

The British Columbia Origins of the Federal Department of Labour

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Much has been written of the economic and social conditions of the labouring classes in the nineteenth century, the "gilded age" of American entrepreneurial skill. There are a number of excellent studies of the reaction to the excesses of that age.¹ However, there has been little detailed investigation of the specific origins of government policies and legislation. The purpose of this paper is to describe the events in British Columbia that led to the passage in 1900 of the federal Conciliation Act, the legislation that created the Department of Labour and laid the foundations for the Canadian system of industrial relations.²

Most of the labour legislation passed by the local and national legislatures of the United States and Canada during the 1880s and 1890s simply sought to ameliorate the condition of the working man, rather than to tackle the causes of his condition. The politicians were, in fact, acting on behalf of labour, achieving through legislation what the unions (where they existed) were unable to accomplish through direct confrontation with the employers.³ They did so in reaction to the increasing labour unrest of the late nineteenth century. The working classes had grown more and more dissatisfied with their appointed position within the industrial system. Beginning in the 1870s, and continuously from the mid-1880s, organized labour in both countries exerted pressure on the elected representatives locally and federally for reforms in that system through legislation.

¹ See especially Robert H. Bremner, *From the Depths* (New York: New York University Press, 1956); Ray Ginger, *Altgeld's America, 1890-1905* (Chicago: Quadrangle Books, 1965); Richard Hofstadter, *The Age of Reform* (New York: Vintage Books, 1955); and Samuel P. Hays, *The Response to Industrialism, 1885-1914* (Chicago: University of Chicago Press, 1957).

² The research for this paper was undertaken in the course of completion of the author's M.A. thesis, "The Department of Labour and Industrial Relations, 1900-1911" (Carleton University, 1972).

³ V. L. Allen, *Trade Unions and the Government* (London: Longmans, 1960), pp. 44-45. See Bernard Ostry, "Conservatives, Liberals, and Labour in the 1870's," *Canadian Historical Review*, XLI (1960), 93-127, and "Conservatives, Liberals, and Labour in the 1880's" *Canadian Journal of Economics and Political Science*, XXVII (1961), 141-61.

The education of public opinion began in the 1880s through the publications of agencies such as the Ontario Bureau of Industries and investigations such as that of the Royal Commission on the Relations of Capital and Labor, which sat from 1886 to 1889. In particular, the depression of 1893 to 1897 did much to awaken the public to the human suffering and want of the poor. It was becoming painfully evident that the complexity of industrial society had undermined considerably the validity of unrestricted individual economic freedom. The result was a decrease in the proportion of persons willing to accept traditional, conservative principles of competitive individualism and a more sympathetic public attitude toward the poor and labouring classes. An interest in reform blossomed in the nineties, encouraged by three forces: the growing publicity given to social problems by the popular press, the enlarged interest of social scientists in the subject, and an increase in statistical information available through the efforts of the various bureaus of labour statistics.⁴

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The Speech from the Throne that opened the last session of Canada's Eighth Parliament on 1 February 1900 contained a number of items designed to attract political support. Of particular interest to labour was the reference to "the conflicts which occasionally arise between workmen and their employers":

While it may not be possible to wholly prevent such difficulties by legislation, my Government thinks that many of the disputes might be avoided if better provisions could be made for the friendly intervention of a Board of Conciliation, the conclusions of which, while not legally binding, would have much weight with both sides and be useful in bringing an intelligent public opinion to bear on these complicated subjects.

It then informed the Members that they would "be invited to consider whether the Provincial legislation in this matter may not be usefully supplemented by an enactment providing for the establishment of a Dominion tribunal for assisting in the settlement of such questions."⁵ Five months later the Government introduced a Conciliation Bill providing for

⁴ Bremner, *From the Depths*, pp. 13-30, 67-85; Philip Taft, *Organized Labor in American History* (New York: Harper & Row, 1964), pp. xvi-xvii; Hays, *Response to Industrialism*, p. 76; Thomas C. Cochran and William Miller, *The Age of Enterprise; A Social History of Industrial America*, Revised Edition (New York: Harper & Row, 1961), pp. 120-21; Ray Ginger, *Age of Excess; The U.S. from 1877 to 1914* (New York: Macmillan, 1965), p. 281.

⁵ Toronto *Globe*, 2 February 1900.

the creation of such a "tribunal" and for the establishment of a bureau of labour statistics in Ottawa.

