# INTERNATIONAL TRANSPORT WORKERS **JOURNAL**

Vol. IX. Nos. 3/4.

MARCH-APRIL, 1949

Published by the International Transport Workers' Federation, Maritime House, Clapham Common, London, S.W.4

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#### THE BOURNEMOUTH CONFERENCE THE I.T.S.

By J. H. OLDENBROEK General Secretary of the I.T.F.

OTH before and after the joint conference, which the International Trade Secretariats held at Bournemouth, from 8 to 10 March last, there were rumours and press statements which suggested that the calling and holding of the conference had caused some excitement in certain circles. It is therefore appropriate to explain first what the conference was called for, or rather not called for. It was not called for the purpose of setting up a new trade union international which was ultimately to supersede the World Federation of Trade Unions or to hamper and even prevent the emergence of a new federation of national trade union centres based on the principles of free and democratic trade unionism.

Having made that clear, I want to emphasize that it was likewise not the intention of any of the International Trade Secretariats to encroach on the prerogatives of the national trade union centres. But on the other hand it must also be emphasized that the I.T.S. expect a proper respect for their rights by the national trade union centres or any federation which they form. How to achieve these objects, how to avoid misunderstandings and divergencies of policy, how to achieve co-ordination and to avoid duplication of effort in the international trade union field, these are questions which must clearly be the subject of thorough discussion and mutual agreement.

The decision to hold the Bournemouth Conference was in the first place taken in Paris, on 15 September, 1948, when representatives of the I.T.S. decided to break off negotiations with the W.F.T.U. The I.T.S. rightly felt that they had been given a rough deal and that there was a need for regular relations between these international functional organizations and for a joint approach to their common problems. Whilst proclaiming their refusal to have anything more to do with the W.F.T.U., they emphasized that they were willing to co-operate closely with the general trade union movement as expressed in the national trade union centres, and indeed said in so many words that they would reconsider the position if another general trade union federation came into being.

At Paris, a liaison committee was set up which was to convene a joint conference of the I.T.S. in the near future for the purpose of considering how regular consultations and some form of permanent co-operation and coordination could be brought about between them. This committee early in December duly fixed the date for the Bournemouth Conference. In this conference all the International Trade Secretariats but one took part, and it is confidently expected that the one exception, the Miners' International Federation, will reconsider its position as yet.

The Bournemouth Conference was a striking success, and discussed its agenda in a constructive and cordial spirit which augurs well for future co-operation. There were the minor differences of opinion to be expected at a democratic gathering, but the decisions were come to unanimously. This was the best answer that could be given to the critics who predicted or hoped that the I.T.S. would not be able to agree among themselves.

The Conference set up a Co-ordinating Committee which is to attend to the maintenance of relations between the I.T.S. The resolution on this question was carefully worded, as the different I.T.S. had to report back to their governing bodies. Let me first quote the resolution:

The International Trade Secretariats, meeting at Bournemouth on the 8th and 9th March, 1949, decide to continue the work carried out on their behalf by decision of the meeting held in Paris on 15th September, 1948, and to recommend the setting up of a co-ordinating committee for the purpose of regular consultations on matters of common interest to the International Trade Secretariats.

The International Trade Secretariats are invited to submit this recommendation to their governing bodies at the earliest

possible moment for the purpose of ratification.

This Conference decides to elect a committee of nine persons

who shall hold office until the next Conference.

This Conference instructs the Committee to work out a plan for the covering of expenditure.

It will be seen that though the I.T.S. still have to ratify the recommendation to set up a Co-ordinating Committee, the Conference felt that no time should be lost and, anticipating a favourable response, elected a committee of nine members, which was empowered to co-opt a Miners' representative if and when they decided to associate themselves with the action of the other I.T.S. The following were elected to constitute the Co-ordinating Committee:

- R. Coppock (International Federation of Building and Woodworkers).
- F. Gümr (International Federation of Post, Telegraph and Telephone Workers).
- M. Hewitson, M.P. (International Federation of General Factory Workers).
- K. Ilg (International Secretariat of Metalworkers).
  Dame Anne Loughlin (International Clothing Workers' Federation).
- J. H. Oldenbroek (International Transport Workers' Federation).
- J. Stott (International Federation of Textile Workers' Associations).
- Young (International Federation of Commercial, Clerical and Technical Employees).
- M. C. Bolle (International Federation of Unions of Employees in Public and Civil Services).

The Co-ordinating Committee held its first meeting immediately after the Conference, and Mr. Mark Hewitson, M.P., President of the International Federation of General Factory Workers, and Mr. M. C. Bolle, General Secretary of the International Federation of Unions of Public and Civil Servants, were elected Chairman and Honorary Secretary respectively.

This concluded the main business of the Bournemouth proceedings, but a further question was brought up, namely, a circular from the W.F.T.U. which was in effect an ultimatum to the I.T.S. to let the W.F.T.U. know before 15 March next whether the I.T.S. would take part in the setting up of trade departments of the W.F.T.U. The answer to the ultimatum is contained in the following resolution:

This Conference of International Trade Secretariats, meeting at Bournemouth on the 8th, 9th and 10th March, 1949, has noted the letter addressed to each of the International Trade Secretariats by the World Federation of Trade Unions concerning the formation of trade departments in the World Federation of Trade Unions, and recommends that each International Trade Secretariat should abide by the collective decision taken by the International Trade Secretariats in Paris on the 15th September, 1948, and that each International Trade Secretariat should advise its affiliated unions against taking part in any conference convened by the World Federation of Trade Unions.

At the time the I.T.S. met, the position in the general international trade union movement had not yet been clarified. The British T.U.C., the American C.I.O. and the Dutch Trade Union Federation had withdrawn from the W.F.T.U., but various other national trade union centres had not yet defined their position. We have reason to suppose, however, that the unions constituting the I.T.S. will have no part in setting up trade departments dominated by the W.F.T.U.

A new perspective has been found by the Bournemouth Conference which we are confident can be an enormous stimulus to the activities of the international trade secretariats. They will work hand in hand in all parts of the world to increase their memberships: they will assist one another in drawing up world-wide and regional programmes: they will jointly approach intergovernmental agencies where policies are decided at the highest level: they will compare notes and exchange experiences concerning their day-to-day work. There can be no doubt that the I.T.S. have a fervent desire to play their full part in furthering the interests of the workers they represent and promoting prosperity everywhere and in combating reactionary and totalitarian tendencies and making the world free for peace and democracy.

