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The Stabilisation of Dockworkers' Earnings: I

by

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The most pressing need in many of the ports of the world today is increased security of livelihood for dockworkers. Their work is arduous, and much of it is dangerous, yet their employment is in many cases so intermittent that their earnings are quite inadequate during slack periods to support a family. In several countries, however, measures are being applied with a view to stabilising dockworkers' earnings, and in a few of them experience has been accumulated in this field for a considerable number of years. Other countries are considering the introduction or extension of stabilisation schemes, and the I.L.O. Inland Transport Committee has suggested that the efforts already being made to stabilise dockworkers' earnings should be studied on a comparative international basis. The following article is devoted to this end. The first part includes a general survey of the different practices which contribute in each country to the stabilisation of dockworkers' earnings, followed by a detailed description of the British attendance money and guaranteed wage scheme, which is one of the most comprehensive in operation at the present time. The second part will describe the attendance money and guaranteed wage schemes in other countries, and will draw certain conclusions.

THE evils of employment on a casual basis are now widely recognised by Governments, employers and workers. Few wage-earners can be assured of deriving an adequate annual income by offering their services on call. With regard

to dockworkers¹, who form the largest group of workers subjected to casual employment in the past, the tripartite I.L.O. Inland Transport Committee is "convinced of the need for providing greater regularity of employment for dockworkers", and believes that "registers of regular dockworkers should be established in the ports" and that "consideration should be given to the need for providing where practicable a minimum guaranteed income for registered regular dockers who are available for work".²

TYPES OF STABILISATION SCHEMES

Definite attempts have been made for more than fifty years to regularise the employment of dockworkers, and a number of schemes of varying comprehensiveness and success have been put into operation at different times. The measures of decasualisation employed include various kinds of action having a stabilising effect on the income of each dockworker, even though it may not be the primary purpose of every one of these kinds of action to stabilise incomes. They include attendance money, equalisation of earnings, guaranteed minimum income, weekly contracts and supplementary employment; and are described in the following paragraphs.

Attendance Money

In return for making themselves available at regular intervals, at specified times and in certain places, and for being prepared to undertake any work to which they may be assigned, dockworkers covered by such schemes are paid attendance money in respect of those calls³ at which they are unable to

¹ Attention is drawn in these articles to all schemes which stabilise the incomes of those who are employed on a casual basis in docks and ports. The schemes in operation today have a coverage which varies from country to country and do not always provide for all those included within the term "dockworker", "stevedore", "longshoreman", or whatever other name is given in each country to those who assist in the "turn around" of ships and the handling of their cargo in ports. Thus, the term "dockworker", as used throughout both articles, refers to those port workers for whom provision is made by the different stabilisation schemes under discussion.

² In a resolution concerning regularisation of employment of dockworkers, adopted unanimously at the Third Session (Brussels, May 1949).

³ A "call" (or "turn") is an occasion on which hiring of dockworkers or their assignment to jobs takes place, and recurs regularly, once or twice each working day.

obtain employment. The amount so payable is proportionate to the number of attendances by each worker within a period, and is at the rate of a specified, fixed sum for each attendance proved. Failure to attend certain of the regular calls when work assignments are made, unless due to such excusable or inevitable factors as sickness, involves not only forfeiture of an equivalent proportion of the attendance money for the period, but may also involve temporary or permanent suspension of rights under the scheme, especially if the failure to attend is frequent. Attendance money payments are thus based on the principle that the worker undergoes a sacrifice and contributes a service in making himself available for employment at regular intervals, waiting perhaps a matter of hours for assignments that may not come; and is entitled to compensation from the industry which benefits thereby. Attendance money schemes in operation in Australia, Belgium, Curaçao, France, New Zealand and the United Kingdom, are described in detail later in this part and in the second part which is to follow.

Unemployment benefits, if they are payable to dockworkers as from the first day of involuntary unemployment and not only after the first week without work, differ from attendance money in that they are financed in part from sources outside the dock industry, while the payment of attendance money is financed by the industry itself.

Equalisation of Earnings

In so far as dock work has become specialised and skilled, demand for dockworkers will switch from one type of skill to another as the different types of cargo come in day by day, and demand for the more experienced workers will naturally tend to be heavier. Thus, a certain degree of inequality in the amount of employment which each dockworker can obtain, especially in terms of short-period averages, is inevitable. The experienced worker earns more than the inexperienced, and the higher levels of employment and earnings offered in return for certain types of skill encourage the worker to acquire one of these types or even more than one.

There are, however, factors which contribute to inequality in the distribution of employment and which are not inevitable.

These factors include lack of co-ordination in hiring and in the flow of shipping, uncontrolled access to dock employment and haphazard recruiting. Their character, and their remedies, are outlined below.

Decentralised, unco-ordinated hiring. In each dock there may be many places at which workers are hired every day, each administered independently with no connection or exchange of information between them, and too distant from one another to enable workers to seek employment at more than one in good time. There is nothing to prevent a surplus of labour vainly seeking employment at one hiring point while at another place of recruitment too few workers present themselves, and may be called upon to work exhaustingly. This is quite simply remedied by reducing the number of places at which all recruitment for the docks is handled, and arranging for intercommunication between them in order that surplus workers at one point may be transferred to points at which labour supply is deficient. This process can be, and has been, carried further by maintaining intercommunication between ports as well as between the hiring points in each, and arranging for the transfer of dockworkers between them when necessary.