Precedents for the creation of a labour bureau were plentiful. The United States Bureau of Labor Statistics dated from 1884. The Labour Department within the Board of Trade in England, while officially established in 1893, actually traced its origins back to 1886. By 1900 such bureaus also existed in New Zealand, New South Wales, Queensland, South Australia, Japan, Mexico, five countries in Central and South America, eighteen European nations and twenty-nine states of the American union.⁶ In Canada the Royal Commission on the Relations of Capital and Labor in 1889 had recommended the establishment of a labour bureau to collect statistics and disseminate information. The result had been a statute passed the following year to provide for a "Bureau of Labor Statistics" under the Minister of Agriculture.⁷ However, because of the more pressing political and economic problems of the 1890s, the legislation was never put into force.⁸ A similar fate had befallen the premature bureau established in British Columbia in 1893, following passage of its Labour and Conciliation Act.⁹ Although actually created, the bureau had lasted only a few months, the legislation descending "into the limbo which yawns for the unfit and defective."¹⁰

Organized labour had been agitating for the establishment of labour bureaus, provincially and federally, for a number of years. The Canadian Labor Union had passed resolutions asking for a Dominion "Bureau of Labor and Statistics" at its meetings in 1873, 1876 and 1877. The Trades and Labor Congress had approached the government with suggested amendments to the Labour Statistics Bill at the time of its passage through

⁶ Gustavus A. Weber, *The Bureau of Labor Statistics — Its History, Activities, and Organization*, Bureau of Labor Statistics Bulletin number 319 (Washington: Government Printing Office, 1922), pp. 2-3; Philip S. Foner, *History of the Labor Movement in the United States* (New York: International Publishers, 1955), II, 25, note; Allen, *Trade Unions and the Government*, pp. 47-51; Ontario, *First Report of the Bureau of Labor for the Province of Ontario* (Toronto: King's Printer, 1901), pp. 11-14.

⁷ Canada, *Report of the Royal Commission on the Relations of Capital and Labor in Canada* (Ottawa: Queen's Printer, 1889), p. 14; "An Act to Provide for the Collection and Publishing of Labor Statistics," S.C. 1890, c. 5.

⁸ R. H. Coats, "Beginnings in Canadian Statistics," *Canadian Historical Review*, XXVII (June 1946), 122; *Report of the Minister of Agriculture*, 1895 (Ottawa: King's Printer, 1896), p. xliii. The act was repealed in 1906. S.C. 1906, c. 3, s. 1.

⁹ S.B.C. 1893, c. 21.

¹⁰ John T. Saywell, "Labour and Socialism in British Columbia: A Survey of Historical Developments Before 1903," *British Columbia Historical Quarterly*, XV (1951), 136-37.

Parliament in 1890. And in 1897 the TLC President, D. A. Carey, had urged the Congress to ask Ottawa to make use of the 1890 act.¹¹ Interest in the project had grown among organized labour, especially after the establishment of a special department devoted to the interests of the manufacturers (Trade and Commerce) in 1892. The latest request had come from Arthur Puttee, MP, as one of the delegation from the Trades and Labor Congress that waited on the Prime Minister in March 1900. The Independent Labour Member from Winnipeg "strongly advocated the forming of a labor bureau to see to the carrying out of the various statutes affecting the labor interest, and to deal with such disputes as had arisen in Slocan." Puttee was assured that his suggestion would "be considered."¹² Shortly thereafter, D. J. O'Donoghue, the elder statesman of the Canadian labour movement, took up his post in Ottawa as the first federal Fair Wages Officer. O'Donoghue had a particular interest in the establishment of a labour bureau. He had served as secretary of the Ontario Bureau of Industries since 1886 and, we are told, had "a passion for facts, backed up by figures"¹³ — which too often were not available. Perhaps O'Donoghue made his feelings known. An additional source of pressure was the announced intention (early in April) of the province of Ontario to establish its own labour bureau, "modelled after the system in vogue in Massachusetts, where it has proved very successful." The new bureau, it was said, would "be devoted to the compilation of statistics relating to labor, a general oversight of labor questions, and the enforcement of laws affecting the working classes."¹⁴ This may well have been the deciding factor. With public pressure building and an election in the offing, it became politically advisable to follow suit at the federal level. The obvious requirement was for a bureau, within one of the existing ministries, to administer the Fair Wages Resolution of 1897, to collect and publish labour statistics, and to conciliate labour disputes.

