and, later, the Trades and Labour Congress, were the amelioration of poor working conditions and reform of the political system to provide greater representation for labour. The desire to limit the exploitation of labour and increase the security of employment was reflected in early attempts to reduce the length of the working day. A resolution favouring an eight-hour day on state projects was passed in 1886 at the Trades and Labour Congress convention on the basis that this would spread a given amount of work over greater numbers and thus reduce unemployment.<sup>65</sup> Other resolutions at TLC conventions aimed at abolishing assisted immigration and the unlimited importation of Chinese labour. Demands were also made to eliminate child and female labour which threatened the wages and employment of male workers.<sup>66</sup> In addition the Congress firmly endorsed government inspection of all work places with adequate enforcement and the necessity for a "minimum living wage based on local conditions". The TLC was not nearly as consistent, however, in its industrial relations policy, probably a reflection of the still uncertain legal basis for disputes resolution. Although compulsory arbitration was favoured in the 1880's, by the mid 1890's the Congress shifted to endorsation of voluntary arbitration of industrial disputes.<sup>67</sup>

During this period, too, central labour bodies expressed the alienation many workers felt from the prevailing structure of liberal democracy in Canada. The fact that political power was monopolized by two parties which were essentially similar in outlook with regard to their labour policies and which were chosen to govern by only a small proportion of the population made the extension of the franchise and the use of the initiative and referendum critical instruments for reforming the political system in the direction of greater access for the working class. From 1876 the Canadian Labour Union came out in favour of manhood suffrage and the TLC in the following two decades advanced this demand along with proportional representation, abolition of the Senate, the use of the initiative and the referendum, and public ownership of railways and utilities.<sup>68</sup>

In addition to the formulation and presentation of workers' demands by the central labour bodies, a variety of actions were carried out by workers, both informally and through their unions, to protest their situation of exploitation and domination. Workers frequently attacked production machinery when it was initially introduced as it symbolized the inevitable erosion of their independence and relative power.<sup>69</sup> Strikes against wage cuts and mutual cooperation through setting up "ratting

registers" against strikebreakers represented other attempts by workers to maintain some degree of control over their conditions of subsistance.<sup>70</sup> In the first decade following Confederation, the most frequent modes of political protest engaged in by workers were mass meetings and circulated petitions.<sup>71</sup> In terms of its impact as well as the extent of mobilization of workers, the most significant of these early mass protests was the Nine Hour Movement of the early 1870's. The struggle over the nine hour day was particularly significant for its effects on the development and articulation of workers' interests in common as well as for the concrete organizational linkages formed, leading to the establishment of the first national central, the Canadian Labour Union, in 1873.<sup>72</sup>

The other remaining avenue of political protest or input into government policy for workers was to elect avowedly "labour" candidates. However, their very small numbers and the fact that they ran under the banners of the traditional parties made them ineffective as promoters of specifically working class interests.<sup>73</sup> They were essentially artisans with traditional party loyalties who sought to put forward labour's views on the issues introduced. At the same time, the Trades and Labour Congress functioned as a legislative lobby for organized workers; it had a Parliamen-

tary committee with regional representation and an observer in the Dominion Parliament. Perhaps as a result of the failure of the Nine Hour Movement to establish an independent working class political structure, a strictly labour or socialist party representing workers' interests did not develop in Canada until 1894 and, even then, was not able to attract much support from workers already coopted by the two existing bourgeois parties.<sup>74</sup>

### State Transformation of Economic Problems and Resolution

In a capitalist economy the liberal democratic state, although an integral part of the system of capitalist accumulation, is not constituted as an immediate part of the realm of economic relations. Instead, its existence as the representation of the complex of political relations sets it apart from direct relations of production and exchange. This means that constraints or barriers to capital accumulation are not experienced in the same direct way by the state as by owners of capital but are transmitted to the realm of the political by various mechanisms and processes. Consequently, the recognition by the state of the existence of such constraints follows from the ramifications of economic constraints as they are played out by the particular classes in the political sphere. In this

way the existence of barriers to optimal accumulation come to be treated as a "problem" but primarily because these barriers have ultimately led to a political situation perceived by the state as requiring resolution. This then leads us to pose the question, how, precisely, does a particular set of constraints become identified as a "problem" by the state?

In this initial period of capitalist industrialization in Canada structural constraints to the accumulation system took the form of low levels of investment to provide for either intensive or extensive reproduction of capitalist forces of production, an inadequately developed market structure for realization, and problems of labour supply which, together with developing labour resistance, led to an insufficiency of "free" wage labour at cheap rates. The various responses of capitalist employers to this situation and the reactions of workers to the consequences of employers' actions presented both potential and actual political content to which the state felt it necessary to respond. Employers' direct demands for tariff protection and for increased immigration in order to ease labour supplies alerted the state to the necessity for securing a national market structure and a stronger industrial base to both attract emigrating European labour and hold it against the lure of higher wages in the United States.<sup>75</sup>

Without a strengthened national economy, the Canadian political structure and its lucrative British ties would itself be threatened. The development of more class conscious manufacturers' and employers' organizations signalled the growing vigour of the industrial sector and the potential political significance of this fraction of the capitalist class in Canada.

On the other hand, the activities of workers in organizing at the workplace level and in developing cooperative structures on a wider basis indicated to the state the possible power of an extensively organized working class. The rapid escalation of the Nine Hour Movement in several Canadian centres, accompanied by the mass political demonstration of the printers' strike in Toronto, evidenced a potential base for an independent working class political structure.<sup>76</sup> In the 1880's the spread of the Knights of Labor's industrial-based organization was also viewed with some apprehension by the state.<sup>77</sup> Whereas the craft unions within the Trades and Labour Congress had been dealt with during and after the Nine Hour Movement, the political implications of industrial unionism were not yet fully understood.

There is little evidence to indicate that the state responded to the direct appeals of labour organizations for changes in the political system or for regulation

of working conditions where these appeals were channelled through the legitimate avenues of bourgeois politics, such as TLC presentations and the views: of the so-called "labour" members. Conversely, specific political considerations cannot be ruled out as having an impact on state actions, particularly since the loyalties of organized labour in this period still remained to be captured by either of the traditional parties and their respective capitalist constituencies. During the national election of 1872, labour organizations, in reaction perhaps to the prominent role played by the Liberal publisher of the Globe in leading employers' opposition to the printers strike for a nine hour day, supported Sir John A. Macdonald's Conservative party.<sup>78</sup> Once in power, the Tories enacted the Trade Union Act of 1872 and the Criminal Law Amendment Act. However, labour opposition to the latter was strong and the newly elected Liberals removed the most offensive clauses when they came to power in 1875.<sup>79</sup> In this competition for labour support, the Liberals hastened to pass other measures serving to decriminalize certain labour activities and to cancel immigration bonuses, long criticized by organized labour for contributing to unemployment in Canada.<sup>80</sup> The Royal Commission on the Relations of Labour and Capital was a pre-election appointment made by Macdonald in 1886

allowing for both loyal labour leaders and employers to be named as commissioners.<sup>81</sup>

Once alerted to the possible need for intervention in the relations between capital and labour or in securing the infrastructure of an industrial capitalist economy, the state's transformation of the perceived "problem" arising out of structural constraints to accumulation into a politically manageable form was handled in a number of ways. The embryonic stage of the Canadian industrial economy and industrial relations was reflected in the state's various commissions and investigations into this aspect of Canadian society and the sometimes contradictory directions subsequent legislation took. Paramount considerations in the framing of labour legislation during the 1867 to 1896 period were the need to attract labour in order to build a strong industrial base while simultaneously controlling the ability of workers to organize or to increase their relative power. The long debate on the Factory Bills in the Dominion Parliament between 1880 and 1886 was evidence of the lack of a clearly worked out design for industrial relations which would facilitate the further development of industrial capitalism yet not prove a hindrance to the optimal functioning of the accumulation system. Both the Monetary Times and the CMA by this time supported factory legislation, partly because they perceived it as

inevitable and partly because results in other jurisdictions had shown capitalist employers that such laws could function as "the regulator and balance wheel" of the industrial system.<sup>82</sup>

In the period between 1880 and 1886, which were probably the most expansionary years of the entire 1867 to 1896 time span, three government bills and four private member's bills dealing with factory conditions were introduced in the federal Parliament. None of the bills was passed despite the support at one point of both the Manufacturers' Association and the Toronto Trades and Labour Council. The most important products of these bills were two Royal Commissions which sat for a great part of the decade of the 1880's hearing evidence and examining the implications of class relations in an industrial economy. The Commission to Enquire into the Working of the Mills and Factories of the Dominion in 1881 supported restrictions on hours, child labour, and female labour as well as attention to health and safety factors.<sup>83</sup> A bill based on these recommendations was rejected by the Senate as being ultra vires the Dominion government and the House withdrew it as a result of claimed opposition from "employers of labour". Further bills in 1883 to 1886 did not reach third reading both because of CMA opposition and disputes over appropriate jurisdiction.<sup>84</sup>

The second commission to come out of issues surrounding the Factory Bills' debate was the Royal Commission on the Relations of Labour and Capital in 1886. Disagreements and dissension between the labour commissioners and the employer commissioners marked its three-year course and resulted in two final reports articulating the two different class-based perspectives on industrial capitalism at the time. The Freed Report was a highly paternalistic and conservative analysis of the system while the Armstrong Report was a much more sympathetic treatment of the aims of organized labour and was more critical of both industry and the state.<sup>85</sup> However, both groups agreed on the necessity for more factory inspectors, for reductions in the hours of work, for a system of technical education, for reform of the compensation laws, for restrictions on child labour, and on the benefits to labour of the establishment of a federal Bureau of Labour.<sup>86</sup>

The commissions, while conducting their investigations, provided adequate justification for delaying any legislation which would address the issues of concern to labour. An examination of the legislation aimed at labour which was in fact passed during this period indicates that the labour policy of the state was predicated on a view of labour as constituting a factor of capitalist production.

Despite the evidence uncovered by the state's own commissions, there are very few indications that the state perceived workers as a social group whose conditions of existence were suffering progressive degradation under the newly developing system of industrial capitalist accumulation. The state's responses to the demands of owners of capital resulted in extensive capital investment in railway construction and in the establishment of avowedly protectionist tariffs.<sup>87</sup> Both measures were aimed at building a national basis for industrial capitalism in Canada and an intrinsic part of this effort was the development of a labour market firmly rooted in capitalist social relations of production. As a result, the state undertook the regulation of the labour supply and the ability of workers to organize and to strike. After the Conservatives came into office in 1872, they responded immediately to employers' concerns about the supply of labour by passing bills to incorporate private immigration societies and offering reduced passage to immigrants as well as bonuses to booking agents.<sup>88</sup> Although the explicit purpose of the government's immigration policy was to recruit agricultural classes, this objective was frequently bypassed as many rural workers were forced into industrial employment in winter months and as others were consigned on their arrival in Canada to railway contractors.<sup>89</sup>

The Trades Union Act of 1872 was aimed partly at attracting organized skilled labour from Britain by legalizing registered trade unions for the first time. It was also in part a response to the Nine Hour Movement, a gesture of appeasement designed to attach workers' loyalties to the Conservatives. However, at the same time the state had learned the potential danger that an uncontrolled working class movement could pose to a developing system of industrial capital accumulation. Thus the Trades Union Act extended no rights at all to unions failing to register and offered no protection to union funds or to individual members from possible suits pressed by employers as a result of union strikes. The Criminal Law Amendment of 1872 exempted unions from criminal conspiracy and permitted strikes but it also made "intimidation and coercion" as well as "watching and besetting", i.e. peaceful picketing, criminal offences.

In their competition with the Conservatives for office, the Liberals solicited working class support by making certain changes to this act and by passing an act to supercede various provincial Master and Servant Acts by making offenses against these acts civil in nature instead of criminal. Certain breaches were transferred to civil jurisdiction and registered unions were exempted from

prosecution for a breach of contract when on strike.<sup>90</sup> However, criminal penalties remained for "wilful" and "malicious" breaches in "essential services", namely, gas works, waterworks, and railways, the last of which had been subject to a strike of significant proportions in 1876-77.91 When the Knights of Labor experienced a notable surge of support in the 1880's, the Conservative government amended the Criminal Law in 1886 to make it an offense to refuse to work with a non-unionist and to make the closed shop subject to "criminal conspiracy" charges. A further amendment to the act in 1890, preceding the June 1891 general election, removed unions from the category of "criminal conspiracy" but the returned Conservatives made picketing subject to criminal action in 1892. In any case, the judicial apparatus of the state customarily considered most collective agreements and strikes as activities "in restraint of trade" and continued to apply the Breaches of Contract Act governing civil conspiracy despite the exemption of closed shop offenses from the criminal code.

In addition to providing a legal framework which interpreted labour modes of opposition to exploitation under industrial capitalism as criminal acts, the state also created an apparatus to impose labour control by force if necessary. The Militia Act of 1868 provided for "aid to civil power" at the request of local governments, a

service that was put into use on thirty-one occasions between 1867 and 1905 of which the vast majority were for <sup>93</sup> Both Liberal and Conservative governments as well as the business community supported the use of the Militia in strike situations and justified the application of federal funds to its existence in terms of the necessity for a force ready to settle civil disorders, "Fenian" and "Communistic" threats, and the "uprising" of the western Farmers' Union.<sup>94</sup>

At the provincial level of the state in Ontario, similar considerations with regard to labour control were evident in the province's legislation. However, the more rapid growth of manufacturing and urbanization in central Canada promoted the institutionalization of industrial relations partly to satisfy persistent labour demands, partly to establish stable capital and labour relations, and partly to preserve the quality of labour required to run the mills and factories of the province. Some small degree of protection to workers wages was established by the Mechanics' Lien Act of 1872 and voluntary conciliation mechanisms were established by legislation in 1873 and 1894 although employers consistently ignored these as instruments for settling disputes. The massive printers' strike during the Nine Hour Movement in 1872 was the precursor not only to the Mechanics' Lien Act and the

Trades' Arbitration Act but also to an extension of the provincial franchise in 1874.

It was during the decade of the 1880's, however, that the confluence of circumstances were particularly propitious for the enactment of legislation favourable to labour by the provincial state. A higher rate of industrial growth and greatly improved levels of trade were accompanied by the significant successes of the Knights of Labor in organizing the newer industrial occupations. At the same time, the Ontario Liberals were trying to capture organized labour's support against the inducements offered by the Conservatives who retained control of the federal state. In addition, a series of Privy Council decisions had served to somewhat widen provincial powers relating to labour legislation, i.e. under the "property and civil rights" clause of the British North America Act. In 1885, the Liberals put the franchise on an unprecedented democratic basis with the elimination of all property qualifications for males in direct competition with the federal Conservatives' extension of the franchise in 1885. The Ontario Factory Act, passed in 1884, had been prepared by the Liberals on the basis of demands made by the Toronto Trades and Labour Council as well as models provided by existing British legislation and the unsuccessful Dominion factory bills.<sup>95</sup> The act established a maximum working

day of ten hours for women and children only and provided for inspection backed by a system of fines, or even imprisonment, for firms failing to meet the very minimal standards which the act set out. However, only factories with twenty or more employees were subject to the regulation of the Factory Act with the result that all the work shops and "home work" establishments were exempt from inspection 96 and control. The Liberal premier waited two years to have the act declared, timing its declaration to precede both a provincial and federal election in the winter of 1886-87. The same conjuncture prompted the passage of a Workmen's Compensation for Injuries Act in the 1886 session which held employers liable for "negligence" if the court 98 decided in favour of a worker's suit for damages.

#### Conclusion

The constraints perceived by owners of capital to the optimal functioning and expanded reproduction of the capitalist system of industrial accumulation produced increased levels of inter-capitalist rivalry and various forms of conflict with workers. Both of these situations created consequences for the relative positions of industrial capital and the industrial working class which had pertinent effects at the political level. A major

concern of industrial capitalists during this period was the availability of the factors required for industrial production, namely, labour and capital. The difficulties encountered by owners of capital in assuring adequate levels of both were exacerbated by the development of labour resistance and the relatively low productivity of labour under the existing conditions of production.

The disruption and conflict resulting from the activities of organized labour were strikingly apparent in the Nine Hour Movement which demonstrated the potential power of independent working class political and economic organization. The successful appeal of the Knights of Labor to industrial workers was another indication of the possible strength of labour as a force against capital. The problem of labour productivity lay partly in the low level of mechanization of production and partly in the oppressive working conditions endured by the vast portion of the labour force. Intensification of exploitation, long hours, low wages, hazards to health and safety could not continue indefinitely without progressively destroying the quality of labour power necessary for increased production and expansion of the system of accumulation.

The role of the state in relation to labour turned on this conception of labour as a factor of production subordinate to the requirements of a developing industrial

capitalist economy. Given the state's fundamental interest in strengthening the structure of capitalism in Canada, the maintenance of economic and social stability was of critical significance. This meant that labour policy was aimed primarily at the highly organized and articulate segment of the working class in order to obtain their loyalty to the existing political system. This was achieved in part by legislation permitting access of this group to the process of electoral politics, i.e. through the extension of the franchise to males. In addition, the party system was able to absorb and tame many radical demands through the competition among the parties for workers' support as well as through the instruments of patronage and the party discipline exercised over "labour" members.

Other legislation, directed towards the establishment of trade union rights, functioned to promote the institutionalization of class conflict and to control the ability of workers to organize on an independent basis. With the relations between capital and labour becoming increasingly defined within the framework of the legal system and the rights of labour being formally recognized to some extent in law, the appearance of equality in one sphere tended to obscure relations of exploitation and domination in the economic sphere. These measures increased the integration of the working class into the system of
capitalist domination yet, at the same time, the extension of the franchise and the legal enshrinement of some few trade union rights created conditions in which labour could potentially exert greater leverage for the furtherance of its political and economic interests. The necessity for governments to incorporate some of labour's demands into their legislative programs was thereby increased because of the exigencies of electoral politics.

The second problem for capital with regard to labour, i.e. the necessity for increasing the productivity of labour in order to provide adequate surplus for reinvestment, was recognized by the provincial state in the enactment of the Factory Act of 1884. This legislation restricted the undue exploitation of those segments of the labour force which were weakest in resisting their oppressive conditions of work by setting maximum hours for women and children and by providing for minimal safety standards in the growing number of factories and mills.

By the turn of the century in Canada, industrial capitalism had been firmly established but not yet highly developed. However, the classes whose role it would be to push this system forward had already developed their own organizations for the purpose of pursuing their class interests. In the struggle between the fundamentally divergent interests of capital and labour, the state acted

not as arbiter or mediator but rather as a partner to owners of industrial capital in controlling the activities and supply of labour during this period.

#### NOTES

<sup>1</sup>S. D. Clark, <u>The Canadian Manufacturers'</u> Association (Toronto, 1939).

<sup>2</sup>Charles Lipton, <u>The Trade Union Movement of</u> <u>Canada, 1827-1959</u> (3rd ed.; Toronto, 1973).

<sup>3</sup>Arguments regarding the extent of freedom of individual decision-making and the degree to which organizational imperatives constrain this freedom are traditionally found in the sociological literature on organizational theory. See especially Charles Perrow's discussion of theories of decision-making in organizations and his assessment of the contributions of the "institutional school". Charles Perrow, <u>Complex Organizations</u>: <u>A Critical</u> Essay (Glenview, Ill., 1972), pp. 145-163 and 187-204.

<sup>4</sup>See Miliband, <u>The State in Capitalist Society</u>, pp. 51-62.

<sup>5</sup>Stevenson argues that the division of powers between federal and provincial levels of the Canadian state in 1867 relegated "legitimization" functions, such as charities, health, education, property and civil rights, to the provinces while the central government maintained control over "accumulation" functions, namely, shipping and rail transportation, tariffs, money and banking. Accordingly, fractions of the capitalist class focussed their demands on the level of the state having jurisdiction over their specific interests. In the early years after Confederation, the bourgeoisie made Ottawa the centre of its demands because of its control over accumulation functions while independent commodity producers found the central state to be largely unresponsive to their interests. Stevenson, "Federalism and the Political Economy", 75.

<sup>6</sup>H. C. Pentland, "The Development of a Capitalist Labour Market in Canada", <u>Canadian Journal of Economic and</u> <u>Political Science</u>, XXV (Nov. 1959), 459-461 (hereafter <u>CJEPS</u>); H. C. Pentland, "The Canadian Industrial Relations System: Some Formative Factors", <u>Labour/Le Travailleur</u>, IV (1979), 12.

<sup>7</sup>O. J. Firestone, "Development of Canada's Economy, 1850-1900", in <u>Trends in the American Economy in the</u> <u>Nineteenth Century</u>, National Bureau of Economic Research,

Studies in Income and Wealth (Princeton, 1960), XXIV, 225.

<sup>8</sup>Canada, <u>Census</u> (1901), III, 320-21. The 1901 figures are not strictly comparable with the earlier sets of figures as the census in that year changes its procedures to include only establishments with more than five employees. However, it is unlikely that firms with fewer than five employees were capable of producing an annual output of \$50,000 or more in 1881 so that these firms are probably in the same employee category as those in the 1901 census.

<sup>9</sup>Calculated from Ontario, <u>Sessional Papers</u> (1884), XVI, No. 55, 112-116; Canada, <u>Census</u> (1871), III, 458, 460, 462; (1901), III, 254. Again, the 1901 figures are based only on firms with more than five employees. This tends to overstate the comparisons made here but, at the same time, it does provide an indication of the degree of concentration of workers.

<sup>10</sup>E. B. Biggar, "Progress of Canadian Industries", in J. Castell Hopkins, ed., <u>Canada an Encyclopaedia of</u> <u>the Country</u> (Toronto, 1899), p. 498. Steven Langdon, "The Emergence of the Canadian Working Class Movement, 1845-1875", Journal of Canadian Studies, VII (Spring 1973), 7.

11 Reprinted as "Ontario Evidence" in Greg Kealey, ed., <u>Canada Investigates Industrialism</u> (Toronto, 1973), pp. 110, 115, 118, 120; H. A. Innis and A. R. M. Lower, eds., <u>Select Documentation in Canadian Economic History, 1783-1885</u>, 2nd ed. (Philadelphia, 1977), p. 609.

<sup>12</sup>Biggar, "Progress of Canadian Industries", 498.

<sup>13</sup>"Ontario Evidence", 115, 120.

<sup>14</sup>James Hughes, Superintendent of Public Schools for the City of Toronto, stated this as fact in his address to the Ontario Teachers' Association in 1884 and the <u>Canada School Journal</u> (Oct. 1885), echoed this in its demand for a comprehensive new system for training young people. Cited in Robert Stamp, "The Campaign for Technical Education in Ontario, 1876-1914" (Ph.D. dissertation, Dept. of History, University of Western Ontario, 1970), p. 63. <sup>15</sup>Gordon W. Bertram, "Historical Statistics on Growth and Structure in Manufacturing in Canada, 1870-1957", in J. Henripin and A. Asimakopulos, eds., <u>Conference on Statistics</u>, 1962 and 1963 (Toronto, 1964), pp. 119, 129; Edward J. Chambers and Gordon W. Bertram, "Urbanization and Manufacturing in Central Canada, 1870-90", in S. Ostry and T. K. Rymes, eds., <u>Conference on Statistics</u>, 1964 (Toronto, 1966), pp. 242, 246; Jacob Spelt, <u>Urban Development in South-Central Ontario</u>, Carleton Library, No. 57 (2nd ed.; Toronto, 1972), p. 125; John E. MacNab, "Toronto's Industrial Growth to 1891", <u>Ontario History</u>, XLVII (Spring 1955), 67, 61 (hereafter <u>OH</u>).

<sup>16</sup> Gordon W. Bertram, "Economic Growth in Canadian Industry, 1870-1915: The Staple Model and the Take-Off Hypothesis", <u>CJEPS</u>, XXIX (May 1963), 183.

<sup>17</sup>Spelt, <u>Urban Development</u>, p. 180; William Robert Young, "Conscription, Rural Depopulation and the Farmers of Ontario", <u>Canadian Historical Review</u>, LIII (Sept. 1972), 319 (hereafter CHR).

<sup>18</sup>Richard M. Bird, <u>The Growth of Government Spending</u> <u>in Canada</u>, Canadian Tax Papers, No. 51 (Toronto, 1970), p. 312.

<sup>19</sup>Vernon Fowke, "The Myth of the Self-sufficient Canadian Pioneer", <u>Royal Society of Canada, 3rd Transactions</u>, LVI, Series 3, Sec. 2 (1962), 34-37.

<sup>20</sup>M. C. Urquhart and K. A. H. Buckley, <u>Historical</u> <u>Statistics of Canada</u> (Toronto, 1965), p. 528.

<sup>21</sup>Bertram, "Historical Statistics on Growth", 115-116.

<sup>22</sup>Pentland, "The Development of a Capitalist Labour Market in Canada", 459-461.

<sup>23</sup>Gary Teeple, "Land, Labour and Capital in Pre-Confederation Canada", in Gary Teeple, ed., <u>Capitalism</u> and the National Question in Canada (Toronto, 1972), pp. 52-57. <sup>24</sup>Firestone, <u>Canada's Economic Development</u>, <u>1867</u>-<u>1957</u>, p. 141. The average annual rate of immigration for the period 1867-1900 was 10.74 per thousand population with the annual average of the highest years, i.e. 1879-1891, amounting to 17.6 per thousand (calculated from <u>ibid</u>., p. 242).

<sup>25</sup>Bertram, "Historical Statistics on Growth", 141; Bernard Ostry, "Conservatives, Liberals and Labour in the 1870's", <u>CHR</u>, XLI (June 1960), 94; Canada, <u>Sessional Papers</u> (1872), V, No. 2A, 41, 49, 57-59, 61; Canada, <u>Sessional</u> <u>Papers</u> (1873), VI, No. 26, 55, 58.

<sup>26</sup>Eugene Forsey, "Insights into Labour History in Canada", <u>Industrial Relations</u>, XX (July 1965), 451-454.

<sup>27</sup><u>Ibid.</u>, p. 463; Robin, <u>Radical Politics and</u> <u>Canadian Labour, 1880-1930</u>, p. 20.

<sup>28</sup>"Ontario Evidence", 86-87, 91, 105, 132-134.

<sup>29</sup>"Select Committee on Manufacturing Interests of the Dominion, 1874", cited in P. B. Waite, <u>Canada 1874-</u> 1896: Arduous Destiny (Toronto, 1971), p. 76.

<sup>30</sup>Canada, House of Commons, "Select Committee on the Causes of the Depression in Trade", <u>Journals</u>, (1876), X, Appendix 3, 115-120, 265-266; Canada, House of Commons, "Select Committee on Manufacturing Interests of the Dominion", <u>Journals</u>, (1874), VIII, Appendix 3, 5-68; S. D. Clark, "The Canadian Manufacturers' Association and the Tariff", <u>CJEPS</u>, V (Feb. 1939), 22; <u>Monetary</u> <u>Times</u>, Nov. 2, 1877; Gustavus Myers, <u>A History of</u> <u>Canadian Wealth</u>, (2nd ed.; Toronto, 1972), I, 265.

<sup>31</sup>Bertram, "Historical Statistics on Growth", 134.

<sup>32</sup>Michael Bliss, <u>A Living Profit:</u> Studies in the <u>Social History of Canadian Business, 1883-1911</u> (Toronto, 1974), 33-40.

<sup>33</sup>Wallace Clement, <u>The Canadian Corporate Elite:</u> <u>An Analysis of Economic Power</u>, Carleton Library, No. 89 (Toronto, 1975), pp. 62-67. <sup>34</sup>According to Marshall <u>et al.</u>, eighty-two American controlled or affiliated manufacturing plants had been established in Canada between 1870 and 1887, fifty of these in Ontario. Seventy-eight percent of these entered Canada in the 1879-1887 period, i.e. following Macdonald's National Policy. The post World War I to 1932 period saw a high rate of branch plant creation in Canada. Herbert Marshall, Frank Southard, Jr., and Kenneth W. Taylor, <u>Canadian-American Industry</u>, Carleton Library, No. 93 (Toronto, 1976), pp. 11-13, 19-21.

<sup>35</sup>Acheson's study of the Canadian industrial elite of the 1880-1885 period has found that manufacturing as a whole was dominated by individuals whose primary occupation was that of "manufacturer". Eighty-five percent of the 168 leading Canadian industrialists of the time were in this category while the next largest groups were wholesalers, constituting 9 percent of the total number of industrialists. Of the manufacturing group, 55 percent had fathers who were either manufacturers or in merchant activities while the fathers of another 13 percent were professionals or managers. Very few, only 6 percent, were actually upwardly mobile from families of craftsmen. Many of those from manufacturing backgrounds, however, had served periods of apprenticeship in various trades and crafts. T. W. Acheson, "The Social Origins of the Canadian Industrial Elite, 1880-1885", in David S. Macmillan, ed., Canadian Business History, Selected Studies, 1497-1971 (Toronto, 1972), p. 147.

<sup>36</sup>Canada, <u>Sessional Papers</u>, (1872), V, No. 2A, 9, 33-34, 41, 43, 58; "Report of the Commissioners Appointed to Enquire into the Working of Mills and Factories of the Dominion, and the Labour Employed Therein", Sessional Papers (1882), IX, No. 42, 2.

<sup>37</sup>Canada, "Report Upon the Sweating System in Canada", Sessional Papers (1896), XXIX, No. 61, 6-7.

<sup>38</sup>"Report of the Commissioners Appointed to Enquire", 3-4; Greg Kealey, <u>Hogtown: Working Class Toronto at the</u> <u>Turn of the Century</u> (Toronto, 1974), p. 5.

<sup>39</sup>Bliss, <u>A Living Profit</u>, pp. 109-111.

<sup>40</sup>Humphries has shown how the drive of capitalist employers to cheapen labour found a ready target in the females of working class families. The creation of this pool of cheap labour promoted and reinforced a sex-based division of labour and accompanying sexist ideology among workers and employers. There is thus an interactive effect of class-based interests and the structure of patriarchy in the development of female labour as a threat to the security of male labour. Jane Humphries, "The Working Class Family, Women's Liberation, and Class Struggle: The Case of Nineteenth Century British History", <u>Review</u> of <u>Radical Political Economics</u>, IX, No. 3 (Fall 1977), 33-36.

<sup>41</sup>O. D. Skelton, <u>Life and Times of Sir Alexander</u> <u>Tilloch Galt</u> (Toronto, 1966), p. 117; William Weir, <u>Sixty Years in Canada</u> (Montreal, 1903), p. 115; Canada, House of Commons, <u>Official Report of Debates</u>, July 9, 1858, n.p. Cayley, speaking on the budget, explained that his policy was to give "incidental protection to Canadian Manufacturers". <u>Globe</u>, September 28, 1866; Clark, <u>The Canadian Manufacturer' Association</u>, p. 4; "Select Committee on the Causes of the Depression", 265-266; "Select Committee on Manufacturing Interests", 5-68.

<sup>42</sup>Bliss, <u>A Living Profit</u>, p. 36.

<sup>43</sup>Ibid., pp. 33-36; Edward Porritt, <u>Sixty Years</u> of Protection in Canada, 1846-1907 (London, n.d.), p. 343.

<sup>44</sup>O. D. Skelton, "General Economic History, 1867-1912", in Adam Shortt and Arthur G. Doughty, eds., <u>Canada and Its Provinces</u> (Toronto, 1914), IX, 189-190; Bliss, A Living Profit, pp. 35-36.

<sup>45</sup>Langdon, "The Emergence of the Canadian Working Class Movement, 1845-1875", 13, 15-16.

<sup>46</sup>Bliss, <u>A Living Profit</u>, pp. 92-94.

<sup>47</sup>Canada, Department of Labour, <u>Labour Gazette</u>, September 1905, pp. 279-288.

<sup>48</sup>"Ontario Evidence", 86-87, 91, 105, 132-134.

<sup>49</sup><u>Monetary Times</u>, December 3, 1880, pp. 640-41; <u>Canadian Manufacturer</u>, May 2, 1882, p. 170 and May 2, 1890, p. 304 cited in Bliss, <u>A Living Profit</u>, pp. 69, 45; <u>idem</u>, "'Dyspepsia of the Mind': The Canadian Businessman and His Enemies, 1880-1914", in David S. Macmillan, ed., <u>Canadian Business History, Selected Studies, 1497-1971</u> (Toronto, 1972), p. 182.

<sup>50</sup>Bliss, <u>A Living Profit</u>, pp. 89-90.

<sup>51</sup>See above notes 30 and 41.

<sup>52</sup>Myers, <u>A History of Canadian Wealth</u>, p. 265. According to Creighton, Macdonald first used the term "National Policy" in his 1872 campaign in order to avoid the word "protection" which would have aroused some opposition. Protection for manufacturers formed part of the campaign policy of both Macdonald and Hincks in the summer of 1872. Donald Creighton, John A. Macdonald: The Old Chieftain (Toronto, 1955), II, 120, 136.

<sup>53</sup>Monetary Times, November 2, 1877, p. 533.

<sup>54</sup>See Harry Braverman, <u>Labor and Monopoly Capital</u>, especially Chapters 9 and 10.

<sup>55</sup>Canada, <u>Census</u> (1891), II, 164-166.

<sup>56</sup>See p. 93 above.

<sup>57</sup>Many descriptions of these kinds of conditions can be found in both the testimony and the commissioners' reports of the "Commission to Enquire into the Working of Mills and Factories of the Dominion, and the Labour Employed Therein" (1882), and the "Royal Commission on the Relations of Labour and Capital" (1889), as well as in the reports made by Ontario factory inspectors which were published in Ontario <u>Sessional Papers</u> as part of the <u>Annual Report of the Bureau of Labour</u>.

<sup>58</sup>Ontario, <u>Sessional Papers</u> (1885), XVII, No. 84, 43-45.

<sup>59</sup><u>Ibid</u>., p. 46.

<sup>60</sup>By 1881, 19 percent of Ontario workers were employed in those branches of manufacturing in which the size of firms averaged 15 or more employees. This included 966 firms or 4.2 percent of the total number in the province. Calculated from "Returns for Manufacturing in Ontario, 1881" found in Ontario, <u>Sessional Papers</u> (1884), XVI, No. 55, 112-116.

<sup>61</sup>Ontario, Bureau of Industry, "Annual Report", <u>Sessional Papers</u> (1886), XVIII, No. 53; "Ontario Evidence", 92, 94; see also various factory inspectors' reports.

<sup>62</sup>In the agricultural implements industry four out of the eight occupations listed, excluding that of foreman, paid yearly wages less than the overall average. Cigarmakers, male and female, also earned less than the average annual income. Twelve out of fifteen employment categories in cotton mills registered yearly earnings lower than this average. All three occupations in knitting factories employed females whose incomes were below average. Paper mills paid less than average wages to three out of four job categories. Four male occupations out of nine listed for railway shops were also low-paying according to this criterion. The province's one screw factory as well as stove foundries and woollen factories similarly paid most of their occupational categories wage rates which were below the average yearly earnings recorded for all occupations in the survey. Ontario, Sessional Papers (1885), XVII, No. 84, 42-115.

<sup>63</sup>Ibid., pp. lxviii-lxxxi.

<sup>64</sup>Ontario, "Commission on Prisons and Reformatories", <u>Sessional Papers</u> (1891), XXIII, No. 18, 113.

<sup>65</sup>Executive Council, Trades and Labour Congress, "The Trades and Labour Congress of Canada and Its Policies on Employment, Unemployment, and Underemployment, 1883-1931", submitted to the 47th Annual Convention, September 21-26, 1931, p. 3, PAC, Dept. of Labour, RG27, vol. 118, file 600.02-155.

<sup>66</sup>Harold A. Logan, Trade Unions in Canada (Toronto, 1948), p. 66. <sup>67</sup>Ibid., p. 66. <sup>68</sup>Robin, <u>Radical Politics and Canadian</u> Labour, <u>1880-1930</u>, pp. 14, 23-25, 31-33. <sup>69</sup>Kealey, Hogtown, p. 2. <sup>70</sup>Langdon, "The Emergence of the Working Class Movement", 7-10. <sup>71</sup><u>Ibid</u>., pp. 17-18; Forsey, "Insights Into Labour History in Canada", 455-456. <sup>72</sup>John Battye, "The Nine Hour Pioneers: The Genesis of the Canadian Labour Movement", <u>Labour/Le Travailleur 1979</u>, IV (1979), 55-56. <sup>73</sup>Robin, Radical Politics and Canadian Labour, 1880-1930, p. 7. <sup>74</sup>Ibid., pp. 34-36; Battye, "The Nine Hour Pioneers", 52-55. <sup>75</sup>Kealey, Hogtown, p. 2. <sup>76</sup>Battye, "The Nine Hour Pioneers", 45,-48, 52-53. <sup>77</sup>Greg Kealey, "Introduction", in <u>Canada Investi-</u> gates Industrialism (Toronto, 1973), p. xi. <sup>78</sup>Robin, <u>Radical Politics and Canadian Labour</u>, 1880-1930, pp. 8-10. <sup>79</sup>Ostry, "Conservatives, Liberals and Labour in the 1870's", 125. <sup>80</sup>Ibid., pp. 126-127; Norman Macdonald, <u>Canada:</u> <u>Immigration and Colonization, 1841-1903</u> (Toronto, 1966), p. 46.

<sup>81</sup>B. Ostry, "Conservatives, Liberals and Labour in the 1880's", <u>CJEPS</u>, XXVII (May 1961), 152; Kealey, "Introduction", xii-xiii.

<sup>82</sup>Monetary Times, June 2, 1882, p. 1479; Canadian Manufacturers' Association, General Minute Book 1886-1899, November 3, 1886, cited in Bliss, <u>A Living Profit</u>, p. 67.

<sup>83</sup>"Report of the Commissioners Appointed to Enquire Into the Working of Mills".

<sup>84</sup>E. Forsey, "A Note on the Dominion Factory Bills of the 1880's", <u>CJEPS</u>, XIII (Nov. 1947), 581-583. This is Forsey's conclusion as to why the legislation was dropped.

<sup>85</sup>Kealey, "Introduction", xvii-xix.

<sup>86</sup>"Reports of the Royal Commission on the Relations of Labour and Capital, 1889", in <u>Canada Investigates</u> Industrialism, 8-58.

<sup>87</sup>Part of the conditions for entry into Confederation by the Maritimes in 1867, British Columbia in 1871, and Prince Edward Island in 1873 revolved around the issue of financing railway connections among them. From 1868 to 1872, the funds poured into railway construction by the federal government increased by over 1500 percent. Of the total capital utilized in the building of railroads between 1875 and 1900, over 20 percent was government aid obtained through federal powers to tax and raise revenue, i.e. by tariffs and import duties, and 85 percent of that was given to railway financing in the form of bonuses. Urquhart and Buckley, <u>Historical Statistics of Canada</u>, pp. 513, 526-527. With regard to the responsiveness of the state to manufacturers' demands for increased tariffs, Sir John Willison, editor of the <u>Globe</u>, commented to Governor General Minto in 1903: "Both parties here fear the manufacturers and properly so, for they have been the controlling factor in every election since 1878". Willison to Minto, July 18, 1902, cited in Waite, <u>Arduous Destiny</u>, p. 103.

<sup>88</sup>Under these auspices immigration societies composed primarily of employers and landlord farmers were formed. The Ottawa Valley Immigration Society, for example, established in 1872, arranged with the Minister of Agriculture to have the Canadian agents in Europe put at the service of the society to procure contract labour whose future wages were docked for passage money. Canada, Sessional Papers (1873), VI, No. 26, 54-58.

<sup>89</sup>Macdonald, <u>Canada: Immigration and Colonization</u>, 1841-1913, pp. 107, 115.

<sup>90</sup>Ostry, "Conservatives, Liberals and Labour in the 1870's", 126-127.

<sup>91</sup>According to Ostry, the Act was criticized at the time by the Independent Liberals and the Conservatives, including Macdonald, on the grounds that it represented an attempt by the Liberals to conceal their bungled handling of the Grand Trunk Railway strike. <u>Ibid.</u>, p. 127; Ostry, "Conservatives, Liberals and Labour in the 1880's", 141.

<sup>92</sup><u>Revised Statutes of Canada</u>, 1886, 49 Vic., Chap. 173, sec. 9-13; <u>Statutes of Canada</u>, 1890, 53 Vic., Chap. 37, sec. 19; 1892, 55-56 Vic., Chap. 29, sec. 523, 524.

<sup>93</sup>Desmond Morton, "Aid to the Civil Power: The Canadian Militia in Support of Social Order, 1867-1914", in Michiel Horn and Ronald Sabourin, eds., <u>Studies in</u> Canadian Social History (Toronto, 1974), p. 417.

<sup>94</sup><u>Ibid</u>., pp. 420-421, 423-425; Bliss, <u>A Living</u> Profit, p. 80.

<sup>95</sup>Ostry, "Conservatives, Liberals and Labour in the 1880's", 145.

96 Statutes of the Province of Ontario, 1884, 47 Vic., Chapter 39, sec. 1(c).

<sup>97</sup>Ostry, "Conservatives, Liberals and Labour in the 1880's", 143, 151.

<sup>98</sup>Michael Piva, "The Workmen's Compensation Movement in Ontario", OH, LXVII (March 1975), 42.

# CHAPTER THREE 1900-1914: ACCELERATION OF ACCUMULATION AND THE ESTABLISHMENT OF A WORKMEN'S COMPENSATION PROGRAM

In contrast to the prolonged period of depression in trade which marked most of the guarter century from 1875 to 1900, the subsequent decade and a half marked an era of significant change and unprecedented growth in the Canadian economy. The imperial connection in Canadian trade created a tremendous demand for prairie wheat at higher prices, leading to a sharp rise in per capita exports after 1896 which continued for most of the next ten years to increase at a rate faster than the growth of population in Canada.<sup>1</sup> The accelerated rise in levels of foreign investment which followed meant that industrial development was able to take full advantage of favourable conditions for expansion.<sup>2</sup> Both extensive and intensive reproduction of the industrial capitalist accumulation structure proceeded at a quickened pace through the mechanization of production processes and the continuing decline of petty commodity rural production in Ontario where industrial growth was strongest.<sup>3</sup> The net result of these changes was that a significant increase in the rate of capital

accumulation was accompanied by a corresponding increase in the exploitation of labour.<sup>4</sup>

These effects of the acceleration of capitalist industrialization provided the context for the struggle between the two major industrial classes over the regulation of hours and wages and the establishment of workmen's compensation from 1900 to 1914. The major constraints to accumulation during this expansionary period were located in the nature of labour's response to a situation of dependence on a system of production over which workers had no control, a situation characterized by insecurity of employment and a struggle for subsistence on labour's part.<sup>5</sup> Between 1900 and 1914 a strong surge in the economic and political organization of labour together with an increased incidence of strikes gave some indication of the extent to which workers, as a class, were experiencing the consequences of the compressed rate of industrial development.<sup>6</sup> Those workers who were most acutely aware of their changing status in the early stages of rapid industrialization, the skilled, articulate, and highly organized traditional crafts workers, played the dominant role in labour's struggle for reduced hours, a minimum wage, and workmen's compensation.

In the context of the increased rate of reproduction of capitalist structures of accumulation, owners of the means of production regarded attempts to limit their ability to control the various forces of production, including the costs and application of labour power, as threats to the continued expansion of the accumulation system. Employers thus engaged in anti-union activities both as individuals and through their collective organizations in the workplace.<sup>7</sup> Similarly, they also opposed restrictions on hours and wage rates at the level of production as well as at the political level. In contesting these claims by labour, the balance of power rested with owners of capital who continued to retain control of these areas with the support of the state, the interests of which had already become closely identified with the promotion of an industrial capitalist economy.<sup>8</sup>

However, unlike the issues of hours and wages, employers were already finding that they were less and less able to control costs for injured workers and were becoming more concerned with having this potentially significant drain on the surplus both reapportioned and rationalized. Moreover, in the view of manufacturers, the existing compensation system was adding unnecessarily to the antagonism which was increasingly being manifested between capital and labour. As a result, capitalist employers were favourably

disposed at this juncture towards supporting worker's demands for reform of the employer's liability laws.

In the period under consideration, the stance adopted by both federal and provincial levels of the state towards the issues of wage and hours regulation and the establishment of workmen's compensation was determined largely by the requirements of this expanding system of capital accumulation as these were interpreted by owners of the means of industrial production. The significance of labour's impact on shaping the outcome of state policies in this area was not a direct consequence of trade union appeals for such legislation but was, instead, a by-product of the increased level of industrial conflict and attempts by workers to engage in independent political action.

The ultimate result of the dynamics governing state and labour relations from 1900 to 1914 was the enactment of a workmen's compensation program by the Ontario provincial government while no legislation dealing with maximum hours or minimum wages was adopted by either the federal or provincial level of the state. The only state regulation of hours which was instituted, an eight-hour day for northern Ontario miners, was entirely consistent with the state's role in maintaining appropriate conditions for optimal accumulation. This eight-hour legislation was aimed at reducing the level of labour disputes in a critical

resource industry despite lack of employer support for such intervention on the part of the state. As the following examination of the progress of minimum wage, maximum hours. and workmen's compensation will demonstrate, the state's handling of each of these issues embodied various strategies serving to reinforce the organized mobilization of capitalist interests while simultaneously dismantling and dissolving the effectiveness of labour forces.

### Maximum Hours Legislation, 1900-1914

## <u>State Identification of the Economic Constraint as a</u> "Problem" at the Federal and Provincial Levels

The issue of legislation to regulate the length of the working day received greater attention in the federal Parliament during the latter half of this period than it had at any previous comparable time. The province of Ontario had enacted a ten-hour day with the passage of the Factory Act in 1884 but new consideration was given to a reduction of the working day just prior to World War One for the first time since the Factory Act had been adopted. The unprecedented focus of both levels of the state on the issue of a maximum working day between 1900 and 1914 cannot be explained simply as a response to workers' demands as these had been both persistent and longstanding, dating from the early stages of capitalist industrialization in Canada.

After the failure of the Nine Hour Movement of 1872 which was both directed against employers and broken by employers, the Trades and Labour Congress had adopted the demand for a nine- and then an eight-hour day by legislation and presented its annual petitions for a regulated working day to federal and state governments from the 1880's onwards.

The reasons advanced by labour throughout the decade after 1900 for the necessity of a legislated maximum number of working hours reflected the changing conditions of work and subsistence which workers were experiencing. As evidenced by the frequency with which they were raised, the most important arguments in favour of a legislated eight-hour day as far as labour was concerned fell into two main categories. One was based on a posited relationship between shorter working hours and increased employment, in other words, that a shortened working day would result in more jobs by spreading a given quantity of work over a greater number of workers.<sup>9</sup> This argument was rooted in labour's struggle for security of employment, a condition that appeared to be receding at a pace commensurate with the growth of mechanized capitalist production.

The other major group of reasons given by labour for legislating a general eight-hour day related to the proposition that greater "free time" was necessary so that

workers could improve the quality of their family life, educational levels, and participation in fulfilling their citizenship responsibilities. The corollary to this was that society, in general, would benefit if workers had increased time to devote to socially useful activities.<sup>10</sup> The struggle over hours was, in part, an extension of attempts by workers to restrict the direct control of capital over their lives, a reality which workers experienced daily in the labour market and which constituted the basis for numerous strikes during this period.<sup>11</sup>

The claim that shorter working hours would be conducive to the improvement of family life, education, citizenship, and the general quality of life carries the implication that workers did not perceive their labour time under capitalist control as contributing in a meaningful way to their personal, family, or civic life beyond the factory gates or workshop walls. As this argument for shorter hours indicates, it was only outside the workplace that workers felt "free" to develop their potential in both public and private spheres.

Given the fact that labour demands for a legislated length to the working day dated back to the 1880's without promoting a corresponding interest in the issue on the part of the state, it is necessary to look elsewhere for an explanation of state involvement in this question and the

differing outcomes at the federal and provincial levels. The major factors accounting for the timing and consequences of state awareness of and intervention in this area appear to be closely related to the nature of the political activities undertaken in this period by labour and the strength of labour organization at the level of production. The state was concerned not only about the occurrence of overt capital-labour conflict but also about the potential for the development of independent structures organized around specifically working class interests. An important role of both levels of the state at this point was to contain such developments, either by direct repression or by cooptation and integration.<sup>12</sup>

The election of labour members unaligned with either of the traditional parties provided a forum for the introduction of labour interests within the political structure of the state itself. However, the very establishment of a political party espousing workers' interests demonstrated an acceptance on the part of labour of the legitimacy of the prevailing structure of capitalist liberal democracy. As a result, workers' parties and their elected members were forced to act within a political framework which had developed historically on the basis of bourgeois class interests and which functioned to transform opposing class

interests into forms compatible with this existing structure. This did not mean, though, that workers' members could be simply controlled or muzzled for the norms governing the liberal democratic state also permit freely elected members to introduce issues on which their constituents demand action. Of course, Parliamentary rules put non-government members as well as government backbenchers at considerable disadvantage in obtaining a hearing and the likelihood of private members' bills being adopted as legislation is very remote.

Despite the weak political position of labour, the election of one labour member to each of the federal and Ontario provincial Parliaments gave organized labour a voice within the state legislative body.<sup>13</sup> In his position as member of the federal Parliament, TLC president Alphonse Verville was able to put the Congress's traditional demand for maximum hours' legislation into the political arena directly by introducing it into the House in the form of a bill. Verville introduced the bill into the federal Parliament on six different occasions between 1906 and 1914. In 1909 there was a government debate on the bill and in 1910 the new Labour Minister, Mackenzie King, recommended a Select Committee examination of the issue but the resultant bill also failed to obtain passage. Despite the introduction of the bill again in 1912 and 1914 little attention was

paid to it subsequent to the Select Committee's investigation.

The election of an independent Labour member to the Ontario provincial legislature meant that the matter of an eight-hour day was also introduced into that House, thus underlining labour's concern with this issue and forcing the government to respond to this longstanding demand. The fact that workers had succeeded in putting their own spokesmen into the official political arena was clearly a major factor explaining state attention to the question of a legislated eight hour day during this period.

Perhaps because Verville felt its chances for successful passage were greater, or perhaps because he felt confident about the ability of unions to improve their hours of work through direct action against employers, Verville framed his bill to apply only to workers on government contracts. The basic thrust of the case presented by labour before the 1910 Select Committee established to investigate the matter of an eight-hour day on government works was that the state should function as a model employer and stand as a progressive example to private sector employers.<sup>14</sup> This argument in favour of state regulation of the hours of its own workers indicates the extent to which organized labour had accepted the legitimation claims of the Canadian state that it stood above particular class

interests and acted on behalf of the nation as a whole. Concomitantly, an acceptance of the "national interest" as the overriding claim on the loyalties of the country's citizens meant embracing the vision of economic development defined by industrial capitalists. In labour's view, if the state acted as umpire or referee between classes involved in the process of industrial development and as the guarantor of any just claims put forth by the various parties to this process, it was therefore incumbent upon the state to conduct its own relations with labour in a way that validated this role. Since the stucture of the state parallelled the structure of capitalist enterprise with regard to its function as an employer of labour, then its internal class relations could serve as the model for the class relations of the total society. That the Canadian state was able to effect this perception of its role on the part of organized labour testified to the success of the state's legitimation practices.

The election of political representatives of labour in a period of intensifying capital-labour conflict at the level of production enabled labour to inject their concerns regarding the length of the working day into the political forum. However, it was the strength of capitalist opposition to this demand which determined the subsequent course of

the various bills. Canadian owners of capital, fearing increased labour unrest and the development of socialism, responded to the political activities of labour by turning to the state to assist them. It is only within the context of this struggle between capital and labour that both capitalists' support for and opposition to state involvement in the workplace can be understood, for it was not the case that capitalists as a group opposed state intervention <u>in toto</u> but, rather, that the various fractions of capital favoured or condemned the extension of state regulation according to the specific area involved.

The manufacturers' association very early pressed the federal government to control railway rates and operations and when the Board of Railway Commissioners was created in 1902, the CMA took the credit.<sup>15</sup> Industrial capitalists had overwhelmingly supported protective tariffs long before the National Policy was adopted. The importance of these state-imposed trade barriers was of such degree that major manufacturing and financial interests combined to force the defeat of the Laurier Liberals in 1911 over the issue of reciprocity.<sup>16</sup> The 1903 to 1908 campaign for government ownership of hydro-electric power in Ontario was, from its inception to its successful conclusion, largely a creation of owners of manufacturing capital anxious to have an assured, low-cost supply of electric power.<sup>17</sup> Similarly,

manufacturers supported the 1907 Industrial Disputes Investigation Act for its labour control functions and prohibition of strikes.<sup>18</sup>

The resources of the CMA enabled the association to develop specialized lobbying machinery for the presentation of its views to federal and provincial governments. Committees of members were organized for particular purposes and among these was the standing parliamentary committee, responsible for reporting to the general membership on legislative developments primarily at the federal level. At a relatively early point, the parliamentary committee advised the association to institute a program to monitor provincial legislation with the result that the branch secretaries took on the function of lobbyists at this level. When required, special counsel would be engaged to support the manufacturers' interests before provincial government commissions or legislature committees. In 1907, the association began to employ a permanent official to act as the CMA's full time lobby before the federal government.<sup>19</sup>

The continuing existence of a highly organized structure with a largely homogeneous membership base meant that the CMA could readily identify and articulate the interests of its members to governments and state agencies. Of course, not all members necessarily agreed with one another or even with the stand adopted by the association itself.

However, the necessity for an organization to advance the interests of industry in general was not an issue and the owners of developing manufacturing concerns in urban centres supported the CMA in increasing numbers. The association's critical function was essentially to give manufacturing interests the appearance of cohesion and strength as a result of its well-defined organization of these interests on the basis of an enduring structure. This machinery gave unity and coherence to industrial interests before the state.

As the recognized agent for manufacturing interests, the CMA carefully scrutinized developments in areas of legislation that would have any bearing on the concerns of industrial capitalists. The organization consistently opposed any government action which was construed as providing a potential advantage to the relative position of organized labour. Accordingly, the CMA registered a strong protest with the Ontario government against the appointment of additional factory inspectors from the ranks of organized labour. In a letter to Premier Whitney, CMA secretary G. M. Murray accused the unions of making this demand only "to secure control of a weapon to harrass and annoy the employers" and that giving in to them would provide the unions with "another lever to induce the non-union man to join their ranks":

The tyranny with which labor unions seek to enforce their demands is too well known to call for more than passing mention. They have been the aggressive force all through in bringing about the present strained relations between capital and labor. It is they who have forced manufacturers to take a firm stand for the open It would seem to be the part of wisdom shop. for our government to do everything in their power to smooth away the friction which exists and bring about better relations between conflicting classes. The appointment of factory inspectors at the present time from the ranks of organized labor would unquestionably be received with the greatest amount of disfavor by the manufacturers of this Province. If the government should take such a step, and in so doing relatively strengthen the labor unions in their position, it could only be regarded as an act of hostility and would arouse the employing classes to the importance of taking a firmer stand than ever before for the open shop, and the individual contract.20

The reaction of manufacturers to workers' demands for an eight-hour day both at the level of production and within the political sphere was entirely consistent with their opposition to other labour objectives when these objectives were seen by manufacturers as potential constraints on accumulation. Although employers were antagonistic to the establishment of an eight-hour working day both in principle and in practice, they were sometimes forced by workers' actions to yield to this demand in order to settle strikes. When attempts were undertaken in the Dominion Parliament by the Labour member to legislate an eight-hour day on government works, manufacturers became

increasingly vociferous in condemning these efforts and the CMA took active steps to prevent the adoption of similar measures by the Nova Scotia legislature and the City Council of Toronto.<sup>21</sup>

Employers advanced two major arguments to justify their resistance to a legislated maximum working day. Because of the nature of industrial capitalist accumulation, manufacturers always faced the potentially destructive effects of competition for markets among single units of capital. Thus owners of capital perceived a regulated working day as placing them at a competitive disadvantage with capitalists in jurisdictions which permitted a longer According to manufacturers, the volume of production day. would decline if the working time was shorter while many overhead costs would remain stable. In a marvellous inversion of logic, the CMA argued before the Select Committee that the necessity to speed up machines in order to maintain production would result in more industrial accidents and, therefore, the eight-hour day would prove to be a further hazard to workers instead of a benefit. Following a similar pattern of logic, the association also claimed that the shorter working day would actually decrease the number of jobs, not increase the work as labour argued, because the damage rendered to "infant" Canadian industries by non-

regulated foreign competition would eventually force manufacturers out of business.<sup>22</sup>

The second aspect of the case built by manufacturers against the eight-hour day was related to the offensive undertaken by employers on various fronts against trade unions which they saw as giving excessive power to labour in the workplace. To accede to this demand for an eighthour day, according to the CMA, would give incentive to workers to press for further gains and thus increase industrial conflict:

If labour sees that it can invoke legislation to secure concessions unjustifiable on economic grounds is it not reasonable to suppose that it will be encouraged thereby to demand further concessions that are even more unjustifiable. . . It is class legislation of the most objectionable kind.23

It was clear from other similar expressions by the CMA that manufacturers were concerned about the possibility of labour developing a base of influence within the state despite the marginal and somewhat tenuous position of the labour members in both the elected Houses and in the state agencies.

As part of their strategy to counter the attraction of unionism for workers on the basis of the eight-hour fight, the CMA attempted to portray itself as the protector of the average workman by seeking to assure security of employment and to defend the worker's "god-given privilege" to "sell (his) labour to whomsoever he likes, wherever he likes, in such quantities as he likes and at such rates as he likes . . ." without restriction. Another bit of propaganda promulgated by the association was that this bill would force the worker "to surrender his privilege of working overtime at a higher rate" since an eight hour day must mean an absolute prohibition of any hours in excess of this number. In a blatant proselytizing attempt aimed at the members representing rural constituencies the manufacturers' association argued that even though an eighthour day could not be imposed on farmers, farmers would inevitably lose their hired hands to the greater attractiveness of industrial employment if such employment was restricted to eight hours a day.<sup>24</sup>

A subsidiary argument to those relating to the competititve position of manufacturers and the implications for the balance of power between owners of capital and their work force was that an eight-hour day on government works would represent an unproductive drain on the surplus produced in the manufacturing sector. The CMA claimed, in other words, that, aside from the difficulties of organizing a separate work force for the highest rate of pay, i.e. the same daily wages paid for fewer hours, the enforcement of an eight-hour day on government contracts would make government works a more burdensome charge on the

public funds of the nation. At the same time, industrial capitalists were eager to see state funds and resources applied to the development of services, land, or transportation for the direct benefit of mining and manufacturing concerns.<sup>25</sup> These uses of national revenues represented a productive application of resources to strengthen and extend the system of capital accumulation as far as manufacturers were concerned. Consequently, they were not seen as "costs" but as an "investment" in an industrial capitalist economy.

For labour, therefore, the fight to establish a reduced working day was one aspect of the general struggle for security of subsistence and restrictions on the domination of capital. When this demand was carried into the capitalist-constituted sphere of political relations by independent labour members, however, it was within the confines of the liberal democratic parliamentary system which did not function to promote the successful attainment of demands from non-government members. Capitalist employers, on the other hand, viewed the possible adoption of a shorter working day as a constraint on capital accumulation and an incentive for organized labour to escalate its demands. As a result, manufacturers concentrated their efforts in presenting a unified front of opposition to such a measure

through the CMA. This organization articulated the interests of manufacturers to the government while portraying results of an eight-hour day as damaging to the general social and economic interests of the nation.

## State Transformation of the Economic Constraint and Consequences for State Policy and Structure

Neither the provincial nor the federal government was disposed to act on the bills presented by the labour members for a shorter working day when these bills were adamantly opposed by owners of capital for constituting a threat to levels of production and industrial stability. In speaking on Verville's 1909 bill in the House, Minister of Labour Rudolph Lemieux argued that such legislation would mean that works carried out by the Dominion government would bring that level of the state into conflict with the prevailing situation in the different provinces and might, as a result, lead to serious industrial conflicts. According to Lemieux also, the production decline resulting from an eight-hour day would cause consumer costs to increase and unemployment to rise. This, in turn, would lead to higher levels of emigration and a subsequent shrinking of the size of the labour force. Such a decline in the population base threatened state revenues as well as employers'

labour supplies. Lemieux's summation of his arguments against an eight-hour day on government contracts was that ". . . there are very strong objections from a business point of view to the adoption of [the eight-hour day], also from a national point of view".<sup>26</sup> The provincial government of Ontario using federal investigation of the issue as a justification for postponing debate, gave even less consideration to the question when Studholme introduced his bill into the Legislature in 1910.<sup>27</sup>

When the demand for an eight-hour day was raised within the official legislative bodies of both levels of the state the onus of response was placed on the government. This put the traditional bourgeois parties in the position of attempting to save their economic constituency, represented in part by the CMA, without alienating labour and thereby running the risk of increasing class conscious opposition to liberal democratic political structures. Consequently, the Parliamentary body of the state faced the task of translating those class interests on which resistance to the imposition of an eight-hour day was based into terms appealing to the "national" interest. Lemieux's emphasis on the relationship between the partial adoption of an eight-hour day and social stability, consumer costs, production levels, and emigration were arguments in which the

the specific economic interests of manufacturers were recast into the shape of issues having possible disastrous consequences of much wider scope.

Both the provincial and federal governments were quick to exploit the federal structure of the Canadian state to advantage in dealing with demands for a shorter working day on government contracts. The Dominion Minister of Labour argued that, unless the eight-hour day was generally adopted, the federal government must come into conflict with provincial governments by instituting it only for federal workers. At the provincial level, Premier Whitney maintained that his government would have to wait for the Dominion Select Committee to complete its investigation of the issue before acting.<sup>28</sup> The jurisdictional boundaries between the two levels with regard to labour matters were still vague enough to allow one level to avoid action by shifting the responsibility to the other level of govern-Thus labour issues, which were frequently areas of ment. conflict between workers and employers, could be legitimately avoided, delayed or completely dismissed by manipulating the requirements of appropriate jurisdictional authority which were part of the framework of the federal structure.

The federal government was faced with Labour member Verville's persistent attempts to obtain an eight-hour day on government contracts coupled with the pressure exerted by

the CMA to quash any possibility of such legislation. Ιt was therefore forced to deal with the entire matter in a way which would maintain the prevailing balance of class forces both politically and economically. When the federal Liberals appointed a Select Committee in 1910 to investigate the issue of an eight-hour day, they were employing a traditional strategy to appease a sectional interest by presenting the promise and appearance of action without offering any assurances of the desired results. The legislature committee relied largely on submissions from each of the interested parties, i.e. trade unions and manufacturers, thereby giving each side an opportunity to organize its forces and present its case. By providing a forum for the public explication of the arguments of the two opposed sides, the state also was able to define its role as that of a neutral arbitrator above particular class interests while, at the same time, the committee would be able to participate in the management of the outcome.

The 1910 Select Committee on the hours of labour functioned to support a view of the issue which was more compatible with that held by the CMA than it was with the arguments put forth by the labour representatives. The basic arguments presented by the manufacturers' association were that restriction of working hours would put restraints on competition with manufacturers in other jurisdictions and
would serve to give a decisive advantage to trade unions by demonstrating to non-unionized workers the power of organized labour to influence legislation in its favour. This would inevitably lead to greater industrial disturbance and social instability. In the long run, according to the CMA, present levels of capital accumulation would suffer from the constraint on freedom of competition and a decreased degree of control over labour by owners of industrial capital.

As the hearings on Verville's bill proceeded, the committee, principally through the person of the Labour Minister, Mackenzie King, skilfully manipulated the interpretation of what constituted a "fair" view of the situation and to what extent a restriction on working hours was "justifiable". King handled the questioning of the labour representatives and the interchanges between the parties in such a way that labour was drawn into agreement with the Minister of Labour's understanding of a "reasonable" approach to the issue. King achieved this partly by his distinction between the "principle" of the bill, upon which all parties could readily agree, and the pragmatic matters which required consideration in order to draw up a bill that would obtain successful passage in the House. As soon as the realm of pragmatism dictates

the terms deserving serious consideration then the outcome cannot be far removed from the conditions of the <u>status</u> <u>quo ante</u> merely as a consequence of the fact that whatever presently exists is a determining factor in any definition of practicality.

When TLC president P. M. Draper was asked by committee members how the bill could be applied to the transportation industry, he admitted to seeing certain difficulties in its enforcement in that case and added that:

. . . we are not here asking legislation that is impossible of enforcement -- we are very reasonable men, we do not want the government to attempt to do anything that it cannot do . . . we would much prefer an amended Bill than have it thrown out altogether.29

In response to a question by Chairman King as to whether Verville's bill was also to apply to all the labour involved in the manufacturing of the materials used on government contracts, a logical extension according to King, Draper again indicated his eminently "reasonable" stance by his acceptance of the argument that this was going too far for an initial attempt at legislating an eight-hour day:

I am of the opinion that this Parliament is not ripe for such an enactment in all lines. [Professor Skelton] holds that to apply it on all materials coming into use would render it incapable of execution. I hold this view. It would be impossible to execute a law such as that after it had been passed and what organized labour wants . . . is a law which is practicable and workable and can be enforced.30

Additional questions from King designed to elicit responses indicating the extent to which such a law would be difficult to enforce finally led Draper to admit that:

. . . what we want is for the government to say: "We endorse the principle of eight hours for labourers and mechanics on public works", and beyond that we do not feel we should be justified in asking you to go. . . If the promoter of the Bill, or the Executive Council of the Congress has seen the light the same as demonstrated to us by this Committee, I think they would sanction some amendment.31

King recapitulated Draper's testimony for the purpose of demonstrating to the committee what he considered its essential point:

I think the wisdom of having had the Bill referred to a committee has been amply demonstrated by the evidence here, because the evidence you have just given would make the committee feel justified in saying that, so far as labour represented by the Dominion Trades and Labour Congress is concerned they do not wish to go to the length that some people have intended to go, and if it went the length of hours of labour on public works, as its title indicates, rather than that section itself, [i.e. all workmen on any government contract or subcontract], that would be satisfactory?32

Mackenzie King's further questioning led Draper to agree to having the bill amended in order to restrict its applicability as the following exchange shows:

- King: . . . if you were a member of this committee . . . would you, as a member of this committee, be prepared to recommend just that to Parliament, assuming that that was all that Parliament had to guide them and that every contract would have this condition? --
- Draper: No, I think I would feel it should be modified.
- King: Do you think the recommendation is going too far?
- Draper: Yes, if on this committee and after hearing the objections and after the testimony against it and after having reasoned it out, listening to the cases pointed out by Mr. Smith and others . . . I certainly would be agreeable to amend it.33

In May 1910, King presented the Fourth Report of the Special Committee to the House, stating that the Committee had received written opinions from 721 persons: 304 from trade unions, 302 from manufacturers, 65 from Farmers' Institutes, 39 from Boards of Trade and 11 from transportation companies. The report, however, contained only the evidence and made no recommendations on the bill itself. During the following session, Verville's eighthours' bill was again introduced in the House in a form basically similar to its previous presentations. As Minister of Labour, King spoke on its behalf, declaring himself in favour of the principle of an eight-hour day, but that such a situation could not be immediately imposed in a universal sense. However, King maintained that the state should take an interest in legislating such matters because:

. . . the supreme object of government should be to develop a happy and contented nation. . . . It is to the degree to which the artisan, the farmer, the great labouring classes are happy and prosperous that the nation is prosperous and contented. [Government] must have regard to industry in general, and seek, in its actions, to go just so far as it would be justified in going without undue interference with the ordinary cause of business. To unduly interfere would be to retard the movement we are seeking to advance.34

Subsequently, in the Committee of the Whole, Verville's bill was amended "along the line that should appeal to all interests" and surfaced in a greatly restricted form applying only to the "erection, re-modelling, construction or repair of any public building to which the Government of Canada is a party . . ." with any time worked in excess of eight hours to be paid at time-and-a-half instead of being prohibited altogether. The sanctions for violation had been reduced from cancellation of the contract to a fine of up to 200 dollars or a maximum of six months' imprisonment.<sup>35</sup>

Conservative Opposition Leader Borden and Conservative member T. W. Crothers both harshly criticized the new bill for its meaninglessness and its lack of principle. Macdonnell, a member of the Special Committee, stated that the bill "has been drawn in such a manner and so hastily and ill advisedly amended, that it is almost unintelligible". Borden contended that he had received many communications from workers opposing the amended bill.<sup>36</sup> The <u>Industrial Banner</u> inveighed against the "bunco games as the politicians are trying to work off on [trades unionists]" and regretted "that Mr. Verville was so compliant as to allow his measure to be butchered up . . .".<sup>37</sup> The CMA continued to oppose the new bill for many of the same reasons as they had opposed previous ones.<sup>38</sup> Although the bill had been tailored to meet employer demands, the Conservative opposition, seizing the opportunity to increase its popularity with working class voters, blocked its passage.

At the provincial level, the issue of an eighthour day was not reintroduced in the legislature until 1912 after Whitney effectively forestalled consideration of Studholme's bill in 1910. There were some significant differences, though, in this more recent attempt to institute an eight-hour day from earlier ones. Firstly, 1912 was one of the peak pre-war years for both the incidence of labour disputes and level of union membership in Canada.<sup>39</sup> Secondly, bills for an eight-hour day were introduced by both the government and opposition in the same session and, lastly, this redefined working day was

intended to apply only to underground miners in Northern Ontario.

After Whitney and Rowell had introduced essentially similar bills, the government withdrew its bill and appointed a commission of investigation while Rowell's bill was held over for next session. During the initial debate on the bills, however, the Minister of Lands, Forests, and Mines, William Hearst, whose department customarily exhibited solicitous attention to the demands of the mine operators, spoke against a restriction on miners' hours, arguing that the workers themselves opposed the measure because they feared it would lead to mine closures. According to Hearst, an eight-hour day would deprive workers of the right to work however long they wanted to in order to increase their earnings.<sup>40</sup>

The commissioner chosen by Whitney to study the issue of the working day in the mines was a St. Thomas lawyer and loyal Conservative supporter, Samuel Price. In the 1913 session, Price returned his report on the effects of length of the working day on underground miners, coming to the conclusion that this type of work, although somewhat injurious to health, was not as deleterious as some claimed it to be. Despite these suspicions regarding the possible effects of this kind of work, Price did not find this a significant enough reason on its own to recommend the

enactment of an eight-hour day. Instead, the commissioner discovered another more compelling reason for advising the adoption of an eight-hour day:

A consideration which I think should have weight is the tendency the proposed legislation would likely have toward allaying unrest and removing friction and difficulty existing in a number of the mining camps. Taking out of the field of controversy and settling permanently what has been and will apparently likely otherwise continue to be a fruitful source of trouble between the employers and the men would of itself be a good deal gained.41

Apparently, not only did the unionized miners want an eight-hour day but the unorganized miners and piecework labourers were also demanding a shorter working day. Price maintained, in addition, that a shortened work day would promote a more stable resident labour force in the remote northern areas of the province and would also tend to increase the skill and efficiency of the workers.<sup>42</sup>

When the bill next came up in the legislature, the government was ready to pass it, although not officially on the grounds given by the commission's report. This time Hearst spoke in support of the measure on the basis that mining was both unhealthy and dangerous work. This argument effectively transformed the issue from one of granting an eight-hour day in direct response to labour demands and unrest into a narrowly specific application of a shorter working day as a result of the nature of this particular kind of work. To concede an eight-hour day on the basis of labour unrest might have the effect most feared by capitalist employers, i.e. demonstrate to workers that overt conflict can more readily enable them to obtain concessions from the state. Moreover, existing labour unrest in other industries had not previously constituted a reason for the state to impose an eight-hour day in those cases. By restricting the issue to a specific industry operating under specific conditions, the government could attain its objective of allaying unrest there while also appearing to be sensitive to the situation of workers in mines.

In its final form, the act established an eighthour underground day for miners in northern counties but since the time was measured from surface to surface the total working day still exceeded eight hours.<sup>43</sup> In addition, the act explicitly excluded iron mines, a critical resource for iron and steel manufacturing which was a major beneficiary of state bonuses and financial advantages. The need to attract a stable labour force to the province's mining areas by somewhat ameliorating the working conditions in the mines together with the desire to maintain industrial peace accounted for the government's interest in having the measure passed. The fact that the shorter working day

applied only to certain kinds of mines in aspecific geographical area, however, indicates that the state's primary objective was to placate a particular target group of workers without having to extend an eight-hour day beyond this limited.