Unco-ordinated shipping. The capacity of some ports is more fully used than that of others, and the total capacity of a country's ports may exceed the volume of shipping which they handle. Thus, there arises a need to co-ordinate the demand for dock labour as well as the supply of it. Given a sufficiently comprehensive and adequately authorised national administration, shipping may be redirected in certain cases, or encouraged to reduce the pressure on busy ports by making greater use of the ports with idle capacity. Where total port facilities are more than adequate, shipping may be concentrated in the most modern, best situated and vital ports as a matter of long-term policy, with adequate provision for the retraining and re-employment of labour¹ and other resources in the other ports.

Uncontrolled access to dock employment. The employment opportunities of those making their regular living by dock

¹ In so far as there is no need for such labour in the ports to be retained.

work may be seriously threatened by inflows of itinerant labour, or by persons seeking dock work either as a stopgap between jobs elsewhere or as an occasional supplement to regular employment in other occupations. This may be remedied by placing restrictions on access to employment in the docks. Those classified as regular dockworkers according to some formula become identifiable as being entitled to seek employment in the docks by means of a system of registration or identity documents, other workers being given temporary access to dock employment only at such times and for so long as requirements exceed the supply of regular dockworkers. It is clear that this remedy can only succeed in having a stabilising effect on dockworkers' earnings if the number of men regularly entitled to seek work in the docks does not exceed or fall short of the average level of demand for dock labour by a substantial margin. Otherwise, such schemes lose most of their utility.

For instance, under many of the registration schemes in operation today, the dockworkers are classified, not into one group, but into several, the available work being distributed in such a way that all or most of the workers in any one of these groups are hired before the workers in any of the other groups lower in the scale of priority are offered employment. In most cases, it is only possible to safeguard the security of livelihood of that group of dockworkers with first claim to available employment, since labour requirements will drop from time to time to a level not much in excess of the number in this group, and the earnings of workers in the other groups will fall sharply. Thus, unless measures are continuously applied to ensure that workers in these other groups are in fact "occasional", "temporary" or "emergency" workers, as they are generally called, there is a great danger that only a certain portion of the regular dockworkers looking to the ports for their sole source of livelihood will enjoy stable earnings, while the remainder of them, finding themselves registered in groups with only a secondary claim to available employment, will enjoy even less stability of earnings than would the average regular dockworker in the absence of any registration scheme at all.

On the other hand, if registration restrictions are drawn too tight, a shortage of labour will result, to the detriment

both of trade and, in the long run, of the economic security of the dockworkers. Hence, control of the registers is a delicate and important matter.

Most of the important maritime nations have introduced registration systems, and illustrations of some of the methods employed are provided in the descriptions given in the second part of the article.

Haphazard recruiting. Even in the absence of any policy of decasualisation, there is likely to be some element of preference, prejudice or favouritism in the selection of workers awaiting calls each day, which has a stabilising effect on the earnings of those most frequently hired as a result of their reputation for skill, industry and reliability or by virtue of more arbitrary considerations. However, because arbitrary considerations can play an undesirably large role, hiring by rotation is more satisfactory. Rotatory hiring involves the keeping of such records as are necessary to enable those responsible for hiring to grant priority of employment to each dockworker, or each dockworker able to perform the task at hand, in direct proportion to the length of time since he was last employed. Under another method, which is not quite rotatory and which requires more detailed records, each worker is granted priority of employment in inverse proportion to his total earnings (minus certain deductions for which provision may be made) over a specified period in the immediate past.

Experience with both of these types of work rotation has been gained in Sweden, where methods for the stabilisation of the dockworkers' earnings vary considerably from port to port. As soon as each registered worker completes a particular assignment, his name is added to the list and he is, figuratively speaking, at the back of the queue. As new jobs are assigned to workers at the top of the list and other workers join the queue at the bottom of the list, his name moves towards the top. If he knows how many workers are likely to be required at the next few calls, he need not attend those calls if there are sufficient workers in front of him on the list to meet expected demand. However, if he is not in attendance at a call at which his name reaches the top of the list, it will be put to the bottom of the list again. Persistent

failure to make himself available for work would involve the risk of removal from the register.

The "statistical" method, by which work is shared according to earnings, is applied in Sweden both on an individual basis and, in some northern ports, on a gang basis. That is to say, where the workers are hired in gangs, the gang to be re-employed first would be that whose total earnings for the group were least during the immediately preceding period. Dockers failing to attend calls when it is their turn to be allocated to new employment may be penalised by the addition of a fictional sum, or "blind payment", to the record of their previous earnings, thereby retarding their chances of re-employment. One serious drawback of the statistical method is its adverse effect on productivity, since those workers with the highest earnings on a piece-rate basis are penalised by the relative diminution of their right to re-employment.¹

In the United States port of San Francisco, work is rotated not only by the "queue" method, but also by sharing out new work in inverse proportion to the number of hours already worked in the preceding period by those seeking a new job.²

Guaranteed Minimum Income

In New Zealand and the United Kingdom, as is described below, dockworkers are guaranteed a minimum wage, their earnings being kept up to a stipulated minimum level by such additions as may be necessary at the end of each wage period. This is not the same in effect as attendance money, attendance money being paid irrespective of other earnings during the wage period, while the guaranteed minimum wage is payable only in so far as it exceeds the total earnings from dock work, including attendance money, during the wage period. Nor does the payment of a guaranteed minimum wage destroy the case for attendance money. If hourly wage rates are relatively high, or the guaranteed minimum wage is low, a dockworker may succeed in earning during the first two or three days of the week a sum equal to the guaranteed

¹ HANDELSDEPARTEMENTET : *Stuveriverksamheten i Svenska Hamnar* (SOU 1947 : 28, Stockholm, 1947).