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Any state wishing to provide facilities for the settlement of industrial disputes has at its disposal four recognized methods: conciliation (or mediation), compulsory investigation, voluntary arbitration and compul-

¹¹ Canadian Labor Union, *Proceedings*, 1873, p. 20; *Proceedings of the Canadian Labour Union Congresses*, comp. & ed., Leslie E. Wismer (Montreal: TLC, 1951), pp. 71, 86, 90; TLC, *Proceedings*, 1890, p. 9, and 1897, p. 7.

¹² *Winnipeg Daily Tribune*, 19 March 1900; *Globe*, 20 March 1900.

¹³ Doris French, *Faith, Sweat, and Politics; The Early Trade Union Years in Canada* (Toronto: McClelland & Stewart, 1962), p. 91.

¹⁴ *Globe*, 4, 10 April 1900.

sory arbitration. The first method simply provides for a conciliator to bring the employer and employees together for discussion and negotiation. There is no element of compulsion before, during, or at a breakdown of negotiations, and no prohibition of the right to strike or lockout. In compulsory investigation special boards investigate disputes and report to the government. Any strike or lockout is postponed until the board has reported. However, the only pressure on the disputants to accept the recommendations of the board comes from the influence of public opinion. Voluntary arbitration involves both parties agreeing to submit a dispute to an arbitrator and abide by his decision. Compulsory arbitration, of course, compels disputants to submit to an arbitrator or board of arbitration, whose award is binding. Legislation of this kind was enacted in New Zealand in 1894, but has not been accepted in this country. While some Canadian legislation has contained provisions for voluntary arbitration, the prevailing method has been a combination of conciliation and compulsory investigation.¹⁵

Precedents in Canada for labour relations legislation were few in number in 1900. The Ontario Trades Arbitration Act of 1873, the British Columbia Labour and Conciliation Act of 1893, and the Trades Disputes Act passed in Ontario in 1894, all provided for local boards or councils of conciliation and arbitration.¹⁶ They were fully voluntary, relying on conciliation or, if the parties agreed, arbitration. Mutual consent was needed for any mediation to take place. The acts failed for largely the same reason in each case: while the labouring classes might have been willing to use the machinery, the employers were not, because doing so would have strengthened the workers' position. In addition, the 1873 Ontario measure had not included the question of wages within its scope.¹⁷ In 1888 the Nova Scotia legislature passed the first Canadian legislation to provide for compulsory arbitration. The Mines Arbitration Act, provid-

¹⁵ A. E. Grauer, *Labour Legislation: A Study Prepared for the Royal Commission on Dominion-Provincial Relations* (Ottawa: King's Printer, 1939), pp. 119-20. In 1968 a mild form of compulsion was introduced in British Columbia's controversial Bill 33 ("The Mediation Commission Act," S.B.C. 1968, c. 26). The legislation was amended in 1972 to replace the compulsory features with mediation (S.B.C. 1972, Second Session, c. 8).

¹⁶ S.O. 1873, c. 26; S.B.C. 1893, c. 21; S.O. 1894, c. 42. On the background to the B.C. act of 1893 see Saywell, "Labour and Socialism," pp. 136-37.

¹⁷ H. D. Woods and Sylvia Ostry, *Labour Policy and Labour Economics in Canada* (Toronto: Macmillan, 1962), pp. 41-43; W. S. A. Martin, "A Study of Legislation Designed to Foster Industrial Peace in the Common Law Jurisdiction of Canada" (Ph.D. dissertation, University of Toronto, 1954), chapter 3; James C. Cameron and F. J. L. Young, *The Status of Trade Unions in Canada* (Kingston: Queen's University Department of Industrial Relations, 1960), p. 35.

ing for compulsory arbitration of disputes regarding wages in the Nova Scotia mining industry, proved to be inoperable, only one case ever being referred to arbitration under it.¹⁸