### Conclusion

Limiting the length of the working day was an issue which served as the basis for the mobilization of workers against their employers at many points throughout the historical development of industrial capitalism. In the early 1870's the demand for a reduced working day of nine hours was an impetus for demonstrations, strikes, and the growth of the network of Nine Hour Movement organizations. Once the momentum of the Nine Hour Movement had been arrested by employers and the state had followed this with the development of integrative mechanisms aimed at labour, the potential contribution of this issue for promoting the political consciousness of workers was effectively displaced into a more limited workplace resistance. However, the length of the working day remained a significant issue for workers because of its intrinsic relationship to the extent of capitalist control over labour. It continued to serve as an issue capable of mobilizing workers into undertaking strikes against exploitation and oppression at the level of production.

Owners of capital, therefore, had several reasons for mounting a strong resistance to demands for a shorter working day whether in the private sector or the public sector. In the private sector, a reduction of the working day would constitute a constraint on accumulation in the absence of new applications of labour-saving technology. In the public sector, a shortened working day for government workers would represent a non-productive use of that portion of surplus value flowing from private commodity production to state coffers in the form of taxes. In addition, employers feared that the enactment of an eighthour day by the state, even if only for a limited group of workers would signal a legislative victory for labour which would then further stimulate the industrial and political organization of workers.

When labour was able to establish the eight-hour day as a legitimate issue for consideration in the political arena, the traditional parties accepted the interpretation of the shorter working day given by industrial capitalists. However, at the same time, the political representatives of that class recognized the necessity both to maintain the political loyalties of workers and to prevent the development of potentially insurgent forms of political expression by labour. The manipulation of the issue of an eight-hour day between the federal and the provincial

levels of the state, the delegation by the federal state of this question to a Select Committee which was then able to draw the leadership of organized labour into agreement with the state's definition of the situation, and the translation by the provincial state of the eight-hour day from a concession to quell labour unrest to a strictly health-related measure applying only to a specific group of workers were all ways of dealing with labour demands for a shorter working day within the constraints created by prevailing political and economic class relations.

#### Minimum Wage Legislation, 1900-1914

<u>State Identification of the Economic Constraint as a</u> "Problem" and Transformation of the Economic Constraint at the Federal Level

State interest in a regulated minimum wage level was not evident at either the federal or provincial level during this period. There was little persistent demand from labour directed at the state for a minimum wage. Instead, workers' efforts went into the direct struggle with employers for wage increases and rights to organize as a means to ensure adequate wages. The only aspect of wage regulation in which the state became involved prior to World War I was the issue of including "Fair Wages" clauses in government contracts. The "Fair Wage" demanded by labour in such contracts was only an assurance that

workers employed by the state would not be exploited by being paid lower than the going rate for their skills simply because they were being paid out of government revenues.

The one significant measure to be instituted regarding wages was the adoption of the Fair Wages Resolution by the federal government in 1900. The factors leading up to this action on the part of the federal Liberals were several. First, there was some onus on the state to act on the matter of sweated labour in industries manufacturing state uniforms, a situation which had been fully documented four years earlier. Secondly, the situation of workers in the clothing industry where the sweating system was most prevalent had recently provided fertile ground for union organizing attempts. Finally, the federal Liberals faced an election in 1900 and the consolidation of labour support could help them carry Ontario where they had lost one of their seats in the 1896 election.

Labour pressure on the federal Liberal party to act against the existence of the sweating system had mounted after two government commissions since 1896 had documented the abuses of subcontracting in the clothing industry, an industry supported in part by lucrative government contracts for the manufacture of postal and other uniforms.<sup>44</sup> Because of the concentration of clothing

manufacturers in urban centres in Ontario and the dismal conditions of labour for the workers involved, there was a significant potential for unionization, especially in the face of seeming apathy towards working conditions in this industry on the part of the state. Shortly after the AFL began to channel funds and effort into organizing Canadian workers in 1899, a Toronto tailor described major advances in setting up locals in that city among garment cutters and cloak makers as well as other clothing trades.<sup>45</sup>

The threat of unionization of the labour force, especially by the international unions affiliated with the AFL, was a significant matter of concern to both employers and the state.<sup>46</sup> However, the fact that this concern was met by the adoption of the Fair Wages Resolution at this point was primarily an outcome of the immediate political objectives of the Liberals facing the 1900 general election. The federal Liberal party had never had a strong base of support in Ontario, the most rapidly industrializing province, but they had steadily increased their number of seats in the province in every election since 1874 except for the last, in 1896.<sup>47</sup> Since the clothing industry was the largest employer in Ontario, there was some incentive for the Liberal government to

promise a Fair Wages Clause in government contracts in order to attract the labour vote.

#### State Resolution of the "Problem" at the Federal Level

The introduction of a measure to ensure the inclusion of a fair wages clause in all government contracts was in the form of a resolution instead of a bill, apparently to allow for a degree of flexibility in adapting the clause to varying conditions. This also meant, though, that there would be no force of law behind the measure to guarantee its effective application. Moreover, the definition of a "fair wage" as embodied in the resolution was that it should be set on a level equal to prevailing local rates for the appropriate trade. As a result, if wage rates in a particular locale were relatively low then the fair wages clause only required that government workers be paid the same. It did nothing to guarantee that workers would receive an adequate wage. It did, however, ensure that the state would not compete "unfairly" with private employers for the same pool of labour by offering more than prevailing local wages. The resolution was, on the whole, without teeth. No sanctions were attached to violations of wage schedules and enforcement was largely a hypothetical issue.48

In 1907 the resolution was extended by order-incouncil to all works aided by government funds, including sub-contracted work. By this order contractors were required to post wage rates and keep records for inspection.<sup>49</sup> The machinery for its enforcement, however, remained unequal to the task with the result that the position of government contract workers was not very much improved by the change.

The Liberals did take advantage, though, of the opportunity created by the resolution to establish a new post within the state which could be filled by a loyal labour supporter. The first Fair Wage Officer was longtime Liberal and anti-socialist labour leader Daniel J. O'Donoghue who continued to act as a TLC delegate and retained his voting privileges in that body even while he was in the government's employ.<sup>50</sup> Although its effectiveness in guaranteeing a minimal wage level for workers on government contracts was highly questionable, the Fair Wages Resolution enabled the government to create another position in the state bureaucracy which could be filled on a patronage basis by a "safe" labour representative. In this way, the Liberal party was able to extend and reinforce its ties with organized labour in the form of the establishment of a Department of Labour and the resolution itself.

Both constituted an attempt to forestall the extension of trade unionism in the labour force and the development of a working class organization capable of independent political action.

# State Identification of the Economic Constraint as a "Problem" at the Provincial Level

Although bills were presented in the Ontario legislature in 1909, 1910, and 1913 by the Liberal opposition regarding the establishment of a minimum wage rate on government work, no debate was held on the issue until 1913.<sup>51</sup> 1912 had seen an exceptionally high incidence of industrial disputes and union membership had increased by 32 per cent between 1911 and 1913.<sup>52</sup> During 1913, however, economic conditions were deteriorating with concomitant increases in unemployment while many of those workers still employed were suffering reductions in their wages. Both the opposition leader, Newton Rowell, and labour member Allan Studholme introduced the issue of a minimum wage into the provincial legislature.<sup>53</sup> Studholme explicitly linked the level of industrial unrest with existing social inequities, warning that revolution would be the ultimate end.<sup>54</sup> The Liberals in opposition were not reluctant to support Studholme's eight-hours' and minimum wage bill in a bid for labour support, although their

conception of a just process which would enable workers to obtain adequate wages consisted of joint bodies of employer and employee representatives, not in legislating protection for trade union organizations.<sup>55</sup>

# State Transformation of the Economic Constraint at the Provincial Level

The governing Conservatives totally opposed any attempt to legislate a minimum wage. However, rather than directly attack the necessity for workers to have a minimum level of earnings in a period of increasing unemployment, the government based its objections on the seeming humanitarian grounds that the less efficient and less fit classes of workers would be squeezed out of the labour market if employers were required to pay a minimum rate to all workers. According to Premier Whitney, elderly or less capable workers "must starve or fall by the wayside" since they would be unable to match the production of younger, more fit workers.<sup>56</sup>

This appeal to altruism was based on certain accepted assumptions about the ineluctable nature of the relationship between the price of labour and capital accumulation. The premise underlying the argument concerning the displacement of inefficient labour was that any wage increase would have to be met by higher productivity on the

part of labour, or else it would have to come out of the surplus appropriated by capitalists in the form of profit. Moreover, by basing wage differentials on considerations of productivity alone, such as in the case of the widely practised piece-rate system, there was greater assurance that only the most efficient and skilled producers would receive the highest wage rates while others would receive proportionately less according to the sole criterion of output. This basis for determining the wage structure served to maximize the surplus available while it also emphasized and reinforced the entirely individual character of the labour process in which each worker was treated as a single discrete unit apart from fellow workers. As a result, potential bases for worker unity and collective action in opposition to employers were eliminated by the maintenance of this kind of wage system.<sup>57</sup>

At the same time, a productivity-based wage structure functioned to justify the payment of very low wages to old, inefficient, or less capable workers. Retention of these workers in the labour force served to promote an ideology wherein the payment of subsistence level wages could be interpreted as a charitable act on the part of employers, not as the forced exploitation of workers who had few, if any, alternatives.

Given the significance of the existing wage structure for the levels of capital accumulation being achieved during this period, the institution of a legislated minimum wage represented a competing wage system determined by considerations external to the system of accumulation. As a result, the adoption of minimum wage legislation was itself seen as a constraint on accumulation through its feared effects on worker productivity and as a potential threat to developing social relations of production in the form of the discipline imposed on workers by a completely competitive wage structure. The government postponed the proposed bill and, in 1914, it was defeated without having the support of either the government or the opposition.<sup>58</sup>

### Conclusion

Wage demands on the part of labour were primarily confined during this period to the level of production and, where the state was the employer, workers directed these demands to the state. The inclusion of a fair wages clause in government contracts was regarded as a necessary protection against the eventual driving down of wages by allowing the state to bid at lower than prevailing rates. Such a clause would therefore help defend whatever wage gains organized labour might obtain by direct action

against private employers. State action at the federal level came not in response to labour's demands for a fair wages clause but as a result both of the growing trend of unionization among a significant part of the labour force employed on government contracts and the need to increase the governing party's support from working class voters. Consequently, the measure introduced by the Liberals in 1900 offered little assurance that clauses guaranteeing fair wages would be included and enforced but it did create a potentially expanding space within the state for the integration of labour leadership or dissident elements into the existing structure.

At the provincial level, recession and accompanying unemployment provided an impetus for the opposition party to increase its standing among labour by presenting a minimum wage bill which was certain to achieve little more than offer a platform for attacking the government. Employer spokesmen and government members argued against the bill on the basis that its less apparent consequences would be harmful to those classes of workers who were already in the most insecure position. The implication, however, was that the ultimate result of such a measure would be to restrict optimal capital accumulation by undermining the functions of the existing productivity-based wage structure.

### <u>Workmen's Compensation Legislation, 1900-1914</u> <u>State Identification of the Economic Constraint as a</u> "Problem" at the Provincial Level

While workers had made demands for some time for a reformed system of compensation for industrial injuries, owners of capital only began to perceive the existing system as a constraint on optimal accumulation during the early 1900's. Prior to this, the functioning of the existing employer's liability laws provided more than adequate protection for employers and resulted in relatively small claims on the surplus. The increase in the rate of reproduction of the structure of capital accumulation during this period with its effects on the level of class conflict changed this situation significantly for both workers and manufacturers, resulting in each group making claims on the state to have its grievances redressed.

It was not until employers took up the case traditionally pressed by labour for a new compensation system that the issue found a serious hearing in the political forum. As early as 1900, just after England had introduced a compensation system, the Liberal government in Ontario asked James Mavor, professor of political economy at the University of Toronto, to undertake a thorough study of the subject. Mavor's report advised against the institution of a similar system for the reason that one based on the

British model, where employers assumed the entire cost of the program, might prove "oppressive" to the province's industries. Although Mavor recognized some advantage to industry in Ontario of a workmen's compensation system since this would constitute an added attraction for immigrant labour, he maintained that capital would be "easily scared" by this additional tax.<sup>59</sup> The overall implication was that the building of an industrial base had first claim on the province's resources. Following Mavor's report the government did not show any further interest in the issue of industrial workers' compensation for almost a decade.

Organized labour had been increasingly critical of Ontario's employers' liability system established in 1886. The increased pace of industrialization and the necessity for employees to sue through the courts for compensation placed workers whose subsistence was directly dependent upon the new forms of factory production in a precarious position. Capitalist industrialization was contributing to the growing numbers of injured and disabled workers while the existing system of employers' liability provided absolutely no assurance of compensation to workers suffering from industrial accidents. Between 1900 and 1904, the number of fatal accidents almost doubled as a

proportion of total accidents while the overall accident rate shot up by over 250 per cent from 1900 to 1905.<sup>60</sup> Legal action under the Workmen's Compensation for Injuries' Act was the only recourse for those workers who survived their injuries. This act, based on British laws designed for the protection of private property, included a number of formidable common-law defences for employers.<sup>61</sup> Both the expense and the uncertainty of this system worked against injured employees whose very situation placed them in greatest need of a means of subsistence. There was a growing need therefore for a system to provide for injured and disabled employees which recognized their status as workers and which enabled them to avoid having to resort to the degradation of accepting charity or entering a workhouse if their claims for compensation were not successful.

The movement for a workmen's compensation program was initiated by organized labour but it was not until manufacturers became concerned about their position under the existing laws that the provincial state was forced to frame an alternative. The turning point for manufacturers' support of a compensation system was related to the enactment of compensation laws in other provinces and to the recent generosity of jury awards to injured workers. Employers were seeing their costs of compensation under

the original Workmen's Compensation for Injuries' Act rise dramatically. In the earlier stages of industrialization owners of capital were largely able to avoid the costs of subsistence for those workers displaced from the labour market by industrial accidents as well as the costs of less efficient labour injured or disabled in the workplace. Lower accident rates and fewer workers resorting to damage suits meant less of a drain on the surplus appropriated by capitalist employers.

When workers did take legal action, the common law defences utilized by employers served their purpose well and awards by the courts were relatively infrequent. However, the expansion of industrial capitalism was accompanied by higher accident rates and, in addition, by an increase in the number of accidents prosecuted by workers. The annual average number of cases taken to court in Ontario from 1901 to 1905 inclusive was 13.4 but in each of the years from 1906 to 1910 the average number jumped to 47. At the same time, the number of cases won by employees rose from an annual average of 9 in the first half of the decade to an average of 32.2 yearly in the second half.<sup>62</sup> The common law defences seemed to offer less adequate protection for employers as juries became increasingly sympathetic to the plight of injured workers.

Manufacturers were thus faced with rising legal costs and accident awards which were, moreover, unpredictable both with regard to timing and amount. Between 1900 and 1910, the period in which the greatest number of cases were taken to court and won were the recession years of 1907 and 1908.<sup>63</sup> Bills introduced into the Ontario legislature for a new compensation system in 1907 and 1909 were defeated and the CMA maintained its hard line against the conceivable introduction of a workmen's compensation system in Ontario, arguing that the present laws were entirely adequate.<sup>64</sup> With the establishment of a compensation program in Quebec in 1909 and one pending in Manitoba, however, the likelihood increased that the Ontario government might yield to labour pressure and also support such a scheme. At this point, the CMA began to take an official interest in the issue because of the implications which a compensation system would have for the largest provincial industrial economy in the nation.

The first indication of a general policy of support by the CMA for a compensation system appeared at the 1909 annual convention in the parliamentary committee's comment on the Quebec act:

. . . sooner or later public sentiment would compel the manufacturer to accept the principle of compensation in cases where accidents happened from causes which could not be foreseen or explained . . . not only did it save employers from the ruinous damages at times awarded by partial juries but it will secure to the injured the compensation to which he is entitled. <sup>65</sup>

<u>Industrial Canada</u> also pointed out that a workmen's compensation system would enable employers to escape the unpredictable awards made by "prejudiced" juries.<sup>66</sup> Employers in the manufacturing sector, where the largest labour force was located, began to favour the adoption of a rationalized compensation system.<sup>67</sup> When the CMA perceived the changing political climate indicating acceptance of compensation programs in other industrial jurisdictions, it decided to seize the opportunity to control its introduction in Ontario by embracing a policy of "constructive" action and cooperation with labour in support of such a program.<sup>68</sup> By doing this, the association hoped to capture the initiative in the process leading to the framing of an act which would be based on manufacturers' conception of their own interests.<sup>69</sup>

In 1910, the Ontario government, proceeding on the matter with considerable caution, appointed a commission to investigate workmen's compensation. A critical part of the commission's examination consisted of public hearings at which labour representatives and the manufacturers' association presented their respective arguments.<sup>70</sup> Al-

though there was a significant measure of agreement between the two parties that new workmen's compensation legislation was necessary, there were also a number of areas of substantial disagreement concerning the exact shape a compensation program should take.

The arguments of both capital and labour regarding the desirable characteristics to be included in a workmen's compensation scheme conformed to the class interests of each of these two groups. Consequently, there were some issues around which the differences were irreconcilable. The struggle between workers and manufacturers over the specific form of the compensation program was conditioned to a great extent by the general nature of their class relations during this period. Labour was facing more intensive exploitation and insecurity of subsistence and responded with increased shop floor organization and political activity. Capitalist employers had aggressively fought the spread of unions but they were becoming increasingly concerned about the potential for labour influence at the political level as an outcome of increased conflict at the level of production. Thus, while labour looked to a compensation program to provide a guarantee of an adequate subsistence income for all workers, owners of capital were anxious to rationalize and keep down the charge of compensation to the surplus but also to have

a system which would reinforce their control over labour in production.

The labour representatives at the commission hearings set out labour's case for a program which would provide for workers injured on the job. Accordingly, they argued that whatever compensation system was devised should include every employee in the province and provide compensation for all injuries and diseases arising out of the course of employment. The commissioner was urged by the labour representatives to look to the British system as a model for Ontario's compensation program since this system was based on three factors considered of primary significance by labour: compulsory participation by employers, financing through a tax on the firm's payroll, and administration by a state-appointed board.<sup>71</sup>

On the other hand, the employers' group opposed the use of the British scheme as a model mainly because those very features which made it appealing to labour were seen by the CMA as directly antithetical to its most important concerns: minimizing the cost of a compensation system and reinforcing employers' control over labour at the level of production.

The importance of the issue of costs hinged on the extent to which capital or labour would finance all or part of the program. Labour wanted all costs involved to

be charged solely to the industries of the province, taken out of their gross earnings and counted as a cost of production against profits. If workers were required to contribute, they would have to do so out of wages already lagging behind the cost of living. Moreover, the assumption by workers of a portion of the costs was based on an acceptance of the argument that workers contributed to their own injuries while employers were absolved from full responsibility for the conditions causing industrial accidents.

Manufacturers naturally pushed for the necessity of having workers contribute to the plan. This would not only reduce their costs but, according to the CMA, would also give workers an incentive for keeping the accident rate down.<sup>72</sup> The premise underlying this argument, as was true for most of the case presented by the manufacturers' association, was that workers bore a substantial part of the responsibility for the increasing accident rates and, indeed, could lower this rate if they wanted to. For this reason, the CMA opposed a lump sum form of compensation payment, arguing that this would be an inducement to selfinflicted injuries!<sup>73</sup> The association therefore supported the retention of certain of the common-law defences available to employers such as those based on the contributory negligence of employees.<sup>74</sup> Workers, however, wanted

that particular group of common-law defences abolished. This doctrine of contributory negligence enabled employers to escape payment of compensation to the extent that the worker was judged to have contributed to his injury through negligence or carelessness. It was both a contentious and ill-defined defence often used by employers to obtain reduced judgements or to escape all responsibility for injuries on their premises.

Initially, the CMA favoured the German system of compensation as the model which came closest to fulfilling the criteria for a cost-efficient system. This system was based on the assumption of collective liability by employers who combined to insure workers. Collective liability insurance of this type would reduce the costs for individual employers both by spreading the risk and by eliminating the insurer's profits included in the cost of private insurance plans. The adoption of a state liability and state administered system was initially opposed by manufacturers because of the belief that it would be too costly.<sup>75</sup> Furthermore, the retention of the administration of the compensation fund by capitalist employers would assure them of having direct control over costs.

The CMA began to reconsider its opposition to state administration, however, after examining the recently established Washington State compensation scheme. The state-operated Washington program proved to have very low administration costs and a higher proportion of the insurance funds were going to the injured worker than was the case for private insurance companies providing employer liability plans.<sup>76</sup> As a result, the CMA took up support for compulsory insurance administered by a government commission with rates to be assessed on the basis of grouping similar types of industries in order to spread the risks and thus lower individual costs.<sup>77</sup>

This shift brought the manufacturers' association into accord with the committee which was presenting labour's case to the commission on the specific issues of compulsory participation and state administration, although for quite different reasons. While manufacturers considered costs to be the primary criterion, workers wanted an assurance of compensation when injured as well as unbiased and equitable treatment in its distribution. In the case of workmen's compensation as in the matter of the eight-hour day, labour's attitude towards the state as the appropriate administering body was that it constituted an impartial agency which could be trusted to manage a compensation program fairly and without prejudice.

Because of the prevailing antagonistic relations with employers, organized labour had little faith that employers would be able or willing to administer a compensation program which could be of much benefit to workers. The operation of compensation entirely by employers would only create greater distrust and potential for conflict in this further extension of the direct control by capitalists over workers' means of subsistence.

After the commission hearings had concluded, a draft bill detailing the proposed workmen's compensation scheme was presented in early 1913. The reactions of the CMA to the provisions of this draft bill resulted in the escalation of their differences with organized labour into open conflict. The immediate response of manufacturers was to protest the proposed rates of compensation which they maintained were 25 per cent higher than the association had recommended.<sup>78</sup> The CMA complained that this generous level of compensation would put Ontario manufacturers at a serious competitive disadyantage with industry in other jurisdictions and would only add to the high cost of living for consumers since compensation was regarded by owners of capital as a cost of production.<sup>79</sup> A prominent actuary, addressing the CMA at a luncheon in March 1914, contended that the public had a responsibility

to assume the burden of compensation in the form of an indirect tax on consumers, i.e. price increases, since they "enjoyed the product in which this waste of humanity had taken place".<sup>80</sup> In the final analysis, of course, the consumers of most products were also the work force employed in their manufacture. At the same time, the CMA opposed the lack of provision made in the bill for contributions by workers to the accident fund.<sup>81</sup> The general consensus among manufacturers was that the proposed workmen's compensation legislation was a "distinct menace to manufacturers", being "one-sided", "impractical", "oppressive", and "extremely unfair" to the employing class.<sup>82</sup>

Although capitalist manufacturers were greatly concerned with the costs of a workmen's compensation system to the extent that accidents were seen from the outset almost solely as an economic drain on industry and not as a concern in humanitarian terms, it can be argued that certain aspects of the compensation program relating to labour control assumed an even greater degree of importance for employers in the design of the program. In particular, elements of both the policy development process leading to the passage of a workmen's compensation act as well as the content of the act itself assumed significance for their potential to promote cooperation and harmony in

capital-labour relations. Within the context of a period characterized by a relatively high level of capital-labour conflict and growing unionization of the work force, the CMA indicated a high degree of interest in increasing industrial peace, first by supporting the demands of labour for a compensation act, since it appeared to be inevitable anyway, and then by framing an act which included mechanisms requiring labour and capital cooperation around the already agreed-upon objective of accident prevention.<sup>83</sup> One of the members of the association's workmen's compensation committee explained this consideration to Commissioner Meredith:

I submit to you, sir, as men who are vitally interested, and as men who are in daily contact with their employees, that there should be an underlying principle that the legislation should be of such a nature that the bond between the employee and the employer shall be stronger and better than it has been before, and that the administration of any such act as this shall be along such lines that the bonds shall be closer than ever before. . . .84

Similar sentiments were expressed by other employers testifying before the commission hearings.<sup>85</sup> It was primarily for this reason that the CMA rejected the English system, favoured by organized labour, as a model for compensation in Ontario. The association maintained that the British compensation scheme lacked any means of developing capital-labour cooperation and, as a result, tended to lead not to a growth of workers' benefit societies

but to an increase in other forms of labour activity not conducive to industrial peace. On the other hand, the German system, consisting of a fund jointly administered by employers and employees under government supervision, "compel[led] a cooperation between employer and employee" leading to a reduction of accidents.<sup>86</sup>

Throughout the arguments of the CMA in their presentations before the Commission the issue of litigation loomed large because of employers' concern with the promotion of industrial peace in addition to their desire to be free from court decisions making unpredictable awards for workers' injuries. The very process of litigation created an adversary relationship between employer and employees which only served to exacerbate the general level of conflict between the two classes. Even when the CMA took very strong exception to Meredith's draft bill for its "generous" levels of benefits, the association regarded the elimination of litigation for the establishment of eligibility and assessment of compensation as a highly praiseworthy feature of the proposed act.<sup>87</sup> With the abolition of the necessity to resort to the courts, the CMA promoted the desirability of creating a state-financed board or tribunal which would decide on compensation awards as a means of avoiding the possibility of conflict resulting from a more partisan body.<sup>88</sup>
At various points throughout the four-year process leading from the government appointment of a commission to the ultimate passage of the act, the CMA attempted to establish an image of itself as having common interests with labour in the matter of obtaining a compensation system. The association was caught without being prepared with a brief to present to Meredith when he requested its evidence in the fall of 1911 despite the organization's interest in capturing the initiative with a plan formulated to its advantage.<sup>89</sup> Apparently the CMA's committee on workmen's compensation had been hopeful of meeting with labour leaders to produce a joint report which would indicate substantial agreement between them to present to the commissioner.<sup>90</sup> After Meredith's draft bill had been released and the CMA had begun its campaign against the level of benefits provided for, the association seemed to feel trapped between its desire to maintain the semblance of a united front with labour in support of a compensation program and the necessity to assert its immediate financial interests by vigorously protesting the terms of the bill.

Thus, while the CMA raised various objections throughout 1913 and early 1914 against the draft bill, it also repeatedly emphasized that the association was solidly in favour of the principle of compensation.<sup>91</sup> In its

202

first reaction to the bill, <u>Industrial Canada</u> stated that: "Before its publication, the labour men, for whose welfare it was originally designed, had practically agreed with the manufacturers on all points except the amount of compensation, and even this question promised reasonable settlement".<sup>92</sup> The report of the workmen's compensation committee of the CMA deplored any tendency towards conflict which the proposed act might create:

The attitude of your committee in dealing with the whole question has been one of the utmost frankness. Every effort has been made to avoid anything in the way of haggling over terms as if the matter were one for contention between opposing interests. As other bodies of employers were co-operating with and supporting ours, there was reason to expect a scheme more beneficial to workmen than anything that could possibly have been evolved by the more usual contentious methods. Your committee are in a position to know that not only the large body of unorganized workmen but those who appeared for the labour unions before the Commissioner, shared this view, and were more than satisfied with the proposal of your committee placed before the commissioner. It is of course not unnatural that, taking their cue from the increased scales proposed by the Commissioner, the representatives of the labour unions should now favour the Commission's schedules. The result is a situation from which the Association may very well stand aside as a non-participating, though very interested spectator. No Government could, we are convinced, consider seriously the adoption of the Commissioner's schedules or his draft Act in their present form.93

In a series of seven circular letters sent by G. M. Murray, Secretary of the CMA, to every member of the legislature, he outlined the association's objections to the bill but assured them that the organization did indeed want a compensation system, especially one that would eliminate litigation and friction between employers and workmen. However, he added, ". . . it is through no purpose or policy of ours that we find ourselves under the necessity of taking exception to some parts of the draft bill".<sup>94</sup>

When, in April 1914, the legislature finally passed the Workmen's Compensation Act, whose substance was essentially identical to Meredith's draft bill, the CMA was not happy with this outcome, calling it a "source of embarrassment and humiliation to the province".<sup>95</sup> The CMA's workmen's compensation committee, however, though critical of the act, stressed a policy of cooperation coupled with an attempt to influence those aspects of the act's administration most readily accessible to manipulation:

. . . your Committee feel that nothing is to be gained by an attitude of resentment and obstruction. On the other hand, a good deal may be gained by a policy of earnest cooperation in endeavoring to overcome its deficiencies. The provisions respecting the formation of voluntary accident prevention associations affords an avenue by which employers may assist not only in the prevention of accidents and consequent reduction of premium rates but also in working out many of the difficult administrative problems in regard to which the administering Board will doubtless be guided to a considerable extent by the wishes of those who bear the expense. The provisions respecting these accident prevention associations were introduced in the Act solely at the instance of this Association. . . .96

The overriding interest of capitalist employers when it came to specifying the terms of the act was that these must be compatible with the prevailing structure of capitalist social relations of production. These relations emphasized an ideology of individual responsibility and initiative together with reliance on the discipline provided by the wage payment system to enforce the routine of work and to act as an incentive to increase productivity. It was pointed out that the English system, for instance, because of its high benefit levels and non-contributory nature, "invited malingering and dishonesty".<sup>97</sup> The association argued that high benefit rates and the lack of any requirement for direct contributions from workers would result in the creation of a class of hypochondriacs out of good workmen and "the undermin[ing] of the individual spirit of enterprise and responsibility . . .".98

The CMA wanted a waiting period before eligibility for compensation in order to cut down "simulation and malingering" as well as to transfer a part of the burden of costs to workers. Manufacturers also demanded that payment of benefits should be in the form of wage substitution instead of a lump sum payment. This, in effect, would operate to preserve the habituation of workers to the disciplining function of the wage system. Forcing workers to contribute through their wages to the compensation

fund would not only cut costs but would also serve to maintain workers' self-respect by taking compensation payments out of the realm of "charity" paid for by employers according to the CMA.<sup>99</sup>

These various stipulations indicated the concern of capitalist employers with the possibility that generous benefits and lenient conditions outside the context of the system of production would prove too attractive to workers, attractive enough that they might even injure themselves intentionally in order to benefit. The only premise which could support this view of the "comfortable life" possible on workmen's compensation was the recognition that work in the capitalist system of factory production was characterized by unpleasant conditions, risk to life and limb, and bare subsistence level rewards.

Social relations of production, therefore, had to be structured so as to ensure that workers did not find it either possible or profitable to stay out of the labour force. The ongoing struggle of workers on both an individual and collective level against these conditions accompanying their exploitation further emphasized the necessity for disincentives for workers to leave the competitive labour market. This continuing resistance by workers gave rise to the emergence of systems of control on the part of employers to compel workers to produce

and to increase their level of production. While some of these control systems were embedded in the development of new applications of machinery to the production process, others arose as managerial strategies and became an integral part of the social relations of production.<sup>100</sup> In this way, both the technical and social organization of work developed historically out of conflictual class relations.

When advocating a state-administered compensation program for injured workers manufacturers were, first of all, interested in rationalizing their increasing costs of compensation, but this could be done in a number of ways as examples of programs already established in other jurisdictions indicated. As far as manufacturers were concerned two important considerations were involved in the process and the final outcome and these were both linked to the control aspects of the relations of pro-Manufacturers wanted to proceed in such a way as duction. to minimize the level of class conflict and to maximize the potential for obtaining labour cooperation. To achieve this they were willing to make some concessions with regard to costs, for the cost factor could be handled as an additional overhead item to be included in the final product price. However, the extent to which capitalist employers were amenable to compromise on issues of control which

would entail terms violating the preservation of capitalist relations of production was more questionable. Although employers decided not to mount a campaign of opposition to the final workmen's compensation act despite its noncontributory basis, the program was structured to include a waiting period before eligibility and a periodic system of payment, the amount of which was calculated as a percentage of past income. In this way, injured workers were forced to assume part of the cost as a kind of penalty for becoming injured before being regarded as disabled enough to qualify for compensation. Compensation was little more than a subsistence level income parcelled out on a basis similar to the wage system.

## State Transformation of the Economic Constraint

Throughout the four-year period from 1910 to 1914 in which the Ontario workmen's compensation program was developed, the role played by the state consisted of negotiating the final form of the compensation scheme and controlling both the process and the outcome in a direction that would make it compatible with prevailing social relations of production. There were two major modes utilized by the state for processing and transforming the antagonistic class interests involved in the creation of a compensation program. One was the establishment of

a Royal Commission to "investigate" the matter and the other mode, closely related to the first, was the adoption of a strategy of postponement and delay leading to a four-year interval between the appointment of the commission and the passage of the workmen's compensation act.

When the manufacturers' association had begun to indicate its support for a compensation program following its establishment in other provincial jurisdictions and when the TLC had renewed its traditional demand for such a measure, the Conservative administration announced in 1910 their intention to appoint another investigative commission.<sup>101</sup> This step lent the appearance of action on the part of the state while it also created a situation in which an unspecified amount of time could be allowed to pass before the government would be forced to deal concretely with the matter. Meanwhile, through the commission process interests would be given an opportunity to mobilize, issues would become clarified, opposing sides and alliances formed, and the range of potential consequences would become much better understood.

Premier Whitney's choice in the naming of a commission was to appoint only one commissioner, a man whose lengthy party association and loyalty were beyond question and whose personal association with Whitney both

as friend and as political advisor made him an absolutely trustworthy commissioner. Chief Justice William Ralph Meredith could not only be depended upon not to alienate either employers or workers but he would also be capable of fashioning a measure which would be neither very radical nor likely to inflict damage on prevailing political and economic arrangements. The Chief Justice fully lived up to these kinds of expectations in his handling of the hearings and his subsequent decisions regarding the terms of the act.

The commission acted as a forum for channelling and containing the expression of conflicting class interests of capital and labour. In his role as commissioner, Meredith took an active part in defining the interpretation of labour-capital relations which would dominate both the hearings and the resultant legislation. This was evident on a number of occasions in Meredith's handling of certain areas of disagreement and contention raised by various labour representatives throughout the public hearings. For example, when the hearings were being conducted at Cobalt, a trade unionist from that area argued that the differences between capital and labour were both fundamental and irreconcilable. Meredith's response to this analysis of class relations was a flat refusal to accept this as a viewpoint with any validity whatsoever

and he effectively dismissed this testimony as not deserving serious consideration.<sup>102</sup> At a later date, in one of the Toronto sittings, Meredith introduced this man's statements in the context of praising one of the labour leaders for his "reasonableness" in presenting workers' views:

At Cobalt I had a gentleman who did not hesitate boldly to say that there must be eternal warfare between the employer and the employee, and all he wanted was to get compensation on these lines as the thin end of the wedge to upset the social order altogether. That is the kind of man I am talking about. Gentlemen, when they come to discuss and make a law, have to endeavour to discuss it fairly and try to look at both sides of the question, and not to press unreasonable views or want to press home things that would not be fair to the other side.103

Following this indictment of so-called "unreasonable men", a witness for the Brotherhood of Railway Trainmen stated that "it would be a pity if there was any antagonism here" and that both sides must work in harmony.

On yet another occasion Meredith used the statements of the Cobalt witness when he was expressing approval of the arguments of a London labour representative that employers and employees could come to a better understanding in most instances if they would only get together to discuss the issues. Meredith's reply was to ridicule the sentiments expressed by the man at Cobalt before adding: ". . . I think I ought to say to you that here you seem to be in a much more -- I do not mean rational -- but a more satis-

factory state of mind at all events, the employers and employed, than I have found anywhere else".<sup>104</sup>

Thus, by citing the example of testimony which presented a perspective regarding social and economic relations completely opposed to his own, and by using both ridicule and praise, Meredith was able to enforce a definition of "reasonable men" as those who subscribed to a view of class relations based on harmony and compatibility of interests. This assessment of capitallabour relations permitted the issue of workmen's compensation to be narrowly conceived in terms of economic questions of cost and the appropriate parties to bear these costs, all matters which were negotiable within the prevailing economic framework. The alternative conception consisted of relating the matter of workmen's compensation to the accumulation of capital by employers at the expense of injuring, crippling, and killing workers. Such an approach would have clearly violated the demands of employers for mechanisms aimed at reducing the friction between the employing and the employed classes.

As the sittings were coming to a conclusion, Meredith made his own sentiments in the matter of workmen's compensation known. He was prepared to abolish outright the doctrine of common employment but only to modify the important doctrine of contributory negligence.<sup>105</sup> The

"great desideratum", he declared, was "not to hurt the employer too much, and to give the employee as much as possible". In order to obtain a better measure, "rather than to have something half-baked", Meredith concluded that workers would have to be persuaded to wait a little longer.<sup>106</sup> In his interim report Meredith had come to one critical conclusion, however, and that was the acceptance of the basic principle that the burden of providing compensation should be borne by industry.<sup>107</sup> This decision remained unchanged and was made a part of the final act, though with certain limitations which are discussed at greater length below.

In the process of hearing submissions and questioning those presenting evidence, Meredith was able to impose his definition of the nature of legitimate capital-labour relations, a view which coincided with that being promoted by the manufacturers and other employers. The one acceptable perspective which he presented to the labour representatives as constituting a "reasonable" understanding of the situation and which defined those men who entertained this view as "reasonable" men was that labour and capital shared fundamentally similar interests. In addition, the commisioner emphasized a concept of "fairness" based on being able to see both sides of the question and that this was the defining characteristic of true "gentlemen". These various

instructive comments were reserved only for the labour witnesses, however, manufacturers presumably already possessing a thorough understanding of Meredith's conception of "fairness".

Part of the utility of the commission process was that it involved both employers of labour and labour in the development of a policy from the early stages. This mechanism thus made labour accessible to control by the state so that it could be integrated into the framework of decision-making on the basis of the structure and rules devised by the state as part of the machinery of bourgeois democracy. By bringing together the opposing parties into one process, the issue of workmen's compensation could be taken out of the realm of irreconcilable differences between capital and labour and a definition of compensation as based on inherently common interests could be more readily enforced. When viewed from this latter perspective, the creation of a compensation act appeared as a matter capable of being amicably and reasonably settled in the context of generating a compromise which would be "fair" to both parties. The issue therefore devolved into a question of costs and their apportionment, i.e. compensation became a solely economic matter. Meredith's statement, made in a private communication to Whitney at one point, that he was attempting to devise both a "just" and a "workable" law

reveals his awareness of the tension between these criteria.<sup>108</sup> A fully developed concept of "justice" would be inoperational without more fundamental social and economic changes, while the design of a "workable" act cannot depart substantially from the <u>status quo ante</u>. The process of the investigative commission thus served to make the concept of "justice" conform to the criteria of "workability" contained in the arguments presented by manufacturers.

The strategy of delay over the framing of the compensation act and subsequent introduction and passage in the House functioned to produce a final compensation scheme based primarily on the manufacturers' objectives. Since almost three years had elapsed from the point at which the government had created a commission to enquire into workmen's compensation, a demand having been made for many years already by labour groups, labour was unwilling to have the measure postponed any longer. This lengthy delay effectively pressured workers to accept a less than ideal compensation program simply because the necessity for one was urgent. In addition, the state's slowness in dealing with the issue resulted in Meredith's bill first being presented publicly during a progressively worsening economic recession when unemployment was rising and government spending was being reduced. This situation

served both to weaken labour's bargaining power to press for a more generous act and to strengthen employers' opposition to what they felt was already a too generous concession to workers' demands.<sup>109</sup>

By the end of the 1913 legislative session these were the lines along which the two classes took their positions. The government, on the other hand, chose to respond to the draft bill by delaying consideration of it until 1914. This additional time lapse allowed each party engaged in the struggle over a workmen's compensation act to define its interests in relation to the proposed bill and to pursue a strategy designed to secure those Since 1914 was an election year it was hardly interests. conceivable that the Conservatives would risk alienating the labour vote by postponing the act again. The government proceeded to call together labour and CMA representatives to try to effect some compromise on the bill. This meeting resulted in a "compromise" in which Bancroft conceded the abolition of all common law rights of labour in exchange for the guarantee of assured compensation under an impartial tribunal.<sup>110</sup> This essentially freed employers from any continuing liability under common law while workers became entirely subject to the authority of decisions made by a board with no recourse to the courts. Labour was therefore compelled to sacrifice any right to

file a suit for legal settlement of a possibly unjust award by such a board. Without an avenue of appeal, workers were forced to accept the judgments of the Workmen's Compensation Board, a structure whose internal bias, as the following section indicates, led it to emphasize its role as conserver of employer-contributed funds to the detriment of injured workers' needs for subsistence. Moreover, workers, in practice, received no "guarantee" of compensation. Instead, only those workers covered by the program were able to apply for compensation, following which the various rules of eligibility and medical criteria developed by the board eliminated many workers and reduced possible levels of compensation for others. The ultimate result of this trade-off was that employers experienced reduced compensation costs and effectively secured an increased share of surplus value against labour demands.

## State Resolution of the "Problem": Policy and Structure

Part way through the 1913 parliamentary session, Meredith released a draft of the proposed Workmen's Compensation Act, although too late to have it passed into law during 1913. The draft bill was based on a totally employer-financed scheme but set a seven-day waiting period before workers could qualify for compensation.<sup>111</sup> Any right to legal action by the worker was to

be eliminated by the claim for compensation and the only avenue of appeal from the decision of a medical examiner was to be a medical referee whose decision would be final. A state-appointed board would administer the act and have the right to inspect employers' books and premises. The province was to make a grant to cover a large part of the administrative costs.<sup>112</sup> Thus, workers were also indirectly contributing to the financing of the program through the part of their wages claimed by any provincial taxes. With the closure of any avenue of redress or appeal beyond the medical referee, the composition and control of the board itself would be a critical aspect of the operation of the system.

For purposes of assessing the rates to be paid by employers two schedules of employers were drawn up: the first consisting of forty-four classes of employers grouped on the basis of industrial similarity and liable to pay into the fund while the second schedule set out six classes which would operate on the basis of individual liability, namely, groups of utilities, railways, and navigation companies.<sup>113</sup> The schedule of benefits for injured workers proposed by Meredith amounted to a monthly rate of compensation limited to fifty-five per cent of the worker's average weekly earnings for the last three years though not to exceed a total of 2,000 dollars per annum. To set such

a limit based on a percentage of wages meant that those workers who earned higher incomes would also receive greater benefits while low income workers would suffer to an even greater extent with scaled down compensation payments.

The Industrial Banner, probably the foremost labour paper in the province, attacked the government for its "shameful betrayal" of wage earners by "abjectly surrendering to the Manufacturers' Association" and contended that the CMA had consistently exaggerated the extent of agreement between labour and employers.<sup>114</sup> Labour objected to the length of the waiting period included in the bill and the maintenance of penalties for negligence. Employers, on the other hand, were highly critical of the non-contributory basis of the act.<sup>115</sup> In general, however, organized labour was in favour of the speedy passage of Meredith's bill. Letters from trade unions came into Whitney's office demanding its passage during the 1913 session of the legislature. The Industrial Banner continued its public attacks on the government and the CMA throughout 1913 in an effort to force the adoption of the proposed compensation program as soon as possible. <sup>116</sup> In 1914 the labour committee conducted a campaign of public appearances accompanied by circulars and petitions from trade unions to

the members of the legislature insisting on the immediate institution of workmen's compensation.<sup>117</sup>

The deepening recession of 1914 was creating increasing unemployment and causing employers to reduce the wages of thousands of workers. In January a mass meeting of about fifteen hundred unemployed workers was held in Hamilton.<sup>118</sup> The climate seemed to be at least volatile enough for Meredith to offer this warning in a speech before the Ontario Bar Association:

The public conviction is strong and not without substance that the manufacturers have been well enough taken care of, and it will be bad policy to antagonize the workingman in any just claim he makes at the present time. There is in the air something not unreal that may easily take front and force an attack upon protected privilege. I can imagine no stronger battle cry with which to go to the people in the centres of population than: "You are protecting the manufacturer, but you will not protect the workingman".119

Of course, the Conservatives saw themselves as the defenders of "protected privilege" and, as their leader had earlier styled himself, "a straight-out champion . . . of the rights of property and of vested rights".<sup>120</sup>

In this context of growing economic instability Attorney-General I. B. Lucas introduced the workmen's compensation bill, which was essentially the same as Meredith's draft, into the House on March 17, 1914. It was agreed by the leaders of both parties to have a nonpartisan discussion of the measure. When the act was finally passed, the <u>Industrial Banner</u> greeted the event with the headline: "Workmen's Compensation Act passed -- A New Page in the History of Ontario", and offered congratulations to both political parties "that for once [they] refused to be swayed by threats or arguments of the Canadian Manufacturers' Association".<sup>121</sup>

The final terms of the Workmen's Compensation Act were an astute compromise between the demands of organized labour and those of the CMA. While the program was to be entirely employer-financed, a decision in opposition to the manufacturers' arguments, this meant only that workers would contribute indirectly as consumers instead of by contributions out of wages. A direct contribution by employees would, in the circumstances, have been a politically unpopular measure in an election year. Moreover, this would most likely create an upward pressure on wages and lead to more labour strife. On the other hand, the costs of compensation to be borne by employers could be spread very widely as part of the final product price. Workers contributed to the plan in another respect as well by bearing their own costs of subsistence for the first seven days of their inability to work as a result of the waiting period included in the act. The setting of a percentage limit to the amount of compensation to be

granted based on past income functioned to preserve the hierarchical structure of wages among the work force and, as such, operated as a fundamentally divisive mechanism among workers. Partly for this reason, such an arrangement was not objected to by organized labour since this section of the working class stood in an income-privileged position in relation to the remainder of the wagestratified labour force. The gradation of labour according to income serves as basis for the development and reinforcement of status distinctions among the working class.

Because of the terms of the Workmen's Compensation Act, the administering board acquired extensive powers over the granting of compensation and the setting of rates of contribution by manufacturers to the compensation fund. Workers gave up all common law rights of appeal and were entirely subject to the board's decisions as to both eligibility and the amounts of compensation awarded. 0n the other hand, under this state-administered system manufacturers had no direct control over either the costs of compensation or the grounds for its disbursement. The board itself was to consist of three members appointed by the government for terms lasting until retirement at age seventy-five. The salaries of the board members, the board's operating expenses, and pensions for retiring

members were to be paid out of the province's consolidated revenue fund, which meant that they were ultimately being supported by the taxpayers.<sup>122</sup>

Because of the extent of authority of the board over the lives of injured workers, the representation of labour interests on the board was of particular importance to organized labour. The labour press promoted Fred Bancroft for the position as labour's representative on the board and the TLC also endorsed Bancroft.<sup>123</sup> The first-named member of the board was its chairman whom Whitney announced would be Samuel Price. Price was a partner in a St. Thomas law firm with T. W. Crothers who was a personal friend of Whitney's and later Robert Borden's Minister of Labour.<sup>124</sup> Price had also undertaken the investigation into the effect of working hours on underground miners for the Conservative government in 1913.

By September 1914, all three commissioners had been appointed and none of them could be considered as truly representative of labour's interests. George A. Kingston, a lawyer, had spent the latter part of his career as a claims solicitor for the Employer Liability Assurance Corporation and the Union Trust Company. He had, as his letter to Whitney stated, the endorsation of all the Toronto members of the legislature and "could possibly qualify on political grounds" as well as his "technical

knowledge of the relation of rate to risk".<sup>125</sup> The vicechairman of the board was Alexander W. Wright. He had at one time been a member of the General Executive Board of the Knights of Labour and was a newspaper editor. However, he later became an organizer for the Conservative party and had also served as the secretary for the CMA at one point. Wright had conducted the investigation into sweated working conditions for the federal Conservatives in 1896.<sup>126</sup>

In terms, then, of the administration of the act, labour was cut off from any channel of direct or indirect influence. The creation of a state-appointed board to administer the program removed the direct control of workmen's compensation from both capital and labour. This functioned to eliminate any blatant interference by either party in the operation of the system and thereby would avoid perpetuating the conflict between them over the costs or administration of compensation. Instead, dissatisfaction and criticism would be redirected to the state board. The autonomy of the board from the government and both political parties would also help deflect any criticism of the board's policies or regulations from the political arm of the state. This removal of the board from the arena of direct conflict served to lend the board a greater legitimacy in its imposition of authority on both manufacturers and workers while its personnel and the terms

of the act itself would guarantee the board's operation in a manner compatible with capitalist social and technical relations of production. This was evident in the first regulations made by the board to govern its own operations. Some of these narrowed the field of application of the act to eliminate from eligibility all manufacturing workers in concerns which were carried on in connection with retail establishments, e.g. hostels, liveries, tailoring, etc. and workers in manufacturing department of jewellery stores, grocery stores, and drug stores.<sup>127</sup> Thus, although labour had surrendered its rights of appeal to the judicial system, it had not won any security of compensation in return. Instead, workers remained vulnerable to being deprived of compensation for injuries or disease and were not necessarily even guaranteed the right to apply for it.

## Conclusion

Examination of the mobilization and subsequent progress of labour demands regarding legislation to restrict working hours, guarantee a minimum wage, and establish a workmen's compensation program from 1900 to 1914 provides some indication of the class nature of the state. At both the federal and provincial levels the state accepted the economic premises

which formed the basis of industrial capitalist interests in the period under consideration. This identity of economic concerns had emerged out of the class relationships surrounding Canadian industrialization in the nineteenth century with the integration of the "National Policy" framework into the foundation of overall state activity. The accelerated pace of industrialization and expanded reproduction of constant and variable capital during this period were both a cause and a product of the increased level of conflict between capital and labour. While the interests of capitalists lay in promoting a growing rate of industrial development, the interests of labour resided in restricting the deleterious conditions which were intrinsically related to such a quickened pace of economic growth.

The resultant conflict over the issues of shorter working hours and adequate wages was confined primarily to the workplace where workers experienced only a limited degree of success in the face of the variety of forms of employer opposition. The issue of compensation for industrial injuries was already located in the sphere of political relations in that all claims against employers were arbitrated by the judicial system within the legal framework provided by existing employer liability laws. Demands for restrictions on the length of the working day

had been projected into the political forum with unprecedented force in 1872 with the mass demonstrations, strikes, and collective action of workers involved in the Nine Hours' Movement. Although the outcome could not be construed as a victory for labour, the scale of labour activity and subsequent attention focussed on the movement by the state set a precedent which left a legacy legitimating the issue of working hours within the parameters of the political. The matter of wages, on the other hand, had no clear history as a political concern and remained more closely confined to the level of production subject only to the control of private capital.

The translation of these demands by labour, demands which had customarily been handled as supplications presented by the central labour body to the government of the day, into issues attracting the attention of legislators resulted from a combination of factors. The escalation of class conflict at the level of production was a conditioning circumstance which, given the parallelism between the economic premises underlying state activity and the objectives of the industrial capitalist class, provided the significant context for the relations between the state and labour. All three issues, hours, wages, and compensation, were first introduced into the political arena during this period by representatives elected through labour

efforts and standing on a platform of labour interests. The traditional parties while governing had not responded to petitions for legislation nor had the elected "friends of labour" within those parties brought forward issues specifically relating to workers' concerns.

While the election of labour members was one aspect of workers' response to rapidly changing conditions of production, once elected, these members functioned under the limitations imposed by parliamentary procedure. Such procedure favoured the program of the governing party and greatly restricted the ability of members to have private members' bills introduced and pushed through first reading. In each of the areas of legislation examined, the bills initially introduced by labour members failed to garner either interest or support from the traditional parties. When the issues were given the attention of the government it was primarily as a result of the state's sensitivity to the disruptions of production and escalation of relations of conflict between capital and labour.

Limiting the length of the working day was not merely an issue among others included in demands during strikes but it was also the impetus for a concerted and publicized movement by printers in North America which led to widespread strikes until the objective of an eight-hour

day had been achieved. In addition, the restriction of hours of labour would have critical consequences for the amount of surplus generated in the not yet fully mechanized production sector. Owners of capital therefore responded quickly to the potential possibility of state regulation in this area and the state processed labour demands for a shorter working day in a manner conforming to the capitalist logic of accumulation. When the provincial government actually legislated an eight hour day for underground miners, it acted on a rationale rooted in the necessity to maintain smoothly functioning production in this very important sector of the economy.

The introduction of wages as an issue at the federal level was largely the outcome of labour's struggle directly against those who were able to dictate the conditions of production. The state, through its practices of contracting the manufacture of uniforms and undertaking the construction of public works, stood in a position of control over labour similar to that of capitalist employers. The fair wages clauses in government contracts were demanded primarily as a consequence of investigations which had exposed the extent of sweated labour in the manufacture of government uniforms. However, this was also an industry in which unionization under the AFL was making some progress. The response of the government was

partly determined by its desire to achieve certain political ends and partly by its role as employer of a particular work force. As a result, the Fair Wages Resolution was part of a package which included the establishment of a Labour Bureau offered as a concession to organized labour. The subsequent ineffectiveness of the measure, which levied no sanctions for violations, underlined its original concessionary intent.

The legislation of a general minimum wage was within the jurisdiction of the provincial level of the state but was rejected without consideration until recessionary conditions, accompanied by high rates of unemployment, mass demonstrations, and widespread wage cuts, forced some debate on the reintroduced bill. Both government and opposition parties opposed the measure on the basis that a legislated minimum wage was an inappropriate encumbrance on the operation of the capitalist labour market.

Workmen's compensation became an issue meriting serious consideration only when capitalist employers began to support changes in the existing system of employers' liability. The necessity for court action itself involved certain costs but during this period the number of suits and the amounts of awards both escalated to the advantage of injured workers. The sharp rise in costs accompanied

by the unpredictable nature of this system meant that the existing structure of compensation, which had previously functioned to the advantage of employers, now represented a constraint on accumulation. Manufacturers began to recognize a need to reorganize and rationalize the industrial compensation system so that its costs could be reduced and handled as an ordinary cost of production.

When state attention was subsequently focussed on hours and compensation as political issues involving already mobilized interests rooted in the class relations of production, varied strategies of delay and clarification of class interests were employed by both federal and provincial levels. Particularly important were the mechanisms of committee and commission investigations. Both the Dominion Select Committee on the hours of labour and the Ontario Royal Commission on Workmen's Compensation functioned as more than merely exploratory bodies. They operated to direct, control, and redefine labour demands so that these were compatible with existing capitalist relations of production. The original demands were structured in such a way as to reduce any possible threats to a sustained level of capital accumulation and, at the same time, reduce the potential benefits to labour. The very length of the process, combined with the way in which the parliamentary bodies functioned, tended to favour

the forces opposing the questions under investigation, which in each case consisted of capitalist employers, while those supporting the issues became more inclined to accept compromises reducing the original demands in lieu of no action whatsoever. The provincial commission examining an eight-hour day for miners sampled the opinion of the parties involved but did not hold formal hearings in which employers and workers submitted testimony so it is difficult to assess the role of this commission in this regard.

The final outcome of the three areas of legislation in the 1900 to 1914 period differed markedly. A workmen's compensation act was passed in 1914 and an eighthour day for underground miners was enacted in the same year. A Fair Wages Resolution which promised that such clauses would be included in government contracts was introduced in 1900. The workmen's compensation movement proceeded with the full support of employers almost from its inception and no effective opposition to its developed throughout its progress. In the end both parties in the legislature endorsed its passage. The eight hour day for miners was introduced by the government and the opposition and was enacted over the resistance of mine owners and their parliamentary spokesman, the Minister of Lands, Forests, and Mines. The overriding consideration appears

to have been the need to maintain production by conceding to miners' demands for a shorter work day. The adoption of the Fair Wages Resolution was primarily a concession to reinforce the political loyalties of labour. The struggle of labour around these issues, however, did not end with their enactment in legislation or adoption by resolution but, as the manner of their subsequent operation and enforcement indicates, the preservation of these gains was a matter of continuing struggle.

## NOTES

Kenneth Buckley, <u>Capital Formation in Canada, 1896-</u> 1930, Carleton Library, No. 77 (2nd ed.; Toronto, 1974), p. 5.

<sup>2</sup>The amount of British portfolio investment in Canada increased by 86 percent between 1900 and 1910 while American capital investment in dollar terms mushroomed by 190 percent in the same period. Firestone, <u>Canada's</u> <u>Economic Development, 1867-1953</u>, p. 145. See also Bertram, "Historical Statistics on Growth", 120-121, for indications of the extent of growth in the manufacturing sector of the economy.

<sup>3</sup>Total estimates of gross investment in industrial, electrical and mining machinery and equipment nationally increased from 35 million dollars in the years 1896 to 1900 to 248 million dollars between 1911 and 1915. Buckley, <u>Capital Formation</u>, p. 208. See also Firestone, <u>Canada's Economic Development</u>, pp. 184-185; Spelt, <u>Urban Development</u>, p. 180; R. T. Naylor, <u>The History of Canadian Business</u>, 1867-1914 (Toronto, 1975), I, 13; Census of Canada, 1901, 1911, cited in Craig Heron and Bryan D. Palmer, "Through the Prism of the Strike: Industrial Conflict in Southern Ontario, 1901-1914", <u>CHR</u>, LVIII (December, 1977), 436. Young, "Conscription, Rural Depopulation", 319; W. R. Young, "The Countryside on the Defensive: Agricultural Ontario's Views of Rural Depopulation, 1900-1914" (M.A. dissertation, Dept. of History, University of British Columbia, 1971), pp. 15-18; Ontario, Department of Agriculture, "17th Annual Reports of the Inspectors of Factories for the Province of Ontario, 1904", <u>Sessional</u> <u>Papers</u> (1905), XXXVII, No. 8, p. 15; "20th Annual Reports of the Inspectors of Factories for the Province of Ontario, 1907", <u>Sessional Papers</u> (1908), XL, No. 29, p. 60; "23rd Annual Reports of the Inspectors of Factories for the Province of Ontario, 1908), XL, No. 29, p. 60; "23rd Annual Reports of the Inspectors of Factories for the Province of Ontario, 1910", <u>Sessional Papers</u> (1911), XLIII, No. 46, pp. 5, 16, 25, 45.

<sup>4</sup> Michael J. Piva, "The Condition of the Working Class in Toronto, 1900-1921" (Ph.D. dissertation, Dept. of

History, Concordia University, 1975), pp. 123, 125; Ontario, Department of Agriculture, "12th Annual Reports of the Inspectors of Factories for the Province of Ontario, 1899", <u>Sessional Papers</u> (1900), XXXII, No. 8, pp. 6-7, 15; "15th Annual Reports of the Inspectors of Factories for the Province of Ontario, 1902", <u>Sessional Papers</u> (1903), XXXV, No. 8, pp. 7-8, 21-31; "19th Annual Reports of the Inspectors of Factories for the Province of Ontario, 1906", <u>Sessional Papers</u> (1907), XXXIX, No. 29, pp. 28, 30; "20th Annual Reports of the Inspectors of Factories for the Province of Ontario, 1909", <u>Sessional Papers</u> (1910), XLII, No. 46, pp. 5, 17, 29-30, 47.

<sup>5</sup>Although no general figures detailing the incidence of strikes are available prior to 1900, the level appears to have risen between 1900 and 1915 over the earlier period. At the national level, there were 1,519 strikes involving 377,234 workers over this period while ten major urban areas of Ontario accounted for almost 30 percent of the total number of strikes and about 15 percent of workers involved from 1901 to 1914. Urguhart and Buckley, Historical Statistics of Canada, p. 107; Heron and Palmer, "Through the Prism of the Strike", 424-425. S See also Ontario, Department of Agriculture, "22nd Annual Reports of the Inspectors of Factories", pp. 5, 12, 17, 24; "23rd Annual Reports of the Inspectors of Factories", pp. 5, 16, 25; Robert Craig Brown and Ramsay Cook, <u>Canada, 1896-1921:</u> <u>A Nation Transformed</u> (Toronto, 1974), pp. 199, 239; Naylor, <u>The History of Canadian Business</u>, I, p. 220; Canada, Department of Labour, The Rise in Prices and the Cost of Living in Canada, 1900-1914, Submission to the Board of Inquiry Into the Cost of Living (Ottawa, 1915), p. 52; Wayne Roberts, "Aristans, Aristocrats, and Handymen: Politics and Trade Unionism Among Toronto Skilled Building Trades Workers, 1896-1914", Labour/Le Travailleur, I (1976), 95-96; Robert Young, General Secretary of Amalgamated Society of Engineers, to High Commissioner for London, Dec. 1, 1914, Robert Young to Harold Baker, Secretary to the War Office, Dec. 23, 1914, PAC, Flavelle Papers, Imperial Munitions Board Correspondence, vol. 6, fol. 64.

<sup>6</sup>Roberts details the concerns of some of the traditional trades which were undergoing degradation of their crafts in their struggles for control over working conditions during this period. Issues of control over the apprenticeship system, the establishment of the closed shop, and abolition of the contract system were primary among these. Roberts, "Aristans, Aristocrats, and Handymen", 95-98, 101-102, 103-106. See also Jay Atherton, "The Department of Labour and Industrial Relations, 1900-1911" (M.A. dissertation, Dept. of Public Administration, Carleton University, 1972), pp. 10-11; Robin, <u>Radical</u> <u>Politics and Canadian Labour, 1880-1890</u>, pp. 35-36, 66-68, 90; <u>Industrial Banner</u>, November 14, 1913, p. 1.

<sup>7</sup>Clark, <u>The Canadian Manufacturers' Association</u>, pp. 27, 42-44; Bliss, <u>A Living Profit</u>, pp. 70, 93, 128; Heron and Palmer, "Through the Prism of the Strike", 430-433, 448; Cyrus A. Birge, "Presidential Address", <u>Industrial Canada</u>, Oct., 1903, p. 111 (hereafter <u>IC</u>); George Drummond, "Presidential Address", <u>IC</u>, Oct., 1904, p. 128; R. Hobson, "Presidential Address", <u>IC</u>, Oct., 1909, pp. 246-247; <u>IC</u>, Dec., 1913, p. 660; <u>IC</u>, May, 1909, p. 839; George W. Perkins, "Co-Partnership", in <u>Addresses</u> <u>Delivered Before the Canadian Club of Ottawa</u>, 1911-12 (Ottawa, 1912), pp. 53, 56-57, 59; Ontario, Department of Agriculture, "23rd Annual Report of the Inspector of Factories", 16, 45, 62; T. G. Mason, Mason and Risch Piano Co., to Rudolph Mulock, Postmaster General and Minister of Labour, May 9, 1902, PAC, Dept. of Labour, RG27, vol. 71, file 322.1(3).

<sup>8</sup>For indications of this identity of interests at the federal level see Sir George Gibbons to Sir William Laurier, Jan. 22, 1907, PAC, Sir George Gibbons Papers, vol. 8, Letterbook; H. V. Nelles, <u>The Politics of Development:</u> Forests, Mines, and Hydro-Electric Power in Ontario, 1849-<u>1941</u> (Toronto, 1974), pp. 322-323; Christopher Armstrong and H. V. Nelles, "Private Property in Peril: Ontario Businessmen and the Federal System, 1898-1911", in Glenn Porter and Robert D. Cuff, eds., <u>Enterprise and National Development</u> (Toronto, 1973), pp. 29-31, 34; W. L. M. King, "Drafts of Speech for Second Reading of Combines Bill", 1910, PAC, W. L. M. King Papers, Memoranda and Notes, Reel C1954, pp. C2103-1C2105. For similar indications at the provincial level see the following: Nelles, <u>The Politics of Development</u>, pp. 119-122, 130, 265, 268, 281-305; Charles W. Humphries, "The Sources of Ontario 'Progressive' Conservatism, 1900-1914", <u>Report</u>, Canadian Historical Association (1967-68), pp. 121-123; J. P. Whitney to A. J. Dawson, July 7, 1909, PAO, Whitney Papers, Correspondence 1909. <sup>9</sup>F. S. Spence, "The Shorter Hours Movement", <u>Labour</u> <u>Day Souvenir, 1900</u>, Toronto Trades and Labour Council, p. 13, cited in Heron and Palmer, "Through the Prism of the Strike", 445; <u>Industrial Banner</u>, issues from Oct. 1901 to April 1903 and March 1908; Samuel Gompers, "Labour's Changing Ideal", <u>Industrial Banner</u>, Sept. 1911, p. 2.

<sup>10</sup>See references in previous footnote.

<sup>11</sup>Heron and Palmer, "Through the Prism of the Strike", 425-426, 443.

<sup>12</sup>The establishment of a federal Department of Labour represented in part an attempt to forestall the growth of independent political organizations by labour and also provided additional state positions for patronage appointments of labour leaders. The development of the federal disputes policy during this period was oriented towards containing the workplace organization of labour and its ability to disrupt production. The federal state was also quite concerned about the extension of union organization through affiliation with American labour and made careful distinction between "illegitimate", "revolutionary" unions and "legitimate", "responsible" unions. The provincial level of the state in Ontario also practiced integration of and concessions to labour. One way was by appointing labour leaders to positions as factory inspectors. Robert H. Babcock, <u>Gompers in Canada: A Study</u> in American Continentalism Before the First World War (Toronto, 1974), pp. 67, 241; Robin, <u>Radical Politics and</u> <u>Canadian Labour, 1880-1930</u>, pp. 35, 72-73; W. J. Loudon, <u>Sir William</u> <u>Mulock</u> (Toronto, 1932), pp. 125-126; J. E. Masters, "Canadian Labour Press Opinion, 1890-1914: A Study in Theoretical Radicalism and Practical Conservatism" (M.A. dissertation, Dept. of History, University of Western Ontario, 1970), p. 71: Henry Ferns and Bernard Ostry, The Age of Mackenzie King (Toronto, 1976), pp. 60-61, 74; Morton, "Aid to the Civil Power", 429; Brown and Cook, Canada, 1896-1921, pp. 117-118, 122; Stuart Jamieson, <u>Times of Trouble: Labour Unrest and Industrial Conflict</u> <u>in Canada, 1900-66</u>, Privy Council Task Force on Labour Relations, Study No. 22 (Ottawa, 1968), p. 129; Bradley Rudin, "Mackenzie King and the Writing of Canada's Antilabour Laws", <u>Canadian Dimension</u>, VIII, No. 4-5 (Jan. 1972), 42-48; Piva, "The Condition of the Working Class", 143-144;
Mackenzie Bowell to Premier J. P. Whitney, Sept. 12, 1907, Whitney to Bowell, Sept. 18, 1907, J. P. Whitney to J. R. Dargavel, Sept. 19, 1907, Whitney to Dawson, July 7, 1909, PAO, Whitney Papers, Correspondence 1907 and 1909.

<sup>13</sup>Western Canadian labour forces had successfully elected two labour spokesmen to the federal House in 1900. Although one of these had campaigned as an Independent, he remained within the firm embrace of the Liberal party. In a federal by-election in 1906, Alphonse Verville, president of the TLC, was elected on an Independent Labour platform, the first federal labour member from central Canada. Independent Alan Studholme was elected in 1906 to the Ontario Provincial Legislature by a majority in excess of 800 votes over the leader of the Hamilton Tories. Robin, <u>Radical Politics and Canadian Labour, 1880-1930</u>, pp. 62-66, 82, 86; Babcock, <u>Gompers in Canada</u>, pp. 171-173.

<sup>14</sup>Canada, House of Commons, <u>Journals</u>, XLV (1909-10), Appendix No. 4, p. 326.

<sup>15</sup><u>IC</u>, Oct., 1903, p. 117, cited in Bliss, <u>A Living</u> Profit, p. 41.

<sup>16</sup>To achieve this end, eighteen prominent Toronto capitalists founded the Canadian National League to assist the Conservative party propaganda machine and to support "Canadian Nationality and the British Connection". The CMA established the Canadian Home Manufacturers' Association with links from Toronto to Winnipeg and Montreal. Robert Cuff, "The Toronto Eighteen and the Election of 1911", OH, LVII (Dec., 1965), 41; Brown and Cook, <u>Canada, 1896-1921</u>, p. 181.

<sup>17</sup>For a detailed analysis of the public power movement in Ontario and the development of the conflict between financial and manufacturing interests see Nelles, The Politics of Development, pp. 245-305.

 $^{18}$ See the address by R. Hobson, president of the CMA, in <u>IC</u>, Oct., 1909, pp. 246-247.

<sup>19</sup>Clark, <u>The Canadian Manufacturers' Association</u>, pp. 30-31.

<sup>20</sup>G. M. Murray, Secretary, CMA, to Premier Whitney, Oct. 3, 1907, PAO, Whitney Papers, Correspondence 1907.

<sup>21</sup><u>IC</u>, Aug., 1909, pp. 36-37; Oct., 1909, pp. 272-273.

<sup>22</sup>Canada, House of Commons, <u>Journals</u>, XLV (1909-10), Appendix No. 4, pp. 221-237. See also <u>IC</u>, Jan., 1910, p. 580; Feb., 1910, p. 676; April, 1910, pp. 866, 889-897; June, 1910, pp. 1061-1062.

<sup>23</sup>Canada, House of Commons, <u>Journals</u>, XLV (1909-10), Appendix No. 4, pp. 236-37.

<sup>24</sup>Ibid., pp. 223-232.

<sup>25</sup><u>Ibid.</u>, pp. 227, 229; <u>IC</u>, Apr., 1910, p. 866; Nelles, <u>The Politics of Development</u>, pp. 119-122, 130. The mining industry was particularly favoured by the Conservative administration and mining opinion was very influential over Whitney and his government.

<sup>26</sup>The various arguments advanced by the Minister of Labour bore a remarkable resemblance to those set out in a circular sent by the CMA in February, 1907, to members of the House. Canada, House of Commons, <u>Official Report</u> <u>of Debates</u>, Session 1909-10, IV, May 7, 1909, Cols. 6070-6076.

<sup>27</sup>Newspaper Hansard, March 18, 1910, PAO.

<sup>28</sup>Ibid.

<sup>29</sup>Canada, House of Commons, <u>Journals</u>, XLV (1909-10), Appendix No. 4, pp. 342-343.

<sup>30</sup>Ibid., p. 341.

<sup>31</sup><u>Ibid</u>., pp. 342-343.
<sup>32</sup><u>Ibid</u>., p. 343.
<sup>33</sup>Ibid., p. 345.

<sup>34</sup>Canada, House of Commons, <u>Official Report of</u> <u>Debates</u>, Session 1910-11, I, Dec. 15, 1910, Col. 1414.

<sup>35</sup><u>Ibid</u>., Jan. 11, 1911, Cols. 1536, 1540-41.

<sup>36</sup>Ibid., Jan. 16, 1917, Col. 1730 and Jan. 11, 1911, Col. 1540.

<sup>37</sup>Industrial Banner, Feb., 1911, p. 1.

<sup>38</sup>IC, Nov., 1911, p. 428.

<sup>39</sup>Urquhart and Buckley, <u>Historical Statistics of</u> Canada, pp. 105, 107.

<sup>40</sup>Newspaper Hansard, Mar. 23, 26, 1912; Brian Tennyson, "The Political Career of Sir William Hearst" (M.A. dissertation, Dept. of History, University of Toronto, 1963), pp. 61-62.

<sup>41</sup>Samuel Price, <u>Report re Limitations of the Hours</u> of Labour of Underground Workmen in the Mines of Ontario, 1913, PAO, Pamphlet 1913, No. 33, p. 13.

<sup>42</sup>A resident work force would "lessen the very large remittances of wages now sentout of the country", ibid., p. 13.

<sup>43</sup>Cobalt Miners' Union, Local 146 of the Western Federation of Miners, to Premier Whitney, Feb. 10, 1914, PAO, Whitney Papers, Correspondence 1914; Tennyson, "The Political Career of Sir William Hearst", 64-65.

<sup>44</sup>Alexander Wright, <u>Report Upon the Sweating</u> <u>System in Canada</u>, 1896, PAO, Pamphlet 1896, No. 25; Atherton, "The Department of Labour", 33.

<sup>45</sup>Babcock, <u>Gompers in Canada</u>, pp. 40-41.

<sup>46</sup>See references to various addresses by Presidents of the CMA as well as letter from Mason to Mulock in footnote 7; also Heron and Palmer, "Through the Prism of the Strike", 430-433, 447; Robin, <u>Radical Politics and</u> <u>Canadian Labour, 1880-1930</u>, p. 72; <u>Babcock</u>, <u>Gompers in</u> Canada, p. 241; Brown and Cook, Canada, 1896-1921, pp. 117-118.