² International Labour Organisation, Inland Transport Committee, Third Session, Brussels, 1949, Report II : *Decasualisation of Dock Labour* (I.L.O., Geneva, 1949), p. 19.

minimum for the whole week. His chances of employment for the remainder of the week may appear to him to be uncertain, so that an inducement has to be provided to ensure that he will continue to report for work. Attendance money constitutes such an inducement and is in effect a payment for the service of attendance.

Weekly Contracts

From the dockworkers' point of view, there is no difference in economic security between a guaranteed minimum wage—whether guaranteed to him by the State, by the employers in association or by any other form of over-all dock administration—and a regular wage received under a weekly contract binding him to one employer and entitling him to at least one week's notice of termination of employment. In either case, there is an equally stabilising effect upon his earnings, and he enjoys the same degree of economic security as wage-earners having similar conditions in other industries. But from an administrative point of view, there are important differences between employment under permanent contract and the guarantee of a minimum wage. A guaranteed minimum wage scheme requires the establishment of special machinery and involves either close co-operation between employers, or Government intervention, or both. The cost of such a scheme has to be met and shared. If a certain proportion of dockworkers are regularly employed by individual employers, the problems of decasualisation are reduced, not only because fewer workers remain to be decasualised but also because the tendency for workers to enter the dock labour pool in excess of all labour requirements in the docks is reduced. For instance, if there are 4,000 dock workers in a given port, all casually employed and obtaining an average of six hours' work a day, the engagement of half of them (2,000) under weekly contracts giving them an eight-hour day would leave an average of only four hours' work a day for the other 2,000, some of whom will then be encouraged to seek other employment and should be assisted in doing so. Reduction in the size of the dock labour pool is the inevitable concomitant of decasualisation schemes in practically all ports, and for this reason such schemes are best introduced in a period

of full employment. If no provision is made for facilitating the transfer of surplus dockworkers to other occupations as an accompaniment of any measures taken to regularise dock employment, those measures will fail to contribute to the welfare of the working people.

A considerable degree of regularity of employment has been achieved at Haifa, where a majority of the port workers are employed on a non-casual basis. There are about 2,500 workers in this Israeli port. Of these, 600 have regular employment as Government workers, customs officials, clerks, and labourers doing building and road repair work for the Port Authority, and are organised in a Union of Government Employees. The other 1,900 belong to the Haifa Port Workers' Union, which has signed a contract with the employers, endorsed by the Port Authority and valid until the end of 1951, ensuring regular employment for as many as 1,400 of its total membership. Under this contract, the latter are guaranteed twenty-five to twenty-six days of employment a month, except in case of earthquake, blockade, or strikes in other ports reducing the volume of traffic at Haifa. New workers may be hired on a permanent or temporary basis as the need arises. Workers are dismissed only after consultation with the Union, with rights of seniority upheld. Wage rates are set according to the national cost-of-living index, and there is a graduated group bonus for work performed above a certain norm per day agreed upon by a Work Production Committee, which is composed of representatives of the employers and the workers.¹

In Poland, dockworkers were employed very irregularly for periods of short duration up to 1939. At the present time, however, their economic security is in practice assured by the existence of one large organisation known as "Portorob" (Workers' Stevedoring Enterprise) which undertakes nearly all of the handling of cargo and employs most of the dockworkers on a regular basis. The Central Marketing Office of the Coal Industry, "Paged" (the Polish Wood Agency) and the Hartwig international despatching agency, are the only other employers of dockworkers. The workers are engaged by "Portorob" through the employment office, and are offered

¹ Louise HOFFMANN : "Haifa's Port Workers", in *Work* (Chicago), May 1950.

permanent contracts assuring them of continuous employment. This is achieved by assigning them to other work in the ports or in the immediate locality when ordinary dock work is slack, and by undertaking to supply the three other employers mentioned with some of the dockworkers they need from time to time.¹

Supplementary Employment

Finally, the total earnings of dockworkers are made more stable—in the absence of attendance money or guaranteed wage schemes covering all of the workers—if they can obtain supplementary employment in other occupations on those days when they are unable to obtain work in the docks. Publicity and information can be provided giving guidance to dockworkers as to the kinds of supplementary employment which they would be able to do and which are available in their locality, and projects may be actually initiated to provide such supplementary employment, as measures of relief in the event of a trade recession, damage to equipment and facilities, or any other factor causing prolonged unemployment.

During the war, the volume of unemployment became very serious in Swedish ports as a result of the impediments to trade arising from the hostilities, and dockworkers were encouraged to turn for support to such supplementary employments as fishing, forestry work, the manufacture of skiing gaiters, shoes, utensils and tools, toys, souvenirs and furniture, housebuilding, and blacksmith's work. Moreover, arrangements now exist between port employers and employers in adjacent workplaces whereby the "occasional dockworkers", who are in a category having only a secondary claim to dock employment, may be readily transferred between dock work and their work for these outside employers.²

ATTENDANCE MONEY, GUARANTEED MINIMUM WAGE AND REGISTRATION

Practices which have a stabilising effect upon, or are intended to stabilise, the earnings of dockworkers have been

¹ *Przegląd Związkowy* (Warsaw), No. 1, January 1950, p. 39.