Organized labour in Canada and the United States generally supported the establishment of government boards of conciliation and arbitration. The 1877 convention of the Canadian Labor Union passed a resolution calling for "the application of the principle of arbitration and conciliation in trade disputes [as] one well calculated to advance the prosperity of the trades and promote amicable relations between employers and employed. . . ."¹⁹ Six years later the Canadian Labor Congress urged the appointment of a Board of Arbitration to which all disputes would be submitted.²⁰ Its successor, the Trades and Labor Congress, at its first convention in 1886 as well as in 1887, 1888 and 1890, passed resolutions favouring the concept.²¹ The Royal Commission on the Relations of Capital and Labor in 1889 recommended the appointment of permanent boards of conciliation and arbitration in all the larger industrial centres, with a central board of arbitration — a carbon copy of the system in Britain. "Whenever it should come to the attention of the permanent board that a labor dispute is pending, or contemplated," ran the recommendation, "it should be their duty to send one of their number to the scene of the disturbance. On arriving there he should at once place himself in communication with both parties to the dispute and offer his services in arriving at a settlement."²² That same year the Canadian Committee of the Knights of Labor discussed at length with members of the Dominion cabinet a plan whereby a Board of Arbitration and a Bureau of Labor Statistics would be created.²³ However, the government chose to tread lightly, introducing legislation to create a bureau but making no provision for public involvement in conciliation and arbitration.

At its 1892 convention, the TLC passed a resolution calling for the appointment of a "Board of Arbitration and Conciliation."²⁴ Four years

¹⁸ S.N.S. 1888, c. 3; Woods and Ostry, *Labour Policy*, p. 43; Cameron and Young, *Status of Trade Unions*, p. 36; H. D. Woods, "Public Interest Disputes and Their Settlement; Canadian Policy Experiments with Public Interest Disputes," *Labor Law Journal*, XIV (Aug., 1963), 739.

¹⁹ *Proceedings of the Canadian Labor Union Congresses*, p. 85.

²⁰ *Proceedings of the Canadian Labor Congress*, 1883 (Toronto: CLC, 1883).

²¹ TLC, *Proceedings*, 1886, pp. 30-32; 1887, p. 50; 1888, p. 21; 1890, p. 30.

²² *Report of Royal Commission on Relations of Capital and Labor*, p. 97.

²³ Knights of Labor, *Record of Proceedings*, 1889, "Report of the Canadian Legislative Committee," p. 19.

²⁴ TLC, *Proceedings*, 1892, pp. 11, 25.

later, A. W. Wright, a well-known journalist, prominent member of the Knights of Labor, and active supporter of the Conservative Party,²⁵ again brought the matter to the government's attention, in a report on the sweating system. He was, he wrote,

strongly of opinion that a Dominion Board of mediation and arbitration could be made the means of averting or satisfactorily settling a very large proportion of the labor difficulties and industrial misunderstandings which now eventuate in strikes and lock-outs involving great and never wholly repaired losses to both capital and labor.

Wright also suggested a system not unlike the French *Conseils des Prud'hommes*, with local boards and a central agency to act as a court of appeal. He did not feel that his central board should have the power to enforce its decisions, "except, perhaps, in the case of transportation companies, telegraph, electric or gas companies enjoying public franchise . . ." — an interesting exception, considering the pattern of later legislation. Wright felt, however, that "the mere intervention of such a board and its conciliatory hearing of both parties to a dispute would, in the majority of cases, result in either preventing a strike or lock-out or in settling the difficulty."²⁶ Unfortunately the election of 1896 produced the defeat of the Conservative government. Wright's report was placed on the shelf alongside that of the 1889 royal commission. And there the matter rested for several years, until serious labour unrest in British Columbia forced the government into action.

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In the late 1880s and early 1890s American prospectors from nearby states drifted into the Kootenay and Boundary regions in the southeastern corner of British Columbia. The area developed slowly until 1896 when, as a result of significant rise in the price of silver, mining experts and capital from around the world started an economic boom. By the turn of the century, the Kootenays had become the most dynamic economic region in Canada. British and Canadian capital had supplanted the American capital that had first developed the area, although the labour force remained mostly American. The Canadian Pacific Railway, aided by a federal government subsidy, had constructed the Crow's Nest Pass Railway from southern Alberta into the mining district. Newspapers across the

²⁵ For a biographical sketch of Wright, see Hector Charlesworth, ed., *A Cyclopaedia of Canadian Biography* (Toronto: Hunter-Rose, 1919), pp. 290-92.