<sup>47</sup>Urquhart and Buckley, <u>Historical Statistics of</u> <u>Canada</u>, p. 620.

<sup>48</sup>The Ottawa <u>Citizen</u>, generally a Conservative sympathizer, was utterly condemning in its judgment of the resolution: ". . . a big sounding resolution . . . conferring upon [the government] no power it does not already possess, but calculated to catch the labour vote". Ottawa <u>Citizen</u>, Mar. 23, 1900, quoted in Atherton, "The Department of Labour", 35.

<sup>49</sup>Economic Welfare of Canadian Employees: A Study of Occupations, Earnings, Hours, and Other Working Conditions, <u>1913-37</u>, Industrial Relations Section, Bulletin No. 4, (Kingston, 1940), p. 65.

<sup>50</sup>O'Donoghue had formerly been the clerk of the Ontario Bureau of Industries when the Liberals were in power there. Robin, <u>Radical Politics and Canadian</u> Labour, 1880-1930, p. 67.

<sup>51</sup>Newspaper Hansard, Mar. 25, 1909, Apr. 9, 1909, Feb. 1, 1910, Feb. 2, 1910, Feb. 13, 1913.

<sup>52</sup>Urquhart and Buckley, <u>Historical Statistics of</u> Canada, pp. 105, 107.

<sup>53</sup>Newspaper Hansard, Feb. 13, 14, 1913.

<sup>54</sup>Ib<u>id</u>., Feb. 14, 1913.

<sup>55</sup><u>Ibid</u>., Apr. 5, 1913.

<sup>56</sup>This view was put forward by both Premier Whitney and W. K. McNaught, former president of the CMA. <u>Ibid</u>., Apr. 5, 1913.

<sup>57</sup><u>Ibid</u>., Apr. 5, 8, 1913.
<sup>58</sup><u>Ibid</u>., Apr. 5, 21, 1914.

<sup>59</sup>Mavor's conclusions might have been predicted from the opinions he expressed in his inaugural lecture at the University of Toronto in 1893. At that time he stated that the National Insurance Scheme of Germany was experiencing difficulty with malingering. Furthermore, he argued that all pension schemes depressed wage rates because they were really subsidies to aid wages. In his 1900 report, Mavor stated that improved conditions for labour were the outcome of competition among capitals seeking workers. "The Relation of Economic Study to Public and Private Charity", <u>Annals of the American Academy of Political and Social Science</u>, IV (July 1893-June 1894), 55; Ontario, "Report of the Workmen's Compensation for Injuries", <u>Sessional Papers</u> (1900), XXXII, No. 40, pp. 46-47.

<sup>60</sup>Piva, "The Workmen's Compensation Movement in Ontario", pp. 40-41.

<sup>61</sup>There were basically four principles of defence against the liability of employers for workers' injuries. The doctrine of common employment, with precedent established in 1837, stated that an employer could not be held responsible if the accident could be shown to be caused by the negligence of a fellow worker. The doctrine of assumed risk meant that any worker took on the ordinary risks incidental to his employment, including that of negligence of fellow workers. The doctrine of "volenti non fit injuria" specified that no recovery was available to a worker who voluntarily incurred a risk. The final and most important defence was that of the doctrine of contributory negligence. This required the workman to demonstrate both that he did not contribute to his own injury and that his employer was indeed negligent. M. R. Bear, "The Impact of Social Change on the Organization of Welfare Services in Ontario, 1891-1921, The Development, Organization and Administration of the Workmen's Compensation Act of 1914" (M.S.W. dissertation, School of Social Work, University of Toronto, 1966), pp. 64-65.

<sup>62</sup>Unpublished paper from A. Moscovitch, School of Social Work, Carleton University, Ottawa. Figures originally calculated from <u>Labour Gazette</u>, 1900-1916.

63 Ibid.

<sup>64</sup>IC, Oct., 1908, pp. 223-225.

<sup>65</sup>Ibid., Oct, 1909, p. 273.

<sup>66</sup><u>Ibid</u>., Jan., 1910, p. 578; see also J. B. Lawrason, Lawrason-Doughty Co., to Sir James Whitney, Feb. 26, 1910. PAO, Whitney Papers, Correspondence 1910.

<sup>67</sup><u>IC</u>, Oct., 1910, p. 296.

<sup>68</sup><u>Ibid</u>., July, 1911, p. 1289.

<sup>69</sup><u>Ibid.</u>, pp. 1287-1289. An editorial in the next issue presented the example of a New York public service corporation which instituted its own compensation system instead of insuring with a liability company. According to the editorial the results were not only less costly but they also avoided the employer-employee conflict which resulted from court cases. IC, Aug., 1911, pp. 59-61.

<sup>70</sup>The committee chosen by the TLC to present labour's case to the commission consisted of James Simpson, Fred Bancroft, and John Bruce, all members of crafts unions and socialist in their loyalties. Piva, "The Workmen's Compensation Movement in Ontario", p. 44; Robin, <u>Radical</u> <u>Politics and Canadian Labour, 1880-1930</u>, pp. 79, 141, 288.

71 Industrial Banner, Feb., 1912, p. 1.

<sup>72</sup>"Minutes of Evidence Taken Before the Commissioner the Hon. Sir William Ralph Meredith, C.J., C.P., on Workmen's Compensation", in Sir William Ralph Meredith, <u>Interim Report on Laws Relating to the Liability of</u> <u>Employers to Make Compensation to their Employees for</u> <u>Injuries Received in the Course of their Employment which</u> <u>are in Force in Other Countries</u> (Toronto, 1912), pp. 71-77, printed in Ontario, <u>Sessional Papers</u> (1912), XLIV, No. 65; IC, May, 1912, p. 1156.

<sup>73</sup>"Minutes of Evidence", 67-69.

<sup>74</sup>Ibid., pp. 64-66.

<sup>75</sup>Ibid., pp. 59-60.

<sup>76</sup><u>IC</u>, Nov., 1912, pp. 627-631; Feb., 1913, pp. 965-

966.

<sup>77</sup>Ibid., Oct., 1912, p. 399.

<sup>78</sup><u>Ibid</u>., Nov., 1913, p. 485; Feb., 1914, pp. 919, 922b.

<sup>79</sup>Frederic Nicholls, President, Canadian General Electric Co., to J. P. Whitney, Mar. 25, 1913; Brown and Wigle Co. Ltd., to J. P. Whitney, Mar. 25, 1913; J. O. Thorn, Managing Director Metallic Roofing Co., to J. P. Whitney, Mar. 27, 1913, PAO, Whitney Papers, Correspondence 1913. <u>IC</u>, Jan., 1914, p. 774; Feb., 1914, p. 909.

<sup>80</sup>Workmen's Compensation Address by Miles M. Dawson at Luncheon of Canadian Manufacturers' Association at <u>McConkey's, Friday, March 6, 1914</u> (Toronto, 1914), p. 11, PAO, Pamphlet 1914, No. 35.

<sup>81</sup><u>IC</u>, Apr., 1913, p. 1229.

<sup>82</sup>National Table Co., Ltd., J. P. Whitney, Mar. 25, 1913; Gold Medal Furniture Manufacturing Co. to Whitney, Mar. 25, 1913; Hespeler Furniture Co., Ltd., to Whitney, Mar. 25, 1913, PAO, Whitney Papers, Correspondence 1913. IC, Apr., 1913, p. 1207; Dec., 1913, p. 657. Newspaper Hansard, Mar. 21, 1913.

<sup>83</sup>IC, Nov., 1911, pp. 425-526, 428-429.

<sup>84</sup>"Minutes of Evidence", 163.

<sup>85</sup>See the testimony of J. Firstbrook, Atwell Fleming, Alexander Gartshore, and Mr. Reesor in <u>ibid</u>., pp. 164, 270-272, 299.

<sup>86</sup><u>IC</u>, July, 1911, pp. 1287-1289.
<sup>87</sup><u>IC</u>, Nov., 1913, p. 419.
<sup>88</sup>"Minutes of Evidence", 70, 78-79, 92.
<sup>89</sup><u>Ibid</u>., pp. 158-159.
<sup>90</sup><u>IC</u>, Dec., 1911, p. 594.

<sup>91</sup><u>Ibid.</u>, Feb., 1914, pp. 894, 909. See also Secretary Treasurer, R. Forbes Co., Ltd., to J. P. Whitney, Feb. 25, 1913; F. Nicholls to Whitney, Mar. 25, 1913, PAO, Whitney Papers, Correspondence 1913.

> <sup>92</sup><u>IC</u>, Apr., 1913, p. 1207.
> 93 Ibid., Nov., 1913, p. 485.

<sup>94</sup>G. M. Murray, Secretary CMA, to J. P. Whitney, Mar. 9, 11, 12, 16, 23, 25, 26, 1914, PAO, Whitney Papers, Correspondence 1914.

<sup>95</sup><u>IC</u>, May, 1914, p. 1273; July, 1914, p. 1586.
<sup>96</sup><u>Ibid</u>., July, 1914, p. 1554.
<sup>97</sup><u>Ibid</u>., Nov., 1911, p. 37.
<sup>98</sup><u>Ibid</u>., Jan., 1914, p. 777.

<sup>99</sup>"Minutes of Evidence", pp. 71-77, 321, 67-69.

100 Daniel Nelson, "Scientific Management, Systematic Management, and Labour, 1880-1915", <u>Business History Review</u>, XLVIII, No. 4 (Winter 1974), 489; Frederick Winslow Taylor, "The Principles of Scientific Management", Jan. 18, 1913, in <u>Addresses Delivered Before the Canadian Club at Ottawa</u> (Ottawa, 1914), pp. ; Frederick Winslow Taylor, "Scientific Management", Jan. 20, 1913, in <u>Addresses</u> <u>Delivered Before the Canadian Club at Toronto, 1914</u> (Toronto, 1914), pp. 135-160; Frederick Winslow Taylor, "Principles of Scientific Management", <u>IC</u>, Mar., 1913, pp. 1105-1107; Frederick Winslow Taylor, "What is Scientific Management?", IC, Apr., 1913, pp. 1224-2226; Frederick Winslow Taylor, "How Scientific Management Works", <u>IC</u>, May, 1913, pp. 1345-1351; Frederick Winslow Taylor, "Scientific Management", <u>IC</u>, Nov., 1913, p. 423; Braverman, <u>Labour and Monopoly</u> Capital, pp. 85-256.

<sup>101</sup>Newspaper Hansard, Mar. 12, 1910, Sir J. P. Whitney to George A. Kingston, Feb. 23, 1910. PAO, Whitney Papers, Correspondence 1910.

<sup>102</sup>"Minutes of Evidence", pp. 187-196.
<sup>103</sup><u>Ibid</u>., p. 217.

<sup>104</sup><u>Ibid</u>., p. 268.

<sup>105</sup>See footnote 61 for an explanation of the doctrines of common employment and contributory negligence.

106 "Minutes of Evidence", 273-274.

<sup>107</sup>Meredith, <u>Interim Report on Laws Relating to</u> the Liability of Employers, p. 6.

<sup>108</sup>W. R. Meredith to J. P. Whitney, Mar. 11, 1912, PAO, Whitney Papers, Correspondence 1912.

<sup>109</sup>Secretary-Treasurer, R. Forbes Co., Ltd., to Whitney, Feb. 25, 1913; Nicholls to Whitney, Mar. 25, 1913. PAO, Whitney Papers, Correspondence 1913. Newspaper Hansard, Mar. 21, 1913; <u>IC</u>, Nov., 1913, p. 485. <sup>110</sup><u>Globe</u>, Jan. 21, 1914, p. 7; <u>Industrial Banner</u>, Jan. 23, 1914, p. 1.

<sup>111</sup>William Ralph Meredith, "Second Interim Report on Laws Relating to the Liability of Employers", Ontario, Sessional Papers (1913), XLV, No. 85, p. 4.

<sup>112</sup>Ibid., pp. 6-7, 9-10, 19, 24.

113 Ibid., Schedule I and Schedule II.

114 Industrial Banner, Apr. 18, 1913, p. 1; Sept. 19, 1913, p. 4; Nov. 21, 1913, p. 1; Dec. 5, 1913, p. 4; Dec. 19, 1913, p. 8; Dec. 26, 1913, p. 1; Feb. 13, 1914, p. 4; Mar. 6, 1914, p. 4.

> 115<u>Ibid</u>., Mar. 28, 1913, p. 1. 116See references in footnote 114.

117 The Labor News, Jan. 16, 1914; Industrial Banner, Jan. 16, 30, 1914; Feb. 13, 20, 1914; Guelph Trades and Labour Council to J. P. Whitney, Jan. 24, 1914; Guelph Bricklayers', Masons and Plasterers' International Union, Local No. 3, to J. P. Whitney, Jan. 28, 1914; Guelph Journeyman International Barbers' Union, to J. P. Whitney Jan. 29. 1914; South Waterloo District Trades and Labour Council to J. P. Whitney, Feb. 1, 1914; Brotherhood of Locomotive Engineers No. 528 to J. P. Whitney, Feb. 1, 1914; Piano, Organ and Musical Instrument Workers' International Union to J. P. Whitney, Feb. 2, 1914; Guelph International Molders' Union No. 212 to J. P. Whitney, Feb. 6, 1914: International Brotherhood of Electrical Workers, Local 353, to J. P. Whitney, Feb. 12, 1914; District of Temiskaming Liberal-Conservative Association to J. P. Whitney, Mar. 9,1914; International Brotherhood of Bookbinders No. 28 to J. P. Whitney, Mar. 14, 1914; Toronto Allied Printing Trades Council to J. P. Whitney, Mar. 14, 1914, PAO, Whitney Papers, Correspondence 1914.

<sup>118</sup>The Labour News, Jan. 16, 1914, p. 1.

<sup>119</sup>Quoted in <u>The Labour News</u>, Jan. 2, 1914.

120 J. P. Whitney to Lord Earl Grey, Dec. 14, 1910, PAO, Whitney Papers, Correspondence 1910.

<sup>121</sup>Industrial Banner, May 1, 1914, pp. 1, 4.

<sup>122</sup>Newspaper Hansard, Apr. 16, 1914; <u>Industrial</u> Banner, Apr. 17, 1914, p. 1.

<sup>123</sup><u>The Labour News</u>, May 22, 1914, p. 1; James C. Watters, President, and P. M. Draper, Secretary-Treasurer, Trades and Labor Congress of Canada, to J. P. Whitney, May 2, 1914, PAO, Whitney Papers, Correspondence 1914.

<sup>124</sup><u>News</u>, Toronto, July 22, 1914; <u>Star</u>, Toronto, July 22, 1914.

<sup>125</sup>George A. Kingston to Whitney, July 24, 1914, PAO, Whitney Papers, Correspondence 1914.

<sup>126</sup>The Labour News, Sept. 25, 1914; Robin, <u>Radical</u> Politics and Canadian Labour, 1880-1930, p. 10.

<sup>127</sup>Industrial Banner, Dec. 4, 1914, p. 4.

# CHAPTER FOUR 1915-1929: CRISIS, CONFLICT AND THE ESTABLISHMENT OF A MINIMUM WAGE FOR FEMALES

The rapid development of the structures of capitalist accumulation, in terms of the expansion of the forces and social relations of production, had proceeded relatively smoothly in the period from 1896 to 1914 just discussed. The period from 1915 to 1929, however, was characterized principally by a crisis in the regular functioning of accumulation developing out of the war and its immediate aftermath. Although hostilities were terminated in 1918, the peace-time realignment of the economy was not completely attained until the mid-1920's when a brief period of high production and investment levels preceded the decade of depression which was shortly to follow. The post-war disruption of accumulation constituted a major crisis for capitalists who subsequently pursued attempts to institute measures which would reorganize and rationalize production processes and labour markets. The struggle between capital and labour and its outcome in terms of state activity with regard to hours, minimum wages, and workmen's compensation

were conditioned by the changing social and economic impetus created by this crisis in accumulation.

The most significant constraints to the accumulation of capital between 1915 and 1929 originated primarily from two sources, the threat to Canadian manufacturers of displacement by foreign competition in previously assured overseas markets and the resistance of workers to both their political oppression and economic exploitation arising out of war and post-war conditions. The war provided a significant stimulus to capital accumulation by hastening the concentration of control in both industry and finance and by spurring high rates of mechanization in the manufacture of machinery and munitions.<sup>1</sup> Manufacturers had assured contracts for producing specified goods and thus enjoyed guaranteed disposal of their product as well as predictability in the production process. This security was further reinforced by state control of labour supplies and working conditions. While domestic industry expanded to feed export markets with war supplies and foodstuffs, however, foreign investment and immigration were reduced to their lowest levels ever.<sup>2</sup> The resultant dependence on export markets meant that post-war adjustments required by the manufacturing sector were particularly severe. The profit levels realized during the war declined sub-

stantially once war contracts ceased and assured foreign markets disappeared. $^3$ 

Manufacturers, attempting to prepare for the reconstruction of industrial production, were also faced with a dramatically increased level of industrial disputes and political activity on the part of both workers and rural commodity producers.<sup>4</sup> Canadian soldiers had returned home expecting jobs as partial payment for their war-time services but instead found unemployment, rising prices, and evidence of profiteering by capitalists.<sup>5</sup> Workers who had remained in the war industries at home had been forced to accept long hours, inflation in the cost of living and even wage reductions while, at the same time, their political rights had been severely circumscribed.<sup>6</sup> Ontario farmers, facing the threat of rural depopulation and the progressive erosion of the petty commodity mode of agricultural production, also responded to their diminishing political power.<sup>7</sup> In Western Canada radical farm movements developed as farmers realized their loss of power when the federal government imposed conscription over farm-labour protests.

The growing unionization of the labour force and the rapid rise in the incidence of industrial disputes were direct attempts by workers to gain greater control over their situation in the workplace. However, after

facing employer intransigence, buttressed by state action to control labour and reduce its potential power, workers engaged in political activity culminating in various forms of civil disorder as a means of obtaining some concession to their demands for employment, improved working conditions and wages, and a voice in the political decisions affecting labour. Labour demands for fair wage clauses in war contracts together with a legislated reduction in the length of the working day rose out of the increasing exploitation experienced by workers in war industries and were reinforced by the abrogation of their rights to freedom of association, speech, and ability to strike as a result of the labour policies of the federal level of the state. The high levels of post-war unemployment, coupled with the squeeze on workers' subsistence were the underlying conditions shaping the struggle for minimum wage legislation and for increases in workmen's compensation benefits and coverage.

The drive of owners of capital for increased profits from guaranteed war contracts led manufacturers to take an attitude of intransigent opposition to workers' wage and hours' demands.<sup>8</sup> The state's priority on maximizing war production reinforced capitalist profit motives. This was especially evident in the federal government's creation of two semi-autonomous war agencies placed under the

direct control of prominent industrial capitalists. These war boards fully supported the position of the manufacturers.<sup>9</sup> Once the war had ended, however, the restoration of normal accumulation processes was an imperative for industrial capitalists and for the state which faced a continuing drain on its revenues to meet pre-war debts.<sup>10</sup> At the level of production, manufacturers promoted new measures aimed at maintaining and reinforcing the loyalties of labour to the prevailing system of capitalist production.<sup>11</sup> At the political level, the state encountered a growing challenge to its authority as well as to the preservation of capitalist social relations from both labour and farm organizations.<sup>12</sup>

Owners of capital in the immediate post-war period, not wanting to antagonize labour further, did not move publicly to resist demands for minimum wage legislation for female workers, recognizing that this represented much less of a constraint on accumulation than did continued labour unrest. Instead, manufacturers looked to the administration of the act as a mechanism through which they might influence the implementation of a minimum wage. On the other hand, they continued to regard a general limitation on the working day to eight hours as an oppressive restriction on capital accumulation, particularly when the volume

of demand had dropped with the disappearance of war markets. For the same reason, cost considerations were foremost in employers' attitudes towards demands for liberalization of compensation benefits. Once the Workmen's Compensation Program had been established, manufacturers had accepted compensation to injured workers as a rationalized cost of conducting business and subsequently oriented their efforts towards minimizing this cost.

The post-war activities of the state at the federal level were premised on the promotion, in the industrial sphere, of mechanisms which would require the cooperation of capital and labour towards common objectives.<sup>13</sup> These efforts to develop structures of conciliation were also accompanied by both repressive and concessionary measures aimed at reversing the increasing radicalization of labour.<sup>14</sup> Neither conciliation, concession, nor repression met labour's demands to the federal government for an eight-hour day, however. In Ontario, the ousting of a Conservative regime, which had done little for labour beyond its 1914 enactment of a Workmen's Compensation Act, and its replacement by a combined farmer-labour administration were the outcome of the political mobilization of labour and the increased radicalization of farmers. This resulted in a greater reliance by by provincial state on concessionary modes of handling post-

war social unrest as evidenced by the enactment of a minimum wage for female labour and improvements in workmen's compensation benefits while industrial disruption and capitallabour conflict were at a peak.<sup>15</sup> As the following analysis of the state's response to the issue of a reduced working day will indicate, however, this apparent victory was attenuated by the contradictions inherent in a governing coalition of labour and petty bourgeois rural commodity producers.

In this chapter, the progress of maximum hours, minimum wage, and workmen's compensation legislation through the 1915 to 1929 period is the focus for examination. The class relations between capital and labour, shaped by the war and its aftermath, were particularly volatile and produced a period of significant social and economic instability until the mid 1920's. The role of the state in the management of class relations was marked by a variety of measures to restore stable social conditions which would both promote capital accumulation and ensure the political hegemony of capital. As subsequent examination of state activity will demonstrate, the outcome of class conflict around the issues of maximum hours, minimum wage, and workmen's compensation was managed by the state in such a way that the resultant measures would conform to or assist these overall objectives.

#### Maximum Hours Legislation, 1915-1929

## State Identification of the Economic Constraint as a

#### "Problem"

Both during and after the war, labour organizations sought assistance directly from the state with the objective of limiting the hours of work. However, their requests for a maximum working day developed out of a very different situation during the war years than in the postwar period and consequently reflected different considerations at each of these points. The widespread application of piece work and bonus systems to war production in order to maximize output had the effect of lengthening the working day so that workers could maintain their earning levels. Union leaders, as a result, appealed to Borden and to the federal Department of Labour when their requests to the Imperial Munitions Board for a clause in war contracts setting hourly rates with a specific overtime rate after nine hours received no positive response. Toward the end of the war, and when unemployment levels soared after the war, some trade unions as well as the TLC in convention adopted a policy advocating the general establishment of a six-hour day to spread existing employment.<sup>16</sup>

Labour demands for reduced hours met with complete opposition on the part of employers and this attitude was reinforced by the state boards which were responsible for

overseeing war production.<sup>17</sup> The government was not prepared to back labour's demands over the stand taken by its own war agencies until the escalation of strikes and lockouts during the war indicated that the demand for a shorter working day was an issue capable of mobilizing workers despite state attempts to suppress work stoppages.<sup>18</sup> Following the war, the spread of social unrest attendent upon industrial dislocation and unemployment together with the dramatic increase in strikes and union membership projected labour demands into the political sphere in compelling fashion.

The search for bases on which to develop cooperative relations between capital and labour promoted sympathetic consideration of a legislated eight-hour day by the state. However, while this concession to labour could function as a legitimizing mechanism for the state in the context of the post-war challenge to its authority, owners of capital continued to view a restricted working day as an illegitimate constraint on capital accumulation, an argument which gained added force under the conditions of declining production and disappearing markets following the war.

Two main arguments in favour of a reduced working day were made by organized labour, one in the context of war conditions of production and the other in the situation

of the post-war economic crisis. The first major argument, growing out of the concrete realities of war-time manufacturing, was that a reduction in the length of the work day would increase productivity since longer hours resulted in greater fatigue which, in turn, promoted a higher incidence of industrial accidents and sickness, keeping hourly output below optimal levels. The intensified exploitation of labour during the war, experienced by workers through speed-ups, piece-rate systems and extended hours, conditioned their perception of the relationship between the hours of work and health and safety concerns. However, employers perceived the issue of hours in terms of the relation between the costs of labour and the volume of production. Consequently, unions were concerned to demonstrate that productivity actually increased with a decrease in the length of the working day and frequently brought forward various American studies whose conclusions supported this contention.<sup>19</sup>

The second important argument made by trade unions favouring an eight-hour day was that a shorter working day would reduce unemployment by spreading the existing extent of work among a greater number of workers. This expected outcome was linked to the increasing level of mechanization of production which, it was argued, was the cause of rising

unemployment as machines displaced skilled labour in the production process. Paradoxically, organized labour also regarded machine production as the basis for obtaining a shorter working day since a higher volume of production could be turned out by the same number of employees working fewer hours.<sup>20</sup>

The relationship between security of employment and a reduced working day was not a significant aspect of organized labour's demands for an eight-hour day during Instead, it was in the context of the immediate the war. post-war contraction in the manufacturing and construction sectors that demands for a shorter working day by labour unions emphasized the relationship between the number of hours worked and the extent of unemployment. The TLC and various unions continued to petition the federal government for a legislated nine or eight-hour day while many labour organizations also took direct action in striking for decreased hours and increased wages. The unprecedented demand for a six-hour day together with the dramatic increase in strikes and lockouts from 1918 to 1921 underlined the concern felt by workers for their increasingly insecure position in the labour market.<sup>21</sup>

This post-war period was characterized by high levels of unemployment accompanied by social unrest and the general press hysteria surrounding Bolshevism. Several

of the leading newspapers were suggesting that the way to avoid a further escalation of industrial conflict, and possibly a full-scale revolution, was for employers to satisfy workers' demands.<sup>22</sup> However, neither wartime conditions of production nor post-war social and industrial unrest altered the resistance of employers to a general reduction in the length of the working day. The arguments raised by employers' groups in opposition to any limitation on the hours of labour were similar to those put forth in the previous period considered. Yielding to organized labour's demands for an eight-hour day would further encourage the unionization of labour they argued. Moreover, it would also result in an overall decrease in the volume of production which would have deleterious effects on an already escalating cost of living and damage Canada's competitive position in foreign markets.

The fear of a more highly unionized labour force was an important basis for employer opposition to a restriction on the hours of work both during the war and in the general economic reorganization which followed the cessation of hostilities in Europe.<sup>23</sup> For most of the 1915 to 1929 period, a primary concern of the owners of industrial capital in their relations with labour was to prevent the growth among their labour force of a political class con-

sciousness which would extend beyond the boundaries of the single factory unit and the workplace where the direct hegemony of capitalist employers could more easily ensure control of labour. Not merely was unionism in general seen as a potential threat to employers but the appearance of industrial unions and the increase of political activity on the part of labour signalled the possibility of a growing class conflict which would ultimately present a danger to the existing structure of capitalist accumulation.<sup>24</sup>

Employers' concern for the reestablishment of industrial stability was evident in their response to labour demands for a general eight-hour, or shorter, working day. Although many firms moved to institute an eight-hour day following the war, primarily in those industries which had highly organized trades such as metal workers, street railway workers, needle trades, printers, miners and building construction workers, opposition on the part of employers to a legislated restriction on working hours remained firm.<sup>25</sup> As in the immediately preceding period, employers, when forced by union strength, conceded a shorter working day but, as long as this remained a condition established by collective bargaining, employers could return to former hours either by applica-

tion of piece-rates or by taking advantage of unfavourable economic conditions to lengthen the working day. With fluctuation in economic and labour market conditions the balance of power of the parties to a collective agreement changes. Moreover, the agreement itself is only effective as long as both parties uphold its terms.

A reduction in working hours fixed by legislation, however, would remove the determination of this critical issue from the direct control of owners of capital because the official institutionalization of the eight-hour day by the state, even if inadequately enforced, would encourage labour insistence on adherence to this standard. In commenting on the labour charter of the Treaty of Versailles, Industrial Canada warned that some sectors of the labour movement regarded the eight-hour day as the basis for a forty-hour week and wanted to reduce the hours of labour even further than this. The editorial's concluding question "Where is it going to end?" underlined capitalist employers' concern with holding the line against labour demands in order to preserve their control over working conditions.<sup>26</sup>

After the cancellation of contracts for war supplies and the dislocation attendent upon the transition to peacetime production, employer arguments against the adoption of a general eight-hour day emphasized the effects this

would have for the overall volume of production and, ultimately, for the cost of living and the ability of Canadian products to compete in foreign markets. At the National Industrial Conference called by the Dominion government following the war to deal with issues concerning employer-employee relations, the employers' group was the major dissenting voice on the matter of an eighthour day. While the labour representatives urged the general establishment of the shorter work day and the farmer, state, and "public" representatives approved the principle of an eight-hour day as set out in the labour sections of the Treaty, the representatives of owners of capital would only go as far as passing a resolution favouring the investigation of the hours of labour by a commission to determine the adaptability of the Treaty's provisions to different industries.<sup>27</sup>

The issue of hours of labour constituted the major point of disagreement among the various parties to the conference although they were able to develop a degree of consensus regarding appropriate action in the instances of minimum wages, unemployment and invalidity pensions, old age pensions, and industrial councils.<sup>28</sup> Employers complained that the transition in economic conditions with the reestablishment of peace had resulted in a loss of productive power in Canadian industry. There were several

reasons cited for this situation but they were all invariably based on the alleged shortcomings of labour and the dislocation of the labour market. Owners of capital maintained, for instance, that the root of the problem lay in low immigration rates and the loss of men during the war together with the reduced efficiency of returned soldiers and the "easygoing habits" developed by workers at home.<sup>29</sup> According to employers, shorter hours would only aggravate this problem by further lowering production, thereby increasing overhead and labour costs and consequently the cost of living to the consumer who, as one employer pointed out, "is largely the worker himself".<sup>30</sup>

The correlation between hours of labour and output per worker was of critical importance to owners of capital because it is this relationship which constitutes the basis for the amount of surplus value produced and, in concert with changes in the organic composition of capital, affects the rate of profit in a fundamental way. With the progressive decline in the rate of surplus value in manufacturing from 1917 to 1921, capitalist employers were reluctant to see their total wage bill increase without concomitant or greater increases in labour productivity. By holding prices at reasonable levels, labour costs could more easily be kept from escalating and the problem of

realization of surplus value would at least not be affected even more detrimentally than the loss of foreign markets and domestic unemployment had already affected it.

From the capitalist manufacturers' point of view prices could be kept down by increasing production levels relative to the hours of labour in order to reduce the production costs per unit and, as a result, cheapen the subsistence of labour. One means of achieving this end was to mechanize the production process while also rationalizing the production system by centralizing manufacturing in larger production units with more routinized and standardized labour processes. The adoption of these changes, coupled with the ability of owners of the means of production to determine the hours and wages of labour without the hindrance of legislated restrictions would ultimately lead to higher rates of surplus value production and restore profit levels.

A general limitation on the length of the working day continued to be an issue of conflict between organized labour and owners of industrial capital. While labour demands for a shorter working day developed out of the conditions of war production and the post-war situation of unemployment, capitalist employers maintained a consistent attitude of opposition to such demands in both contexts. During the war years, maximum production was

the overriding priority and manufacturers' ability to increase profit levels as a result of war contracts was reinforced by the support given them by the war boards against labour demands. The economic and social disruption following the war gave employers greater reason to argue against limitations on the hours of labour as this would only constitute an additional fetter on production. At the same time, the intensification of labour conflict and the related growth of independent political structures on the part of labour had the effect of focussing the attention of the state on labour demands as potential concessions which might help dampen labour dissatisfaction.

## <u>State Transformation of the Economic Constraint and</u> <u>Consequences for State Policy and Structure at the</u> Federal Level

The war-time emphasis on optimal production levels in industries manufacturing foodstuffs and supplies for the war effort conditioned the relations between industrial capital and labour and the mode in which these relations were expressed through state involvement in war production. Consequently, the federal government subordinated labour demands for reduced hours to criteria of productivity and meeting the requirements of war contracts. The state,

instead of responding to strikes and labour disputes by concessions to workers, employed more direct methods of repressing conflict, thus enabling employers to maximize production regardless of whether this lengthened the working day from previously accepted standards. The position of the federal government on the issue of the eight-hour day during the war was principally one of deferment to the Imperial Munitions Board and the War Purchasing Commission's decisions, in other words, not to impose it on the war industries.

Once the war had drawn to a conclusion, however, continuing justification of labour repression in terms of the "national interest" and contribution to the war effort was no longer valid. Instead, the state carried out two different, even seemingly contradictory, labour-oriented policies, one based on coercion and direct repression, the other on concessions and cooptation. These were each aimed at different segments of the labour movement, however, and were each served by a different basis of legitimation. While radical labour elements were subject to coercive suppression on the grounds that they represented an extension of Bolshevik revolutionary activity in Canada which was anti-patriotic or even treasonous, the moderate sector of the trade union movement was the target of a strategy of concessions and cooptation intended to integrate

its leadership into the existing structure of capitalistdominated political relations and to increase labourcapital cooperation in the workplace.

In 1915 and 1916 worker demands for a nine-hour day in the munitions industry led to an escalation of labour disputes in Southern Ontario munitions factories. The Minister of Labour responded by appointing a commission of enquiry since the position of manufacturers, backed by the war boards, was one of resolute opposition to this demand. Neither the Department of Labour nor the government were able or even willing to countermand the authority of the state's own war-time creations. However, the establishment of a tripartite commission to "investigate" the causes for the disputes and recommend acceptable solutions was also an exercise in moulding a consensus around the issues of conflict so that production would not be disrupted or reduced. Both labour and state representatives on this body recommended the adoption of a nine-hour day in munitions production largely because of the perceived necessity to avoid further problems in meeting contract deadlines. Manufacturers uniformly opposed this suggestion although they accepted other recommendations regarding wages and their position was reinforced by the Imperial Munitions Board.<sup>31</sup> The necessity for an alternative mode

of reducing the level of industrial disputes as a result of this refusal by owners of capital to accede to labour demands was one of the factors which resulted in the state turning to a directly repressive mode of labour control in its War Labour Policy. The critical objective of the government's disputes policy throughout the war remained to prevent any disruption of production regardless of the nature of workers' demands.<sup>32</sup>

The existence of the Imperial Munitions Board and War Purchasing Commission as capitalist-dominated agencies vested with state authority enabled them to function as arbiters of war-time manufacturing policy without the onus to take labour's needs or requests into consideration as required by the liberal democratic state.<sup>33</sup> The state through the government, the Department of Labour, and the temporary war boards found a ready legitimation in the requirements of war for a policy of repression towards labour, urging workers to fulfill their patriotic duty by producing to their utmost capacity. There was, however, some degree of conflict between the Department of Labour and the war agencies regarding the appropriate response to labour demands and disputes. Crothers, Minister of Labour in the Conservative administration, brought to the attention of the War Purchasing Commission many instances of the oppressive treatment of labour under war contracts

and also pressed Flavelle to convince munitions manufacturers to accept the Inquiry's recommendations regarding the hours of labour.<sup>34</sup> The government's initial disputes policy following the increase in labour unrest in the munitions industry was developed by Crothers and Borden in consultation with the Imperial Munitions Board but it failed to return the industry to stability. Crothers, however, in addition to supporting the continued use of the IDIA for its arbitration provisions, also advocated a policy of protection for workers' rights to join a union without fear of reprisal from employers. This policy did not extend to support for closed shop conditions, though, as Crothers maintained that "a man must be at perfect liberty not to become a member of such an organization".<sup>35</sup>

Certainly, the unique space occupied by the Department of Labour as the perceived representative of organized labour's interests within the state bureaucracy obliged the Minister to respond to the direct appeals from union leaders for intervention with the Munitions Board and War Purchasing Commission. However, the subordinate position of the Department of Labour in the hierarchy of interests within the state structure, including the state war agencies, was evident from the subsequent failure of the Minister of Labour to influence the direction of the state's labour policy substantially or to change the attitudes taken by the war boards towards workers in the war manufacturing sector. Only the intervention of the imperial power achieved some small shifts in policy regarding working conditions. Despite this directive, though, workers failed to be assured by state guarantees of maximum hours or fair wages, both conditions continuing to be subject to settlement by the war boards and dependent on fluctuations in war contracts.

Towards the end of the war, as industrial disputes continued to increase in number, the federal state combined a policy of repression towards radical labour with one of integration of moderate labour forces within the state structure. The appointment of the former vice-president of the Order of Railroad Telegraphers as Minister of Labour in the Union Government was a concession to organized labour aimed partly at promoting the legitimacy of the Department of Labour as the reliable voice of organized labour within the state.<sup>36</sup> This represented a shift in the role of the Department towards a more public relations dominated approach in which the Department would have higher visibility to and increased links with trade unions without necessarily gaining power in relation to other interests contained within the state apparatus. This role would be increasingly important in dealing with post-war industrial unrest.

In its post-war program of improving capitallabour cooperation the federal state was concerned with continued labour demands for a reduced working day since this would both further constrain the already disrupted system of accumulation and the issue itself encouraged labour strife. A number of labour organizations were advocating a six, or even a five, hour day. In January, 1919, Minister of Labour Gideon Robertson contacted the various Labour Gazette correspondents across the country requesting reports on the general labour situation, the number of companies working on the basis of an eight-hour day, and the extent of labour unrest as well as the cause of such unrest.<sup>37</sup> The Minister's concern was that demands for an eight-hour working day would only be a prelude to additional labour unrest focussed on demands for a shorter and shorter working day. The perceived threat of an increasingly politically active working class developing out of post-war conditions shaped the state's response to demands for a legislated reduction in the hours of labour as it shaped other attempts by the federal state to reduce the general level of class conflict. The issue of the length of the working day was of particular significance in that it was a demand supported by the strongest sector of the working class, namely, the trade unions and the TLC.

Robertson's position on the matter of hours, consequently, was to offer certain concessions to these demands in the hope of forestalling further labour strife:

I regard the resolution [for a six hour day on the part of Toronto machinists] as quite out of the question and indeed impossible for consideration, but sent it to you for the purpose of indicating that unless we realize the force of the demand for shorter hours and consent to and make effective a general eight hour day in Government service that we are sure to have a growing demand for a six hour day.

It would, in my opinion, be much better to anticipate this situation and have a universal eight hour day made effective as early as possible, thereby satisfying labour generally, and head off the agitation that will inevitably result for a six-hour day if the reasonable request for an eight hour day is denied.38

The Royal Commission on Industrial Relations, called to investigate the reasons and solutions for labour unrest, dealt with the issue of the eight-hour day in a public forum in which labour, manufacturers, and state representatives presented their views. The Commission recommended in favour of a legislated eight-hour day despite the fact that employers consistently opposed such a measure. The National Industrial Conference, held shortly after the Commission had concluded, was a further step in the process of attempting to mould a basis for consensus between capital and labour. Borden spoke directly to the need to settle existing differences between organized labour and capitalist employers but manufacturers continued to resist any possibility of having an eight-hour day imposed on them by
legislation or otherwise. A series of conferences under state auspices and functioning with a similar objective to shape a labour-capital consensus followed between 1919 and 1922. When employers and employees were brought together in these forums to deal with issues related to labour unrest, the demand for an eight-hour day was a recurring theme. However, despite the state's efforts to effect compromise resolutions on this matter, workers and owners of capital remained divided with regard to the desirability of an eight-hour day.<sup>39</sup>

The willingness of the state to have this condition implemented was in itself questionable. Although labour stability was a crucial issue for both capital and the state, no concrete steps were taken towards remedying such basic subsistence issues as wages and hours or to alter the extent of capitalist domination in the workplace despite the recommendations of the Cabinet Sub-committee on Labour to establish Whitley councils.<sup>40</sup> The various measures undertaken to stabilize industrial relations were based on attempts to create labour peace and a cooperative work force without constraining capital accumulation or threatening capitalist control of the production process.

# State Transformation of Economic Constraint and Consequences for State Policy and Structure at the Provincial Level

The upsurge of industrial strikes towards the end of the war and after, much of it occurring in Ontariobased munitions manufacturing, was not overlooked by the provincial level of the state. Because many disputes centred on, or at least included, the demand for a shorter working day, the Conservative administration was quietly exploring the ramifications of legislating such a measure. Hearst, however, was reluctant to introduce any legislation which would have the effect of increasing production costs for the province's industry thus discouraging new capital investment. The Superintendent of the Trades and Labour Branch also advised against a universal eight-hour day, claiming that it would not gain popular support even though organized labour would back it.<sup>41</sup> After the Superintendent's assessment of the measure's likely popularity, Attorney-General Bayley offered his official opinion that, under the "peace, order, and good government" clause of the BNA, hours of work legislation would be a federal responsibility.<sup>42</sup>

The Conservative administration, facing an election in 1919, was unwilling to risk loss of support in a particularly volatile period. With manufacturing suffering a decline in production and capitalist employers maintaining their intransigent opposition to the institution of an eight-

hour day, the provincial state perceived this issue both as an additional constraint on falling levels of accumulation and as a political liability in terms of their traditional constituencies, i.e. business and agriculture. Moreover, injecting this very controversial issue into the political arena just prior to an election also posed the threat of polarizing the electorate along class lines as labour would be highly likely to support the measure. During this period of escalating social unrest the concern of the incumbent state administration was to reduce instead of increase the level of class-related conflict. With labour policy having been centrally directed by the federal state throughout the war and the Royal Commission on Industrial Relations subsequently investigating the issue of hours among other concerns, the shifting of this responsibility to the Federal level appeared to be a reasonable stance on the part of the province.

The Conservative government, however, apparently seriously misjudged the tenor of the prevailing political situation when they decided against acting on labour demands for an eight-hour day, for workers voted in greater numbers than ever before in the 1919 election and decisively defeated the Conservatives.<sup>43</sup> After the UFO and the ILP combined to form a government, the issue of the eight-hour day became a point of serious contention between the two factions and

contributed to the withdrawal of TLC support for the Drury administration. The UFO had developed on a rural pettybourgeois class base that felt its very existence was being threatened by the expansion of urban industrialization. The politicization of Ontario agricultural producers was both an attempt to restore an idealized traditional agrarian life and a reaction to the realization, following the 1911 tariff election, that their interests could not be achieved through the traditional political arrangements.<sup>44</sup>

The UFO platform was based on petty-bourgeois interests of increasing direct control over the political system and protecting the rights of small property holders. In government, these objectives were destined to clash with the labour interests of the ILP. Rural employers opposed measures which would improve the working conditions of organized urban labour in order to stem the continuous exodus of population from the countryside. The rural press attacked the eight-hour day as "class" legislation which benefitted one section of the population at the expense of others. Farmers were also often antagonistic towards labour unions which they saw as causing increases in consumer prices as well as in the costs of farm labour.<sup>45</sup> This concern on the part of rural producers for their precarious economic position was manipulated by owners of

capital, particularly by the CMA and the financial community, to increase both the base of support for their own programs and the resistance to labour demands.<sup>46</sup>

The UFO-ILP administration faced a direct demand from government contract employees working on the Chippewa Hydro-power Canal for an eight-hour day. The government, dominated both ideologically and numerically by UFO members, refused to concede a shorter working day, appointing a committee of the legislature to investigate the demand instead. While the ILP platform included a general eighthour day the Parliamentary party, except for two members, supported the UFO's stand because of the issue's potential for fundamentally dividing the coalition. The UFO was united in its opposition to a general eight-hour day, arguing that this would further aggravate the critical shortage of farm labour and contribute to unfavourable terms of trade for farmers as prices of manufactured goods increased.<sup>47</sup>

The UFO was loyal to its rural constituency in opposing an industrial eight-hour day and its partner in government, the ILP, was forced to yield to UFO party policy. The necessity of functioning in a state and political structure historically created on the basis of bourgeois liberal democratic tenets together with the requirements

of working in harness with a petit bourgeois party resulted in the inability of the ILP to operationalize most of its labour-oriented program. The labour faction and its supporters were increasingly divided on questions concerning the issue of implementing labour's goals through the governing structure of the bourgeois state and petit bourgeois party dominance.

After the post-war crisis of industrial dislocation had subsided with the return to increasing economic prosperity from 1925 to 1929, labour demands for an eighthour day lacked the significance which they had formerly had for industrial production. With the dramatic decline in labour strife and social unrest, new devices were not seen to be required to promote stability and harmony in industrial relations. From 1919, when the ILO convention of the Treaty of Versailles was signed, until 1925 when the Supreme Court decided that hours of work legislation was within provincial jurisdiction, the issue of appropriate powers to act was used by both the federal and provincial levels of the state as a means of avoiding any move to undertake legislation for an eight-hour day.<sup>48</sup>

At the national level, it was argued that the enactment of restricted hours as required by the Labour Convention to the Treaty before other countries were willing to do so would

only harm Canada's competitive position at a critical time for expansion of foreign markets. Thus this potential constraint to accumulation could be cast in terms of its implications for the general national interest to justify the state's failure to implement legislation for an eighthour day. At the provincial level, with the return of the traditional bourgeois party government in Ontario, the same reasoning was also advanced, that is, that one province acting before the others, would suffer economically as owners of capital took advantage of cheap labour in other jurisdictions.<sup>49</sup>

## Conclusion

During the initial part of the 1915 to 1929 period the demand by organized labour for restrictions on the hours of work developed out of the lengthened hours and intensified production experienced by workers in the war manufacturing industries. The firm opposition of employers to any limitations on hours served to increase labour resistance and also to deflect its demands to the federal level of the state which had centralized authority over the various aspects of war production in the agents of the Imperial Munitions Board and War Purchasing Commission. Throughout the war both the federal and provincial levels of the state

placed the highest priority on sustaining optimal levels of production to supply the war effort. As a result, any developments which threatened to disrupt this were a signal for state intervention. Under pressure to step up production, employers were assisted by the war boards in their efforts to control labour and resist trade union demands.

In addition to labour resistance at the level of production, however, the state was also seeing growing politicization of the organized labour force as workers recognized the state's role with regard to working conditions in war manufacturing. This involvement of the state, primarily through its war-prosecuting agencies, in conditions of production was intimately related to the federal government's efforts to control the political activities of workers as these activities began to assume greater significance. The realization that the end of the war would bring very different economic conditions, not necessarily favourable to Canadian industry, meant that both owners of capital and the state became increasingly concerned with any additional constraints on accumulation. However, while capitalist employers remained opposed to a legislated shorter working day, the federal state moved to subdue industrial conflict partly by promoting cooperative mechanisms and certain concessions

to labour demands in an attempt to reorganize production processes on an increased level of productivity.

At the provincial level, the Conservative administration of William Hearst was also looking at post-war economic and social dislocation with the same concern for the extent of labour unrest. However, the necessity to maintain its traditional basis of political support before a provincial election and not create further impediments to accumulation led the government to place the onus of dealing with maximum hours' legislation on the federal level of the state. The ultimate outcome of the nature of capital and labour relations during this period was that no legislation restricting the hours of labour was enacted either during or immediately after the war. The substantial increase in economic prosperity during the 1920's and the decline of labour militancy created a climate of social and industrial stability in which capital accumulation and the rate of surplus value in manufacturing increased markedly.<sup>50</sup> There was little compelling impetus from organized labour for maximum hours legislation and the issue retreated into relative dormancy.

#### Minimum Wage Legislation, 1915-1929

State Identification of the Economic Constraint as a "Problem", Transformation, and Consequences for State Policy and Structure at the Federal Level

Organized labour traditionally depended on its own bargaining power through direct struggle against employers at the workplace level to establish wage rates. When labour organizations aimed wage demands at the state it was primarily because the state was also an employer of labour or was directly able to control the conditions of labour on government contracts. During the war the federal government centralized labour control in war industries and delegated this authority to the war boards. Thus, while unions initially attempted to obtain wage gains by negotiating directly with employers, the refusal of employers to yield to labour demands resulted in a shift of focus on the part of labour to the war boards as the agencies not only responsible for conditions of war production but also as the apparent reinforcers of employers' opposition.

The extension of working hours without concomitant wage increases, the application of piece-rates to increase production, and the cutting of wages in response to changes in munitions contracts induced workers to demand fair wage clauses in the contracts let by the Munitions Board.

Trade unions made continuous requests both to the board and, meeting with little success there, to the Department of Labour for the inclusion of fair wage clauses in government war contracts.<sup>51</sup> As the cost-of-living continued to increase and workers continued to face determined employer and state opposition to their demands regarding both hours and wages, the level of industrial disputes and union membership began to climb.<sup>52</sup>

The critical priority given to war production forced the government to respond to the disruptions occasioned by strikes and labour disputes by intervening with the Imperial Munitions Board. Moreover the preservation of the legitimacy of the representative basis of the liberal democratic state meant that the government could not completely ignore labour demands and leave this responsibility entirely in the hands of the appointed capitalistdominated war boards. Consequently, Borden, Crothers, and finally the British Prime Minister attempted to convince the Imperial Munitions Board to include fair wages clauses in its contracts. Flavelle refused on the basis that costs of war production would become too great, arguing that workers should be grateful to have jobs at all since, without the war, they would be unemployed.<sup>53</sup>

After the level of unionization and strikes continued to escalate, the Canadian government issued its War

Labour Policy in 1918. This policy forbade strikes for the duration of the war but made no provision for either an eight-hour day or wage protection. The Order-in-Council stipulated only that workers were entitled to an "ample wage" with minimum rates to be established when wages were determined but that any action which would "artificially increase the cost" of war production was to be discouraged.  $^{54}$ The government's War Labour Policy therefore provided a ready rationale for employers, as well as for the state's war agencies, to continue their resistance to organized labour's hours and wage demands. It effectively outlawed work stoppages and thereby promoted the maintenance of maximum production levels to the benefit of manufacturers of war materials. During the war the federal state conceived its role as being that of sustaining war production, an objective which was pursued with little regard to other social consequences or the subsistence conditions of workers. As the state's handling of the issue of a fair wage clause indicates, the repression of labour strife was the primary aim of the government's overall labour policy throughout the war, with questions of wages, hours, and other conditions being clearly subordinated to this end.

State Identification of the Economic Constraint as "Problem" at the Provincial Level

The focus of the Ontario provincial level of the state on the issue of a minimum wage following the war developed out of the critical post-war situation of increasing unemployment which was reflected in differing pressures on the state from organized labour and owners of industrial capital. The growing level of unemployment was of concern both to workers facing this very real threat to their subsistence and to the state because of the increasing social unrest accompanying it. As a result, direct appeals from labour, combined with general social and economic upheaval, brought the attention of the state to an examination of the implications of a legislated minimum wage for females as a measure intended to reorganize a glutted labour market.

After the war had ended, labour unions began to advocate a minimum wage for female workers, a demand which grew out of the increasingly insecure labour market position of organized workers during the transition to peace-time production. The necessity for a legislated minimum wage was argued in terms of the need to protect the wage levels of unorganized workers and female workers, by far the largest part of whom were not unionized. Whereas trade unions preferred generally to rely on their own bargaining power to negotiate wages, they maintained that the employment of a vast pool of unorganized labour, such as women and Chinese coolies, was used by owners of capital to keep all wages at abnormally low levels.<sup>55</sup>

However, despite this emphasis on the threat presented by unorganized and cheap labour not only to unionized workers but to all workers, labour unions did not\_\_\_ demand a minimum wage for all non-unionized workers or for Chinese coolie labour. Instead, the demand was specificially applied to female workers, largely because this was the sector of the labour force which, as a result of war-time production conditions, constituted the most direct threat to the labour market security of organized workers. Prior to the war, women were already labour force participants in sizeable numbers, representing just over thirteen per cent of the total Canadian labour force in 1901 and 1911.<sup>56</sup> However, their participation in the labour force was restricted to certain occupations many of which, like those in the clothing industry and in textile and knitting factories, had grown with the progressive subdivision and mechanization of the production process in the industries concerned.

Labour unions both protested and feared the "menace of the unorganized woman" since this very characteristic of female labour made it cheaper and more easily dominated

by capitalist employers to the detriment of organized workers. Partly for this reason labour leaders and union members were inclined to promote an ideology of women as homemakers, mothers, and consumers, in other words, "woman's place is in the home". Consequently, unions felt that the urgent need was for an adequate wage for male workers, thus providing the necessary level of subsistence for a family that would enable women to remain at home.<sup>57</sup> That women were not inherently non-organizable despite their conditions of work and domestic life at the time is indicated by contemporary reports of the formation of an all-female group of workers to study the working conditions of women in factories.<sup>58</sup>

The labour market conditions accompanying the war, however, both increased the extent of participation of women in the labour force and, more significantly, changed the nature of their participation. Attempts by employers to obtain an adequate supply of skilled labour at rates which they were prepared to pay led to efforts on their part to substitute cheaper labour in jobs formerly filled by skilled workers. As a result, unskilled labour was, after only brief training, put onto tasks previously handled by skilled employees but these semi-skilled workers were paid at much lower rates. It was in the context of this

situation that women moved into formerly male-held positions as a ready source of cheaper but highly productive labour.<sup>59</sup>

Although a portion of the women entering "male" jobs during the war was composed of entirely new labour force entrants, motivated partly by patriotism as well as by economic need, statistics gathered by the provincial labour bureaus in Toronto, Hamilton, and London in 1917 indicate that over ninety per cent of women applicants for munitions work were coming from other occupations, especially from other kinds of factory work and offices and shops. Munitions work, because of wage levels previously established by skilled and largely unionized male workers, even though these levels were being eroded, clearly represented an improvement in conditions for female workers.<sup>60</sup> By the end of the war, however, wages paid to female labour were hardly adequate for the support of a single The Ontario Department of Labour's own figures person. showed that, in three major industries employing females, namely, biscuits and confectionery, box and paper bags, and laundries, an average of almost forty per cent of female workers earned less than eight dollars a week when six to seven dollars a week was the minimum charge for board and lodging in Toronto. Fully three-quarters of the women in these industries earned under ten dollars a week.<sup>61</sup>

With the end of the war and the return of soldiers from Europe the extent of unemployment grew rapidly while the cost-of-living maintained its inflationary war-time levels. Labour publications had made optimistic predictions about the passing of the old order and the dawning of a new age with a "new and better social system" as a justification for the sacrifices made by workers during the war<sup>62</sup> The sections of the Treaty of Versailles which outlined the minimal labour standards to be enacted by the signatory nations also added to labour's expectations for a "fair deal" in recognition of war efforts.<sup>63</sup> However. the situation which greeted many workers upon cessation of the war was widespread unemployment with females filling many jobs formerly the exclusive preserve of men. This situation was an important factor in prompting labour organizations to support a minimum wage for women at this arsigmapoint. By establishing a minimum rate for female workers, trade unions hoped that employers would no longer see women's labour as a viable and cheap alternative to male labour.

As labour disputes increased after 1915, the provincial government, in anticipation of further industrial dislocation in the transition to peace-time production, had begun investigating possible ways of minimizing the extent of economic and social disruption. A study of the legislated minimum wage prepared by the Trades and Labour

Branch advanced several arguments regarding the utility of this measure for reorganizing and rationalizing the system of production as well as for reducing labour conflict. High levels of post-war unemployment threatened to increase social unrest and the return of the manufacturing sector to a state of full production was necessary both for the growth of capital accumulation and for the reduction of civil disorder.

It was argued that a minimum wage would contribute to a strengthening of the industrial sector by weeding out inefficient industries -- "every worker worth anything is worth a living wage . . . the industry that does not pay is parasitic". Capital would be forced out of fields of overproduction and employers would have to improve their production methods and demand better work from their employees to maintain their profits with increased labour costs. Minimum wage legislation could thereby act as an instrument for rationalizing the system of production and for promoting the concentration of production into larger, more efficient units.<sup>64</sup>

In addition, the report advanced a minimum wage for the purpose of increasing the overall efficiency of the labour force. Since the unskilled labour force was also unorganized there was no standardization of competency and productivity among these workers. As a result, education

and training were less likely to be effective in improving the standards of that segment of the labour force. Based on an examination of the effects of minimum wage legislation in other jurisdictions, such as Australia, New Zealand, England and the United States, the study concluded that such a measure would improve the physical health of workers and stimulate the organization of the labour force, both of which would upgrade labour standards and efficiency. At the same time, special provision could be made for inferior labour less likely to improve, part-time workers, and apprentices so that their lower productivity would not reduce the surplus available for appropriation by capital.<sup>65</sup>

Minimum wages were also recognized by the state as a preferable alternative to public charity for providing for workers' subsistence, partly because charity was regarded as an incentive to laziness and partly because the postwar situation made the issue of public welfare for women and children a critical problem.<sup>66</sup> Many women in the labour force were attempting to support families on their largely inadequate wages while returning soldiers were looking for their former jobs, many of these since filled by female labour. A minimum wage might reduce this pool of cheap labour by forcing women out of the labour market in favour of the returning male workers.

At the same time, the establishment of a mothers' allowance program would enable women to leave the labour force with the assurance of an alternative income. A1though the idea of a mothers' allowance had been previously advocated by many organizations, it was only after the war that the state indicated a concrete interest in such a measure.<sup>67</sup> Arguments produced by the Trades and Labour Branch in favour of mothers' allowance legislation emphasized the importance of mothers staying home to raise their children, the "future citizens of the state", and that the state would have to subsidize those homes without wage earners. If mothers were both wage-earners and home-makers, according to this report, the health and education of their families would suffer.<sup>68</sup> These arguments functioned to promote the return of women to the home and thereby free their labour force positions for unemployed men.

In addition to its effects in reducing social unrest through alleviating male unemployment, a minimum wage would also serve to lessen the basis for labour strife in the workplace. Setting a floor under wages would decrease the unfair competition from and underbidding by this labour against organized skilled labour. Furthermore, the administration of minimum wages was seen as providing a "common meeting ground" for employers and employees on wage boards,

thus increasing the basis for cooperative action on the part of labour and capital.<sup>69</sup>

## State Transformation of the Economic Constraint

Following the war and the end of centralized control of production under the federal war-prosecuting agencies, the state in Ontario resumed a greater role once again in the overall direction of the provincial economy. The federal state had set up a Cabinet Reconstruction and Redevelopment Committee to facilitate the transition from a war-time to a peace-time economy while the manufacturers' reconstruction association was engaged in a publicity campaign emphasizing the potential dangers of class war as a result of labour strife.<sup>70</sup> The necessity of maintaining production levels for capital accumulation also had implications for the increased level of social unrest.

Before the conclusion of the war the Ontario government had looked to the preparation of various measures which might assist in reducing the disruption of post-war changes. These included the expansion of the province's system of labour bureaus as well as mothers' allowance legislation. The UFO-Labour government later imposed restrictions on child labour which represented further labour force regulation during a period of high unemployment. In the case of minimum wage legislation the Trades and Labour Branch, precursor to the Department of Labour, undertook a study of the implications of enactment of a general minimum wage. This analysis of the possible consequences of a legislated minimum wage, undertaken by the state bureaucracy, set out both the economic and political benefits expected to follow from the measure. The branch also undertook a study of the concrete wages and living costs of women and girls in several industries to provide support for a government bill which the Hearst administration apparently intended to introduce in the fall of 1919.<sup>71</sup>

The development of minimum wage legislation for female labour received almost no opposition from employers, and, indeed, was supported by them to some extent. Consequently, a government sponsored bill would pose no great risk of alienating this significant basis of Conservative support, although it cannot be argued that the government was responding to any clearly formulated demand on the part of employers. A minimum wage for women was one of the issues discussed at the National Industrial Conference in 1919 and was generally favoured by employers on that occasion, being one of the adopted resolutions which did not run into a deadlock between employers and employees.<sup>72</sup>

Employers felt, for a variety of reasons, that they had little to fear from legislation regulating minimum wages for women and children. In part this was because

wages were always much more amenable to manipulation depending on economic conditions, systems of payment, and time worked, than was the number of hours, especially if the latter were to be set by law. As one manufacturer at the 1916 munitions disputes inquiry had pointed out about wages in the context of that situation: "It is not a time for employers to haggle very much about rates of wages. These, under such conditions, naturally go up, and can be adjusted again as conditions change. The hours of work, however, is a different thing altogether . . .".<sup>73</sup> Another reason that employers did not mount much resistance to minimum wage legislation was that the law envisioned by owners of capital was so flexible as to be almost meaningless. One employer, speaking at the 1919 National Industrial Conference, described the ideal minimum wage law:

There should be no attempt to fix an arbitrary statutory amount as the wage to be paid. . . . [D]ue regard should be paid to the difficulties which surround the industries, and also the varying conditions created by the extent of this country. . . [T]he only safe way of establishing a minimum wage is by industries; and then only after a thorough investigation had been made, giving due effect to the grade of living required by the employers in each industry.74

In addition, he advocated permitting the employment of "defectives" at a lower wage rate than the minimum and the establishment of a board representing both employers and employees to administer the minimum wage.<sup>75</sup> Clearly,

capitalist employers would experience little hardship from such a law.

Other benefits could be expected to accrue to owners of capital from a minimum wage for females. Α minimum wage for this segment of the labour force did not have the same implications as concessions yielded to highly organized unions which might result in providing them with more leverage in future bargaining or make the union more attractive to non-unionized workers. On the contrary, giving a minimum wage to female workers might reduce the possibility of that work force organizing because it would address one of the major complaints of women workers, i.e. low wages. At the same time, such a measure would also satisfy organized labour's demand for a minimum wage for women at a point when workers were resisting capitalist domination on a wide scale partly 18. Four Maner because of the frustration of longstanding demands. Given the climate of the post-war years, employers were not inclined to adopt a high profile of opposition on issues which did not directly threaten their overall position of authority or imply a definite increase in their costs of production.<sup>76</sup>

Although a minimum wage for females might enable owners of capital to prevent the development of unions among their female labour force, it was also possible that,

under certain conditions, a minimum wage would deprive them of this supply of cheap labour. There are some indications that women served as a reserve labour force when tight labour markets were forcing wages up. This was the case during the war when women not only entered the labour force in greater numbers but moved into jobs which had been the preserve of males. An early study of the effects of minimum wage legislation in Canada from the end of the war up to 1921 recommended that employers be forced to stabilize production and lessen the irregularity of employment of women. The study thus implies a continuing problem of expansion and contraction of production resulting in wide labour market fluctuations in which the movement of female labour in and out of the work force figures prominently.<sup>77</sup>

Employers were therefore anxious that any minimum wage rates be set at a level which would not destroy their advantage in having this cheap reserve of female labour. In addition, the rates established for the lowest paid sector of the labour force would have repercussions for the wage rates of other workers in the highly stratified hierarchy of wage labour.<sup>78</sup> Consequently, employers were concerned that too high a minimum wage would destroy the relationship they had established between wages and worker efficiency producing, in effect, a partial breakdown of capitalist technical relations of production in that wages

would cease to function adequately as a primary disciplinary instrument to force productivity increases.<sup>79</sup>

Far from being seen as a further constraint on accumulation in a period of market instability, the minimum wage was regarded by both owners of manufacturing capital and the state as a mechanism for overcoming certain of the problems which were contributing to the post-war crisis. Although the transition from a war economy to a peace-time economy involved a serious dislocation of industrial markets, excess productive capacity, and consequent problems of realization, capitalists and state officials were primarily concerned with the magnitude of the crisis of legitimation of the industrial capitalist system of accumulation. This crisis manifested itself for employers in the increasing unionization of the labour force and dramatically rising incidence of labour disputes.

The state, on the other hand, was concerned with management of the extra-industrial work force, that is, the growing number of unemployed workers and ex-soldiers, whose resentment of their situation was resulting in widespread social unrest and the growth of alternative political organizations. The rationale developed by the state for a minimum wage emphasized the effects on reorganizing and rationalizing the system of industrial production while also reorganizing the labour market in terms of expelling

cheap but inefficient labour and replacing it with more efficient workers. This meant, primarily, the movement of women and children out of available employment so that returning male labour could be reabsorbed in the work force. In this objective, the state was supported by the demands of organized, hence largely male, labour as well as by owners of capital anxious to reduce labour conflict and head off the further spread of unionism.

## State Resolution of the "Problem" at the Provincial Level

The "Act to provide for a Minimum Wage Board with Power to Regulate in Certain Cases the Minimum Wages of Women and Girls" passed in 1920 by the UFO-Labour administration merely implemented the legislation prepared by the Hearst government before its defeat.<sup>80</sup> The provisions of the act conformed closely to the "ideal" promoted by employers at the National Industrial Conference. The legislation was notable more for its exemptions and lack of strict requirements than for its specification of criteria for female wages. The act did not, in fact, set a minimum wage for all female workers but, instead, established a board which would proceed to determine appropriate wages for various groups of women workers on the basis of conditions in the specific industries and geographic locales concerned.<sup>81</sup> Thus, the principle of

differing minimum wage rates for different occupations to be governed by the criterion of what the industry could afford was accepted from the beginning. Moreover, a variable wage according to geographical location kept open the possibility for manufacturers to move to areas of cheaper labour supply.

Certain groups of workers were regarded as being outside the domain of the act altogether. Both domestic workers, the largest single occupational group in the female labour force with one-quarter of all women workers in 1912, and agricultural workers, a much smaller proportion of the officially calculated female labour force but an important one to a farmers' political party, were specifically excluded from coverage by the legislation.<sup>82</sup> Neither farm workers nor domestics were employed in sizeable groups in a single location and thus they could pose no collective threat to production. Their efficiency, also, was not a matter of great concern since both groups were employed in non-mechanized and closely supervised settings. Moreover, the shortage of workers in these two occupations was regarded as acute and therefore created an upward pressure on wages.<sup>83</sup> Given the objectives of the act, it was of critical importance to cover industrial occupations whereas agricultural and domestic work were outside the concern of both manufacturers and the trade unions.

Another group exempt from full coverage by the minimum wage act consisted of those workers whose labour was regarded as being below normal standards of efficiency. The board was empowered to set lower minimum rates for workers of impaired earning capacity or for inexperienced workers as in the cases of physically or mentally impaired workers and those undergoing a learning period on the job.<sup>84</sup> This provision of the act effectively defined a new reserve of cheap labour for employers since both learners and disabled workers could be as productive as regular workers but employers would not be required to pay either category the full minimum wage.

The most significant shortcoming of the Minimum Wage Act, as far as its effects on the group which it was intended to cover, was that it did not stipulate the number & of hours per week to which the minimum rate would apply. With no maximum length to the work week specified, employers could merely extend their usual working hours in order to compensate for the required minimum weekly wage. This omission was not surprising given that both farmers and manufacturers had traditionally opposed restrictions on working hours. The Minister of Labour, one of the ILP members of the House, introduced an amendment to the act in 1921 which would enable the board to set a maximum number of hours for a particular wage rate.<sup>85</sup>

The suggestion that the Minimum Wage Board should be given the power to set the hours of labour met with more opposition than had the original minimum wage measure. One of the board's members, an employer representative who was a manufacturer and member of the Industrial Relations Committee of the CMA, objected strongly to this extension of the board's authority.<sup>86</sup> On the floor of the Legislature both Liberals and Conservatives attacked the proposed amendment, opposition leader Ferguson claiming that such sweeping powers might discourage new capital and would not give enough latitude to employers in small towns where "people want to work all the time possible".<sup>87</sup> However, the amendment passed with the full support of the UFO-ILP coalition and the minimum wage board immediately endorsed the change as a benefit to female workers and an assistance to the board's ability to enforce the minimum wage rates established.

The act provided for a five-member board to investigate and set minimum wage rates on an industry-byindustry basis.<sup>88</sup> The size of the board was intended to accommodate two employers' representatives, two employee representatives (in each case one of the representatives was female), and a chairman, the first one being Dr. J. W. MacMillan, professor of sociology, former Manitoba Minimum Wage Board Chairman and sometime labour arbitra-

tor.<sup>89</sup> As a result of the board's mandate to set minimum wage rates by industry, it tended to function as a negotiating body with employers and employees although it undertook its own investigations of the industries as well.

The board followed a standard procedure when setting a new minimum wage rate for women in a particular occupational category. It first devised a cost-of-living budget based on the needs of a single woman in each of four locales: Toronto, cities of over thirty thousand, towns over five thousand, and places under five thousand population. Ouestionnaires were sent to all factories in the specific industry soliciting information regarding wages, hours, and other pertinent data. Then representative employers were called to confer with the board for the purpose of deciding on a reasonable minimum wage for that industry. After this conference, the board consulted with employees and, lastly, with both groups together. A series of public hearings was then held in order to invite public comment. Finally, the order setting a wage rate was printed and sent by registered letter to all the firms concerned. This was required to be posted in a prominent location.<sup>90</sup>

In practice, however, the board was readily accessible to employers, who always seemed to have special circumstances to plead, and was influenced by their arguments both at the

initial point of setting the wage minimum and subsequently when enforcement of the rate was required. For instance, so-called "informal conferences", in addition to the regular series of conferences, were frequently held with particularly important employers within the industry group under consideration to discuss the proposed rates before their publication. Occasionally, changes were made in response to their opinion while in other cases they merely approved the original decision.<sup>91</sup>

Once wage rates had been set and posted the benefits for female workers rested on the existence of adequate enforcement machinery. The province's factory inspection staff was required by 1924 to report those firms where wage orders were not posted or where other violations came to their attention. The board itself collected wage records annually from firms for whom rates had been set to examine them for violations.<sup>92</sup> However, the board's response to such incidents was not to prosecute violators, although the act provided penalties for infractions, but rather, according to the chairman: ". . . it was the board's policy to endeavour to settle such matters quietly and peacefully and avoid prosecutions which would result in compelling girls affected to appear in court . . ".<sup>93</sup>

The pattern of development of the board's regulations as well as of the amendments to the act was in the direction of increasing the ability of the board to make allowances for changes and differences in economic or industrial conditions when determining minimum wage rates. This, in effect, opened the way for employers to obtain concessions to their interpretation of special circumstances, such as the proportion of inexperienced or impaired workers.<sup>94</sup> The board itself handed down a ruling on these two categories of workers which went a considerable distance towards alleviating employer difficulties in assigning workers to one or the other of these groups. The board stipulated that, in the case of piece-workers, if eighty per cent of those in any one establishment after six months experience received the prescribed minimum wage, the requirement of the law would be considered to be met and the remaining twenty per cent would be regarded as unusually slow workers not meriting the required minimum. $^{95}$ 

Although the Minimum Wage Act fulfilled some of the expectations of its promoters its success in actually giving female workers a higher standard of subsistence was very limited. By the mid 1920's many employers felt that the minimum wage had increased the efficiency of their female labour force and that this increase had more than balanced the rise in their wage bill. This relationship

between the minimum wage and productivity increases, however, was not an intrinsic one but was determined by the threats of employers to fire workers who did not produce enough to justify the payment of increased wages.<sup>96</sup> The act did force employers to keep records of wages paid and hours worked, thus leading to an increasing rationalization of the organization of work. This also resulted in an overall improvement in the efficiency of production since the efficiency of workers was more readily measured and this, in turn, facilitated the introduction of disciplinary measures designed to raise productivity.<sup>97</sup>

The chairman of the Minimum Wage Board concluded that one effect of the minimum wage had been to improve the management of small businesses, those employers with little or no capital who competed by forcing their wage costs below the subsistence levels of their workers.<sup>98</sup> It seems likely that either these employers exploited their labour forces to an even greater degree by requiring increases in productivity to compensate for wage increases, or else these petty bourgeois businessmen, unable to meet a higher wage bill under the extremely competitive conditions of their markets of sale, disappeared completely.

MacMillan also credited minimum wage administration with the promotion of industrial harmony between employers and employees:

Minimum wage administration makes for industrial peace. One of the cardinal features of all good and lasting work by such a board as ours is that it engages the assent and cooperation of both employers and employees. . . The acrimony of other disagreements in abated, and the path togg future conciliatory negotiations is opened up.

In a speech given by the female employers' representative on the board, Mrs. Lydia Parsons, to the Conference on the Prevention of the Causes of War in England in 1924, it was argued that both minimum wage administration and factory inspection helped increase industrial peace by requiring the cooperation of capital and labour. Mrs. Parsons also suggested that an extension of the minimum wage to young agricultural workers, boys up to eighteen years, and girls in domestic service would serve to attract more emigrating British youths to these occupations in Ontario.<sup>100</sup> By 1923, one provincial Department of Labour official, surveying the extent of recent labour legislation, concluded:

. . . the volume and importance of protective legislation, both in new acts and amendments passed by the provinces in the last five years, would indicate an increasing conception on the part of the state of its duty toward its citizens.

