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THE ISSUE OF NOMINAL FLAG TRANSFERS Seafarers' Challenge to Malpractices in Merchant Shipping

By **OMER BECU**

Acting General Secretary of the I.T.F.

THE seafarers are in deadly earnest. They have begun an action which is of the greatest importance to the whole of the merchant shipping industry and which must not be underestimated either by themselves or by the shipowners.

The brotherhood of the sea is a concept which has characterized the seafaring profession since its earliest days. It has grown in the course of the years into an idea which transcends frontiers and seas. Add to it the international nature of the shipping industry, and one can see why the seafarers form such a closely united community with a very strong sense of fellowship and interdependence.

Since the birth of international trade unionism the seafarers have played in it as active a part as any other group. Internationally as well as nationally they were ever ready to take up the defence of their professional interests and of the democratic principles which are the foundation of human existence. More than others they realize that the social and economic exploitation of any one group constitutes a menace to all, that low wages and working conditions in one country inevitably affect those in other countries.

For decades, therefore, they have been striving to secure international regulation of their status. In these endeavours, despite the intricate and special character of the shipping industry, the International Labour Organization has played an important rôle. The seafarers are the first to recognize this, but at the same time many of their hopes remain unrealized. The character of the industry and the deep-rootedness of many of its traditions have tended to perpetuate certain practices which in shore occupations have long since fallen into desuetude. Nevertheless an important measure of social progress was witnessed in the seafaring industry during the years immediately preceding and following the late world war. Indeed, the conditions existing to-day are scarcely comparable with those which prevailed in the industry only twenty years ago, and the arrears which separated the seafarers from the shore workers in those days have been largely overtaken. A great impetus in this direction was given during the years 1940 to 1945 by our International, working in conjunction with the then existing International Mercantile Marine Officers' Association, which meanwhile has merged with the I.T.F.

It would not have been difficult for the seafarers to use their international strength to secure major social improvements during the years of the war. Their power at the time was so great as to be well-nigh irresistible. But they preferred to fight first to safeguard the principles of democracy, freedom and human rights. At the same time, however, they were firmly resolved that on the morrow of the war they would stand solidly for the realization of decent conditions and social justice.

These aspirations were formulated by the seafarers' organizations belonging to the I.T.F. in a post-war programme entitled the International Seafarers' Charter. Re-reading that document more than five years after it was written, no one can deny that those aspirations were both reasonable and realistic. Indeed, they were more than that. The seafarers, instead of choosing the strike weapon, put their faith in industrial peace and preferred to pursue their aims by the method of negotiations through the International Labour Organization. Thereby they again showed their confidence in that international instrument, which duly responded and put its entire machinery into motion. Without loss of time a first international maritime labour conference was held at Copenhagen in 1945, followed by a second at Seattle in 1946. The international conventions adopted at these maritime conferences were without doubt a success for the seafarers. The subsequent delay in ratifying them, however, has been a bitter disappointment. On the other hand, there is no doubt that the international adoption of the conventions exercised a very healthy influence and enabled seafarers to secure many an improvement in their working and social conditions through national negotiations.

As the social position of the seafarers was gradually improved, in the years before the last war and particularly in those which followed it, there also became apparent a steady flight of shipping away from the socially most advanced countries to countries where social legislation or collective bargaining were practically unknown.

It was precisely during these years that the merchant navy of Panama showed a growth of several millions of tons. What other conclusion could be drawn from this phenomenon except that it was a wholesale flight from the social rights and the decent wages and working conditions which the seafarers have been able to realize after years of hard struggle? There is no reasonable doubt, and no one with sufficient knowledge of the shipping industry will deny, that this has been one of the main motives for the transfer of shipping to new flags. No doubt there are shipowners who have been moved by other considerations without a direct bearing on seafarers' conditions. But they are exceptions and need not be regarded as enemies of the seafarers; they will not be classed among those who are a menace to the seafarers' aspirations for a decent standard of life. With these shipowners, then, the seafarers have no quarrel.

As far as the others are concerned, it is clear that the seafarers cannot allow the malpractices of which they complain to continue without taking action. The social status which has been built so laboriously for the seafarers and the existence of every bona fide shipowner and maritime nation are in the balance. The principle of collective bargaining and respect for collective contracts, the entire system of joint consultation between the two sides of the industry in the fixing of wages and working conditions consistent with economic possibilities, is at stake. The competitive struggle which has so often been waged in the past at the expense of the seafarers threatens to revive to an unprecedented degree at the slightest

economic recession in the shipping industry. At the first appearance of a surplus of tonnage those owners who are exempt from social obligations and free to reduce wages and working conditions of seafarers can accept freight rates far below the lowest rate at which operation still pays for owners in bona fide maritime countries.

The sad spectacle might then be witnessed of the maritime nations and bona fide shipowners who have recognized the need and justification of proper social legislation and adequate wages and working conditions for seafarers being unable to keep their ships sailing. The only alternative would be to plunge the seafarers back in poverty and to condemn them to the low wages, bad conditions and social insecurity which existed formerly.

The danger is not imaginary. It is a danger which must loom increasingly as the merchant fleets of countries like Panama and Honduras grow in size.

