

(November 9, 1926)

International Labor Organization

By MR. H. B. BUTLER,

Deputy Director International Labor Office, Geneva.

PRESIDENT SEDGEWICK: The organization of the Labor Bureau, at Geneva, is one of the most interesting developments of the League of Nations organization. We are very fortunate that we have with us today, in the person of Mr. Butler, a gentleman who is deputy director of that Labor Organization at Geneva with the League of Nations, and who is. I am told, one of the outstanding men at Geneva in the work of the League. I am told that if you go to Geneva and ask for one of the important men, our guest of today will be mentioned among the first three. For that reason we are to be congratulated on the fact that he has been willing to come and speak to us today, and I have much pleasure in introducing to you Mr. Butler.

MR. H. B. BUTLER: Mr. Chairman and gentlemen, I am afraid I have no claims to be an orator, and that what I have to say will seem rather poor in comparison with some of the speeches to which you have listened here. I have had no oratorical training. I spent most of my life as a civil servant, where one is taught to keep one's mouth shut rather than open. Even the job I am now doing is more of that character than one which demands eloquence as an essential qualification. Perhaps it is for that reason that too little is known about the labor part of the League to which I belong. I think perhaps we are not giving it publicity, which is an art that you understand better over here than we do on the other side of the Atlantic. Be that as it may, I am going to try and give you, quite directly and simply, a few facts about the organization as it is.

The first point is this, that we are not only a part of the League of Nations, but an essential part. When the Peace Treaty was drafted in Paris in 1919 it contained two portions which were related to the League. Part one, which contains the covenant, and part 13, which constitutes the International Labor Organization. Their relation has not always been sufficiently understood. In order to understand it you must look back to conditions as they then were, and forward to conditions which we are now approaching.

The problem then was reconstruction, political, economic and social; and without social reconstruction neither political nor economic reconstruction was possible. In 1919 all the frontiers had been removed, and not only Europe, but even some countries outside of it were in a state of seething disquiet and unrest. I remember very well in those days when the first Industrial Conference met in Great Britain, hearing Mr. Lloyd George make a very eloquent appeal to the employers and trade union representatives who were convened there, when he said to them that England at that time was the one solid rock in a very troubled sea, and that if that rock were to shake no one could tell what would happen in Europe. Well, that was absolutely true of the situation at that time, and unless something had been done to bring about social stabilization I am fairly convinced, from what I have seen in the past seven years, that we should not have made as much progress as we have towards political stability and economic reconstruction.

At the present time you may say that the first period of the League's existence has come to an end. Last September Germany was admitted, and this put an end to the old situation by which you had the countries which won the war on one side in the League and Germany outside the League. Now they are all in it, and that means the beginning of a new period of international co-operation. The same thing is true to a large extent on the economic side, and the League itself played a very considerable part in bringing about that stability. As you know, the League took over the finances of Austria and Hungary when both of those countries seemed to be in a desperate condition; but they are now on their feet; the League commissioners have

been withdrawn; their currencies are stable, and their economic life has resumed its course. Similarly, the League has assisted and is still assisting in the resettlement of a million refugees who were turned out of Asia Minor and put back into Greece. You can imagine what kind of a problem that presented. We had a million new citizens in a country which is not very large or very fertile, and on receiving a large loan of about \$50,000,000 that problem is on the way of being satisfactorily settled.

Generally speaking, all through Europe the economic life is once more beginning to flow freely. Evidently that would not have happened if there had been a continuation of the unrest which existed immediately after the Armistice; and I think we may take some credit to ourselves in the International Labor Organization for the pacification which has taken place in the industrial world. I will explain in a few minutes how we have done it.

The other night at Montreal Mr. Tom Moore said we ought not to be called the International Labor Organization but the International Industrial Organization. I think perhaps he was right, I fear that perhaps the title has created misunderstandings and misapprehensions in the mind of a good many people, some of whom have supposed that we are directly connected with the Third International, and some people think that we convene every year the representatives of the Labor Organizations under that flag and everywhere else; but that is not the case. Briefly, our constitution is as follows: Every year we have a conference, at which each country is represented by four delegates, two of them representing the Government; they are usually either Ministers of Labor or prominent officials from the various Labor Departments. One of them represents the employers and the other represents the workers' organizations. Canada is usually represented by Dr. Riddell, who I think is very well known here, and who has done splendid work at Geneva. (Hear, hear). He is the Canadian adviser attached to the League, and is always one of its representatives at our Conference, and is the representative of the Canadian Government on our governing body, which is the Council which controls the policy