In addition to legislation framed for the purpose of providing adequate protection for workers in industry some form of scientific management, some means of improving industrial relations and gaining cooperation between management and employees are essential in order to help solve the problem of industrial unrest with its ill effects on the workers themselves and on production. The organised effort represented by labour legislation is not sufficient. It must be supplemented by the efforts of employers, 101 employees, and their respective organisations.

As to the effects of the minimum wage on the workers at which it was directed the results were not an appreciable improvement in either their working situation or their standard of living. In addition to the previously mentioned indications of increased exploitation at work as employers attempted to compensate for higher wages, a general trend towards increasing flexibility in the operation and administration of the act promoted employers evasions and violations on an increasing scale. Initially, since the act failed to specify the number of hours to be covered by the wage rates, employers merely extended the length of the working day to compensate for wage increases.<sup>102</sup> The average hours worked per week by women in laundries, dye works, and cleaning establishments in Toronto increased from 44.8 in 1921 to 46.0 in 1922 and in retail stores from 49 hours to 52.3 hours.<sup>103</sup> The wage board had established a ruling for female retail clerks in 1921 which had been opposed by the Retail Merchants' Association of Canada for Eastern Ontario on the grounds that "all clerks should be paid according to their ability to earn". <sup>104</sup> Sometimes the hours for which female workers were paid were only those hours actually spent working and not the time they were required to spend on the premises waiting for their jobs to be organized.<sup>105</sup>
When the extended exploitation of labour was restricted by the amendment in 1921 permitting the hours of work to be also set by the board along with the wage rates, owners of capital turned to an intensification of the exploitation of female workers by forcing greater productivity in the shorter working time. In other cases, boys were substituted for female labour since they did not come under the provisions of the act.<sup>106</sup> The average weekly wages of almost every category of female worker covered by minimum wage orders between 1921 and 1924 rose slightly but the evidence indicates that, while the lowest wage levels increased, those rates which were higher initially tended to stay the same over the first four year alteristic to fair ways a period of the act's operation.<sup>107</sup>

## Conclusion

The pressure for a minimum wage did not develop from the ranks of labour to the same extent as that for restricted working hours. Instead, the state at the provincial level was exploring the option of a legislated minimum wage as a potential measure for rationalizing and reorganizing a chaotic post-war labour force. Following the cessation of hostilities, when Canadian troops were being demobilized, unemployment reached serious proportions. Returning workers found that females had been recruited as

cheaper substitutes for formerly male-held positions in munitions works, machine shops, retail stores and banks. This situation was contributing to the growing level of labour unrest, a significant concern to both capitalist employers and the state. The minimum wage legislation which was proposed was consequently framed to cover working women thus increasing their cost to employers and providing some incentive for a return to presumably more productive male labour.

Organized labour was readily able to support a female minimum wage since this labour was directly comppetitive with that of higher skilled workers at this point and it also tended to have a depressive effect on the wage structure generally. Employers, instead of fearing the loss of a cheap labour supply, favoured enactment of a minimum wage for women partly as a measure to help reduce the 🛷 general level of disputes activity. Moreover, the degree of flexibility of the act, desired by employers and accepted by the state as appropriate, provided a variety of ways for employers to evade the act's provisions. The effects of the Minimum Wage Act for Females did not significantly improve the incomes of female workers. Rather, the act's results were more apparent in the rationalization of work methods of small and marginal employers and in the increased efficiency of production attendent upon the intensified exploitation of labour accompanying this.

## <u>Workmen's Compensation Legislation, 1915-1929</u> <u>State Identification of the Economic Constraint as a</u> "Problem" at the Provincial Level

An examination of the results of the implementation of the workmen's compensation program in the period from 1915 to 1929 indicates that, once the act had been put into operation, labour consistently fought for an extension of coverage and liberalization of benefits while owners of capital waged a continuing campaign to hold down the costs of the program. These two opposing pressures on the state reflected the concrete situations of both workers and manufacturers during this period, namely, inflation, unemployment, and declining production. In addition, though, to the articulated demands of labour unions and employers, the state was particularly responsive to the existence and extent of labour unrest and to the resultant instability of the system of capital accumulation. An optimally functioning accumulation system which was able to assure high levels of employment and provide adequate wages would reduce overt class conflict. It was the escalation of class conflict outside the directly capitalist-dominated sphere of the workplace which potentially threatened the prevailing political authority of capital as independent labour structures presented an implicit challenge to the organization of capitalist political hegemony. Therefore, as long

as the demands of organized labour and capitalist resistance to these were maintained within the confines of established liberal democratic political relations there was little compelling necessity to initiate policy changes or adjust political structures in response to demands.

Although the Workmen's Compensation Act was generally regarded by labour as a success in its first year of operation, trade unions continued to press for increased compensation benefits and extended coverage to more workers.<sup>108</sup> The act had set compensation rates at only fifty-five per cent of a workers' recent earnings, thus producing a dramatic drop in the injured workers' living standard at a time when he might face increased expenses in the form of medical care.<sup>109</sup> The fixing of compensation levels in relation to employees' wages also meant that lower paid workers received correspondingly less compensation and represented less of a drain on the compensation funds than more highly paid workers who suffered injuries. There was, then, an indirect incentive in this effect of the program for owners of capital to lower their labour costs by hiring cheap labour, a situation which only served to reinforce the existing pattern of cheap labour substitution.

The exclusion of outworkers, that is, home workers and contract workers, as well as casual labour and "those

employed otherwise than for the purpose of the employer's trade or business", from coverage by the act also preserved a pool of cheap labour whose employment costs would be lower than that for covered workers.<sup>110</sup> These exclusions, together with the system for calculating benefits, constituted additional stimulus to skill dilution and labour degradation by the substitution of machinery and cheaper labour for skilled, unionized workers who were generally covered. These various tendencies inherent in the operation of the compensation program as it was originally designed meant that it was ultimately to organized labour's advantage to continue to fight for greater coverage and higher benefits for all categories of workers.

One particular focus of labour demands was to obtain an amendment providing for the payment of workers' medical expenses out of the compensation fund. Another specific demand was for an increase in the scale of compensation first to two-thirds of workers' wages and, then, under the UFO-ILP administration, to one hundred per cent of former earnings. This was accompanied by requests for the establishment of a minimum amount of compensation regardless of wage levels and increases in allowances for the families of workers killed at their jobs. The TLC consistently petitioned for the inclusion of "every wage

earner in the province" under the act's coverage when making their annual presentations of desired legislation to the provincial government.<sup>111</sup>

The rate and extent of changes made to the compensation act in the period from 1915 to 1929 provide an indirect indication of the kinds of concerns to which the state responded. The years from 1917 to 1923 saw a progressive extension of the coverage provided by the act and a rise in benefit levels while the years following comprised a period of relative retrenchment in which proposed changes to the administration of the act were primarily oriented towards reducing the ability of labour to exercise influence over the act's operation and, at the same time, increasing the potential for employers of labour to make their impact felt.

Changes made to the compensation act in the later war and post-war years came about in the context of rapid inflation, growing unemployment, and rising levels of social and industrial unrest. The conception and development of workmen's compensation legislation had originally been shaped by the need for mechanisms to promote the common interests of employers and employees and cooperation between them. The concern of both capitalist employers and the state with the extent of class conflict and industrial

dislocation accompanying the close of the war continued to reinforce this view of the workmen's compensation program on the part of the state.

The decline in the level of industrial conflict, the reestablishment of conditions promoting higher levels of capital accumulation, and the disappearance of labour and agrarian parties from the political scene produced a changed economic and political situation after 1923. The result of this resumption of stability in capitalist production was to reduce the real and potential threats to the structure of accumulation to which capital and the state had responded in the immediate post-war years. This shift in the nature of class relations enabled owners of capital and the provincial government to resist labour demands more readily and even to seek to erase gains previously obtained by labour under conditions more favourable to its requests.

The passage of an amendment recognizing silicosis as an industrial disease by the Ferguson administration in 1926 further confirms the significance of labour-capital conflict for state action. The impetus for government response at this point, despite the government's full knowledge of this occupational danger to health for at least two years, seems to have been related to the specific conditions pertaining to the mining industry in the province's

northern areas. The mining industry had been, since the beginning of the century, a critical resource industry in Ontario and the state had traditionally been involved in its promotion. Minerals, especially nickel, had assumed great importance during the war and gold rapidly became the single most important metal export of the province following the war.<sup>112</sup>

After the interruption to northern development created by the war, the state again made efforts to establish a population base in the farther reaches of the province in order to provide a stable labour force and services for the growing mining and forest sector.  $^{113}$  In 1926, the government passed a newly written act to provide for the development of northern Ontario creating a full Department of Northern Development and a special Northern Development Fund under the provincial treasurer.<sup>114</sup> That year also witnessed a gold rush of minor, although significant, proportions in the Red Lake area large enough for the government to open a new mining recorder's office in Red. Lake in early 1926 and to constitute the Red Lake Area a mining division by statute at the same time. By the end of the year over ten thousand claims had been recorded in the district.<sup>115</sup>

Although the mining industry, and gold mining in particular, was yearly contributing growing amounts to the

gross provincial product, there were certain indications of labour unrest in the mining areas which were attracting government concern. Since the establishment in Ontario of the Communist Party of Canada and the Workers' Party in 1921, the growth in membership of the two organizations had occurred largely in the northern areas of the province. The Communist Party had found many of its adherents among Finnish and Ukrainian speaking immigrants, a great number of whom had been recruited by mining companies to perform the hardest and dirtiest jobs.<sup>116</sup> As a result, mining and lumber towns in Ontario's north were frequently centres of Communist Party activity.<sup>117</sup> In addition, the years 1924 and 1925 saw long and bitter strikes in coal mining in Nova Scotia and Alberta with some resultant growth in the One Big Union developing as disaffected miners left the United Mine Workers during these conflicts.

Whether the Ontario government feared an extension of the OBU as well as of the Communist Party into the labour force of the northern areas is uncertain but the Ferguson administration initiated the Railway School Car program for Northern Ontario in 1926. This program consisted of two cars functioning as moveable classrooms in areas in which large immigrant populations resided primarily for the purpose of socializing this immigrant population into the "fabric of loyal Canadian citizenship" and to combat

Bolshevik and socialist propaganda.<sup>119</sup> The government in 1927 also passed a massive piece of legislation revising and consolidating previous mining law in the province. This act outlined dozens of specific conditions regarding working conditions in the mines and regulations covering almost every aspect of mine operations including hours, machinery standards, dust control, blast furnace conditions, sand and gravel pit operations, mine inspections, procedures in case of accident, as well as offences and penalties among many other details.<sup>120</sup>

The attention of the provincial state in the 1920's was clearly focussed on promoting conditions favourable to the development of the northern areas and, in particular, for the security and expansion of the mining and forestry The attraction of a stable and compliant labour sectors. force was among the prerequisites for this development. It is in the context of this specific objective together with the growth of possible potential threats to labour force management in the form of an increase in Communist Party strength in these areas and the apparent resurgence of the OBU among mine workers elsewhere that the government's willingness to add silicosis to the compensation list in 1926 must be assessed. Although the nature of the disease had been officially documented two years earlier, its addition to the act was made at a time of expansion of

the mining industry, especially in gold mining, and of government reorganization of mining law and assistance for northern development.

A significant factor accounting in part for the gains in the workmen's compensation program realized by labour was the successful rise to power of the UFO and the ILP in a coalition administration. Although the ILP remained the junior partner in government it held the labour cabinet post which enabled labour interests to be put forward in the House and gave the party some political influence to counter capitalist opposition expressed through the two traditional parties. When the UFO-ILP government took office in 1919, the leverage of organized labour in the balance of power increased. Consequently, the administration passed an amendment against CMA opposition to raise the level of payments to injured workers to twothirds of previous wages.<sup>121a</sup>

Throughout the period under consideration, manufacturers directed numerous criticisms at the act's administration as well as at changes proposed by labour and those introduced by the UFO-Labour government. The bulk of these complaints were related to their contention that the costs of the program were excessive and, moreover, were being borne solely by the manufacturers themselves. This latter

claim was a somewhat misleading bid for a sympathetic consideration of manufacturers' demands by the state for it was very clear that employers regarded assessments for the workmen's compensation fund as an overhead expense calculated directly into their selling price.<sup>122</sup>

The costs to manufacturers were actually indirect ones which developed in two different forms. Increased prices of consumer goods meant that workers required higher wages to meet rises in the cost of living. However, as has been demonstrated in the case of wage demands in earlier periods as well as the present one, these were not automatically conceded to workers by owners of capital. Rather, as living costs rose, workers tended to engage in more conflict activity oriented around the struggle for an increased level of subsistence. This was usually accompanied by increasing unionization of the work force. Consequently, not only did employers face the possibility of higher labour costs but they might also have to deal with greater resistance on the part of their labour force and the resultant disruption of the accumulation process.

Immediately after the act had been passed and put into operation in 1915, manufacturers charged that the rates which they were being assessed were too high and, since the assessment was a prediction made on the basis of a year, instead of, as they desired, quarterly, their contributions

were not based on the actual cost of compensation to workers. This had resulted in an overpayment to the compensation board which it had invested in municipal Manufacturers claimed that this money should "have bonds. remained in the hands of the employers for the carrying The "merit rating" system, adopted by the Workmen's Compensation Board in 1917, attempted to meet some of these objections by instituting a scheme of merits and demerits based on the firm's accident record and reflected in their assessments. However, as economic conditions deteriorated in the early 1920's manufacturers complained that the system neither rewarded low accident industries adequately nor penalized high accident rates enough. To take this policy to its extreme, though, would have been to revert to a completely individual basis for assessing the insurance risk. As it was, smaller businesses carried a disportionate burden of the compensation costs under the differential rating system.<sup>124</sup>

As a result of their preoccupation with the costs surrounding the operation of the act, manufacturers opposed any increases in compensation demanded by labour, arguing that the province had among the highest rates of benefits in North America coupled with a lengthier period of compensation than most. The CMA organized a large deputation of

manufacturers and members of the Canadian Lumbermen's Association and Ontario Miners' Association to protest the UFO-ILP administration proposed amendment to raise the compensation level from fifty-five per cent to sixty-six and two-thirds per cent of workers' average wages.<sup>125</sup> When the amendment to include the costs of medical aid was introduced in 1917, employers wanted a limit set to the coverage of such costs but would agree to have employers individually liable for medical care in exchange for a <u>quid</u> <u>pro quo</u> from labour that they accept an absolute waiting period of fourteen days.<sup>126</sup>

In addition to merely protesting possible changes to the act or complaining about operating costs, some employers took concrete action to reduce their compensation costs. After many years of the availability of such devices, safety guards on machinery were finally installed by many manufacturers now that they were given the economic incentive of reduced payments to the compensation fund.<sup>127</sup> There were also reports of employers deducting an amount from workers' wages intended to cover part of their assessed contribution to the Workmen's Compensation Board.<sup>128</sup> After the institution of the merit-rating system it was discovered that some employers were examining workers before hiring in order to eliminate those considered to be likely to have accidents.<sup>129</sup>

Manufacturers' complaints about the costs of the act and its administration gave rise to criticism of the board itself for its unwillingness to heed the requests and suggestions of employers. The board's attitude was characterized as "distinctly arbitrary and autocratic" and "uncompromising" by employers.<sup>130</sup> Owners of capital complained about the board's refusal to deal with them as a collectivity and to open its records to employers regarding the assessment rates of specific industries and compensation paid to individual workers. They argued that, since manufacturers bore the cost of the plan, they had a right to obtain such information.<sup>131</sup> To overcome their "unfair" treatment, employers wanted changes made in the board's structure, either to have the board become a judicial body with the status of a court of law or to have equal representation of employers and employees on the board with employers' representatives to be appointed by the CMA.<sup>132</sup> Failing a change in the board's composition or character, the CMA wanted at least a route of appeal from board decisions and to be able to contest the board's interpretations of the act through the courts.<sup>133</sup>

The one avenue through which manufacturers could, and did, attempt to influence the board was the safety associations. In 1915, as provided for in the compensation act, seventeen safety associations had been organized by

the CMA for the various industrial groups and these received operating funds from the Workmen's Compensation Board. The associations had their own inspection staffs which examined safety conditions in the factories coming under the act with the objective of reducing accident rates so that compensation costs could be kept down.<sup>134</sup> Since they were, in effect, agencies of the industries themselves, this was a self-policing approach to the issue of safety and not an enforcement of the laws involved.

The safety associations, besides being funded out of the revenues collected by the board, were also recognized by the Workmen's Compensation Board as having a special status to contest claims to the board before any adjustments on the case were made.<sup>135</sup> In addition, then, to their self-policing function the safety associations provided a channel of communication between the board and organized collectives representing the employers of the different industrial groups classified under the act.

Although costs were the prominent concern of manufacturers throughout this period, prompting them to mobilize in various forms against organized labour's demands for liberalization of the program, another concern of employers was the degree to which the act continued to function as a reinforcer of capitalist social relations in the workplace.

With the initial establishment of the compensation system in 1915, owners of capital had obtained an act in which all the features of the scheme were consistent with and reinforced those social relations characterizing the capitalist domination of labour. Since the act had been implemented on that basis and continued to function accordingly, there was little need for employers to be concerned with this issue except when changes to the act were proposed which would be constituted in law. Between 1915 and 1929 employers consistently attempted to block amendments which would result in more liberal benefits or new programs under the act, efforts which reflected not only their obsession with costs but also their interest in preserving appropriate capitalist social relations of production.

This led the CMA, in its deputation to Premier Drury and Labour Minister Rollo, to argue against raising the benefits level on the grounds that this was "wrong in principle" since it would increase the tendency of workers to malinger:

It is also thought that it is unsound to fix a scale so high that the highly paid worker is receiving much more than is required for such maintenance. . . To abandon the principle of maintenance during disability and to create the "profiteer pensioner", i.e. the malingerer, is the result of such a distinction.136

This stance indicates the nature of the compensation system as far as manufacturers were concerned. In their view, compensation was intended only to provide what was barely necessary to maintain unutilized labour outside the production system so that need would ultimately push the worker back into the harness of wage labour. A similar concern with the preservation of capitalist social relations of production underlay the CMA's opposition in 1924 to a proposed scheme of rehabilitation for workers to be administered by the Workmen's Compensation Board. The association argued that such a program would only undermine the self-reliance and initiative of workers since they would be depending on the state for rehabilitation and thus not feel that they had to rehabilitate themselves.<sup>137</sup> As in their opposition to increased benefit levels, owners of capital perceived the necessity of structuring compensation schemes in such a way that workers were forced to return to wage labour and capitalist exploitation.

## State Transformation of the Economic Constraint

Labour demands for changes to the Workmen's Compensation Act in the direction of liberalizing benefit levels as well as extending its coverage were made in the context of growing industrial and political conflict, especially after the imposition of conscription in 1917. Although the

post-war crisis of legitimacy for political institutions affected the federal level of the state more than the provincial sub-system, the strength of the farmers' movement and development of independent labour political activity in Ontario altered the balance of class forces and increased the challenge to the political hegemony of capital in the most industrialized provincial economy of the country. While the federal state was promoting cooptive policies and integrative mechanisms aimed at moderate organized labour as a solution to this crisis, it was, at the same time, actively pursuing a policy of repression of radical labour and political organizations.

With federal resources mobilized in an attempt to destroy the most radical forms of working-class opposition, the labour policies of the provincial state could afford to rely on other modes of control than direct coercion. Moreover, the threat facing the provincial state in Ontario came from the political activity of organized labour and agricultural producers, both of whom were engaged in legitimate parliamentary politics to capture a greater share of power, not to transform fundamentally the structures of liberal capitalist democracy. Although the major post-war task of the provincial state was to develop policies which would promote the reorganization of industrial production and commodity markets, to accomplish

this the maintenance of control over major state institutions by a party which represented primarily the interests of capital was necessary.

While overt class conflict was being handled by the federal state, the provincial government of Ontario from 1917 to 1919 adopted a concessionary mode in its relations with organized labour. Thus, despite employer resistance to the inclusion of medical expenses as an item of compensation because of the costs involved, the Conservative administration proceeded to pass an amendment to the act in 1917 providing for medical aid to injured workers out of the compensation fund. This had been a labour demand from the initial implementation of the compensation program and the board itself had consistently supported labour in this demand. However, the amendment also limited this assistance to a maximum of thirty days in accordance with the CMA's request, thus forcing workers to re-enter the labour market out of economic necessity. <sup>138</sup> In 1919, as the incidence of industrial disputes reached its highest level and the Conservative administration faced an election challenge from the rapidly growing farmer and labour parties, the government acted to extend provision of medical benefits to injured workers for as long as was necessary. This same amendment to the act also increased allowances to the families of dead workers and changed the

original clause excluding all clerical workers from the act's coverage. Other concessions to labour demands raised the benefits to widows and dependent children.<sup>139</sup>

The assumption of government office by the combined UFO-ILP administration proved to be a limited benefit for labour as the dominance of the farmer element precluded enactment of several measures serving organized labour's interests. However, the UFO depended on labour support to give it a slim margin over Conservative and Liberal opposition and labour was thus able to use this to some advantage. Additional increases in benefits were obtained over organized protests from manufacturers, mine and lumber mill owners. The issue of rehabilitation of injured and disabled workers was not as successful, though. It was sent first by Premier Drury to a House Committee appointed to investigate the possibility of establishing a Board of Industrial Rehabilitation. The committee's report recommended the inclusion of this function within the duties of the existing compensation board but no legislation directing such an extension of the board's responsibilities was prepared for the 1921 session. In 1923 a private member's bill to this effect was ruled out of order with the result that the UFO-ILP government failed to act on the issue of industrial rehabilitation. In the 1923 session,

after their re-election to government office, the Conservatives put through an Industrial Rehabilitation Act against employer opposition, possibly because the new government had already antagonized the labour movement with a bill to reduce the compensation board to one member and it hoped to regain some of this support.<sup>140</sup>

Generally, however, the return to power of a traditional bourgeois party signified the return to an emphasis on costs and the control features of the compensation program, an approach entirely consistent with the primary concerns of manufacturers and other employers. The changes to the Workmen's Compensation Act and to its administration introduced by the Conservatives in a period of expanding capital accumulation were largely in the form of attempts to reduce the ability of labour to achieve further liberalization of the act. For the most part, trade unions were forced, after 1923, to defend the program against the state's efforts to reduce their potential influence over the operation of the act while simultaneously attempting to enhance the influence of employers.

State Resolution of the "Problem": Policy and Structure

While the results of state activity concerning the Workmen's Compensation Act during the period of greatest labour unrest were largely in the direction of increasing the benefits and coverage to the advantage of workers, the remaining half of the overall period under consideration was predominantly characterized by a tightening up of the act's administration as well as the focussing of greater attention on the cost implications of proposed changes. If the kinds of changes to the act which occurred in the first part of this period were an outcome of unprecedented high levels of class conflict, then it can be argued that the modifications to the compensation program in the subsequent period reflected the shift in class relations with the reestablishment of industrial stability, increasing capital accumulation, and the return of traditional party politics ensuring the hegemony of capital.

The concrete results of this clear re-establishment of the former hierarchy of class domination in terms of the workmen's compensation program were apparent almost immediately once the Conservatives took office. In the first session of the Legislature, the compensation act was transferred by order-in-council from the Department of Labour to the Department of the Attorney-General, thus underlining the new emphasis on administration.<sup>141</sup> During that session, also, Attorney-General Nickle introduced a

bill which was intended to reduce the size of the Workmen's Compensation Board to one individual, to be called the administrator, and to create a three member Compensation Review Commission to act as adjudicator of cases and hear appeals from the board's rulings.<sup>142</sup> This would, in effect, function as a tribunal court to hear the presentation of arguments from both employers' and employees' representatives on particular cases. Organized labour strongly protested this proposal on the grounds that appeals would only lead to a return to litigation, a situation in which employers were almost invariably able to exercise more influence on the outcome. 143 As a result. the proposed measure was withdrawn with Nickle's explanation that: ". . . as repeated conferences failed to effect unanimity of opinion, it was thought better to drop the measure as without cooperation it would not likely work successfully". 144

In 1926, the government introduced an amendment to give the board power to award compensation in accordance with the degree to which an industrial accident contributed to the death of a worker.<sup>145</sup> This, too, was the target of labour criticism based on the argument that the difficulty in interpreting such a vague and ambiguous issue as the degree to which any injury contributed to a death would once again only open the way for litigious action.<sup>146</sup> On

withdrawing this bill, Nickle again pointed out that trade unions felt that the measure would "militate against the smooth working that has characterized the administration of the act in its present form".<sup>147</sup> The act and its operation thus apparently continued to be regarded as an important mechanism for developing cooperative relations with organized labour.

While changes to the act and its administration reflected the differing interests of the UFO-ILP and Conservative governments, concerns arising in part out of changes in the socio-economic conditions characterizing the tenure of the two governments, the Workmen's Compensation Board itself maintained a consistent attitude towards its task of applying the act. The board's activities indicated that it placed first priority on the careful and correct expenditure of funds, not on the situation or needs of the injured worker. It saw its primary responsibility as being that of managing employers' contributions in such a way as to keep assessment rates from rising too high or too rapidly, although Chairman Price argued that the board led others in Canada "in giving liberal and non-technical interpretation to the Act".<sup>148</sup>

The board, however, interpreted the act in its strictest sense when assessing the status of workers' claims for compensation. It refused compensation, for

instance, to workers where the board's physician felt that present medical problems were not the direct outcome of the work-related accident, although there was often a substantial degree of doubt about the precise relationship between the injury and subsequent difficulties.<sup>149</sup> Frequently the complications from work-related injuries, either as a result of the lack of adequate medical care or of poor living conditions and nutrition, led to infections and diseases which caused permanent damage or even death. In such cases, the board did not consider these consequences to be the result of the initial accident:

It is just one of those cases which we often have where there is a start with some slight accident and the man gets pneumonia or pleurisy and dies. . . There does not seem to be any thing which justifies the Board in finding that death was the result of accident. . . .150

The attending doctor did not consider that death was due to the accident although he considered it might have been hastened somewhat by it. . . A similar accident in a young man would have meant nothing.151

When the issue of compensation for silicosis was first introduced in 1924, the board refused compensation for it, regarding it as an entirely different entity from "miners' pthisis" which was compensable, since those cases involved workers in rock crushing, not miners. Even after the Department of Health had established the identity of the diseases, the board did not accept its investigations as adequate, arguing that it had never had a single other claim of this type as a result of stone crushing.<sup>152</sup>

Not only did the board customarily choose the strictest or most conservative interpretation of eligibility in cases where there was a margin of doubt about their inclusion under the terms of the act, but the first chairman, the most significant single influence on the board's policies in its initial decade of operation (and even after that), appeared to apply the terms most restrictively to those workers who requested the intercession of their local members or other dignitaries with the board on their behalf.<sup>153</sup> The attitude of the chairman and, ipso facto, the board to those workers who were willing to go further than merely accepting the board's assessment as a final disposition of their case is revealed to some extent by the following explanation given to the Provincial Secretary by Chairman Price:

Mr. Eagen seems to be very persistent and seems to think the proper thing is to try to bring influence to bear to get something done for him that would not be done in the ordinary cause. He has had others speaking for him. . .

We allowed him as for a hand off less a slight reduction for the prior loss of his index and fourth fingers, and we paid him a lump sum of \$230 in addition to \$131.43 temporary disability and the \$10 monthly pension awarded him for life. The value of all his awards amounts to \$1933.53 which certainly does not seem bad

when it is remembered that it was only a hand already crippled that he lost. It is of course only 55% of his estimated loss that the Act permits us to pay. There is also this fact to be remembered, that in nearly all these cases the work man at first feels the loss he has suffered far more keenly than he is likely to do a little later on.154

This kind of response on the part of the board was the basis for the attack on its operation which occurred in the Legislature in 1923. A UFO member argued the necessity, because of the board's attitude, for illiterate persons to be allowed representation by a solicitor before the board. Other members of the Legislature claimed that the board failed to inform workers of their rights and that its policy seemed to be to "get rid of a workman for the smallest amount possible".<sup>155</sup> Opposition Leader Ferguson agreed on the necessity for a legally trained advisor to prepare applicants' cases and Liberal Leader Dewart referred to the chairman of the board as the "most autocratic head of any Government board in the province".<sup>156</sup>

After several prolonged debates in the 1923 session, the investigation of complaints against the Workmen's Compensation Board was handed over to the Legislature Public Accounts Committee which questioned the chairman regarding lawyers' representation before the board, his own "autocratic" attitude, the surplus funds under the board's control, and the merit-rating system, the last three issues being of particular interest to employers.<sup>157</sup> Assessment rates to manufacturers had been lowered both in 1922 and 1923 to almost the lowest level since the act's inception, and Price explained that earlier rates had possibly been too high by 10 to 12 per cent, permitting the growth of a surplus of \$900,000.<sup>158</sup> With regard to intercession by Members of the House of behalf of their constituents, Price referred to this as "political exploitation" and an attack on the integrity of a judicial body. In a communication to Premier Drury, Price outlined the implications of members of Parliament becoming involved in championing particular cases against the board's rulings:

We [i.e. the board] are dealing with questions between capital and labour. We have to meet the difficulties of an era of unrest and of questioning all authority. . . [A] member of the Legislature surely has a responsibility to his country not lightly to stir up strife or set class against class. Such matters in these times are difficult enough at best.159

Price was clearly aware, then, of the board's role as a mediator between capital and labour and its significance for reducing friction between them. Moreover the board regarded this task as one entirely appropriate to a government agency but that it was critical to preserve the autonomy of this body from the political apparatus of the state if it was to function as a class-conflict reducing mechanism.

The board remained in its existing form and the institution of special-interest advocacy before the board was abandoned. Members of the Legislature and Premiers continued to plead specific cases privately but open attacks in the House on the board's handling of these cases ceased.<sup>160</sup> Neither the state nor workers wanted a return to litigious conditions, although their reasons for this differed. The role of the board in relation to handling class conflict continued to be a significant factor for the state while labour saw itself as being in a weaker position to meet manufacturers in an adversary situation in order to obtain compensation. As a result, the structure of the board, its mode of administration, and its autonomy as the sole policy-determining body for the operation of the compensation program were preserved.

## Conclusion

When the progress of legislation regarding hours of work, minimum wage, and workmen's compensation from 1915 to 1929 is closely examined it becomes clear that the crisis in accumulation resulting from the war and reconstruction was the major factor which conditioned class relations around these issues. Both capitalist employers and the state gave priority to meeting war requirements and subordinated labour's demands for fair wages, maximum

hours, and improved working conditions to this end. Consequently, workers' grievances were largely ignored initially, but the subsequent growth of industrial disputes threatened to damage the ability of Canadian manufacturers to obtain lucrative war contracts. The federal government's assumption of centralized authority over the organization of the economy around the war effort promoted the translation of labour demands for improved hours and wages directly into the political realm when the government refused to override the decisions of its capitalistdominated war boards.

Superimposed on organized labour's struggle over subsistence-related issues was the struggle against the state's abrogation of workers' political rights with forced conscription and restrictions on freedom of speech and association as well as the right to strike. The resultant war-time radicalization of a significant portion of the established trade union movement indicated the imminent potential for the development of independent political action by labour which could call the legitimacy of existing structures into question. The parallel growth of anti-government and anti-business sentiment on the part of rural commodity producers in Ontario and the West

reinforced the danger represented by workers' industrial and political action to the hegemony of capitalist social relations.

The transition from the profitable conditions of war-time production to the uncertainty of shifting postwar markets resulted in owners of capital emphasizing the need for a compliant labour force and political stability. The rapidly increasing level of industrial and civil conflict added to the conditions of instability which were creating concern on the part of capitalist employers and the state. Manufacturers wanted to develop a more tractable labour force without also having to adopt measures seen as further constraining capital accumulation. The federal state was concerned both with reestablishing the legitimacy of capitalist hegemony and restoring a level of cooperation between labour and capital which would facilitate a return to an optimally functioning production system. Various state-sponsored post-war commissions and conferences attempted to promote measures oriented towards redressing some of the grievances of organized labour such as a minimum wage for female workers and a shorter working day.

Employer opposition was the significant factor determining the degree of success of labour demands for

legislation relating to maximum hours. Manufacturers regarded any legislated restrictions placed on working hours as an additional fetter on production output and one which would be extremely difficult to undo at any future point. On the other hand, wage concessions in a collective bargaining situation were more amenable to fluctuations with changing economic conditions and wages could be tied directly to productivity levels through piece-rate schemes or incentive structures. The federal state was prepared to support a shorter working day as a concession to labour in order to obtain industrial peace and to help regain labour loyalty which had been badly damaged by the state's war labour policies. The government did not impose this on a resisting employer population, however, since to do so would have defeated its aim of inducing improved capital and labour relations. Instead, it relegated the issue of maximum hours to the political status of a question whose "feasibility" was under investigation. The matter of appropriate jurisdiction allowed both federal and provincial levels of the state to evade concrete action on this issue. Consequently, no legislation to establish a reduced working day was introduced at the federal level even though, as a signatory to the Treaty of Versailles, the Canadian government had agreed to the Labour Convention dictating a general eighthour day for all workers.

Despite the installation of a farmer-labour government at the provincial level the development of legislation regarding hours of work advanced little for similar reasons. The UFO, whose basis was essentially located in petty bourgeois conditions of production as the representative party of small employers of labour engaged in independent commodity production, was opposed to a restriction on working hours. This opposition was further reinforced by the response of farmers to the declining position of the agrarian sector in Ontario with the advance of capitalist The siphoning off of rural population industrialization. by urban industry depleted the rural labour force and appeared to farmers as the concrete manifestation of their declining economic status. This situation produced a hostility towards industrial development which was frequently deflected by capitalist organizations and ideological institutions to create an antagonism towards labour unions based on the belief that they were a significant cause of the loss of economic and political force of agriculture. Therefore, when the Chippewa canal workers requested an eight-hour day from their employer, the UFO-ILP administration, the UFO was not betraying the interests of its constituency when it refused to concede to the worker's demands.

The establishment of a minimum wage for women, however, was not perceived within the framework of concessions to labour as much as it was regarded as an instrument for rationalizing the labour market by reducing the attractiveness of female labour as a source of cheap labour to industry. The Minimum Wage Act, together with the establishment of mothers' allowances to provide the means of subsistence for female-headed families without labour foce attachment, was expected to push women out of the labour force and make their jobs available to unemployed males. Organized labour, through its parliamentary body, the ILP, supported the passage of the act and its objectives. Owners of capital appeared to fear little the loss of a pool of cheap labour since the state accommodated their interests by providing a highly flexible minimum wage system with an administrative structure allowing for direct input by employers in the decision-making process. The exemptions to the act and the lack of strong enforcement by the Minimum Wage Board enabled employers to evade many of its provisions.

In addition to its function in restructuring the labour market, the Minimum Wage Act, by so doing, was expected to have an effect in reducing the level of social unrest developing out of high rates of unemployment among

demobilized soldiers, a situation of concern to both owners of capital and the state. This legislation was also regarded by the state as a means of promoting the reorganization and rationalization of the industrial sector as well as the operations of the individual firm. Thus, in its total impact, the mimimum wage was intended to facilitate the improvement of the overall efficiency of the industrial structure and the industrial labour force in the post-war period of reconstruction.

The position of organized labour in the political class struggle at the provincial level was strengthened by its alliance with the UFO during a period of greatly increased industrial and social conflict. In these circumstances, labour was able to extract additional benefits under the workmen's compensation system, a program which had been initially conceived in part as a mechanism of conciliation. When, however, the threat of growing class conflict had subsided and government by the traditional bourgeois parties had been re-established, labour was put in the position of struggling to defend its former gains. Employers, who had come to regard compensation as a rationalized overhead cost of production, fought consistently to reduce this cost. While the new Conservative administration proved itself sympathetic to this attitude, the compen-
sation board itself had actually never strayed from upholding this objective in the course of its administration of the compensation fund.

Once conditions of political stability and industrial calm had been restored following the turbulent war and post-war period, the smooth functioning of capitalist accumulation resumed. With this return to normalcy the domination of capitalist hegemony was again ensured. At the level of production this was indicated by the decline in cooperative power-sharing mechanisms and the renewal of a rapid pace of mechanization with relatively little labour resistance. At the political level, this return to the security of capitalist domination was manifested in the decline in power of agrarian and labour parties and an increase in state measures aimed at retrenchment and consolidation of the reconstructed system of capitalist accumulation.

### NOTES

<sup>1</sup>Industrial Relations Section, <u>The Economic</u> <u>Welfare of Canadian Employees: A Study of Occupations,</u> <u>Earnings, Hours, and Other Working Conditions, 1913-37,</u> <u>p. 4; Canada, Dominion Bureau of Statistics, <u>The</u> <u>Canada Year Book, 1939</u> (Ottawa, 1940), p. 421; Urquhart and Buckley, <u>Historical Statistics of Canada</u>, p. 463.</u>

<sup>2</sup>The Rowell-Sirois Report: An Abridgement of Book I of the Royal Commission Report on Dominion-Provincial Relations, ed. and intro. by Donald V. Smiley, Carleton Library No. 5 (Ottawa, 1963), pp. 108, 135-136; Firestone, Canada's Economic Development, p. 61.

<sup>3</sup>Canada, Dominion Bureau of Statistics, <u>The Canada Year</u> <u>Book, 1939</u>, p. 421; Urquhart and Buckley, <u>Historical</u> <u>Statistics of Canada</u>, pp. 296, 463; Carlo Cuneo, "Class Exploitation in Canada", <u>Canadian Review of Sociology and</u> <u>Anthropology</u>, XV, No. 3 (<u>Aug., 1978), 292 (hereafter CRSA</u>).

<sup>4</sup>Urquhart and Buckley, <u>Historical Statistics of</u> <u>Canada</u>, p. 107; Sir Joseph Flavelle to Sir John Willison, Oct. 18, 1919, PAC, Sir John Willison Papers, Vol. 14, fol. 114; "Report of the Committee on Welfare", <u>IC</u>, June, 1919, pp. 53-56; S. R. Parsons, "Some Observations on Present-Day Unrest", <u>ibid</u>., p. 71; "Report of the Royal Commission on Industrial Relations", <u>Labour Gazette</u>, July, 1919, p. 24; E. Samuels, "The Red Scare in Ontario: The Reaction of the Ontario Press to the Internal and External Threat of Bolshevism, 1917-1918" (M.A. dissertation, Dept. of History, Queen's University, 1971), p. 104; "Memoranda re Messages Received in the Department of Labour, June 10, 1919 and June 13, 1919", PAC, Sir Thomas White Papers, vol. 21, file 88; Robin, <u>Radical Politics and Canadian Labour, 1880-1930</u>, pp. 181-182, 220-222, 224-225; Jamieson, <u>Times of Trouble</u>, pp. 181-182, Michael Piva, "Workers and Tories: The Collapse of the Conservative Party in Urban Ontario, 1908-1919", <u>Urban</u> <u>History Review</u>, No. 3-76 (Feb., 1977), 23-29.

<sup>5</sup>The Rowell-Sirois Report: Book I, pp. 132-133; Ontario, Department of Labour, "The First Annual Report of the Department of Labour, Province of Ontario, 1920", Sessional Papers (1921), LIII, No. 16, pp. 34-35, 36; Industrial Banner, Apr. 29, 1921, p. 1, Feb. 24, 1922, p. 1; Bryce Stewart, "Unemployment and Organization of the Labour Market", <u>Annals of the American Academy of</u> Social and Economic Science, CVII (May, 1923), p. 287; Globe, Mar. 19, 1919; "Index Number of Employment, June 1st, 1921 to 1930 Inclusive", PAC, Dept. of Labour, RG27, vol. 184, file 614.05.2; Urguhart and Buckley, <u>Historical Statistics of Canada</u>, p. 304; Editorial, <u>Industrial Banner</u>, Oct. 15, 1915, p. 4; <u>ibid</u>., Nov. 29, 1918, p. 1; Samuels states that the Russian Revolution was hailed by most labour and socialist papers partly because of its emphasis on domestic economic and social reform and that this helped to promote optimism for the possibility of the "reconstruction" of Canadian society after the war; Samuels, "The Red Scare in Ontario", p. 92. For evidence of profiteering by war manufacturers see Canada, Department of Labour, <u>Report of the Acting Commissioners</u> . . . <u>Regarding the Cost of Living</u> (Ottawa, 1917); D. Berkley Rhodes, "The Star and the New Radicalism, 1917-1926" (M.A. dissertation, Dept. of History, University of Toronto, 1955), Appendix I, pp. 62-66; H. H. MaCrae to Sir Joseph Flavelle, Jan. 17, 1916, PAC, Sir Joseph Flavelle Papers, Imperial Munitions Board, Correspondence, vol. 46, "Steel and Radiation Ltd." (hereafter IMB).

<sup>6</sup>James Somerville, Trades and Labour Congress, to Hon. R. L. Borden, Jan. 27, 1915, PAC, Flavelle Papers, IMB, Correspondence, vol. 6, file 64; Gerald H. Brown, Assistant Deputy Minister of Labour, to Sir Joseph Flavelle, Jan. 25, 1916, Sir Joseph Flavelle to Chapman Double Ball Bearing Co. of Canada, Ltd., Feb. 22, 1916; Vice-President, National Steel Car Company to Sir Joseph Flavelle, Feb. 22, 1916, Sir Joseph Flavelle to Fisher Motor Company, Mar. 16, 1916, F. W. Vollaus, President and General Manager, Fisher Motor Company, to Flavelle, Mar. 18, 1916, H. Harper, Organizer of International Assoc. of Machinists, to Sir Joseph Flavelle, Mar. 23, 1916, R. Hobson, Vice-president and General Manager, Steel Company of Canada, to Sir Joseph Flavelle, Feb. 17, 1916, PAC, <u>ibid</u>., IMB, vol. 2, file 11. Also, see the various letters from labour organizations and trade unions describing low wages and sweated labour in clothing and boots and shoes manufacturing in PAC, Sir Edward Kemp Papers, vol. 100, War Purchasing Commission, file 18. <sup>7</sup>Young, "Conscription, Rural Depopulation", 319;
Firestone, <u>Canada's Economic Development</u>, pp. 185, 189;
Young, "The Countryside on the Defensive", 7-8, 15-18, 25-26,
99; W. L. Morton, <u>The Progressive Party in Canada</u> (Toronto, 1950), p. 14; E. C. Drury, <u>Farmer Premier, Memoirs of the</u>
Honourable E. C. Drury (Toronto, 1966), pp. 64, 68, 72-75.

<sup>8</sup>R. Hobson to Sir Joseph Flavelle, May 31, 1916, Flavelle to Hobson, May 30, 1916, R. N. Compton, Dept. of Labour, to Gerald H. Brown, Assistant Deputy Minister of Labour, June 12, 1916, Flavelle to F. A. Acland, Deputy Minister of Labour, July 12, 1916, "Munitions Industry Inquiry", pp. 2-3, R. Hobson to Sir Joseph Flavelle, Feb. 17, 1916, Gerald H. Brown to Sir Joseph Flavelle, Jan. 25, 1916, Frederick Nicholls, President Canadian Foundry Company, to Hon. T. N. Crothers, Minister of Labour, Mar. 10, 1916, Vice-president, National Steel Car Company, to Sir Joseph Flavelle, Feb. 22, 1916, Thomas Findlay to Hon. T. W. Crothers, Mar. 31, 1916, PAC, Flavelle Papers, IMB, Correspondence, vol. 2, fol. 11; John T. Mulcahy to Hon. T. W. Crothers, Mar. 12, 1917, Sir Joseph Flavelle to Hon. T. W. Crothers, Mar. 15, 1917, PAC, <u>ibid</u>., vol. 28, file "Crothers, Hon. T. W., 1915-17".

<sup>9</sup>Joseph Flavelle, head of the Imperial Munitions Board refused to intervene on labour's behalf in any way which would result in new conditions being established for war contracts with regard to disputes, hours, wages, or the existence of blacklists. As a result of the hard line adopted by the heads of the war agencies, coupled with the Canadian government's unwillingness to override their decisions, the British Ministry of Munitions and then Prime Minister David Lloyd George intervened with the Dominion government and the Imperial Munitions Board, advising the Board to consult with labour representatives in order to establish acceptable working conditions. This involvement by the Imperial power followed deputations of the TLC to Great Britain and continuing labour unrest in the munitions industry as well as a large strike of 4,500 clothing workers in Montreal in the spring of 1917. "Memo Covering Conversation with the Prime Minister, the Minister of Labour, Whom I Met in the Prime Minister's Office at His Request", Mar. 3, 1916, Sir Joseph Flavelle to Fisher Motor Company, Mar. 16, 1916, Sir Joseph Flavelle to Hon. T. W. Crothers, June 12, 1916, Findlay to Crothers, Mar. 31, 1916, PAC, Flavelle Papers, IMB, Correspondence, vol. 2, fol. 11. Hon. R. L. Borden to the Governor General, June 15, 1917, M. Wolff, Assistant Secretary General, Ministry of Munitions of War, Whitehall, to the Governor-General, n.d., Prime Minister David Lloyd George to Hon. R. L. Borden, Aug. 14, 1917, Translation of Cable M2758, Perry to Sir Joseph Flavelle, Aug. 22, 1917, Sir Joseph Flavelle to Representative, Imperial Munitions Board, London, June 29, 1917, F. A. Acland to the Secretary of the High Commissioner for Canada, Jan. 23, 1915, PAC, <u>ibid</u>., vol. 6, fol. 64. John T. Mulcahy to Hon. T. W. Crothers, Mar. 12, 1917, Sir Joseph Flavelle to Hon. T. W. Crothers, Mar. 15, 1917, PAC, <u>ibid</u>., vol. 28, file "Crothers, Hon. T. W., 1915-17". Sir Joseph Flavelle to W. L. Hichens, Apr. 5, 1915, PAC, <u>ibid</u>., vol. 36, file "Hichens, W. L., 1915-20". P.C.1743, July 11, 1918, PAC, Cabinet Papers, RG2.1.

## <sup>10</sup> The Rowell-Sirois Report: Book I, pp. 124-128.

<sup>11</sup><u>IC</u>, Aug., 1919, p. 48, June, 1919, p. 56, Jan., 1920, p. 151; "Minutes of Provincial Executive Committee of the Canadian Home Market Association", Mar. 14, 1918, "Minutes, Meeting of the Provincial Executive Committee", May 2, 1918, "Minutes, Meeting of the Provincial Executive Committee", Feb. 11, 1919, "Minutes, Meeting of the Eastern District Committee", May 14, 1918, "Report of the Secretary to the General Committee of the Canadian Industrial Reconstruction Association", Oct. 24, 1918, PAC, Canadian Reconstruction Association Papers (hereafter CRA); Edward Beatty, President, CPR, to Sir John Willison, Chairman, CRA, Feb. 17, 1921, PAC, Willison Papers, vol. 2, fol. 20; Sir John Willison to G. Frank Beer, July 23, 1918, Address at Galt, July 17, 1918, CRA, Bulletin No. 3, Jan. 22, 1919, PAC, Willison Papers, vol. 7, fol. 53; "Address of G. Howard Smith, Chairman of Montreal Branch of CMA", IC, June, 1919, p. 60; S. R. Parsons, "Some Observations on Present-Day Unrest", ibid., p. 69; W. J. Bulman, President CMA, IC, July, 1919, pp. 166-168. A picture of the political situation especially as affected by Western agrarian interests, as seen by some of the country's most prominent industrialists can be obtained from the following correspondence which represents only a small part of that contained in the collection of Willison's papers: Sir John Willison to Sir Edward Beatty, Dec. 11, 1919, PAC, Willison Papers, vol. 2, fol. 20; W. J. Bulman to Sir John Willison, Nov. 4, 1918, Bulman to Willison, Mar. 15, 1919, Willison to

Bulman, Mar. 18, 1919, PAC, <u>ibid</u>., vol. 5, fol. 42; Huntley R. Drummond, PAC, <u>ibid</u>., vol. 3, fol. 22; Sir John Willison to Hon. R. L. Borden, Prime Minister, Oct. 15, 1918, pp. 2537-2541, PAC, <u>ibid</u>., vol. 4, fol. 32; W. J. Bulman, President, CMA, to Sir John Willison, Aug. 20, 1918, Willison to Bulman, Oct. 16, 1918, pp. 3554-3555, PAC, <u>ibid</u>., vol. 5, fol. 42; J. T. Stirett, General Secretary, CMA, to Sir John Willison, Aug. 21, 1919, p. 4207, PAC, <u>ibid</u>., fol. 52; "Recommendations Made by the Executive Committee of the Canadian Industrial Reconstruction Association to the General Meeting, July 18, 1918", "Statement for Subscribers", pp. 4647-4648, <u>A National Policy</u>, July 17, 1918, PAC, <u>ibid</u>., vol. 7, fol. 53; H. R. Drummond to Sir John Willison, Mar. 25, 1920, Willison to Drummond, Mar. 19, 1920, PAC, <u>ibid</u>., vol. 12, fol. 100; Sir Joseph Flavelle to Sir John Willison, Oct. 18, 1919, PAC, <u>ibid</u>., vol. 14, fol. 114; Sir John Willison to T. P Howard, June 23, 1920, PAC, <u>ibid</u>., vol. 21, fol. 156; Clark, <u>The Canadian Manufacturers' Association</u>, pp. 85-86; Bruce Scott, "A Place in the Sun': The Industrial Council at Massey-Harris 1919-1929", <u>Labour/Le Travailleur</u>, I (1976), 160; Marion Findlay, "Protection of Workers in Industry", <u>Annals of the American Academy of Political and Social</u> Science, CVII (May, 1923), 263-264.

<sup>12</sup>Robin, <u>Radical Politics and Canadian Labour, 1880-1930</u>, pp. 122, 127, 129-131, 220-225; Jamieson, <u>Times of Trouble</u>, pp. 164-165; TLC of Canada, Office of the Secretary, "Pronouncement of Organized Labor in Canada on War Problems", June 11, 1917, "Memorandum to Sir. R. L. Borden from F. A. Acland, Deputy Minister of Labour", June 11, 1917, PAC, Flavelle Papers, IMB, Correspondence, vol. 6, file 64.

<sup>13</sup>P.C.3006, Oct. 23, 1917, P.C.3467, Dec. 24, 1917, P.C.1034, May 4, 1918, P.C.670, Apr. 4, 1919, P.C.784, Apr. 9, 1919, PAC, Cabinet Papers, RG2.1. "Report of Major-General W. E. Hodgins on Demobilization to Major-General the Hon. S. C. Mewburn, CMB, Minister of Militia and Defence, Ottawa", Feb. 12, 1918, PAC, Dept. of Militia and Defence, RG9, II Al, vol. 610, Demobilization 1917-1920, file 9. Canada, Department of Labour, "Message of Sir Robert Borden", Official Report of Proceedings and Discussions, Sept. 15-20, 1919, National Industrial Conference (Ottawa, 1919); Bruce Scott, "Cultivating the Workers' Smile: Works Councils in Canada", <u>This Magazine</u>, XI (Jan./Feb., 1977), 30-33.

<sup>14</sup>Robin, <u>Radical Politics and Canadian Labour, 1880-1930</u>, pp. 140, 163-164; Robert James McFall, "Regulation of Business in Canada", Political Science Quarterly, XXXVII, No. 2 (1922), 182-183, 194, 196; P.C.3006, Oct. 23, 1917, P.C.3467, Dec. 24, 1917, P.C.1034, May 4, 1918, P.C.337, Feb. 17, 1919, P.C.415, Feb. 24, 1919, PAC, Cabinet Papers, Telegram, G. D. Robertson, Minister of Labour, to RG2.1; Sir R. L. Borden, May 28, 1919, PAC, Sir Thomas White Papers, vol. 21, file 88; Roger Graham, Arthur Meighen. Vol. I: The Door of Opportunity (Toronto, 1960), pp. 240-241, 247; David Jay Bercuson, Confrontation at Winnipeg: Labour, Industrial Relations and the General Strike (Montreal, 1974), pp. 184-186; Margaret Prang, "The Political Career of Newton W. Rowell" (Ph.D. dissertation, Dept. of History, University of Toronto, 1959), pp. 563-564; Robert M. Stamp, "Technical Education, the National Policy, and Federal Provincial Relations in Canadian Education 1899-1919", CHR, LII (Dec., 1971), 421-423; Stephen Schecter, "Capitalism, Class, and Educational Reform in Canada", in Leo Panitch, ed., The Canadian State, pp. 392-393; G. D. Robertson to Hon. Arthur Meighen, July 23, 1920, Meighen to Robertson, July 29, 1920, G. D. Robertson to Col. C. Starnes, RCMP, July 29, 1920, Starnes to Robertson, July 30, 1920, Information Respecting the Russian Soviet System and its Propaganda in North America, Aug., 1920, PAC, Dept. of Labour, RG27, vol. 168, file 613.04:1; "Reports of the Inspector and Superintendent Commanding the Western Ontario District to the Commissioner", June 9, 1920, Aug. 9, 1920, Sept. 8, 1920, Oct. 5, 1920, Nov. 9, 1920, Jan. 10, 1921, PAC, Royal Canadian Mounted Police, RG18, "A" Series, vol. 603, file 26.

15 Piva, "Workers and Tories", 23-39; Newspaper Hansard, Feb. 26, 28, 1919, Apr. 15, 25, 1919, PAO; "An Act to Amend the Mining Act of Ontario", <u>Statutes of Ontario</u>, 1919, 9 George V, chapter 12, sec. 157; "An Act to Amend the Factory, Shop and Office Building Act", <u>ibid</u>., 1921, 11 George V, chapter 76, sec. 5. Findlay, "Protection of Workers in Industry", 254-266.

<sup>16</sup>W. E. Jarman, Secretary Amalgamated Society of Engineers, Br. 1081, to Sir Thomas White, Acting Prime Minister, Jan. 22, 1919, J. A. Young, Secretary District no. 46, International Assoc. of Machinists, to G. D. Robertson, Jan. 25, 1919, J. D. Robertson to J. D. Reid, Minister of Railways and Canals, Jan. 30, 1919, Vancouver, Daily Sun, Mar. 30, 1919, PAC, Dept. of Labour, RG27, vol. 160, file 611.21; Dr. Riddell, Deputy Minister of Labour, Ontario, to Sir Wm. Hearst, May 3, 1919, PAO, Dept. of Labour, RG7, Series II, 1, Office of the Deputy Minister, General Subject Files 1916-20, vol. 1, file "Hours of Work, 1918-1919"; Editorial, <u>IC</u>, July, 1919, p. 146.

 $^{17}$ See references in notes 8 and 9 above.

<sup>18</sup>Flavelle to Hobson, May 30, 1916; Hobson to Flavelle, May 31, 1916; Telegram, Compton to Brown, June 12, 1916; Flavelle to Acland, July 12, 1916; "Munitions Industry Inquiry", pp. 2-3; "Memo Covering Conversation with the Prime Minister, the Minister of Labour", Mar. 3, 1916, PAC, Flavelle Papers, IMB, Correspondence, vol. 2, fol. 11; P.C.832, Apr. 11, 1916, P.C.580, Mar. 14, 1916, P.C.1743, July 11, 1918, P.C.2525, Oct. 11, 1918, PAC, Cabinet Papers, RG2.1. Robin, <u>Radical Politics and Canadian Labour, 1880-1930</u>, pp. 120-121, 166-168; Jamieson, <u>Times of</u> Trouble, pp. 162-163.

<sup>19</sup>Canada, Department of Labour, <u>Official Report of</u> <u>Proceedings and Discussions</u>, Sept. 15-20, 1919, National Industrial Conference, pp. 67-68; <u>The Labour News</u>, Jan. 5, 1917, p. 1, Feb. 16, 1917, p. 1; <u>Industrial Banner</u>, May 21, 1920, p. 1; <u>The New Democracy</u>, June 3, 1920, p. 1.

20 Industrial Banner, Jan. 22, 1915, p. 1, Feb. 12, 1915, p. 1, Mar. 26, 1915, p. 1, Apr. 19, 1918, p. 1, July 19, 1918, p. 1, Mar. 21, 1919, pp. 1, 2, Jan. 16, 1920, p. 1; The New Democracy, Jan. 13, 1921, n.p.; Newspaper Hansard, Mar. 19, 1919, PAO. F. S. Lane, Secretary, United Bro. of Carpenters and Joiners of America, Local 713, to Premier Ferguson, Aug. 17, 1925, J. B. McSevern, Secretary, UBC and J, to Ferguson, Aug. 17, 1925, PAO, Premiers' Records, RG3, General Correspondence 1925, box 68, file "Minimum Wage Board"; "Programme of Desired Legislation Presented by the TLC to the Premier and Cabinet, Feb. 2, 1926", p. 12, PAO, ibid., box 97, file "Trades and Labour Congress of Canada, re Legislation"; "Submission to Hon. E. C. Drury and Cabinet made by the Trades and Labour Congress of Canada and Labor Educational Association of Ontario", p. 1, PAO, ibid., General Correspondence 1923, box. 34, file "Labour Conference". <sup>21</sup><u>Industrial Banner</u>, Dec. 20, 1918, p. 1, Mar. 21, 1919, pp. 1, 2, Jan. 16, 1920, p. 1; <u>Globe</u>, Nov. 10, 18, 1918, Mar. 3, 1919, Feb. 22, 1919, Apr. 24, 1919; Toronto <u>Daily Star</u>, Jan. 27, 1919, Apr. 1, 11, 1919; Newspaper Hansard, Mar. 19, 1919; <u>New Democracy</u>, Jan. 13, 1921; Robertson to Reid, Jan. 30, 1919; Canada, Department of Labour, Joint Conference of the Building and Construction Industries in Canada, Held at Ottawa, May 3-6, 1921, Industrial Relations Series, Bulletin No. 3, p. xvii, PAC, Dept. of Labour, RG27, vol. 637, file 179; Canada, Department of Labour, Official Report of the Proceedings and Discussions, Sept. 15-20, 1919, pp. 67-68, 76-77, 80.

<sup>22</sup>Samuels, "The Red Scare in Ontario", 130-133.

<sup>23</sup>Manufacturers' representatives on the Commission to Enquire into Unrest in the Munitions Industry refused to endorse the recommendation for a nine-hour day and both Toronto and Hamilton manufacturers stood firm against their employees' demands. In the words of one manufacturer:

It is not a time, in my opinion, for employers to haggle very much about rates of wages. These, under such conditions, naturally go up, and can be adjusted again as conditions change. The hours of work, however, is a different thing altogether. There is a principle at stake, in this, that people cannot lightly overlook, and while in munition works, where the interests of the business only have to do with the present, it is possible to concede anything to keep men at work, and yet be better off than to have trouble. Companies that have to consider the future as well as the present, must keep certain fundamental conditions in hand, even at the expense of temporary difficulty.

The implication here is clearly that reduced hours, once yielded, could not be returned to the <u>status</u> <u>quo</u> <u>ante</u> and future demands would use the newly established shorter working day as a starting point. Thomas Findlay to Hon. T. W. Crothers, Apr. 4, 1916, PAC, Flavelle Papers, IMB, Correspondence, vol. 2, fol. 11. <sup>24</sup>IC, Aug., 1919, p. 48; Samuels, "The Red Scare in Ontario", 72-73, 96-97, 140-142, 156. For some evidence that manufacturers linked socialism and Bolshevism with prevailing labour militancy see: Willison to Beer, July 23, 1918; <u>A National Policy</u>, speech delivered by Willison as President of the Canadian Reconstruction to Sir John Willison, Nov. 9, 1918, PAC, Willison Papers, vol. 12, fol. 100; Sir John Willison to Sir Joseph Flavelle, Oct. 18, 1919, Willison to Flavelle, Jan. 22, 1920, PAC, <u>ibid</u>., vol. 14, fol. 114; Sir John Willison to Premier Wm. Hearst, Feb. 19, 1919, PAC, <u>ibid</u>., vol. 20, fol. 148; Sir John Willison to H. R. Drummond, July 21, 1920, PAC, <u>ibid</u>., vol 21, fol. 100; S. R. Parsons to Sir John Willison, Dec. 13, 1919, PAC, <u>ibid</u>., vol. 33, fol. 244. See also, the <u>Globe</u>, Nov. 30, 1918, Dec. 28, 1918; <u>Financial Post</u>, Feb. 22, 1919; Toronto <u>Telegram</u>, Feb. 28, 1919; <u>Mail and</u> Empire, Mar. 13, 1919.

<sup>25</sup>Canada, Department of Labour, Official Report of Proceedings and Discussions, Sept. 15-20, 1919, pp. x1-x1i; "Annual Report of the Minimum Wage Board, 1924", pp. 18-33, PAO, Premiers' Records, RG3, General Correspondence 1925, box 68, file "Minimum Wage Board"; Margaret Lawson, "Some Economic Phases of Minimum Wage Legislation in Ontario" (M.A. dissertation, Dept. of Economics, University of Toronto, 1926), pp. 80-81, 85; "Rates and Wages and Hours of Labour in Various Trades in Certain Cities", Table I, PAC, Dept. of Labour, RG27, vol. 107, file 432:2.

<sup>26</sup>Editorial, <u>IC</u>, July, 1919, p. 146.

<sup>27</sup>Canada, Department of Labour, <u>Official Report of</u> <u>Proceedings and Discussions</u>, Sept. 15-20, 1919, pp. viixii, 59-64, 70, 78, 85, 87-88, 94-95.

<sup>28</sup><u>Ibid</u>., pp. vii-xii.
<sup>29</sup><u>Ibid</u>., p. 59.
<sup>30</sup><u>Ibid</u>., pp. 59, 62, 63, 70, 78, 85, 95.

<sup>31</sup>See references in notes 6, 8, and 9 above. Robin, <u>Radical Politics and Canadian Labour, 1880-1930</u>, pp. 122, 127; Jamieson, Times of Trouble, pp. 164-165. <sup>32</sup>P.C.1743, July 11, 1918, p. 3, PAC, Cabinet Papers, RG2.1.

<sup>33</sup>For the duration of the war, the federal government handed over almost complete control of war production to specially created boards. The major state agencies, the Imperial Munitions Board and the War Purchasing Commission, were headed by prominent industrial capitalists, the former by Joseph Flavelle, president of the Wm. Davis Packing Company, and the latter by A. E. Kemp, past president of the CMA and the Toronto Board of Trade as well as president of a family-owned manufacturing firm. Both these bodies were able to exercise substantial control over manufacturing and the working conditions in factories producing for the war while the role of the federal Department of Labour with regard to overseeing hours, wages, and other conditions was subordinated to the "necessities" of war production as determined by the Imperial Munitions Board and the War Purchasing Commission. Working conditions were thus dictated by the overriding priority which these hybrid state-capital agencies gave to the maintenance of a high level of production. Consequently, the final avenue of appeal in any labour-capital dispute occurring in the war industries was the federal level of the state in the form of these capitalist-dominated war boards. When workers began to object to their situation in industries manufacturing war supplies, employers readily turned to the Imperial Munitions Board for reinforcement of their refusal to meet labour demands. Brown and Cook, Canada, 1896-1921, pp. 191, 193, 236-237, 242.

<sup>34</sup>Hon. T. W. Crothers to Sir Edward Kemp, Sept. 9, 1915, Mar. 13, 1916, Apr. 6, 1916, June 28, 1916, July 5, 1916, Aug. 29, 1916, Kemp to Crothers, Mar. 14, 1916, Apr. 7, 1916, July 4, 1916, July 6, 1916, Aug. 31, 1916, PAC, Kemp Papers, vol. 100, file 18; Sir Joseph Flavelle to Hon. T. W. Crothers, June 12, 1916; "Munitions Industries Inquiry", PAC, Flavelle Papers, IMB, Correspondence, vol. 2, fol. 11; Mark H. Irish to Sir Joseph Flavelle, June 15, 1917, June 19, 1917, PAC, <u>ibid</u>., vol. 6, fol. 64.

<sup>35</sup>Hon. T. W. Crothers to Sir Robt. Borden, July 17, 1916, PAC, Flavelle Papers, IMB, Correspondence, vol. 6, fol. 64; Hon. T. W. Crothers to the St. Lawrence Bridge Company, Mar. 2, 1917, PAC, <u>ibid</u>., vol. 28, file "Crothers, Hon. T. W., 1915-17".

<sup>36</sup>Robin, <u>Radical Politics and Canadian Labour, 1880-1930</u>, pp. 129, 138. Other concessions developed out of a series of meetings between state and labour representatives in 1918 although the moderate labour wing, which constituted the predominant sector of labour opinion included at these sessions, agreed to compulsory registration and a central labour control board over the railways. Labour representatives were also put on the War Trade Board, the Labour Appeal Board, the Canadian Railway War Board, the Canada Registration Board, the Cabinet Committee on Reconstruction and Development, and the Soldiers' Vocational Training Commission. J. C. Watters, Chairman, TLC, and Tom Moore, Secretary, TLC, "Confidential -- To Organized Labor in Canada", PAO, Dept. of Labour, RG7, Series II, 1, Office of the Deputy Minister, General Subject Files, 1916-1920, vol. 2, file "Organization for Resources Committee, 1917-19".

<sup>37</sup>These reports are found in PAC, Dept. of Labour, RG27, vol. 160, file "Information re: the Six and Eight Hour Day".

<sup>38</sup>Robertson to Reid, Jan. 30, 1917.

<sup>39</sup>Labour Gazette, July, 1919, Supplement; Canada, Department of Labour, <u>Official Report of Proceedings and</u> Discussion, Sept. 15-20, 1919, p. x.

<sup>40</sup>Col. David Carnegie to Borden, Mar. 1919, cited in Bruce Scott, "Cultivating the Worker's Smile", 31. See the Report of a Conference on Industrial Relations held in February, 1921, especially Robertson's concluding remarks regarding the hopes vested in industrial councils as an "antidote to any tendency on the part of the workmen who are strongly organized to carry their organized power to unreasonable lengths". The conference itself seems to have been largely a public relations effort to popularize councils as a means of integrating and stabilizing the work force at the individual plant level. Many prominent American managers were invited to relate their experiences with industrial councils. Canada, Department of Labour, <u>Report</u> of a Conference on Industrial Relations held at Ottawa, <u>Feb. 21st and 22nd, 1921</u> (Ottawa, 1921), pp. 9, 11, 13-14, 20, 28-29, 34, 38, 59.

<sup>41</sup>Dr. W. A. Riddell to Premier Wm. Hearst, Feb. 24, 1919, May 3, 1919, PAO, Dept. of Labour, RG7, Series II, 1, Office of the Deputy Minister, General Subject Files 1916-1920, vol. 1, file "Hours of Work 1918-1919". <sup>42</sup>Christopher Armstrong, "The Politics of Federalism: Ontario's Relations with the Federal Government, 1896-1941" (Ph.D. dissertation, Dept. of History, University of Toronto, 1972), pp. 450-451.

<sup>43</sup>Piva, "Workers and Tories", 35-36.

<sup>44</sup>D. A. Bristow, "Agrarian Interest in the Politics of Ontario: A Study with Special Reference to the Period 1919-1949" (M.A. dissertation, Dept. of History, University of Toronto, 1950), pp. 40, 45; Robin, <u>Radical Labour and Canadian Politics, 1880-1930</u>, pp. 229-236, 242; Newspaper Hansard, Feb. 2, 5, 10, 1921, PAO; Young, "The Countryside on the Defensive", 18, 25-26; Whitaker, "Images of the State", 49-50.

<sup>45</sup>Young, "The Countryside on the Defensive", 114-115.

<sup>46</sup>Bliss, <u>A Living Profit</u>, p. 62; Canada, House of Commons, <u>Journals</u>, XLV (1909-1910), Appendix 4, p. 232; <u>IC</u>, Apr., 1910, p. 894, Apr., 1914, p. 1136, May, 1914, pp. 1264-66; Bliss, "'Dyspepsia of the Mind'", 180.

<sup>47</sup>Bristow, "Agrarian Interest in the Politics of Ontario", 40.

<sup>48</sup>Armstrong, "The Politics of Federalism", 449-454, 458-461; Kenneth McNaught, <u>A Prophet in Politics: A</u> <u>Biography of J. S. Woodsworth (Toronto, 1959), p. 180;</u> "Resolution passed by Guelph Trades and Labor Council and Forwarded to Premier Ferguson", July 31, 1925, PAO, Premiers' Records, RG3, General Correspondence 1925, box 8, file "Minimum Wage Board".

<sup>49</sup>Armstrong, "The Politics of Federalism", 458-461, 476-477.

<sup>50</sup>Cuneo, "Class Exploitation in Canada", 292.

<sup>51</sup>See references in notes 6, 8, and 18.

<sup>52</sup>Urquhart and Buckley, <u>Historical Statistics of</u> Canada,, pp. 105, 107. <sup>53</sup>Brown and Cook, <u>Canada, 1896-1921</u>, p. 242.

<sup>54</sup>P.C.1743, July 11, 1918, p. 3, PAC, Cabinet Papers, RG2.1.

<sup>55</sup>Canada, Department of Labour, <u>Official Report</u> of Proceedings and Discussions, Sept. 15-20, 1919, pp. 105, 108; <u>Industrial Banner</u>, Jan. 26, 1920, p. 2, Feb. 27, 1920, p. 2, Dec. 20, 1918, p. 1.

<sup>56</sup>Canada, Department of Labour, <u>Women at Work</u> <u>in Canada</u> (Ottawa, 1964), p. 10.

<sup>57</sup>Alice Klein and Wayne Roberts, "Beseiged Innocence: The 'Problem' and the Problems of Working Women -- Toronto 1896-1914", in Janice Acton, Penny Goldsmith, and Bonnie Shepard, eds., <u>Women at Work, Ontario 1850-1930</u> (Toronto, 1974), pp. 219-22.

<sup>58</sup>It is possible that this organization was the Toronto Vigilance Society whose aims were to demand the "full social value of the wealth we created" and to obtain "laws prohibiting sweatshops and other social and individual wrongs". Ibid., p. 228.

<sup>59</sup>James Somerville to Sir Robt. Borden, Jan. 27, 1915, PAC, Flavelle Papers, IMB, Correspondence, vol. 6, fol. 64; W. L. Hichens to Sir Robt. Borden, Jan. 4, 1916, PAC, <u>ibid</u>., vol. 22, file "Sir Robt. L. Borden, 1915-16"; Thomas Findlay to Hon. T. W. Crothers, Mar. 31, 1916, PAC, <u>ibid</u>., vol. 22, file "Department of Labour"; <u>IC</u>, Nov., 1915, p. 740, Apr., 1916, p. 1282; Ontario, Department of Public Works, "Report of the Trades and Labour Branch, Department of Public Works, 1917", <u>Sessional Papers</u> (1918), L, No. 16, p. 7.

<sup>60</sup>Ibid., p. 13.

<sup>61</sup>"Brief for a Minimum Wage Act", pp. 3-4, PAO, Dept. of Labour, RG7, Series II, 1, Office of the Deputy Minister, General Subject Files, 1916-1920, vol. 2, file "Minimum Wage Data 1917-1919". <sup>62</sup>Editorial, <u>Industrial Banner</u>, Oct. 15, 1915, p. 4, Nov. 29, 1918, p. 1; Samuels, "The Red Scare in Ontario", 92.

<sup>63</sup>After Borden returned from the International Peace Conference in May 1919 many letters poured in from labour organizations inquiring whether the government was planning to implement the labour sections of the charter in Canada, especially rights to collective bargaining and the 8-hour day. Prang, "The Political Career of Newton W. Rowell", p. 573.

<sup>64</sup>M. K. Rely, "Minimum Wages -- Arguments For, as Developed by M. K. Rely", 1918-1919, PAO, Dept. of Labour, RG7, Series II, 1, Office of the Deputy Minister, General Subject Files, vol. 2 "file "Minimum Wage Data, 1918-1919".

> <sup>65</sup><u>Ibid</u>., n.p. <sup>66</sup><u>Ibid</u>., n.p.

<sup>67</sup>Dr. W. A. Riddell, "Report on Mothers' Allowances", Mar. 24, 1919, PAO, Premiers' Records, RG3, General Correspondence 1919, box 13, file "Mother's Allowance".