The international seafarers' movement has been watching the situation for years. It was only after careful investigation and as the threat assumed serious proportions, that the seafarers, on the occasion of the Oslo Congress of the I.T.F. in July, 1948, decided to act. The decision they took was the only possible one, to declare in principle a boycott of all ships of which it could be proved that they had been transferred from one flag to another with the object of evading decent wages and conditions and proper social security for the seafarers.

This decision of the Oslo Congress of the I.T.F. caused a considerable stir both in shipowners' and government circles, particularly among those most directly concerned, namely in Panama.

The reaction of the latter was distinctly violent. This was natural enough, as for the Panamanian Government there was much at stake, including a not inconsiderable part of its annual budget. The revenue drawn from the registration of foreign ships in Panama must run to many ten millions of dollars. Rightly or wrongly, the Government of Panama wanted to prove that the seafarers' complaints were unfounded or at least grossly exaggerated. It went so far as to submit the matter to the objective judgment of the International Labour Office. This was a procedure of which we could but approve, prepared as we were to believe that the Panamanian Government sincerely desired to submit the question to impartial examination. At the worst, in our opinion, it could only mean a postponement of the application of the boycott. On our side there was no doubt whatsoever that an investigation by the I.L.O. would strengthen our position. At the time of writing this article the findings of the committee of three members appointed by the I.L.O. to hold the inquiry have not yet been published. But we repeat that we await their publication with every confidence.

In the meantime the seafarers have given careful consideration to every proposal made with a view to solving the problem of flag transfers. Thus a laudable attempt, which the I.T.F. still takes seriously, has been made in this direction by the Government of Panama. The Government which was in office in Panama in 1949 invited a delegation of the I.T.F. to attend a conference with the shipowners concerned, which conference was to

take place under the auspices of the Panamanian Government at Washington in July, 1949. Though not very optimistic regarding the probable outcome of such a conference—after all, the pill would not be an easy one to swallow—the I.T.F. did hope that right-minded shipowners, of whom there are some even under the Panamanian flag, would respond to the invitation of the Panamanian Government in the same spirit which prompted the I.T.F. spokesmen to do so. But this modest hope was disappointed, and apart from a few brokers and agents, no shipowners took part in the conference in Washington. It was thus evident that, in spite of a serious warning by one of its Ministers, the Government of Panama had no influence whatsoever over the shipowners concerned. On reflection this is hardly surprising, for what can be the real legal relationship between this Government and so-called Panamanian shipowners who have hoisted the Panamanian flag on their ships on the strength of the signature of a consul, sometimes only a part-time official, and payment of the necessary fee in dollars? The failure of the attempt to arrive at an amicable solution through official negotiations necessarily meant an intensification of the issue when it came up for consideration again at an international seafarers' conference of the I.T.F. held at Rotterdam in August, 1949.

On this occasion the Panamanian Government once again came forward with a strong assurance of its good intentions. Once again it made an urgent appeal to the I.T.F. to postpone the boycott pending a last attempt to reach a solution by peaceful means. The result was an explicit agreement between the Panamanian Government and the I.T.F. that another attempt should be made to submit the issue to a conference of shipowners' and seafarers' representatives, which would take place at Geneva not later than 5 December, 1949. But subsequently the political situation in Panama underwent a change and a new Government came to office, with the result that the said agreement was no longer recognized and there was no longer question of an amicable solution.

The I.T.F., nevertheless, continued to exercise patience and it was not until April this year that a further confer-

ence of its Seafarers' Section decided to proceed with the application of the boycott.

The decision, therefore, has been made. It was made in full recognition of its implications, after careful consideration of all that was at stake. The organized seafarers realize the seriousness of the matter and all the difficulties involved. Conscious of their responsibility, they will know how to hit those whom they want to hit. Their action will not be indiscriminate or precipitate. Ships will be visited one by one; inquiries will be held into conditions of service on board and into the record of the shipowner; and an offer will be made to conclude a collective agreement which safeguards the crew against any arbitrariness. Only if the owner proves unwilling to see reason will other methods be employed against him. If we are not successful in one port, the action will be continued in the next port of call or the one after that, until the desired result has been achieved.

Never in the history of the international seafarers' movement has an action of such magnitude been undertaken. This alone is reason enough to make the seafarers determined that it shall not fail.

It is an action which deserves the sympathy of all who are well disposed towards the seafarers and the shipping industry. We are confident that public opinion is with us, that the families of the seafarers welcome the action, and that we can rely on the support of every socially minded seafarer.

We could cite dozens of examples of ships on board of which not only wages and working conditions and the social security position are at the level which was customary fifty years ago, but in which seafarers have to carry on their calling in veritable danger of their lives. Such ships the seafarers are wont to describe as "floating coffins" and their owners as "hyenas of the sea". The language may be figurative, but there is a great deal of truth in it.

Resolutely and methodically, month after month, if necessary year after year, the seafarers will wage war on these ships until justice has been done and the object is achieved. Let those concerned take good heed.