of the office. Then on the employers' side we have had one or two people whom I am glad to see here today—Mr. Melville White and Mr. Cote—and others drawn from the Canadian Manufacturers' Association; while on the labor side we have had Mr. Tom Moore and Mr. Draper. Thus the conference consists of one-half labor delegates, one-fourth employers and one-fourth workers. Under that Constitution no important motion can be carried unless there is a two-third majority. The object of that provision was to ensure that the Governments—who, in the last resort, are the people who have to give effect to the decisions of the Conference—should have the preponderating voice.

The decisions of the Conference usually take the form of what are called draft conventions. There is a great deal of other business which is performed, but I will not enter into that for lack of time. A draft convention, in other words, is a treaty establishing a certain standard of labor conditions with regard to such questions as hours of labor, night work of women, the age to admit children into industry, workmen's compensation, etc. When one of those conventions has been adopted by a two-thirds majority it goes back to the Governments of the various countries. They are not under an obligation to carry out the conventions, but they are under obligations to submit them to what they call their competent authority, which in most cases is Parliament, but Parliament is perfectly free to accept or reject, and in that way the sovereignty of nations is preserved. But there is the obligation—which is new—to bring these things before Parliament. In the old days of diplomatic conferences there was no obligation of that kind, and it very often happened that a treaty would lie for years in pigeon-holes or Government departments before any action was taken on it, and sometimes action was never taken. That is not permitted under our constitution, and yet the full control of each country is preserved.

You will see that those are not mere paper resolutions. We do not simply meet there and have a nice little debating society once a year, but when conventions are adopted they reach very practical results. If they are accepted, the country then ratifies, that is, sends the document to the

Secretary of the League saying that the Government accepts that Convention and undertakes to carry it out for the period of ten years, and when it has done that it also assumes the obligation to send a report every year to the International Labor Office, explaining in detail the measures taken to carry out its provisions, so that we know whether effective steps have been taken to enforce the convention, and if there is any doubt on that point it is always possible to raise it in the Conference. Such questions have been raised, and it is now proposed to appoint a permanent standing committee of independent and impartial experts—men like Sir William Mackenzie, for instance—who will examine those reports critically and make an annual report back to the Conference as to what they find; so the machinery is calculated and intended to produce concrete results.

What results have been accomplished thus far? At present there are seventeen conventions operative, nine of them dealing with industry; 214 ratifications have been deposited with the Secretary-General, representing roughly about 33 per cent. of possible ratifications. It is interesting to notice what countries have paid most attention to them, in other words, to note the practical effect of those conventions. For that purpose you may divide the world into three classes: first, the new countries of Europe, like Poland, Czecho-Slovakia, etc. Some people think those countries do not matter; but Poland has 30,000,000 people, with an area as great as New York, New Jersey, Pennsylvania and Illinois put together; with very large deposits of coal, a large textile industry, a growing steel industry, and making a great effort to become a big industrial country. Czecho-Slovakia, with about 13,000,000 people, contains a greater part of the industrial region of the old Austro-Hungarian empire, with some very big industries, the steel industry and the Skova works, a glass industry, etc.—a very big and rising industrial country, with a great deal of dash and go about it. Those countries had no special legislation. They started with a clean sheet, and were free to write on it anything they liked, or nothing at all, but they took as their basis the international convention. Poland

has ratified fourteen out of seventeen conventions; of course she was not interested in those dealing with maritime matters. Czecho-Slovakia has ratified eight; and if you run down the Western Frontier of Russia you will find that all the countries along that line have taken our Conventions as their basis—Albania twelve, Roumania twelve, Bulgaria sixteen, etc. The reason for that is that all those countries were very susceptible to the subversive influences coming from the East, and they felt that unless they had a good standard of social legislation for their people those subversive influences would get the upper hand. I think that is why you find a very fairly progressive standard being adopted in those countries, and a uniform standard to a very large extent.