> <sup>68</sup><u>Ibid</u>., pp. 2-4, 8. <sup>69</sup>Rely, "Minimum Wages", n.p.

<sup>70</sup>P.C.3006, Oct. 23, 1917, P.C.3467, Dec. 24, 1917, P.C.1034, May 4, 1918, PAC, Cabinet Papers, RG2.1; Report of Major-General W. E. Hodgins on Demobilization to Major-General the Hon. S. C. Mewburn, Feb. 12, 1918; Premier Wm Hearst to Sir John Willison, Jan. 31, 1916, PAC, Willison Papers, vol 20, fol. 148; Dr. W. A. Riddell to Premier Wm. Hearst, Jan. 8, 1919, PAO, Dept. of Labour, RG7, Series II, 1, Office of the Deputy Minister, General Subject Files 1916-1920, vol. 2, file "Prime Minister -- Sir Wm. Hearst"; "Minutes of Provincial Executive Committee of the Canadian Home Market Association", Mar. 14, 1918; "Minutes, Meeting of the Provincial Executive Committee of the CRA", May 2, 1918 and Feb. 11, 1919, "Minutes, Meeting of the Eastern District Committee of the CRA", May 14, 1918, "Report of the Secretary to the General Committee of the Canadian Industrial Reconstruction Association", Oct. 24, 1918; "Recommendations Made by the Executive Committee of the CIRA to the General Meeting, July 12, 1918; Sir E. Beatty to Sir John Willison, Feb. 17, 26, 1921, PAC, Willison Papers, vol. 2, fol. 20.

<sup>71</sup>Brief for a Minimum Wage Act, pp. 3-4.

<sup>72</sup>Canada, Department of Labour, <u>Official Report</u> of Proceedings and <u>Discussions</u>, Sept. 15-20, 1919, p. viii.

<sup>73</sup>Thomas Findlay to Hon. T. W. Crothers, Apr. 4, 1916, PAC, Flavelle Papers, IMB, Correspondence, vol. 2, fol. 11.

<sup>74</sup>Canada, Department of Labour, <u>Official Report</u> of Proceedings and Discussions, Sept. 15-20, 1919, p. 110.

<sup>75</sup><u>Ibid</u>., p. 110.

<sup>76</sup>"Minutes of a Meeting of the Executive Committee of the CRA", Dec. 9, 1918, PAC, CRA Papers.

<sup>77</sup>Kathleen Derry and Paul H. Douglas, "The Minimum Wage in Canada", <u>Journal of Political Economy</u>, XXX, No. 2 (Apr., 1922), 188.

<sup>78</sup>Canada, Department of Labour, <u>Official Report of</u> <u>Proceedings and Discussions</u>, Sept. 15-20, 1919, pp. 102-103; "The Minimum Wage Opposed by Retail Merchants", <u>New Democracy</u>, Sept. 4, 1922.

<sup>79</sup><u>Ibid</u>.; Canada, Department of Labour, <u>Official</u> <u>Report of Proceedings and Discussions</u>, Sept. 15-20, 1919, pp. 102-103.

<sup>80</sup>The file "Minimum Wage Data 1917-1919" contains material pertaining to research undertaken by the Ontario Department of Labour when the Conservatives were in power. PAO, Dept. of Labour, RG7, Series II, 1, Office of the Deputy Minister, General Subject Files, 1916-1920, vol. 2, file "Minimum Wage Data, 1917-1919". <sup>81</sup>"An Act to Provide for a Minimum Wage Board with Power to Regulate in Certain Cases the Minimum Wages of Women and Girls", <u>Statutes of Ontario</u>, 10-11 George V, 1920, Chapter 87.

<sup>82</sup>Canada, Department of Labour, <u>Women at Work in</u> <u>Canada</u>, p. 28; Ramkhalawansingh has estimated that, in 1911, the size of the unpaid female labour force in agriculture was approximately 750,000 workers while the total paid female labour force, included in official statistics because they were paid, amounted to only 170,000. Clearly, setting a minimum wage for agricultural labourers would have drained the surplus from the rural economy which was highly dependent on the unpaid labour of family members. Ceta Ramkhalawansingh, "Women During the Great War", in Women at Work, p. 266.

<sup>83</sup>"Report of Mrs. Lydia M. Parsons, Commissioner, Ontario Minimum Wage Board", p. 10, PAO, Premiers' Records, RG3, General Correspondence 1925, box 66, "Immigration and Colonization", file 1.

<sup>84</sup>"An Act to Provide for a Minimum Wage Board", Statutes of Ontario, sec. 12.

<sup>85</sup> "Minutes of the Minimum Wage Board", Jan. 6, 1921, Sept. 16, 1921, Nov. 23, 1921, May 25, 27, 29, 31, 1922, June 2, 1922, PAO, Dept. of Labour, Series VIII, 1, Manpower Services Division, Employment Standards Branch, vol. 38; J. W. MacMillan, Chairman, Minimum Wage Board, to Hon. E. W. Raney, Attorney-General, Nov. 24, 1921, Egerton Loving to J. W. MacMillan, Dec. 8, 1921, PAO, Dept. of Attorney-General, RG4, Correspondence 1921, file 3921.

<sup>86</sup>"Minutes of the Minimum Wage Board", May 25, 27, 29, 31, 1922, PAO, Dept. of Labour, Series VIII, 1, Manpower Services Division, Employment Standards Branch, vol. 38.

<sup>87</sup>Newspaper Hansard, May 17, 1922, June 6, 1922, PAO.

<sup>88</sup>"An Act to Provide for a Minimum Wage Board", Statutes of Ontario, secs. 3 to 17. <sup>89</sup>Newspaper Hansard, May 11, 1920, PAO; Lawson, "Some Economic Phases of Minimum Wage Legislation", 19.

<sup>90</sup>Ibid., pp. 30-32; see also "Minutes of the Minimum Wage Board", Dec. 10, 1920, Jan. 22, 1921, Feb. 12, 15, 1921, Mar. 3, 12, 14, 1921, PAO, Dept. of Labour, RG7, Series VIII, 1, Manpower Services Division, Employment Standards Branch, vol. 38.

<sup>91</sup>"Minutes of the Minimum Wage Board", May 20, 30, 31, 1921, June 3, 1921, PAO, <u>ibid</u>.

<sup>92</sup>Minimum Wage Board, "Annual Report, 1924", p. 36, PAO, Premier's Records, RG3, General Correspondence 1925, box 68, file "Minimum Wage Board".

<sup>93</sup>J. A. Ritchie, Crown Attorney, County of Carleton, to A. N. Middleton, Solicitor, Attorney-General's Department, Mar. 17, 1925, PAO, Dept. of Attorney-General, RG4, Correspondence 1925, file 1287.

<sup>94</sup> "Minutes of the Minimum Wage Board", Dec. 6, 1920, Jan. 15, 1921, PAO, Dept. of Labour, RG7, Series VIII, 1, Manpower Services Division, Employment Standards Branch, vol. 38; An Act to Amend the Minimum Wage Act, 1921, PAO, ibid., vol. 38.

<sup>95</sup>Lawson, "Some Economic Phases of Minimum Wage Legislation", 15.

<sup>96</sup><u>Ibid</u>., pp. 114-155, 120-121, 124.
<sup>97</sup>Ibid., pp. 121-123.

<sup>98</sup>J. W. MacMillan, "Minimum Wage Legislation in Canada and Its Economic Effects", <u>International Labour Review</u> LV (Apr. 1924), 532-533; idem, "Minimum Wage Administration", <u>American Economic Review</u>, XVIII, No. 3 (June, 1928), 248-249.

<sup>99</sup>MacMillan, "Minimum Wage Legislation", 532; idem, "Minimum Wage Administration", 250. <sup>100</sup>"Report of Mrs. Lydia M. Parsons, Commissioner, Ontario Minimum Wage Board", pp. 8, 10.

<sup>101</sup>Findlay, "Protection of Workers in Industry", 263.

102 "Minutes of the Minimum Wage Board", Jan. 6, 1921, May 25, 27, 29, 31, 1922, June 2, 1922; Macmillan to Raney, Nov. 24, 1921.

<sup>103</sup>Minimum Wage Board, "Annual Report, 1924", pp. 2, 14.

<sup>104</sup>Derry and Douglas, "The Minimum Wage in Canada", pp. 182-183; "The Minimum Wage Opposed by Retail Merchants", New Democracy, Sept. 4, 1922.

<sup>105</sup>"Minutes of the Minimum Wage Board", May 8,10, 1922, PAO, Dept. of Labour, RG7, Series VIII, 1, Manpower Services Division, Employment Standards Branch, vol. 38.

106 Lawson, "Some Economic Phases of Minimum Wage Legislation", 120-121.

<sup>107</sup>Ibid., pp. 41-46, 58-63.

<sup>108</sup>Editorial, <u>Industrial Banner</u>, Aug. 20, 1915, p. 4; "Compensation Act Works Fairly Well. No Legal Actions", Labour News, Apr. 21, 1916, p. 1.

<sup>109</sup>"An Act to Provide for Compensation to Workmen for Injuries Sustained and Industrial Diseases Contracted in the Course of Their Employment", <u>Statutes of Ontario</u>, 4 George V, 1914, Chapter 25.

<sup>110</sup><u>Ibid</u>., sec. 2.1(h) and (p), sec. 3, sec. 4.

111 "Deputation of Trades and Labor Council of Toronto, Labor Educational Association of Ontario, Trades and Labor Congress of Canada", Jan. 5, 1917, PAO, Premiers' Records, RG3, General Correspondence 1917, box 17, file "Minimum Wage Board"; <u>Industrial Banner</u>, Feb. 8, 1918, p. 1;

"Programme of Desired Legislation Presented by Trades and Labor Congress to the Premier and Cabinet", Feb. 2, 1926, p. 14, PAO, Premiers' Records, RG3, General Correspondence 1926, box 97, file "Trades and Labor Congress of Canada".

<sup>112</sup>Canada, Dominion Bureau of Statistics, <u>The Canada</u> Canada Year Book, 1925 (Ottawa, 1926), pp. 361-353.

<sup>113</sup>In addition to the funds committed by the federal government under the Soldier Resettlement Act, the Ontario government almost yearly borrowed on the credit of the Consolidated Revenue Fund to make funds available for northern development between 1915 and 1923. In 1925, the Conservative administration voted an appropriation for this purpose to be taken directly out of consolidated Revenue. "An Act to Make Further Provision for Northern and Northwestern Ontario Development", <u>Statutes of Ontario</u>, 1925, 15 George V, Chapter 19. See also <u>Statutes</u> for years 1915 to 1923.

<sup>114</sup>"An Act to provide for the Development of Northern Ontario", Statutes of Ontario, 1926, 16 George V, Chapter 10.

<sup>115</sup><u>Ibid.</u>, Lawrence F. Jones and George Lonn, <u>Historical Highlights of Canadian Mining</u> (Toronto, 1973), pp. 35-36.

<sup>116</sup>Donald Avery, "Continental European Immigrant Workers in Canada, 1896-1919: From 'Stalwart Peasants' to Radical Proletariat", <u>CRSA</u>, XII, No. 1 (Feb., 1975), 56-57, 61-63.

<sup>117</sup>Ivan Avakumovic, <u>The Communist Party in Canada:</u> A History (Toronto, 1975), pp. 21, 27, 33, 35-37, 42.

<sup>118</sup>Jamieson, <u>Times of Trouble</u>, pp. 198-206.

<sup>119</sup>Peter Oliver, <u>G. Howard Ferguson: Ontario Tory</u> <u>Premier</u> (Toronto, 1977), pp. 324-325; "Ontario's Department of Education has Scored a Big Victory Against Communism in the North", Globe, Feb. 21, 1931.

<sup>120</sup>"An Act to Revise and Consolidate the Mining Law of Ontario", <u>Statutes of Ontario</u>, 1927, 17 George V, Chapter 15. <sup>121</sup>"An Act to Amend the Workmen's Compensation Act", Statutes of Ontario, 1926, 16 George V, Chapter 42.

<sup>121a</sup>Newspaper Hansard, Apr. 5, 1919, PAO; <u>Industrial</u> Banner, May 30, 1919, p. 1.

<sup>122</sup>Editorial, <u>IC</u>, March, 1916, p. 1169.

<sup>123</sup>IC, May, 1915, pp. 58-59, July, 1915, pp. 354-356;
 G. M. Murray, Secretary, CMA, to Hon. I. B. Lucas, Attorney-General, Jan. 24, 1917, PAO, Department of Provincial Secretary, RG8, Correspondence of W. D. McPherson, I-1-A-1, box 33, file "Canadian Manufacturers' Association".

124 "Differential (Preferred) Rating", PAO, Dept. of Labour, Series I, 6, Office of the Minister, vol. 1, file "Workmen's Compensation 1937-1941"; "Resolution Sent to G. H. Ferguson by Secretary-Treasurer of the Western Ontario United Boards of Trade", Dec. 7, 1923, PAO, Premiers' Records, General Correspondence 1923, box 48; "Memorandum from Border Chamber of Commerce to Forbes Godfrey, Minister of Labour and Health", Feb. 20, 1924, PAO, Dept. of Attorney-General, RG4, Correspondence 1924, file 697.

<sup>125</sup>J. E. Walsh, Secretary, CMA, to Raney, Apr. 17, 30, 1920, PAO, Dept. of Attorney-General, RG4, Correspondence 1920, file 3862; Newspaper Hansard, Apr. 28, 1920, PAO.

<sup>126</sup>Murray to Lucas, Jan. 24, 1917; <u>Industrial Banner</u>, Feb. 2, 1917, p. 1.

<sup>127</sup>Industrial Banner, Aug. 20, 1915, p. 4.

<sup>128</sup>Ibid., Feb. 11, 1916, p. 4.

<sup>129</sup> "Minutes of the Third Annual Meeting of the Association of Workmen's Compensation Boards of Canada, Held at the Offices of the Workmen's Compensation Board of New Brunswick, St. John, Oct. 3-5, 1921", p. 5, PAC, Dept. of Labour, RG27, vol. 3102, file 155.

<sup>130</sup>Murray to Lucas, Jan. 24, 1917, PAO; "Resolution Sent to G. H. Ferguson by Secretary-Treasurer of Western Ontario United Boards of Trade", Dec. 7, 1923; "Memorandum from Border Chamber of Commerce to Forbes Godfrey, Minister of Labour and Health", Feb. 20, 1924. <sup>131</sup>Murray to Lucas, Jan. 24, 1917.

<sup>132</sup>The CMA had apparently regarded the WCB's chairman, Samuel Price, as a representative of employers. When he resigned in 1925, the association wanted to appoint a replacement since, according to the CMA, the Drury government had appointed a labour representative in 1921 when Halford had been put on the board. "Resolutions adopted at the Annual General Meeting, CMA, St. Andrews, New Brunswick, June 20, 21, 22, 23, 1922", PAC, Dept. of Labour, RG27, vol. 121, file 601.2; "Memorandum from Border Chamber of Commerce to Forbes Godfrey, Minister of Labour and Health", Feb. 20, 1924; CMA to Hon. W. F. Nickle, Attorney-General, Apr. 2, 1925, enclosure in Walsh to Premier H. Ferguson, Apr. 2, 1925, PAO, Premiers' Records, RG3, General Correspondence 1925, box 77, file "Workmen's Compensation Board -- General".

<sup>133</sup>Murray to Lucas, Jan. 24, 1917.

<sup>134</sup> "Report of the Workmen's Compensation Committee", <u>IC</u>, July, 1915, p. 358; Ontario, Workmen's Compensation Board, "Report of the Workmen's Compensation Board of Ontario, 1915", <u>Sessional Papers</u> (1916), XLVIII, no. 54.

<sup>135</sup>IC<u>,</u> July, 1915, p. 360.

<sup>136</sup>Newspaper Hansard, Apr. 28, 1920, PAO; Walsh to Raney, Apr. 30, 1920.

<sup>137</sup>J. E. Walsh to Hon. W. F. Nickle, Apr. 3, 1924, PAO, Dept. of Attorney-General, RG4, Correspondence 1924, file 697.

<sup>138</sup>See references in note 126.

<sup>139</sup>Newspaper Hansard, Apr. 5, 1919, PAO; <u>Industrial</u> <u>Banner</u>, May 30, 1919, p. 1.

<sup>140</sup>Walsh to Nickle, Apr. 3, 1924; Ontario, Legislative Assembly, "Report of the Industrial Rehabilitation Board Committee, 1921", Journals, 1921, LV, Appendix 1. 141 Order-in-Council, Jan. 14, 1924, PAO, Premiers' Records, RG3, Special Series, box 113, file "Workmen's Compensation".

<sup>142</sup><u>Globe</u>, Mar. 13, 20, 1924; "Bill No. 167, An Act to Amend the Workmen's Compensation Act", PAO, Dept. of Attorney-General, RG4, Correspondence 1924, file 697.

<sup>143</sup><u>Ibid.</u>, Hon. W. F. Nickle to L. A. Rattey, Recording Secretary, Canadian Bro. of Railway Employees, Apr. 29, 1924, PAO, ibid, file 697.

<sup>144</sup>See preceding note.

145<u>Globe</u>, Feb. 11, 18, 1926; "Bill No. 68, Proposed Amendment to Workmen's Compensation Act, 1926", PAO, Dept. of Attorney-General, RG4, Correspondence 1926, file 499.

146 Ibid.; "Copy of Bill No. 211 to Amend the Workmen's Compensation Act", PAO, Dept. of Attorney-General, RG4, Correspondence 1920, file 3862; "Memo, as to Proposed Schedule 2 Pension Fund", PAO, <u>ibid</u>., Correspondence 1920, file 3862; "Memo' for the Premier", May 21, 1920, PAO, ibid., Correspondence 1920, file 3862.

<sup>147</sup><u>Globe</u>, Mar. 13, 1926.

<sup>148</sup>S. Price to E. C. Drury, Prime Minister, Feb. 20, 1923, PAO, Premiers' Records, RG3, General Correspondence 1923, box 37, file "Workmen's Compensation Board".

149 S. Price to W. D. McPherson, Jan. 19, 1917, PAO, Dept. of Provincial Secretary, RG8, Correspondence of W. D. McPherson, I-1-A-1, Box 99, file "Workmen's Compensation Board"; Price to McPherson, Aug. 24, 1917, PAO, <u>ibid</u>., box 81, file "Chas. Rideout"; S. Price to Premier E. C. Drury, July 3, 1920, PAO, Premiers' Records, RG3, General Correspondence 1920, box 29, file "Claim of John Caddell".

<sup>150</sup>V. A. Sinclair, Chairman, WCB, to Premier H. Ferguson, Dec. 15, 1926, PAO, Premiers' Records, RG3, General Correspondence 1926, box 98, file "WCB Claims". <sup>151</sup>V. A. Sinclair to Premier H. Ferguson, May 12, 1928, PAO, <u>ibid</u>., General Correspondence 1928, box 100, file "WCB".

<sup>152</sup>S. Price to J. E. Gimby, M.D., Provincial Board of Health, Feb. 8, 1924, PAO, Dept. of Attorney-General, RG4, Correspondence 1926, file 3053; S. Price to Hon. W. F. Nickle, Mar. 26, 1924, PAO, <u>ibid</u>., Correspondence 1926, file 3053.

<sup>153</sup>Joseph Sedgwick, in a 1934 report to the Attorney-General on the operations of the compensation board, characterized Samuel Price, the original chairman, as "capable, but also high handed and dictatorial, relishing neither opposition nor advice". Joseph Sedgwick, "Report to the Attorney General re: Workmen's Compensation Board and its Functioning Powers, etc.", July 26, 1934, p. 7, PAO, Dept. of Attorney-General, RG4, Correspondence 1934, file 4082.

<sup>154</sup>S. Price to W. D. McPherson, Apr. 16, 1917, PAO, Dept. of Provincial Secretary, RG8, Correspondence of W. D. McPherson, I-1-A-1, box 46, file "Eagen, Arthur".

> <sup>155</sup><u>Globe</u>, Feb. 8, 1923. <sup>156</sup><u>Globe</u>, Feb. 17, 1923. <sup>157</sup><u>Globe</u>, Mar. 10, 15, 1923, May 1, 1923. <sup>158</sup><u>Globe</u>, May 1, 1923. <sup>159</sup>Price to Drury, Feb. 20, 1923.

<sup>160</sup>Premier Ferguson, for instance, replied to many individuals who requested his assistance with their case before the WCB that the board was a judicial tribunal independent of government influence and had to remain neutral, removed from special pleading. However, he did take a special interest in his own constituents, writing lengthier and more persuasive letters to the board on their behalf, and in cases where another influential person was already acting as a mediator with the board for an injured worker. In one instance, that of the death of an English worker in Canada, Ferguson felt that a wider political end might be served by the board's being generous in its decision:

It has struck me that it might be well to meet this [case] in a generous way and give further opportunity for consideration of the matter. It seems unfortunate that everything that happens in Canada is misunderstood and miscontrued by Old Country people, and I think it would make a good impression if they felt that the case had fullest consideration, and ample opportunity provided for investigation.

Premier H. Ferguson to S. Price, Mar. 7, 1925, PAO, Premiers' Records, RG3, General Correspondence 1925, box 77, file "WCB"; see also files on Fred Farrar and George Krug, <u>ibid</u>., box 77, James Shipman and others in <u>ibid</u>, box 98, Anson Wood and others in ibid., box 100.

## CHAPTER FIVE THE CAPITALIST ECONOMY IN DEPRESSION: THE ESTABLISHMENT OF A MINIMUM WAGE FOR MEN

The period from 1929 to 1939, widely referred to as the "Great Depression", is also one from which many persons date the development of the interventionist or "welfare" state. In Canada, both the federal and provincial levels of the state embarked on a number of programs which resulted in an extension of the areas of interpenetration between the liberal democratic state and the capitalist economy. The scale of extension of state authority into the operation of the private economy through various devices such as composite boards, agencies, and commissions did not represent the independent action of a beneficent, neutral state. Instead, the interventionist state was to a great extent the culmination of a bitter struggle between a working class deprived of security of subsistence and a capitalist class suffering from the loss of markets, production declines, and the profit erosion of the depression.<sup>1</sup> The increased extent of overt class conflict between workers radicalized by the effects of the depression and employers defending their profit levels conditioned state policy with

regard to maximum hours, minimum wage, and workmen's compensation. State policy in each of these areas was an outcome of capitalist demands for the regulation of competition and greater control over labour in production combined with the exigencies of the shrinking financial base of the state itself and the need for increasing the bases for legitimacy of capitalist social relations of production.

Owners of capital reacted to the crisis of disappearing markets, collapse of investment and excess manufacturing capacity by initially intensifying intercapitalist competition to maintain profits.<sup>2</sup> This increased capitalist rivalry was carried on primarily at the expense of workers who suffered wage cuts, reduced working time, and, as conditions progressively worsened, indefinite unemployment.<sup>3</sup> The consequences of economic insecurity and inadequate levels of subsistence promoted responses on the part of labour which represented an added threat to capitalists and their attempts to restore the accumulation system to its normal functioning. Labour in production was becoming radicalized by the experience of deteriorating working conditions and continuing possibility of unemployment with the result that many workers began to support industrial and Communist unions.<sup>4</sup> Excess labour, disengaged from the cash-nexus attaching it to the capitalist

system of production, was even more readily organized by Communist-based unions.<sup>5</sup> The situation of workers, both employed and unemployed, promoted increased unionization and conflict, often leading to violence as they confronted the repressive agents of state authority in their struggle for wages, employment, and union recognition.<sup>6</sup> The extent of industrial conflict increased fairly steadily from 1930 to 1938 and, from 1930 to 1935, civil disturbances involving unemployed labour also escalated markedly.<sup>7</sup>

Confronted by crises in both the spheres of production and realization, manufacturers, small retailers, and other industrial capitalists turned to the utilization of state authority for assistance in returning to conditions which would promote economic stability as well as provide security for capital investment. This assistance took the form of legislation designed to regulate markets, distribution systems, banking practices and the costs of production in addition to measures intended to forestall the spread of labour organizations and, concomitantly, labour disputes.<sup>8</sup> Consequently, policy and legislation directed towards labour by the state throughout most of this period were based on attempts to regulate competition through controlling both production costs, such as the hours and wages of labour, for owners of capital and the levels of economic and political conflict.

The existence of a relatively autonomous state which could serve as a protector of the structure of capitalist accumulation was dependent upon the adequate functioning of the system of accumulation. The situation of declining revenues from a diminishing tax base coincident with the growing claims upon state funds determined to a great extent the outline of state economic and labour policy during the 1930's.<sup>9</sup> However, the specific shape of federal and provincial labour policies was dictated primarily by the threat which uncontained labour protest and uncontrolled disaffection represented to prevailing social relations of production. A variety of measures were conceived and implemented at different points throughout the depression to cope with the consequences of working class protest and the possible dangers these represented.

The state at the federal level was particularly concerned with the containment of unemployed labour and the potential for radical activity directed against the existing structure of political relations.<sup>10</sup> At the provincial level, the control of labour in production was critical in order to restore industrial peace and restrict union development.<sup>11</sup> While hours, wages, and the workmen's compensation program were all aspects of the cost of production to capitalist manufacturers, they also became issues in the class struggle between capital and labour

as workers responded to employers' oppression through unionization and strikes. Intervention by the state in each of these areas was thus based on both the drive to minimize costs and to maximize control of labour, although to differing degrees in each case.

The results of this class struggle between organized labour and owners of industrial capital over the division of a shrinking surplus were translated into state policies oriented towards stabilizing conditions of production and eliminating the constraints to capital accumulation following from a unionized and militant labour force. Consequently, maximum hours legislation was not established despite continual agitation by trade unions. On the other hand, a minimum wage for male workers was enacted after the worst of the depression was over. Although trade unions had not pressed strong demands for this measure, owners of capital regarded it as a means of stabilizing competition through regulation of labour costs. Gains made by labour with regard to workmen's compensation were, except for the extension of silicosis to additional occupational categories, almost non-existent while manufacturers succeeded in having their costs of compensation reduced.

#### Maximum Hours Legislation, 1930-1939

# State Identification of the Economic Constraint as a "Problem" at Federal and Provincial Levels

In the situation of prolonged depression that characterized the decade of the 1930's, the issue of maximum working hours was raised again primarily in terms of its relationship to unemployment. Arguments from both organized labour, on the one hand, as to the benefits of a reduced working day in this regard and from capitalist employers, on the other, about the deleterious effects which shorter hours would have on already declining production levels could not be as easily ignored or dismissed by the state as they had been in earlier, more prosperous periods. Growing unemployment lent additional weight to traditional labour demands for maximum hours legislation and the increasing levels of industrial and social unrest reinforced these demands.

Employers throughout the depression regarded limitations on working hours as an interference with the natural functioning of the accumulation system as well as an incentive to the further unionization of labour. However, at the same time, manufacturers, retailers and other capitalists were demanding state assistance with market regulation and control of their production costs. The federal state was the focus for the demands both of organized labour and

of these fractions of capital while the situation of increasing social disorder assumed an increasingly more significant role in shaping state-labour relations because of its perceived implications for the security of the capitalist state.<sup>12</sup>

The concerns of organized labour during this period were related first and foremost to economic security and employment. The dramatic rise in unemployment from 1930 to 1933 promoted a substantial increase in support for an eight-hour day on the part of trade unions and many municipalities, the latter wanting a shorter working day on public relief projects. Both groups felt that this would help spread available employment among more workers.<sup>13</sup> The TLC began to advocate a six-hour day and a five-day week in its legislative demands to federal and provincial governments.<sup>14</sup> While the increase in jobs remained the major argument for a shorter working day, continuing cutbacks in production and employment began to split labour support for reduced hours. "Short time" in this context began to mean only a reduction in income for many workers with the result that a legislated maximum working day was identified with lower wages. For this reason, some labour groups opposed the 1935 federal Limitation of the Hours of Labour Act when it came before the Senate Standing Committee on Banking and Commerce.<sup>15</sup>

Although many unionized workers already had an eight-hour day in practice, this was not the case for the vast majority of the labour force which was unorganized (about 85 per cent of the non-agricultural labour force nationally). The trade unions were being more than merely altruistic, however, in their espousal of a shorter working day by legislation. The non-unionized labour force always stood ready to replace unionized workers when employers attempted to lower their labour costs or lessen their dependence on skilled labour by mechanizing the work process and substituting cheaper, unskilled workers. In addition, the maximum working day established by collective bargaining without the support of state-enforced legislation was subject to lengthening as workers often found it necessary to accept barely tolerable working conditions. A working day limited by legislation would mean that the eight-hour day for which unions had struggled for decades would apply to non-unionized workers as well, thus protecting both groups since employers would not then be able to exploit the division between organized and unorganized workers with regard to this issue.

Capitalist employers continued to resist any imposition of restrictions on working hours by either labour or the state. When bills to limit the length of the work day were being considered at the federal level in 1930 and

1935, employers in construction, lumber, coal and textile industries all opposed their passage. The Canadian Construction Association argued against a measure to extend an eight-hour day for federal employees and ensure the inclusion of fair wages' clauses in government contracts. Their opposition was based primarily on the transferral of the issues of hours and wages from the arena of collective bargaining to being determined by state authority.<sup>16</sup> Whereas employers held the balance of power in the situation of negotiation between employers and employees, the proposed bill would take the settlement of the issue of hours out of employers' hands and make it an externally imposed limitation on the ability of employers to exploit labour. Although construction workers had already won the eight-hour day, unskilled non-unionized labour in this industry was still subject to a ten-hour day. However, issues which are settled by collective bargaining under one set of economic conditions are always liable to drastic change in later bargaining under a different set of circumstances. The Canadian Construction Association summed up their case against any effort to legislate hours:

Under the guise of "humanitarian" what is really "class" legislation embodying trade union policies will be inflicted upon our industry, and the public of Canada generally, backed by the statutory power of the government.17

Before the Senate Standing Committee on Banking and Commerce in 1935, employers in the lumber industry, the coal industry, light and power companies, electric railways, and textiles all protested the enactment of an eight-hour day, in each case pleading that special circumstances applied.<sup>18</sup> Most of these industrial categories were dominated by a few large semi-monopolistic firms whose market strength and whose power vis à vis their labour forces enabled them to control production costs and prices to a much greater extent than the small manufacturers and retailers for whom the "New Deal" was primarily introduced. For these firms, a legislated maximum working day represented an external constraint on potential limits of accumulation.

Despite rapidly changing employment conditions in which the amount of work was decreasing, the CMA remained opposed to any state enactment of an eight-hour day though many, if not most, manufacturers and large retail and chain stores with unionized labour forces worked an eight-hour day.<sup>19</sup> When the reductions in the volume of production began to escalate in 1930, the Industrial Relations Committee of the CMA discovered through a survey that members were coping by laying off employees. This was a mistaken procedure the Committee argued; instead, ". . . it is best to reduce the number of working days, rather than to reduce the length of the working day".<sup>20</sup> Cutting down the number

of working days would enable employers to contract their work forces by hiring back fewer workers and they would incur the lower overhead costs of a smaller overall labour force as long as production remained low.

While organized labour was proposing solutions, such as the shorter working day, which would provide employment for an increased number of workers, it appears that capitalists engaged in manufacturing were being made aware of the opportunity presented by depressed conditions to save on labour costs in the short term and ultimately to reduce their dependency on labour by replacing living labour with technology in the longer term. Although the state of technology in many industries did not permit a wholesale substitution for living labour at that point, the urgency of maintaining production with a smaller labour force in order to sustain overall profits provided a potential stimulus to further technological innovation and mechanization. This would eventually absorb fewer workers while simultaneously creating a larger reserve army of labour. Such a reserve would help keep down the wages of those engaged in production and counter to some extent the power of unions to obtain concessions from employers through negotiations or strikes.
The depression, therefore, served to emphasize to workers the need for measures which would increase the total amount of employment and thus provide greater security of subsistence. At the same time, for large employers in dominant market positions the economic instability of the period further reinforced their opposition to legislated maximum working hours as an external constraint on capital accumulation and encouragement to additional labour demands. The reduction of the employed labour force resulting from employers' responses to the depressed state of the economy also appeared to offer the opportunity for owners of capital to lessen their future dependency on living labour and decrease labour costs, making cutting down the number of workers more important than retaining employees by reducing the number of hours. These demands expressed by organized labour and industrial capitalists around the matter of an eight-hour day clearly exposed the fundamental division of interests between workers and employers over this issue, a division deepened and accentuated by the depression.

### <u>State Transformation of the Economic Constraints at Federal</u> and Provincial Levels

Throughout the period of the depression the state at the federal level was primarily concerned in its labour policy with control of the excess labour force disengaged

from the process of capitalist production. At the provincial level there was greater state involvement in management of the labour force which remained attached to production. With the threat of growing political disaffection and civil disorder among unemployed workers together with that of the potential radicalization and increased unionization of employed labour, both the federal and provincial levels of the state regarded the regulation of working hours as a tool for assisting in the social control of labour. At the same time, the state was extremely reluctant to create further constraints to lagging production both because of its own precarious financial position and because of the political possibility that each of the traditional parties could see much of its electoral support move to the alternative bourgeois party as a result.

While maximum hours legislation might reduce the political support from some groups, there was also the potential for increasing party backing from other sources if such a measure was enacted. Small manufacturers and retailers were demanding measures to regulate the limits of intercapitalist competition and there appeared to be growing support across the country among labour groups for the newly established more radical third parties. The

conflicting class interests of capitalist manufacturers and organized labour around the issue of the shorter working day was also complicated by differences between particular fractions of capital and the resultant need for the state to assess the political consequences of this division.

The concern with social stability and the relationship of maximum hours to this growing problem for the state was evident in the responses of certain key figures who influenced labour policy. Prime Minister King, for instance, examined eight hours legislation and its effects in several European jurisdictions. He noted that, while in Britain the bill had originally been introduced as a measure to help eliminate labour unrest following World War I, in France it was

. . . introduced very hurriedly. The result was that its details had not been fully thought out, and when it came into operation, instead of causing general satisfaction, a number of strikes developed owing to difficulties which had not been foreseen.21

It was clear that King did not intend to move precipitously into the area of an eight-hour day in Canada. When Roebuck, Attorney-General for Ontario, presented his arguments concerning the labour legislation of the "New Deal" before the Supreme Court he stated that: "Reasonable conditions of labour and remuneration . . . are a more efficient guarantee against revolution and for the continued existence

of the state than can be afforded by policemen or machine guns . . .".

After an eight-hour day for federal government employees and contract workers had been introduced as a government measure and passed in 1930, the Canadian Construction Association distributed a memorandum to members of the Senate opposing the Fair Wages and Eight Hour Day Bill. Confidential reassurances from the Department of Labour as to the non-restrictive intentions of the act followed this protest.<sup>23</sup> When the "New Deal" legislation was passed by the government and before its constitutionality had been challenged, the Senate Standing Committee on Banking and Commerce provided opportunity for both employers and labour to put forward their views on the Limitation of the Hours of Labour Act. The Senate Committee sympathized with the employers' case. The Hon. Arthur Meighen was an active member of the committee with regard to this particular legislation and indicated the general sentiments of the Senators about the bill.

It was necessary, he argued, to adopt the legislation as it stood without providing for exemptions, in order to assure its secure constitutional status as a ratification of the labour convention of the Treaty of Versailles.<sup>24</sup> Meighen assured the testifying employers that they would have ample opportunity to have their specific interests

accommodated since exemptions could be made by Order-in-Council:

Suppose this [bill] is passed without the dotting of an i, it is going to come into effect after three months. Within those three months definitions and so on have to be framed and adopted by the Governor-in-Council. Now if you can make your case, those definitions will be adopted in a manner satisfactory to you. . . I want to impress upon you the fact that the passing of the Act does not shut the door to you in any way at all. It is still clearly open to you to establish the conditions of your industry and to obtain definitions or exceptions to enable you to operate.25

Because of the significance of the Bill's provision for regulations and exemptions to be made by the Governor-in-Council, the Senators were concerned to make this authority as wide as possible to cover any exceptions desired by capitalist owners.<sup>26</sup> As one Senator bluntly stated: "Section 9 [covering possible specific regulations] is a blanket section; it enables practically anything to be done".<sup>27</sup> The Chairman of the Senate Committee was very clear about that body's stand with regard to the act when, addressing one of the employers representing major lumber interests, he stated: "I do not think, Mr. Golding, there is any doubt as to the sympathy of the Committee towards your situation".<sup>28</sup> The Senate. because of its non-elective character, did not operate under the same kinds of constraints requiring labour interests to be taken into consideration in determining the particulars of specific legislation. However, it could not transform government bills sent to it wholly at will without creating a potentially hostile reaction. Openly sympathetic to employers when it came to dealing with measures which were seen as unnecessarily constraining capital accumulation, the Senate was able to change or amend legislation in such a way that mechanisms capable of accommodating employer interests could be provided.

At the provincial level of the state, the Department of Labour became increasingly sympathetic to labour proposals for a legislated eight-hour day. Department officials saw this as offering a partial solution to a number of industrial problems stemming from the depression. They were basically in agreement with organized labour's argument that reduced hours would help create more jobs by distributing employment, a consequence of some importance to the state's efforts to deal with social disorder. Accordingly, in contrast to advice given to capitalist employers by the CMA to reduce their labour forces instead of their working hours, a provincial Labour Department report argued that the working day should be shortened and employees kept on while staff should be added as conditions improved rather than merely lengthening hours with the same labour force.<sup>29</sup>

Employment, because of its implications for social stability, was a significant factor in labour policy considerations of the provincial state. At the same time, the limits of employment were fully understood by Department of Labour officials to be intimately related to the needs of capitalist industrial production. Deputy Minister J. H. H. Ballantyne, at a dinner given by Lady Eaton and directors of the T. Eaton Company, argued that an industrial society required a reserve labour force. This was especially true for seasonal occupations which required "a floating reserve of workmen to carry on industry during the different seasons".<sup>30</sup> This view coincided with the interests of employers in reducing their work forces as a preferred alternative to cutting back on the hours of labour.

It was also recognized by the Department of Labour that maximum hours legislation would help regulate competition among manufacturers which was based on the intensified exploitation of labour.<sup>31</sup> While small manufacturers and retailers had pressed for various forms of regulation of competition at the federal level, capitalist support at the provincial level was directed more towards control of labour costs through minimum wage legislation than by restriction on hours. Wages as a production cost were readily passed on in the form of price increases whereas the determination of the number of working hours was of

critical significance to the volume of production and the amount of surplus value available for appropriation. Capital engaged in production for the domestic market was reluctant to be restrained in its ability to produce by restrictions which would be levied within one jurisdiction only without being equalized in other jurisdictions.

The timing of the acts dealing with maximum working hours passed by the federal level of the state in this period appears to have been chosen in order to take maximum advantage of any possible political support their passage might reap for the party concerned. Mackenzie King introduced one of the bills in 1930 with the preface that: "The Government has felt that the time has now come when a working day of not more than eight hours can properly be made compulsory by law . . .".<sup>32</sup> It seemed that the appropriate time was the last Parliamentary session prior to a general election. Similarly, measures to limit the daily hours of labour in general and the length of the working week for government employees were included in the "New Deal" legislation introduced in the 1935 pre-election session by a Conservative administration.

As in former periods, the struggle between labour and capitalists over the issue of maximum hours hinged on the extent to which such legislation would place limitations

on capital accumulation. In the context of the depression, however, a state-enforced maximum working day was one way in which the demands of small owners of capital for the regulation of labour costs and stabilization of competition could be satisfied. For larger capitalists in positions of market dominance, however, it continued to represent a constraint on accumulation. In addition to this struggle between fractions of capital and organized labour over the eight-hour day, the federal state was also engaged in the control of political class relations centring on labour outside the process of production as growing unemployment created concomitant social disorder. The traditional arguments of organized labour regarding the intrinsic relationship between shorter hours and employment were thereby given greater credibility. Moreover, the state, in its role as manager of political class relations could not afford simply to ignore the demands of organized labour with regard to a reduced working day at a time when unemployment was at its highest historical levels.

The federal government's passage of two acts restricting working hours corresponded to labour and small manufacturers' demands as well as to the necessity to contain the growth of political conflict. In this particular matter, the Senate acted as the forum for expression of forces opposing the shorter working day, namely, construc-

tion contractors, utilities, primary producers, and semimonopoly manufacturers. The Senate's open support for these interests translated into changes to the bills which would reduce their impact considerably without changing their original legislative form. These resultant "compromises" were more the product of intraclass differences between fraction of the capitalist class than they were an outcome of labour-capital struggle.

# State Resolution of the "Problem" at Federal and Provincial Levels

The gains for labour during the depression period in terms of a state-enforced maximum working day were minimal. Where legislation was adopted, its limitations were soon readily apparent for, despite the existence of high levels of labour unrest and social instability, the political strength of organized labour was weakened by unemployment and depression. Concomitantly, the political power of employers was increased as a result of the priority given by the state to reestablishing stable conditions for capital accumulation. This highly skewed balance of power was evident in the legislation which resulted for, although some restrictions on the hours of labour were adopted by Liberal and Conservative administrations at both levels of the state, these were carefully hedged by various provisions for exemptions and exclusions which would minimize the possibility of reduced hours acting as a further hindrance to production.

In 1930 the Liberal administration of Mackenzie King introduced a bill to institute an eight-hour day for federal employees and to give legislative backing to fair wages' clauses in government contracts. A draft bill submitted by the TLC served to some extent as a model for the legislation but the government made some significant modifications to the TLC proposal. The resultant act limited the scope of the bill's application and diluted the requirements to a further degree than the TLC had desired.<sup>33</sup> The federal Department of Labour responded to construction industry employers' concerns that the power of the Minister to make regulations would be subject to the influence of the "drastic demands" of the TLC with the assurance that no regulations would be made which could be burdensome to the building and construction industry.<sup>34</sup>

The final legislation amounted primarily to little more than a legal enshrinement of already existing working hours and a marginal extension of the shorter working day while it also allowed considerable latitude for special exemptions. According to a civil service commission study of 1925, all monthly-rated federal employees and the vast majority of prevailing-rate employees already worked an

eight-hour day. The 1930 act merely extended this to approximately five hundred additional employees with proviso for exemptions on the recommendations of the Minister of Labour.<sup>35</sup> It applied only to direct contracts for construction, remodelling, repairing, and demolition, excluding all employees engaged in the fabrication or manufacture of the materials utilized. Moreover, while skilled construction workers had already obtained an eight-hour day by direct struggle, unskilled labourers, still working a ten-hour day, could be exempted from the act's coverage by regulation of the Governor-in-Council.<sup>36</sup>

The federal Government in 1930 adopted the policy of an eight-hour day on all unemployment relief works to which it contributed funds. The government's objective was to provide employment for otherwise unused labour as a social control measure, not to extract surplus value from relief workers which was the primary aim of capitalist employers. At the provincial level, however, employees on relieffinanced road contracts were still working ten-hour days in 1931 and sometimes up to twelve- or fourteen-hour days in such seasonal work.<sup>37</sup> Except for the 1931 act applying to mining, the only restrictions on working hours in Ontario were as originally established in 1884, that is, a tenhour day, sixty-hour week with permissable extensions to

a seventy-two and a half-hour week. The provincial state appears to have been concerned with squeezing the maximum benefits out of federal relief funds in the form of sewers, roads, and buildings while leaving employment considerations to constitute the concern of the federal state.

Both federal and provincial levels of the state brought in maximum hours legislation to reduce the working day of state employees. In addition to the 1930 act, the federal government moved in 1935 to limit the working week of its own employees and those on government construction contracts to forty-four hours. The Ontario government delayed such a measure until 1936 when the Government Contracts Hours and Wages Act was passed, essentially a duplicate of the federal Fair Wages and Hours of Labour Act.<sup>38</sup> Both cost considerations at a time of fiscal restraint and the intent to serve as a model for private employers appear to have been considerations behind these acts; however, in practice, they merely made the established working hours in most government departments the norm for all, thus standardizing certain employment conditions and giving statute enforcement to the length of the working day. On the other hand, the Governor and Lieutenant-Governor in Council were authorized to exempt any specific contract work from the provisions of the acts, a clause which, in the 1930 act, had been included to allow construction

industry employers to continue their practice of a tenhour day for unskilled labourers.<sup>39</sup>

In 1935, the Limitation of the Hours of Labour Act was passed by the federal Conservative government as part of the series of acts known as the Bennett "New Deal". This was one of the several recommendations spelled out in the Report of the Commission on Price Spreads intended to regulate production costs and competition for the benefit of smaller manufacturers and retailers. The Limitation of the Hours of Labour Act provided a universal eight-hour day for Canadian workers which, as the Senate Committee testimony indicates, did not go unchallenged. As a result of these hearings a seventy-page document was produced by the committee which contained the many regulations they had developed regarding exemptions from the act as well as a lengthy list of exempted categories and occupations.<sup>40</sup> This would have drastically watered down the act's application had it ever come into force. However, the constitutionality of most of the New Deal legislation was subsequently tested and found ultra vires the federal Parliament by the Judicial Committee of the Privy Council in 1937. Consequently, the labour movement had to divide its efforts and limited resources to obtain provincial legislation controlling working hours.

The working out of the relations among organized labour and large and small owners of capital resulted in little gain for labour with regard to legislation for maximum working hours. Despite the passage of two acts at the federal level of the state and one act at the provincial level, there was no significant change in the length of the working day for the majority of workers. State employees and most trade unions had already obtained an eight-hour day in practice. While state workers were given the backing of statute for their working hours, unorganized workers in both public and private sectors were without effective protection at all as regulations allowing for various exemptions and exceptions were built into the acts.

When the Limitation of the Hours of Labour Act was ruled as being outside the jurisdiction of the Dominion government, the field of appropriate authority for labour legislation was further confined to the individual provinces. Consequently, the struggle for legislative protection for working conditions and labour rights was fragmented into nine arenas in which organized labour and small, withinprovince capitalists became major antagonists.

#### Conclusion

Labour efforts to have an eight-hour working day established by state action were renewed during the depression after the comparative lull in labour activity throughout the latter half of the 1920's. Traditional arguments linking increased employment to reduced working hours were underlined with greater import by the situation of widespread unemployment resulting from the depression. Small employers of labour, primarily small domestic manufacturers and retailers, supported a variety of state measures which would regulate competition and stabilize labour costs while both levels of the state were concerned about the control of a labour force that was becoming increasingly radicalized. Legislation setting a maximum length to the working day could potentially serve a number of these ends.

Large employers, particularly those in strong market positions with little to fear from cut-throat competition, opposed any attempt to institute an eight-hour day because of its implications for constraining potential levels of capital accumulation. When these capitalists presented their objections before the Senate Standing Committee on Banking and Commerce, they found a sympathetic source of support. The CMA also felt that the economic interests of the manufacturing sector would be harmed by the state imposition of a shorter working day since this would curtail

employers' ability to freely dispose of "excess" labour and substitute mechanized production for living labour in the longer term.

The class struggle between fractions of capital and organized labour over an eight-hour day focussed on the federal level of the state where labour could both concentrate its efforts and also obtain the widest application of the legislation if successful. At the same time, smaller capitalists would have the greatest equalization of competitive conditions through federal legislation. Moreover, the federal state was largely concerned with the situation of increasing unemployment because of its ramifications in regard to the level of social unrest.

The outcome of these class relations of conflict and opposition around maximum hours legislation was the enactment of measures applying to government employees and the Limitation of the Hours of Labour Act in Bennett's "New Deal" package. While the former acts covered relatively few additional employees who did not already enjoy an eighthour day, the latter piece of legislation was greatly reduced in its impact by the Senate Committee and then dismissed by the Privy Council as not being within the jurisdiction of the federal level of the state.

When the depression ended with the onset of World War Two, organized labour in Ontario had not made any

significant advances in establishing a maximum working day of eight hours. Although the provincial Department of Labour, whose primary function was to maintain stable industrial relations in order to prevent any disruption of production, regarded an eight-hour day as a partial solution to both unemployment and demoralizing intracapitalist competition, the state at the provincial level, concerned with industrial conflict and unionization in the workplace, turned to alternative means to control the labour force in production. As the following section indicates, one of these alternatives was the establishment of the Industrial Standards Act and, ultimately, a minimum wage for male workers.

### Minimum Wage Legislation, 1930-1939

## <u>State Identification of the Economic Constraint as a</u> "Problem" at the Provincial Level

Legislation establishing the machinery for a female minimum wage had originally been adopted without resistance from owners of capital as a partial solution for reorganizing a chaotic labour market situation following the First World War. However, during the early stages of the depression, capitalist employers began to interpret the minimum wage as an unwarranted constraint on their ability to control their costs of production when their

profit margins were being eroded. The intensive price competition among manufacturers and retailers was prompting them to reduce wages and to evade or violate the requirements of the Minimum Wage Act.

Continuing conditions of downward spiralling prices and wages were leading to labour responses which further constrained the level of capital accumulation. Labour groups attacked the Minimum Wage Board for its lack of action in establishing new minimum rates and in enforcing the old ones. As the volume of production began to increase in 1934, the number of industrial disputes and level of unionization rapidly escalated as workers attempted to recover their earning power. This unstable industrial climate threatened the basis for economic recovery and put limits on the extent to which capital accumulation could increase. Competitive price undercutting continued as capitalists attempted to take advantage of higher production levels and wages continued to be depressed. Unemployment, the displacement of highly paid labour by cheap labour, and widespread wage reductions were adding to realization problems in domestic consumer markets.

Manufacturers, small retailers, construction contractors, the trade and crafts unions, and municipalities were demanding solutions to this situation. Employers

wanted labour costs regulated to stabilize competition; unions wanted protection against falling wage rates; the financially squeezed municipalities wanted to stop using relief funds to supplement low wages. The provincial state attempted to meet these demands first by amending the Minimum Wage Act to close loopholes which enabled employers to avoid paying minimum rates and then by instituting a cooperative capital and labour arrangement around wages with the passage of the Industrial Standards Act (ISA) in 1935. The failure of both these alternatives to reduce industrial conflict and demoralizing intercapitalist competition promoted a search by the state for another solution and altered the political basis for labour and employer support for a male minimum wage.

As prices declined owners of capital attempted to maintain their profit margins by reducing production costs. In addition to firing workers and lowering wages, employers of female labour protected by a minimum wage rate utilized all possible exemptions under the act's regulations and turned to substituting the unregulated labour of male and inexperienced workers for that of females.<sup>41</sup> A number of major employers of women such as Simpson's, Eaton's, the Canadian Association of Garment Manufacturers, and the Independent Canners' Association, put pressure on the Minimum Wage Board to lower its rates for protected female

workers.<sup>42</sup> The Royal Commission on Price Spreads heard evidence describing a study of violations and evasions of the Minimum Wage Act which enumerated seventeen different methods seized on by employers to evade the provisions of the act.<sup>43</sup>

These practices were regarded as destructive not only by organized labour but also by many owners of industrial capital as price undercutting was progressively eroding their profit margins. By the end of 1933 the Department of Labour had received requests from some employers to regulate the wages of male workers by setting a minimum wage rate. 44 The Toronto Board of Trade favoured a male minimum wage as did clothing manufacturers, furniture manufacturers, and employers in the automotive industry. Both the clothing and furniture industries had been the focus of WUL organizing and had recently experienced a number of violent strikes.<sup>45</sup> Employers in these fields believed that a minimum wage would eliminate "unfair competition" and put an end to the practice of reducing wages which constituted a significant motive for the growing attraction of these unions for workers. In addition, various associations in the construction industry as well as the Canadian Jeweller's Association also requested the extension of minimum wage legislation to males. 46

There was widespread publicity given to violations and evasions of the Minimum Wage Act by the popular press as newspapers reported the findings of the Royal Commission on Price Spreads in early 1934. At the same time, small businessmen, the CMA, farm organizations, and representatives of the construction industry were presenting their demands to the federal commission and to the Ontario Legislature for the regulation of marketing, distribution, and production costs, especially those attributable to labour. However, the CMA, although it favoured application of the wage rates established for female labour to any male workers who were substituted for females, opposed a legislative extension of the minimum wage to males.<sup>47</sup> While the former arrangement would correct the existing situation of driving down wages in order to undercut prices, the latter solution would not be merely a temporary measure but would result in employers losing part of their total control over wages for the longer term.

The Toronto Board of Trade accommodated labour opposition to a male minimum wage and proposed instead the enactment of legislation to prohibit the substitution of male for female labour at wages less than existing female rates. The provincial government, following this advice from the Board of Trade, passed an amendment to the Minimum Wage Act in 1934, a change that was applauded by the CMA.<sup>48</sup>

This provision against male substitution, however, proved to be unenforceable and the practice continued on an undiminished scale.<sup>49</sup> A subsequent amendment to the Factory Act in 1936 giving the Minimum Wage Board authority to enforce minimum rates for female homeworkers by requiring employers to obtain permits was part of an attempt to combat the prevalence of sweated labour which had attracted much public attention during the Price Spreads Commission hearings.<sup>50</sup>

The major step taken by the provincial government as a preemptive alternative to a male minimum wage was the Industrial Standards Act of 1935. This act provided for the establishment of a mechanism for representatives of both employers and employees on an industry-wide basis to reach agreements under state auspices on minimum wage levels and maximum hours for the industry in question.<sup>51</sup> The ISA was preceded by the patent failure of previous measures to eliminate the problem of intense intercapitalist competition. Demands were increasing on the part of both organized labour and owners of capital for a solution to the problem of anarchistic competition and labour exploitation. Consequently, small manufacturers, the CMA, garment manufacturers, the boot and shoe industry, furniture makers, and building construction interests were anxious to have the ISA established, primarily for the purpose of regulating

wages, but also to forestall the development of radical unions among their work force.<sup>52</sup>

Organized labour at first opposed a legislated minimum wage for males, preferring instead to have stricter enforcement of existing minimum wage legislation relating to women. Although some labour groups did favour the extension of the Act to men, most, including the TLC, criticized the Minimum Wage Board for its lack of enforcement, arguing that penalties for infringment of the act were too 1ow.<sup>53</sup> Charges of the board's laxness were given wide publicity by the Price Spreads Commission in 1934.54 The effects of the depression on workers were also becoming evident in the growth of political and industrial unrest in 1932 and 1933. The report of the Department of Labour for 1933 drew attention to this trend and the fact that established unions were "losing their hold" on workers and "revolutionary organizations" were gaining ground. The report also pointed out that for the first time in the history of the Department, representations of both employers and employees had requested regulation of the wages of male workers.<sup>55</sup>

The TLC was not initially supportive of a male minimum wage, fearing that government regulation of wages might affect the collective bargaining system adversely and ultimately destroy the craft unions which constituted

the major element in the TLC.<sup>56</sup> While some industrial unions, specifically those in the All-Canadian Congress of Labour, favoured a minimum wage for males, the TLC wanted to preserve the issue of wages for employer-employee negotiations. Having a minimum wage set by state authority would, the Congress felt, tend to make employers see these minimum rates as legitimate standards for determining the prevailing wage levels for the jobs concerned and thus strengthen employers' opposition in collective bargaining situations.<sup>57</sup> A state-determined wage level would imply official support for employers' position in this regard. As a result, the interference of the state in the collective bargaining process in this way would undermine the existing power of the craft unions. The industrial unions, on the other hand, were struggling to establish their legitimacy and faced generally repressive opposition from both the state and employers. A legislated minimum wage would offer protection for the earnings of their members to a far greater extent than it would to the much higher wage levels of the crafts workers. Moreover, it was primarily semi-skilled and unskilled workers who were experiencing the most destructive effects of labour substitution, piecework, sweatshop conditions, and long hours.

The TLC, though opposed to minimum wage legislation, did not resist other state imposed measures aimed at improving some of the worst labour conditions resulting from intercapitalist competition. One of the hardest hit sectors was the construction industry in which most of the craft unions were based with Canadian membership falling by almost 40 per cent from 1930 to 1935.<sup>58</sup> The introduction of the Industrial Standards Act was regarded by organized labour as a potential solution to the situation of competitive undercutting on the basis of wage reductions which would avoid the necessity for a male minimum wage but there were also strong suspicions that the provincial state would use the legislation to undermine an independent labour movement. The TLC, as the most moderate labour organization with a leadership well integrated into the established structure of political authority, was at one with the province and owners of capital in opposing any measure which might strengthen rival industrial and radical unions. At the same time, however, it found a major area of agreement with the All-Canadian Congress of Labour and the Workers' League in resisting any provision of the l<sup>c</sup>framework.59 possibly foster the growth of comparison workers' representatives wit

Because the ISA remained voluntary and lacked machinery to enforce the terms of agreements, these agreements were not generally upheld.<sup>60</sup> Employers undercut prices and reduced wages to take advantage of improving conditions and the unions were thrown back on their own resources and power to improve their situation. In the final analysis, the act primarily benefitted a few highly organized industries with unions powerful enough to ensure the maintenance of agreements.

The inadequacy of the ISA to provide a corrective for competitive conditions or a solution to high levels of industrial conflict was a significant factor in the introduction in 1937 of a minimum wage for male workers. Wages had not substantially improved and both the extent of unionization of the industrial work force and the level of labour conflict were escalating.<sup>61</sup> According to the Chairman of the Minimum Wage Board, a major drawback of the ISA in practice was the belief of some employers and labour groups that the act was intended to establish a framewor for wage settlements based on the power of the tr instead of on prevailing economic condit<sup>+ ckou</sup> ckouts of the industry and consumers to could not therefore be exr conflict and, indeed, th increased by 50 per cer

significant development affecting labour relations at this point, however, was the growth in strength of the CIO and Hepburn's repression of the autoworkers, strike at Oshawa in April 1937. The maintenance of industrial peace was particularly critical because the return to an increased volume of production was accompanied by the success of the CIO in organizing a number of large manufacturing firms.<sup>63</sup>

Where agreements under the ISA were successfully obtained, problems of enforcement also contributed to the act's failure as employers resorted again to undercutting with the increase in the volume of production in 1936 and the decline in the number of industrial disputes from the 1934 peak.<sup>64</sup> Many of the same problems which had prompted enactment of the ISA, e.g. "unfair competition" among employers, wage reductions, substitution of females by males, were still widespread. The government received requests from municipalities which were forced to subsidize male workers with relief payments for the enactment of a minimum wage and the Department of Labour estimated that over four hundred thousand industrial workers in the province lacked the wage protection provided by either a trade union or legislation.<sup>65</sup> By this point, the Chairman of the Minimum Wage Board argued that a minimum rate for men would be a simpler and more easily administered method to assure a minimal standard of living for workers,

especially unorganized workers for whom the ISA was particularly unsuccessful.<sup>66</sup>

As employers responded to the disappearance of markets and capital investment with measures to protect their profit levels, workers experienced wage reductions and unemployment. In the conflict between industrial capitalists and labour over the division of the surplus between profits and wages, state-determined minimum wage levels came to be regarded by employers as a constraint on their ability to appropriate a larger share of surplus Consequently, evasions and violations of the value. Minimum Wage Act were common and employers also attempted to persuade the board to reduce the minimum rates. The inadequate enforcement of its existing orders by the Minimum Wage Board allowed owners of capital to continue these practices. As a result, organized labour attacked the board and its policies and criticism mounted with the exposure of the board's failure to protect workers by the Commission on Price Spreads.

During the early period of the Depression neither employers nor organized labour advocated a male minimum wage although the former pressed for state measures to regulate competition and unions demanded state action to halt the progressive reduction of wages and substitution of unprotected male labour for families covered by the Minimum Wage Act.

As workers responded to their declining security of subsistence by becoming increasingly radicalized and the level of industrial disputes increased, the provincial government responded with a number of measures aimed at reducing capital-labour conflict either by attempting to halt some of the most exploitive practices on the part of employers or by providing a framework for industrial negotiations around wages.

The failure of these measures, continuing intense competition among small capitalists with its subsequent effects on workers in the form of progressively deteriorating subsistence levels, and the increasing extent of radical labour activity and industrial unrest moderated employer and union resistance to a minimum wage for males. As a result, Department of Labour and Minimum Wage Board arguments favouring such a measure as a potential solution to the problem of competition and social instability prepared the way for political acceptance and enactment of a minimum wage for male workers.

### State Transformation of the Economic Constraint

Two critical structural constraints, intercapitalist competition and labour opposition at the level of production, were primary factors in the shifting path leading to the legislation of a male minimum wage. The significance and handling of the political transformation of these constraints varied, though, according to the particular state agents involved. There were three principal state actors whose interplay and whose individual location with respect to the class relations between capitalist employers and labour shaped the outcome in terms of various delays and alternative measures before the final amending of the Minimum Wage Act.

The Minimum Wage Board, although attempting to maintain its established rates for female workers, was fundamentally in sympathy with the conditions faced by employers whose markets were shrinking. It did not, however, reverse its own regulations or wage rate decisions despite employer pressure. Instead, the board adopted a permissive posture through its actions in very poorly enforcing its regulations or wage orders. The board was the primary focus for both employer pressure and labour criticism and, as a result of these influences as well as of its own investigations, became quickly aware of the prevalence of male labour substitution. However, amendments to the existing act and

stricter enforcement were regarded by the board as the solution until the failure of this policy and of the ISA to prevent the progressive decline of general wage levels became apparent.

While the Minimum Wage Board interpreted a male minimum wage in terms of the preservation of a minimal living standard from the threat of competitive market conditions, the Department of Labour perceived the issue largely within the context of industrial conflict and the radicalization of some sections of the labour force. Accordingly, the Department suggested the need for a male minimum as early as 1933. On the other hand, while the third state institution involved in the issue of a male minimum wage, the Conservative and Liberal government administrations, was also concerned with the increasing level of labour-capital conflict, government labour policies did not include a minimum wage for males until a number of other possible solutions had been attempted. The major alternative introduced by the new Liberal administration was the ISA, the entire premise of which was the development of cooperative agreements between workers and their employers. The very failure of this effort, as well as of amendments to the Minimum Wage Act, helped create the consensus around which the passage of an amendment to establish a male minimum wage was obtained.

The Minimum Wage Board was at the centre of many of the criticisms of the state's labour protection standards made in testimony to the Royal Commission on Price Spreads. Newspaper headlines duly reported various charges against the Ontario board that it was negligent in administering its responsibilities to assure that the minimum wage rates were being maintained by employers.<sup>67</sup> In private communications employers had pressed the board to lower its rates but the board refused to bow to these pressures for two reasons. First, it maintained that the depression was "only a temporary situation", although at the point at which this evaluation was offered it was already three years old, and the rates had initially been set "sufficiently low to take care of temporary emergencies". Secondly, according to the board calculations of a weekly budget, the cost of living for working women and girls had not declined.<sup>68</sup>

Although refusing to accede to employers' demands, the board did not resolutely pursue violators. When action was taken, the board often allowed an employer to settle arrears without being brought before a judge, thereby enabling him to avoid the additional penalty of a fine.<sup>69</sup> This balancing of labour criticism and employer pressure reflected the board's employer-employee composition as well as its frequent contact with both sides in the process of setting minimum wage rates. The outcome, however, favoured

employers by minimizing the potential for minimum wages to act as an additional constraint on capital accumulation. At the same time, the preservation of the established minimum levels against further reductions was recognized as a means of stabilizing the prevailing intensely competitive situation. This was most clearly understood by the board's new chairman as of June 1932, himself a clothing manufacturer:

He . . . saw that he needed the Minimum Wage Board for his own business protection and the assurance of fair competition. . . [He assumed the chairmanship] with a fair conviction to see that it not only meant fair wages and fair standards of living to girls and women but fair competition for the protection of employers. . . .70

This was accomplished by upholding the board's originally intended purpose of setting minimum wages for females while also treating violations as essentially unfortunate but quite wholly the product of depressed conditions and therefore not to be treated harshly.

The attitude of the government towards a minimum wage for men was consistent with its overall labour and economic policy throughout this period: avoidance of any measures which could conceivably further hamper production and the adoption of those which might serve to reduce industrial conflict. The Conservative administration almost completely ignored the issue of a male minimum wage while in office, offering only a vague promise in its pre-

election session in 1934 that the "matter will be under continued consideration".<sup>71</sup> The practice of substituting unregulated male labour for female labour in order to cheapen labour costs was known to the Minister of Labour but this was regarded in 1933 as only a temporary phenomenon. The possibility of corrective legislation prohibiting lower than the female minimum wage was favoured rather than establishing state authority to directly set male minimum rates.<sup>72</sup>

Employers' approaches to the executive level of the government for special consideration seem to have had more sympathetic responses than those directed to the Minimum Wage Board itself. Premier Henry promised C. L. Burton of Simpson's that he would follow the latter's ideas regarding a new lowered minimum rate and "discuss the whole matter with the Board", although there is no indication that pressure was forthwith put on the board or that the board yielded to any such pressure.<sup>73</sup> Referring to the employment of women on night shifts by the Heinz Company, the Minister of Labour, however, arranged with board chairman Stapells to "find an avenue whereby we could justify taking no action in this particular case in the event of a violation of our statutes". The major consideration was to be able to offer attractive conditions to the company as it had a contract which would result in a large increase in production at its Leamington plant.<sup>74</sup>

There was particular concern for the state of the construction industry in the province since it appeared to be experiencing the worst effects of the depression. Conservative members in the provincial House spoke in support of an investigation into this industry, linking its disrupted state to the need for "controlled capitalism" and the "Legislative protection of stability". The resultant Labour Committee report recommended a licensing system to eliminate subcontracting excesses and the further study of a minimum wage for men to help overcome the "chaotic state" of the industry. Minister of Labour Dr. J. M. Robb expressed approval for a minimum wage law for men as a possible solution to these conditions.<sup>75</sup> While both the legislative branch of the state and the Department of Labour acknowledged a growing need for a legislated minimum wage for males and were supported in this regard by some employer groups, notably builders and contractors, the opposition of the major manufacturers' organization and the largest labour body indicated as yet an inadequate base for the enactment of such a measure.

The Conservative government's failure to mitigate the impact of the depression for either business, farm or working class groups contributed to their defeat in the spring of 1934. The Liberals swept in on a series of promises calculated to retain the farm and labour vote
against CCF influence. The Liberal plan was to attack the declining wage spiral in which many workers were trapped and the increasing industrial unrest with their proposed industrial standards legislation.<sup>76</sup> The internal development of the Liberal party's economic and labour policy had emerged from the Ontario association's Committee on the Reformation of the Industrial System in 1932. The committee's report indicated the extent of the party's concern with the state of industrial production and accordingly recommended a number of reforms of banking practices, joint-stock ownership, companies' acts, in other words, a "tightening up" of regulations governing capitalist ownership of the means of production which would assure the application of capital to the expansion of the forces of production rather than permitting the draining of accumulated capital through promoter profits.77

At the same time, the committee suggested that, to solve the problem of unemployment, the Department of Labour would need "real teeth" and:

. . . we shall make those who work and live in and by the industrial system speak as to its needs and as to the form of Industrial Cooperation and the methods of co-operation and coordination that will reduce the present ruptured and spavined company organization.<sup>78</sup>

On the other hand, trade unions dealing with small capitalists were regarded as requiring no assistance by the state, even though the right to unionize was itself not protected by law. The trade union could settle problems of wages, hours, and working conditions with "capitalists of modest dimensions" and needed "very little help or interference from the statesman or politician". Workers facing large capitalist employers would receive state assistance only indirectly in the form of legislation which would promote the further development of the forces of production under capitalist control. It was assumed that both security of employment and adequate wages would develop from this.<sup>79</sup>

The Industrial Standards Act, presented by the Liberals in the 1934 campaign and subsequently introduced in the first session, appears to have emerged from this perceived need to reorganize production. Although Hepburn later admitted that he "never was enamoured with the Industrial Standards Act and [had] tried to keep the brakes on as much as possible", declining economic conditions, increasing industrial conflict, and growing demands for state action produced an unstable political climate in which politically palatable solutions were regarded as urgent.<sup>80</sup>

Prior to the first legislative session plans for the ISA and the details concerning its operation were publicly announced. In the interval between that and its introduction in the Legislature in January 1935, the Department of Labour and its Minister worked to develop a consensus among labour and business groups regarding the specifics of the proposed act. Representatives of both groups were invited to express privately their concerns so that these could be incorporated in the framing of the legislation. By the time the act was ready to be put before the Legislature, representatives of some nine employers' associations as well as the major labour organizations, including the Communist Workers' Unity League (WUL), had met with Minister of Labour Roebuck and other department officials to discuss the conditions of the forthcoming legislation.

Throughout the discussions surrounding the preparation of the ISA, Roebuck emphasized the intention of the legislation to reduce the level of industrial conflict and promote the development of cooperation between capital and labour. By preventing strikes it was assumed that production would increase and investor confidence would improve. Moreover, industry-wide agreements between labour organizations and employers were expected to standardize labour costs and stabilize competitive conditions for owners of capital. As a result, there would be less incentive for

workers to unionize and the attraction of the radical unions organized by the WUL would diminish. With the improvement in economic conditions, employment could also be expected to increase and the level of political and social unrest to decline accordingly.<sup>82</sup>

Employers were very concerned about the regulation of their labour costs in order to eliminate "unfair competition" while, at the same time, preventing the growth of unions among their labour force. The state was primarily concerned with overall industrial and political stability, however, and consequently was more prepared to accept union organizations as both a concession to labour and as a potential instrument for controlling workers. Manufacturers resisted the act's requirement that workers be organized on some basis within an industry in order to negotiate with employers' associations. In response Roebuck and departmental officials were quick to point out that, since the act was entirely voluntary, employers were under no compulsion to use its provisions as a basis for dealing with their work forces.<sup>83</sup> This meant that employers wanting to regulate labour costs would have to involve the state through the ISA but the state could avoid undesirable political consequences by not imposing the act on employers. Roebuck disavowed any attempt at "government interference" in industry but maintained that the degree of organization of

the parties to any agreement reached under the ISA would be critical to the development of stable economic conditions:

The present state of industry with very little organization among the employers and employees, makes it very difficult to bring stability out of a state of chaos and thus we find ourselves faced with what you might call a mob rather than stable organized society and anything that can be done by those interested to bring about stabilization, should take a hand in building up organizations of both employers and employees and thus bring about an organized effort on the part of industry itself in support of governmental institutions in their efforts to lift industry from the depths of this depression.84

However, Roebuck insisted to employers that the Department of Labour's policy was to remain "neutral" insofar as support for trade unions was concerned:

I have told the unions two or three times in their conferences that it is not the Labour Department's duty to exert itself solely for the unions nor, on the other hand, to take the part of their enemies in destroying them; that here we are only trying to give a little greater power to those who disagree . . . we are trying to get in before the parties lock horns, when a good deal more can be done . . . than can be done when they have got into open battle. . . . Now, this legislation would give us the power to get the parties together when you have industrial trouble in the wind and in the offing. . . . I think this bill is going to do a lot of good by giving disinterested people, members of the Department and men of ability, the power to step in where others cannot and to make agreements effective.85

Attempts to overhaul the ISA after its failure to prevent wage cutting or industrial conflict also proved inadequate and its value as a substitute for a male minimum wage diminished. If, as Hepburn reported in a private communication to a close legislative ally, the ISA was to some extent a trade-off to the TLC for their "willingness to forego any agitation for [a male minimum wage]" then the difficulties in enforcing ISA agreements and the increasing complaints from both unions and employers were obviating the expected benefits of the act in restoring industrial stability.<sup>86</sup>

The state of organization of labour was a continuing problem under the act. Employers fought attempts by existing unions to organize non-organized workers and the state did not provide protective legislation or encouragement for unions. However, the ISA could be usefully applied only where some form of organization among employees existed, thus leaving unorganized workers without assistance. These were the very workers whose situation was deteriorating most through male labour substitution and competitive wage-cutting. Thus, while some industries, notably the more strongly unionized ones, were able to function with some success under the ISA, the primary concern regarding the effects of competition were not being dealt with.

The interaction of the Minimum Wage Board, the Department of Labour and the Conservative and Liberal governments around the issue of a minimum wage for males was shaped by their differing functions within the overall structure of the state. The Minimum Wage Board was originally established to set wage rates for females as a measure to reorganize the labour market and promote industrial efficiency. In carrying out its mandate, the board did not adopt a strategy of rigid enforcement which might act as a hindrance to capital accumulation. Instead, amicable relations with employers and flexibility were important modes adopted by the board in fulfilling its functions. The Minimum Wage Board consequently was sensitive to the implications of a male minimum wage for assisting in the regulation of competition among owners of capital.