THE STRIKES OF MARITIME WORKERS IN THE ARGENTINE

The Press Agencies have recently reported on a number of strikes in the maritime industry of the Argentine: a 24-hour strike of seafarers on 25 March, a 48-hour strike of seafarers on 4 and 5 April, and a three-day strike of dockers and seafarers lasting from 3 to 6 May. These strikes are but phases in a long drawn-out dispute over wages and working conditions. Briefly, its history is as follows:

In 1947, the Argentine Ministry of Labour set up a joint committee for the maritime industry, charged with the regulation of hours of work on board ship as well as with that of working conditions and wages. This com-

mittee, it is true, worked slowly—but it worked and produced results. In 1949, however, an Argentine Ministry of Transport was created and it was stipulated that conditions of employment in the shipping industry should fall within the province of this new Government department. The joint committee mentioned above, functioning under the auspices and control of the Ministry of Labour, was dissolved and a new committee was supposed to take its place. This new committee has, however, not yet been set up and for the following reason. The General Confederation of Maritime Trade Unions, which organizes practically all seafarers and

dockers, is independent of the General Confederation of Labour, which works hand in glove with the Government. This latter body has on its books an insignificant paper organization of seafarers for which it claims representation on the joint committee for the maritime industry. The Maritime Confederation, on the other hand, refuses to concede this claim and maintains that it is the sole organization both qualified and entitled to represent the totality of maritime workers on the new committee, as was the case also with the old one.

Thus, in the absence of an officially established negotiating body, nothing is being done towards the settlement of trade union claims. The three strikes already referred to earlier were aimed at forcing both the authorities and the shipowners and stevedores to end this stale-mate, either by establishing a body competent to negotiate for the whole industry or by leaving individual shipowners and stevedore contractors free to conclude agreements with the trade unions.

The Ministry and the employers, obviously at the bidding of the Ministry, are resisting the union's claim for ulterior motives. What these are can easily be guessed. It may be expected that the dispute will, sooner rather than later, lead to a resounding clash.

The Argentine Confederation of Maritime Trade Unions is an affiliate of the I.T.F. and is held in high esteem by all other affiliated organizations. It has kept itself aloof from politics and is working constructively for the defence of its members' material and social interests. The leaders of the Confederation have, however, for some time felt that in keeping themselves free from political entanglements they are incurring the displeasure of some powers in the land who might well one day consider putting pressure upon them. The

January-February issue of *Congremar*, the journal of the Maritime Confederation, contains an article devoted to the business of the general delegate meeting, from which we quote the following :

A stranger to the capricious vacillations of the political line, free from any racial or philosophical prejudice, the Confederation lives and works both by and for the workers in the maritime industries. Nothing can prevent its forward march if it maintains, with dignity and integrity, this absolute independence of action and continues to employ honourable methods in the defence of its members' interests. . . . Confident in our unshakable unity, which is the major factor in the strength of the maritime workers, and with confidence also in the profound proletarian sentiments which animate our affiliated unions and in the never-faltering spirit of militancy of our union leadership, all of us taking part in this great gathering greet with great satisfaction our brethren, the workers of Argentina and of the whole world, for we can say to them : freely have we lived, freely shall we live and, if necessary, we will know how to fight for our trade union freedom.

This, in veiled but firm language, is the answer of the last free trade union organization in the Argentine to those who are putting political pressure upon it. The strikes of 25 March, 4 and 5 April, and of 3 to 6 May have shown conclusively that the Maritime Confederation is the sole authentic organization of maritime workers. Its fight for the improvement of its members' working conditions is being followed with both interest and sympathy by free maritime trade unions throughout the world. If need be they will extend a helping hand to their fellow workers in the Argentine.

RHINE BOATMEN'S CONFERENCE AWAITS GOVERNMENTAL ACTION

The April, 1950, issue of the International Labour Office News Service contains an article on the results of the tripartite Rhine Boatmen's Conference held at Geneva, under the auspices of the I.L.O. and at the request of the I.T.F., from 31 October to 5 November and from 5 December to 14 December of last year. We summarize below the main points of this statement.

The International Labour Organization has approached the governments of six countries interested in navigation on the Rhine regarding the holding of an official conference to co-ordinate social security benefits and standardize the working conditions of 45,000 Rhine boatmen. Replies are now being awaited.

Two draft agreements covering social security protection and working conditions have already been unanimously approved by the technical conference mentioned in the introduction above. This was attended by representatives of Belgium, France, the German Federal Republic, the Netherlands, Switzerland and the United Kingdom. The Government of the United States, the United Nations, the World Health Organization, the I.T.F. and the International Confederation of Christian Factory and Transport Workers sent observers.

Social Security

The draft agreement on social security meets the claims put forward by the I.T.F. According to this, the insuring country will normally be that in which the head office of the employer is situated, although in certain circumstances company branches situated in countries other than that of the company's country of origin may be considered as separate undertakings with headquarters in their country of location. A boatman will be insured under the existing and future laws and regulations of the country in question in so far as sickness, maternity and funeral benefits ; disability, old-age and widows' and orphans' pensions ; industrial injury compensation ; unemployment benefits and family allowances are concerned. If, however, a boatman (or a member of his family) falls ill in a country other than that in which he is

insured, the benefits in kind to which he is entitled will be provided by the insurance institution of the former country. This institution will be entitled to repayment by the corresponding institution of the country directly responsible for the boatman's social security, but the administrative authorities of the two countries may make special reciprocal arrangements on this point or may even renounce their claim to such refunds.

