

THE PENSIONED SOLDIER IN THE LABOUR MARKET

By J. W. Graham Peace

Major Tudor Craig, secretary of the Soldiers' and Sailors' Help Society, at a meeting of the Charity Organization Society on October 25th said that "at present a disabled man who was able to do anything could find a job if he chose to look for it. He was afraid, however, that patriotism would vanish when peace was declared. *Even now people sometimes asked the society for a man with a pension, so that they could pay him a lower wage.*"

The worthy Major would appear to be surprised at the discovery he has made, but there is really nothing surprising in the fact to which he draws attention; now it is a novelty to those with actual knowledge of the conditions normally obtaining in the labour market.

History repeats itself. At a time like the present, when the Government is very properly being urged to make adequate provision in the matter of pensions for all men broken in the war, and, also, for the dependents of the many who will have fallen therein ere the end is reached, this aspect of the question calls for very serious thought the part of every worker.

So long as employers are able to say "there are plenty of men willing to take the job at the price" no power on earth can prevent the whole benefit of the pension from passing straight into their pockets. In short, the cost of the pensions, amounting to millions yearly, will be a grant of so much public money in aid of the employers' wage bill to be used by them in lowering the general wage level of the very workers—pensioned and unpensioned alike—whose necessities and productive industry are to be taxed to find the money. Could anything more illogical or absurd be conceived? Verily, the employers should be loud in the demand for liberal pensions!

Let not any reader think that I am against pensions. On the contrary, I strongly favour the most generous consideration being shown to all those who have risked so much in their country's cause. It is the very least to which they are entitled. My concern is to secure them in the full enjoyment of the advantage of the reward so richly merited. Can this be done, it will be asked, and by what means? It is my case that it can: and I will now proceed to indicate the means to be adopted.

As we have seen, the pension is filched from the soldier in consequence of there being "plenty of men willing to take the job at the price, or, in other words, more men than jobs. The remedy lies in reversing this position. This may be accomplished by either of the two following methods:—

- (A) by reducing the number of men, or
- (B) by increasing the number of jobs.

The former method is at present in operation on a wholesale scale while the whole world stands aghast at the slaughter. A proposal to adopt this method would therefore be unlikely to find favour at the moment. Happily, in the second method will be found another and better way; and here we have the solid ground of actual experience to go upon.

In British East Africa, owing to the difficulty experienced by the white employers in getting a sufficient number of natives to work for them, a Commission was appointed "to enquire into the reasons for the shortage of labour," and, having enquired, the Commissioners state:—

"The reasons for the shortage of labour we considered from the evidence to be the following:—

"The wealth of certain tribes arising from the large quantity of land at their disposal, the natural fertility of their reserves.

It is clearly recognized that there are practically no natives who need to work for wages in order to live.

Every native has thus two jobs at least open to him; he may employ himself on the land in the Native Reservations, or, if he prefers, may work for one of the white settlers for wages. Naturally, in these circumstances, the white settlers have to offer a wage higher than that which the native can earn working for himself upon the land, otherwise they cannot obtain his services. The white settlers, being accustomed to cheap labour at home, did not take kindly to a state of affairs wherein the worker was master of the situation and insisted upon getting full value for his labour. Hence the talk about "shortage" of labour in a country where the whites numbered 3,200 out of a population of 4,000! It was not "shortage" of labour that was at the root of their trouble, but the reluctance of the employers to pay an honest wage for the labour they required. Obviously, under such conditions, any native with a pension would be in a doubly strong position, and could not be deprived of its enjoyment.

We here have now no Native Reservations offering to our workers the choice of employment possessed by our fellow-subjects in British East Africa, and, in this connection, it is not without interest at this moment to recall what happened during the Napoleonic wars. Between 1796 and 1815, while so many of the workers were away fighting for their country, as they were told, the landowners who stayed at home carried through no less than 1,925 enclosures of Commons, depriving the workers of their last remaining rights in the soil of the country for which they were fighting, and so reducing them to the condition of landless paupers who must starve if they failed to find a buyer for their labour power.

It is quite clear that unless and until we restore to every man this choice of employment, each £ of pension granted will be just another £ given in reduction of wages. In my opinion, there is only one way in which this restoration can be permanently effected, and that is by making freely available to human labour the whole store of its raw material. The land is the great reservoir from which alone labour can draw its supplies, and it follows that every acre of land kept out of full use reduces the number of jobs going, and increases, relatively, the number of men competing for those that remain. The many acres of idle and under-used land—and no one familiar with the facts can deny that, both in town and country, they are many—must be brought into full economic use so as to secure that every possible opportunity for the exercise of man's labour power shall be calling out for that power. When this has been done it will be found that there are not enough men to supply the demand, and the white worker will then be free to bargain on equal terms with those who would secure his services, as do the aforementioned natives.

This revolution, for it is indeed a revolution, does not call for the establishment of any new Government Department, nor will it necessitate the appointment of additional officials; neither need the State go into the land-owning business by means of elaborate and costly—especially costly—schemes of purchase. The change can be brought about speedily and smoothly by means of existing machinery. In the Land Valuation Department set up by the Finance Act, 1909-10, is all we require by way of machinery; what now remains to be done is to put that Department to the use for which it was called into being. Let the Valuation be published, and, as was very aptly suggested by Frank Smith recently, let an order issue under the Defence of the Realm Act for a special tax to be allocated in payment of the cost of its defence. This done: and the landowner, themselves will do the rest. The economic effect of a tax upon all land value would put upon landowners a pressure which they could not withstand, and as each fresh acre came into use so would the number of jobs increase and the competition for them decrease.