The Department of Labour regarded its primary task as the maintenance of cooperative capital and labour relations in the sphere of production. As a result of increasing levels of labour conflict and the growth of radical labour organizations the department supported a minimum wage for males as one means of reducing this conflict by providing a modicum of security for workers. The government administrations were primarily responsive to their business-dominated constituencies. At the same time, the

need to restore adequate levels of capital accumulation was important for the maintenance of state revenues. Industrial unrest operated as a constraint on accumulation and general social instability represented a potential danger to capitalist social relations, including those supporting the authority of the capitalist state.

The unwillingness to offend traditional sources of political support and fear of further impeding the return to optimal production and accumulation led to the introduction of the ISA as a mechanism for developing cooperation between workers and employers, thus hastening the resumption of increased production under stable conditions. The failure of the ISA to either reduce industrial conflict or mitigate intense competition among owners of capital greatly increased the likelihood that the state would turn to the enactment of a minimum wage for males.

## State Resolution of the "Problem": Policy and Structure

From the earliest days of the depression the growing need for a minimum wage for males was apparent to the Minimum Wage Board, largely as a result of the very prevalent practice of replacing female labour by male labour on the part of employers attempting to evade the Minimum Wage Act. Because of the Board's inadequate enforcement, owners of

capital were able to protect profits somewhat during the first part of the depression by evading and even breaking the provisions of the Act. The continuing economic decline resulted in the worsening of competitive conditions at workers' expense and, although the provincial state recognized the problem, neither the government nor the Department of Labour moved towards the establishment of a male minimum wage -- a direction clearly contrary to the position of major employer and labour organizations. However, the rising level of industrial conflict and apparent organizing success of the communist unions indicated the development of potentially independent labour organizations among previously unorganized workers not under the control of the TLC or craft union structure.

At the same time, evidence presented to the Price Spreads Commission regarding the extent of labour exploitation and the Minimum Wage Board's failure to deal with the situation was receiving widespread attention. The outcome in legislative terms was a largely ineffective and unenforceable compromise measure in the form of an amendment to the Minimum Wage Act prohibiting the substitution of male labour for female.

The election of 1934 followed disclosures by the Price Spreads Commission and the legislative investigation of the construction industry in the province. Demands by

small manufacturers, retailers, and food processors were becoming more clearly articulated at this point and employers in the construction industry were arguing the need for wage regulation or a state-administered licensing system. The new Liberal administration, having campaigned on promises of economy in government and assistance to industry, introduced the ISA as a measure intended to bring stabilization and harmony to the provincial economy. The act's lack of success, however, was closely related to the failure by the state to establish either legislative or policy-based conditions which would promote the growth of trade unions by assuring them legal protection.

Subsequent adjustments to the administration of the ISA as well as further amendments to the Minimum Wage Act failed either to effectively answer the demands of small capitalists for regulation of their labour costs or to reduce the level of industrial conflict and potential organizing success of the CIO. The extension of the minimum wage to male workers and the consolidation of labour legislation administration under a central board were both introduced in the context of this situation. The passage of minimum wage legislation by the state was essentially an attempt to reduce the level of industrial disputes, not by yielding to labour demands, for organized labour was still suspicious of the possible effects of the measure, but rather

by eliminating the worst of the conditions providing incentive for increasing unionization of the labour force.

The only major changes to the Minimum Wage Act which were introduced by the Conservative administration in 1934 were aimed at reducing the extent of male substitution for regulated female labour, a practice which enabled employers to continually reduce wages with impunity. After the Toronto Board of Trade advised the Minister of Labour that it would favour "enactment of legislation which would prohibit substitution of male for female labour at wages less than the present minimum for women", the Minister introduced an amendment to the 1920 act to this effect. The bill also established a maximum number of hours for which the minimum rate was to be paid and stipulated that part-time workers must be paid on a pro-rata basis, thus attempting to cut off other possible avenues for evasion which would continue to support the practice of progressive wage reductions. Penalties for violation were substantially raised, providing for a minimum two-month jail term for second offenders.<sup>87</sup>

While the legislation itself was a much stronger measure subsequent enforcement was almost non-existent and the Minimum Wage Board failed to take any action against a single employer for replacing women workers with men. Liberal Labour Minister D. A. Croll later maintained that

the penalties specified in this amendment "had so much kick in it that everyone is afraid to enforce it".<sup>88</sup> These evasions remained widespread and the original intention of the changes was subverted by the essentially sympathetic stance of the Board and factory inspectors towards employers "forced" to engage in such practices to meet "unfair competition".<sup>89</sup>

After the Liberals had been elected in June 1934, Hepburn replaced personnel in the Department of Labour and on the Minimum Wage Board, both of which had been wholly the creation of previous Conservative administrations, before introducing the ISA. The most visible employer bias in the Board's composition in the person of chairman R. A. Stapells was removed and replaced by the Deputy Minister of Labour, a position in which sensitivity to labour demands in the context of economic and political conditions was a prime requisite. This provided a vacancy in the Department which was filled by a former organizer of a major craft union, the United Brotherhood of Carpenters and Joiners of America. The conservative orientation of both the Board and the Department were thereby maintained and the groundwork laid for the introduction of the ISA.<sup>90</sup>

The ISA, it was hoped, would provide a stateenforced framework for capital-labour cooperation and the development of wage agreements without disturbance of pro-

duction and without promoting the growth of radical or industrial unions. The very issue, though, of union organization became a significant contributing factor to the relative lack of success of the ISA in industries other than those already highly organized on a craft basis. The insistence by the Department of Labour on neutrality with regard to the unionization of labour meant that officials were unable to conciliate agreements which hinged on this question. Minister of Labour Croll described the problem in the case of a dispute in the lumber industry:

. . . Mr. Louis Fine made every effort to secure agreement between employers and employees. In this he was entirely successful up to the point where employees demanded union recognition. Thereafter, in spite of his best efforts, he found it impossible to conclude the agreement. It seems to me that the Industrial Standards Act would be operative today in that industry in that particular area if the question of union recognition had been kept where it should be kept -- entirely divorced from the discussion of wages and hours under the Act.91

In addition, neither the Department nor the courts enforced the terms of existing agreements reached between employers and employees under the ISA so that both the act and its functioning were progressively undermined.<sup>92</sup>

Further attempts to make the ISA workable without at the same time encouraging the independent organization of labour came through amendments which brought the supervision and enforcement of the act under the Minimum Wage Board in 1936.<sup>93</sup> However, there remained inadequate in-

spection and employers were not required to supply information to the Board's already overworked inspection staff. The Board itself, moreover, followed a policy of trying to achieve amicable settlements with employers and avoiding prosecution unless the violator had been forewarned and had deliberately contravened the act.<sup>94</sup>

The Minimum Wage Act was amended in 1936 to remove the penalties established in 1934 although the problem of male substitution continued. The Minimum Wage Board was also given authority to enforce minimum rates for female homeworkers in an effort to eradicate sweatshop conditions. These rates were still based on piece work, however, and where drastic increases by the Board made it "impossible for an employer to continue to compete", the Board allowed as long as two years for establishing compliance with its minimum wage rates.<sup>95</sup> Although the state moved, under the pressure of complaints from owners of capital and the increased organization of labour, to tighten the Minimum Wage Act to prevent the "determined effort by certain types of employers to evade the terms of the Act", enforcement machinery and policy did not reinforce this intended result.

This contradiction was perhaps an inevitable outcome of the reluctance of state administrations to introduce measures which were seen to have the potential effect of increasing the costs of production for owners of capital,

while they also attempted to regulate labour costs in such a way as to eliminate these as a basis for demoralizing price competition. The ISA was an attempt to stabilize labour costs through conciliation and industry-wide agreements between workers and capitalist employers without, at the same time, revising the power relationship between the two parties. Changes to the Minimum Wage Act were, similarly, designed to set limits to wage cutting while also preserving existing capitalist relations of production and the autonomy of capitalist employers to determine conditions of labour. The failure of these various measures to fulfill their original intentions in the context of continuing intercapitalist competition and industrial conflict formed the basis for further attempts at a solution in the form of a male minimum wage.

The Chairman of the Minimum Wage Board argued that this would be the only way to stabilize competition and prohibit replacement of females by males in unorganized industries. The main disadvantages were primarily located in the administrative difficulties foreseen by the Board Chairman. The wage rates would have to be established industry by industry and would require the cooperation of employers and employees to come to agreement on a wage "fair to both the industry and the workers". Moreover, it would need to be more rigidly enforced than the minimum

wage for women in order to be effective and therefore additional staff and costs would be involved.<sup>96</sup> In early 1937 Hepburn again reorganized the Department of Labour, making its head a full Cabinet portfolio, and created the Industry and Labour Board to consolidate the administration of Labour legislation including the ISA, the Minimum Wage Act, and the Apprenticeship Act.<sup>97</sup>

These changes created the administrative framework for the subsequent introduction of a minimum wage for male workers. Croll introduced the amendment in March 1937 with the preface that the most important task of the Department of Labour was to maintain industrial peace, especially during the present "readjustment period", and the "price of peace is fair wages":

It takes no prophet to predict that without Governmental action 1937 will be a year of industrial disturbance. Business is increasing, production rising to normal levels; wages, as usual, are lagging behind. . . [The] act . . will serve the cause of industrial peace.98

The act, along with other changes in labour legislation, was expected to form "the foundation on which we hope to erect what is virtually a new Department of Labour" as well as to "inaugurate a plan . . . which will make for greater peace in industry and greater security for 600,000 Ontario working men and women", referring to the population of unorganized workers in the province.<sup>99</sup> The five-member Industry and Labour Board would replace the Minimum Wage Board, the Provincial Apprenticeship Board, and the Provincial Employment Service Council, as well as oversee the Industrial Standards Act.<sup>100</sup>

Manufacturers, especially those in the garment industry where the WUL had made significant gains, generally approved of the male minimum wage as did many retail and wholesale merchants. The protection of the "honest employer from the chiseler" and the boost to purchasing power were two benefits foreseen by owners of industrial and commercial capital.<sup>101</sup> The CMA concluded, after seeing the act in operation for a year, that it was a better means of reducing the tendency to "unduly low wages" than the ISA since, under the latter, the unions of autonomous crafts workers had been able to obtain high wage settlements which were setting a standard for those crafts workers employed by industry.<sup>102</sup> Reliance on a very low legislated minimum wage rate was apparently cheaper than having wages set by negotiation where strong unions existed. Those manufacturers who did not favour a male minimum wage tended to be very small capitalists located in towns or predominantly rural settings, some exporting primary industries, and the Canned Foods Association which felt that the seasonal nature of this industry deserved exemption.<sup>103</sup> Since the mode of operation of the act would be determined to a significant degree by

the Industry and Labour Board, employers were anxious to see that the Board's composition was appropriate to their interests, having one labour representative and one employer representative, the latter to be chosen by the CMA.<sup>104</sup>

While organized labour largely came out in support of the male minimum wage, the TLC had certain reservations regarding the implications of this change for the relations between capital and labour. The TLC wanted a section included in the act which would prevent the Industry and Labour Board from acting to impede strikes over wages, arguing that the Board should be confined to setting wage rates where this would not interfere with union activities. In addition, the TLC wanted ISA industries specifically excluded from application of a male minimum wage as labourcapital agreements under the ISA which were negotiated on the basis of union strength already obtained higher wage settlements than would be the case with a minimum wage The Toronto District Labour Council stated bluntly rate. that there was a feeling among organized labour as a result of "remarks regarding paid organizers and agitators made by Hepburn" that there was "some undisclosed motive" behind the enactment of the male minimum wage legislation. Accordingly, the council forwarded a resolution to Croll urging the necessity for legislation guaranteeing the freedom to join and organize labour unions of the workers' choice.<sup>105</sup>

Additional concerns expressed by organized labour were related to the procedures for establishing specific wage rates and the subsequent degree of enforcement, such as whether employees as well as employers would be consulted, the necessity for maintaining wage differentials between grades of labour, the desirability of specification of a basic minimum in the act itself, the need for stiff penalties and prohibition of displacement of male labour by female workers.<sup>106</sup> The TLC also argued that the Industry and Labour Board should be composed of two labour and two employer representatives with a state official acting as chair.<sup>107</sup>

The Minister of Labour responded to the concerns of both employers and workers with the assurance that the policy of the Department was to be "fair to the industry as a whole" in the implementation of the Minimum Wage Act.<sup>108</sup> The composition of the Board would be the significant factor in guaranteeing this:

. . . the Board which is to be appointed will consist of such men as will have the knowledge and the breadth of vision to consider the problems peculiar to any industry, and to base their minimum rates upon their findings.

The eventually selected board members included E. J. Young as chairman, former Commissioner on the Price Spreads Commission, two labour department officials, Fred Bancroft, labour's primary campaigner for the initial Workmen's

Compensation Act, and J. C. Adams, solicitor for the CMA.<sup>110</sup> However, before a full year had expired, the Minister had revised the Board's composition by an amendment to the Department of Labour Act which eliminated all direct representation by both organized labour and owners of capital. Apparently, the presence of workers' and employers' representatives on the Board had produced conflict and a lack of consensus respecting the Board's decisions at a period when the level of industrial disputes in general had been exceptionally high.<sup>111</sup> The attempt by the state to control such conflict extended to the reshaping of the Industry and Labour Board to eliminate any grounds for labourcapital differences stemming from the administration of labour legislation. Minister of Labour MacBride explained his Department's orientation to assembled construction industry employers in 1938:

We have seen enough of hate, distrust and suspicion in the industrial live [SIC] on this continent . . . I say that there is an urgent need for mutual confidence between capital and labour. . . We in Ontario cannot afford to fiddle with this thing -- this industrial unrest. . . We in this province are going to adjust our differences and we are going to let the wage-owner of this province feel that the Department of Labour is ready to serve him and yet at the same time stand for law and order and the rights of individual investment.112

The new Industry and Labour Board was wholly manned by Department of Labour officials who, as the Minister explained, are "experienced men who have a sympathetic attitude to labour and at the same time an appreciation of the rights of those who have invested in industry".<sup>113</sup> Thus the course of labour legislation administration, including the Minimum Wage Act, was set in terms of balancing workers' needs against the rights of owners of capital. These "rights" as protected by property law included substantial control over labour and the conditions of labour in the workplace. This power of employers was to be preserved and, by making the Industry and Labour Board a creature of the Department of Labour, would be removed from an arena of conflict. This change, in effect, would make board decisions appear to be products of technical considerations made on a non-partisan basis rather than political issues whose resolution was determined through a power struggle.

The first ruling of the board was approved in January 1938. This was a "special order" applying to textile workers based on an investigation of employment relations in all Ontario textile factories. This "special order" followed two major textile industry strikes which occurred in the last half of the depression decade, one involving 1750 workers in Cornwall in 1936 and another

in the same city the following year involving almost as many workers. A significant issue in both was the struggle for union recognition; however, their outcomes gave workers only a slight wage increase without their union being recognized.<sup>114</sup> Subsequently, the reformed board moved quickly to issue a "General Industrial" order for the textile industry as a whole. This "general" order consisted of six different wage minimums, one to apply to males and one to apply to females in each of three geographic zones in the province. In each case the rates for males was almost one-third more than those for females while the most industrialized of the three areas was given the highest minimum for both sexes. All rates were based on a forty-eight hour week; however, various provisions were included in the board's regulations permitting lower rates for inexperienced workers and requiring only eightyper cent of piece workers to earn the minimum rate on the same time basis.<sup>115</sup>

Until the end of World War II, no further orders affecting male workers were issued and only those in the textile industry came under the protection of the Minimum Wage Act. Enforcement of the orders for females, which had been in force since 1920, by the new Department of Labour-controlled board was hardly more encouraging. From April 1938 to March 1939 just twenty-eight charges were

laid, all against small firms in the retail and restaurant industry having fewer than ten employees. Of these, twelve charges were withdrawn and only nine resulted in convictions.<sup>116</sup>

Labour's suspicions were close to the mark in that the minimum wage for males was oriented towards forestalling union development. Under conditions of legislated protection for trade unions, the ISA might have proved an adequate means for resolving labour-capital conflict and for increasing the bases of cooperation but bills introduced between 1936 and 1939 by former Labour Minister Croll to this effect were killed for lack of government support.<sup>117</sup> Minimum wage legislation covering male workers was an alternative intended to achieve similar ends without promoting the unionization of the labour force, especially since the most aggressive unions were those which had not yet been fully "captured" by the hegemony of capital. As a result, the legislation was generally supported by owners of capital but received only a guarded measure of approbation from organized labour which wanted protective guarantees for union activities and collective bargaining.

The board appointed to implement and enforce minimum wages for males consisted of representatives of both capital and labour but its failure to function as a mechanism fostering cooperation in a period of escalating capital-

labour conflict very quickly prompted the state to restructure it. Consequently, the board became an arm of the Department of Labour, staffed by its officials, whose express task was to act as conciliator and mediator between capital and labour which meant, in essence, preserving the traditional rights and prerogatives of capital. The only action taken by the board with regard to male wages before the war was to meet the threat of wide-scale unionization in an industry which had just undergone two major strikes over that issue.

## Conclusion

The ultimate adoption of a minimum wage for male workers was regarded almost as a last resort by the political apparatus of state administration in dealing with two significant constraints to capital accumulation during the depression. Small owners of capital entreated the state for measures to regulate the intense competition they faced among themselves and against the large dominant firms in their fields. This regulation could be achieved by controlling labour costs so as to prevent the progressive deterioration of wage levels in order to meet price competition. Trade unions demanded that the state protect the means of subsistence of workers facing wage reductions and the threat of unemployment. Neither of these groups, at first,

advocated a male minimum wage as a solution to their problems, however.

While the Minimum Wage Board and the provincial Department of Labour perceived the possibility that a minimum wage for males might address the problems of capitalist competition and industrial conflict, both Conservative and Liberal government administrations preferred alternative solutions as long as organized labour and employers were generally opposed to a male minimum wage. Amendments to the Minimum Wage Act were introduced in an effort to eliminate the most glaring employer abuses of labour. When these were not as successful as anticipated, the state introduced the Industrial Standards Act, intended to quell labour unrest by facilitating a form of collective bargaining between employers and employees on an industry-The lack of state support for independent wide basis. organization of workers to participate in this framework and the continued fierce resistance of employers to any measures regarded as increasing the collective strength of labour contributed to the failure of the ISA as a means of stabilizing industrial relations and production.

With the continuance of the depression and accompanying intercapitalist rivalry, unemployment, and labour unrest, employers and organized labour became increasingly willing to see the establishment of a minimum

wage for males. The Government responded with an amendment to the original Minimum Wage Act in 1937, after the worst efforts of the depression had been somewhat mitigated. Subsequently, the Minimum Wage Board established only one male minimum wage rate to meet a critical situation of labour unrest. The board itself became an arena for conflict as disagreement developed between labour and employer representatives. As a result, the government restructured the board to eliminate any participation by either group and handed administration of the Minimum Wage Act to the Department of Labour. This served to emphasize the labour control aspect of the act in that its purpose as a means of reducing industrial conflict by providing some assurance of a minimal standard of subsistance was reinforced by the dominant orientation of the Department of Labour to maintain harmonious labour-capital relations.

## <u>Workmen's Compensation Legislation, 1930-1939</u> <u>State Identification of the Economic Constraint as a</u> "Problem"

The characteristic concern of owners of capital, whether in expansionary or depressed periods, was primarily the profit margin they could claim as the difference between their production costs and their selling price. As aggressive intercapitalist competition under conditions of

shrinking markets reduced the volume of sales and squeezed unit profit margins, owners of capital increasingly turned to lowering their costs of production in an attempt to compensate. As a result, they pressured the Workmen's Compensation Board for changes which would reduce the costs of compensation to manufacturers. At the same time, these very conditions affected workers adversely in terms of unemployment and reduced subsistence levels although industrial accident rates also declined. The significance of workmen's compensation to workers was that it constituted a necessary means of subsistence in deteriorating economic conditions and, as such, labour found it increasingly necessary to struggle to ensure workers' established rights to compensation against employers' efforts to reduce this Although the issue of workmen's compensation did not cost. enter directly into the growing incidence of industrial disputes, the struggle between capital and labour over the amount of surplus value going to fund compensation in a period characterized by a declining mass of surplus value production served to reinforce and sharpen the general level of class conflict.

Criticisms of the Workmen's Compensation Board's policies for granting compensation to injured workers, substantially unchanged from the previous period examined, were significant enough to result in a commission to investi-

gate the administration of the act in 1932 and two further internal investigations in 1938.<sup>118</sup> While 1932 was a year in which the economy was sliding towards the lowest point of the depression, 1938 saw the highest level of industrial disturbances in Ontario of the entire decade and the beginnings of a renewal of depression from the brief recovery period of 1934 to 1937.<sup>119</sup>

Throughout the decade, however, the board's very conservative approach to granting compensation emphasized the overall struggle by workers for the means of subsistence. Accident and death rates reflected the state of the economy throughout the period, declining by over onehalf from 1929 to 1933 but increasing by almost 90 per cent again until 1938 when they dropped in that year and again in 1939.<sup>120</sup> Moreover, the necessity for many workers to turn to relief for support when either cut off from compensation benefits or denied them altogether was both degrading and stigmatizing as the individual became an object of statesponsored charity instead of being able to claim his rights as an incapacitated worker. By 1936, an organization of injured workers who had found it necessary to resort to relief was in existence, calling itself the Injured Workmen's Protective Association. 121

Owners of capital, pressed by declining production and markets, were anxious to reduce their costs of production which they did in part by reducing wage levels in general. In addition, since employers were the sole contributors to the compensation fund, they were acutely aware of the "burden" of that cost of production. The movement of accident and death rates, however, in concert with the levels of production meant that assessment rates levied against manufacturers also declined substantially with the contraction in the volume of production. During the partial recovery of 1934 to 1937 assessment rates increased significantly with rates for the years 1934 to 1936 averaging almost 25 per cent higher than those for 1931 to 1933. 122 In the three-year period, though, from 1937 to 1939, the rates were almost as low as in the earliest part of the depression despite the fact that total compensation and medical aid awards increased almost steadily from 1933 to 1939.<sup>123</sup> In other words, employers benefitted significantly in the latter part of the period by having very low assessment costs relative to the benefit levels paid out.

The issue of costs constituted the basis on which manufacturers opposed an amendment to the Workmen's Compensation Act in 1924 which would have created a medical review committee composed of employer and employee representatives. Moreover, the CMA pointed out that such a committee

"would not make for impartial adjudication in doubtful cases", emphasizing a desire to avoid establishing additional arenas for capital-labour conflict.<sup>124</sup> During the same legislative session the CMA fought an amendment proposed by the Ontario central body for iron moulders' unions that they be included among the occupations eligible for silicosis compensation. The association argued that the costs thus incurred would place an "intolerable burden" on the province's foundry operators.<sup>125</sup>

The crisis in capital accumulation during the depression meant that while employers were given additional motivation to reduce their labour costs, workers were driven to more extreme measures in defence of their means of subsistence. These relations were played out through the state in part as a struggle over the division of the surplus going to the workmen's compensation program. The inequitable treatment of claimants by the WCB and its apparent policy of refusing compensation to cases in which there were even small doubts as to their legitimacy within the terms of the act came under increasing criticism from organized labour and various prominent individuals who acted on behalf of some claimants. At this point the political arm of the state and the bureaucratic apparatus in the agency of the Department of Labour intervened to reestablish the smooth operation of the compensation

program. The state's mode of involvement was not oriented toward reforms which would restructure the board's operations and thereby eliminate certain inequities for broad categories of claimants but rather to reduce the degree of conflict around the board's functioning without altering the balance of power between manufacturers and organized labour embodied within the act and its administration.

## State Transformation of the Economic Constraint

Labour demands for increases in the benefit levels and coverage of workmen's compensation combined with the emphasis given by owners of capital to cost considerations during the early part of the depression resulted in state action in the form of a commission of enquiry into the act and its operation. This postponed the need for immediate action and, when no action was recommended by the commissioner, the act continued to function in the same manner. Criticisms by labour groups and complaints from individuals regarding the board's treatment of applicants mounted, however, and, with the continuance of depressed economic conditions accompanied by increasing industrial conflict, the state indicated its concern by undertaking two internal investigations of the board's functioning. At the same time, the Department of Labour, having taken over responsibility for workmen's compensation administration from the AttorneyGeneral's Department, began to take an active interest in the relations between applicants for compensation and the board. In each case, the class struggle between labour and owners of industrial capital over appropriate assignment of compensation funds was the critical factor shaping state intervention. The task faced by these forms of state involvement was to establish an acceptable balance in class relations between labour demands for increased benefits, hinging partly on impartial treatment by the board, and manufacturers' efforts to reduce this particular production cost.

When the depression was fully established in the early 1930's, the Conservative administration appointed a one-man commission to assess the legitimacy of labour demands for greater compensation coverage and increased benefit levels in terms of the present operation of the compensation board. The commissioner, W. E. Middleton, concluded that the great increase in costs which fulfillment of TLC requests would require were both unjustifiable and unwarranted. The existing state of the economy was the sole criterion for concluding that "industry could not bear the burden". Moreover, even if conditions improved, argued Middleton, such heavy additional costs would harm the competitive position of Ontario industries in world markets. According to the Commissioner, since workers did not con-

tribute to the compensation fund, they enjoyed considerable indirect savings while the "burden" on the province's taxpayers and citizens was becoming onerous. This, of course, overlooked the fact that "workers", "taxpayers", and "citizens" were largely one and the same group.<sup>126</sup>

The existence of a state of economic depression provided ample justification to reject all of labour's recommendations for increased benefits and the extension of the act to domestic and farm workers as well as for changes in the assessment of "willful misconduct" as a reason for withholding compensation. Middleton's report amounted to little more than a total vindication of the original Workmen's Compensation Act and its subsequent operation under Conservative administrations. The commissioner generally concluded that workers enjoyed every possible benefit under the act, and possibly more than conditions warranted, while employers bore the substantial costs of the scheme. Only two recommendations were made which would benefit workers: to reduce the waiting period to three days and to include certain industrial diseases such as bursitis, dermatitis, and certain cancers, by amendment to the act.<sup>127</sup> The report resulted in no changes either to the act or to its administration but, rather, provided a legitimation for maintaining the status quo at a time when employers felt their profits being squeezed

and the state was experiencing an erosion of its financial base.

The Liberal government, coming into office when an economic recovery was under way, gave labour-capital relations a high priority within their overall economic and social policy. Accordingly, when the incidence of industrial disputes was at an exceptionally high level, attention was focussed on the operation of the Workmen's Compensation Board by two separate internal reports, one by the Attorney-General's office and the other by the Department of Labour. These were motivated by continuing labour criticisms of the board and, as the Assistant Inspector for Legal Offices pointed out:

The Inspector's report suggested that an official from the Department of Labour should act as an intermediary between the board and claimants unable to present their own case, contending that these claimants were getting "short shift" from the Board and its officers.<sup>129</sup>

The report of the Legal Inspector, however, also pointed to a number of ways in which the costs of the act could be reduced. He suggested less expensive and elaborate premises, arguing that present premises were out of keeping with the clientele who were mainly injured workers or their dependents. In addition, the Safety Associations were, in his opinion, "entirely useless", only duplicating inspection and resulting in contradictory orders to employers. The abolition of the merit rating system would also incur cost savings as the classifications were so finely divided that assessments were based on very small groupings and the general insurance principle was consequently being undermined.<sup>130</sup>

The report thus indicated the possibilities for reducing compensation costs to employers by rationalizing certain aspects of its administration and eliminating "unnecessary" expenses such as elaborate premises. At the same time, it emphasized the need for dealing with labour complaints by easing relations between the board and workers seeking compensation. This, however, was to be handled on an individual basis for the benefit of less educated or capable claimants. There were no recommendations for fundamental changes either to the act itself or to the board's structure and mode of operation. Although the report recognized the inequitable treatment given workers by the board and the need for some "drastic change", no significant reform was suggested which would result in a general benefit to workers.

The investigation undertaken by the Labour Department just four months later referred again to the large number of complaints from workers as well as from prominent persons who had attempted to intervene on workers' behalf:

. . . it soon became evident, from complaints received by the Minister from members of the Legislative Assembly, Mayors, and men prominent in public life, that, to put it mildly, the attitude of the Board was hostile, or it did not seem willing to cooperate.131

This report essentially agreed with the need for a system to handle the problem cases, arguing that the act itself was entirely adequate but that the problems stemmed from its administration and interpretation. A change in board personnel, clarification of certain aspects of the application of the act, and the assistance of the Department of Labour in problem cases were the primary areas requiring attention according to this investigation.<sup>132</sup> Again, despite considerable consensus regarding the attitude of the board and its treatment of many workers, there was no perception of a need for significant reforms in the workmen's compensation program beyond the reassignment of board personnel and aid to individual workers assigned on an "as-needed" basis.

After the transferral of the Workmen's Compensation Act and its administration to the Department of Labour, this department became more involved in issues concerning
the board's treatment of applicants. The Labour Department carried out its policy of facilitating cooperative labour-capital relations in its involvement with the compensation board and, from 1937, paid greater attention to the number and nature of complaints regarding the board.<sup>133</sup> The inability of some applicants to present their cases favourably and thus increase their chances for being awarded compensation was recognized by the Department as a problem. In several cases, where a departmental official presented the claim on behalf of the worker the board reversed its original decision and granted compensation.

The 1932 commission into the need for increases in the scale of workmen's compensation benefits functioned both to postpone a response to the demands of organized labour and to legitimate the maintenance of the existing structure of the compensation program. Recommendations against increasing compensation took the depressed economic situation as their frame of reference and so essentially favoured employers' interests in reducing costs. The orientation of the government and the Department of Labour, however, increasingly moved towards a concern for the conflict-creating aspects of the board's mode of operation. Relations between capital and labour in general were becoming more overtly conflictual and state efforts at the

provincial level were directed at promoting industrial harmony and stability.

Attempts to deal with criticisms of the WCB's treatment of claimants were made outside of the public forum of the Legislature or commission structure. Instead, two internal investigations exposed the problems which were causing dissension and the Department of Labour quietly intervened in individual cases considered to be potential sources of controversy. These steps, accompanied by changes to the board's personnel resulted in no fundamental change for the benefit of workers in general but rather emphasized the immediate concern of state agents for the escalating level of class conflict. While capital-labour relations around workmen's compensation were managed in this way through the state, the urgency of depressed economic conditions, reflected through employer demands for reduced costs, were given attention in the recommendation of the various reports investigating the compensation program.

## State Resolution of the "Problem": Policy and Structure

The functioning of the Workmen's Compensation Board in the decade from 1929 to 1939 did not differ significantly from its mode of operation in the previous decade. Although the degree of impartiality of the board had been

questionable since its inception in terms of the nature of its relationship with both owners of industrial capital and with labour, in the 1930's the change of government revealed the position of the board as a creature of the party forming the government of the day. As a result, the operation of the compensation system depended largely on the influence of the philosophy of the chairman who, in turn, owed his position to the party in power. Little gain was made by labour except for a limited extension of the act's coverage and, by the end of this period, organized labour was struggling once more to preserve the independence of the compensation system from direct political manipula-On the other hand, the board's conservative managetion. ment of employer funds and changes made in the act's administration by the Hepburn government resulted in relatively low assessment rates to manufacturers by the end of the period, thus helping them reduce their labourrelated production costs.

Examination of the problem cases from the Premier's and Minister of Labour's files, though admittedly only a small percentage of the total cases handled by the board, reveals the same kinds of biases in the 1930's as were evident in the previous decade. The board continued to rely on the evaluation of its own physicians even where this-completely contradicted testimony given by a number

of independent physicians.<sup>134</sup> Frequently, the WCB doctors explained such discrepancies by attributing the worker's complaints to malingering, in other words, faking disability, or to "hysterical exaggeration", that is, a true psychological inability to cope with the effects of the injury.<sup>135</sup> Very often their recommendation for treatment in either case was to refuse compensation so that the applicant would be forced to work.<sup>136</sup> The fact of the depression and widespread unemployment seems not to have occurred to the board's physicians.<sup>137</sup> There is also evidence indicating that applicants seeking compensation who were uneducated or lacking knowledge of the board's procedures and the act were less likely to receive compensation.<sup>138</sup>

By 1932, the administrative apparatus of the Workmen's Compensation Act had expanded to 117 permanent and 1523 temporary employees. This provided a sizeable resource for the patronage distribution of positions which was not confined to the lower levels of the staff hierarchy but was also the basis for appointments to the executive body of the board.<sup>139</sup> While the Liberals accused Premier Henry of appointing a defeated Conservative candidate to a WCB position paying \$14,000, the Liberals themselves went to even further lengths after their election to office in 1934. Hepburn reorganized the compensation board along

with the rest of his civil service housecleaning, retaining only one former member of the three-man board. Both a 140 new chairman and vice-chairman were appointed.

Additional changes to the act itself tied the board more closely to the government as the tenure of office of the commissioners was made subject to the pleasure of the Lieutenant-Governor in Council instead of removal only for just cause as formerly. The Minister in charge at this point, Attorney-General Roebuck, proclaimed that executive positions must be held by those in sympathy with the government and that the offices of the WCB were "the gift of the Government of the day".<sup>141</sup> Following reelection in 1937. Hepburn transferred the administration of the act from the Attorney-General's Department to the Department of Labour where greater sensitivity to the implications of the board's policies for capital-labour relations would presumably have the effect of reducing the existing friction between labour, those elected representatives acting as advocates, and the board.<sup>142</sup>

Despite further changes in the board personnel following the death of Hepburn's appointee and the assignment of a Department of Labour official to act on behalf of certain claimants, the same kinds of problems continued to exist.<sup>143</sup> To a great extent these reforms represented merely <u>ad hoc</u> solutions to more fundamental problems. More-

over, they seemed to only introduce another set of problems. The Labour Department investigation into the act's administration referred to in the previous section outlined six specific areas of contention, all of which could conceivably have been resolved by amendments to the act or by clearly set out regulations instead of leaving these areas open to potentially differing interpretations. The issues outlined in this report related to the inadequacy of benefit levels for both permanent partial and full disability, the degree of confidentiality of client's files, the weight to be accorded to medical testimony, the extent of assistance to be given by the Department of Labour, and the degree to which compensation should be related to fitness for any kind of available work.<sup>144</sup> The changes actually made, however, did little to address these problems except for the intervention of the department in certain cases applying for compensation.

The reforms which the Hepburn government did make regarding the operation of the act created a great deal of consternation on the part of organized labour which saw them as an attack on the fundamental principles of the act's administration as originally guaranteed by the system's designer, Sir William Ralph Meredith. Their criticisms, contained in a six-page memorandum to Hepburn in November 1939 rested primarily on their contention that the WCB

had been transformed from an impartial autonomous state agency to a body dependent upon and subordinated to the current party in power. This was largely the consequence of the change in tenure and method of board appointments and the interference of the Department of Labour in individual cases as well as in the administration of the act. The latter charge related to attempts by the department to establish a body of appeal from the board's decisions, a moved which had traditionally been opposed by labour.<sup>145</sup>

The only unambiguous gain made by labour in this period with regard to workmen's compensation was the extension of categories to which silicosis applied as an industrial disease under the act.<sup>146</sup> This was a disease which primarily affected metal miners, an industrial labour force of some importance during the depression since the mining sector was faring relatively better than other parts of the economy. As a result, the opposition of the mine operators and the state to the possible unionization of northern mine workers by the WUL or the CIO was a critical factor shaping labour relations in the industry.

The Workmen's Compensation Board perceived its major task in terms of its trusteeship of compensation funds for manufacturers. It consequently adminstered awards in a highly conservative manner, not generally giving the injured claimant the benefit of doubt. This attitude was

reinforced by the prevailing economic conditions of the depression when injured workers had no recourse to alternative employment, only to relief. At the same time, employer emphasis on costs created pressure to keep compensation expenditures down. This produced a clear situation of conflicting interests around the program which had initially been structured to emphasize cooperative relations between organized labour and manufacturers.

State intervention was an outcome of the growing conflict around board policies and the extent of public criticism which was becoming increasingly sympathetic to the plight of injured workers. The Department of Labour became actively involved in efforts to obtain compensation funds for workers who had been inequitably treated by the board. In this respect, the Department was merely extending its role as creator and enforcer of industrial peace by reducing dissension in relation to the granting of compensation. The government, through changes to the board and administration of the fund, indicated that it, in common with employers, also viewed compensation as a cost of production requiring careful management. Steps taken to rationalize the program reduced the costs to employers by the late 1930's while the total amount of benefits awarded was rising. The outcome of capital-labour relations around the workmen's compensation

program was evident in the state management of conflict while costs to manufacturers were gradually reduced. The state reinforced the prevailing orientation to administration of the act by patronage appointments to the WCB and its staff, while organized labour was put in the position of being forced to struggle merely in defence of earlier gains, namely, the right to compensation awarded by an independent and impartial state body.

## Conclusion

The economic depression of the 1930's with its attendant effects on the organization of both labour and capital was the most significant force moulding class relations during this period. At the political level, the state was called upon to respond to a situation of increasing conflict between workers and capitalists in the manufacturing and retail sectors as well as one of growing internal discord among owners of capital. Attempts by capitalist employers to protect shrinking profits resulted in increasingly oppressive conditions for workers and an intensification of inter-capitalist rivalry and competition. With subsequent declines in the sale and production of both consumer and producer goods, unemployment rose dramatically as increasing number of workers were released from the labour force.

The social and political consequences of this situation became a source of growing concern to the federal and provincial levels of the state which undertook efforts to confine and reduce the impact of these economic and social changes. The introduction of various measures to limit working hours and establish minimum wage levels constituted part of the state's program for dealing not so much with the direct effect which the depression was having on workers but with the consequences which depressed economic conditions were creating with regard to the level of industrial conflict and social unrest. On the other hand, the workmen's compensation program, having come to be accepted by employers as a necessary cost of production, was subject to stringent management and political scrutiny aimed at minimizing expenditures in this employer-financed scheme.

As in former periods of economic depression and high unemployment, workers and trade unions exerted pressure on the state to institute legislative restrictions on the length of the working day. Increasing unemployment reinforced traditional labour arguments regarding the relationship between shorter hours, employment, and productivity. While many unionized workers had succeeded in obtaining an eight-hour day this was not the case for the 85 per cent of the non-agricultural labour force who were unorganized.

However, a maximum working day established by collective bargaining only and not also supported by legislation remained subject to progressive lengthening depending upon changing economic conditions and the ability of employers to enforce their version of the working day. In addition, without a legislated maximum number of hours, employers had a continuing incentive to substitute non-unionized labour for unionized labour to restructure jobs so that unskilled workers, who were less likely to be unionized, could replace skilled workers.

In times of prosperity and economic expansion capitalist employers uniformly opposed any state-supported restrictions of working hours since production and profits were closely related to the number of hours which living labour could be made to work under the control of capital. With the deepening of the depression, however, a situation of almost total anarchy of competition became prevalent among the small manufacturers and retailers under the pressures of the price-cutting practices of large retailers having semimonopolistic control over the market. As their position in the market continued to worsen, smaller capitalists began to develop an interest in the regulation of the hours of labour. By establishing a maximum working day large manufacturers and retailers would be restrained in their price-cutting practices which were based on the more

intensive exploitation of labour. Consequently, the opposition to a legislated shorter working day came primarily from large retailers and manufacturers who were engaged in exporting or who had market dominance in their particular industry.

During the early years of the depression owners of capital were able to protect their profits to some extent by evading or violating the provisions of the Minimum Wage Act, aided considerably by the lax enforcement policies of the Minimum Wage Board. Despite the demands of some labour groups for an extension of the minimum wage to male workers, however, the major trade union bodies continued to oppose such a change. This was not because they rejected the objective of establishing a floor under male wages, but rather because they were both apprehensive about the possible erosion of the basis for union strength as a result of a state-determined minimum wage and suspicious of the state's motives in enacting such legislation. Deteriorating working conditions produced a greater impact on labour in the workplace than in the political arena, evidenced by increasing unionization of the work force in the most competitive industries by communist-affiliated unions during the worst stage of the depression and, when business profits improved, by the CIO. Concomitant with the growth of the unionized labour force was a rising level

of industrial conflict prompted largely by strikes for union recognition.

As declining production and profits led to increasingly fierce intercapitalist competition there developed a growing degree of support among smaller capitalists for a legislated minimum wage for male workers. The threat of communist-controlled unions among their labour force was also a significant factor behind employer support for a minimum wage. The appointment of the Price Spreads Commission by the federal government in 1933 enabled small manufacturers, retailers, and food processors to articulate their demands for greater government regulation of industry and to obtain a degree of public support for their objectives. At the provincial level, the almost complete demoralization of the building and construction industry in Ontario was attracting the attention of legislators who heard requests from employers in that industry for a male minimum wage and state-administered system of regulation. As the full force of the depression hit various industries and owners of capital struggled fiercely among themselves to maintain their markets, and their profits, the prospect of state regulation of the conditions of labour, such as hours and wages, began to appear as a viable solution to the prevailing anarchy of the market.

With the threat of growing political disaffection and conflict among unemployed workers, the state at the federal level became primarily concerned with control of the unemployed labour force disengaged from the capitalist system of production. In addition to various other measures intended to meet this concern, the regulation of the hours of labour was seen as having potential benefits in terms of social control. The Dominion government established an eight-hour day for federal employees and all workers on government contracts. Although this only gave legislative backing to an already existing situation for the most part, it was strongly opposed by the building and construction industry whose non-unionized employees generally worked a ten-hour day.

The federal government instituted a policy enforcing an eight-hour day on all unemployment relief works to which it contributed and, in 1935, the federal Fair Wages and Hours of Labour Act set an eight-hour day, 44-hour week, on all government construction projects. The most dramatic departure from the traditional pattern of federal maximum hours legislation was the Limitation of the Hours of Labour Act included in Bennett's "New Deal" package in 1935. This legislation developed partly in response to the demands of small capital which had emerged from the Commission on Price Spreads but provoked intense opposition from capital-

ists engaged in resource industries, railways and textiles. The act was subsequently overturned by the institutions of imperial control through the Privy Council, resulting in the assignment of responsibility for the regulation of working hours to the provincial level of the state.

The possibility of a potential radicalization and increased unionization of the labour force in the most industrialized province promoted a specific concern on the part of the provincial state for the management of labour involved in production. However, although both the provincial government and bureaucracy saw the legislation of working hours as a viable means of dealing with problems associated with unemployment and industrial conflict, the state responded instead to the greater support by owners of capital at the provincial level for regulation of wages. Wage rates had the virtue of being more readily passed on to consumers in the form of price increases whereas control over the number of working hours was of critical significance to the overall volume of production and the subsequent amount of surplus value available for appropriation. The extent of technological substitution for living labour had not advanced to the point where capitalists were willing to accept external constraints on the volume of production nor would they agree to be hampered in the domestic market by any restrictions on hours imposed within one provincial jurisdiction only.

The province moved slowly and cautiously on the issue of regulating wages. Despite various demands from labour groups, small owners of capital, and its own Minimum Wage Board, the Ontario government did not take significant steps to legislate a minimum wage for males until 1937. In 1935 the Industrial Standards Act was passed as an answer to the desire to reduce industrial conflict and the need for a mechanism to manage wage levels on a more systematic The act did not permit the state to usurp the right basis. of capitalist employers to determine labour costs but only provided a supportive framework for the development of industry-wide cooperation between capital and labour in setting wages. Subsequent adjustments to the administration of the ISA as well as further amendments to the Minimum Wage Act failed to effectively answer the demands of small capitalists for regulation or the criticisms by labour regarding the state's unwillingness to assist workers in the worst crisis of the history of capitalism. As industrial conflict escalated and radical unions gained adherents, the failure of the state's policies of social control became glaringly apparent. In the context of this situation the extension of the minimum wage to male workers and the consolidation of the administration of other provincial labour legislation were introduced in 1937 and 1938.

In contrast to the recurring issue of legislating maximum hours and minimum wages in the province, a Workmen's compensation program had been already well established before the depression had demonstrated its worst effects on capitalist production. As a result, workmen's compensation had come to be accepted as one of the costs of production by owners of capital in the manufacturing and primary industries of the province. Because of the non-contributory feature of the system and its administration by the state, employers were always sharply aware of any cost changes in its operation. This increased the difficulty experienced by workers in obtaining any extension of compensation coverage or increases in benefits. Under the prevailing economic conditions of the depression, labour gained little in additional benefits and individual workers frequently met a niggardly attitude on the part of the Workmen's Compensation Board which saw itself as the trustee of employers funds.

The most significant change in the workmen's compensation program during the 1930's was the at first unofficial and later official intervention of the Department of Labour in the administration of the act. This intervention primarily took the form of efforts on the department's part to obtain benefits for certain workers who had been unfairly treated by the board. The department also

attempted to promote a more flexible approach on the part of the board to allowing compensation for other categories of workers hard hit by the widespread extent of wage reductions and unemployment. In this respect the Department of Labour was merely extending its role as creator and enforcer of industrial peace since this depended to a considerable extent on the assurance of the means of subsistence to workers displaced by the crisis of capitalist production. The government, on the other hand, tended to view the compensation program as an element of the cost of production requiring careful management, and reinforced this attitude in the program's administration by patronage appointments to the Workmen's Compensation Board and staff. Once more, labour emerged as the net loser, being forced to struggle merely in defence of earlier gains, especially that of the established right to compensation awarded by an independent and impartial state agency.

## NOTES

The Rowell-Sirois Report, Book I, pp. 163-169; Firestone, Canada's Economic Development, 1857-1957, pp. 188-189; Canada, Dominion Bureau of Statistics, The Canada Year Book, 1939 (Ottawa, 1940), p. 421; Idem, The Canada Year Book, 1941 (Ottawa, 1942), p. 333; Urquhart and Buckley, Historical Statistics of Canada, p. 463; Cuneo, "Class Exploitation in Canada", 292; Irving Brecher, Monetary and Fiscal Thought and Policy in Canada, 1919-1939 (Toronto, 1957), p. 10.

<sup>2</sup>Brecher, <u>Monetary and Fiscal Thought</u>, pp. 67-68; Canada, Royal Commission on Price Spreads, <u>Report</u> (Ottawa, 1937), pp. xviii-xxv; Urquhart and Buckley, <u>Historical</u> <u>Statistics of Canada</u>, pp. 296, 304.

<sup>3</sup>Minimum Wage Board, "Summary, April 1930", PAO, Premiers' Records, RG3, General Correspondence 1930, box 107, file "Minimum Wage Board"; Minimum Wage Board, "Summary, October 1930", PAO, Department of Labour, RG7, Series I, 1, Office of the Minister, vol. 4; Minimum Wage Board, "Summary, September 1931", H. J. Fester, "Personal Report, September 1931", PAO, Premiers' Records, RG3, General Correspondence 1931, box 141, file "Minimum Wage Board"; Minimum Wage Board, "Summary, March 1932", "Summary, November 1937", PAO, ibid., General Correspondence 1932, box 153, file "Minimum Wage Board"; Minimum Wage Board, "Summary, December 1932", PAO, ibid., General Correspondence 1933, box 162, file "Minimum Wage Board"; "Re: Minimum Wage", Feb. 26, 1937, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, vol. 12; Ontario, Department of Labour, "The 13th Annual Report of the Department of Labour of the Province of Ontario, 1932", <u>Sessional Papers</u> (1933), LXV, No. 10, pp. 8, 9; <u>Idem</u>, "The 18th Report of the Department of Labour of the Province of Ontario, 1937", Sessional Papers (1938), LXX, No. 10, p. 37; IC, Dec., 1930, p. 44; Leonard C. Marsh, Canadians In and Out of Work, A Survey of Economic Classes and Their Relation to the Labour Market, McGill Social Research Series, no. 9 (Toronto, 1940), p. 335; Canada, Royal Commission on Dominion-Provincial Relations, Report, Book I, Canada, 1867-1939 reprinted in Michiel Horn, ed., The Dirty Thirties (Toronto,

1972), pp. 160-163, 171, 174-175; see also portions of the voluminous evidence presented before the Royal Commission on Price Spreads and reprinted in a number of published collections which examined the period of the 1930's, such as Horn, ed., <u>The Dirty Thirties</u>, R. C. Brown and M. E. Prang, eds., <u>Confederation to 1949</u> (Scarborough, 1966), J. H. R. Wilbur, ed., <u>The Bennett New Deal: Fraud or Portent?</u> (Toronto, 1968), and also see Irving Abella and David Millar, eds., <u>The Canadian Worker in the Twentieth</u> Century (Toronto, 1978), pp. 186-194.

<sup>4</sup>W. T. Moore, District Inspector, No. 10 District, Cobalt, to the Commissioner of Police for Ontario, Aug. 6, 1931, PAO, Premiers' Records, RG3, General Correspondence 1931, box 149, file "Unemployment Relief: Problems"; Communist Party of Canada [CPC], National Trade Union Department, "Minutes, Dec. 25, 1929", CPC, National Needle Trade Commission, "Minutes, Jan. 25, 1931", "Convention Souvenirs of First National Convention of the Industrial Union of Needle Trades Workers of Canada, May 10, 11, 12, 1929, Montreal", "Circular from Workers' Unity League to all Building Trades Workers of Toronto", Feb. 2, 1931, PAO, Dept. of Attorney-General, RG4, CPC Papers, Ms 367, reel 7; Jim Barker to Tom Ewan, Dec. 18, 1930, Tom Ewan to Alf Hautimaki, Dec. 3, 1930, M. Biderman to Comrades, May 5, 1930, J. Dorick to Fellow Workers, Sept. 3, 1930, H. Sula to Tom Ewan, June 11, 1930, A. Hill to M. Parker, Aug. 13, 1930, Tom Ewan to the Sudbury Conference, Nov. 25, 1930, Jim Barker to Tom Ewan, Nov. 27, 1930, PAO, ibid., reel 1; National Executive Secretary, Workers' Unity League [WUL], to Wm. Phillips, June 8, 1931, P. Zapkon to Comrades, June 11, 1931, National Executive Secretary, WUL, to A. T. Hill, Apr. 5, 1931, Jim Barker to Tom Ewan, Apr. 16, 1931, PAO, ibid., reel 2; Avakumovic, The Communist Party in Canada, pp. 68-74; Lipton, <u>The Trade Union Movement of Canada</u>, p. 259; Jamieson, <u>Times of Trouble</u>, pp. 217-218; Urguhart and Buckley, Historical Statistics of Canada, pp. 105, 107; Ontario, Department of Labour, "The 14th Annual Report of the Department of Labour of the Province of Ontario, 1933", Sessional Papers (1934), LXXIII, No. 10, p. 9; Memorandum for Hon. Dr. J. M. Robb from A. W. Crawford, Mar. 10, 1934, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, vol. 6, file "Labour (General)"; "Meeting of Trade and Labour Congress of Canada and Representatives of Various Industries, with Hon. A. W. Roebuck, Attorney-General and Minister of Labour, Mr. J. F. Marsh, Deputy Minister of Labour, Mr. Louis Fine, Industrial Standards Commissioner, and Mr. A. W. Crawford, Chairman, Minimum Wage Board, held at the Parliament Buildings, Dec. 9, 1934",

p. 14, PAO, <u>ibid</u>., Series VIII, 1, Manpower Services Division, Labour Standards Branch, 1934-46, vol. 28, General Subject Files of the Industrial Standards Officer, file "Meeting in Minister's Office"; Hon. D. A. Croll to Premier M. F. Hepburn, Apr. 14, 1937, PAO, Premiers' Records, RG3, General Correspondence, Private 1937, box 267, file "Congress of Industrial Organizations".

<sup>5</sup>Avakumovic, <u>The Communist Party in Canada</u>, pp. 74-77.

<sup>6</sup>Jamieson, <u>Times of Trouble</u>, pp. 227-228, 245-252; Acting Mayor of Port Arthur to Hon. George S. Henry, Oct. 21, 1930, PAO, George S. Henry Papers, 1930, box 20; Moore to the Commissioner of Police for Ontario, Aug. 6, 1931; G. D. Robertson to Premier Henry, July 15, 1931, Acting Mayor J. M. Penny, Cochrane, to Premier Henry, July 14, 1931, PAO, Premier's Papers, RG3, General Correspondence, 1931, box 148, file "Unemployment Relief: Dec. 1930-Dec. 1931"; S. D. Hanson, "Estavan 1931", in Irving M. Abella, ed., <u>On Strike: Six Key Labour Struggles in Canada 1919-</u> 1949 (Toronto, 1975), pp. 50-55; Desmond Morton, "Aid to the Civil Power: The Stratford Strike of 1933", in <u>ibid</u>., pp. 82-85; Irving M. Abella, "Oshawa 1937", in <u>ibid</u>., pp. 106-107.

<sup>7</sup>Jamieson, <u>Times of Trouble</u>, pp. 219, 224-226; Urquhart and Buckley, <u>Historical Statistics of Canada</u>, p. 107; Exhibit 287, Workers' Unity League, PAO, Dept. of Attorney-General, RG4, Series D-1-1, file 3188/1931, box 28, envelope 4, Transcript of Exhibits.

<sup>8</sup>Editorial, <u>IC</u>, Apr., 1930, p. 102; Editorial, <u>IC</u>, Jan., 1931, p. 159; Editorial, <u>IC</u>, Feb., 1931, p. 56; "Executive Council Proceedings, Industrial Relations Committee", <u>ibid</u>., May, 1935, p. 52; Memorandum to Hon. D. A. Croll from D. P. Marsh, Deputy Minister of Labour, Mar. 26, 1936; R. Graham to Hon. D. A. Croll, Oct. 23, 1935, "Minutes on Meeting of D. A. Croll and Representatives of the Ontario Association of Shoe Repairers", July 5, 1935, Hon. D. A. Croll to H. Sykes, Secretary, Ontario Association of Shoemakers and Repairers, Inc., Oct. 20, 1936, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, D. A. Croll 1935-37, vol. 14, file "Labour-Shoe"; Memorandum for Hon. Dr. J. M. Robb from A. W. Crawford, Mar. 10, 1934; "Quoting Mr. Collinson, Burgess Battery Co., Niagara Falls, 100 employees", PAO, ibid., Series VIII, 1, Manpower Services Division, Labour Standards Branch, 1934-46, vol. 28, Subject Files, Industrial Standards Officer, file "Legislation: Labour Legislation for 1935"; "Notes of Meeting of Furniture Manufacturers Received at the Parliament Buildings on December 12, 1934, by Hon. A. W. Roebuck, Attorney-General and Minister of Labour, Mr. J. A. Marsh, Deputy Minister of Labour, and Mr. Louis Fine, Industrial Standards Commissioner, Department of Labour", p. 7, PAO, ibid., file "Meetings in Minister's Office"; G. Cecil Morrison, President, Morrison-LaMothe, to M. M. MacBride, Minister of Labour, Jan. 18, 1938, PAO, ibid., Series I, 1, Office of the Minister, Oct. 1937-Dec. 1938, vol. 18, General Correspondence, file "MI-MY"; General Manager, Board of Trade of the City of Toronto, to Hon. M. F. Hepburn, Apr. 12, 1935, PAO, <u>ibid</u>., Series II, 4, Industrial Standards Act, 1935-37, box 2, file "Comments, Criticisms and Suggestions"; Minimum Wage Board, "Summary, Nov., 1931", PAO, Premiers' Records, General Correspondence 1931, box 141, file "Minimum Wage Board, 1931"; Minimum Wage Board, "Summary, June, 1932", "Summary, Aug., 1932", PAO, ibid., box 153, file "Minimum Wage Board, 1932"; C. L. Burton to Premier Henry, Jan. 13, 1933, PAO, Henry Papers, 1933, box 28.

<sup>9</sup> "Minutes, Interview Between Members of the Government and a Delegation on Unemployment, Feb. 25, 1930", in Michiel Horn, ed., <u>The Dirty Thirties</u>, pp. 566-567; H. Blair Neatby, <u>William Lyon Mackenzie King</u>, 1924-1932 (Toronto, 1963), pp. 157, 162-163, 189-190, 334, 362; J. H. R. Wilbur, "H. H. Stevens and R. B. Bennett, 1930-34", <u>CHR</u>, XLIII (Mar., 1962), 1-2; Canada, House of Commons, <u>Official Report of Debates</u>, Oct. 12, 1932 cited in Brown and Prang, eds., <u>Confederation to 1949</u>, pp. 241-243; Nelles, <u>The Politics of Development</u>, pp. 433-437, 457-462, 467-470, 487-488; H. M. Cassidy, <u>Unemployment and Relief in Ontario</u>, 1929-1932, A Survey and <u>Report</u>, Unemployment Research Committee of Ontario (Toronto, 1932), pp. 258, 261; Neil McKenty, <u>Mitch Hepburn</u> (Toronto, 1967), pp. 61-62; "Brief Summary of Income Tax Situation in the Province of Ontario from the Year 1926 Until the Year 1936", PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, Oct. 1937-Dec. 1938, vol. 20, file "Taxation and Income"; <u>Business</u> Week, Nov. 20, 1937, p. 50.

<sup>10</sup>Gideon Robertson to R. B. Bennett, June 19, 1931, in Michiel Horn, ed., <u>The Dirty Thirties</u>, pp. 320-321; Neatby, <u>William Lyon Mackenzie King</u>, pp. 365-367, 400-401; Memorandum by Major-General A. G. L. McNaughton, Oct. 3, 1933, quoted in R. C. Brown and M. E. Prang, eds., Confederation to 1949, p. 222; Major-General A. G. L. McNaughton to R. K. Finlayson, June 22, 1943, quoted in Michiel Horn, ed., <u>The Dirty Thirties</u>, p. 328; Canada, House of Commons, <u>Official Report of Debates</u>, Nov. 22, 1932, quoted in <u>ibid</u>., p. 579; "Communistic Activities", <u>The Canadian Annual Review of Public Affairs</u>, 1932 quoted in <u>ibid</u>., pp. 460-466; "Report of the Committee, January 11, 1936", p. 6, "Final Report of Committee Investigating Relief Camps, February 21, 1936", PAC, Dept. of Labour, RG27, vol. 65, file "Administration of Relief Camps for Single, Homeless Men".

<sup>11</sup>George S. Henry to R. B. Bennett, Aug. 4, 1931, R. B. Bennett to George S. Henry, Oct. 23, 1931, PAO, Premiers' Records, RG3, General Correspondence 1931, box 149, file "Unemployment Situation"; W. T. Moore, District Inspector No. 10 District, to the Commissioner of Police for Ontario, Aug. 6, 1931; "Report from Special Branch, Detective Department, OPP", June 19, 1935, PAO, Premiers' Records, RG3, General Correspondence, Private 1935, box 250, file "Comments on Unemployment Relief", fol. 1; OPP Memorandum to Roger Irwin from Commissioner of Police for Ontario, Feb. 20, 1937, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 13, file "Miscellaneous A-Z, 1936-37"; see also various OPP reports on labour activities and undercover infiltration of labour meetings in PAO, Premiers' Records, RG3, General Correspondence, Private 1937, box 265, file 3; "Ontario's Department of Education has Scored a Big Victory Against Communism in the North", Globe, Feb. 21, 1931; Correspondence between A. W. Crawford, L. J. Salter, and J. M. Robb from Feb. 13, 1934 to June 1, 1934, PAO, Dept. of Labour, Series I, 1, Office of the Minister, Dr. J. M. Robb, 1934, vol. 6, file "Strikes"; J. D. Monteith to Rev. Wm. Wallace, Nov. 22, 1933, PAO, <u>ibid</u>., Office of the Minister, Dr. J. D. Monteith, 1930-33, vol. 5, file "S"; M. F. Hepburn to D. A. Croll, Apr. 14, 1937, Croll to Hepburn, Apr. 14, 1937, PAO, Premier's Records, RG3, General Correspondence, Private 1937, box 267, file "Congress of Industrial Organizations"; M. F. Hepburn to A. W. Roebuck, Apr. 14, 1937, PAO, A. W. Roebuck Papers, Political Correspondence, Series II, 1, box 23; Trevor Wayne Crossen, "The Political Career of Attorney-General Arthur Wentworth Roebuck, 1934-37" (M.A. dissertation, Dept. of History, University of Waterloo, 1973), pp. 55, 89; see also the five folders in the Premiers' Records for 1937 containing various correspondence and information on the CIO, PAO, Premiers' Records, RG3, General Correspondence, Private 1937, box 265, file "Congress

.....

of Industrial Organizations"; Ontario, Department of Labour, "The 19th Report of the Department of Labour of the Province of Ontario, 1937", Sessional Papers (1939), LXXI, No. 10, pp. 6, 37-39; "Labour Disputes", PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, N. O. Hipel, 1939, vol. 23, file "Labour Department Data"; M. M. MacBride to M. F. Hepburn, Dec. 15, 1937, PAO, Premier's Records, RG3, General Correspondence, Private 1937, box 274, file "Labour Department -- General"; Newspaper Hansard, Apr. 13, 26, 28, 1939, PAO; Jamieson, <u>Times of Trouble</u>, pp. 227-228, 251-256, 258; Morton, "Aid to the Civil Power", in Abella, ed., <u>On Strike</u>, pp. 79-91; Abella, "Oshawa 1937", in ibid., pp. 93-128.

<sup>12</sup> Memorandum for Hon. J. D. Monteith, Minister of Public Works and Labour, from A. W. Crawford, Deputy Minister, Oct. 6, 1933, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, Dr. J. D. Monteith, 1930-33, box 3, file "Deputy Minister of Labour"; Memorandum for Hon. Dr. J. M. Robb from A. W. Crawford, Mar. 10, 1934; Hon. D. A. Croll, "National Union Labour Day Souvenir -- Labour Day Message", PAO, Premiers' Records, RG3, General Correspondence, Public 1937, box 208, file "Labour Department"; Ontario, Department of Labour, "The 14th Annual Report of the Department of Labour", pp. 9-10.

<sup>13</sup>PAO, Henry Papers, 1931, box 24 contains letters from various town councils in Ontario between March and July, 1931. Letters from trade unions and trades and labour councils covering the period from August 1931 to January 1934 can be found in PAO, Dept. of Labour, RG7, Series II, 3, Legislation, 1918-34, box 1, file "8-Hour Day Legislation".

<sup>14</sup>Memorandum re: Reduction in Working Hours as a Remedy for Reduction in Employment due to Machinery, n.d., PAC, Dept. of Labour, RG27, vol 211, file 617:38; Memorandum of Legislative Programme of the Trades and Labor Congress of Canada Presented to Honourable M. F. Hepburn and Members of the Cabinet by the Ontario Executive, Jan. 31, 1935, p. 3, PAO, Premier's Records, RG3, General Correspondence, Private 1935, box 250, file "Unemployment -- TLC Briefs"; Memorandum of Legislative Programme submitted to the Ontario Government by the Trades and Labor Congress of Canada, Feb. 14, 1939, p. 6, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, N. O. Hipel, 1939, vol. 23, file "Legislation Requested, File I". <sup>15</sup>"Minutes of Evidence Before Senate Standing Committee on Banking and Commerce re Bill 21", especially evidence presented May 28 and June 4, 1935, PAC, Dept. of Labour, RG27, vol. 255, file 800.1:1; see also presentations in file "Steam Railway Employees -- Representations re Bill 21", PAC, <u>ibid</u>., vol. 274; "Regulations re Limitations of Hours of Work Act", PAC, <u>ibid</u>., vol. 251, file 619.3.

<sup>16</sup>Memorandum re Bill No. 49, to the Members of the Senate from the Canadian Construction Association, May 9, 1930, PAC, <u>ibid.</u>, vol. 197, file 432:2, "Bill 49".

<sup>17</sup><u>Ibid</u>., p. 4.

<sup>18</sup>See the "Minutes of Evidence Before Senate Standing Committee".

<sup>19</sup>H. G. Fester to Dr. J. D. Monteith, Sept. 2, 1931, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, Dr. J. D. Monteith, 1930-33, box 3, file B2; "Extracts from Report of the Industrial Relations Committee of the Canadian Manufacturers' Association to the Executive Council, Toronto, Sept. 29, 1932", PAO, <u>ibid</u>., Series II, 3, Legislation 1918-34, box 1, file "8-Hour Day Legislation"; Secretary, Ontario Division, C.M.A., to Premier M. F. Hepburn, Dec. 13, 1935, PAO, <u>ibid</u>., Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 12, file "Re: Minimum Wage Act 1935"; Memorandum Regarding Weekly Hours of Labour in Retail Establishments to Minister of Labour from Dominion Stores, Feb. 10, 1938, PAO, <u>ibid</u>., Series I, 1, Office of the Minister, N. O. Hipel, 1939, vol. 25, file "Retail Merchants' Association -- File I".

<sup>20</sup><u>IC</u>, Dec., 1930, p. 44.

<sup>21</sup>"Hours of Work Legislation", pp. C60528-60529, PAC, William Lyon Mackenzie King Papers, Memoranda and Notes, 1922-1932, reel C2694.

<sup>22</sup>"Roebuck Urges 48-Hour Week and Minimum Wage for Canada", Ottawa <u>Evening Citizen</u>, Jan. 29, 1936, PAC, Dept. of Labour, RG27, vol. 162, file 612.01:58. <sup>23</sup> Memorandum re: Bill no. 49 (Fair Wages and Eight Hour Day Bill) dealing with various points contained in a Memorandum of the Canadian Construction Association, distributed to Members of the Senate, p. 1, PAC, Dept. of Labour, RG27, vol. 107, file 432.2.

<sup>24</sup>"Minutes of Evidence Before Senate Standing Committee", May 28, 1935, p. R6, June 4, 1935, pp. B3-B4.

<sup>25</sup><u>Ibid</u>., May 28, 1935, p. R7.
<sup>26</sup><u>Ibid</u>., June 4, 1935, pp. B6, B7, B8.
<sup>27</sup><u>Ibid</u>., June 4, 1935, p. B6.
<sup>28</sup><u>Ibid</u>., May 28, 1935, p. 51.

<sup>29</sup> Memorandum for Hon. Dr. J. D. Monteith from A. W. Crawford, May 20, 1933, p. 3, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, General Subject Files, 1930-1933, box 3, file "Deputy Minister of Labour"; A. W. Crawford to T. J. Mahony, M.L.A., Apr. 3, 1934, PAO, <u>ibid</u>., Series II, 3, Legislation 1918-1934, box 1, file "8-Hour Day Legislation"; Memorandum for Hon. A. W. Roebuck n.d. [probably early 1933], p. 2, PAO, <u>ibid</u>., Series VIII, 1, Manpower Services Division, Labour Standards Branch, 1934-46, vol. file "Information for Minister"; Marion Findlay, Senior Investigator, to Hon. Dr. J. D. Monteith, Nov. 28, 1933, PAO, <u>ibid</u>., Series I, 1, Office of the Minister, Dr. J. D. Monteith, 1930-33, box 4, file "F6".

<sup>30</sup>J. H. H. Ballantyne, "Employment Analyzed by J. H. H. Ballantyne", <u>Mail and Empire</u>, Sept. 11, 1936, PAO, Dept. of Labour, <u>RG7</u>, Series XV, 1, Scrapbooks 1921-45, vol. 5, J. H. H. Ballantyne.

<sup>31</sup> Memorandum for Hon. Dr. J. D. Monteith from A. W. Crawford May 20, 1933, p. 3.

<sup>32</sup>"Typewritten Copy of Speech to House made by Minister, 1930", p. 8, PAC, Dept. of Labour, RG27, vol. 107, file 432.2, "Bill 49". <sup>33</sup><u>Ibid.</u>, p. 8; "Memorandum for Use in the Consideration of the Fair Wages and Eight Hour Day Bill, 1930, When the Same is Under Consideration in the Senate", p. 3, PAC, Dept. of Labour, RG27, vol. 107, file 432.2, "Bill 49".

<sup>34</sup> "Memorandum re: Bill No. 49 (Fair Wages and Eight Hour Day Bill)", p. 1.

<sup>35</sup> "Certified Copy of a Report of the Committee of the Privy Council approved by His Excellency the Governor-General on the 27th March 1930", pp. C60534-C60535, PAC, King Papers, Memoranda and Notes, 1922-1932, reel C2694; "Circular from Tom Moore and P. M. Draper", Apr. 2, 1930, PAC, Dept. of Labour, RG27, vol. 107, file 432.2, "Bill 49".

<sup>36</sup> "Memorandum for Use in the Consideration of the Fair Wages and Eight-Hour Day Bill", p. 3; "Memorandum re: Bill No. 49 (Fair Wages and Eight Hour Day Bill)", p. 1.

<sup>37</sup>G. D. Robertson to John Peebles, Mayor, City of Hamilton, Nov. 14, 1930, PAC, King Papers, Memoranda and Notes, 1922–1932, reel C2728, p. C103554; Premier George S. Henry to G. D. Robertson, Aug. 5, 1931, PAO, Premiers' Records, General Correspondence 1931, box 138, file "Labour, Department of".

<sup>38</sup>Newspaper Hansard, Mar. 19, 1936, PAO; A. E. Grauer, Labour Legislation: A Study Prepared for the Royal Commission on Dominion-Provincial Relations (Ottawa, 1939), Appendix II, pp. 210, 216, 223, 225.

<sup>39</sup> "Memorandum re: Bill No. 49 (Fair Wages and Eight Hour Day Bill".

<sup>40</sup> "Regulations re Limitation of Hours of Work Act", PAC, Dept. of Labour, RG27, vol. 251, file 619.3.

<sup>41</sup>Minimum Wage Board, "Summary for April 1930", "Summary for October 1930", "Summary for March 1932", "Summary for December 1932", H. G. Fester, "Personal Report, September 1931"; Minimum Wage Board, "Summary for March 1931", PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, Dr. J. D. Monteith 1930-1933, box 4, file "Minimum Wage Board"; Ontario, Department of Labour, "The 14th Annual Report of the Department of Labour of the Province of Ontario, 1933", pp. 8-9. <sup>42</sup>Minimum Wage Board, "Summary for June 1932", "Summary for August 1932", "Summary for September 1932"; C. L. Burton to Premier George S. Henry, Jan. 13, 1933, Henry to Burton, Jan. 16, 1933, PAO, Henry Papers, 1933, box 28.

<sup>43</sup>"Evidence Given by Miss Winnifred Hutchison Before the Price Spreads Commission on Violations and Evasions of Minimum Wage and Factory Acts", PAO, Dept. of Labour, RG7, Series VIII, 1, Manpower Series Division, Labour Standards Branch, 1934-36, vol. 28, General Subject Files of Industrial Standards Officer, file "Meetings in Minister's Office".

<sup>44</sup>Ontario, Department of Labour, "The 14th Annual Report of the Department of Labour of the Province of Ontario, 1933", pp. 8-9.

<sup>45</sup>Jamieson, <u>Times of Trouble</u>, pp. 225-226; Morton, "Aid to the Civil Power", in Abella, ed., <u>On Strike</u>, pp. 82-85.

<sup>46</sup>Ontario, Department of Labour, "The 14th Annual Report of the Department of Labour of the Province of Ontario, 1933", pp. 8-9.

<sup>47</sup>"Proceeding of the 63rd Annual General Meeting, CMA, Montreal, June 7 and 8, 1934", <u>IC</u>, July, 1934, pp. 61-62.

<sup>48</sup>Memorandum for Hon. Dr. J. M. Robb from A. W. Crawford, Feb. 26, 1934, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, Dr. J. M. Robb, 1934, box 6, file "Minimum Wage Board"; Newspaper Hansard, Mar. 20, 1934, PAO; General Manager, Toronto Board of Trade, to Hon. Dr. J. M. Robb, Feb. 19, 1934, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, Dr. J. M. Robb, 1934, box 6, file "Minimum Wage Board"; "Proceedings of the 63rd Annual General Meeting, CMA", pp. 61-62.

<sup>49</sup>". . . the employer has been able to prove . . . the nature of the work done by the man was different to that performed by the girl or woman." Memorandum to Mr. R. Irwin from A. W. Crawford, Mar. 14, 1936, PAO, Dept. of Labour, Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 12, file "Re: Minimum Wage Act"; Memorandum to Mr. R. Irwin from A. W. Crawford, Feb. 25, 1937, PAO, ibid.

