

## CO-OPERATION OF CAPITAL AND LABOR

Sir John Pitter, honorary president of the British Chamber of Commerce in Paris, has made the following declaration concerning the relative interests of Capital and Labor, and considering his position and his knowledge of the subject, his views are both interesting and instructive.

It is evident, he says, that life in the trenches will have had an important and lasting effect on the future relations of employers and employees. It has brought them together as nothing else could have done.

It has been unusual hitherto, he goes on to say, for both Capital and Labor to regard their various interests as antagonistic, and present. But by examining the question conscientiously, it will be seen that this view is a mistaken one, and that if British manufacturers are to retain their own against modern competition, there must be close co-operation between Capital and Labor, for great changes have taken place during the last quarter of a century. The United States and Germany have both competed seriously with Great Britain for first place.

The means of transport, Sir John says, have increased all over the world in an unprecedented manner. Today transport half way round the world by sea is cheaper than transport of only a few hundred miles over land, and this naturally changes the face of things by bringing new competition for Labor from all the markets of the world. On the one hand, there is the United States with its automatic machinery, the natural consequence of high wages and high cost of living; on the other hand, there is Germany to face, with its relatively new plant and low prices of labor, and in both these countries there is practically no restriction of output.

Sir John, therefore, considers that the future demands the utmost attention, and the best way to maintain it is to bring about close co-operation between capital and labor, by satisfying the legitimate claims of both. He declares that this can be done "by a properly thought-out scheme of profit-sharing. If," he says, "by giving labor a substantial interest in the profits of the enterprise in which it is working, the employer can obtain his hearty co-operation, it will be more to him than any reduction, however great, in the cost of labor."

"I would ask Labor to consider the following points," Sir John continues:

1. Labor without capital is practically powerless.
2. Labor can only produce when Capital has placed in its hands the material with which to work, and which it can produce.
3. The tools or plant must be kept up to date; any improvement that allows increased production or improved quality must be adopted at once; Capital alone can do this.
4. The advance purchase of raw material, absolutely necessary to a successful enterprise, can only be accomplished by Capital.
5. Bad debts, bad seasons, bad crops, mistakes, occur in every occupation. Labor can stand no loss. Capital must be there to weather the storm.
6. Capital alone can obtain credit.
7. Co-operative labor enterprises have not been a success in the past; there has always been a shortage of capital.
8. Labor managed entirely by Labor has never been satisfied; no one is so hard on a workman as another workman.
9. Labor must learn to regard capital not only as a necessity, but also as its best friend; further, Labor must rid itself of the thought that Capital finds life easier than it does, and that Labor is free from all anxiety as to bad seasons, bad debts, errors of judgment, which give Capital many a sleepless night.
10. In the few purely Labor enterprises which have been able to survive, only the most skilled workmen have been admitted; the rank and file of Labor have had no chance of admittance.
11. The business of the professional agitator is to cause unrest amongst the laboring classes. He is often paid with foreign gold. Labor must think for itself.
12. It is only fair that Capital should have a living wage as well as Labor. Limited companies are composed of a large number of shareholders, many of whom have but small means.
13. If the proposal I make be the success it should and can be, Labor, by increasing its earnings, will have capital to invest, and this must also provide an adequate return.
14. I would ask Capital to consider the following points:
1. Capital without Labor is powerless to produce.
2. It is only by the willing and ever-present operation of Labor that Capital can obtain the full output of the plant it provides.
3. Labor, by its careless waste of material and waste of time, and by so doing can more than recoup the share of the profits given it.
4. Labor alone can care for the dead, which is largely dependent on Labor.
5. Only by the close co-operation of machinery with which it works.
6. The quality of the goods produced

## LOOKING AHEAD FOR DEMOCRACY.

The fundamental error of Socialism and Bolshevism lies in mistaking themselves for complete social and economic systems. Our present system, in nature, is complete, though largely because it has not sufficiently developed in any direction for any part of itself to break away from the whole and attempt, as the Socialist and Bolshevik movements have attempted, to be a complete unit in itself.

The one real problem for any democratic machinery is to combine democratic control with automatic efficiency. Socialism and Bolshevism have made the attempt and failed. Our present system has made no attempt other than rather aimless drifting. If it makes the attempt through changed machinery alone, as the others have done, it too will fail. If it builds up both machinery and democracy, itself co-ordinating them, it will succeed. And if it succeeds, the attempts of Socialism and Bolshevism will be neither necessary nor possible.

To succeed we must get efficiency by delegating control into as few hands as possible and at the same time progress in democracy (1) by holding those few inexorably responsible and (2) by educating the people themselves and (3) by educating ourselves to the need and habit of exercising that control and to the need of being many fit to exercise it.

But to entrust power without at the same time correspondingly building up democracy itself is to invite failure; to entrust without making actively effect to the fundamental control by the people is to invite autocracy. Thanks chiefly to the specialists, we have been committing both these errors.

To entrust is comparatively easy, but how develop and maintain fundamental control by the people? Not by one measure but by many: initiative, referendum and recall; direct elections; numerous changes in voting methods, so that an official can no longer be elected on a minority vote; a vote no longer made null because of geographical location; a mandated vote in proportion to its number; no longer made null because of geographical location; a mandated vote in proportion to its number; no longer made null because of geographical location; a mandated vote in proportion to its number.

The social system, a country that, in the distance, a railway, the express cars, the road, an automobile, is loaded and running at high speed. Enter at far right an express train. Both automobile and train are rushing towards the crossing. The excitement is intense. Owner of automobile to chauffeur—"Can you make it?" The chauffeur, speeding up—"Sure can make it!" He doesn't.

