

CORRESPONDENCE

THE writer of this letter is J. B. Mavor, the Chairman of a large engineering firm in Glasgow. Mr. Mavor has had a life-long experience in the handling of industrial negotiations. He recently spent several months in Australia on a business and health trip. He became seriously disturbed by the extent of industrial unrest in this country. As the views of an overseas observer of considerable knowledge and experience, this letter on the Australian industrial scene is of particular interest.

Dear Sir,

I have read the "REVIEW" from cover to cover, and would in all humility congratulate you most heartily on the production. May it prosper and grow in strength.

One point, and one only, did I find I was in disagreement with: the paragraph on page twenty-five* headed "Framework of Consultation" is upside down. Until the factory and industry levels are fully established, the further away the State and general councils are kept the better. State and general councils are always inclined to interfere in matters which they do not understand; yes, and in reason cannot be expected to understand. The fellows who should get down and make the foundation of the structure are most surely those who are indeed the fabric of it. If they are not intelligent enough to do this, then the communists and other dictators are right, and we are all wrong.

Since arriving on the coasts of Australia, before Christmas, no newspaper has been published that has not carried the sad tale of a dispute or strike of major dimensions. In the face of all the kindness and kindness I and my wife have experienced in all walks of life we have contacted, this creates a pain round the heart. Here is a bit of us, a section of the British Empire, with everything in its favour; so much so that other nations and races are obviously casting covetous eyes upon her; and in face of real imminent danger of forced disintegration, you all

* See March number of "Review," page 25.

appear to indulge in mutual distrust and the overrated pastime of biting off your noses to spite your faces.

If serious-minded, understanding and tolerant people—and there should be lots of these in Australia—would only get together and probe this canker to its source, it could be eliminated. It is no good blaming it on this or that class or group of folk; that goes nowhere. It is no use submitting to what is wrong or improper, because parliamentarians and lawyers say it is the law. Clean, disinterested, far-sighted reason and reasoning is a balm for more social diseases than can be treated by any hot-headed tub-thumper or cool-headed lawyer. It will never clear up if everyone just shakes his head and says “What can I do about it?” Mutual understanding is always followed by mutual trust, but both have to be striven for, neither can be inspired by party politicians.

We in Scotland were, I think, the pioneers of industrial difficulties and I, of last centuries' vintage, who know about industrial negotiation more than somewhat, feel entitled to talk as I am going to.

Your leaders, political and industrial, seem to be approaching it from an altogether wrong angle. Standing aloof, you say: “Well, have we not set up an arbitration court? Are not those fellows who are making all the trouble the scum of the earth? Are we going to sully our fair hands by having anything to do with them except in court? Every time there's a row we'll see them in court and argue it out before a qualified judge; surely he should be able to judge our sincerity and tell the other fellow where he gets off. If we are not sincere, and that is what the public is to be safeguarded against, then the judge can look after that too, surely!” That may be all fine, but the man you must convince of your sincerity is not the judge of an arbitration court, it's the fellow who works for day wages. If you fail to do so, you fail to strike at the root of the whole evil, and you are wet as leaders and citizens.

I don't know whether it is the Scottish, Welsh or Irish blood in us out here (it can't be the English, because dearer than to

King his Crown to Englishman his word), the fact remains, you do not trust each other enough. You cannot and may not trust the other fellow, until you trust yourself; one must be trustworthy and then one may be trusting. I know that sounds sermonising, but it is the basis of peace in industry, the basis of the outstanding history, for example, in the engineering industry of the old country.

There are four, nay, five, steps in procedure in the engineers' set-up for dealing with disputes in the old country. First, the management and the men in the factory or workshop which originates the dispute, meet and, if possible, resolve their differences within standing agreements. If this fails, secondly, a works conference takes place. This is done in presence of a shorthand writer. The official of the trades union involved, and an official from the local branch of the employers' federation, are present; and, instructed by their members, it is they who conduct this stage. If they fail, a local conference is called. This consists of the local president of the employers' federation, with his committee of say a dozen employers and the permanent officials of the federation and trades unions; and the meeting is conducted in a thoroughly judicial manner. The proceedings of the previous conference are reviewed, evidence is read on both sides and, after unionists and the companies' representatives have retired, the employers' committee comes to a decision which is promulgated to both parties. Nine out of ten disputes are always resolved, before or at this stage of negotiation. If this again fails, the point of reference becomes a central conference, when the negotiations are carried out by the senior officials of the employers' federation and of the union involved. Of course, the first disputants, and representatives of the local bodies are in attendance at this meeting. In peacetime, if this body fails, the fur begins to fly, but not until then; and then only once in a very long time. It will take a long time, you say; "It takes too long" many trades unionists say. Surely the answer is obvious—it works better than anything else that has ever been tried. Surely when it comes to our daily bread, we are better to talk than to fight.

During the war an additional emergency step was added. When all other means have failed, in the Old Country, the matter, which has already been talked out in the comprehensive manner described, is referred as a last resort to arbitration.

I have heard it said here that without arbitration at the first move John Citizen is not protected and employer and employed would line up to exploit him. More complete nonsense was never talked; an employer worth his salt knows that the last thing he must do is to exceed the value of the article he is making. This holds for downwards as well as upwards; if he sells too cheaply he will fail; if he sells too dearly he will also fail, because the two main duties of successful employers are service to the public and to ensure a living wage for his employees. He must succeed in those before he can honestly think in terms of profit for himself and his shareholders.

That is your problem. Things just cannot go on as they are here and, if only you would take advice from one who knows, here is your way, a thorny and difficult way, but a way out.

It is not an easy job now to start at the beginning and set up the necessary machinery which through time will let the right-thinking day wage man see what you—the State and private enterprise—are thinking. It is a long and intricate job. If your one aim is to prove the other fellow wrong, you're going to fail; because he isn't entirely—no one ever is. The task ahead is to ensure that reason is talked till the unreasonable are sick of it. Then it will be found that gradually the unreasonable individual is eliminated; and one fine day you will sit opposite a reasonable set of individuals whose reasonable claims must be satisfied. As in every other walk of life, arbitration can only be the last resort — as it is in the Old Country.

Be big-minded and tolerant, be insistent on right and reason, and all will yet be well. Farewell, Australians, we're all in this together, and it is up to each of us to more than pull our weight.