It is perhaps in the field of pension insurance that the agreement on social security will be most advantageous to the boatmen. The right to a pension, and, more particularly, to an old-age pension, is ordinarily only acquired after a number of years of contributing membership of an insurance fund. Hitherto, a boatman's period of service on the boats of any one country has often not been of sufficient duration to qualify him for a pension under its law, and, even if he does qualify, the pension is smaller than would have been the case had he served throughout on boats covered by that law.

The effect of the agreement will be that all periods of employment as a Rhine boatman under the laws of the contracting countries will count in the calculation of his pension. This will be a composite amount, in which each country will share in proportion to the period of service during which the worker was covered by its insurance legislation. This rule will apply to both old-age and widows' and orphans' pensions, but not to disability pensions. The latter will be paid by the country in which the boatman was last insured and will be calculated as if he had been continuously covered by its legislation.

Conditions of Employment

This draft agreement applies to all members of the crew, including skippers who are employed for wages. The extension of the provisions concerning night rest, weekly rest and public holidays to cover family undertakings is an innovation so far as an I.L.O. text is concerned.

The stipulated conditions of employment are minimum conditions and will not prejudice more favourable conditions already enjoyed by boatmen under national law, custom or agreements between employers and workers.

It is specifically provided that the crew of a vessel shall be large enough to ensure the safety of navigation and the observance of the agreement.

With regard to night rest during navigation, the winter months during which boatmen shall be entitled to twelve hours' rest are November, December, January and February. The period of night rest is to fall between 6 p.m. and 8 a.m. Exceptions are provided to allow of certain curtailments of this rest, for example, when highly perishable goods are being carried; to prevent spoilage of goods carried in a single-towed or self-propelled vessel; to pass locks; to enter certain tidal ports; in case of accident, flood, storm, sudden danger from ice or distress; in case of a rapid or unexpected drop in the water level while travelling above Koblenz; to avoid missing a connection with a sea-going vessel.

When a vessel is in port or at a loading or unloading place, the eight-hour day and forty-hour week are to apply except where local regulations permit otherwise. The maximum working time on days when the vessel travels and loads and/or unloads will be twelve hours, except under certain specified conditions. Time worked at loading or unloading in excess of eight hours on such days will be paid at overtime rates. Stops at intermediate ports totalling less than four hours in the same day will be regarded as travelling time. The time by which the night rest is curtailed for emergency reasons will be regarded as overtime, as will also be time worked between 7 p.m. and 6 a.m. or on Sundays and holidays while in port or at loading or unloading places. The compensation for overtime will be that prescribed by national laws or regulations or by collective agreement.

Except for emergency conditions, no Rhine boatman should be required to work on New Year's Day, Easter Sunday, Easter Monday, Whit Sunday, Whit Monday, Christmas Day or 26 December; emergency work performed on these days will be considered as overtime.

The principle with regard to weekly rest laid down in the agreement is that an average of one day's rest for six days' work shall be granted within a period of not more than three months. As far as possible, weekly rest days should include twenty-six Sundays in a year. They should consist of not less than twenty-four consecutive hours granted immediately after a period of night rest.

The agreement further stipulates that each boatman who has worked for the same undertaking for a period of twelve months shall be entitled to an annual holiday of not less than twelve working days, of which at least six must be granted in one continuous period. Boatmen who legally terminate their employment or who are discharged through no fault of their own after less than twelve months' service are to be entitled to one day's paid leave for each month worked. Periods of compulsory military service or interruptions of service due to illness or injury do not count towards annual holidays with pay, nor is time spent travelling to or from home if, at the request of the employer, the annual holiday is not taken in one continuous period.

Further Action Required

Appended to the proposed agreement is a recommendation suggesting that a conference of representatives of governments, employers and workers from the countries concerned should be convened by the Central Commission for Rhine Navigation as soon as possible after the final adoption of the agreement, to fix new minimum manning scales if necessary, and that the International Labour Organization should take part in an advisory capacity.

POSTSCRIPT

The Central Commission for Rhine Navigation has informed the I.T.F. that the Central Commission, at its last meeting, decided to call a tripartite conference at Strasbourg, on 26 September, 1950, for the purpose of studying and proposing new manning scales for the crews of vessels engaged in Rhine shipping.

WORK OF THE INLAND TRANSPORT COMMITTEE OF THE ECONOMIC COMMISSION FOR EUROPE

It is now nearly three years since there was held in Geneva a meeting of transport experts, nominated by the Governments of almost all countries in Europe, together with the United States of America, at which proposals were made for the setting up of an Inland Transport Committee of the Economic Commission for Europe (ECE). These proposals were adopted without major change by the Commission at its meeting in July, 1947. The first meeting of the Committee was held three months later, during which time the Secretariat of ECE under Mr. Gunnar Myrdal, the Executive Secretary, was enlarged by the creation of a Transport Division comprising not quite a dozen experts in various fields of inland transport, and embracing at least six different nationalities.