² *Stuveriverksamheten i Svenska Hamnar*, *op. cit.*

classified in the foregoing discussion under the five headings of attendance money, equalisation of earnings, guaranteed minimum income, weekly contracts and supplementary employment. An adequate description of the various forms in which these practices appear in the different parts of the world cannot be given within the limits of a brief survey. The remainder of the present discussion is therefore limited to a detailed consideration of the three types of stabilisation measures which appear to be most effective: attendance money, the guaranteed minimum wage and registration. In so far as dockworkers continue to be hired on a day-to-day basis, the only manner in which their earnings can really be adequately stabilised is by providing in one way or another for the payment of attendance money, for the guarantee of a minimum wage and for such measures, including the registration of both workers and employers, as will ensure that the demand for and supply of dock labour is equated at a level just sufficient to handle the volume of traffic in the ports at all times. Measures providing for attendance money and a guaranteed wage are much more effective than any system for the equalisation of earnings can be by itself. Supplementary employment is an inadequate and unreliable support not available at all ports. Weekly contracts, while they simplify the problem and should be encouraged and extended as far as possible, cannot completely replace the need for attendance money and a guaranteed wage unless the vast majority of the dockworkers are taken into the permanent employ of some body strong enough to bear the burden of an inelastic payroll in the face of widely fluctuating receipts as the volume of port traffic varies. Under these conditions the economic security of the workers would be as great as under a scheme of attendance money and a guaranteed wage, but the level of efficiency—of output in relation to cost—would probably not be as high. The necessity to harmonise the two objectives of economic security for all dockworkers and economic efficiency in the performance of all dock work cannot be overemphasised. Not only are the broader interests of the whole community in general and of the consumer in particular involved, but also the welfare of the dockworkers themselves in the long run, since their livelihood depends indirectly on the relationship between dock labour cost and the volume of trade.

In considering the details of attendance money and guaranteed wage schemes it is convenient to treat each country separately, in order to gain a complete and integrated picture of the administrative machinery established in the docks of each.

United Kingdom

General Features.

The British scheme may be considered first because it is as comprehensive as any, it is established in an economy whose port industry has an importance commensurate with the large fraction of the national income derived from sea trade, and it is the product of long experience in attempts to stabilise dockworkers' earnings.

Attention must be drawn to two characteristics of the British scheme that are significant and will call for consideration later. One is that, while the structure of the scheme is determined by statute, its working and implementation are subject to negotiation and agreement between the representatives of employers and workers on the national joint council of the industry, independent of the Government or any other third party. This is in keeping with general practice in the United Kingdom, where several important industries have similar national joint councils, and where it is Government policy to leave the scope and subject matter of free collective bargaining as broad as possible.

Secondly, certain elements in the present scheme have been taken over from the preceding schemes with little or no modification, even though they may not be fully consistent with the objectives and general rationale of the new scheme. For instance, apart from the heavy reductions in the registers of the Merseyside and Clydeside ports which became necessary after the abnormal wartime demand for dock labour had subsided, the registers used in the present scheme were taken over from the previous schemes with few changes. Moreover, although the National Dock Labour Board, which is entrusted with the over-all administration of the present scheme in accordance with the collective agreements reached at the national joint council, has considerable authority, it interferes as little as it can with the local custom and practice of each of the 83 principal ports of the country and gives considerable

freedom in all except certain specific matters to the 24 local boards which control most of these ports. As a result there is considerable diversity between the conditions prevailing in the different ports. In fact, "local conditions vary so considerably from port to port, between cargo and cargo, between ship and ship, and even between the holds of the same ship, that a detailed and complex series of local agreements has been required to translate the national agreement into terms applicable to conditions in the individual ports." ¹

Attendance Money, Minimum Wage and Guaranteed Wage.

The details of the British scheme are as follows. Only workers whose names are included on either the regular or temporary registers of dock labour may be employed in dock work, and only registered employers may hire them. The benefits of the scheme and the obligations entailed under it apply to all of the 75,620 workers on the regular register ² and to all of the registered employers. Of the total number of men on the regular workers' register, a minor fraction are on a "suspense register" and a further, smaller fraction on a "dormant register". Included on the suspense register are those temporarily unavailable for work for reasons such as sickness and for periods up to sixteen weeks, while the dormant register lists those who are sick or otherwise off work for more than sixteen weeks, including those in the armed forces. Dockworkers receive no income from the docks or dock boards while on these registers, but are transferred to the live register as soon as they are available for work. At eleven regular times each week, twice on each week day (usually at 8 a.m. and at noon) and once on Saturday morning, a "turn" of four hours begins and dockworkers on the live registers are hired and allocated to what work is available, or continue their work if they are weekly workers, or "prove attendance" if no work can be offered to them. So long as they are employed, they receive the rate for the job (98 per cent. being employed on a piece-work basis) and, under the terms of a collective agree-

¹ *Review of the Work of the National Dock Labour Board, 1947-1949*, as submitted to the National Joint Council for the Port Transport Industry, March 1950, p. 21.