In addition to the English edition of this "Journal" there are editions published in Swedish and German. The I.T.F. also publishes a fortnightly "Press Report" which appears in the following languages: English, French, German, Swedish and Spanish.

### AUSTRALIAN COMMONWEALTH SHIPPING LINE

#### PRIVATE ENTERPRISE FAILED

#### By SENATOR DON. CAMERON

Postmaster-General in the Australian Labour Cabinet

Money obtained by taxation, direct and indirect, which included public borrowing and payment of interest, by the Australian Federal Labour Government, and used to pay capital and maintenance costs of the Royal Australian Navy, and used also to pay the charter and maintenance costs of a privately owned mercantile fleet of ships during and since the war years, is not and should not be regarded as so much money lost.

Simply because no income was received by the Government, in the form of fares and freight charges for the use of such shipping for fighting and transport purposes, it does not follow that taxpayers had not received good and valuable service for the money which they had paid to the Government as taxes.

On the contrary, the reverse is the case, and if the value of such service could be assessed in terms of money, it would, without doubt, be found to be enormously in excess of the capital and maintenance costs. In fact, such costs would be found to be infinitesimal in comparison.

Although it may be argued that a war represents a tragic wastage of manpower and material which could have been used much more advantageously in the interests of the nation, the fact is that it represents a wastage that is most profitable when a war of defence against an aggressor nation or nations has been successful.

It is also most profitable for wartime financiers and contractors and others who are always so ready to capitalize the sufferings and sacrifices of their fellow-men and women either in times of peace or war. But that is another matter.

The point is that it is essential that the Federal Labour Government should, as it intends to do, establish as quickly as possible a Commonwealth Shipping Line, if the interests of the people in that connection are to be advanced and safeguarded.

Government owned and controlled ships for transport purposes are just as necessary in times of peace as they are in times of war. Moreover, in addition to providing a better and cheaper service than privately owned ships, there will be no loss of moneys so far as taxpayers are concerned.

Every service which is essential for the people always more than pays for itself—that is within a period of time the total income received always exceeds the total capital and maintenance costs. And where the people are gaining anything, it is certain that they are not losing what they are gaining.

And when anti-Labour critics condemn Government owned and controlled services on the ground that they represent a waste or loss of taxpayers' money, there are always two important aspects of the position which are either overlooked or ignored.

First, there can be no waste or loss of money where taxpayers are provided with a service which they need or must have; and, secondly, there can be no waste or loss where such a service is provided which is paid for directly, such as for railways and tramways, or is paid for indirectly, such as for education and roads.

Admittedly, there may be over or under charges, but these do not represent either a waste or loss of money. They are matters to be adjusted or corrected by managements responsible to the taxpayers through the Government of the day.

During the debate which took place in the House of Representatives in the beginning of March on the Government's proposal to establish a Commonwealth Shipping Line, the Leader of the Opposition, Mr. Menzies, declared that it was intended to "drive private fleets off the water and leave the way open to Government monopoly". And private shipping firms were to be abolished by a "process of elimination".

The answer is that the Federal Labour Government has been compelled to take the action intended, owing to the failure of private shipping firms to provide shipping sufficient for the needs of the nation.

Also that the question of whether the way will be left open or not to a Government monopoly, will depend on what the firms referred to are prepared to do within the near future to honour their obligations to the people—obligations which have never been honoured in full in the past, and which include that adequate and up-to-date shipping shall always be made available for passenger and transport purposes.

In this connection Mr. Menzies, like all anti-Labour critics, would either ignore or forget the fact that the coming into being or the establishment of Government monopolies or instrumentalities, has always been the result of the failure of private enterprise to provide for the needs of the people satisfactorily or successfully in a similar capacity.

Such failures are always highly profitable to private enterprisers including landlords, where the demand for services, commodities and housing is always in excess of the supply.

That is the real reason why Mr. Menzies and his colleagues are opposed to the establishment of the proposed Commonwealth Shipping Line, or to any other Government sponsored proposition which would enable it to reverse the policy of private enterprise by making services and supplies, at least, equal to the needs of the people.

### FRENCH RAILWAYMEN ON THE UPGRADE

By RENÉ CLERC

General Secretary of the French Railwaymen's Federation

The constitutive conference of the Fédération Syndicaliste Confédérée des Travailleurs, Cadres et Techniciens des Chemins de fer de France et de l'Union Française (Confederated Trade Union Federation of the workers, administrative staff and technicians on the Railways of France and the French Union) was held in Paris, on 1 and 2 March, 1948, the 600 delegates attending representing two different anti-Communist trends.

One of these groups represented railwaymen organized under the ægis of Force Ouvrière, which, prior to December 1947, had rallied around it those militant unionists determined to resist Communist infiltration of the trade unions. The struggle between Force Ouvrière and the Communist Party had been intensified during 1947, the prize at stake being the control of the French trade union movement, which from 1944 to 1946 had passed almost completely into Communist hands, following the use of well-known Communist methods. In the Fédération Nationale des Cheminots (National Railwaymen's Federation), Force Ouvrière had hardly more success than in other industrial federations. The Communists are past masters in the art of preventing the use of democratic methods when their own supremacy is threatened, and for this reason all hope of being able to wrest control of this organization from them by democratic methods was abandoned. As to the use of other methods, that was not even considered by the Force Ouvrière militants. They decided, therefore, on 19 December, 1947, to leave the C.G.T. (Conféderation Générale du Travail), the Communist-dominated trade union centre) and to reconstruct all the industrial federations. For this reason, then, supporters of Force Ouvrière among the railwaymen, formed one of the two anti-Communist groups represented at the March conference.

The second group was composed of delegates from the Fédération Syndicaliste des Travailleurs des Chemins de fer de France et de l'Union Française (Trade Union Federation of the Railwaymen of France and the French Union), and also had an historical background. Ever since the beginning of 1948 the tactics pursued by Force Ouvrière had, in the eyes of many trade unionists, been doomed to failure. The subsequent actions of these latter members were, therefore, motivated as much by impatience as by reason. In July, 1947, they had formed an Action Committee of Trade Union Railwaymen, thus making common cause with those unionists in other industries who had set up similar committees, leading later to the formation of autonomous unions, i.e. affiliated neither to the C.G.T. nor to the Confederation of Christian Workers (C.N.T.C.). On 7 December, when no one was in a position to predict how or when the C.G.T. would disintegrate, the Action Committee transformed itself into a Trade Union Federation.