<sup>50</sup>"An Act to Amend the Factory, Shop and Office Building Act, 1932", <u>Statutes of Ontario</u>, 1936, 1 Edward VIII, Chapter 21.

<sup>51</sup>"An Act Respecting Industrial Standards", <u>Statutes</u> of Ontario, 1935, 25 George V, Chapter 28.

<sup>52</sup>Memorandum to D. A. Croll from J. Marsh, Mar. 26, 1936, PAO, Dept. of Labour, Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 14, file "Labour --Shoe"; Memorandum for Hon. Dr. J. D. Monteith from A. W. Crawford, Oct. 6, 1933, PAO, <u>ibid</u>., vol. 3, file "Deputy Minister of Labour"; "Report of a Conference Between Members of the Canadian Manufacturers' Association and Hon. A. W. Roebuck, Minister of Labour for the Province of Ontario", Jan. 30, 1935, PAO, <u>ibid</u>., vol. 15, file "Canadian Manufacturers' Association"; Thomas W. Learie to A. W. Roebuck, July 4, 1935, PAO, <u>ibid</u>., Series I, 2, ISA, vol. 3, file "Men's and Boys' Clothing Trades"; Memorandum of a Conference between Mr. Lane, Mr. George Gander and Mr. Teagle, representing the Builders' Exchange, Mr. Marsh, Deputy Minister of Labour, and Hon. A. W. Roebuck, Attorney-General and Minister of Labour, Sept. 18, 1934, PAO, <u>ibid</u>., Series II, 4, Office of Deputy Minister, Low Wages and Industrial Standards Act, 1934-36, vol. 1, file "Building Trades"; H. Perkins to Hon. A. W. Roebuck, Nov. 22, 1934, PAO, ibid., "Notes of Meeting with Furniture Manufacturers"; Notes of Meeting of Representatives of the Hamilton Construction Association and the Toronto Construction Association received at the Parliament Building on December 12, 1934", PAO, Dept. of Labour, RG7, Series VIII, 1, Manpower Services Division, Labour Standards Branch, 1934-36, vol. 28, General Subject Files of Industrial Standards Officer, file "Meetings in Minister's Office"; "Meeting of Members of Canadian Association of Garment Manufacturers Received at the Parliament Buildings on December 19, 1934", PAO, ibid.; Newspaper Hansard, Mar. 15, 24, 29, 1934, PAO.

<sup>53</sup>Minimum Wage Board, "Summary for 1931", "Summary for December 1932"; Ontario, Department of Labour, "The 14th Annual Report of the Department of Labour of the Province of Ontario, 1933", p. 8; "Resolution Submitted to the Forty-ninth Convention, Windsor, Ontario, September 18th, 1933", pp. 15-16, PAC, Dept. of Labour, RG27, vol. 118, file 600.02 155, "Annual Conventions of the Trades and Labor Congress"; Memorandum of Legislative Programme of Trades and Labor Congress, Jan. 31, 1935, pp. 7-8, PAO, Premiers' Records, RG3, General Correspondence, Private 1935, box 250, file "Unemployment -- TLC Brief"; Memorandum for Dr. J. M. Robb from A. W. Crawford, Feb. 26, 1934, pp. 1-2; General Manager, Toronto Board of Trade, to Dr. J. M. Robb, Feb. 19, 1934; Memorandum for Hon. D. A. Croll from A. W. Crawford, Dec. 7, 1935, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 11, file "ISA -- Amendments and Suggestions".

<sup>54</sup>Mail and Empire, Feb. 28, 1934, <u>Star</u>, Feb. 28, Mar. 2, 1934, <u>Globe</u>, Mar. 1, 1934, PAO, <u>Dept.</u> of Labour, RG7, Series XV, 1, Scrapbooks, 1921-45, vol. 7.

<sup>55</sup>Ontario, Department of Labour, "The 14th Annual Report of the Department of Labour of the Province of Ontario, 1933", pp. 8-9.

<sup>56</sup>Memorandum for Hon. Dr. J. M. Robb from A. W. Crawford, Feb. 26, 1934, pp. 1-2.

<sup>57</sup><u>Ibid.</u>, p. 1; "Memorandum of Legislative Programme of Trades and Labor Congress", Jan. 31, 1935, pp. 7-8; Memorandum for Hon. D. A. Croll from A. W. Crawford, Dec. 7, 1935.

<sup>58</sup>Urquhart and Buckley, <u>Historical Statistics of</u> Canada, p. 105.

<sup>59</sup> "Meeting of Trades and Labor Congress of Canada and Representatives of Various Industries, with Hon. A. W. Roebuck, Attorney-General and Minister of Labour, Mr. J. F. Marsh, Deputy Minister of Labour, Mr. Louis Fine, Industrial Standards Commissioner and Mr. A. W. Crawford, Chairman Minimum Wage Board, held at the Parliament Buildings, Dec. 19, 1934", PAO, Dept. of Labour, RG7, Series VIII, 1, Manpower Services Division, Labour Standards Branch, 1934-36, vol. 28, General Subject Files of Industrial Standards Officer, file "Meetings in Minister's Office"; "Delegation from Workers' Unity League, received by Hon. A. W. Roebuck, Minister of Labour, Mr. J. F. Marsh, Deputy Minister of Labour, Mr. A. W. Crawford, Chairman, Minimum Wage Board, and Mr. Louis Fine, Industrial Standards Commissioner, January 23, 1935", PAO, ibid.; "Delegation from Toronto District Council, received by Hon. A. W. Roebuck, Minister of Labour, Mr. J. F. Marsh, D.M. of Labour, Mr. A. W. Crawford, Chairman, Minimum Wage Board, and Mr. Louis Fine, Industrial Standards Commissioner, Wednesday, Jan. 16, 1935", PAO, <u>ibid</u>.; "Memorandum of Legislative Programme of Trades and Labour Congress, Jan. 31, 1935", p. 7.

<sup>60</sup>Jacob Finkelman and Bora Laskin, <u>The Industrial</u> <u>Standards Act of Ontario and Its Administration</u>, Publications of the Industrial Law Research Council Prepared for the Labour Research Institute, II, 1, July, 1936, pp. 2-3, 8, 10, 12-13, 15.

<sup>61</sup>Ontario, Department of Labour, "The 21st Report of the Department of Labour of the Province of Ontario, 1940", Sessional Papers (1941), LXXIII, No. 10, p. 72.

<sup>62</sup> Memorandum for Hon. D. A. Croll from A. W. Crawford, Dec. 7, 1935, p. 2; Ontario, Department of Labour, "The 21st Report of the Department of Labour of the Province of Ontario, 1940", p. 72.

<sup>63</sup>Canada, Dominion Bureau of Statistics, <u>The Canada</u> Year Book, 1941, pp. 332-333; Urquhart and Buckley, <u>Historical Statistics of Canada</u>, pp. 105, 463; Lipton, <u>The Trade Union Movement of Canada</u>, 1827-1959, p. 259; Jamieson, <u>Times of Trouble</u>, pp. 217-218; Hon. D. A. Croll to M. F. Hepburn, Apr. 14, 1937.

<sup>64</sup>J. A. Dion, Secretary, ISA Plumbing Board of Fort William-Prince Arthur District, to E. Coons, Secretary, Hamilton Plumbers' Advisory Board, May 9, 1936, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, D. A. Croll 1935-37, vol. 11, file "ISA -- Nov. 1935-Apr. 1937"; "Statement by the Furniture Manufacturers of Ontario regarding the Industrial Standards Act", June 18, 1936, PAO, <u>ibid</u>., Series I, 2, ISA, vol. 3, file "Furniture Industry"; Memorandum to Hon. D. A. Croll from A. W. Crawford, June 25, 1936, PAO, <u>ibid</u>.; Ontario, Department of Labour, "The 21st Report of the Department of Labour . . , 1940", p. 72.

<sup>65</sup>See letters from municipalities in PAO, Dept. of Labour, RG7, Series I, l, Office of the Minister, D. A. Croll, 1935-37, vol. 12, file "Minimum Wage -- General"; "Re: Minimum Wage", Feb. 26, 1937, PAO, <u>ibid</u>.

<sup>66</sup>Memorandum to Mr. R. Irwin from A. W. Crawford, Feb. 25, 1937, PAO, <u>ibid</u>., vol. 12, file "Re: Minimum Wage Act 1936-1937"; <u>Memorandum for Hon. D. A. Croll from</u> A. W. Crawford, Dec. 7, 1935.

<sup>67</sup>See note 54 above.

<sup>68</sup>Minimum Wage Board, "Summary for May, 1932", "Summary for June 1932", "Summary for August 1932", "Summary for September 1932"; Burton to Henry, Jan. 13, 1933, Henry to Burton, Jan. 16, 1933; H. G. Fester, "Personal Report, September 1931"; Paul Poisson, M.L.A. to J. D. Monteith, Mar. 30, 1933, Monteith to Poisson, Apr. 4, 1933, PAO, Dept. of Labour, Series I, 1, Office of the Minister, J. D. Monteith, 1930-33, vol. 4, file "Minimum Wage Board".

<sup>69</sup> "Resolutions Submitted to the Forty-ninth Convention, Windsor, Ontario, Sept. 18, 1933"; "Evidence Given by Miss Winnifred Hutchison Before the Price Spreads Commission on Violations and Evasions of Minimum Wage and Factory Acts"; H. M. Cassidy to Dr. J. M. Robb, May 4, 1934, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, Dr. J. M. Robb, 1934, vol. 6, file "Minimum Wage Board".

<sup>70</sup>Ingersoll <u>Daily Sentinel</u>, Dec. 30, 1933, PAO, Dept. of Labour, RG7, Series XV, 1, Scrapbooks 1921-1945, vol. 7; see also Newspaper Hansard, Mar. 20, 1934, PAO.

<sup>71</sup>Newspaper Hansard, Feb. 2, 1934, PAO; see also Monteith to Poisson, Apr. 4, 1933.

72<sub>Ibid</sub>.

<sup>73</sup>Burton to Henry, Jan. 13, 1933.

<sup>74</sup>J. D. Monteith to R. Stapells, Oct. 31, 1932, PAO, Dept. of Labour, RG7, Series I, 1, Office of Minister, Dr. J. D. Monteith, 1930-33, vol. 4, file "Minimum Wage Board"; Dr. J. D. Monteith to S. J. Mallion, Factory Inspector, Nov. 3, 1932, PAO, ibid.; see also allegations made in an election campaign speech by Mayor David Croll of Windsor, later Minister of Labour in the Hepburn administration from 1935 to 1937, as reported in the Border Cities Star, June 12, 1934.

<sup>75</sup>Newspaper Hansard, Mar. 20, 29, 1934, PAO.

<sup>76</sup> "Report of the Committee on the Reformation of the Industrial System", n.d. (probably presented to the Ontario Liberal Association Convention, Nov. 9, 1932), p. 8, PAO, Roebuck Papers, Series II, 3, Subject Files, vol. 69, file "Labour"; see also Patrick Donnelly to Col. A. T. Hunter, June 21, 1932, H. H. Johnson to A. W. Roebuck, Aug. 24, 1932, A. W. Roebuck to Col. A. T. Hunter, Nov. 9, 1932, PAO, Roebuck Papers, Series II, 1, Political Papers, vol. 16.

<sup>77</sup>"Report of the Committee on the Reformation of the Industrial System".

<sup>78</sup><u>Ibid</u>. <sup>79</sup><u>Ibid</u>.

<sup>80</sup>The new Minister of Labour, Arthur Roebuck, advised Hepburn prior to the election to reduce his criticism of expenditures on the administration of labour legislation and to put forward programs which would encourage business, especially the timber and mining industries, and which would amend tariffs and marketing practices for farmers. He should also announce plans for the reform of banking practices and government spending, according to Roebuck. Roebuck was a significant influence in shaping the ISA and he requested the labour portfolio in order to implement it. A. W. Roebuck to M. F. Hepburn, Sept. 27, Oct. 6, 1933, PAO, Roebuck Papers, Series II, 1, Political Papers, vol. 16; Crossen, "The Political Career of Attorney-General Arthur Wentworth Roebuck, 1934-37", p. 42.

<sup>81</sup>See notes 52 and 59 above.

<sup>82</sup>See clipping from Quebec <u>Chronicle</u>, Sept. 5, 1934, quoting a speech by Roebuck to the Labour Day luncheon at the Canadian National Exhibition in Toronto in PAO, Dept. of Labour, RG7, Series II, 4, Office of Deputy Minister,

Low Wages and Industrial Standards Act, 1934-36, box 2, vol. 2, file "Comments, Criticisms, and Suggestions"; Crossen, "The Political Career of Attorney-General Arthur Wentworth Roebuck, 1934-37", pp. 43, 46-47; "Memorandum for Hon. A. W. Roebuck", n.d., "Notes of Meeting of Furniture Manufacturers . ., Dec. 12, 1934", pp. 1, 8, "Notes of Meeting Representatives of the Hamilton Construction Association and the Toronto Construction Association . . ., December 12, 1934", p. 1, "Meeting of Members of Canadian Association of Garment Manufacturers . . . ", pp. 1-2, PAO, Dept. of Labour, RG7, Series VIII, 1, Manpower Services Division, Labour Standards Branch, 1934-46, vol. 28, General Subject Files of Industrial Standards Officers, file "Information for Minister"; Memorandum for Hon. A. W. Roebuck from James F. Marsh, Mar. 8, 1935, p. 7, PAO, ibid., Series II, 4, Office of Deputy Minister, Low Wages and Industrial Standards Act, 1934-36, vol. 2, file "Comments, Criticisms, and Suggestions"; Newspaper Hansard, Apr. 4, 1935, PAO.

<sup>83</sup>Board of Trade, City of Toronto to M. F. Hepburn, Apr. 12, 1935, PAO, Dept. of Labour, Series II, 4, Office of Deputy Minister, Low Wages and Industrial Standards Act, 1934-36, vol. 2, file "Comments, Criticisms, and Suggestions"; "Standards Act Speech", p. 2, PAO, <u>ibid</u>., Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 11, ISA --Amendments, file "Standards Act Speech", p. 2; "Report of a Conference between Members of the Canadian Manufacturers' Association and Hon. A. W. Roebuck . . . January 30, 1935", pp. 8-9, 29-30, 32.

<sup>84</sup>J. F. Marsh to W. E. B. Hemphill, Feb. 8, 1935, PAO, Dept. of Labour, RG7, Series II, 1, Office of Deputy Minister, Low Wages and Industrial Standards Act, 1935-37, vol. 1, file "Factories, Wage Legislation"; Newspaper Hansard, Apr. 4, 1935.

<sup>85</sup> "Report of a Conference between Members of the Canadian Manufacturers' Association", pp. 38-40.

<sup>86</sup>M. F. Hepburn to W. A. Fraser, Oct. 2, 1936, Fraser to Hepburn, Sept. 28, 1936, PAO, Premiers' Records, RG3, General Correspondence, Private 1936, box 257, file "Labour, Department of"; W. D. Black to D. A. Croll, Aug. 21, 1935, J. M. McIntosh to D. A. Croll, Apr. 9, 1936, "Standards Act Speech", PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 11, file "ISA, Nov. 1935Apr. 1937"; "Statement by the Furniture Manufacturers of Ontario"; Globe, Mar. 24,

<sup>87</sup>"An Act to Amend the Minimum Wage Act", <u>Statutes</u> of Ontario, 1934, 24 George V, Chapter 31.

<sup>88</sup>Newspaper Hansard, Apr. 2, 1936, PAO.

<sup>89</sup>General Manager, Toronto Board of Trade, to Dr. J. M. Robb, Feb. 19, 1934; Newspaper Hansard, Feb. 2, 27, Mar. 20, 1934, Apr. 12, 1936; <u>Telegram</u>, Mar. 19, 1934, PAO, Dept. of Labour, RG7, Series XV, 1, Scrapbooks, 1921-45, vol. 1; also see note 69 above.

<sup>90</sup><u>Telegram</u>, Aug. 23, 1934, PAO, Dept. of Labour, RG7, Series XV, 1, Scrapbooks, 1921-45, vol. 6, James F. Marsh, D.M.1934-45.

<sup>91</sup>D. A. Croll to Douglas B. Bradfield, Ontario Provincial Council of Carpenters, Dec. 2, 1936, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, D. A. Croll 1935-37, vol. 11, file "ISA Nov. 1935-Apr. 1937".

<sup>92</sup>Finkelman and Laskin, <u>The Industrial Standards</u> Act of Ontario, pp. 3, 8-10, 12-13.

<sup>93</sup>Memorandum re: Proposed Amendments to the Industrial Standards Act from A. W. Crawford, Feb. 7, 1936, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 11, file "ISA Nov. 1935-Apr. 1937"; Memorandum to D. A. Croll from Roger Irwin, Feb. 12, 1936, PAO, <u>ibid</u>.; "Minutes of Meeting between D. A. Croll and Labour Deputation re: Amendments to ISA", Apr. 7, 1936, PAO, <u>ibid</u>,; Memorandum to D. A. Croll from A. W. Crawford, Aug. 21, 1936, PAO, <u>ibid</u>.; Newspaper Hansard, Apr. 4, 1936, PAO.

<sup>94</sup>Finkelman and Laskin, <u>The Industrial Standards</u> Act of Ontario, pp. 10, 12.

<sup>95</sup>Newspaper Hansard, Mar. 27, Apr. 3, 1936, PAO; Ohtario, Department of Labour, "18th Annual Report of the Department of Labour . . . 1937", pp. 36-37. <sup>96</sup>Memorandum for Hon. D. A. Croll from A. W. Crawford, Dec. 7, 1935; Memorandum to Mr. R. Irwin from A. W. Crawford, Feb. 25, 1937.

> <sup>97</sup>Newspaper Hansard, Mar. 2, 11, 1937, PAO. <sup>98</sup><u>Ibid</u>., Mar. 5, 1937. <sup>99</sup><u>Ibid</u>., Mar. 9, 1937.

<sup>100</sup>"An Act to Amend the Industrial Standards Act, 1935", <u>Statutes of Ontario</u>, 1937, 1 George VI, Chapter 32.

101 A. Carter to D. A. Croll, Mar. 4, 1937, Louis O. Breithaupt to D. A. Croll, Mar. 5, 1937, Percy R. Carter to D. A. Croll, Mar. 8, 1937, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, D. A. Croll 1935-37, vol. 12, file "Minimum Wage, A-L"; Jake Stuchen to D. A. Croll, Mar. 8, 1937, C. Snider to D. A. Croll, Mar. 19, 1937, PAO, ibid., file "Minimum Wage, M-Z"; J. J. Gibbons, Toronto Board of Trade, to D. A. Croll, Mar. 9, 1937, PAO, ibid., file "Minimum Wage -- General"; President, Ontario Restaurant Owner's Association to D. A. Croll, Mar. 5, 1937, Secretary Manager, Ontario Provincial Board of the Retail Merchants' Association of Canada, to D. A. Croll, Mar. 15, 1937, PAO, <u>ibid.</u>, file "Minimum Wage for Men -- Congratulations"; "Summary of Recommendations made to the Hon. N. O. Hipel, Minister of Labour, Arising Out of the Provincial Grocers' Conference Held in Toronto, March 7 and 8, 1938, sponsored by the Food Distributors' Section of the Ontario Division of the Retail Merchants' Association of Canada", PAO, Dept. of Labour Standards Branch, Chairman of Industry and Labour Board Board's Files, 1937-40, vol. 2; George S. Hougham, Secretary-Manager, Ontario Provincial Board of the Retail Merchants' Association of Canada, to A. W. Crawford, Apr. 13, 1937, PAO, Premiers' Records, RG3, General Correspondence, Private 1937, box 277, file "Minimum Wage Board".

<sup>102</sup>"Report of the Executive Committee of the Toronto Board of the CMA to the Annual Meeting of the Branch, held in the Royal York Hotel, Toronto, on Thursday, Apr. 28, 1938", pp. 4-5, 6, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, M. M. MacBride, Oct. 1937-Dec. 1938, vol. 15, file "CMA".
103 Simon J. Grosch to D. A. Croll, Mar. 5, 1937, T. H. Hancock to M. F. Hepburn, Mar. 11, 1937, J. Herrgott to M. F. Hepburn, Mar. 13, 1937, H. O. Casemore to D. A. Croll, Mar. 18, 1937, R. R. Joslin to D. A. Croll, Mar. 18, 1937, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 12, file "Minimum Wage, A-1"; E. J. Young to M. F. Hepburn, Aug. 31, 1937, PAO, Premiers' Records, RG3, General Correspondence, Private 1937, box 274, file "Industry and Labour Board #1"; J. S. Gillies to M. F. Hepburn, Mar. 22, 1937, PAO, <u>ibid</u>., box 277, file "Minimum Wage Board".

<sup>104</sup>Memorandum to the Hon. the Minister of Labour from J. C. Adams, Solicitor, Feb. 12, 1937, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 11, file "Industrial Standards Act Amendments, 1936-37"; J. J. Gibbons, to D. A. Croll, Mar. 9, 1937, Memorandum to the Hon. The Minister of Labour regarding proposals made by Mr. J. L. Cohen on behalf of Trades and Labor Council, Mar. 11, 1937, PAO, <u>ibid</u>., vol. 12, file "Minimum Wage -- General".

<sup>105</sup>P. M. Draper to D. A. Croll, Mar. 9, 1937, Memorandum to the Hon. The Minister of Labour . . ., Mar. 11, 1937, J. W. Buckley to D. A. Croll, n.d. [probably Mar., 1937], PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 12, file "Minimum Wage A-1".

<sup>106</sup>Memorandum to the Hon. the Minister of Labour . . ., Mar. 11, 1937; Rae J. Watson to M. F. Hepburn, Apr. 13, 1937, PAO, Premiers' Records, RG3, General Correspondence, Private 1937, box 277, file "Minimum Wage Board".

<sup>107</sup>Memorandum to the Hon. The Minister of Labour . ., Mar. 11, 1937.

<sup>108</sup>D. A. Croll to J. S. Gillies, Mar. 31, 1937, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 12, file "Minimum Wage Act".

109 Ibid.

<sup>110</sup>As commissioner on the Royal Commission on Price Spreads, Young had dissented from certain recommendations including one proposing a scheme to maintain increased prices. C. A. Curtis, "Dominion Legislation of 1935 -- An Economist's Review", <u>CJEPS</u>, I (Nov., 1935), 604; Order of May 27, 1937, naming Industry and Labour Board, PAO, Dept. of Labour, Series I, 1, Office of the Minister, D. A. Croll, 1935-37, vol. 13, file "Labour -- 1937! Orders-in-Council".

<sup>111</sup>Newspaper Hansard, Mar. 3, 1938, PAO.

<sup>112</sup>Quoted in clipping from the Sarnia <u>Observer</u>, Jan. 25, 1938, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, M. M. MacBride, Oct. 1937-Dec. 1938, vol. 20, file "Speeches, Mr. MacBride".

<sup>113</sup>Newspaper Hansard, Mar. 3, 1938, PAO.

<sup>114</sup>"Report of the Executive Committee of the Toronto Branch of the CMA . . ., Apr. 28, 1938, pp. 6-7; Jamieson, Times of Trouble, p. 251.

115"Note", Office of the Deputy Minister, Feb. 11, 1938, PAO, Dept. of Labour, RG7, Series I, 1, Office of the Minister, M. M. MacBride, Oct. 1937-Dec. 1938, vol. 17, file "Industry and Labour Board"; M. M. MacBride to Cabinet Ministers, Mar. 4, 1938, PAO, <u>ibid</u>., vol. 19, file "Minimum Wage Order, 1938".

<sup>116</sup>See file "Minimum Wage -- Court Cases and Summary" in PAO, Dept. of Labour, RG7, Series VIII, 1, Manpower Services Division, Labour Standards Branch, 1934-46, files of the Chairman of the Industry and Labour Board, vol. 1, "Minimum Wage -- Court Cases and Summary".

<sup>117</sup>"Labour and Welfare Law in Ontario, 1867-1977", unpublished chronology prepared by David Millar; <u>Globe</u>, Apr. 13, 26, 28, 1939.

118 W. E. Middleton, "Report of the Commissioner in the Matter of the Workmen's Compensation Act", <u>Sessional</u> <u>Papers</u> (1932), LXIV, No. 37; Memorandum for the Hon. M. M. MacBride from H. R. Polson, Apr. 19, 1938, Memorandum from James Hutcheon, Sept. 14, 1938, PAO, Dept. of Labour, RG7, Series I, 6, Office of the Minister, Workmen's Compensation, 1937-41, vol. 1, file "Workmen's Compensation -- Operation and Interpretation". <sup>119</sup>Ontario, Department of Labour, "The 21st Report of the Department of Labour . . ., 1940", p. 72.

<sup>120</sup>Ontario, Workmen's Compensation Board, "Workmen's Compensation Board Annual Report", <u>Sessional</u> Papers (1943), LXXV, No. 28, p. 43 (hereafter WCB).

<sup>121</sup>This group seems to have been only a small local one and no further mention of it appears in the Minister's or Premier's files. Gerald R. Colley to M. F. Hepburn, Oct. 4, 1936, PAO, Premiers' Records, RG3, General Correspondence, Public 1936, box 205, file "Workmen's Compensation Board".

<sup>122</sup>"Proceedings of the 63rd Annual General Meeting, Report of the Industrial Relations Committee", <u>IC</u>, July, 1934, p. 62; Ontario, WCB, "Workmen's Compensation Board Annual Report", p. 42.

<sup>123</sup><u>Ibid</u>., p. 42.

124"Proceedings of the 63rd Annual General Meeting", p. 62.

<sup>125</sup>See petitions from Iron Moulders' Union of North America, Local no. 362, Dec. 7, 1933, Local no. 34, Dec. 14, 1933, International Moulders' Conference Board of Ontario, Dec. 26, 1933, PAO, Premiers' Records, RG3, General Correspondence 1933, box 160, file "Legislation: Workmen's Compensation 1933"; "Proceedings of the Executive Council", IC, May, 1934, p. 42.

<sup>126</sup>Middleton, "Report of the Commissioner", pp. 6-8.

<sup>127</sup><u>Ibid</u>., pp. 8, 10-13, 15, 18.

<sup>128</sup>Memorandum for the Hon. M. M. MacBride from H. R. Polson, Apr. 19, 1938, p. 2.

<sup>129</sup><u>Ibid</u>., p. 8. <sup>130</sup><u>Ibid</u>., pp. 2, 4, 6, 8.

<sup>131</sup>Memorandum from James Hutcheon, Sept. 14, 1938, p. l.

<sup>132</sup><u>Ibid</u>., p. 1.

<sup>133</sup>See note by James Hutcheon attached to file of correspondence concerning WCB claimant Russell Berry, n.d., PAO, Dept. of Labour, RG7, Series I, 7, Office of the Minister, Workmen's Compensation Claims, 1937-39, vol. 1, file "Berry, Russell"; M. M. MacBride to E. Hutchinson, Nov. 16, 1937, PAO, <u>ibid</u>., vol. 2, file "Manion, Martin"; note by James Hutcheon attached to file on Daniel Wagner, PAO, <u>ibid</u>., vol. 2, file "Wagner, Daniel"; Memorandum to Hon. M. MacBride from Peter Heenan, Feb. 16, 1938, PAO, <u>ibid</u>., vol. 2, file "Pidhaniuk, Onfrey".

134 For example, see Dr. L. W. M. Freele, M.L.A., to Premier Henry, Oct. 24, 1933, V. A. Sinclair, Chairman WCB, to Dr. L. W. M. Freele, July 5, 1933, V. A. Sinclair to Premier Henry, Oct. 28, 1933, Henry to Freele, Oct. 30, 1933, PAO, Premiers' Records, RG3, General Correspondence 1933, box 170, file "Workmen's Compensation Board"; see also correspondence re: J. A. Ormand Herd in PAO, Dept. of Labour, RG7, Series I, 7, Office of the Minister, Workmen's Compensation Claims 1937-39, vol. 1, file "Herd, J. A. Ormond", and correspondence re: George W. Wootten, in PAO, <u>ibid.</u>, vol. 2, file "Wootten, George W.".

<sup>135</sup>See correspondence re: George W. Wootten, J. A. Ormond Herd, and between Freele and Henry referred to in note 134; also files on "Berry, Russell" and "Bastasich, Milos" in PAO, Dept. of Labour, RG7, Series I,7, Office of the Minister, Workmen's Compensation Claims 1937-39, vol. 1.

136 Sinclair to Freele, July 5, 1933; S. R. Johnston to J. Hutcheon, Feb. 11, 1938, PAO, Dept. of Labour, RG7, Series I, 7, Office of the Minister, Workmen's Compensation Claims 1937-39, vol. 2, file "Wootten, George"; Johnston to Hutcheon, July 13, 1938, PAO, ibid., vol. 2, file "Bastasich, Milos".

<sup>137</sup>In one case, that of Russell Berry, the claimant had been on relief for two years following the withdrawal of further compensation. The Minister of Labour's Private Secretary, James Hutcheon, considered the decision to be questionable and noted the need for an "independent board" to review the case "with a proper presentation from the claimants viewpoint". Note by James Hutcheon attached to file "Berry, Russell".

<sup>138</sup>See file on Thomas Bryan, PAO, Dept. of Labour, RG7, Series I, 7, Office of the Minister, Workmen's Compensation Claims 1937-39, vol. 1, and file on Martin Manion, PAO, ibid., vol. 2.

<sup>139</sup>Newspaper Hansard, Feb. 22, Apr. 1, 1933, PAO; Memorandum for the Bellwoods' [Provincial Riding Liberal] Executive Committee re: Number of Persons Employed, n.d. [probably early 1937], PAO, Roebuck Papers, Series II, 1, Political Papers, vol. 23.

<sup>140</sup>Newspaper Hansard, Feb. 22, 1933, Apr. 13, 1935, PAO.

<sup>141</sup>Newspaper Hansard, Apr. 13, 1935, PAO.

<sup>142</sup>M. F. Hepburn to G. R. Hodgson, Sept. 28, 1937, PAO, Premiers' Records, RG3, General Correspondence, Public 1937, box 208, file "Labour, Department of"; Memorandum from James Hutcheon, Sept. 14, 1938, p. 1.

143 Ibid., p. 1; E. Hutchison to N. O. Hipel, Oct. 2, 1939, E. Hutchison to M. F. Hepburn, Oct. 2, 3, 1939, Hepburn to Hutchison, Oct. 4, 1939, Hutchison to Hepburn, Oct. 31, 1939, PAO, Premiers' Records, General Correspondence, Private 1939, box 301, file "Workmen's Compensation".

144 Memorandum from James Hutcheon, Sept. 14, 1938, p. 2.

145 Memorandum Covering Ontario Workmen's Compensation Act and Certain Fundamental Principles of Administration Recommended by its Author, to Hepburn (signed by 13 union officials), Nov. 1, 1939, PAO, Premiers' Records, RG3, General Correspondence, Private 1939, box 301, file "Workmen's Compensation".

146"An Act to Amend the Workmen's Compensation Act", <u>Statutes of Ontario</u>, 1937, 1 George VI, Chapter 82.

# CHAPTER SIX CONCLUSION: CLASS STRUGGLE AND THE STATE

Throughout the preceding examination of the progress of maximum hours, minimum wage, and workmen's compensation legislation the analysis has focussed on questions concerning the location of the capitalist state within the framework of class relations and the ways in which the state evolves from and acts upon the class struggle between capital and labour in an industrialized capitalist society. Before embarking on this task the initial chapters posed a number of specific questions which served as a guide to subsequent examination of legislation in the 1900 to 1939 period. At this point it is possible to develop more concrete answers to the questions of how the relations between capital and labour are mediated from the realm of production to that of political relations and what role the state plays in the transformation of class relations of conflict into concrete policies and structures which reflect the prevailing relations of domination and subordination.

First, however, an overview of the specific historical development of legislation concerning maximum working hours, minimum wage, and workmen's compensation will summarize the principle steps in the progress of this legislation in

terms of the relations between workers and owners of industrial capital. As has been indicated in greater detail in the preceding chapters, there was a significant relationship between the level of overt class conflict and the ability of organized labour to obtain certain concessions as a result of the greater state responsiveness to labour's demands at these points. On the other hand, the specific form, timing, and content of state activity or policy directed towards labour at these junctures were primarily a product of the requirements of capitalist accumulation, as interpreted by owners of capital, and the necessity for maintaining the domination of capitalist social relations at the political level as defined and shaped by the interrelationship of political and bureaucratic state apparatuses.

Following this brief historical outline of each of the individual areas of legislation considered here, the second portion of the chapter will address the major queries raised in the context of the initial review of theory regarding the relations between the state and the major classes in a capitalist social formation. The final section discusses the implications which the conclusions drawn from the research have for the efficacy of working class struggles against capitalist domination and the subsequent transition to socialism.

# <u>Class Forces Shaping the Historical</u> <u>Development of the Legislation</u>,

# 1900-1939

#### Maximum Hours Legislation

Throughout the entire period covered by this study, organized labour demanded restrictions on the length of the working day both at the level of the workplace and at the political level while owners of capital consistently resisted any reductions of hours in both spheres. State policy reflected and reinforced the view of industrial and commercial capitalists in their opposition to limitations on the hours of labour with the result that political attempts by workers to obtain legislation in this area met with little success. However, in periods of increased labour unrest which presented a challenge to the hegemony of capitalist social relations of production and to the legitimacy of state authority, the state responded by supporting certain restrictions on the length of the working This was the case in both the immediate post-war dav. period and in the depression when crises in capital accumulation exposed the frailties of the capitalist economic system to workers. The successful establishment of an eight-hour day for miners in northern Ontario followed from state concern over labour unrest in the profitable mining

sector, thus further confirming the role of the state in managing class conflict which threatened to extend beyond the boundaries of the immediate level of production.

Class relations around the issue of working hours were shaped by the nature of the class struggle between capital and labour in each of the periods examined. Arguments advanced by organized labour for a shorter working day reflected workers' changing position within the developing system of capitalist production. The relationship posited by labour between reduced hours and increased employment was a strong factor promoting workers' demands for a shorter working day during periods of growing unemployment. Some of this unemployment resulted from the capitalist business cycle which created insecurity for labour because of the periodic expansions and contractions of production such as occurred in the recession of 1907-08 and the depression of the 1930's. At other points, structural unemployment based on the progressive but uneven mechanization of production processes was the major concern of organized labour as it was, to some extent, in the Nine Hours Movement, during the post-war crisis, and during the depression. Trade unions continuously fought for a shorter working day at the level of the individual workplace. However, during periods of general economic crisis, in which the consequences for workers were manifested in declining employment levels, demands for reduced hours

tended to shift to the state either because it was also an employer of labour or because labour accepted the state's depiction of its role as the legitimate representative of working class interests as well as of the interests of other classes in the existing social formation.

In addition to the argument regarding increased employment, a second principal factor shaping labour's interest in a shorter working day was the basic struggle by workers to restrict the extent to which owners of capital were able to exercise control over them. The decline of the traditional independence of the crafts and the progressive subsumption of labour under the domain of capital was reflected in labour arguments for greater "free" time to devote to personal, social and cultural improvement. This was a prominent reason advanced during the Nine Hours Movement and in the period prior to the First World War when the transition to industrial capitalism was making its most significant impact on many traditional trades.

The persistency of capitalist opposition to a reduction of the hours of labour was clearly demonstrated in those arguments put forward by employers throughout the 1900 to 1939 period. Owners of capital viewed reduced hours primarily as a constraint on the volume of production. While many industries had been forced by strike action to grant an eight-hour day to their unionized workers, most

employers continued to rely on the extensive exploitation of labour to increase their profits. The uneven pace of mechanization and the inadequate development of the technology of production meant that owners of capital continued to rely heavily on lengthening the hours of labour, piece-rate schemes, and oppressive supervision to increase production. The development of technology and automation during the Second World War created conditions allowing intensive exploitation of labour on a much wider scale and opened the way for a legislated eight-hour day in Ontario in 1944.

Employers also perceived any limitation on the hours of work by state action as an external constraint on the power of employers over labour, arguing that the determination of the length of the working day should remain subject to collective bargaining, a situation in which owners of capital were likely to have the upper hand. By the same token, enactment of a restriction on hours was regarded as "class" legislation benefitting labour at the expense of other classes. The fear of owners of capital was that this would function as an incentive to the organization of labour both in the workplace and the political sphere and ultimately lead to a reduction of their control over workers at both levels.

Capitalist competition further reinforced employer arguments against a legislated limitation on hours since any such restriction in one jurisdiction would have to be equalized in others in order not to damage the competitive position of the group in question. When faced with the possibility of the hours of work on government contracts being legislated, owners of capital saw this as an unproductive drain on the surplus and as unfair competition for the same labour pool from which they all had to draw. Employers fulfilling public contracts could effect "savings" by reducing wages relative to the private market.

The outcome of this class struggle over the length of the working day primarily reflected shifts in labour's relative strength combined with the response of the capitalist state in containing or defusing the potential for workers to present an organized political challenge to capitalist hegemony. The Nine Hours Movement in the early 1870's served as a clear indication to employers and to the state of the significance of this issue for the mobilization of organized labour. Although it was defeated largely by a collective offensive on the part of employers, the Nine Hours Movement provided a graphic illustration of the necessity for attempting to contain labour opposition to capitalist control within the confines of the workplace

and oriented towards issues capable of being resolved at the level of production.

When the province of Ontario passed the Factory Act in 1884, restricting the working day for women and children to ten hours, the horrors and abuses of the industrial system were being publicly debated in the federal Parliament and were subsequently revealed through testimony to the Royal Commission on the Relations between Labour and Capital. The rapid industrialization occurring in the province in the 1880's and the growth in the organization of labour by the Knights of Labor promoted conditions favouring state intervention against the worst effects of industrial capitalism. A limitation on the hours of women and children prevented capitalist employers from ultimately weakening or destroying future sources of additional labour power.

When independent labour members were elected to the federal and Ontario Legislatures in the first decade of the 1900's, they were able to use the "representative" basis of the state to have the issue of a reduced working day on government contracts taken into consideration. Their efforts were reinforced by a growing incidence of industrial disputes over the matters of hours and union recognition. Labour agitation for a shorter day was confined, on the one hand, to the level of the workplace and,

on the other, was deflected by the rules of the liberal democratic Parliament.

The provincial state's adoption of an eight-hour day in 1913 for miners reflected the sensitivity of capitalist political relations to potential or actual labour unrest, in this case in a sector important to the health of the provincial economy. Both during and after the First World War, the federal state supported workers' efforts to obtain a shorter working day when the level of industrial conflict threatened war production and the prevalence of post-war social unrest presented a challenge to the authority of the capitalist state. However, persistent opposition by employers resulted in the adoption of labour control strategies other than concessions to labour demands on the issue of hours. Again, during the economic depression of the 1930's, high levels of industrial and civil disorder and unemployment underlined labour demands for reduced hours. State enactment of hours for government workers resulted and the Limitation of Hours of Labour was included as part of Bennett's "New Deal". The latter, though, did not survive the Judicial Committee of the Privy Council in the challenge to its constitutionality. Despite a tradition of struggle on the part of labour for a working day restricted in length by statute, labour in Ontario entered the Second World War

unprotected by a legislated working day except for a tenhour daily, sixty-hour weekly maximum for women and children.

## Minimum Wage Legislation

Minimum wage legislation was a labour demand only under specific conditions. While workers fought to have fair wage clauses put into state contracts in order to maintain public sector wages at the same levels as private sector wages, the demand for a legislated minimum wage was raised primarily in periods of high levels of unemployment when sources of cheaper labour remained readily available for substitution. Employers generally did not mount the degree of opposition to labour demands for a minimum wage that they did to attempts to restrict working hours, partly because the establishment of a minimum wage did not necessarily act as a constraint to capital accumulation and partly because the minimum wage itself was seen as a solution to overcoming particular barriers to accumulation. The initial Minimum Wage Act passed in 1920 by the provincial state was directed at female workers and was both developed and sponsored by the state as a measure to reorganize the post-war labour market with its high unemployment levels. A minimum wage for males was the outcome both of capitalist pressures to regulate competition

and of labour demands for wage protection. Promoted by the Department of Labour and the Minimum Wage Board, the province amended the original act in 1937.

The impetus for labour demands for a minimum wage came immediately after the war and again during the worst period of the depression. In both cases, unemployment levels were very high in general but some groups of workers suffered the effects of this economic crisis of capitalism much more than others. While female labour was the primary threat to the returning male soldiers after World War I, unorganized male workers were the major concern during the depression because these groups provided cheaper alternative labour pools to that of unionized male labour. Employers could therefore find ready substitutes for more costly labour and could continue to reduce the wages of these workers with relative impunity. A female minimum wage reduced to some extent the attractiveness of women as substitutes for male labour while a male minimum wage was accepted by organized labour as a necessary solution to the continuing downward movement of wages.

Following the war, owners of capital did not attempt to resist the imposition of a minimum wage for women. They saw wages not as a direct fetter on production but rather as a highly manipulable cost of production that could be passed on in prices. In the context of post-war labour

unrest, employer support for one of labour's demands was seen as being less likely to contribute to an escalation of capital-labour conflict. Throughout the depression, small capitalists in the manufacturing and commercial sectors pressed for state assistance in meeting the "unfair competition" of the large dominant firms in their fields. One of the attempted solutions was to stabilize competition by regulating labour costs of production through the imposition of a minimum wage. At the same time, this had the potential of preventing radical unions from gaining further adherents since one of the primary sources of labour discontent, that is, deteriorating wage levels, would be eliminated.

In both the post-war and depression years, the provincial level of the state shaped its labour policies largely in response to the growing incidence of industrial disputes and level of unionization of the labour force. These factors not only disrupted the process of capital accumulation, on which the financial well-being of the state depended, but also signalled an increasing potential for the politicization of labour, especially through radical union organizations. In both periods labour protests spread beyond the bounds of the immediate level of production, where such protest could be directly controlled by capital, and outside the confines of bourgeois Parliamentary politics.

This development emphasized the importance of the resumption of the normal processes of capital accumulation for increasing employment and concomitantly reducing social unrest.

The Minimum Wage Act of 1920 had been prepared by one administration and passed by its successor as one of a number of measures oriented towards rationalizing a chaotic labour market and improving the overall efficiency of the industrial sector. The male minimum wage, a power given to the Minimum Wage Board by amendment in 1937, was an attempt to stabilize intercapitalist competition after a variety of other measures had failed in that task. State agents additionally expected that it would promote the restoration of industrial peace and harmonious class relations.

#### Workmen's Compensation Legislation

The class struggle over the establishment of a workmen's compensation program reflected both the concern of organized labour for a guarantee of an adequate means of subsistence and the interests of capitalist employers in having greater control over the costs of compensation for injured workers. As a result of the increasing level of court awards under the employers' liability act and a tendency towards increased industrial conflict in the

1900 to 1910 period, the interests of employers and workers coincided around the issue of enacting workmen's compensation legislation. The combined support given by owners of capital and organized labour to the development of a state-administered compensation program resulted in a Royal Commission to establish the respective interests of both groups which would have to be incorporated within the act. The management of labour demands by the commission and the delays in the passage of the government-sponsored bill resulted in a compensation program that was tailored to capitalist needs and offered little assurance that workers' subsistence requirements would be fully met.

Organized labour's fight for a workmen's compensation program revolved around two main concerns: the assurance of an alternate means of subsistence for injured workers and a level of compensation sufficient for the support of a worker and his family. In other words, the struggle was oriented towards establishing an adequate and assured substitute for wages when work-related injury or illness deprived employees of their source of subsistence. The push by organized labour for a means of support through a workmen's compensation scheme arose out of the increasing frequency and changing nature of work-related injuries which were a product of a rapidly industrializing economy. Archaic employer liability laws did not offer workers any

guarantee of compensation and required legal action for recovery of damages. When the largest central labour body in Canada formulated its demands for a compensation program in Ontario the basis for the various specific features desired was the guarantee of a level of compensation adequate for the maintenance of a worker and family. This was reflected in the claims advanced by labour, such as those for the inclusion of all workers under the scheme, compensation for all injuries and diseases, abolition of contributory negligence, compulsory participation by employers, financing by a payroll tax, and state administration through an autonomous and impartial board. Labour pressure for the passage of a compensation act mounted with the developing recession in 1912-13 and continued demands for increased coverage and benefits once the program had been established were most pronounced during the period of high inflation from 1916 to 1919 and during the Depression from 1930 to 1938.

Capitalist employers supported the movement for a compensation program but directed their efforts towards both rationalizing the costs of compensation and maintaining these costs at the lowest possible level. They were also intent, however, upon constructing and preserving a compensation scheme which would promote harmonious labour-capital relations and reinforce capitalist social relations of

production. The emphasis put by owners of capital on minimizing the costs involved in a compensation program brought them into conflict with workers at various points. During the initial development of the act, employers were relatively more concerned about rationalizing their compensation costs. This was to be done through a program which would induce cooperative relations between employers and employees and which would be thoroughly based on the preservation of capitalist social relations. However, once the act had been framed and the program implemented, employers fought consistently to reduce compensation costs, opposing almost every attempt by organized labour to extend coverage or increase benefit levels. Although the costs of compensation were included as part of their labourassociated cost of production and passed on in the final prices of goods, resultant increases in the cost of living to workers only added pressures for wage increases and potential labour unrest.

A growing level of industrial unrest towards the end of the first decade of the 1900's, coupled with the coincident support by both organized labour and employers for the establishment of a compensation program, brought state involvement in the development of such a scheme in the form of a Royal Commission. The commissioner directed and reformulated labour demands into a mode compatible with

capitalist-based concepts of harmonious class relations and appropriate relations of production. Various delays in the process of developing the act and in its subsequent passage put labour in the position of compromising some of their most critical demands in exchange for the act's immediate adoption.

When industrial disputes and social disorder increased from 1917 until after the war, labour was able to force additional advantages in the form of medical coverage, improved benefits, and rehabilitation assistance. Similarly, the inclusion of silicosis as a compensable industrial disease was in part an outcome of the threat of Communist labour organization to production in the mining industry of northern Ontario. When capital was expanding and industrial relations were stable, as in the 1920's, the orientation of the state was towards a tightening up of the costs and administration of the program. The concern demonstrated by state officials for the treatment of workers by the Workmen's Compensation Board during the 1930's was conditioned by continuing high levels of extraparliamentary protest by workers against their deteriorating living standards. The approach taken by state agents and the Department of Labour to the worsening relations between the board and both workers and owners of capital was entirely consistent with other state efforts to reduce class conflict

and the potential political threat posed by a unified labour movement. Attempts to improve these relations took the form of quiet investigations, various <u>ad hoc</u> solutions but without any fundamental change in the structure or operation of the program, and the extension of assistance on an entirely individualistic basis to the most disruptive cases.

#### Conclusion

In each of these areas of legislation the existence or expectation of overt class conflict introduced a greater likelihood of state action addressing workers' demands. While these demands were not met <u>in toto</u>, limited reforms of benefit to some groups of workers did result. The degree of opposition from owners of capital to the proposed legislation was clearly a significant factor affecting its adoption since it effectively stopped the legislation of a reduced working day while a minimum wage met with no opposition and the workmen's compensation program was definitely supported by capitalist employers.

The level of industrial disputes fluctuated continuously as workers mounted resistance at various points to declining levels of subsistence and to the increasing degree of domination over them exercised by capitalists.

State responses to labour unrest, however, occurred primarily when such unrest developed outside the boundaries of the individual workplace where it could be directly controlled by employers. The threat to capitalist political institutions and social relations of production in general increased as the scale of organization of workers around central concerns grew and ceased to be confined solely to the workplace.

The remainder of this chapter looks at the relationship between the class struggle at the level of production and that of the political level in terms of the ways in which the state processed and resolved various aspects of the conflict between labour and capital.

#### Class Struggle and the State

The detailed outline presented in the foregoing chapters provides a basis for assessing certain aspects of the role and function of the capitalist state with regard to the two major classes in a social formation dominated by the capitalist mode of production. At this point the analysis of the position of the capitalist state within the ongoing class struggle between owners of capital and labour returns to the questions initially posed in chapter one. The following discussion of the capitalist state will look at four specific elements of state and

class relations which comprise the constituent factors in the development of the areas of legislation treated in this study. The first of these sections examines the ways in which the class domination of capital in production is mediated to that level of social relations defined as the political sphere. The second discusses the ways in which the economic class struggle is transformed by the state into political relations appropriate to the system of capitalist production, that is, the institutionalized mechanisms of transformation which mediate the political relations between capital and labour. The third section examines the basis on which the state processes class relations of conflict into policy and structure compatible with existing social relations of domination and subordination. Finally, the fourth section analyzes the forms in which workers' actions are mediated from the level of production to that of political relations so that they present no fundamental threat to the maintenance of capitalist social relations. This detailed outline of the mechanisms of mediation and transformation characterizing state relations with both capital and labour demonstrates the extent to which state mechanisms support and reinforce the political and the economic domination of owners of capital while they also function to disorganize potential working class collective structures of opposition.

#### Forms of Mediation of the Domination of Capital

In the initial discussion concerning the nature and development of capitalism it was argued that the dominance of capitalist social relations is maintained by the concomitant development of social structures which reinforce the hegemony of capital. The historical growth of these economic, political, and ideological structures within a social formation dominated by the capitalist mode of production serves to preserve the subordination of the working class at the same time as it supports the dominant position of the capitalist class. In other words, the maintenance and further extension of capitalist social relations of production is ensured to the extent that the class conscious political organization of labour can be countered at each of these levels. The critical question is how are the material and ideological potential for the unification of wage labour impeded and kept in check? The analysis of legislation presented here indicates that capitalistconstituted structures at the economic, political, and ideological levels are mutually reinforcing and supportive with regard to the dissolution and disintegration of labour forces.

The examination of maximum hours, minimum wage, and workmen's compensation legislation exposed the modes of mediation of capitalist domination at each of these

levels. At the economic level owners of capital undertake various types of activities in pursuit of profits which have consequences for the state of political organization of workers. These actions by capitalists at the level of production therefore have effects at the political level in terms of the resultant potential for workers to resist both their economic oppression and political domination. Other activities by owners of capital are premised on the direct representation of their economic interests although not necessarily in the typical political forms dictated by liberal democratic political relations, such as that of political parties. The forms adopted by capitalists in this case are those which accept the identity of interests of specific fractions of capital as given and serve either to link fractions to each other when necessary, to develop common fronts against labour, or to interpret their particular demands to appropriate agencies of the state. The last mode of mediation takes the form of ideological justifications for capitalist domination, primarily through the development of the self-legitimating aspects of the accumulation process.<sup>1</sup> A more detailed discussion of each of these modes of mediation will elaborate the specific forms which these activities and ideologies take with instances drawn from the historical material on maximum hours, minimum wage and workmen's compensation legislation.

#### Forms of the Economic Mode of Mediation

The process of sub-division of tasks and progressive mechanization of production has been outlined in preceding chapters as an intrinsic aspect of the class struggle stemming from the imperative of competition among individual capitalists. The consequences for labour have also been discussed in terms of the gradual deskilling of most traditional occupations and the growth of a large labour force sector composed of semi-skilled and unskilled workers. The effects of this development on the workplace organization of labour was to destroy much of the independent basis of the crafts which had enabled the traditional trades to form strong and enduring labour organizations. These had historically made up the most highly organized segment of the working class.

With the increase in mechanization the newly created semi- and unskilled sectors of the labour force became far more dependent on capitalist-owned and controlled means of production. Moreover, these new occupations were not organized in the initial stages and found the process of organizing relatively more painful and difficult since they had already been subsumed under the direction of capital. As these changes in the occupational and skill structure of developing capitalist industrialization occurred, there was a concomitant growth in the internal stratification of the

working class. This differentiation functioned to divide members of this class along social status lines instead of promoting unity based on the essential similarity in their economic positions. The ultimate political effects for labour were evident in the various cleavages within the labour movement as crafts unions took a defensive stance against the organization of labour on an industrial basis.

This increasing division of the working class at the level of production was further enhanced by the efforts of employers to create and maintain a significant population of reserve labour. Mechanization itself displaced workers while various policies oriented towards drawing labour from other jurisdictions swelled local work forces and increased the prospective pool of labour for employers. This resulted in intense competition among individual workers for jobs and subsequent hostility towards identifiable categories of workers seen as non-legitimate rivals for available jobs, frequently translated into barriers between ethnic groups or between males and females which were not readily overcome within the union movement.

The recruitment of new labour supplies by owners of capital in attempts to cheapen the price of labour or the movement of capital from areas of expensive labour to those where labour was less costly meant that workers defined as "cheap" labour were resented by other workers, especially

organized labour. This fostered further cleavages among the working class which, while reflecting their very real rivalry of interests, were entirely the product of the necessity for owners of capital to pursue profits within the logic of the system of private capital accumulation.

The consistent efforts of capitalist employers to prevent the development of unions among their labour forces and to break up those already established was a more direct attempt to undermine the solidarity of labour. Any indication of growing links of affiliation among individual workers or among already organized labour groups drew vigorous opposition from employers. The "anti-Americanization" of labour and open-shop campaigns between 1900 and 1910 as well as the continuous practices of blacklisting, firing of union members, locking out workers, planting spies, and establishing company unions testified to the intent of employers in this regard.

The economic modes of mediation of capitalist domination, that is, the division and mechanization of labour, the creation of reserve supplies of labour, and efforts to prevent the workplace organization of labour, resulted in the continuing disunity of workers at the level of political relations. They led to the creation of internal cleavages among the working class as a whole as well as within the labour movement itself dividing workers along

lines of skill, sex, status, and nationality as well as on the basic axis of employed versus unemployed. These cleavages were constantly reproduced by capital at the level of production and manifested themselves at the political level by the absence of a coherent conceptualization of broadly shared interest among workers and the accompanying capability of forging organizational linkages based on these.

# Forms of the Political Mode of Mediation

The political modes of mediation of capitalist domination in the sphere of production to that of political relations took a variety of forms in addition to the immediate entry of representatives from that class into Parliamentary politics. One of the most important forms was the organization of owners of capital and their managerial agents on the explicit basis of furthering the interests of the industries which they represented. This industry-based association of capitalists provided a vehicle for formulating interests and for articulating these interests in terms of the economic state of their businesses and industries which, as the next section outlines, was identified with the health of the national economy as a whole. The associations served the function of developing a basis for cohesion among owners of capital and this counteracted to some extent the logic of competition among individual capitals.<sup>2</sup> Sometimes cartels and price-fixing agreements constituted the basis for capitalist organization. Other times, the common interest in combatting trade unions brought employers together in enduring structures. The existence of such associations, aside from their original or present specific objectives, permitted the ready development of links with other similar organizations when necessary and with the state on an unofficial basis.

Capitalist industrial organizations translated the "needs of the economy" to state agents both through direct demands to government and through indirect channels of communication with various state associations, boards, and departments. The continuity of capitalist structures of association, such as the CMA, provided them with ready access to the state and enabled them to develop fairly reliable linkages with various state agents, some of which came to be institutionalized by the state itself as in the case of the Safety Associations under the WCB.

Another political form of mediation of capitalist domination consisted of attempts by owners of capital to deny state positions to labour as a class. While capitalists worked through their associations to widen their access to the state, they also worked to limit the access of working class representatives to the state. This was evident in party politics where independent labour or socialist parties were matched against the ideological and financial resources of the traditional bourgeois parties. When "labour" members were elected under the banner of one of the traditional parties, they posed no challenge to capitalist political hegemony since party discipline governed their demands. Owners of capital protested both individually and through their organizations against the recruitment of labour leaders by the state to various positions where they might be able to interfere with the smooth expansion of capitalist accumulation, as in the case of factory inspection or on boards such as the Workmen's Compensation Board and Minimum Wage Board.

Capitalist employers also sometimes moved to preempt the growth of labour protest, and its concomitant potential for motivating the further organization of labour, by coopting and reformulating certain political demands put forth by workers. By doing this at an early stage in the development of such demands, capitalists were able to

control much of the subsequent direction and outcome. In announcing their support for a workmen's compensation program, for example, manufacturers were able to seize considerable advantage in shaping the ultimate form of the They were able to translate their declaration of program. support for the "principle" of compensation into political trade-offs for desirable terms, terms which, as has been pointed out in chapter three, were based on the reinforcement of the control of capital at the level of production. When organized labour supported a minimum wage for females after the war, employers did not campaign against it. Instead, they outlined the appropriate features of such a law and subsequently obtained an act which matched this outline very closely.

Another form of the political mode of mediation of capitalist domination in production was the exploitation of the dynamics of capitalist competition as a rationale for opposing measures which might function as a constraint on accumulation. By pointing to the expected effects on their competitive position at provincial, national or international levels, owners of capital could utilize political jurisdictional boundaries both to avoid laws within a single jurisdiction which would restrict their ability to exploit labour while simultaneously campaigning to impose laws which would strengthen their control over

labour within the same jurisdiction. Part of the strength of capitalists to manipulate political boundaries in this fashion rested on the potential threat by capital of fleeing areas of greater constraint for less restricted ones. This flight of capital would deprive the state of revenue and create unemployment with undesirable implications for public order.

These political forms of mediation of the domination of capital were oriented towards strengthening the hegemony of capitalist interests in the political terrain represented by the state while simultaneously limiting the possibilities for labour to increase its power within the same sphere.

## Forms of the Ideological Mode of Mediation

The self-legitimating aspects of the system of capital accumulation at the level of production manifested themselves as ideologies in the political sphere employed by capitalists and accepted by the state as the appropriate framework for deriving explanations regarding the "natural order" of society and the implications of changes in this order. The basic legitimation of accumulation was found in the ability of expanding capitalist production to
provide employment and concomitant improvement in the standard of living for workers. This premise formed the basis for the capitalist ideology that the "health" of the economy, meaning a growing level of surplus available for private appropriation, was important because of its benefits to the population as a whole. This argument was advanced to counter the possible imposition of measures regarded as constraints to accumulation such as maximum hours and increased compensation benefits to workers.

A corollary of this self-legitimation of capitalist production was the "anti-class" ideology promoted by owners of capital. Manufacturers and other employers, in their arguments about various pieces of legislation, denied the legitimacy of a class perspective. For example, they accused labour of promoting "class" legislation, implying that this was a divisive action which violated the natural state of social and economic cooperation between workers and employers. The possibility of class war was a spectre raised by the Canadian Industrial Reconstruction Association post-war campaign for cooperative mechanisms to restore industrial peace since the resumption of normal accumulation processes would create jobs and prosperity for all groups. A basic tenet of this "anti-class" conception of social reality was that harmony was the essential characteristic of employer-employee relations.

The thesis that a healthy capitalist economy was necessary as the only means of assuring material benefits for the entire population was the fundamental ideological justification advanced by owners of capital but the ideology of "rights" based on private property was simultaneously promoted without apparent awareness of any contradiction. This latter ideology was based on the concept that employers' rights were an intrinsic aspect of a "natural" order based on private ownership of the means of production. This meant that, regardless of the state of health of the economy, employers were able to exercise their "naturally" given rights to lock out workers, determine their conditions of labour, fire employees, or close down operations altogether. As a result of this ideology, owners of capital argued that certain issues, such as hours, were solely the right of employers to decide and should therefore remain subject to settlement at the level of the workplace. By the same token, employers also felt that, as the sole contributors to the workmen's compensation fund, they had a "right" to determine the conditions of its administration.

In addition to exploiting the self-legitimating aspects of the system of capitalist accumulation, employers also ideologically manipulated and coopted certain interests of those subordinate classes, such as independent commodity

producers and petit bourgeoisie, which shared some common elements with industrial capitalists. An example of this exploitation of subordinate class interests was the attempt to manipulate agrarian economic concerns and rural opposition to the eight-hour day for the purpose of destroying any potential political momentum of labour around this issue. Attempts by owners of capital to forge trans-class coalitions were also facilitated by the promotion of the ideologies concerning the "natural" state of class harmony and the necessity for maintaining a "healthy" economy.

#### Conclusion

The forms of mediation of the domination of capital over the process of production to the level of political relations had their basis in those technical relations of production which affected the functioning of the system of capital accumulation. Employers attempted to consolidate and extend their control over all facets of production including the living element of the production process, labour. This meant that owners of capital directed their efforts towards dominating workers in the workplace itself in order to extract the maximum effort and productivity from them. In addition, however, capitalists endeavoured to broaden their sphere of domination so that social relations not directly contained by the production process

would nonetheless support and reinforce their control at this level. Accordingly, owners of capital worked to secure the framework of political relations from labour influence and to ensure that their definition of the needs of the system of capital accumulation prevailed.

This objective was furthered in a variety of ways as the foregoing discussion of the modes of mediation of capitalist domination indicates. Actions of capitalist employers at the level of production functioned to divide the working class internally as a result of both the structure of the production process itself and the efforts by owners of capital to counter the development of unions among their labour force. Forms of the political mode of mediation adopted by capitalists, such as the growth of business or industrial associations, their efforts to foster ties between capitalists and the state, attempts to confine the access of the working class to positions in the state structure, and the cooptation of labour demands, had the effect of reinforcing economic modes of mediation in their consequences for impeding the political organization of labour. Similarly, the various forms of the ideological mode of mediation of the domination of capital served the same end, that is, the frustration of the organization of workers as a class.

#### Role of the State

The analysis of state activities concerning maximum hours, minimum wage, and workmen's compensation legislation indicates that the ways in which the state functions to transform class relations rooted in the production process to political class relations which can be managed on the social terrain occupied by the state buttress and reinforce the modes of mediation of capitalist The rise of the liberal democratic state domination. in concert with the capitalist mode of production included the development of mechanisms by which the state mediates the relations between capital and labour. However, as the following discussion will illustrate, state modes of mediation acted to support and reproduce the effects of capitalist modes of mediation in dismantling or forestalling the political organization of labour as a class in opposition to the interests of capital.

The types and number of mechanisms of mediation adopted by the capitalist state can be grouped into two broad categories although certain aspects of some mechanisms can be considered as applicable to both. The first group includes those procedures and structures which have developed with the historical growth of the liberal democratic state form. These essentially represent the institutionalized outcomes of previous forms of class struggle whose existence

as part of the generally accepted structure of liberal democracy continues to act upon the ongoing class struggle. As the material crystallization of historical class relations the balance of class forces incorporated within the state expresses the domination of that class whose interests are identified most closely with optimal capital accumulation while working class interests find only a subordinate position within the state structure where they are represented at all.

The second group of mechanisms of mediation characteristic of the capitalist state as indicated by the present research are what can be termed "typical management modes" adopted by state agents to mediate class relations. "Management modes" refer to the characteristic actions taken by individual state officials in carrying out the policies or functions appropriate to various state structures which serve to mediate class relations. These modes also functioned to disperse, manipulate, and contain the potential for workers to organize themselves politically on the basis of a shared conception of their interests as a class. Thus such mechanisms as the emphasis on the natural harmony of classes within a common framework of "national interest", the practice of reducing political relations to individual problems and effects, the manipulation of labour demands on the basis of jurisdictional

boundaries or the extension of support "in principle" while controlling the shape of the specific details incorporated within the pieces of legislation examined were among the various management modes practiced by state agents. The consequences, however, were essentially the same in that the growth and consolidation of the forces of labour were consistently frustrated by state activities.

In addition to the adoption of a variety of modes of mediation by which capitalist domination in the economic sphere has translated into domination at the level of political relations, the capitalist state also employed certain implicit criteria according to which it processed class conflict into a mode compatible with existing capitalist social relations of domination. These criteria form an integral part of the internal structure of the state and shape the further development of state policy and structure in a direction consistent with the capitalist organization of relations of production. The classspecific basis for state activity which follows from these unstated guidelines is therefore structured into the very nature of the state in a capitalist society. Similar to Offe's depiction of "selective mechanisms" these criteria correspond to and confirm the class basis of the state.<sup>3</sup>

The following sections discuss state modes of mediation and state selective mechanisms in greater detail, drawing from the body of the empirical analysis of maximum hours, minimum wage and workmen's compensation legislation for specific illustrations of the points presented briefly above.

## Modes of Mediation

### a) The Liberal Democratic State:

Reference has been made both in the initial discussion of class theories of the state and throughout the presentation of the research itself to the various aspects of the liberal democratic state structure and specifically the Parliamentary system which function to shape relations between capital and labour. In the present context, several of these points need to be only briefly reiterated and emphasized by examples taken from the foregoing examination of legislation. The structure of the Parliamentary system in its entirety imposed certain limits on the extent to which fundamental change could be initiated from within its sphere of operations. The representational basis of government, the party system, the requisite process for the passage of legislation, the division of powers at the federal level between two Houses, and foundation of the state in electoral politics

all functioned to limit and selectively focus the appropriate fields and types of action permitted within the political arena.

This can perhaps be seen most clearly in the postwar UFO-Labour administration in Ontario. The practice of electoral politics, with its broadened population base after successive extensions of the franchise to members of the working class and to women, resulted in greater competition between the traditional parties for the labour vote. Although workers obtained some benefits periodically from this party rivalry, it also functioned to divert support from the much weaker independent labour or socialist parties. The absence of a viable independent working class political culture was carefully nurtured by attacks on labour organizations and by the promulgation of the dominant political ideology on the part of both owners of capital and the state. This helped produce a relatively high degree of non-participation and apathy on the part of working class voters, thus assuring the return of one or the other major political party.

The war and immediate post-war conditions, however, led to a significant increase in the political mobilization of labour with the result that enough candidates running under the Independent Labor Party were elected to combine

with the UFO in forming a government. The admission of the working class to political participation in the form of the vote was not only a cooptive mechanism, making labour more accessible to political control, but it also provided labour with the opportunity to seize state power. Once in power with the UFO, labour members were unable to function independently of the UFO but depended on their support for the passage of legislation. Their inability to represent their labour constituency directly and completely while, at the same time, being required along with the UFO to carry out government responsibilities eventually isolated the Parliamentary ILP from their base of support and destroyed their credibility as representatives of labour interests.

On the other hand, the ability of workers to put their own class representatives into power resulted in some limited reforms which might otherwise not have been established. The 1921 amendment to the Minimum Wage Act giving the board some control over the hours on which the minimum rate would be based was opposed by employers and both traditional parties. Increases in workmen's compensation benefits were also enacted against employer opposition.

The representational basis of the party system functioned to promote the appearance that bourgeois political relations were not class-based. The choice of

candidates to "represent" all the people within geographical constituencies although they ran in the name of a particular party produced the illusion that class interests were not relevant to political representation, thus the contradiction that "labour" candidates could run as Conservatives or Liberals. Conversely, independent labour and socialist parties were subject to attack for being narrowly classbased and not, therefore, able to "represent" the interests of the citizenry as a whole.

The process involved in the introduction and subsequent passage of Parliamentary bills served to inhibit both the appearance and eventual adoption of legislation expressing interests specific to labour. Private members' bills could only be admitted under severely restricted conditions and any non-government measure was highly likely to be defeated. The passage of bills through the committee stages provided ample opportunity for amendment or fundamental reformulation of labour measures, as was illustrated by the legislative career of Verville's Eight Hours' Bill in 1910.

In addition, once a bill was adopted as law by the elected House, its movement into the Senate Chamber provided further possibilities for its rejection, amendment, or revision. The Senate Standing Committee on Banking and Commerce decisively changed the force of application and

scope of the 1935 Limitation of the Hours of Labour Act to the advantage of employers. The ultimate resort to prevent the implementation of particular pieces of legislation was to challenge its constitutionality where appropriate. This was demonstrated in King's appeal to the imperial link to have much of the "New Deal" legislation overturned by the Judicial Committee of the British Privy Council.

The use of various mechanisms such as Royal Commissions, Select Committees, and Standing Committees by both chambers served a number of purposes. Sometimes, as in the case of the Commission on Workmen's Compensation, they allowed the state to delay action on certain measures considered to be either politically controversial or potentially damaging to capital accumulation. Such delays also occasionally served strictly political ends with timing calculated to coincide with an election where this might benefit the party in power. Commissions and committees provided opportunity for divergent class interests to become clarified and their implications more fully comprehended. For instance, the Royal Commission on Price Spreads was an important vehicle for the articulation of intracapitalist rivalries and the demands of small capitalists. It also served to some extent as an instrument for the coalescence of labour grievances through the widespread publicity

given the flagrant exploitation of labour by certain companies and the ineffectual responses to this situation by government agencies such as the Minimum Wage Board.

Not only did these mechanisms afford occasion for the contained expression of labour and capitalist interests within the confines of the commission/committee structure but they also gave state agents an arena in which the concerns of the various parties to the issue were accessible to being managed by the state, a point which is discussed in greater detail in the next section. The structure of Royal Commissions, especially, enabled labour leaders to be coopted as part of the commission machinery where necessary, as was the case in the 1880's Royal Commission on the Relations of Labour and Capital.

Another important mechanism for state mediation of the economic class struggle to political class relations was the establishment of state supported boards to carry out specific tasks or administer certain pieces of legislation. The Imperial Munitions Board and War Purchasing Commission were in the former category, created to provide centralized control over the war effort. These stateauthorized agencies were capitalist-dominated and able to determine the conditions of production around war supplies largely to the benefit of manufacturers and disadvantage of workers. Their ability to do so was not only materially

reinforced by the state but it was ideologically supported by the overriding claim of national chauvinism and patriotic duty, a legitimation which cast workers' economically-based resistance into the political terms of disloyalty and treason. The Department of Labour, under pressure from organized labour to carry out its mandate as the representative of labour interests within the state structure, and the government, as the non-class representative of all the people, both initiated efforts to change the labour policies of the IMB and reduce growing capitallabour conflict. However, the Board's conception of the "national" interest took priority and was subsequently reinforced by the political arm of the state.

The war boards, like the peace-time boards created to administer the Workmen's Compensation and Minimum Wage Acts, were established outside of the specifically political arena subject to electoral influence. This autonomy of the boards from direct popular control made them appear less "political" in nature and thus more responsible to their particular mandates. Their decisions could, therefore, take on the illusion of a purely technical, instead of political, basis and thereby gain greater credibility and force. In this respect, the authority of most boards to make regulations governing their own operations appeared both justifiable and appropriate.

The relative distance of these boards from the governing apparatus of the state also helped deflect attacks on their activities from the political structure itself, thus reducing to some extent direct political conflict. Public criticism by labour of the Workmen's Compensation Board and the Minimum Wage Board in the particularly volatile period of the 1930's was able to be largely contained at that level while the government undertook a number of legislative and internal investigative steps to reduce the potential for increased conflict over their modes of operation. The function of state boards such as the Workmen's Compensation Board, the Minimum Wage Board, and Industry and Labour Board, in promoting harmonious class relations was an intended and acknowledged one, making their modes of operation and appearance of neutrality significant concerns to the political arm of the state. At the same time, direct class representation on the boards themselves was not necessarily guaranteed as a result. Instead, the degree of labour presence on boards or involvement in their operations seemed to be inversely related to the extent to which a board's mandate allowed it to become a potential constraint on capital accumulation, e.g. the Workmen's Compensation Board. Labour representation on the Minimum Wage Board was a contentious issue with employers although the official and unofficial decision-

making mechanisms adopted by the board as well as the board's operating philosophy minimized any threat to owners of capital in this regard.

#### b) Typical Management Modes of Mediation of Class Struggle:

The "typical management modes" of mediation are distinguished from the mechanisms of mediation chiefly by their reference to specific activities engaged in by state agents as distinct from particular structures which function to transform economic class struggle to political class relations. These management modes consisted of various types of practices which were premised on the reinforcement of the authority of the capitalist state and the dominance of capitalist social relations. The implementation of the typical management modes indicated by the analysis of maximum hours, minimum wage, and workmen's compensation legislation had the effect of discouraging the development of organized labour opposition and displacing labour demands which could potentially serve as a basis for the political cohesion of the working class.

A prevalent management mode utilized by both political and bureaucratic state institutions was the promotion of the view that specifically class-based interests were either non-existent or constituted illegitimate violations of the "national" interest as a basis for political relations. The concept of "national" interest

as a claim on the loyalties of citizens overriding distinctly class concerns was accepted by "labour" members of the legislature and put forward by the various boards discussed above. This was a particularly important management mode with regard to labour demands for a legislated reduction of the working day where the national economic good was equated with an absence of "class" legislation restricting the extent of capital accumulation.