²⁶ Canada, *Report Upon the Sweating System in Canada*, Alexander Whyte Wright, Commissioner (Ottawa: Queen's Printer, 1896), p. 18.

country frequently referred to recent events in such centres as Slocan, Rossland or New Denver, featured articles on the War Eagle, Le Roi or Centre Star mines, and reported details of new mining strikes, incorporations and mergers of mining companies, and advances in the price of mining shares.²⁷

The public's attention also was drawn to a less savoury aspect of the economic boom. During the winter of 1897-1898 complaints appeared of exploitation and ill-treatment of employees working for the various construction companies engaged in the building of the Crow's Nest Pass Railway. An investigation conducted by the Winnipeg Trades and Labor Council produced considerable evidence substantiating the charges. In January 1898 the federal government appointed a royal commission to investigate all complaints. One of the three commissioners was the man largely responsible for the revelations, John Appleton, president of the Winnipeg Trades Council.²⁸ In their report, dated 30 April 1898, the commissioners produced evidence of a number of abuses, including substandard or non-existent facilities for accommodation and sleeping, unsatisfactory and insufficient food, overcharges for supplies, inadequate medical facilities, and very low wages.²⁹ Further complications followed almost immediately. Due apparently to negligence on the part of officials of the railway or the construction company undertaking the work, two of the unfortunate employees died. On 1 July 1898 the federal government appointed Roger C. Clute, Q.C., a prominent Toronto lawyer with Liberal and labour sympathies, to inquire into the deaths. Coming after the previous royal commission report, Clute's revelations were enough to prod the government into action.³⁰ In 1899 Parliament passed a bill that authorized the Governor-in-Council to make and enforce regulations "for the preservation of health and mitigation of disease among persons em-

²⁷ Margaret A. Ormsby, *British Columbia: A History* (Vancouver: Macmillan, 1958), p. 315; W. N. Sage, "The American Mining Advance into Southern British Columbia, 1864-1910," in *British Columbia and the United States*, ed. H. F. Angus (Toronto: Ryerson Press, 1942), pp. 264-98.

²⁸ Public Archives of Canada (PAC), *Privy Council Office Records, Orders in Council* (R.G. 2, 1), vol. 755, P.C. 55, 15 January 1898. See also *The Globe*, 8 December 1897, and *The Voice* (Winnipeg) during September 1897.

²⁹ Canada, Parliament, *Sessional Papers*, 1898, no. 90a, "Report of the Commissioners in Crow's Nest Pass Complaints."

³⁰ PAC, *Orders in Council*, vol. 772, P.C. 1742, July 1, 1898; Canada, Parliament, *Sessional Papers*, 1899, no. 70, "Report of Mr. R. C. Clute on the Commission to Inquire into the Deaths of Macdonald and Fraser on the Crow's Nest Pass Railway — Summary." *The Rossland Miner* also printed the entire text of the report in its issues for 30 May, 1 June and 2 June 1899.

ployed in the construction of public works. . . .” It was to apply to all public works, such as railways, canals, bridges and telegraphs, within the legislative authority of the Parliament of Canada. Clute himself subsequently drafted the regulations, which appeared in an order-in-council the following January.³¹

Meanwhile, the heritage of labour conflict that had developed in the western mining region to the south was spilling over into Canada. The militant Western Federation of Miners, which had established its first local (number 38) at Rossland in 1895, was spreading rapidly, aided by the passage of an eight-hour day law by the provincial government in 1898. When the mine owners announced their intention to cut wages proportionally, the miners’ unions in both the metal and coal mining industries went out on strike. With the issue of union recognition also very much at stake, distrust and recalcitrance on the part of employers and workers alike prevented settlement and fanned the flames of discontent.³² The problem areas were intensified by the action of the companies in bringing in labourers from the United States to replace the striking miners, in contravention of the Alien Labour Act. With the appearance of this issue, the Dominion government felt obliged to investigate.³³

In November 1899 the cabinet asked Roger Clute to return to British Columbia and conduct a preliminary investigation into the labour troubles plaguing the western mining region. Clute was asked to collect information on the number of miners employed, the capital investment in the region, the hours of labour, wages, and any other pertinent information.³⁴

A former chairman of the Board of Arbitration under Ontario’s “Trade Disputes Act” of 1894,³⁵ Roger Clute held rather progressive ideas on the

³¹ “Public Works (Health) Act,” S.C. 1899, c. 30; *Orders in Council*, vol. 821, P.C. 236, 31 January 1900. P.C. 2364 of 8 October 1900 (*Orders in Council*, vol. 851), authorized the payment of an account submitted by Clute for the drafting of these regulations and, as we shall see, one other important measure.