After 19 December, 1947, negotiations were carried on between *Force Ouvrière* and the group of autonomous unions, with the aim of creating an entirely new C.G.T. Similar *rapprochements* between the two groups took place at industrial level. The leaders of the Trade Union Federation of Railwaymen and of the *Force Ouvrière* Confederated Federation agreed to fuse their two organizations and work together for a renaissance of the free Railwaymen's Trade Union movement, and it was as a result of this agreement that the March 1st Congress was held.

The two groups having followed different tactics in the struggle against Communist domination, it was only natural that there should still be some argument at the Congress as to who had been right. However, although the debates were often lively, the desire to unify forces was stronger than the desire to find fault, and the conference consequently ended with the adoption of statutes and the election of officers for the Confederated Trade Union Federation. Two resolutions were also adopted by the conference, one of adherence to the new C.G.T.-F.O. and one of support for the I.T.F.

It was nevertheless plain that a tremendous task awaited those responsible for the organization's leadership.

Firstly, it was necessary to reorganize the tens of thousands of railwaymen, who, disillusioned by the methods used by the Communist C.G.T. leaders, had left the trade union movement, joining neither the Trade Union Federation nor the Force Ouvrière Federation. For this it was imperative to create 1,100 local trade union branches, and, in spite of all kinds of difficulties, of which lack of material and resources were not the least, we are, at the beginning of 1949, able to announce with pride that two-thirds of these are already in existence. We should, however, hardly have been able to make such swift progress without the assistance of our European and American sister-organizations within the I.T.F., who came to our aid at the secretariat's request. The I.T.F. itself has also, by its aid, greatly facilitated our task.

Secondly, we had to look after the interests of our members, and by extension, those of all railwaymen, these being no longer defended by the Communist union leaders, who had instead lent themselves to a sterile demagogy based on conceptions and methods dictated by the Communist Party. In this field, our activity was of necessity confined to subjects other than that of wages, these being fixed for all industries and undertakings by the Government.

At our insistence, the relations between the trade unions and the French National Railways were officially defined and revised so that every trade union spokesman, as well as every representative of the Railways knew exactly what were his rights and obligations to the other side.

On French Railways there exists a system known as Délégation du Personnel (Personnel Delegation). These delegations, made up of members elected by the whole railway staff, function at local, regional and national level. They discuss, together with representatives of the National Railways, the management of railway premises, equipment, organization of work, hygiene and security, in so far as they affect the workers' interests. In many cases their functions had been corrupted by the tactics of Communist nominees who were more influenced by orders received from disguised Communists in the C.G.T. than by the wishes of their electorate. It was therefore decided, on our initiative, to terminate the mandate of the existing delegations and to re-elect members for them. These elections, at local level, will be held in February, 1949.

Our Federation has also succeeded in having the holiday regulations in force for railwaymen revised in such a way that vacations have now been increased by six days per year. The length of annual leave varies according to the grade of the recipient. For instance, an entitlement of 24 days is made to manual workers and foremen manual workers; office employees up to and including section heads and draughtsmen designer 2nd class; train personnel up to inspector, locomotive personnel, and station personnel up to the grade of station master 4th class or sub-station master 2nd class. An entitlement of 28 days is given to heads of station offices, station masters 2nd and 3rd class, sub-station masters 1st class, chief inspectors on trains, overseers 1st class, permanent way technicians who are not

qualified civil engineers, draughtsmen and deputy chief clerks in administrative offices. All grades above those already quoted are entitled to 28 days.

The auxiliaires, i.e. those who work almost the whole time on the railway, whilst waiting to be taken on as permanent staff, have also profited by the organization's activity during 1948. We obtained for them a wage equal to that of established staff, as well as consideration of time served as auxiliaires in the calculation of pensions. This will do much to facilitate their transfer to the ranks of the permanent staff.

Much attention has been given to the question of the reclassification of many positions and posts, and staff in reclassified categories are now better remunerated.

We have also played a successful part in the action undertaken by the C.G.T.-F.O. to abolish the so-called scheduled tax, thus leading to a small increase in the net salaries.

Our constructive activity in the field of defence of members' interests has not failed to make an impression on the many railwaymen still outside our ranks. The effective strength of the Federation is increasing slowly but surely, and we are confident that the flow of new members will be accelerated in 1949.

Our activity extends as far as Algeria, Morocco, Equatorial Africa, the Cameroons, Indo-China, Dakar, Togo, Madagascar and the island of Reunion. In Algeria there are already twenty unions, and there, as in Metropolitan France, the railwaymen will in the end come to appreciate the value of a real trade union organization, whose first preoccupation is the improvement of working and living conditions.

# THE NEW FREIGHT RATE STRUCTURE OF THE FRENCH NATIONAL RAILWAYS

On 17 March, 1947, the French National Railways introduced a new freight rate structure. This step represents the railways' reaction to road competition. While it is still too early to say whether the object will be achieved either wholly or in part, the move made by the French railways is attracting attention in other countries where the same problem is awaiting solution.

The new rating method has been explained in an article by M. J. Goursat, chief officer of the French National Railways, published in the January–March 1949 issue of the *Transport and Communications Review* of the United Nations Transport and Communications Commission. While the specialist will need the full text of the article, here are the main points setting out the ideas put into practice in France.

The new freight rate structure is based on the cost of carriage. The S.N.C.F.'s theory for the calculation of rail carriage costs is based on: (i) prime cost, and (ii) total cost.

- (i) Prime Cost, is the cost of moving a particular consignment. It includes the costs of supplying the wagon, incorporating the loaded wagon in a train, moving it, performing the necessary shunting and delivering it to the consignee, as well as depreciation of capital equipment;
- (ii) Total Cost, is made up of prime cost plus fixed charges not resulting from any particular movement, but which are incurred in operating the railway system as a whole, its administration and the service of its capital debt. These overhead costs are approximately of the same order and magnitude as the prime costs.