Like its predecessor, the European Central Inland Transport Organization (ECITO), which was set up immediately after the close of hostilities in Europe, the Inland Transport Committee can act only in a consultative and advisory capacity and it is specifically provided in the Resolution of ECE establishing the Committee that it shall take "no action in respect of any country without the agreement of the Government of that country". Within this general limitation, however, the Committee's terms of reference are broad. The Resolution already mentioned lays it down that the Committee shall:

- "1. Provide a forum for the discussion among Governments of subjects of a common interest in the field of inland transport in Europe.
- "2. Stimulate international co-operation in the field of inland transport in Europe.
- "3. Promote agreement between Governments on long-term inland transport policy in Europe.
- "4. Complete the essential tasks of ECITO not terminated at the dissolution of that organization."

Membership is open to all Government members of ECE, and other European Governments can be invited to participate in its work; in fact the Governments of almost all countries in Europe are able, if they desire, to take a full part in the work of the Inland Transport Committee, its Sub-Committees and Working Parties. Specialized agencies of the United Nations, such as the ILO, ICAO and FAO, as well as various international organizations whether governmental or otherwise, are also invited to attend meetings when matters of interest to them are to be discussed. It is thus that a representative of the I.T.F. has been able to attend and take an active part in several of the meetings of the Committee and its subsidiary bodies.

Participation by representatives of Governments in the work of the Committee, its Sub-Committees and Working Parties has naturally varied somewhat according to the subjects under consideration. Certain countries

like Albania, Iceland, Ireland, Portugal and the U.S.S.R., which for geographical or other reasons have little direct interest in international inland transport in Europe, have not been represented at meetings, but some of them have occasionally supplied information to the Secretariat for the benefit of the Committee.

A word or two may now be said about the way in which the work of the Committee is organized. Although structurally dependent upon the Economic Commission for Europe itself, the Inland Transport Committee almost invariably makes recommendations direct to Governments. In certain fields the Committee has delegated its powers to its two Sub-Committees, one for road transport and the other for rail transport. Where studies have to be undertaken various courses are open. They can be, and often are, entrusted to the Secretariat which, with the authority of the Committee, may address questionnaires to Governments. Where strictly technical subjects are involved they may be entrusted to the appropriate international body, the International Chamber of Commerce or the International Organization for Standardization for example, or to one of the transport organizations, for instance to the International Union of Railways, in the case of a purely "railway" question, or to the International Road Union in the case of a "road" question. Occasionally reports are prepared by Governments either singly or acting in co-operation; in one case experts were specially engaged by the Secretariat to prepare a survey. Whatever means are adopted, the reports, when prepared, are submitted to the Committee or its appropriate subsidiary body; they are then discussed and recommendations for any action felt desirable by the Committee or its Sub-Committees are thereupon made to Governments or to the appropriate international organization.

Having briefly reviewed the Committee's powers and its organization, its achievements may now be discussed. The residual functions of ECITO need only be mentioned briefly. The chief of these were the identification and restitution of railway rolling stock, the restoration of normal conditions for wagon exchange and the co-ordination and regulation of international traffic movements by rail or road through certain countries. Identification operations are on the point of being brought to a close having been extended to almost a million vehicles, and much progress has been made with the return of railway rolling stock to its country of origin, although there are certain problems for which a solution acceptable to all parties has still to be found. With regard to the exchange and reciprocal use of wagons in international traffic, the first year of existence of the Inland Transport Committee saw the termination of the provisional system introduced by ECITO and the reintroduction, thanks to special transitional arrange-

ments agreed to under the auspices of the Inland Transport Committee, of the pre-war agreement known by the initials RIV.

With regard to the co-ordination of international traffic movements, the series of meetings known as BIDAC, under which monthly programmes of international traffic movement through Germany or Austria were approved, were continued until the improvement in transport facilities in Austria and Germany rendered these meetings unnecessary. So far as road transport was concerned, it was found possible to give up the system of authorizations for international services and a number of agreements was reached whereby a number of European countries would permit without restriction, but subject to reciprocity, the passage of lorries in transit and, in certain cases, of lorries bringing traffic to the country for unloading, or carrying traffic away after loading. These agreements which were concluded initially for periods of six months have been extended subsequently.

These tasks were essentially of a short-term character and were a direct consequence of the disturbed condition of European transport arising out of the war. From its very first meeting, in October, 1947, the Committee started to deal with a number of matters of a much more long-term character. Its first positive achievement of any magnitude under this head was the completion of a draft convention on road traffic, which brought up to date and combined the existing motor traffic conventions. This text served as the principal working paper for the United Nations Conference on Road and Motor Transport (held in Geneva in August and September, 1949) which led to the signing of a World Convention on Road Traffic and of a protocol on road signs and signals.

Much attention has been devoted by the Sub-Committee on Road Transport to the question of simplifying Customs formalities and it has been responsible for the preparation of three draft Customs conventions. These deal respectively with touring, commercial road vehicles and goods carried internationally by road vehicles. The first of these simplifies the existing procedure affecting tourist travel to other countries and the second facilitates frontier procedure for commercial vehicles. The third, which represents the biggest innovation of the three, covers the goods carried and provides for the use of Customs documents of a type similar to those used to cover private cars, i.e. they are backed by guarantees from recognized road transport organizations for the payment of Customs duties. Certain European countries have already agreed to put these conventions into operation this year.

Other subjects affecting road transport include the designation of an international network of main roads conforming to agreed standards of construction, a common system for compulsory insurance against third party risks, and a uniform contract for the international carriage of goods by road. Work on the study of the prevention of road accidents has also been begun.