² As of 15 August 1950. All statistics given regarding the British scheme have been obtained from the National Dock Labour Board or from its publications and documents, unless otherwise indicated.

ment, no employer may pay them less than nineteen shillings a day or £5 4s. 6d. a week.¹ If they are not offered work and they are able-bodied and therefore in category "A", they are entitled to five shillings attendance money for each turn at which they have proved attendance. If their total earnings plus attendance money for the week fall short of eighty-eight shillings and they are under 65 years of age, the board pays them a sufficient additional sum to bring their total weekly wage up to that guaranteed minimum, or up to sixty-six shillings if they are between 65 and 69 years of age. If men are not offered work and they are in category "C" because they are only capable of undertaking light work, they are entitled to five shillings attendance money for each turn up to a maximum of six in any one week. They also receive a guaranteed minimum wage, including earnings and attendance money, of not less than forty-eight shillings a week if they are under 65 years, or thirty-six shillings if they are between 65 and 69 years of age. Dockworkers over 70 years of age are not included in categories "A" or "C", neither are they entitled to the guaranteed minimum wage. But they are entitled to five shillings attendance money up to a maximum of six turns a week if they are not offered employment. Thus, all able-bodied registered dockworkers regularly offering themselves for employment are assured of five shillings attendance money plus three shillings "guarantee make-up", or a total of eight shillings for every half-day or "turn" when they are unemployed, and a minimum wage of nine shillings and sixpence for every half-day or "turn" when they are employed. When employed, some workers can earn as much as one or even two pounds for every turn at the current piece-wages. For all registered dockworkers, including those in category "C" and those over 70 years of age, total earnings (including wages, attendance money, guarantee make-up, travel time allowance, and holiday pay) averaged £7 19s. 11d. a week in 1948 and £8 8s. 11d. in 1949. During the year each registered worker is permitted one week's holiday before the end of March, and another three full days' holiday before the end of September, at national standard time-rates of pay.

Each dockworker has a record book, containing one sheet for each week and eleven spaces on each sheet—one space

¹ Figures prior to increase awarded in February.

for each turn. One of three kinds of stamps may be fixed in each space. One records employment offered and accepted ; all work offered must be accepted. Another records the fact that no work could be offered but that attendance has been proved ; five shillings is payable in respect of each of these stamps at the end of the week. A third stamp, known as an "excuse stamp", may be affixed to indicate that, though the worker did not attend at the beginning of the turn in question, he has shown adequate cause, such as sickness, for not doing so and he will only lose his attendance money for that turn.¹ No medical certificate is required to prove that the worker has been sick so long as his word is trusted. The system of "excuse" stamps provides a useful degree of flexibility in the application of the scheme. For instance, if a gang has been working continuously for several days on a heavy cargo and is in need of a rest, each member of the gang may be allowed excuse stamps for two or three subsequent turns.

If any of the spaces on the sheets of the record book remain vacant, this indicates that the holder has broken his contractual obligation under the scheme to attend at every turn when he is able (if he is in category "A") or at least at six out of the eleven (if he is in category "C" or over seventy years of age). In this event the dockworker loses his right to any payment of attendance money or guarantee make-up for each week in which such failure to attend occurs or continues.

Daily Transfers.

Each registered dockworker must be prepared to travel to any other port or place within daily travelling distance of his home to undertake, at the rates of pay prevailing in that place, any work to which he is assigned by the board. Workers required to travel are normally assured of employment for a full day or shift on arrival, or must be paid the equivalent time rate in any case of breakdown or delay, and are given a day's notice of transfer, except in a particular emergency. In addition to the provision of free transport, a travel time allow-

¹ This is provided for under clause 3 (V) of the Agreement of 3 July 1947 between the National Association of Port Employers and the Transport and General Workers' Union. However, it is contrary to clause 14 (2) (a) and (b) of the Schedule to the Dock Workers (Regulation of Employment) Order, dated 16 June 1947, which appears to have the intention that no attendance money at all should be withheld where absence is excused.

ance is paid at the rate of two shillings and sixpence an hour in respect of any time before or after the normal day or shift working hours necessarily occupied in travel. All costs in respect of daily transfers, apart from the wages paid by the employers for work actually done, are borne by the National Dock Labour Board. Daily transfers are common between the different London docks, where special buses are employed for the purpose, but workers have also been transferred for the day from Cardiff to Newport, from Newport to Avonmouth, and from Glasgow to Bo'ness and Leith. Only journeys involving up to two hours' travel in each direction are normally attempted, the two and a half hour transfer between Dundee and Grangemouth being regarded as an absolute maximum.

Period Transfers.

Under the wartime schemes, transfers for periods longer than one day were also compulsory, and all dockworkers in what was called category "B" were obliged to accept transfer for a period. Category "B" has now been abolished, and under the provisions of a collective agreement of 31 January 1948¹ period transfers are undertaken on a purely voluntary basis. No difficulty is ever encountered in obtaining sufficient dockworkers for this purpose, however, as period transfers are popular. In addition to the fare and an allowance of five shillings for the journey payable before departure, workers transferred are paid half of the national standard time-wage rate for each half-day spent in travel, if travelling between Monday and Saturday noon², and two shillings and sixpence an hour, if travelling outside normal working hours between Monday and Friday, with a minimum payment of four hours at the latter rate if travelling during a week-end. Transferred workers are paid seven shillings subsistence allowance for each night that they spend at the port to which they are transferred, in so far as they are required to remain at that port in order to complete the work, or, if unfit to travel owing to sickness

¹ Between the National Association of Port Employers, the Transport and General Workers' Union, the National Amalgamated Stevedores and Dockers, the Scottish Transport and General Workers' Union, and the National Union of General and Municipal Workers.