Part, too, of this ideology of a non-class society was the consistent attempt by state agents to formulate political relations in entirely individual terms. This end was met to some extent by the mechanism of the individual franchise giving formal equality to all citizens. As a management mode, though, the individualization of political relations was used in response to labour criticisms of treatment by state boards such as the Workmen's Compensation Board. The extension of individual assistance in certain circumstances to specific applicants effectively denied the existence of a much broader problem in the relations between the board and workers as a whole. The emphasis was on avoiding possible interpretations of these relations as being rooted in the specific class interests or position of labour.

Other management modes were revealed in the process of commission and committee investigations such as the 1910 Select Committee on Hours of Labour and the Workmen's Compensation Commission of 1914. The state representatives directing these structures defined and re-interpreted labour interests in accordance with the resolution of labourcapital conflict over various issues. In so doing, they imposed a definition of appropriate class relations which emphasized a fundamental identity of interests and the desirability of cooperation among classes. The manipulation of labour demands and concerns within the context of these mechanisms of mediation meant that labour leadership was often forced to make a public commitment to positions which compromised their original demands in the direction of increased compatibility with capitalist social relations.

Another management mode employed by state officials was to extend support to labour's demands by asserting agreement with the "principle" of the proposed change and taking action on this basis. At the same time, however, the "details" of labour demands were differentiated from the "principle" as requiring modification and redefinition. Steps taken to tailor these details in a "realistic" fashion usually resulted in shaping the overall intentions of the demands in conformity with existing social relations of

production. Frequently, this meant only minimal gains for labour in the end.

A very consistent management mode which both federal and provincial levels of the state resorted to was the manipulation of their jurisdictional boundaries to shift the responsibility for dealing with certain demands from one level to the other. This mode complemented appeals made by owners of capital to the argument of intercapitalist competition as a justification for avoiding the creation of constraints on accumulation as a result of the inappropriate jurisdictional application of such measures as the eight-hour day. When the federal government did legislate an eight-hour day in 1935, the Privy Council Judicial Committee ruled that this jurisdiction was not legitimate and relegated powers for acting in this area to the provincial level.

The ability of the government to control the timing of the introduction and passage of legislation was used as a typical management mode in some cases both to put pressure on dissenting forces and to gain immediate political advantage. The Workmen's Compensation Act was held back until labour demands for its enactment resulted in greater concessions and the Conservative government was able to pass the measure just prior to a provincial election.

The final mode of managing the transformation of the economic class struggle to political class relations consisted of the continual shifting of the status and power of the Department of Labour in response to the perceived need for controlling labour. The original establishment of the federal Bureau of Labour was a long-delayed concession to organized labour during a period of increasing unionization by the AF of L and the establishment of a new socialist party. In 1909, after a period of relatively high levels of industrial disputes, the Bureau of Labour was elevated to a Department with its own cabinet minister. The Province of Ontario also established a Labour Bureau in 1900 under the Department of Public Works and appointed union leaders as factory inspectors under the jurisdiction of the Bureau. During the war the provincial Bureau was given greater autonomy by being made Trades and Labour Branch of the Department. In 1919, it gained full Department status with a Minister at its head. During the 1930's, further shifts in the provincial department and its responsibilities gave it increased power over legislation pertaining to labour. At the same time, its role as enforcer of industrial peace became more pronounced and the "technical", non-political and "neutral" basis for its labour-directed activities were given increasing emphasis.

Both the mechanisms of mediation in their various institutionalized forms comprising the Parliamentary democratic state and the management modes which appear to typify the state processing of the class struggle around the issues examined here indicate the essential nature of the overall structure of political relations constituted in a capitalist state, that is, one based on the preservation of the system of private capital accumulation. The mechanisms and management modes outlined above helped to ensure the dominance of this basis for the production of goods and services and for meeting the subsistence needs of the population to the necessary extent. That this mode of production was the fundamental framework within which political relations were shaped and played out explains the basis for the state's role at the broadest level. The final section below describes how this becomes a more specific guide for state activities through the mechanisms of selection which guide state policy and subsequent structural development.

### State Selective Mechanisms for Processing Class Conflict

In the analysis of the three areas of legislation, that is, maximum working hours, minimum wages, and workmen's compensation, attention has been paid to the state policy, legislative, and structural outcomes of class relations in the different periods examined. The high degree of compatibility of these resolutions of class conflict with capitalist social relations of production is perhaps the most significant characteristic indicated by the present study of the development of state policy and structures dealing with hours, wages, and compensation. When the details of these outcomes are closely scrutinized a number of common elements emerge which account in large part for both the fundamental similarity in terms of their conformity to existing social relations of domination and the variance in their specific details. These commonalities shared by the different measures and structures are referred to here as the mechanisms of selection which shape the resolution of various aspects of the class struggle as these are expressed in political class relations. These mechanisms function as implicit guidelines to state activities which, in themselves, do not offer specific directions for the particulars of state involvement in various areas. Rather they provide a kind of grammar on the basis of which policies and structures can be built and according to which certain

procedures and outcomes are "selected" over the wide range of possible actions on the part of the state.

A pervasive and fundamental criterion for selection is that actions taken by the capitalist state be premised on the removal or reduction of constraints to capital accumulation. This does not imply, however, that the state is always either able to act on this front or is necessarily successful when it does, but only that this is an important quide to what is perceived to be appropriate action. This action premise follows from the acceptance by the state of the self-legitimating ideology of capital accumulation as critical for the "health" of the national or provincial economy. The continual expansion of the system of accumulation produces increased employment which reduces the potential for social unrest on the part of labour disengaged from capitalist production. Increasing economic production also assures the state of necessary revenues, thus preserving its utility as an instrument of credit. However, there is an inherent contradiction in the relationship between expanding accumulation and social unrest in that a "healthy" state of capitalist accumulation depends in part on the existence of a certain level of unemployment which provides a counter to the growth of labour strength through the continual presence of labour reserves.

The operation of this selection mechanism can be seen in the development of the issue of maximum working hours, primarily in the consistent failure of the state to enact such legislation. A compensation program for injured workers was first explored in 1900 at which time Mavor declared it to be "oppressive" to industry with the result that the issue was ignored by the state for the next decade. After the passage of a compensation act, the Workmen's Compensation Board initially restricted the scope of the act and then carefully guarded the funds contributed by employers to keep the costs of the program down. The potential for the minimum wage to function as a constraint on production was minimized by the flexibility built into the act and its administration as well as by the mode of operation developed by the Minimum Wage Board. During the depression enforcement was lenient as the board was loath to inflict financial penalties on employers when production was declining.

Certainly the development of economic crises was an important influence on application of selection criteria based on the avoidance of further constraints on accumulation. During crisis periods in which capital accumulation expanded rapidly, as in war-time, authority over production and working conditions was highly centralized under specially created war boards. On the other hand, when crisis was accompanied by declining accumulation, for instance, after

the war and during the depression, capital was more on the defensive and the state resorted to concessions and cooperative mechanisms to elicit labour support for a return to industrial stability.

In accordance with the removal or reduction of constraints to capital accumulation, state action was also oriented toward the objective of reinforcing the labour discipline required for production based on private appropriation of the surplus. Certain of the terms of the Workmen's Compensation and Minimum Wage Acts indicate that this served as a basis for increasing the compatibility of policy outcomes with capitalist social relations. The benefit levels of compensation were set at a level less than adequate for subsistence, thus requiring workers to continue their participation in the labour force in order to maintain themselves. The incorporation of a waiting period for compensation and the clauses disqualifying workers on the grounds of contributory negligence were intended to prevent employees from leaving the work force by faking injury or using self-inflicted injuries to obtain an alternate course of income. In addition, the payment of compensation in weekly instalments parallelled the mode of wage payment and therefore reproduced to some extent the disciplinary effect of the wage structure.

The arguments prepared by the Trades and Labour Branch in favour of the initial establishment of a minimum wage emphasized the expectation that labour force efficiency would be increased. This was recognized not only as an outcome of an increased standard of subsistence but also as a consequence of employers being encouraged by a minimum wage to increase their demands from workers in terms of productivity. The payment of an established minimum wage rate was intended to reduce reliance on charity as a substitute for or supplement to wages. This would have the ultimate effect of strengthening the wage nexus and the discipline appropriate to wages as a sole means of subsistence. Moreover, the very low rates actually set for a wage minimum stemmed partly from the concern of employers for the reinforcement of established relationships between wages and productivity.

The disputes policy of both federal and provincial levels of the state further illustrates this basis for selection underlying state action. Throughout the period examined, a significant premise for state relations with labour was the prevention of any disruption of production. This was evident in the development of the Industrial Disputes Investigation Act, the responses by the federal state to labour demands during the war, and the conciliation service inaugurated by the provincial Department of Labour in 1934 as production was beginning to increase.

A second significant basis for selection of appropriate state actions was that these actions conform to the notion that all classes exist in harmony and are not fundamentally antagonistic in their interests. The consistent promotion of this ideology was accompanied by attempts to incorporate mechanisms and processes necessitating labour-capital cooperation into the various measures and structures subsequently established to administer them. This was the intention of employer and employee representation on the Minimum Wage and Industry and Labour Boards. This, too, was clearly evident in the method employed by the Minimum Wage Board to set wage rates. The initial development of a workmen's compensation program was partly an attempt to overcome the conflict between employers and employees resulting from the adversarial basis of the court system. The board itself recognized its role in moderating class conflict when questioned by the Public Accounts Committee of the Legislature and the chairman expressed his concern that class strife would only be encouraged if the "political exploitation" of the compensation program by individual members continued. When the returned Conservative administration attempted to centralize control over the WCB and institute judicial appeals in the 1920's, labour opposition caused the government to abandon these changes because of the concern that

they would create dissension in an otherwise smoothly functioning program. To establish these new procedures would probably institutionalize a divisive mechanism.

A third selection mechanism in the processing of relations of class struggle was that actions taken by the state be consistent with the preservation of employers' rights as constituted by relations based on private property. These rights underlay the rejection of a legislated eight-hour day even though many unionized workers had already obtained this working day through collective bargaining. The Workmen's Compensation Board included no employee representatives to help administer a fund to which only employers contributed. Employers used this to justify greater access to board records which they were refused; however, the establishment of the Safety Associations by the state consolidated the rights of industrial capitalists over working conditions in their factories. To obtain the passage of the compensation act in the first place, organized labour was forced to sacrifice its rights of recourse to legal action, thus reinforcing the domination of owners of capital in accordance with their property rights over the means of production.

A fourth selection criterion according to which state labour policy was developed was that actions undertaken by the capitalist state must be premised on the ob-

jective of inhibiting the successful organization of labour as a class. This could be seen in early attempts to limit the "Americanization of labour" and the development of socialist organizations. While radical labour was continually subject to isolation and repression, those identified as moderate labour leaders were strengthened by state support and integration into state decision-making bodies. By the 1930's the TLC had become the most conservative labour organization, rejecting direct political involvement and opposing the growth of Communist, socialist, and strictly nationalist labour bodies. Following the First World War, the developing splits within the labour movement became more defined and the state acted to reinforce these cleavages. The provincial Department of Labour, by the mid 1930's, maintained an explicit policy of "neutrality" vis à vis trade unions although, in actual practice, this functioned as an effort to restrict union growth.

Another basis shaping the nature of state involvement in legislation affecting labour and working conditions which followed from the objective of preventing the class organization of labour was the necessity of maintaining a highly differentiated labour market. As mechanization reduced the basic differences among workers in terms of skills and work-related conditions and tasks, the possibility that

semi- and unskilled factory workers would come to recognize their essential similarity of condition was increased. A growth in workers' perception of their unity would increase the likelihood of labour organization, an entirely undesirable consequence as far as employers during this overall period were concerned. Other bases for differentiating and dividing the labour force along social status lines consequently developed. The maintenance of unequal conditions of income as well as status distinctions also created and maintained pools of cheap labour and reserve labour.

Several of the terms of the Workmen's Compensation and Minimum Wage Acts functioned to either reinforce or create such differentiation. Both acts defined certain categories of workers as exempt from coverage, thus reducing the labour costs of those workers for employers. The setting of variable rates in the case of the minimum wage also served the end of preserving cheap labour supplies. On the other hand, one of the unwanted consequences of a general eight-hour day for all categories of workers was that this would equalize one aspect of labour conditions and thereby reduce the existence of more exploitable pools of labour.

In addition to preserving or increasing the differentiation of the labour force itself, state activities were also premised on an additional selection mechanism

which may be summarized as the necessity to enhance the social stratification of the working class as a whole. This follows in part from the preceding basis for selection of state action but carries the implications beyond the workplace to the sphere of political relations in that a high degree of intraclass stratification tends to prevent the development of a basis for solidarity among class members, thus helping to politically disable this class. The fixing of compensation benefits on the basis of a percentage of former earnings reproduced wage stratification among those not in the labour force due to injury. Similarly, minimum wage rates were highly stratified on both a geographical basis and a sexual basis.

#### Conclusion

The class relations between labour and owners of industrial capital developed from and were shaped by class conflict at the level of production, that is, capitalist exploitation and labour resistance. The political management of these relations was the task undertaken by the state which transformed relations based on economic class conflict to political relations between classes contained within the field occupied by the state. The mechanisms of mediation institutionalized in the structure of the liberal democratic state and the typical management modes

of state agents processed conflictual class relations in such a way as to minimize any threats to the system of capitalist accumulation and domination. The guidelines for state action in this regard were the selective mechanisms which implied the optimal criteria to be met in the development of state policy and structure. The specific details of these policies and legislation were a product of the concrete historical struggle between workers and capitalists over the particular issues involved, in this case, maximum hours, minimum wage, and workmen's compensation.

In managing the class struggle around these issues, the state functioned primarily on two fundamental fronts. One was the attempt to strengthen employers' control over labour in the workplace with the ideal outcome being to contain class conflict at this level where owners of capital would exercise direct domination of a divided working class. At the same time, the state also acted to reinforce the disciplining aspects of the structure of capitalist production to increase worker dependence on this process and thereby prevent easy disengagement from the controlling force of this structure. The political hegemony of capital came under most direct threat when crises in production both undermined capitalist unity and reinforced attacks on the system from growing numbers of workers no longer attached to production. This underlined the significance for the

state of promoting a "healthy" economy, i.e. optimal accumulation of capital based on private appropriation of the surplus, while insisting on the representational basis of the state in the service of the "national" interest. These premises for state action themselves supported both the economic and political domination of capital but they were additionally reinforced by mechanisms which were oriented towards the containment of labour organization and prevention of the organization of wage labour as a class.

# Forms of Mediation of the Actions of Workers from the Level of Production to the

#### Political Sphere

The resistance by workers to capitalist domination in the sphere of production engendered a variety of forms of class struggle through which the activities and interests of workers at the level of production appear in mediated form at the level of political relations. Examination of the process of maximum hours, minimum wage, and workmen's compensation legislation indicates that the forms of mediation of workers' activities can also be grouped into three modes parallelling those describing the mediation of workers' activities consisted of forms which, unlike the economic mode typifying the mediation of capital, did not rest on shaping and controlling the process of production, activities within the power of capital in the workplace. Rather this mode of mediation for labour was based on organization of workers into trade or industrial unions and the withdrawal from or disruption of the process of production. The political mode of mediation of workers' actions was based on organization in the political sphere aimed at the transformation or disruption of capitalistconstituted political relations, such as attempts to obtain representation within the state structure as well as efforts to have their rights explicitly codified in law. While the third mode of mediation of capitalist domination has been described as "ideological", the corresponding mode of mediation of workers' activities can best be understood as "counter-ideological". This refers to conceptions of economic and political life promoted by labour groups which contradict or are hostile to the prevailing ideological views supported by capitalists. The following sections outline each of these modes in greater detail.

## Forms of the Economic Mode of Mediation of Workers' Activities

Two significant economic forms of mediation emerge from the preceding analysis of maximum hours', minimum wage, and workmen's compensation legislation. Since workers are subordinated to the rule of capital in the workplace and

face continual struggle to obtain greater control over their situation and a larger share of the surplus, their primary source of power is located in their collective refusal to participate in the creation of surplus value. The withdrawal of labour power destroys the entire basis of capitalist accumulation, thus ultimately threatening the economic domination of capital. Although the workplace organization of labour is often the catalyst for strikes, many work stoppages are the result of spontaneous actions by workers in protest against specific acts of oppression by employers. Uncontrolled or "wildcat" walkouts indicate the potential for labour to undertake collective action against all forms of domination in the workplace, stemming from either capitalist employers or the union hierarchy.

Mass marches, demonstrations, and general strikes, were forms of worker activity extending beyond the immediate workplace which also served to overcome many of the cleavages created and maintained by the capitalist division of labour and managerial control strategies. The conditions under which these occurred were usually those of high unemployment or inflation, as after the war and during the depression, situations which lowered worker's levels of subsistence and created large reserves of labour disengaged from the process of production. The significance of mass action undertaken by unemployed workers was that they were

outside the sphere of control exercised in the workplace by capital and also not directly subject to trade union discipline. The potential challenge of these kinds of activities to capitalist political hegemony lay in their essential nature as political expressions uncontained by the routine forms of bourgeois political relations in a liberal democracy. This "extra-parliamentary" opposition could not be readily ignored for to do so risked promoting an escalation of protest outside the normal confines of capitalist control.

As has been pointed out in previous chapters, capitalists have historically attempted to contain and control the development of both trade and industrial unions because of their ability to enforce collective actions on the part of their members, including the withdrawal of labour power. The gradual institutionalization of collective bargaining and the development of state-enforced disputes policies helped reduce the threat from many labour organizations once their leadership hierarchies had been transformed into structures of discipline over the rank-and-file. However, each new wave of labour organization, constituted on different bases, as, for example, the Knights of Labor, the AF or L, the WUL, the CIO, presented an, as yet, uncontrolled and unintegrated
structure demonstrating the potential of labour for independent political action.

# Forms of the Political Mode of Mediation of Workers' Activities

The forms of political mediation conformed to the requirements of liberal democratic political relations and did not, as a result, represent the same degree of threat to capitalist accumulation or political domination as did the forms of economic mediation unless, under certain conditions, these forms escaped the constraints imposed by capitalist political relations. The growth of central labour bodies as the foremost representatives of broad sectors of organized labour paradoxically presented an ideal structure for cooptation which could subsequently be used as a control agent over its constituent unions. Thus the political development of umbrella labour organizations such as the TLC consisted primarily of their acting as pressure groups lobbying the government of the day for measures seen to be of advantage to organized labour. This was often translated into electoral support for candidates regarded as promoting labour's interests, although they might be running under one of the traditional parties. On the other hand, this highly centralized structure based solely on union membership provided structural resources which allowed labour to pursue

specific objectives with some degree of success. It could, for instance, develop campaigns and committees to represent labour interests in the fight for a workmen's compensation program in Ontario.

The power of the TLC to "represent" the interests of labour as a whole was very different than that of the CMA in relation to its constituency, however. The latter organization was composed of individuals representing businesses and industries, the functioning of which was equated with general economic well-being. This provided a strongly cohesive basis of common interests which could readily be identified and given the authority of united support. The TLC, conversely, was based on a federation of trade unions resting ultimately on the rank-and-file membership. The democratic basis of this entire structure meant that all members had equal status and control of the hierarchy was exercised from the bottom. The democratic foundation of the TLC often resulted in differences among workers regarding their perceptions of their interests. This tended to detract from the appearance of cohesion and strength of the TLC in its relations with the state. These internal divergences in outlook, moreover, were frequently used by employers and the state as an indication of the lack of legitimacy of the TLC as a representative of organized labour in general.

The extension of the franchise permitted more workers to participate in the political exercise of voting, a not insignificant element of the liberal democratic form of capitalist political relations as the 1919 election in Ontario demonstrated. It also promoted the achievement of moderate reforms as the traditional parties engaged in increased electoral competition for labour votes. However, the limits of electoral politics for labour were clearly established when independent labour members ran or labourbased political parties were formed. Although political parties representing specifically labour-related interests were contained within the bounds of liberal democratic forms of political relations, they also had the potential to become broad-based labour organizations through linkages with the workplace organization of labour and with central labour bodies. Capitalist efforts consequently were directed at preventing the growth of the labour network by dividing and isolating the parts.

Despite basic differences in economic interests, labour was able to unite politically with petit bourgeois rural movements at different points as a result of shared interests in reforming political relations to create a more directly representational governing structure. The successful election of ILP and UFO members in Ontario challenged

the political domination of capital while the economic structure of capital accumulation was preserved intact.

Other forms of political mediation of workers' activities included public attacks on state bodies originally established to implement labour legislation and the use of the judicial apparatus of the state to obtain legally constituted rights. In the first case, workers criticized boards and state agencies for the gap between their promise and their actions in terms of labour rights previously established by the state. This occurred in the 1930's when the Minimum Wage Board came under attack in the Price Spreads Commission hearings and the actions of the Workmen's Compensation Board attracted the attention of numerous critics. Before the institution of a compensation program, workers were required to launch legal actions to collect damages for work-related injuries. This assertion and pursual of legal rights through the courts in increasing numbers was instrumental in promoting the development of the 1914 Workmen's Compensation Act. Although employers' common law rights functioned to the distinct disadvantage of labour, the democratic basis of the jury system was important in redressing this imbalance to some extent. As a result, there was significant pressure on capitalists to seek reform of the system of employer liability.

# Forms of the Counter-Ideological Mode of Mediation of Workers' Activities

Despite the pervasive existence of ideologies rooted in the capitalist structure of accumulation and serving as a powerful rationale for this structure to be taken as the "natural" order of things, workers were able at various points to counter these ideologies with their own conceptions of appropriate social relations. These views were not always consistently advanced nor were they necessarily subscribed to by the majority of workers but particular labour groups occasionally injected these alternate conceptions of social reality into public forums with varying degrees of success. The presentation of a specifically class-based view of society was the most fundamentally challenging counter-ideology. This was promoted by the very small socialist and communist parties, the latter attracting widespread attention for these ideas during the 1930's. The insistence on a fundamental division between labour and capital and the total absence of any overriding common interests between them was put forward by one of the participants in the Workmen's Compensation Commission hearings. The split in the labour movement during the war and immediately after stemmed in part from the differing conceptions of class relations and the appropriate actions following from these held by sectors of organized labour.

The public promotion of "extreme" demands, even by moderate sections of labour, implied quite different perceptions of economic and political relations than were advocated by owners of capital. Post-war demands for a five or six-hour day and the arguments advanced for a workmen's compensation program which were based entirely on the view that employers bore sole responsibility in the final analysis for adequately supporting workers injured on the job are examples of this. The intense opposition of employers to many labour demands indicated the fundamentally different conceptions of reality which often existed between them.

Workers also held a particular conception of labour rights both at the workplace and the political levels although this was not always clearly articulated in these terms. The right to what workers considered an adequate or "fair" wage, control over working conditions, their own independent organizations, political participation and representation within the structure of the state were among these. Many labour demands at both levels were based on an implicit understanding of the rights devolving to workers. Not surprisingly, workers' views of their rights were at variance with the attitude of owners of capital regarding the rights of labour. To some extent, this counter-ideology was a basis for labour unrest following the war when

expectations that the war's end would usher in a more "just" social order and that workers had fought for this end were harshly overturned by the realities of unemployment and inflation.

Workers also used the dominant ideology of the liberal democratic state in attempts to bring about changes in their relationship with the state. This ideology maintained that the capitalist state was not a class-based state but, instead, was constituted to represent the interests of all citizens and to articulate a national interest. Labour, by insisting on the fulfillment in reality of these claims, used this ideology in demands for greater rights of participation in political relations and increased access to the structures of the state. The split in the labour movement over conscription and war labour policies of the state was partly a product of labour dissatisfaction with this gap between the ideology and the practice of the capitalist Organized labour's demands for representation state. of its interests within the state structure as well as for inclusion on certain decision-making bodies were among the forces ultimately leading to the establishment of a Department of Labour and to positions on boards concerned with labour issues.<sup>4</sup> The contradiction for labour, however, in these victories was that they enabled the state to coopt

labour leadership and integrate it within the exercise of capitalist domination over labour in general.

# Conclusion

The reality of capitalist production for labour existed in its experience of the control of capital over the conditions of production and subsistence. Consequently, labour fought defensively to limit this control and to protect its living standard against deterioration. However, the forms of workers' resistance growing out of class relations at the level of production indicated the basic contradiction faced by labour in mounting opposition to capitalist domination. The collective withdrawal of labour-power from production and of consent or acquiescence to capitalist political relations were labour's most potent weapons in this class struggle but they were also actions which brought down the full strength of capitalist attacks and the repressive machinery of the state. On the other hand, other forms of workers' activities at the level of production and mediated forms at the level of political relations essentially engaged labour in economic and political struggle on grounds controlled by and according to rules developed by owners of capital. Collective bargaining and liberal democratic politics were institutions reflecting capitalist hegemony. As a result, the limits to workers'

ability to force significant change through activities on these terrains were circumscribed from the outset.

Although labour achieved important gains through participation in capitalist political relations, these gains followed more from the activities of workers which disrupted accumulation processes or threatened the legitimacy of the state than from the direct efforts of labour representatives or spokesmen in the political sphere. Moreover, the apparent benefits to workers were consistently tempered by the adaptation of these gains to the preservation of existing social relations of production. Consequently, labour "successes" ultimately became instruments for the reinforcement of the domination of capital over labour at political, economic and ideological levels of class relations.

The present research has demonstrated the critical significance of the state in facilitating and maintaining this domination and some of the concrete ways in which it accomplishes this. As a result, the conclusions reached pose some important questions regarding strategies for fundamental social change. The revelation of the nature of the state as a capitalist state, whose structure is premised on the preservation or furtherance of capitalist interests, and not merely as an instrument available to whatever class can capture political power throws substantial

doubt on the efficacy of social democratic strategies for change. Control of the political, judicial and bureaucratic apparatuses of the state by the working class will not constitute an adequate basis for the restructuring of existing class relations. Instead, the destruction of capitalist relations of exploitation and domination will necessitate a thorough transformation in the structure of the capitalist state and the subsequent development of new forms of collective structures on the basis of working class needs and interests.

## NOTES

<sup>1</sup>See the review of Alan Wolfe, <u>The Limits of</u> <u>Legitimacy</u>, by the Bay Area Kapitalistate Group, which discusses this point in the context of examining Wolfe's treatment of the concept of legitimacy. The Bay Area Kapitalistate Group, "Review of Alan Wolfe, <u>The Limits of</u> <u>Legitimacy</u>. (New York: Free Press, 1977)", <u>Kapitalistate</u>, No. 7 (1978), 120.

<sup>2</sup>Offe and Wiesenthal have recently examined the bases for the organization of capitalists as opposed to wage labour and the implications of the differences in their typical organizational forms. Claus Offe and Helmut Weisenthal, "Two Logics of Collective Action: Theoretical Notes on Social Class and Organizational Form", <u>Political</u> Power and Social Theory, I (1979), 67-115.

<sup>3</sup>See the discussion of Offe's concept of "selective mechanisms" in Sabine Sardei-Biermann, Jens Christiansen, and Knuth Dohse, "Class Domination and the Political System: A Critical Interpretation of Recent Contributions by Claus Offe", <u>Kapitalistate</u>, No. 2 (1973), 62-63, 67-68; also Claus Offe, "Structural Problems of the Capitalist State", German Political Studies, I, No. 1 (1974).

<sup>4</sup>Mahon, "Canadian Public Policy: The Unequal Structure of Representation", 182-186.

# APPENDIX A

CHRONOLOGY OF SIGNIFICANT MAXIMUM HOURS,

MINIMUM WAGE, AND WORKMEN'S COMPENSATION

LEGISLATION, 1900-1939

- 1900- Ontario: Report of the Workmen's Compensation for Injuries Commission by James Mavor, prepared at the request of the Ontario Government.
- 1900- Canada: Fair Wages Resolution -- inclusion of "fair wages" clauses in government contracts.
- 1906-1914 Canada: 8-Hour Day Bills introduced by Verville, Independent Labour member -- to establish an eight-hour day for federal government employees.
- 1910- Canada: Select Committee to examine Verville's 8-Hour Day Bill.
- 1913- Ontario: Report of Commissioner Investigating 8-hour day for underground miners.
- 1913- Ontario: Ontario Mines Act -- establishes an 8-hour day for miners in Northern Ontario.
- 1909-1914 Ontario: Workmen's Compensation Movement -- TLC and CMA support for a workmen's compensation program.
- 1910, Ontario: Premier Whitney appoints Justice
  June 30 W. R. Meredith to conduct a Royal Commission
  investigating workmen's compensation
  programs.
- 1912- Ontario: Meredith's Interim Report on Laws relating to the Liability of Employers.
- 1913, Ontario: Meredith's Second Interim Report. April
- 1913, Ontario: Meredith's Final Report including October 1 Draft Bill.

1914-	Ontario: Workmen's Compensation Act passed with endorsation from all parties; assented to May 1.
1915, September	Ontario: appointment of Workmen's Compensa- tion Board.
1917-	Ontario: amendment to Workmen's Compensation Act to provide for payment of medical expenses.
1919-	Canada: Royal Commission on Industrial Relations.
1920-	Ontario: Minimum Wage Act passed established Minimum Wage Board with authority to determine minimum wage rates for women and girls on basis of industry and locality.
1920, April	Ontario: appointment of Legislature Committee to examine industrial rehabilitation scheme under the workmen's compensation program.
1921-	Ontario: Report of Industrial Rehabilitation Committee.
1921-	Ontario: amendment to Minimum Wage Act Minimum Wage Board obtained power to set hours to which minimum wage rates applied.
1923-	Ontario: administration of Workmen's Compensa- tion Act transferred to Department of Attorney-General from Department of Labour.
1924-	Ontario: adoption of Workmen's Compensation Rehabilitation Act established limit of \$100,000 for rehabilitation out of schedule 1 funds.
1926-	Ontario: amendment to Workmen's Compensation Act to include silicosis as a compensable industrial disease.
1930-	Canada: Fair Wages and Eight Hour Day Act established 8-hour day on federal government construction contracts.

.

1931, January	Ontario: Commission appointed to enquire into the operation of the Workmen's Compensation Act.
1932, February	Ontario: Justice W. E. Middleton's Report on the operation of the workmen's compensation program.
1934-	Ontario: amendment to Minimum Wage Act prohibiting substitution of male labour for regulated female labour.
1935-	Ontario: Industrial Standards Act.
1935-	Canada: "New Deal" legislation Limitation of Hours of Work Act; suspended by Liberal administration.
1936-	Ontario: Government Contracts Hours and Wages Act established 8-hour day for government employees and contract workers.
1937-	Ontario: Minimum Wage Amendment Act estab- lished minimum wage for males to be administered by Industry and Labour Board.
1937-	Canada: Judicial Committee of Privy Council rules Limitations of Hours of Work Act <u>ultra vires</u> federal jurisdiction.

### APPENDIX B

#### ORIGINS AND DEVELOPMENT OF ONTARIO DEPARTMENT

#### OF LABOUR RELEVANT TO MAXIMUM HOURS,

MINIMUM WAGE AND WORKMEN'S

COMPENSATION LEGISLATION

- 1882- Bureau of Industries Act -- provided for establishment of a bureau attached to the Department of Agriculture.
- 1884- Ontario Factories Act -- administered by the Department of Agriculture.
- 1900- Bureau of Labour Act.
- 1915- Workmen's Compensation Board created.
- 1916- Trades and Labour Branch -- established under Department of Public Works.
- 1919- Department of Labour Act passed.
- 1920- Minimum Wage Board created.
- 1937- Industry and Labour Board replaced Minimum Wage Board to administer Industrial Standards Act, Minimum Wage Act, and Apprenticeship Act.

# APPENDIX C

# ORIGINS AND DEVELOPMENT OF CANADA

# DEPARTMENT OF LABOUR

1900-

Conciliation Act -- creates Bureau of Labour under Postmaster General to administer Conciliation Act, fair wage policy, act to restrict the importation of aliens, Industrial Disputes Investigation Act, and to publish Labour Gazette.

1909-

creation of separate Department of Labour.

## BIBLIOGRAPHY

#### Published Sources

- 1. Books and Pamphlets
- Abella, Irving, and David Millar, eds. <u>The Canadian Worker</u> <u>in the Twentieth Century</u>. Toronto: Oxford University Press, 1978.
- Avakumovic, Ivan. The Communist Party in Canada: A History. Toronto: McClelland and Stewart Ltd., 1975.
- Babcock, Robert H. <u>Gompers in Canada: A Study in American</u> <u>Continentalism Before the First World War</u>. Toronto: University of Toronto Press, 1974.
- Bercuson, David Jay. <u>Confrontation at Winnipeg: Labour,</u> <u>Industrial Relations and the General Strike</u>. Montreal: McGill-Queen's University Press, 1974.
- Bird, Richard M. <u>The Growth of Government Spending in</u> <u>Canada</u>. Canadian Tax Papers #51. Toronto: Canadian Tax Foundation, 1970.
- Bliss, Michael. <u>A Living Profit: Studies in the Social</u> <u>History of Canadian Business, 1883-1911</u>. Toronto: McClelland and Stewart Ltd., 1974.
- Braverman, Harry. Labour and Monopoly Capital: The Degradation of Work in the Twentieth Century. New York: Monthly Review Press, 1974.
- Brecher, Irving. <u>Monetary and Fiscal Thought and Policy in</u> <u>Canada, 1919-1939</u>. Toronto: University of Toronto Press, 1957.
- Brown, Robert Craig, and Ramsay Cook. <u>Canada, 1896-1921,</u> <u>A Nation Transformed</u>. Toronto: McClelland and Stewart Ltd., 1974.

-----, and M. E. Prang, eds. <u>Confederation to 1949</u>. Canadian Historical Documents Series, III. Scarborough, Ont.: Prentice-Hall of Canada Ltd., 1966.

- Buckley, Kenneth. <u>Capital Formation in Canada, 1896-1930</u>. Carleton Library No. 77. 2nd ed. Toronto: McClelland and Stewart Ltd., 1974.
- Canada, Department of Labour. <u>Women at Work in Canada</u>. Ottawa: Queen's Printer, 1964.
- Cassidy, H. M. <u>Unemployment and Relief in Ontario, 1929-32:</u> <u>A Survey and Report (under the auspices of the Unemploy-</u> ment Research Committee of Ontario). Toronto: J. M. Dent & Sons Ltd., 1932.
- Clark, S. D. <u>The Canadian Manufacturers' Association</u>. Toronto: University of Toronto Press, 1939.
- Clement, Wallace. <u>The Canadian Corporate Elite: An Analysis</u> of <u>Economic Power</u>. Carleton Library No. 89. Toronto: McClelland and Stewart Ltd., 1975.
- Creighton, Donald. John A. Macdonald: The Old Chieftain. Vol. II. Toronto: Macmillan Co. of Canada, 1955.
- Drury, Ernest C. <u>Farmer Premier: Memoirs of the Hon.</u> <u>E. C. Drury</u>. Toronto: McClelland and Stewart Ltd., 1966.
- Ferns, Henry, and Bernard Ostry. <u>The Age of Mackenzie King</u>. Toronto: James Lorimer and Co., 1976.
- Finkelman, J., and B. Laskin. <u>Industrial Standards Act of</u> <u>Ontario and Its Administration</u>, II, No. 1 (July 1936). Toronto: Workers' Educational Association of Canada, Labour Research Institute, Industrial Law Research Council, 1937.
- Firestone, O. J. <u>Canada's Economic Development 1867-1953</u>. Income and Wealth Series VII. London: Bowes and Bowes Publishers Ltd., 1958.
- Giddens, Anthony. <u>The Class Structure of Advanced Societies</u>. London: Hutchinson and Co. Ltd., 1973.
- Graham, Roger. Arthur Meighen. Vol. I: <u>The Door of</u> <u>Opportunity</u>. Toronto: Clarke, Irwin and Co. Ltd., 1960.

- Grauer, A. E. <u>Labour Legislation: A Study Prepared for the</u> <u>Royal Commission on Dominion-Provincial Relations</u>. Ottawa: King's Printer, 1939.
- Horn, Michiel, ed. <u>The Dirty Thirties</u>. Toronto: Copp Clark Publishing Co., 1972.
- Industrial Relations Section. <u>Economic Welfare of Canadian</u> <u>Employees: A Study of Occupations, Earnings, Hours,</u> <u>and Other Working Conditions, 1913-37</u>. Bulletin No. 4. <u>Kingston: Queen's University, 1940</u>.
- Innis, H. A., and A. R. M. Lower, eds. <u>Select Documents</u> in Canadian Economic History, 1783-1885. 2nd ed. Philadelphia: Porcupine Press, 1977.
- Jamieson, Stuart. <u>Times of Trouble: Labour Unrest and</u> <u>Industrial Conflict in Canada, 1900-1966</u>. Study No. 22. Ottawa: Task Force on Labour Relations, 1968.
- Jones, Lawrence F., and George Lonn. <u>Historical Highlights</u> of Canadian Mining. Toronto: Pitt Publishing Co. Ltd., 1973.
- Kealey, Greg, ed. <u>Canada Investigates Industrialism: The</u> <u>Royal Commission on the Relations of Labour and Capital,</u> 1889. Toronto: University of Toronto Press, 1973.
- Kealey, Greg. <u>Hogtown: Working Class Toronto at the Turn</u> of the Century. Toronto: New Hogtown Press, 1974.
- Lipton, Charles. The Trade Union Movement of Canada, 1827-1959. 3rd ed. Toronto: NC Press, 1973.
- Logan, Harold A. <u>Trade Unions in Canada</u>. Toronto: Macmillan Co. of Canada, 1948.
- Loudon, W. J. <u>Sir William Mulock</u>. Toronto: Macmillan Co. of Canada, 1932.
- MacDonald, Norman. <u>Canadian Immigration and Colonization</u> 1841-1903. Toronto: Macmillan Co. of Canada, 1968.
- Macpherson, C. B. <u>The Life and Times of Liberal Democracy</u>. London: Oxford University Press, 1977.

- McKenty, Neil. <u>Mitch Hepburn</u>. Toronto: McClelland and Stewart Ltd., 1967.
- McNaught, Kenneth. <u>A Prophet in Politics: A Biography of</u> <u>J. S. Woodsworth</u>. Toronto: University of Toronto Press, 1959.
- Mallory, J. R. <u>The Structure of Canadian Government</u>. Toronto: Macmillan Co. of Canada, 1971.
- Marsh, Leonard C. <u>Canadians In and Out of Work, A Survey</u> of Economic Classes and Their Relation to the Labour <u>Market</u>. McGill Social Research Series, No. 9. Toronto: Oxford University Press, 1940.
- Marshall, Herbert, Frank Southard, Jr., and Kenneth W. Taylor. <u>Canadian-American Industry</u>. Carleton Library No. 93. 1st ed., 1936. Toronto: McClelland and Stewart Ltd., 1976.
- Miliband, Ralph. <u>The State in Capitalist Society</u>. London: Quartet Books, 1973.
- Morton, W. L. <u>The Progressive Party in Canada</u>. Toronto: University of Toronto, 1950.
- Myers, Gustavus. <u>A History of Canadian Wealth</u>. Vol. I. 2nd ed. Toronto: James Lewis & Samuel, Publishers, 1972.
- Naylor, R. T. <u>The History of Canadian Business, 1867-1914</u>. Vol. I: <u>The Banks and Finance Capital</u>. Toronto: James Lorimer and Co., 1975.
- Neatby, H. Blair. <u>William Lyon Mackenzie King, 1924-1932</u>. Toronto: University of Toronto Press, 1963.
- Nelles, H. V. <u>The Politics of Development</u>. Toronto: Macmillan Co. of Canada, 1974.
- O'Connor, James. <u>The Fiscal Crisis of the State</u>. New York: St. Martin's Press, 1973.
- Oliver, Peter N. <u>G. Howard Ferguson: Ontario Tory</u>. Toronto: University of Toronto Press, 1977.

- Perrow, Charles. <u>Complex Organizations: A Critical Essay</u>. Glenview, Illinois: Scott, Foresman and Co., 1972.
- Porritt, Edward. <u>Sixty Years of Protection in Canada,</u> <u>1846-1907</u>. London: Macmillan and Co. Ltd., n.d.
- Poulantzas, Nicos. <u>Political Power and Social Classes</u>. London: New Left Books, 1973.
- ----- <u>Classes in Contemporary Capitalism</u>. London: New Left Books, 1975.
- Robin, Martin. <u>Radical Politics and Canadian Labour, 1880-</u> <u>1930</u>. Kingston: Queen's University Industrial Relations Centre, 1968.
- Seath, John. <u>Education for Industrial Purposes</u>. Ontario Department of Education, 1910.
- Skelton, O. D. <u>Life and Times of Sir Alexander Tilloch</u> <u>Galt</u>. Carleton Library No. 26. Toronto: McClelland and Stewart Ltd., 1966.
- Smiley, Donald V., ed. <u>The Rowell-Sirois Report: An</u> <u>Abridgement of Book I of the Royal Commission Report</u> <u>on Dominion-Provincial Relations</u>. Carleton Library <u>No. 5. 1st ed., 1940.</u> Toronto: McClelland and Stewart Ltd., 1963.
- Spelt, Jacob. Urban Development in South-Central Ontario. Carleton Library No. 57. 2nd ed. Toronto: McClelland and Stewart Ltd., 1972.
- Therborn, Goran. <u>What Does the Ruling Class Do When It</u> <u>Rules</u>? London: New Left Books, 1978.
- Urquhart, M. C., and K. A. H. Buckley. <u>Historical Statistics</u> of Canada. Toronto: Macmillan Co. of Canada, 1965.
- Waite, P. B. <u>Canada 1874-1896</u>: <u>Arduous Destiny</u>. Toronto: McClelland and Stewart Ltd., 1971.

sector is a the second a t

Weir, William. <u>Sixty Years in Canada</u>. Montreal: John Lovell and Son, 1903.

Wilbur, J. R. H. <u>The Bennett New Deal:</u> Fraud or Portent? Toronto: Copp Clark Publishing Co., 1968.

Wright, Eric Olin. <u>Class, Crisis and State</u>. London: New Left Books, 1978.

#### 2. Articles, Parts of Books

- Abella, Irving M. "Oshawa 1937", in Irving M. Abella, ed., On Strike: Six Key Labour Struggles in Canada 1919-1949. Toronto: James Lorimer and Co., 1975.
- Acheson, T. W. "The Social Origins of the Canadian Industrial Elite, 1880-1885", in David S. Macmillan, ed., <u>Canadian Business History</u>, <u>Selected Studies</u>, <u>1497-1971</u>. Toronto: <u>McClelland</u> and Stewart Ltd., 1972.
- Armstrong, Christopher, and H. V. Nelles. "Private Property in Peril: Ontario Businessmen and the Federal System, 1898-1911", in Glenn Porter and Robert B. Cuff, eds., <u>Enterprise and National Development: Essays in</u> <u>Canadian Business and Economic History</u>. Toronto: A. M. Hakkert Ltd., 1973.
- Avery, Donald. "Continental European Immigrant Workers in Canada 1896-1919: From 'Stalwart Peasants' to Radical Proletariat", <u>Canadian Review of Sociology and Anthro-</u> pology, XII, No. 1 (February, 1975), 53-64.
- Battye, John. "The Nine Hour Pioneers: The Genesis of the Canadian Labour Movement", <u>Labour/Le Travailleur</u>, IV (1979), 25-56.
- The Bay Area Kapitalistate Group. "Review of Alan Wolfe, <u>The Limits of Legitimacy</u>. New York: Free Press, 1977", Kapitalistate, No. 7 (1978), 107-126.
- Bechhofer, Frank, and Brian Elliott. "Persistence and Change: The Petite Bourgeoisie in Industrial Society", <u>Archives Européennes de Sociologie</u>, XVII, No. 1 (1976), 74-99.
- Bertram, Gordon W. "Economic Growth in Canadian Industry, 1870-1915: The Staple Model and the Take-Off Hypothesis", <u>Canadian Journal of Economic and Political</u> <u>Science</u>, XXIX (May, 1963), 159-184.

- -----. "Historical Statistics on Growth and Structure in Manufacturing in Canada, 1870-1957", in J. Henripin and A. Asimakopoulos, eds., <u>Conference</u> <u>on Statistics, 1962 and 1963</u>. Canadian Political Science Association. Toronto: University of Toronto Press, 1964.
- Biggar, E. B. "Progress of Canadian Industries", in J. Castell Hopkins, ed., <u>Canada: An Encyclopaedia of</u> <u>the Country</u>. Toronto: Linscott Publishing Co., 1899.
- Blanke, Bernhard, Ulrich Jürgens, and Hans Kastendiek. "The Relationship Between the Political and the Economic as a Point of Departure for a Materialistic Analysis of the Bourgeois State", <u>International Journal of</u> <u>Politics</u>, VI, No. 3 (1976-77), 68-126.
- Bliss, Michael. "'Dyspepsia of the Mind': The Canadian Businessman and His Enemies, 1880-1914", in David S. Macmillan, ed., <u>Canadian Business History, Selected Studies, 1497-1971</u>. Toronto: McClelland and Stewart Ltd., 1972.
- Chambers, E. J., and Gordon W. Bertram. "Urbanization and Manufacturing in Central Canada, 1870-90", in S. Ostry and T. K. Rymes, eds., <u>Conference on Statistics, 1964</u>. Canadian Political Science Associaton. Toronto: University of Toronto Press, 1964.
- Clark, S. D. "The Canadian Manufacturers' Association and the Tariff", <u>Canadian Journal of Economic and Political</u> <u>Science</u>, V (Feb., 1939).
- Cuff, Robert D. "The Toronto Eighteen and the Election of 1911", <u>Ontario History</u>, LVII (Dec., 1965), 169-180.
- Cuneo, Carl. "Class Exploitation in Canada", <u>Canadian Review</u> of <u>Sociology</u> and <u>Anthropology</u>, XV, No. 3 (Aug., 1978), 284-300.
- Curtis, C. A. "Dominion Legislation of 1935 -- An Economist's Review", <u>Canadian Journal of Economic and Political</u> Science, I, (Nov., 1935), 599-608.
- Derry, Kathleen, and Paul H. Douglas. "The Minimum Wage in Canada", <u>Journal of Political Economy</u>, XXX, No. 2 (Apr., 1922), 155-188.

- Esping-Andersen, Gosta, Roger Friedland, and Erik Olin Wright. "Modes of Class Struggle and the Capitalist State", Kapitalistate, No. 4/5 (1976), 186-220.
- Findlay, Marion. "Protection of Workers in Industry", <u>Annals of the American Academy of Political and</u> Social Science, CVII (May, 1923), 254-266.
- Fine, Ben, and Laurence Harris. "'State Expenditure in Advanced Capitalism': A Critique", <u>New Left Review</u>, No. 98 (July/Aug., 1976), 97-112.
- Firestone, O. J. "Development of Canada's Economy, 1850-1900", in <u>Trends in the American Economy in the</u> <u>Nineteenth Century</u>. Vol. 24. Princeton: National Bureau of Economic Research, Studies in Income and Wealth, 1960.
- Forsey, Eugene. "A Note on the Dominion Factory Bills of the 1880's", <u>Canadian Journal of Economic and Political</u> Science, XIII (Nov., 1947), 580-583.
- ----- "Insights Into Labour History in Canada", Industrial Relations, XX, 3 (July, 1965), 445-65.
- Fowke, Vernon. "The Myth of the Self-Sufficient Canadian Pioneer", <u>Royal Society of Canada, 3rd Transactions</u>, LVI, Series 3, Sec. 2 (1962), 23-37.
- Gough, Ian. "State Expenditure in Advanced Capitalism", New Left Review, No. 92 (July/Aug., 1975), 53-92.
- Hall, Stuart. "The 'Political' and the 'Economic' in Marx's Theory of Classes", in Alan Hunt, ed., <u>Class</u> <u>and Class Structure</u>. London: Lawrence and Wishart, 1977.
- Hanson, S. D. "Estavan 1931", in Irving M. Abella, ed., <u>On Strike: Six Key Labour Struggles in Canada 1919-1949</u>. Toronto: James Lorimer Co., 1975.
- Heron, Craig, and Bryan D. Palmer. "Through the Prism of the Strike: Industrial Conflict in Southern Ontario, 1901-1914", <u>Canadian Historical Review</u>, LVIII (Dec., 1977), 423-458.

- Humphries, Charles W. "The Sources of Ontario 'Progressive' Conservatism, 1900-1914", <u>Canadian Historical</u> Association, <u>Report</u> (1967-1968), 118-29.
- Humphries, Jane. "The Working Class Family, Women's Liberation, and Class Struggle: The Case of Nineteenth Century British History", <u>Review of Radical Political</u> <u>Economics</u>, IX, No. 3 (Fall, 1977), 25-41.
- Hunt, Alan. "Theory and Politics in the Identification of the Working Class", in Alan Hunt, ed., <u>Class and</u> <u>Class Structure</u>. London: Lawrence and Wishart, 1977.
- Hutcheson, John. "The Capitalist State in Canada", in Robert Laxer, ed., <u>(Canada) Ltd., The Political Economy of</u> <u>Dependency</u>. Toronto: McClelland and Stewart Ltd., 1973.
- Klein, Alice, and Wayne Roberts. "Beseiged Innocence: The 'Problem' and the Problems of Working Women -- Toronto 1896-1914", Women at Work. Ontario 1850-1930. Toronto: Canadian Women's Educational Press, 1974.
- Langdon, Steven. "The Emergence of the Canadian Working Class Movement, 1845-1875", Journal of Canadian Studies, VIII, No. 2 (1973), 3-13, No. 3 (1973), 8-26.
- MacMillan, J. W. "Minimum-Wage Legislation in Canada and Its Economic Effects", <u>International Labour Review</u>, LV (Apr., 1924), 507-537.
- -----. "Minimum Wage Administration". American Economic Review, XVIII, No. 3 (June, 1928), 248-251.
- MacNab, John E. "Toronto's Industrial Growth to 1891", Ontario History, XLVII, No. 2 (Spring, 1955), 59-80.
- McFall, Robert James. "Regulation of Business in Canada", <u>Political Science Quarterly</u>, XXXVIII, No. 2 (1922), 177-210.
- Mahon, Rianne. "Canadian Public Policy: The Unequal Structure of Representation", in Leo Panitch, ed., <u>The Canadian State: Political Economy and Political</u> <u>Power</u>. Toronto: University of Toronto Press, 1977.

Marglin, Stephen. "What Do Bosses Do? The Origins and Functions of Hierarchy in Capitalist Production", <u>Review of Radical Political Economy</u>, VI (Summer, 1974), 60-112, and VII (Spring, 1975), 20-37.

- Mavor, James. "The Relation of Economic Study to Public and Private Charity", <u>Annals of the American Academy</u> of Political and Social Science, IV (July 1893-June 1894), 34-60.
- Miliband, Ralph. "Marx and the State", in John Saville and Ralph Miliband, eds., <u>The Socialist Register, 1965</u>. London, 1965.
- -----. "The Capitalist State -- Reply to Nicos Poulantzas", New Left Review , No. 59 (Jan./Feb., 1970), 53-60.
- -----. "Poulantzas and the Capitalist State", <u>New Left</u> <u>Review</u>, LXXXII, No. 83 (Nov./Dec., 1973), 83-92.
- Morton, Desmond. "Aid to the Civil Power: The Canadian Militia in Support of Social Order, 1867-1914", in Michiel Horn and Ronald Sabourin, eds., <u>Studies in</u> <u>Canadian Social History</u>. Toronto: McClelland and Stewart Ltd., 1974.
- -----. "Aid to the Civil Power: The Stratford Strike of 1933", in Irving M. Abella, ed., <u>On Strike: Six</u> <u>Key Labour Struggles in Canada 1919-1949</u>. Toronto: James Lorimer and Co., 1975.
- Nelson, Daniel. "Scientific Management, Systematic Management, and Labour, 1880-1915", <u>Business History</u> Review, XLVIII, No. 4 (Winter, 1974), 479-500.
- Offe, Claus. "Political Authority and Class Structures: An Analysis of Late Capitalist Societies", <u>International</u> <u>Journal of Sociology</u>, II, No. 1 (Spring, 1972), 73-108.
- ------ "The Abolition of Market Control and the Problem of Legitimacy", <u>Kapitalistate</u>, No. 1 (1973), 109-119.
- ------. "Structural Problems of the Capitalist State", <u>German Political Studies</u>, I, No. 1 (1974).
- -----. "The Theory of the Capitalist State and the Problem of Policy Formation", in Leon N. Lindberg, Robert Alford, Colin Crouch, Claus Offe, eds., <u>Stress and Contradiction in Modern Capitalism</u>. Lexington, Mass.: Lexington Books, 1975.

- ------. "'Crisis of Crisis Management': Elements of a Political Crisis Theory", <u>International Journal of</u> <u>Politics</u>, VI, No. 3 (1976-1977), 29-67.
- -----, and V. Ronge. "Theses on the Theory of the State", New German Critique, VI (1975), 137-147.
- -----, and Helmut Weisenthal. "Two Logics of Collective Action: Theoretical Notes on Social Class and Organizational Form", <u>Political Power and Social Theory</u>, I (1979), 67-115.
- Ostry, Bernard. "Conservatives, Liberals and Labour in the 1870's", <u>Canadian Historical Review</u>, XLI (June, 1960), 93-127.
- ------. "Conservatives, Liberals and Labour in the 1880's", <u>Canadian Journal of Economic and Political</u> Science, XXVII (May, 1961), 141-161.
- Pentland, H. C. "The Canadian Industrial Relations System: Some Formative Factors", <u>Labour/Le Travailleur</u>, IV (1979), 9-24.
- ------. "The Development of a Capitalistic Labour Market in Canada", <u>Canadian Journal of Economic and Political</u> <u>Science</u>, XXV (Nov., 1959), 450-461.
- Perkins, George W. "Co-Partnership", <u>Addresses Delivered</u> <u>Before the Canadian Club of Ottawa, 1911-12</u>. Ottawa, 1912.
- Piva, Michael. "The Workmen's Compensation Movement in Ontario", <u>Ontario History</u>, LXVIII (Mar., 1975), 39-56.
- -----. "Workers and Tories: The Collapse of the Conservative Party in Urban Ontario, 1908-1919", <u>Urban</u> History Review, No. 3-76 (Feb., 1977), 23-39.
- Poulantzas, Nicos. "The Problem of the Capitalist State", New Left Review, No. 58 (Nov./Dec., 1969), 67-78.
- ----- "The Capitalist State: A Reply to Miliband and Laclau", <u>New Left Review</u>, No.95 (Jan./Feb., 1976), 63-83.
- Ramkhalawansingh, Ceta. "Women During the Great War", in Janice Acton, Penny Goldsmith and Bonnie Shephard, eds., <u>Women at Work, Ontario 1850-1930</u>. Toronto: Canadian Women's Educational Press, 1974.

- Roberts, Wayne. "Artisans, Aristocrats and Handymen: Politics and Trade Unionism Among Toronto Skilled Building Trades Workers, 1896-1914", <u>Labour/Le</u> Travailleur, I (1976), 92-121.
- Rudin, Bradley. "Mackenzie King and the Writing of Canada's Anti-Labour Laws", <u>Canadian Dimension</u>, VIII, 4-5 (Jan., 1972), 42-48.
- Sardei-Biermann, Sabine, Jens Christiansen, and Knuth Dohse. "Class Domination and the Political System: A Critical Interpretation of Recent Contributions by Claus Offe", <u>Kapitalistate</u>, No. 2 (1973), 60-69.
- Saville, J. "The Welfare State: An Historical Approach", in Eric Butterworth and Robert Holman, eds., <u>Social</u> <u>Welfare in Modern Britain</u>. London: Fontana/William Collins and Sons Ltd., 1975.
- Schecter, Stephen. "Capitalism, Class, and Educational Reform in Canada", in Leo Panitch, ed., <u>The Canadian</u> <u>State: Political Economy and Political Power</u>. Toronto: University of Toronto Press, 1977.
- Scott, Bruce. "Cultivating the Worker's Smile: Works Councils in Canada", <u>This Magazine</u>, XI (Jan./Feb., 1977), 30-33.
- ----- "'A Place in the Sun': The Industrial Council at Massey-Harris 1919-1929", Labour/Le Travailleur, I (1976), 158-92.
- Simeon, Richard. "Studying Public Policy", <u>Canadian Journal</u> of Political Science, IX, 4 (Dec., 1976), 548-580.
- -----. "Regionalism and Canadian Political Institutions", in J. Peter Meekison, ed., <u>Canadian Federalism: Myth</u> or <u>Reality</u>. 3rd ed. Toronto: Methuen, 1977.
- Skelton, O. D. "General Economic History, 1867-1912", in Adam Shortt and Arthur G. Doughty, eds., <u>Canada and</u> <u>Its Provinces</u>. Vol. IX. Toronto: Glasgow, Brock and <u>Co.</u>, 1914.
- Stamp, Robert M. "Technical Education, the National Policy, and Federal Provincial Relations in Canadian Education, 1899-1919", <u>Canadian Historical Review</u>, LII (Dec., 1971), 404-23.

Stevenson, Garth. "Federalism and the Political Economy of the Canadian State", in Leo Panitch, ed., <u>The Canadian State: Political Economy and Political</u> <u>Power</u>. Toronto: University of Toronto Press, 1977.

- Stewart, Bryce. "Unemployment and Organization of the Labour Market", <u>Annals of the American Academy of</u> Social and Economic Science, CVII (May, 1923), 286-293.
- Stone, Katherine. "The Origins of Job Structures in the Steel Industry", <u>Review of Radical Political</u> Economy, VI (Summer 1974), 113-174.
- Taylor, Frederick Winslow. "The Principles of Scientific Management", Jan. 18, 1913. <u>Addresses Delivered Before</u> the Canadian Club at Ottawa. Ottawa, 1914.

. "Scientific Management", Jan. 20, 1913. Addresses Delivered Before the Canadian Club at Toronto, 1914. Toronto, 1914.

- Teeple, Gary. "Land, Labour and Capital in Pre-Confederation Canada", in Gary Teeple, ed., <u>Capitalism and the</u> <u>National Question in Canada</u>. Toronto: University of Toronto Press, 1972.
- Wilbur, J. R. H. "H. H. Stevens and R. B. Bennett 1930-34", Canadian Historical Review, XLIII (Mar., 1962), 1-16.
- Young, Wm. Robert. "Conscription, Rural Depopulation, and the Farmers of Ontario, 1917-1919", <u>Canadian</u> Historical Review, LIII (Sept., 1972), 288-320.
- 3. Newspapers and Magazines

Business Week, Nov. 20, 1937.

Financial Post, Feb. 22, 1919.

- <u>Globe</u>, Sept. 28, 1866; Jan. 21, 1914; Nov. 10, 30, Dec. 28, 1918; Feb. 22, Mar. 3, Apr. 1, 11, 1919; Feb. 8, 17, Mar. 10, 15, May 1, 1923; Mar. 13, 20, 1924; Feb. 11, 18, Mar. 13, 1926; Feb. 21, 1931; Mar. 24, 1936.
- Jack Canuck (Toronto), scattered issues, 1911, 1913-1915, 1917. PAO, Microfilm B90.

- Industrial Banner (London 1897-1912; Toronto 1912-1920), Jan. 1897-Aug. 1920. PAO, Microfilm.
- <u>Industrial Canada</u> (Canadian Manufacturers' Association), \*\*
- The Labour News (Hamilton), Jan. 5, 1912-Dec. 1920. PAO, Microfilm.
- Mail and Empire (Toronto), Mar. 13, 1919.
- Monetary Times, Nov. 2, 1877; Dec. 3, 1880; June 2, 1882.
- The New Democracy (Hamilton), May 22, 1919-July 5, 1923. PAO, Microfilm.
- News, July 22, 1914.
- Star (Toronto), July 22, 1914.
- Telegram (Toronto), Feb. 28, 1919.
- The Tribune (Toronto), Sept. 1905-Sept. 1906. PAO, Microfilm.
- 4. Government Documents, Reports, and Proceedings
- Canada. Census. 1871, 1891, 1901.
- Canada. Department of Labour. Labour Gazette, September \* 1905, July, 1919.
- Report of Proceedings and Discussions, Sept. 15-20, 1919. Ottawa: King's Printer, 1919.
- of Living. Ottawa: King's Printer, 1917.
- -------. <u>The Rise in Prices and the Cost of Living in</u> <u>Canada, 1900-1914</u>. Submission to the Board of Inquiry into the Cost of Living. Ottawa: King's Printer, 1915.
- Canada. Dominion Bureau of Statistics. <u>The Canada Year</u> Book, 1925. Ottawa: King's Printer, 1926.

- -----. The Canada Year Book, 1939. Ottawa: King's Printer, 1940.
- -----. The Canada Year Book, 1941. Ottawa: King's Printer, 1942.
- Canada. House of Commons. <u>Official Report of Debates</u>. May 7, 1909; Dec. 15, 1910; Jan. 11, 16, 1911.
- -----. "Proceedings of the Special Committee on Bill No. 21 'An Act Respecting Hours of Labour on Public Works'", Journals, 1909-10, XLV, Appendix 4.
- ----- "Select Committee on the Causes of the Depression in Trade", Journals, 1876, X, Appendix 3.
- ----- "Select Committee on Manufacturing Interests of the Dominion", Journals, 1874, VIII, Appendix 3.
- Canada. Royal Commission on Price Spreads. <u>Report</u>. Ottawa: King's Printer, 1937.
- Canada. "Report of the Commissioners appointed to Enquire Into the Working of Mills and Factories of the Dominion, and the Labour Employed Therein", <u>Sessional Papers</u> (1882), IX, No. 42.
- Mavor, James. "Report on Workmen's Compensation for Injuries", Ontario, Sessional Papers (1900), XXXII, No. 40.
- Meredith, Sir William Ralph. "Interim Report on Laws Relating to the Liability of Employers to Make Compensation to Their Employees for Injuries Received in the Course of Their Employment Which Are in Force in Other Countries, Toronto 1912", Ontario, <u>Sessional Papers</u> (1912), XLIV, No. 65.
- ----- "Second Interim Report on Laws Relating to the Liability of Employers", Ontario, <u>Sessional Papers</u> (1913), XLV, No. 85.
- ------ "Final Report on Laws Relating to the Liability of Employers to Make Compensation to Their Employees for Injuries Received in the Course of Their Employment Which Are in Force in Other Countries", Ontario, Sessional Papers (1914), XLVI, No. 53.

- Middleton, W. E. "Report of the Commissioner in the Matter of the Workmen's Compensation Act", Ontario, <u>Sessional Papers</u> (1932), LXIV, No. 37.
- Ontario. Annual Report of the Bureau of Industries for the Province of Ontario, 1883-1885, <u>Sessional Papers</u> (1884-1886), XVI-XVIII.
- Ontario, Department of Agriculture. Factory Inspection Branch. Annual Reports of the Inspectors of Factories, 1888-1915, 1st-28th, <u>Sessional Papers</u> (1896-1916), XX-XLVIII.
- Ontario. Department of Labour. Annual Reports of the Department of Labour, 1920-1940, 1st-21st, <u>Sessional</u> Papers (1921-1941), LIII-LXXIII.
- ----- Minimum Wage Branch. Annual Report of the Minimum Wage Branch, 1921-1934, <u>Sessional Papers</u> (1922-1935), LIV-LXVII.
- -----. Workmen's Compensation Board. Report of the Workmen's Compensation Board of Ontario, 1914-1942, Sessional Papers (1915-1943), LXVII-LXXV.
- Ontario. Department of Public Works. Trades and Labour Branch. Report of the Trades and Labour Branch, 1916-1919, 1st-4th, Sessional Papers (1917-1920), XLIX-LII.
- Ontario. Legislative Assembly. "Report of the Industrial Rehabilitation Board Committee, 1921", <u>Journals</u>, 1921, LV, Appendix 1.
- Ontario. "Report of the Commissioners Appointed to Enquire Into the Prison and Reformatory System of Ontario, 1891", Sessional Papers (1891), XXIII, No. 18.
- Ontario. "Report of the Ontario Commission on Unemployment", <u>Sessional Papers</u> (1916), XLVIII, No.

Statutes of Ontario. 1867-1939 [scattered years cited].

## Unpublished Sources

#### 1. Theses

- Armstrong, Christopher. "The Politics of Federalism: Ontario's Relations With the Federal Government, 1896-1941". Ph.D. dissertation, University of Toronto, 1972.
- Atherton, James J. "The Department of Labour and Industrial Relations, 1900-1911". M.A. dissertation, Carleton University, 1972.
- Bear, M. R. "The Impact of Social Change on the Organization of Welfare Services in Ontario: 1891-1921 -- The Development, Organization and Administration of the Workmen's Compensation Act of 1914". M.S.W. dissertation, University of Toronto, 1966.
- Bristow, D. A. "Agrarian Interest in the Politics of Ontario. A Study With Special Reference to the Period 1919-1949". M.A. dissertation, University of Toronto, 1950.
- Crossen, Trevor Wayne. "The Political Career of Attorney-General Arthur Wentworth Roebuck, 1934-37". M.A. dissertation, University of Waterloo, 1973.
- Lawson, Margaret Ruth. "Some Economic Phases of Minimum Wage Legislation in Ontario". M.A. dissertation, University of Toronto, 1926.
- Masters, Jane Elizabeth. "Canadian Labour Press Opinion, 1890-1914: A Study in Theoretical Radicalism and Practical Conservatism". M.A. dissertation, University of Western Ontario, 1970.
- Piva, Michael. "The Condition of the Working Class in Toronto, 1900-1921". Ph.D. dissertation, Concordia University, 1975.
- Prang, Margaret. "The Political Career of Newton W. Rowell". Ph.D. dissertation, University of Toronto, 1959.

- Rhodes, D. Berkley. "The Star and the New Radicalism, 1917-1926". M.A. dissertation, University of Toronto,
- Samuels, E. "The Red Scare in Ontario. The Reaction of the Ontario Press to the Internal and External Threat of Bolshevism, 1917-1918". M.A. dissertation, Queen's University, 1971.
- Stamp, Robert M. "The Campaign for Technical Education in Ontario, 1876-1914". Ph.D. dissertation, University of Western Ontario, 1970.
- Tennyson, Brian D. "The Political Career of Sir William Hearst". M.A. dissertation, University of Toronto, 1963.
- Young, Wm. Robert. "The Countryside on the Defensive: Agricultural Ontario's Views of Rural Depopulation, 1900-1914". M.A. dissertation, University of British Columbia, 1971.

2. Archival Holdings

1955.

a) <u>Baldwin Room, Metropolitan Toronto Central Public Library</u> John Warburton Buckley Papers. Correspondence, Vol. 2. James Simpson Papers. Correspondence.

- b) Public Archives of Canada
- Charles H. Cahan Papers. Correspondence 1923-39, Vols. 1 and 2.
- Canada. Cabinet Records. Orders in Council, 1917-1920. Reconstruction and Development Committee, Labour Sub-Committee.
- Canada. Department of Labour Records. Vols. 1, 2, 34, 42, 49, 65, 68, 69, 71, 106, 107, 112, 113, 114, 116, 117, 118, 121, 123 124, 125, 158, 160, 161, 162, 166, 167, 168, 183, 184, 186, 197, 208, 210, 211, 249, 251, 255, 257, 260, 274, 620, 622, 634, 637, 834, 866, 3102.

- Canada. Department of Militia and Defence Records. Vol. 610.
- Canada. Royal Canadian Mounted Police Records. Vols. 598, 603.
- Canadian Reconstruction Association Papers. Books II and III.

Robert H. Coats Papers.

Sir Joseph Wesley Flavelle Papers. Imperial Munitions Board Correspondence. Vols. 2, 6, 7, 9, 13, 18, 22, 28, 36, 46, 48.

Sir George Gibbons Papers. Letterbook. Vols. 5, 6, 8.

William Charles Good Papers. - Vols. 12, 14, 23, 24.

Henry Albert Harper Papers. Vols. 1 and 2.

Abraham A. Heaps Papers.

Sir Edward Kemp Papers. Vols. 100, 110, 118, 137.

Hubert Richmond Kemp Papers. Vols. 2, 4, 6.

Sir Rodolphe Lemieux Papers. Vols. 1, 2, 3, 5.

Charles A. Magrath Papers. Vols. 4, 8, 11.

Tom Moore Papers.

Sir George H. Perley Papers. Vol. 14.

William Nisbet Ponton Papers. Vols. 15, 16.

Prime Ministers' Papers. William Lyon Mackenzie King. Memoranda and Notes, 1887-1939.

Prime Ministers' Papers. Arthur Meighan. Correspondence, 1920-1935.

Richard A. Rigg Papers.

Sir Newton W. Rowell Papers.

Adam Shortt Papers. Correspondence, 1907, 1908, 1919, 1925, 1926.

Sir Arthur Lewis Sifton Papers. Vol. 9.

Charles Bruce Sissons Papers. Vol. 6.

Phillips Thompson Papers.

Sir Thomas White Papers. Vols. 15 and 21.

Sir John Willison Papers. Vols. 1-8, 10-12, 14, 20-21, 23-24, 26-27, 29-31, 35-36, 38, 46, 48.

James Shaver Woodsworth Papers. Vols. 6, 9-11, 13.

# c) Public Archives of Ontario

Frank Beer Papers.

Communist Party of Canada Papers.

- Workmen's Compensation Address by Miles M. Dawson at Luncheon of Canadian Manufacturers' Association at McConkey's, Friday, Mar. 6, 1914. Pamphlet 1914, No. 35.
- Ontario. Department of Attorney-General Records. Office Files, 1926-1939 and Correspondence 1900-1936.
- Ontario. Department of Labour Records. Office of the Minister. General Subject Files, vols. 1-26; Industrial Standards Act, 1935-1937, vols. 1-4; Disputes and Strikes, 1937-1938, vol. 1; Workmen's Compensation, 1937-1941, vol. 1; Workmen's Compensation Claims, 1937-1939, vols. 1-2.
- ------ Office of the Deputy Minister. General Subject Files, 1916-1939, vols. 1-30; Legislation and the Legislature, 1918-1935, vols. 1 and 2; Low Wages and the Industrial Standards Act, 1934-1936, vols. 1-3.

- -----. Ontario Labour Relations Board, 1935-1961. Strikes and Lockouts, 1935-1939. Vol. J.
- ------. Research Branch, 1919-1975. Senior Investigator, 1923-1945. Vols. 1-8.
- -----. Manpower Services Division, 1920-1968. Employment Standards Branch, 1920-1939. Vols. 1-5, 27-38.
- ------ Clippings, Pictures, Pamphlets, Leaflets, 1915-1962. Scrapbooks, 1921-1945, vols. 5-7; Pamphlets and Leaflets, 1915-1946, vols. 3 and 4.
- Department of Provincial Secretary Records. Minister's Correspondence. Vols. 16, 24, 33, 34, 42, 44, 46, 53, 58, 70, 74, 76, 79, 81, 85, 99.
- Ernest Charles Drury Papers. 1901-1967.
- George H. Ferguson Papers. 1905-1939.
- Sir William Hearst Papers. 1909-1919. Speeches, 1912-1919; Correspondence, 1918-1919; Minutes Book of Ontario Housing Committee, 1918-1919.

Peter Heenan Papers. Political Papers.

George S. Henry Papers. 1912-1937.

I. B. Lucas Papers. Letters.

F. G. MacDiarmid Papers. Microfilm.

Sir William Mulock Papers.

Newspaper Hansard. 1900-1939.

Premiers' Records. General Correspondence, 1899-1930.

- Price, S. "Report Re: Limitation of the Hours of Labour of Underground Workmen in the Mines of Ontario". Pamphlet 1913, No. 33.
- Arthur Wentworth Roebuck Papers. Political Correspondence, 1910-1967, vols. 16-23; Subject Files, vols. 67-69; Speeches, 1911-1963, vol. 106.

\*

Sir James P. Whitney Papers. Correspondence, 1909-1914.

Wright, Alexander. Report Upon the Sweating System in Canada, 1896. Pamphlet 1896, No. 25. [Also printed in Canada, Sessional Papers (1896), XXIX, No. 61.]