With regard to rail transport, a wide field has also been covered but the methods have been somewhat different. The reason for this is that rail transport has a more

developed organization and that there exist various international bodies which have been able to carry out much work on technical matters. The Inland Transport Committee has done much to urge the standardization of railway wagons and their spare parts, the detailed work necessary being carried out by the railway administrations and the appropriate international railway body. Similarly, on a subject of special interest to the I.T.F., the International Union of Railways has, as a direct result of a recommendation of the Committee, given further attention to the practicability of introducing automatic couplings and of designing wagons so that automatic couplings could be fitted readily whenever it was decided to proceed with its introduction. Other subjects which the competent railway bodies have been asked to study by the Committee or the Sub-Committee on Rail Transport, are the improved utilization of freight rolling stock and the modernization of long-distance passenger train facilities.

The matters being dealt with by the Sub-Committee, or by its Working Parties, include a uniform system of accountancy for main-line railways, with a view to bringing about a closer degree of comparability between the accounts of different railway systems; the simplification of frontier formalities in Europe; a more regular distribution of orders for railway rolling stock; and economic problems connected with the revision of the Berne Convention on the carriage of goods by rail in international traffic.

Lastly, consideration is being given to the powers and functions of the various existing international railway bodies with a view to eliminating duplication and waste of effort, thereby securing greater efficiency.

Certain questions not relating solely to one form of transport have also received the attention of the Committee which has set up special working parties to deal with them. That with the widest scope is undoubtedly the Working Party on the Co-ordination of Transport, where agreement has been reached on a number of factors to be studied before full consideration can be given to the general problem of co-ordination in all its aspects.

Problems associated with the transport of perishable foodstuffs are also the subject of studies with a view to accelerating their movement and extending the markets open to such produce when transport is the limiting factor. Further investigations have been extended not merely to defining the conditions under which such commodities should be carried but also to their preparation for transport, including their packing.

Mention must also be made of the work of the Committee in the field of statistics. Arrangements have been made to collect from Governments certain basic statistics on rail, road and inland water transport. These are reproduced in a special bulletin which is issued quarterly. Consideration is being given to various gaps existing in regard to statistics, particularly of road and inland water transport, and it is hoped that agreement will be found as to ways in which the present lack of knowledge of the volume of traffic carried by road will be remedied. It is

(Continued at the foot of p. 20.)

THE SWEDISH HIRING HALL SYSTEM

AN EXAMPLE TO FOLLOW?

By **VERNER ULVSTIG**

Many of the institutions found in Sweden are the result of compromise—compromise between employers and workers, between rich and poor, between the State and the individual. The Swedish hiring halls for seafarers are a fair example of this spirit of compromise, representing as they do a compromise, based on general principles of social justice, nowadays taken more or less for granted in Sweden, between the different interests of the State, the Employer and the Union.

Many Features in Common with the American Union Hiring Halls

Although the Swedish hiring halls are run by the State, they have in fact much in common with the seafarers' hiring hall system of the United States. Co-operation with the seafarers' unions, indeed, is so close that it is not easy to see where the role of the State ends and the union "closed shop" takes over. Formally, of course, the differences may be quite considerable. Moreover, in Sweden the employers also have a say in the running of the hiring halls. So all the parties concerned mutually check each other, including the rank and file seafarers, who in the last instance check the unions. The procedure is so cordial that it is perhaps better described as co-operation. There is no doubt that the hiring halls have completely done away with the corrupt methods of the "good old days" of hiring cheap labour for deck, engine room and galley.

In Sweden the exploited "proletariat" has been replaced by the proud and genuinely democratic movement of the Social Democrats, which to-day governs the affairs of the country. Nevertheless, there are certain trade groups which, owing to one set of circumstances or other, have not been able to win the same degree of recognition by society as their brothers in other industries. Among these "backward" groups were, and in a sense still are, the seafarers. In spite of their collective

(Continued from p. 19.)

also hoped to obtain statistics which will show the main traffic flows in Europe.

It will be seen that the programme of work of the Inland Transport Committee is by no means small and that it has unquestionably served, in the terms of its mandate, as "a forum for the discussion among Governments of subjects of a common interest in the field of inland transport". It has, in fact, done more than this and has led to the conclusion of a number of agreements which are major contributions to the improvement of transport in Europe. Much of its work is necessarily incomplete and the Committee's programme for years subsequent to 1950, to be submitted to the Economic Commission for Europe when it meets at the end of May next, is a comprehensive one.

agreements, they feel that there are still some arrears to be made up before they are in terms of social justice on an equal footing with their fellow workers in other occupations.

The belief that the seaman is a type of individual who cannot be readily adapted to the social pattern is deep-rooted. It dates from the time before the seafarers began to organize themselves in trade unions and to purge their profession of the many undesirable elements of all kinds it harboured. The belief has not yet been completely eradicated, and even in official circles there are still many who regard the sea as the dumping ground for undesirables who need a spell of the "healthy life" of the seaman. This official attitude is sometimes reflected in the rather neglected state of seafarers' hiring halls, which, let it be repeated, represent a good system in themselves, but need to be overhauled in accordance with up-to-date labour exchange standards and humanitarian conceptions.