The S.N.C.F. found that the prime cost and the total cost depend on two essential factors: the distance covered and the weight of the load. It turned out that the cost of carriage per ton:

- (a) Is not proportional to the distance but contains an appreciable constant component;
  - (b) Varies markedly with the weight of the con-

signment: for a five-ton consignment, for instance, the prime cost per ton is 157 per cent of that for a consignment of ten tons.

On the other hand the cost of carriage depends very little on the value of the goods carried unless they require special handling.

The revision was made in the light of the following principles:

#### (i) Rates must never be lower than prime costs.

This rule is as binding upon the railways as upon any other industry. It is better to abandon classes of traffic which cannot pay their prime cost than to carry them.

Prime costs for various consignment tonnages have been established by rate schedules called "minimum schedules" and all the old scales containing lower rates have been raised to this level.

For long and medium distances it was not necessary to raise the rates for more than a few classes of goods. These included particularly goods of light weight which cannot readily be combined into heavy consignments, but in the old system were for various reasons favoured by unduly low rates especially for very long hauls (automobiles, and packing cases returned empty for example).

For short distances, on the other hand, there has been a general raising of rates because, for these distances, factors such as supplying the wagon, incorporating the loaded wagon in a train, etc., make a relatively large contribution to the prime cost. Hence the new charges for distances of less than 25 km. (15.5 miles) are the same as those for 25 km., instead of below 6 km. (3.7 miles) as formerly. So there have been increases in the rates for almost all goods carried short distances. The increases are large proportionately to the old rates though very small in pure magnitude. They have in some instances resulted in the replacement of rail by road carriage. This change has released wagons for use in long hauls.

For certain voluminous and regular traffic (such as that in iron ore, coal and beet) for which railway carriage is the only practical one, exceptions to the initial step to 25 km. have been made and the old rates have been retained. In fact they just about meet the prime cost of the traffic though they are far below the average prime cost.

#### (ii) Rates must not be prohibitive.

All goods, including goods of high value, should benefit by the economy of rail transport.

Under the old schedules many types of goods were charged rates much higher than total cost. Of course, it is true that receipts from the carriage of raw materials, for which the freight charges are lower than total costs, fail to cover fixed expenses, and that, to compensate for this, other types of goods must be charged rates higher than total cost. But if the risk of some freight being transferred to competitive types of transport, with a consequent loss of remunerative traffic, is to be avoided, it is essential to keep these overcharges within reasonable limits.

With this end in view "ceiling rates" considerably higher than the corresponding total costs have been fixed for each of the tonnage classes in the new rate structure, and in no case does the actual charge exceed that found in the ceiling rate, the difference between the ceiling rate and the total cost increases with tonnage being 31 per cent for 10-ton wagon loads and 65 per cent for 20-ton wagon loads. This difference has been fixed in such a way that actual charges never exceed the rates which might be offered by road carriers.

All rates in the old scales exceeding the ceiling rates have therefore been reduced to agree with them. The reduction has affected a fairly large number of commodities consigned over medium and long distances; particularly foodstuffs and manufactured products (e.g., textiles, commercial steels or iron) all of which are products, that by their very nature, condition the cost of living.

#### (iii) Rates for consignments of different tonnages of a given type of goods must vary in direct relation to the corresponding prime costs.

Those rates which fell in the old scales between the upper and lower limits could have been left unchanged; but in order to obtain the greatest possible efficiency from the railways and achieve a maximum volume of freight from reduced rolling stock, they have been revised in accordance with the following principles:

(a) For a given article the unit tonnage for which the lowest rate is charged is the weight of a full wagon load of that article.

For grain, cement and fertilizers the unit has been raised from 10 to 20 tons, for oil from 7 to 15 tons.

As a consequence of the savings to the railway which result from the fuller loadings thus brought about, the lowest rate in the new tariffs is usually below that in the old.

(b) Several tonnage classes have been established for every type of goods.

To conform to trade requirements it was essential to provide also for tonnages lower than the maximum possible load. The new rates allow for a very wide variety of tonnages, covering all types of freight.

The existence of wide differences between the costs of carriage of consignments of different weights makes it possible to vary the rates correspondingly. For example the rates for metallurgical products show a difference of 12 per cent between loads of 20 and 10 tons instead of three per cent as before the reform. The ratio of costs agrees with that of the rates. The adoption of a special rate scale for each of a number of tonnages has another advantage: it has done away with the too abrupt transition between the rates for small consignments and for wagon loads.

The changes in the rate structure made in 1947 entailed further measures:

#### 1. The reclassification of goods

Formerly there existed two classifications of goods: the Classification Générale (General Classification),

which comprised about 1,500 headings called "Generic Headings", each being fairly comprehensive; and the Table Générale (General Table), which comprised about 6,500 classes, each more restricted than those of the Classification Générale. Each class of the table was included in one of the generic headings of the classification.

The new classification is according to technical characteristics which affect the loading of the goods, because goods with similar loading qualities can be carried at comparable cost.

The number of classes has been reduced from 1,500 to about 800 by bringing together in one larger class all goods which, because they can be loaded in a similar manner, are carried on the same terms.

2. The regrouping of goods in categories

Under the old rates system goods were classified in three categories. Under the new system there are still three categories, but these have been rearranged, goods being grouped no longer in accordance with their value, but with their density. Generally speaking:

- (a) The first category (highest rates) includes goods of low density which necessitate loads of less than 10 tons in normal 20-ton wagons;
- (b) The second category includes goods of medium density which allow loads of between 10 and 20 tons in 20-ton wagons;
- (c) The third category includes goods of high density which allow loads of 20 tons.

In addition to density, the categories were drawn up with due regard, where necessary, to special conditions which might increase costs of carriage (fragile, dangerous, unhealthy, dirty or very valuable goods).

#### 3. Choice of tonnage rate

The tonnage rate at which the goods are carried varies according to the category in which the article is classified.

First category: goods of poor loading qualities. Normal rate is quoted in a unit of tonnage equal to the maximum weight of a fully loaded wagon. There are usually one or two auxiliary rates based on other units of tonnage.

Second category: normal rates quoted in a unit of between 15 and 10 tons depending on the particular article. There are usually one or two auxiliary rates.

Third category: normal rate is quoted in units of 20 tons with auxiliary rates in units of 10 and 5 tons.