² This provision ensures that any transferred dockworker will not receive less than the minimum he could earn on a time-rate basis if he were not transferred.

or injury arising during transfer, in order to rest pending return to work, removal to hospital or return home (after a period not normally exceeding three weeks). In cases of serious illness or injury a free return ticket may be allowed to the dockworkers' wife or other near relative to enable one or other of them to visit him. Any worker returned home for *bona fide* domestic reasons approved by the local board is treated as if he had been returned home at the end of a transfer, being entitled to the same allowances.

All transferred workers retain their rights under the stabilisation scheme, including attendance money and the guaranteed wage, but must accept the rates of pay and conditions applicable in the port to which they are transferred. Piece-rates vary considerably from port to port, and workers have had to accustom themselves to the possibility of loss as well as gain in their earning power when temporarily transferred.

Period transfers have been undertaken over such distances as from Swansea to Hull, Manchester to Grangemouth, Glasgow to Hull, and Grimsby to Grangemouth. Usually workers are not away for periods longer than thirty days, since the sudden increase in traffic which has necessitated the transfer is seldom so great that the extra work involved cannot be completed within a month. In any case, all transferred workers have the option to return to their home port at the end of eight weeks.

Co-ordination.

The daily and period transfer schemes make an important contribution to the possibilities of stabilising earnings at a minimum cost, since they render it much easier to provide sufficient labour to meet all demands, even when the volume of traffic is at a peak, without the necessity of having large numbers of men on the registers, who would only be fully employed at peak periods and who would be drawing considerable sums in attendance money and guarantee make-up at other times. With each port facing a different trade route, serving a different hinterland and in many cases specialising in certain cargoes and types of shipping, peak demands for labour do not coincide at all the ports. There is always an opportunity to transfer men from a port which is slack to one which is busy, and in the United Kingdom full advantage

is taken of this opportunity. At the outset of each day, following an agreed time schedule, an official reports by telephone to the National Dock Labour Board from each local board area the number of men required, hired, proving attendance, sick or absent, the amount of labour shortage or surplus, and the nature and causes of delays at various ships, including the state of the weather in each of the ports under his surveillance. These reports are combined and tabulated in the London offices of the National Dock Labour Board, and copies of the analysis sheets are transmitted the same day to the Ministry of Transport and the Timber Control Division of the Board of Trade. By reference to these data the National Dock Labour Board can immediately arrange all daily and period transfers that are needed to overcome local shortages of labour. Similarly, timber-carrying ships approaching the United Kingdom can be allocated by Timber Control to the least congested ports where most labour is available, especially as timber is not a perishable cargo. This is important because timber is bulky and requires a lot of handling. The Ministry of Transport can also allocate other ships, such as those carrying cargoes for the Ministry of Food or ships under Government charter, in the same way and can be guided in its plans for port reconstruction and development by these returns.

Administration and Finance.

The National Dock Labour Board, consisting of a Chairman, Vice-Chairman and, at present, eight members, all appointed by the Minister of Labour and National Service, is responsible for the administration of the scheme and for determining the numbers of workers to be included in the dock registers. Board membership is limited to a maximum of ten (aside from the Chairman and Vice-Chairman), of whom eight must be appointed on the nomination of the National Joint Council for the Port Transport Industry, four to represent dock employers and four to represent dockworkers. The National Board is empowered to delegate the local administration of the scheme to the local dock labour boards set up in each port, or group of ports, covered by the scheme. In particular, the local boards maintain registers of employers and dockworkers in their port or area, subject to the over-all control of the National

Board; allocate dockworkers to dock employers or to other work; keep all necessary records, including those of attendance; pay wages as agents of the employers, make other payments under the scheme and collect social security contributions from workers and employers. Each local board is appointed by the National Board and consists of an equal number of representatives of local employers and workers.

All costs of the stabilisation scheme, including those of administration, are borne by the employers, who pay levies equal to a certain percentage of their payrolls. At present, the levy is 15 per cent. of the total wages paid to casual workers and 5 per cent. of those paid to weekly workers. This yields just over £3 ½ millions per annum, of which most is paid into the management fund, the rest being allocated to a general reserve and to welfare.¹ The National Board cannot raise the levy beyond 25 per cent. without consulting the Minister of Labour.

It will be noted that income and expenditure under the scheme are inversely related; if the volume of traffic declines, payrolls and levies will decrease and unemployment and attendance money and guarantee make-up payments will increase. However, £1 million is held in reserve, and the resources of the Board are considered adequate to ensure the survival of the scheme during any trade recession. In 1949, attendance money payments amounted to a total of £1,007,000 with an average of 9.5 per cent. of the registered labour force out of work, and the guarantee make-up payments amounted to £105,200 for the year. The wages paid by the employers amounted to £23,741,600 for the year.