³² Paul A. Phillips, *No Power Greater: A Century of Labour in British Columbia* (Vancouver: B.C. Federation of Labour, 1967), pp. 28-29; Martin Robin, *The Rush for Spoils; the Company Province, 1871-1933* (Toronto: McClelland & Stewart, 1972), pp. 25-26. On the eight-hour day fight in the western mining region see Vernon H. Jensen, *Heritage of Conflict; Labour Relations in the Nonferrous Metals Industry up to 1930* (New York: Greenwood Press, 1968), pp. 96-117.

³³ Frank Robert Anton, *The Role of Government in the Settlement of Industrial Disputes in Canada* (C.C.H. Canadian Limited, 1962), p. 63. See also *The Rossland Miner*, 16 April, 15 May and 2 June 1899.

³⁴ *Orders in Council*, vol. 815, P.C. 2407, 17 November 1899; PAC, *Laurier Papers* (M.G. 26, G), vol. 131, p. 39067, Laurier to D. J. O’Donoghue, 23 November 1899.

³⁵ S.O. 1894, c. 42; Ontario Archives, *Executive Council Records*, Minutes (R.G. 3, D 6 C), box 100, 12 May, 21 May 1897; *Laurier Papers*, vol. 75, pp. 23354-23361, D. J. O’Donoghue to Laurier, 16 May 1898.

relations between capital and labour, and the government's role in promoting those relations. In the first place, he felt that labour should have the right to organize and bargain collectively from a position of strength: "Capital and labor must unite in production. Is it unreasonable that while capital places its interest in the hands of the ablest men . . . labor should not be allowed to do the same?" In his report he wrote:

I venture to believe that not until there is a free recognition on the part of capital of the right of labor to organize, and when recognized to speak through its chosen representatives will good feeling be restored, and the basis of a permanent peace be established.

Clute also believed that the best means of settling labour disputes was through conciliation. "I think it is the only reasonable and business way," he said. "The only hope of labor is in organization, moderation, putting their ablest and most moderate men to the front and recognizing the principle of conciliation of the rights of others as well as their own."³⁶

Acting as a conciliator as well as investigator, Clute held hearings throughout the Kootenays during December 1899, and brought the parties in Slocan together. "In order to get the fullest information," he wrote in his report, "I allowed any questions that were relevant to be asked of the witnesses by either the miners or managers with the result that differences were thus discussed in presence of both parties in a friendly way — and many points cleared up, and a better feeling created between them." By the time he left the province at the end of December, Clute had effected a compromise on all but a few minor issues. In Ottawa he explained the situation to the full cabinet on January 18. Impressed with the progress made, the ministers asked Clute to continue his mediation in an effort to achieve a settlement.³⁷

In the report of his investigations in British Columbia Clute asked, rhetorically, whether a "solution of the labor troubles, present and prospective [could] be effected." His answer was in the affirmative:

I believe it can with the co-operation of leading mine managers and labor leaders. But, to attain this end mutual suspicion must be put away, and a cordial recognition of mutual rights obtained. This granted; from an intimate acquaintance with managers and men, a permanent settlement is in sight. Is it too much to expect that all parties will at least make an earnest endeavour to obtain such a result?

³⁶ *Globe*, 26 May 1900; "Royal Commission on Mining Conditions in British Columbia," I, 377. This report was not printed, but a typescript copy is in the Library of the Department of Labour, Ottawa.

³⁷ *Ibid.*, pp. 5, 134-48, 345-70.

On the other hand, if either the owners or the unions obtained a temporary victory the result cannot be lasting, and further labor troubles with all their disastrous consequences may be expected.

Clute felt it was "more than doubtful" that compulsory arbitration could "greatly aid in the settlement of labor disputes." Conciliation was, in his mind, "probably the most effective method":

The first step is for the parties to meet face to face and discuss the questions in a dispute in an amicable way. To bring together and keep the parties in friendly intercourse for a sufficient time that each may fully understand the views and claims of the other, is to eliminate many of the differences that at first stand in the way, and to reduce the matters in dispute to a minimum.