Management and General Policy of the Hiring Halls

The seafarers' hiring halls in Sweden are tripartite institutions: owned by the State, run by the unions and supervised by the employers, all three parties co-operating closely. The individual seafarer has comparatively little direct say, though, of course, he exercises indirect influence through his union. Compared with their American counterparts, the Swedish hiring halls are more open to inspection, although in practice they are only accessible to seafarers belonging to a trade union. Condition for employment at sea is membership of a seafarers' trade union; trade union membership in its turn is only open to those who have served on board ship. Exceptions are made for youngsters and others without seafaring experience who are allowed to accept jobs within their capacity and not desired by established seafarers. The fact that the hiring halls are owned by the State has enabled them to avoid the political difficulties which have proved such a handicap to their American equivalents.

The hiring halls follow a policy ultimately designed to satisfy the seafarer's desire to choose a ship of his own liking (in this respect the current practice would seem to be in need of some improvement), the shipowner's desire to employ the men who suit his purposes, and last but not least the unions' desire to ensure preference of employment for organized and experienced seafarers, which latter desire is in practice shared by present-day Swedish shipowners. The employment of unskilled or unsuitable labour or of beginners is restricted so that the improving general standard of proficiency among the bulk of the seafarers results in the diversion to other industries of temporary entrants, to the mutual benefit of professional seafarers, the unions and the shipowners.

This may on occasion cause hardship for beginners and discourage many of them, but those really keen on a career in the merchant navy certainly have the opportunity to get better and better jobs according to their qualifications as defined in their discharge book, which is to all intents and purposes the seafarers' certificate.

The Hiring and Rotation System

Applicants for jobs are registered in the group they consider themselves to belong to and qualified for in view of their previous experience. The system is rather similar to that applied at the Seafarers' Registration Bureau of Singapore, the Hiring Halls in the U.S.A. and elsewhere. Each applicant receives a dated and stamped registration card and is informed of the hours of attendance for daily calls. At the hiring hall a register is kept for each category of seafarer (deck, engine room and catering department), and seafarers are registered in the order in which they apply. While awaiting employment, seafarers who have 52 weeks' paying membership to their credit are entitled to benefit from the unemployment fund. In case of involuntary unemployment benefit is payable immediately upon termination of employment; if a seafarer has left his job of his own free will, he does not qualify for benefit until 28 days afterwards. Application for benefit must be made at the labour exchange where the seafarer is required to register as unemployed. After a waiting period of 6 days benefit is paid at the rate of Kr. 6 a day for 120 days in a year, plus a supplement of Kr. 1.25 a day for the man who has a wife or household to maintain and Kr. 1 a day for each child under 16 years of age. The amount of the benefit depends partly on the size of the contribution paid. The State makes a contribution equal to 20 to 75 per cent of the total sum paid in benefits.

The hiring halls are required to have a certain number of seafarers readily available, so as to be able to supply crews at short notice. Those at the head of the rota are therefore invited to attend the calls. Others need not attend regularly, provided they can be conveniently reached by phone or letter and can attend promptly when advised. Many applicants, however, attend before reaching the top of the rota on the off chance of getting a job in cases where a man turns down a job offered to him or does not apply within the prescribed time limit. Such vacancies are available to the men present with the longest waiting period to their credit.

Offers of jobs are entered against the men concerned on the rota list, and those who three times turn down the offer of a suitable job without giving any valid reasons are returned to the bottom of the rota. The same is done with seafarers who fail to answer three calls to attend without being able to give valid reasons for their non-attendance.

Generally speaking, jobs are offered to qualified applicants at the top of the rota in the order in which they become available, but special provision is made for men who want to rejoin a particular ship or a particular company, or who have left their previous job on account of illness, accident, military service, or loss, sale, scrapping or transfer of a ship. Special provision is also made

to accommodate long-term personnel desiring to transfer to ships of the same company and apprentices preparing for a career as ships' officers.

If there is unemployment in other industries and the number of applicants at the seafarers' hiring halls has reached a sufficient figure, men with sea service during the past three years have preference over others regardless whether they have seafaring experience or not. Men guilty of misdemeanour, negligence, such as non-payment of union dues over a specified period, or who show themselves unsuitable for service at sea, are suspended or barred from the hiring halls and have their certificates withdrawn.

The Present Functioning of the Hiring Halls

As previously mentioned, in Sweden, seafarers do not in all respects enjoy the same privileges as workers in industry, and this is apparent when comparing the procedure of the ordinary labour exchanges with that applied at the seafarers' hiring halls, though technically these are a specialized service of the ordinary labour exchanges. A kind of criticism often made by seafarers, union officials and progressive-minded hiring hall officials is that insufficient information is given about each ship—class, route, tonnage, length of voyage, accommodation, officers and company, wages, etc.—and that owing to the mechanical nature of the call routine, insufficient time is allowed for seafarers to consider the opportunities of employment offered. Owing to lack of time, hiring hall officials are not able to take sufficient notice of constructive criticism by seafarers, and inquiries made before signing on for a ship are easily dismissed as mere grumbling.