The question arises at this point as to whether the scheme is too costly; can the industry support it in the long run? It is likely that it can. For one thing, the productivity of labour is probably higher than it would be in the absence of the scheme. Greater economic security and adequate remuneration are conducive not only to better health and higher morale, but also attract and retain good workers in the industry, not all of whom would remain under completely unstable conditions. Furthermore, while positive evidence is still hard

¹ Welfare activities under the scheme, in addition to provision of shelter and comfort at call points, include medical care, first aid and rehabilitation centres, sanitary amenities and canteens, research into clothing for dock work, administration of benevolent funds, advisory services, and arrangements for dockworkers' clubs, entertainments, sports and education.

to find in the United Kingdom of greater readiness among dockworkers to accept manning scales which render further mechanisation profitable, it seems reasonable to assume that, where workers are assured of a living wage, they will be more willing than they would otherwise be to regard the introduction of machines and innovations as a means of raising their productivity and thereby their earnings. Under casual conditions, their every effort carries them further toward the completion of a job and the cessation of income from it, and machines seem only to speed them out of a job or to displace them completely.

In the second place, the present rate of levies supporting the scheme adds so little to the price of goods passing through the docks as to have no adverse effect on the volume of trade in a period of rising prices, with the possible exception that buyers of goods exported to highly competitive, hard-currency areas might be sensitive to slight price changes. In periods of worsening trade and falling prices, when the volume of trade would react more sensitively to the burden of cargo-handling costs, employment, payrolls, and therefore levies, would be lower, and the Board's reserves would be drawn on to support the scheme. Moreover, acceptance of the principle of decasualisation is spreading. It is not impossible that stabilisation schemes may be introduced in most of the important maritime countries before any serious trade recession has developed again. In this case, the United Kingdom would no longer be at a competitive disadvantage in having to bear a responsibility for the economic security of its dockworkers, since the responsibility would be met equally in other countries.

However, no margin remains under normal competitive conditions for any expenditure beyond the minimum necessary to provide for such essential elements as registration, attendance money and guarantee make-up. Some employers in the United Kingdom contend that all the benefits of the scheme could be provided at a lower cost if it were implemented by the employers alone without the help of the National Dock Labour Board. All that need be said at this stage is that the right of the dockworkers to attendance money and a guaranteed wage is now generally accepted in the United Kingdom, and there is no indication that the industry will ever be unable to bear the cost of this obligation, so long as the registers are properly controlled.

Registration and Coverage.

The United Kingdom scheme may be described as comprehensive in scope. The only ports of importance not included are the packet ports, such as Dover, Folkestone and Newhaven, where most of the dockworkers are weekly workers employed by the British Railways. There is no common definition of a dockworker applied throughout the nation, the connotation of the term varying from locality to locality, but in all ports those registered under the scheme include the four categories of "dockers", "coal trimmers", "fish dockworkers", and "riggers".¹ All regular dockworkers, on any reasonable interpretation of the term, may be said to be registered and entitled to the benefits of the scheme. That is to say, it is not administered in such a way as to attract and maintain an outside fringe of workers who invariably look first to the docks as their main source of livelihood, and yet are excluded from the benefits of the scheme. Temporary workers may be allocated by the local boards to a registered employer only for the duration of an emergency shortage of labour which cannot be overcome, even though the reserve pool of registered dockworkers is being fully utilised. Because these temporary workers are not entitled to share in the benefits of the scheme, they are left free to accept any employment, whereas registered dockworkers must regard themselves as in the employ of the National Board whenever they are not working for an individual dock employer.

As the scheme is at present administered, reductions in the register of workers arise mainly from natural wastage—deaths, retirements and men voluntarily leaving the docks for other employment. Hull has one of the few local boards which has succeeded in imposing a retirement age limit, and in consequence has no dockworkers over 70 years of age.

¹ However, while the definition of a dockworker is left to local interpretation, a broad limit is set by the legislation, which provides (in clause 1(3) of the Schedule to the Dock Workers (Regulation of Employment) Order, 1947) that the scheme shall apply only to dockworkers "employed or registered for employment in or in the vicinity of any port on work in connection with the loading, unloading, movement or storage of cargoes, or work in connection with the preparation of ships or other vessels for the receipt or discharge of cargoes or for leaving port".

Many young men are anxious to enter the industry, but it is difficult for them to obtain union membership and become registered unless they are sons of dockworkers.¹ Hence, the average age of British dockworkers is high and, in 1949, 40.7 per cent. of them were 50 years of age or more. There is no tendency at present, however, for a serious and unusable surplus of registered labour to develop and place an undue burden on the scheme. The number of dockworkers in the London docks has been reduced from 65,000 in 1920 to 36,000 in 1938-39 and to 27,000 in 1950², and it is felt on the labour side that reductions in the registers have been carried quite as far as is necessary. During 1948 and 1949, 270 men were discharged from the register as ineffectives and, in 1948, as a result of a close examination of the registers, 5,000 men were removed from the dormant register, since they were considered unlikely to return to the industry. Thus, the average daily percentage of registered men unemployed and proving attendance was 11.9 per cent. in 1948, and was down to 9.5 per cent. in 1949. In spite of this surplus, amounting to some 7,500 men daily in 1949, "the Board was unable on many occasions to meet all requirements, although men were transferred daily from one port to another and non-registered men were used in some ports".³

It is impossible to say whether normal wastage, which amounted to 3,292 men in 1949, will always suffice to provide any necessary and sufficiently rapid reduction in the size of the British register. As the "basic feature" of its official labour policy, the National Board "has established a sanctioned strength for each area, *i.e.*, the number of men which, in the Board's view, should be adequate to meet the normal requirements of the ports in the area for some time ahead. This sanctioned strength is the maximum for which, in the Board's view, regularity of employment may be expected. It is left to the local board to adjust recruitment, within the limit, to current needs."⁴ Emphasis upon control of the size of the

¹ Over half of the 3,951 and 2,474 recruited in 1948 and 1949 respectively were dockworkers' sons.