Drawing on his own experience in British Columbia, he wrote:

While I doubt the efficacy of enforced arbitration, I am of opinion that much can be done to promote agreement by a "conciliator", who with patience and tact might greatly promote the conditions favourable to a settlement, by bringing the parties together, allaying distrust, presenting the views of each in the least offensive form, eliminating minor causes of friction, promoting good feeling, moderating demands, restoring confidence, all of which are essential to a permanent and lasting settlement.³⁸

Transmitting his report to the Minister of Justice on 12 March 1900, Clute asked whether the government deemed "further investigation . . . or a further effort to endeavour to promote a better understanding between employers and employees desirable." It did. Clute continued his efforts, as a result of which an agreement was reached and the dispute settled.³⁹

It is quite apparent that Clute had impressed those with whom he had come into contact. Labour elements as diverse as the Western Federation of Miners local in Slocan and Ralph Smith, the miner from Nanaimo who was shortly to become president of the Trades and Labor Congress and federal Member of Parliament for Vancouver District, wrote appreciatively of his efforts. According to Smith, "the settlement is regarded by the people of this province as one of the best things that any government ever did in the way of sending conciliators on the ground where the trouble existed. . . ."⁴⁰ Clute's work had also impressed the cabinet in Ottawa. On the basis of his appearance before them on January 18, the

³⁸ *Ibid.*, pp. 390-92.

³⁹ "Second Report of the Commissioner in Relation to Mines and Mining in British Columbia," typescript in Department of Labour Library, Ottawa.

⁴⁰ Letter from Ralph Smith to Clute, 23 June 1900, quoted by Mulock in the House of Commons on 6 July 1900, *Debates*, col. 9374.

ministers decided to proceed with some appropriate legislation, as the Speech from the Throne two weeks later indicated. Shortly after submission of his second report (in May), where he detailed the negotiations that had led to the settlement, Clute was asked to draft a Conciliation Bill for possible introduction that session. He did so⁴¹ and the measure was introduced by Mulock in the House of Commons on June 27.

The bill did not give the conciliator all the freedom that Clute would have wished. It did not, for example, empower the mediator to intervene in a dispute "without formal request by either party" or to summon witnesses under oath, as Clute had advised in his report.⁴² However, the measure did contain his recommendation that the Governor-in-Council be authorized to designate the conciliator a commissioner under the Inquiries Act when and if circumstances warranted such action.⁴³ According to Mulock, this particular clause had been inserted at Clute's suggestion and as a result of his claim that "if he could have obtained information which would have been accepted as authoritative by both sides, it would have paved the way for an earlier settlement."⁴⁴

In its form the bill was virtually a copy of the British "Conciliation Act" passed in 1896. Mulock himself admitted that the clauses describing the conciliation machinery were, except for the references to the Minister of Labour instead of the Board of Trade, "word for word" those of the English statute. He made a point of citing British precedent for the steps being taken on several occasions during the debate in Parliament. Interestingly enough, the British measure also had been the child of a royal commission, which had recommended a voluntary form of conciliation and arbitration to assist in the development and extension of existing practices. In Canada, however, no such practices existed. Even so, the Conciliation Act contained provisions for the establishment and registration of permanent conciliation boards. In effect, the idea of conciliation was imposed on the Canadian industrial situation.⁴⁵

With the passage of the Conciliation Act the Canadian government had embarked upon the first stage of a trend towards compulsion in industrial

⁴¹ *Orders in Council*, vol. 851, P.C. 2364, 8 October 1900; *Department of Justice Records* (PAC, R.G. 13), Letterbook 127, p. 159, Acting Deputy Minister of Justice to the Auditor General, 10 October 1900; *Ibid.*, p. 527, Acting Deputy Minister of Justice to R. C. Clute, 11 October 1900.

⁴² "Royal Commission on Mining Conditions," I, p. 399.

⁴³ *Loc. cit.*; S.C. 1900, c. 24, s. 7.

⁴⁴ *Debates*, 6 July 1900, col. 9379.

⁴⁵ *Ibid.*, col. 9377; Martin, "Study," pp. 66-67.

relations. This is not to suggest that the ministers were aware of the significance of the step they were taking, for they almost certainly were not. The motive behind the industrial relations legislation passed by the Laurier government was, as a prominent labour journal expressed it in 1907, "to protect the public from the inconvenience of strikes rather than to provide a just means of settling disputes."⁴⁶ In addition to that, 1900 was an election year. Nevertheless, the success of the first conciliator under the act (Mackenzie King), coupled with the unsettled labour scene during the early years of the next decade, led to the gradual extension of the principle of compulsion. What emerged was the Industrial Disputes Investigation Act of 1907 with its principle of compulsory investigation — the principle that became the basis of the modern Canadian system of collective bargaining.

⁴⁶ *The Voice* (Winnipeg), 15 March 1907.