The second class that I would mention are the Oriental countries. There you have two great countries with enormous possibilities—Japan and India. Japan increased the number of her factories from about 14,000 in 1914 to 71,000 in 1921; I do not know the figure today. India has progressed at an even faster rate; it has a population of 315,000,000 and about 10,000,000 of them are already engaged more or less in industrial occupations. If those countries had no social legislation—they had very little in 1919—the danger which they present to countries with a high standard of social achievement hardly needs any emphasis. As a matter of fact, both of them have taken a very keen interest in the Labor Organization, and have gone as far as they felt it possible in carrying out its decision. Both of them have abolished child labor by ratifying the child labor convention. In India they have abolished night work for women by ratifying another one; and at this year's conference the Japanese Delegation announced that an act had been put into operation in Japan which would have the same effect three years from now. Some people complained that three years was a long time to wait, especially the Indian Delegation, who said that they had carried out part of their bargain and they expected Japan to do the same—which is an illustration of how international competition makes itself felt, and makes the establishment of international standards necessary. There was quite a lively de-

bate on this subject, lasting the whole of one day, between the Japanese and the Indians, and as a result Japan has undertaken to bring her night-work legislation into effect, and although it is three years from now, that is a very short period if you look at the industrial progress of the nation. India has reduced the hours of labor from seventy-two to sixty as a result of ratifying our convention, and in some industries to forty-eight hours; and both those countries have done a number of other things which, although not arising directly out of conventions, have been very much stimulated by the contacts they have made at our conferences with the people from more advanced countries.

That, I think, is one of the great and essential functions of the Conference. Quite apart from any specific decisions at which it arrives, the exchange of experiences is of undoubted value to the countries without very much industrial experience. That is true not only on the employers' side and on the side of administrators who govern people, but also on the labor side; and I have not much doubt that contact with the western labor leaders who have had long experience and have learned a great deal of wisdom has had a profound influence on some leaders from countries with less experience, very much tempted to go to more extreme lengths.

The last category I intend to say much about is that of the industrial countries. They have done their bit, though sometimes it is more difficult for them than for the newer countries, just because they had a system of social legislation which is on the level of the conventions, more or less—usually more. But it very often happens that in one or two slight particulars there is a difference between their national legislation and the convention which prevents them from ratifying. That has been the case in Great Britain in one or two instances, and in Germany in several instances, and very often they have not thought it worth while to adjust a very slight difference of that kind; they wait for a general revision of their factory Act, and then bring it about. Great Britain has ratified thirteen conventions, France, six, Germany five, but those two have a number of others on the stocks which are now before the French and German

Parliaments, which I think will lead to ratifications soon. Belgium has ratified thirteen, Sweden twelve, Italy twelve, etc.; so that the older countries have been right at the head of the movement, and without their example it would not have gone nearly as fast as it has. To enable you to appreciate what has been done I would ask you to throw your minds back and think how long it has taken to bring about some measures which have been carried through since the war in those newer countries, and especially seven years ago. I do not know how long it took to achieve the abolition of slavery in Great Britain, but I fear it was as many as twenty years; so I think there is no doubt that the labor organization has had the effect of bringing those countries up to the level of the older countries far more rapidly than could have been achieved by any other means.

Now I would like to speak about the other side of the work, the labor office; we talk about it as you talk about the Department of Labor, or the Ministry of Labor in Britain. We have a permanent staff, with two functions to perform. First we have to prepare the work of the Conference, which is a far more intricate and elaborate business than you might suppose. Experience has taught us that it is of no use to have any kind of an international conference unless it has been thoroughly prepared beforehand. It is of no use to get people together and expect them, especially governments, to commit themselves, unless they know exactly where they are going. Consequently we fix our agenda 18 months in advance of the Conference, and then the Office proceeds to prepare as complete information as it can obtain (and now it can secure fairly full information) on each of the questions to be discussed. It puts that information into a book of two or three hundred pages, printed in three languages, and circulates it to the Governments, in good time before the Conference meets. That enables them to work out the whole thing, consult anyone who has to be consulted, consult the employers and labor people; in this country to consult the provinces, and thus to send its delegation with a mind clear and definite as to what it can and cannot do. Of course that involves a great deal of work. Last year we tried to reduce that information

to a table so that a glance would show what benefits were conferred, what premiums were paid, etc., in connection with Workmen's Compensation, and the cost of administration in each country. That was of enormous assistance, and enabled the Conference to deal with the subject in a comparatively short time, because we cannot keep people there more than three or four weeks, and they must work intensively while they are there.