#### 4. Rates of general applicability

Each scale of rates for a particular class of merchandise includes, as its first chapter, the rates which are generally applicable. Subsequent chapters list reduced rates applicable only in certain geographical regions, for certain fixed journeys or in other special circumstances.

The scales at present set forth in the first chapters were made according to the following rules:

The minimum schedule was used if the old rate was below the minimum.

The ceiling rate was used if the old rate was above the ceiling. When the old rate was between the minimum and ceiling rates, a certain continuity could be obtained, without impairing the uniformity of the whole structure, by bracketing the old rate between new ones (for different units of tonnage).

#### 5. General rates

The "general rates" for wagon loads apply as a rule only when the shipper wishes to move goods faster than is normal for the merchandise he is shipping. These rates are about 15 per cent higher than the ceiling rates for classified commodities.

#### 6. Simplification of the published tariffs

The reforms just described have had the effect of appreciably reducing the volume of the published rate schedules, chiefly because of the abolition of a large number of rates higher than the ceiling rates. In addition, many special provisions have been cancelled as useless because the services which they covered have disappeared or the rates which they applied were higher than those now introduced in the new first chapters. Finally, the S.N.C.F. has given up the practice of granting systematic rate reductions for export consignments; henceforward reduced export rates will be restricted to special cases.

The effect of all these simplifications has been to reduce the volume of the rate schedules by about two-thirds.

#### 7. Conclusions

The revision of the goods-rate structure was the object of long and detailed research and though it has led to changes in old-established practices, these changes have occurred during a period of general evolution. On the whole the new rates have been well received by industrial and trade circles.

They constitute a new attempt by the French railways to rationalize their operating methods, and they are bound to increase transport capacity by inducing forwarders to make the maximum use of rolling-stock.

The results obtained since the introduction of the new rates have shown that, generally speaking, receipts under the new system are about equal to what might have been expected from the old rates had they been maintained. But the new rates are more rational and better adapted to the economic situation. They may be expected, particularly if other European countries make similar rate revisions, to enable the railways to cope with increased traffic, thereby benefiting not only the S.N.C.F. and French economy in general, but the whole of Europe.

Air power is face to face with the limitation of human capacity to operate modern aircraft. The gods surely stand aghast at the tasks men impose upon themselves.

From a contribution to "The Air World" of the New York Herald Tribune.

#### TRADE UNION POSITION AMONG ITALIAN THE RAILWAYMEN

By IGNAZIO LOPPI

The Fascist régime in Italy collapsed on 25 July, 1943. On 8 September, Italy concluded an armistice with the Allied Powers and continued the war on their side. The number of experienced trade unionists in the country was small, and the Germans were not disposed to leave them a free hand, as shown by the murder of the unforgettable Bruno Buozzi. It was not until the Germans had been driven out that a serious start could be made with rebuilding the trade union movement.

In January, 1944, immediately after the liberation of southern Italy, the railwaymen, with the encouragement and assistance of the I.T.F., were the first group to reconstitute their trade union, which had been suppressed by the Fascisti twenty years previously. The new organization resumed the grand old name Sindacato Ferrovieri Italiani-Italian Railwaymen's Union.

At the end of 1944, with the return of the Government and the Railway Administration to Rome, the Italian Railwaymen's Union also moved its head office from Bari to the capital. The year 1945 was devoted to reconstruction work in the organization. 1946 and part of 1947 saw a growth of prestige and a series of successes for the Union; it was a period in which democracy was the key-note of its internal management and a spirit of co-operation governed its relations with the railway authorities.

This period in the life of the Union corresponded with a period of calm, if sterile, co-operation in the government of the country between the Christian Democrats, the Socialists (whose extremist wing was dominated by the Communists) and the Communists. Parallel with this pseudo-collaboration at the political level there was a similar appearance of collaboration in the trade union sphere. This truce between trade unionists of different tendencies came about just after the war, when all parties were weary and felt the need for some quiet in which they could apply themselves to the tasks of reconstruction. As things returned more or less to normal, political antagonisms between the factions got the upper hand again until collaboration became completely impossible.

This internal disintegration was publicly manifested on the occasion of the May Day celebrations which were held in Rome on 1 May, 1948, shortly after the Communists had suffered a heavy electoral defeat. Besides a number of Italian trade union leaders, the speakers on this occasion included the President, the General Secretary and other members of the Executive Committee of the W.F.T.U., which was in session in Rome at the time. One after another, the speakers eulogized trade union unity. There was only one exception, James Carey of the American C.I.O., who spoke not on trade union unity but on the reconstruction of Italy and Europe. His speech was received amidst icy silence.

In the face of the flood of Communist-inspired oratory, the representatives of the other tendencies in the Italian Federation of Trade Unions preferred not to take the rostrum. Instead they went to the radio and protested against the debasement of the May Day festival, which was to have been celebrated by the whole of the workers regardless of their political or religious beliefs, to a propaganda stunt of the Communist Party.

The reconstitution of the Communist International, in the shape of the Cominform, dealt a final blow at trade union unity, which from then on existed only in name. From this time the Italian T.U.C. to all intents and purposes functioned openly as an instrument of Soviet policy by carrying on a campaign of sabotage against the Marshall Plan. When, on 14 July, 1948, an irresponsible youth committed a stupid attack on the life of Togliatti, the chief of the Italian branch of the Soviet Politbureau, the Italian T.U.C. declared a general strike. The strike was a miserable failure. The exasperated Christian Democrats thereupon walked out of the T.U.C.

The Christian Democrats were alone in their action, as the other Democrats-Socialist and Republicanstill considered. But in the individual trade unions the walk-out has begun. Here and there new independent trade unions are springing up. There is widespread confusion, however, and many workers refrain from joining any group at all. It seems that the mass withdrawals will spread and split the T.U.C. itself. In my opinion the Socialist and Republican Democrats cannot stay much longer in an organization where since the departure of the Christian Democrats the chances of successful action have been reduced to nil.

The break-up of the W.F.T.U. can but hasten the process. Those who desire economic co-operation in Europe, with American assistance, just cannot remain associated with those who, at the orders of the Cominform, sabotage such co-operation with all their might. And how could the Socialist and Republican Democrats among the railwaymen reconcile membership of the Italian Railwaymen's Union, after its unconstitutional withdrawal from the I.T.F., with their desire to remain members of the great international family of transport workers?