The present system is not necessarily wrong, nor are the people who run it. The price of security under the present conditions is slowness of reaction to fast development and lack of personal understanding in the relationship with State-employed officials. The price may at times seem heavy, but Swedish seafarers appreciate that with all its imperfections it is a tremendous improvement on the state of affairs which used to exist. Nevertheless, the service could easily be improved by introducing a more personal relationship in the hiring procedure. Also there is a great need for new premises and more personnel, though it is appreciated that the economic difficulties which Sweden is experiencing, in common with other countries, are a serious stumbling block.

An important improvement in hiring hall procedure occurred about three years ago. The individual hiring halls come within the jurisdiction of the Provincial Labour Exchanges, which in their turn come under the National Labour Exchange. The special needs of the shipping industry were appreciated, however, and the machinery was completed by the establishment in each locality with a seafarers' hiring hall of a special board which, within the terms of the regulations applicable to labour exchanges, runs the service to meet the requirements of seafarers and shipowners.

The chairman of the shipping board is appointed directly by the management of the National Labour Exchange, and he is assisted by two assessors appointed

Still another publication which aims at furthering good staff relations is the *British Road Services Magazine*, the first number of which has recently appeared.

Harold Clay maintained that the size of the undertaking need not make relations between the staff and the Management impersonal and cold if all are imbued with the right spirit. "The way in which a game is played," he said, "depends to a large measure on the players." In support of his opinion that managers can and should approach one another in the co-operative spirit which animates the members of a team, he quoted, in conclusion,

the following words of Dr. Tawney :

"An industry, when all is said, is in its essence nothing more mysterious than a body of men associated in various degrees of competition and co-operation to win a livelihood by providing the community with some service it requires. Organize it as you will . . . its function is service, its method its association, because its function is service, an industry as a whole has rights and duties towards the community. . . . Because its method is association, the different parties within it have rights and duties towards each other."

INCREASED U.S. IMPORTS WILL HELP EUROPE

By **BERT M. JEWELL** and **CLINTON S. GOLDEN**

ECA Economic Advisers

In recent months we have grown increasingly aware of rumblings from some labour sources over the government's reinforced plan to boost imports from Europe into this country.

Some workers have become afraid that the proposal will lead to such a tremendous flood of European goods on the American market that similar U.S.-made products will not sell. This, they reason, will cripple domestic industry and put them out of work.

This fear—of being thrown out of work—is a very strong one, particularly here in America in this generation. And we sympathize with it most strongly. We have all of us suffered too many years because of unemployment, and the memory is still piercingly alive.

And so the fear is powerful—and, as often happens, it has translated itself into dissatisfaction. This dissatisfaction is directed at that agency which most informed people know is principally involved with carrying out this aspect of the government's programme.

We are speaking, of course, of the Economic Co-operation Administration, with which we are associated as labour advisors to Administrator Paul Hoffman. Both of us have discussed this problem with Hoffman and we all felt that it should be clarified, for the good of the industries and workers who are now so uneasy—and ultimately for the well-being of the entire country.

In an attempt to do this, Hoffman recently wrote a detailed letter to Sen. H. Alexander Smith, in which he described the position of ECA with respect to imports from Europe. It is our feeling that the trade unionists of America should know intimately many points which he clarifies and we shall set forth some of them. Hoffman said :

"I don't believe that anyone could argue that increased imports amounting to one-third of 1 per cent of our total output (of goods) could have any appreciable effect on the total economy ; nor, of course, is there anything to the argument that when we import goods we are importing unemployment.

"If we do not import, we cannot export ; and if we do not export, we create unemployment in the export field."

Hoffman said that tariff concessions can be granted "only within the framework of the Reciprocal Trade Agreements

Act". He emphasized that concessions can be and have been granted only after careful review. And then :

"I know of no instance in which tariff concessions have jeopardized the life of any American industry."

Hoffman revealed that experience with the Reciprocal Trade Agreements Act has shown it is possible to reduce duties in many industries without doing serious harm to American businessmen. Actually, in the event of serious injury to American business because of a concession in reciprocal tariff negotiations, the Tariff Commission is required to increase rates.

Yet in all the years since the "escape" clause has been in operation, only a handful of industries have asked for relief. The majority were dismissed for lack of evidence of serious injury.

Hoffman expressed the view that there are only two sound ways to reduce Europe's dollar gap. One, he said, would be to reduce requirements for dollar imports "through building up economic sources of supply in Europe itself and in other non-dollar areas", the second, by "increasing Europe's dollar earnings through direct and triangular trade".

"This means, of course," he continued, "that we must sell less and buy more from Europe. There is little appeal in such a programme but if we do not sell less and buy more, we must either continue our aid or see the European economy placed in grave danger."

Hoffman emphasized again and again that he does not believe "the apprehensions as to the effects of a slight increase in imports are well founded". He suggested, however, that should the new competition result in a loss of employment, it might be desirable to develop programmes for retaining and relocating workers, such as we had during the war.

"May I state that there are reasons other than economic why every effort should be made to bring the trade between the United States and Europe into balance at a reasonably high level," Hoffman said. "The relationships between Europe and the United States can be sound only if there is no element of charity in that relationship.

"Europe wants to pay her own way and we should help her to do so. We in ECA in administering this programme have constantly kept in mind that the only charity of enduring value is that charity which lifts people above the need of charity."