The other part of our work is the research work. Of course that goes in to some extent with the conference work, but apart from the conference we publish a monthly periodical which is technical in the sense that it contains statistics of wages, employment, cost of living, etc., also special articles on various subjects from all over the world. In addition to that we publish a good many special reports on all kinds of questions such as reports on industrial conditions in Russia, and we are preparing one on those conditions in Asia; we are making the first international comparison between conditions of work in coal mines in the different areas, and we are doing a good many other things. Those publications are beginning to be appreciated. We have gone into the commercial field, and we make something like \$30,000 a year out of our publications, which we will increase materially before long, now that we have made a footing. Our agents in this country are the League of Nations Society at Ottawa, and copies can be had there.

We have now a staff of about three hundred and fifty, drawn from thirty-three nationalities. You may think that that is a difficult kind of office to run, but it is much less difficult than you might suppose, because we all talk both English and French, and I do not think there is much difference between the way the work is done in our office and in several Government Departments with which I have been connected. The cost of the whole organization—the running of the Conference and the office itself—is about \$1,500,000 a year. That expense is met by the fifty-five states that are members of the League, in their proportion, Canada's share being about \$67,000, which works out per capita at two cents once every three years. The office is controlled by a governing body consisting of twelve repre-

sentatives—six employers and six workers. Of the twelve governments, eight are the eight states of chief industrial importance, as we call it in the Treaty. One of those is Canada; she holds the fifth class, and it is interesting to note that three out of those eight are parts of the British Empire—Great Britain, Canada and India. India claimed a place as against Switzerland, which was first appointed, and she won it on an appeal to the Council of the League. An official classification was made in which Canada was fifth and India was eighth. In addition to those official representatives there are three or four others from the British Empire—two employers and two workers. There is a British employer and a South African employer and a British worker and a Canadian worker, so that you have seven out of the twenty-four who come from the British Empire. That body meets every three months, and is responsible for everything we do; it determines the policy; it draws up our budget; it scrutinizes our expenditure with an extreme meticulousness, and generally looks after the running of the whole machine.

Of course you must not think that we are going to revolutionize the world in three or four years, though a great many people expect that of the League. It is going to take a long time. The world has been accustomed to work by non-co-operative methods, and it will take a little education for it to learn to work the other way; but during the last seven years it has certainly made surprising progress in that direction, when one realises how much has been accomplished.

Now, what is Canada's part in this matter? You are a country with a very high standard of living, as I judge it. In Toronto I understand 65 per cent. of the population own their houses, and from personal impression I should say about 200 per cent. own their motor cars. Well, that is a very high standard, and it shows that you are paying good wages and prospering. I do not think anyone can come here without getting that impression very strongly. Just for that reason I think Canada has a big part to play. While you cannot get absolutely uniform standards, and perhaps that is not even desirable, there must be some considerable

measure of uniformity if low labor standards are to be avoided. That is what we are trying to do, and we want as much support as we can get from countries like Canada, where you have already established high standards and where you have shown that these are entirely beneficial instead of being detrimental to industries.

I have heard people say that they are not going to support the League of Nations because they do not feel personally convinced that it is always going to prevent war. Well, I do not know whether it is or not, but I am quite sure that you can never prove whether it has prevented a war or not. I am fairly certain that its intervention has had the effect of preventing war on more than one occasion in the last seven years, but you cannot prove it because the war never happened, and therefore you cannot prove that it would have taken place. It is some of the same with us; you may say you cannot see any use in supporting the International Labor Organization because the relations between capital and labor and the international relations between nations would have adjusted themselves without it. They might have. All I am trying to show you is that in point of fact it has contributed very materially to both those ends. We are not perfect; we do not pretend we are, or that our machinery is any more perfect than that of the first motor car or airplane. No doubt as time goes on adjustments will have to be made to meet the changing circumstances of the world; but one can say this—that it is the only machine there is, and if anybody knows a better one, well, for goodness sake let us have that; but until there is a better one don't try and smash the one that exists, but rather oil its wheels and make it work better than it has worked hitherto.

The president conveyed the thanks of the Club to the Speaker for his very informative address, which would be helpful to the members of the club in their consideration of the Labor Department of the League of Nations.