The Italian Railwaymen's Union is already feeling the effects of the mass withdrawals. The Christian Democrats, since their "expulsion" by the Communist leaders have formed an autonomous Italian Railwaymen's Union which now probably has 15 to 20 per cent of the former members of the older union. Even before the walk-out of the Christian Democrats the professional grades considered that their interests were not properly attended to and had, after a ballot, set up a Railway Officials' Union. A fourth group which calls itself the Union of Italian Railwaymen and has several thousands of members, more particularly in the south and centre of the country, completes the list of railwaymen's organizations existing in Italy at present.

None of these organizations has a strong hold on the Italian railwaymen, as witnessed by recent elections of staff representatives. Though half the railwaymen are unorganized, the right to nominate candidates in these elections is confined to the four organizations mentioned. In the elections scarcely 30 per cent of the railwaymen used their vote.

The inclusion of staff representatives in the Board of Administration and other administrative bodies of the railways, such as the committees on promotions, on the allocation of service dwellings, on examinations for promotion from the unestablished to the established staff, etc., was one of the important trade union conquests of 1946. At present, however, the railway administration is trying to curtail the powers of the staff representatives or to hamper them in the exercise of their office. The same tendency has been observed for some time past among employers generally, who are again proclaiming their old demand to be "masters in their own house".

During its period of progress, from 1944 to the beginning of 1947, the Italian Railwaymen's Union did not realize the whole of its programme: new staff regulations, new wages scales, eight-hour day for the operative grades, application to the operative grades of the same promotions scheme as to the administrative grades, creation of a board through which the staff could take part in the technical operation of the railway industry. Nevertheless the Union did good work and paved the way for future improvements, the most urgent of which is a wage increase on the State Railways.

The wage of a labourer is 22,000 lire a month if he is single and 32,000 lire if he is married with two dependent children. Staff in the middle grades, such as a station master with 25 years of service, get 30,000 to 40,000 lire a month, according as they are bachelors or family breadwinners. For higher clerical and technical grades salaries range from 40,000 lire to 60,000 lire a month. Some grades, such as locomotive drivers and trainmen, make an extra 10 to 15 per cent of their wages in bonuses and allowances.

A health insurance scheme covering all railwaymen and their families came into force on 1 July, 1948. The railways own a number of comfortable and fairly low-rented service houses, but the number is small, whereas in the present period of housing shortage the needs are very great. Other facilities provided for railwaymen include stores where railwaymen and their families can shop cheaply, season tickets on the tramways between their home and the place of work, subsidies for railwaymen's leisure-time activities, etc.

But taking everything into account, present earnings are 30 per cent below what is needed for a reasonable standard of life, even for a people used to such a modest standard as the Italian. A Bill is at present under consideration which would mean an increase in railwaymen's wages, but the increase contemplated is so much short of 30 per cent that the Bill has little practical significance.

The Government justifies its opposition to a bigger increase on the grounds that the Public Treasury cannot afford more owing to the great number of railwaymen with large families. The railwaymen point to the greatly increased cost of living and to the higher wages paid by private industry. Out of such polemics, and innumerable others which spring from the economic and financial disaster which is the legacy of the years of Fascism and war in Italy, the Communists make political capital.

By their organized and disciplined tactics and by taking astute advantage of elections and electorate, the Communists have gained control of the trade union movement. Unhampered by scruples, they first bring about indifference and abstentions among the non-Communist majority and then are able to create artificial majorities and gain control of meetings and organizations. When delegates were elected for the congress of the Railwaymen's Union held at Naples in February, 1948, the results of the voting were as follows: Communists 44 per cent, Socialists allied with the Communists 24 per cent, Christian Democrats 14.5 per cent, Republicans 4.28 per cent, Social Democrats 3.75 per cent, Independents 2.7 per cent, non-party 1.3 per cent. These figures suggest that the Communists commanded a formidable majority, but actually the percentages only apply to about one-half of the membership.

The Italian Railwaymen's Union has never published complete results of the elections for the whole of the country. It is safe to assume that before the withdrawal of the Christian Democrats, the Union had 100,000 registered members, and it may be estimated that 57 per cent of the membership took part in the elections. On this basis the position is as follows: (1) less than 60,000 out of 100,000 members voted; (2) only 26,400 voted for the Communist candidates and 14,400 for the Socialists allied with the Communists; (3) 26,400 Communists, with the unconditional support of 14,400 Socialists, have complete control of the Italian Railwaymen's Union, and the nominees of 26,400 parade as the spokesmen of 100,000 union members and arrogate to themselves the right to speak for the 200,000 employees of the Italian railways.

The Communists, however, have no desire and no intention to serve the real interests of the union members. Under them, the Italian Railwaymen's Union is an instrument for hampering the proper functioning of the railways, and not for promoting the interests of the staff. Three national strikes (14 July, 14 October and 20 December, 1948) and various partial strikes declared at Rome, Genoa and Naples, produced nothing in the way of better working conditions.

In these circumstances, the employers in private and public enterprise are trying to take advantage of the lack or the weakness of genuine trade unions. Owing to the adulteration of the trade union movement by the Communists and its consequent disintegration, the railway workers, like all other workers, are deprived of any means of defending their interests. The Government refrains from taking up any position. The Communists do all they can to cause confusion by declaring

one strike after another, often with barely a pretence of industrial justification to conceal their political character. Though they fail to stop economic recovery, they succeed in retarding it.

Interference on the part of the political parties is the main obstacle to the reconstruction and rapid recovery of the Italian trade union movement. What has been witnessed in Italy since 1944 is not a genuine trade union movement. The three principal political parties agreed to co-operate in the industrial as well as the political sphere, thus annexing the field of the trade unions. But this co-operation proved impossible in both spheres, since all the parties tried to get the best of the bargain. The smaller political parties, such as the Republican Party and the Social Democratic Party imitate the big ones. The present trade union leaders all are or hope to be politicians and want to use the trade unions as a spring-board. As a result pseudo

trade union organizations have come into existence which are incapable of functioning as proper trade unions. The sincere enthusiasm of the initial period has given way to disgust and suspicion, and the result is lethargy.