² Figures supplied by Mr. Arthur Bird, National Secretary of the Dock Group of the Transport and General Workers' Union.

³ *Review of the Work of the National Dock Labour Board*, *op. cit.*, p. 8.

⁴ *Ibid.*, pp. 19-20.

register by adjusting recruitment, while depending mainly upon normal wastage to achieve reductions, does not contribute to reducing the average age of the labour force.

Discipline and Enforcement.

The obligations of both workers and employers registered under the scheme are clear and unambiguous, and the law lays down that the fact of registration implies their acceptance of these obligations. The workers must not be absent from any call without adequate cause and must accept all work, either inside or outside the docks and within daily travelling distance, to which they are assigned by the local boards, and must continue working in accordance with local port rules and prevailing conditions for any reasonable period. No worker may accept employment from a registered employer unless he is allocated to that employer by the local board, or directly selected by arrangement at the call stand, or engaged as a weekly worker. No registered worker may work for an unregistered employer, nor may a registered employer hire an unregistered worker, unless specifically permitted in each case by the local board.

Registered employers must inform the local boards of their current and forward labour requirements, and engage on a daily basis only those registered or temporary workers allocated to them by the local board. They must keep records as required and pay to the local boards for inclusion in the pay packets all gross wages due from them for work done.

Any worker who fails to attend at call stands, to accept work assigned to him, or to obey lawful orders given to him by his employer, may be reported in writing to the local board and, unless the complaint is found to be groundless, his current engagement, if any, is terminated, and he forfeits his right to any payment under the scheme for each week in which such failures occur or continue. If the local board considers that a heavier penalty should be applied to any worker for failure to comply with the provisions of the scheme, it may take any one of the following courses of action¹:

¹ A recent court decision has declared that the list of penalties is to be regarded as a range of increasingly severe punishment, and that, following the intention of the law, only one of these penalties may be applied to an individual at one time, and not a combination of two or more of the penalties.

(i) determine that for such period as it thinks proper the dockworker shall not be entitled to any payment of attendance money or guarantee make-up ; (ii) suspend the dockworker without pay for a period not exceeding seven days ; (iii) give the dockworker seven days' notice of termination of employment ; (iv) dismiss him summarily.¹

Summary dismissal is normally applied in all cases of pilferage, the man's name being removed from the register. In the majority of cases where there is an appeal against the decision, however, a recommendation is made that the man should be re-admitted to the scheme after a short period.

A dockworker may appeal in writing to an appeal tribunal within three days of the making or notification of any decision to disentitle, suspend or dismiss him or regroup him in the register. No member of a local board can be a member of an appeal tribunal. The decisions of the appeal tribunals are by simple majority and may have the effect of reducing or modifying a penalty, but cannot increase it. Where a worker appeals successfully, he may receive the payments and benefits under the scheme for the period in which they had been withheld.

Where a registered employer fails to carry out the provisions of the scheme, his name may be removed from the employers' register after seven days' notice in writing from the National Board, and may be kept off the register for any period up to three months. Employers receiving notice of such a decision may appeal in writing within seven days, the appeal to be lodged with the National Board and immediately referred to the Minister of Labour and National Service. Two employers have so far been disciplined since the inception of the present scheme, and in both cases the Minister overruled the decision standing against them.

Naturally the occasions on which the workers have been disciplined have been more frequent, for their obligations are greater and they are more numerous than the employers. What has given cause for concern is that several of the disciplinary decisions have led to unauthorised and illegal work stoppages. In its biennial report the National Board states that "between [these] strikes there is continued a skeleton

¹ Clause 16 (2) (a)-(d) of the Schedule to the Dock Workers (Regulation of Employment) Order, 1947.

organisation with, at the moment, two rival news-sheets. Once a suitable set of circumstances occurs this organisation moves into action ; the same names appear with different prominence as strike leaders, and outriders travel to other ports to ' establish contact ' and prepare for further extension of the strike." An appeal is made " to the sentiment of the dockworker, to his ' solidarity ', to his fear of the return of casual employment..." and there is a " switching of the focus of the strike from the original cause to the scheme—and in particular to its disciplinary clauses " ¹, because local boards are obliged to take disciplinary action against a man who does not make himself available for work.

The British Ministry of Labour has appointed a committee of inquiry to report what steps can be taken to avoid these unofficial stoppages in future, and it is possible that certain modifications in the dock labour scheme will be found necessary. But it is important to emphasise that the terms and conditions of employment under the scheme are by no means a source of continuing and major dissatisfaction in the industry. On the contrary, they are recognised on all sides as a radical improvement upon the pre-war situation, and one which makes the industry an attractive avenue of employment, with considerable numbers of workers anxious to gain entry.

It is inevitable in an industry where conditions in the past have been hard and insecurity has been rife that some tenseness and lack of trust, unreasonableness and disharmony should persist. Yet it seems reasonable to expect that the new conditions of prosperity, and the growing sense of security which the scheme must generate, will gradually undermine traditional practices rendered pointless by decasualisation, that the bitterness whose causes are now removed will gradually be forgotten and mutual suspicion which has become groundless will disappear.

(To be continued.)

¹ *Review of the Work of the National Dock Labour Board, op. cit.*, paras. 72-77, pp. 27-28.