Besides the more recent causes of this lethargy there are other causes dating farther back. The policy pursued by the Fascist régime during the past 20 years of keeping the workers ignorant about economic and social matters must certainly be regarded as one of the root causes of the present difficulties. The hardest task awaiting those who will reconstruct the trade union movement is to arouse the interest of the non-Communist workers for a genuine trade unionism dedicated to economic and social progress. But hard though it may be, the task will be undertaken among the railway workers as well as the workers of other industries.

## RECENT FINNISH HISTORY AND RAILWAY TRADE UNIONISM

By GÖSTA WIDING

Secretary, Finnish Locomotivemen's Union

When the second world war ended, there was a general mood of hopefulness in Finland regarding the international situation and the prospects of overcoming the aftermath of war without undue friction. Pessimists, it is true, spoke of the annexation of one country's territory by another, the flight of populations from their ancestral homes, and the division of the world into spheres of influence. And, as time went on, "behind the iron curtain" became a current phrase, hardly a voice was raised in the name of peace and brotherhood, and new prophets foresaw another world war. But Finland is a country which in the course of its history has suffered frequent and long periods of foreign rule, and has experienced in recent decades both civil and external war. It is only natural that the people of such a country should desire above everything else to live in peace and to cease to be a pawn in power politics.

For most Finnish people the word "politics" to-day has an ugly meaning and is associated with matters which interest only extremists and adventurers. Nevertheless the Finnish people enjoy a democratic régime and have a system of government similar to that of other Nordic countries. The fact that the Finns have had to fight very hard for their democratic rights causes them to value these very highly. Finland indeed is governed in a way which compares favourably with the methods of government of many other countries.

For the average Finn, that is the working man, the independent trade union movement stands for one of his most cherished rights, the right to organize freely with his fellow-workers in defence of his interests. A retrospect of the rise and growth of the trade union movement in one important industry, the railways,

is perhaps the best way of briefly showing the rôle which trade unionism has played in Finland. For the railwaymen, scattered as they naturally are all over the country, are a true cross-section of the working class of Finland.

The first Finnish railway line was opened in 1862 between Helsingfors and Hämeen. At that time there was no question yet of a railwaymen's union, the idea being first mooted some time after the line to St. Petersburg, the present Leningrad, was opened, linking the Finnish railways to those of Russia. During the Russo-Turkish war large quantities of railway rolling stock were requisitioned and carried off to Russia, causing a great deal of hardship and heartburn in Finland, and bringing about gatherings of railwaymen. But it was not until 1888 that a railwaymen's organization was set up, and this first organization was not able to maintain itself in existence. Of the groups who seceded, the locomotivemen in 1898 founded an organization of their own, and this example would have certainly been followed by other groups of railwaymen but for the fact that Czarist Russia, which at that time ruled over Finland, ordered that civic rights be curtailed and the formation of trade unions forbidden. It was the defeat of Russia in her war against Japan in 1905, and the consequent social upheavals and industrial unrest which ushered in a period of greater liberty in Finland. The following year, 1906, witnessed the foundation of the Finnish Railwaymen's Union.

After the years of early struggle, the railwaymen and their union once again experienced a period of difficulty during the civil war of 1917–18. In that war the Finnish railwaymen carried the transport of the Red forces and this was enough to earn them the wrath of the

White victors. The result was that both the organizations of the railwaymen and the locomotivemen were dissolved. The Finnish Trade Union Centre—to which they belonged in recognition of the need of joining hands with the other sections of the working-class movement—and its other constituent unions just managed to avoid suppression. The leader of the Railwaymen's Union, Juho Jalo, was imprisoned and sentenced to death, but the sentence was commuted to life-long hard labour after the I.T.F., at the initiative of the Swedish Railwaymen's Union, had intervened on his behalf. Later Jalo was set free.

There followed two years of fruitless efforts to reconstitute the two dissolved railway unions. When finally they were reconstituted it was with their freedom of action considerably curtailed and subject to close supervision of their activities by the railway administration. Before the first world war the Finnish railway unions maintained relations with the railway unions in the Scandinavian countries and derived great benefit therefrom. The attempts to renew these relations following the reconstitution of the unions met with stern official opposition. In 1922 two Finnish locomotive drivers who were to represent the Finnish organization at a Nordic Locomotivemen's Conference in Copenhagen were refused passports.

In the ensuing period the two unions developed slowly but surely. Their first major success was achieved in 1927, when a Labour Government was in power and agreed to apply the Eight-Hour Day Act to certain groups of railway workers. But the time of setbacks was not over. In 1929 came the economic slump accompanied by general reductions in wages. In 1930 the economic and political life of the country was disturbed by the so-called Lappo movement, a subversive movement supported by those who held economic power. It was a time when the trade union movement had to fight hard against attempts to put it in a strait-jacket. The provocative attitude of the extreme left at this time only helped to confuse the situation. The result was that the T.U.C., which in the meantime had fallen under Communist control, was dissolved together with a number of its affiliated unions, among them the Finnish Railwaymen's Union. The Railwaymen's Union was reconstituted the same year, however, though with less freedom of action than the old organization.

In the first years of Finland's independence, those who held the controlling positions in the country deliberately kept down the standard of living in order to build up capital resources. State employees had not received any increase in wages even after the inflation which followed the first world war. Apart from a few minor regradings, railway workers had not received any improvements either. Discontent seethed among them and finally they delivered an ultimatum. The Government's resistance was strong, however, and it threatened to resign rather than yield to the railwaymen's demands. But in the end it had to recognize the gravity of the situation and in 1938 appointed a committee of inquiry. The Budget for 1940 proposed a substantial increase in railwaymen's wages and was duly adopted by Par-

liament. The railwaymen were congratulating themselves on the happy issue of the dispute, when on 30 November, 1939, came the so-called Winter War with the Soviet Union and dispelled all hopes of the wage increase being put into force.

As far as railwaymen were concerned, the war did not put a stop to trade union activity, but naturally it was not a period for securing tangible results. Nevertheless, in October, 1940, non-established locomotivemen went on strike when they were required to perform driver's duties at firemen's rate of pay, and after a fortnight the Government agreed that non-established staff should be paid the rate for the job.

When the war with Soviet Russia ended, the burden of military expenditure was replaced by a new one in the shape of war reparations. Relative to the size of the population, the war reparations demanded from Finland were probably the stiffest imposed on any people following the second world war. According to the Peace Treaty, Finland was to deliver, over a period of six years, goods to the value of \$300,000,000 at 1938 prices. Subsequently the period has been extended by two years, but on the other hand Finland was obliged to hand over all German private and public property in the country. Since the middle of 1948 the Soviet Union has reduced the balance of reparations payable by 50 per cent. The reparations paid up to 30 June, 1948, amounted to \$153,000,000, while the balance payable by 19 September, 1952, still amounted to \$73,500,000.

Under the pressure of the reparations burden, the country's industrial production was increased to an unprecedented degree. The engineering industry, for instance, in 1947 reached 130 per cent of pre-war production. The standard of living remained low owing to the shortage of foodstuffs and textiles, inflation and black market. On the basis of 1939 equal to 100, the cost of living was 203 in 1944, 469 in 1946, 720 in 1947, and 809 in July, 1948. Since the latter date price levels have ceased to rise and instead show a slight tendency to fall. This is partly due to the appearance of imported meat and other necessities on the home market.

Even these few figures go far to explain the numerous wage disputes, with and without stoppages of work, which have afflicted the country. Compared with other groups, the railwaymen have, during the post-war period, been handicapped by the fact that they are employed by the State. Laws and regulations applicable to industrial undertakings often contain clauses which exclude State establishments from their scope. In addition, the revenue and expenditure of the State Railways are covered by the National Budget. Every change in railway finances requires a decision of Parliament, and consequently so does a change in railwaymen's wages. When the State's finances are in an unsatisfactory condition, this has its effects on the wages of State employees. Compared with 1939, the general wage index as laid down by collective agreements stood, at the beginning of 1948, at 1,015 for male workers and at 1,240 for female workers, and it rose further during 1948. The index for State employees was 773 for the lower grades and 494 for the higher grades. The gross wages and allowances of the highest paid locomotive driver, for instance, amounted on an average to the equivalent of \$184 a month, those of a guard to \$162. Food prices, however, have fallen, in some cases substantially. A kilogramme of bacon now costs 80c., compared with \$2-3 a year ago; a kilogramme of butter now costs \$2.50, a pair of shoes \$10-18, and a ready-made suit of men's clothing of poor to fair quality \$40-60.

The legal establishment of the eight-hour day dates from 1917, but it was only ten years later that the first groups of railwaymen, such as locomotive, train and shunting staff, benefited from it. Other railwaymen had to wait until 1946, when locomotive driver Onni Peltonen became Minister of Transport and made the Eight-Hour Day Act applicable to railwaymen generally. When the Act was amended at the beginning of 1947, the improvements again did not apply immediately to the railways, and the railway trade unions had to fight the railway administration for four months before it was agreed that they should apply to the railways too.

The most notable improvement provided by the revised law, was the special payment for work on Sundays and public holidays. Workers generally were getting double time for such work under their collective agreements, and State employees had been led to expect similar treatment when the law was revised. When they were told that the Sunday pay was already included in their monthly wages, their unions put in a strong claim again, and when this was turned down, the Locomotivemen's Union applied to the T.U.C. for the necessary authorization to resort to strike action on Sundays. The strike brought all railway traffic to a standstill on the first Sunday of October, 1947, whereupon Parliament decided to concede the demand and voted the necessary funds. All State undertakings were henceforth to give extra pay for work on Sundays.

The same year the Civil Service Trade Unions, led by the Railway Unions, successfully negotiated an agreement which unified the regulations concerning holidays with pay. It provided that State employees should be entitled to a fortnight's annual leave with pay after six months' service, 30 days after twelve months' service and 42 days after fifteen years' service. Cash compensation would be payable in cases where leave could not be taken owing to the exigencies of the service.

The industrial and political sections of the Finnish Labour Movement co-operated closely in facing the reconstruction tasks in both the social and the economic spheres in the post-war period, and their co-operation helped to speed up the recovery of the country. It is doubtful, however, whether the country's recovery would have been as quick as it was if it had to rely on its own resources only. Other factors contributing towards this recovery were the foreign credits and loans, particularly from Sweden and America, favourable

trade agreements and the scaling down of the reparations to be paid to Soviet Russia. In the economic sphere, therefore, Finland was able to get on its feet again, to stabilize its currency and abolish rationing.

In the political sphere the trend has been less satisfactory. In the Finnish T.U.C., which after its reconstitution in 1930 followed the line of independence from party politics, two groups holding hostile political views face each other. The position is reflected in the composition of the Executive Committee which was elected at the 1947 Congress of the T.U.C. Of the 14 members, 6 follow the Communist Party line and 8 are Social Democrats. There is no doubt that politics play a decisive rôle in the decisions taken by this T.U.C. Executive. The political divergencies often find expression in the press and in the early part of 1949 reached new heights of acrimony. It is a state of affairs which augurs ill for the future.

Among the railwaymen the political rift is not so pronounced as among the workers of other industries. On the occasion of meetings and elections, however, the political cleavage is more apparent than in everyday affairs. Thus it is estimated that the 15,500 members of the Finnish Railwaymen's Union will be represented by Communists who will vote in accordance with the Party line at the next congress, which takes place in May. The Locomotivemen's Union, on the other hand, is considered to count only very few Communists in its ranks. The railwaymen's lack of interest in politics is reflected in the fact that there are only two railwaymen in the Finnish Parliament. One of them, Onni Peltonen, the Minister of Transport, is regarded as one of the big men in politics; the second is the secretary of the Locomotivemen's Union, Hugo Aattela. Both belong to the Social Democratic Parliamentary Labour Party.

The hardships which the Finnish people have had to endure for the past ten years cause them to take a realistic view of the world and the future. Confidence in pacts and treaties, in the justice which the weak and the small can expect at the hands of the strong and the big, have been undermined, and the eyes of many have been opened to the savagery of the Stone Age which persists in this age of political and economic power politics. The Finnish people do not want to share the fate of Spain or Czechoslovakia, they observe with deep solicitude the tragic lot of Greece, whose people are torn asunder by political strife. The foundations of a genuine peace will not be laid by those who engage in speculation, but by those who aim at establishing social justice and are trying to make everyday life bearable and comfortable for all people regardless of their race, religion or creed. The organizations, movements and institutions which work in the service of the common man are dedicated to that aim. In the international sphere, where the League of Nations failed and the United Nations idea still struggles for survival, the need for an international labour movement and an international trade union movement, genuinely free and democratic, is as great as ever.