All the world loves a winner—with the exception of the loser.

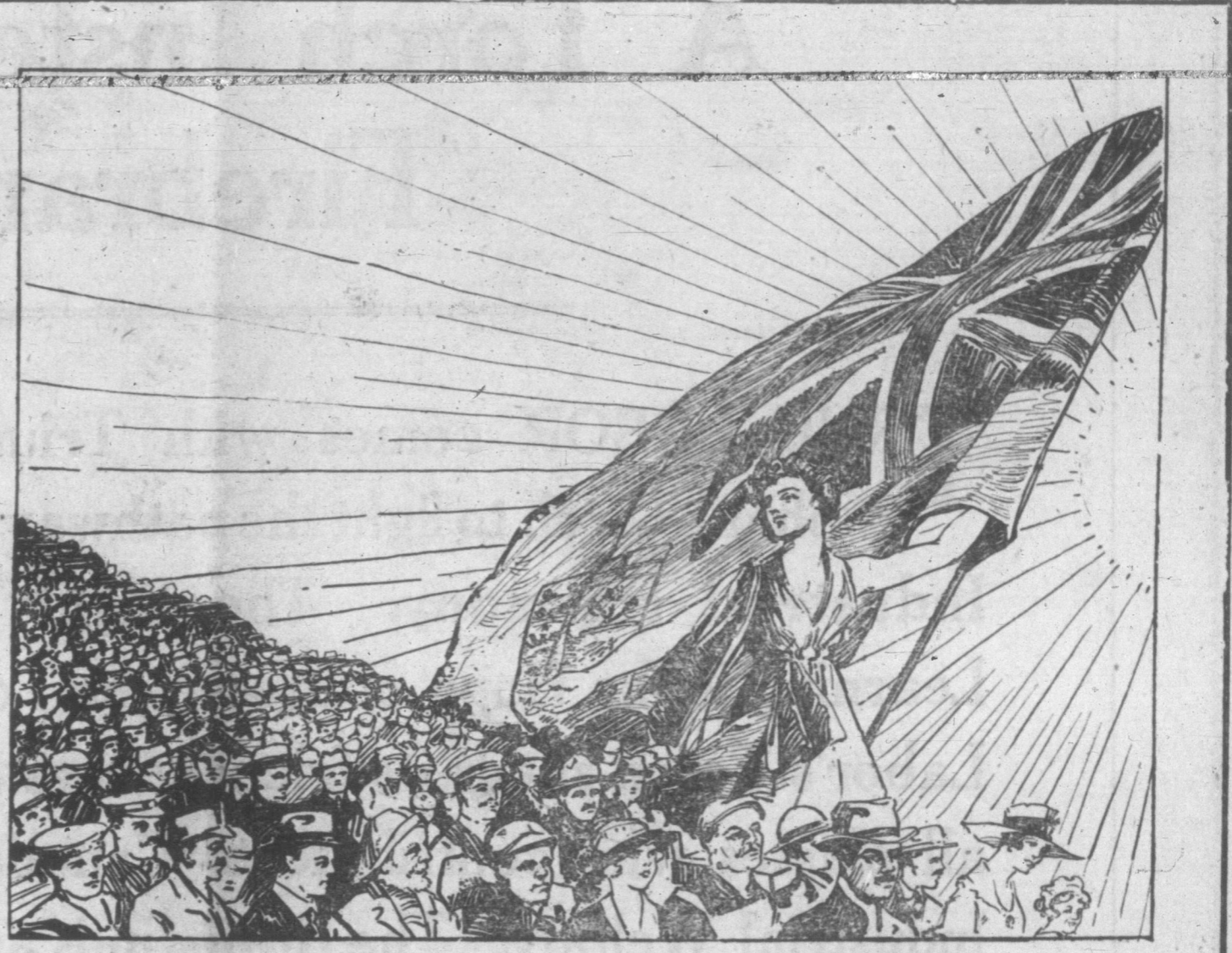
The democratic upheaval started by the war is an avalanche towards more real democracy, under the system, in nature, is complete, though largely because it has not sufficiently developed in any direction for any part of itself to break away from the whole and attempt, as the Socialist and Bolshevik movements have attempted, to be a complete unit in itself.

The one real problem for any democratic machinery is to combine democratic control with automatic efficiency. Socialism and Bolshevism have made the attempt and failed. Our present system has made no attempt other than rather aimless drifting. If it makes the attempt through changed machinery alone, as the others have done, it too will fail. If it builds up both machinery and democracy, itself co-ordinating them, it will succeed. And if it succeeds, the attempts of Socialism and Bolshevism will be neither necessary nor possible.

To succeed we must get efficiency by delegating control into as few hands as possible and at the same time progress in democracy (1) by holding those few inexorably responsible and (2) by educating the people themselves and (3) by educating ourselves to the need and habit of exercising that control and to the need of being many fit to exercise it.

But to entrust power without at the same time correspondingly building up democracy itself is to invite failure; to entrust without making actively effect to the fundamental control by the people is to invite autocracy. Thanks chiefly to the specialists, we have been committing both these errors.

To entrust is comparatively easy, but how develop and maintain fundamental control by the people? Not by one measure but by many: initiative, referendum and recall; direct elections; numerous changes in voting methods, so that an official can no longer be elected on a minority vote; a vote no longer made null because of geographical location; a mandated vote in proportion to its number; no longer made null because of geographical location; a mandated vote in proportion to its number; no longer made null because of geographical location; a mandated vote in proportion to its number.



# Forward, CANADA!

**THROUGH** sacrifice, Canada has gained the respect and admiration of all people.

The years of War that deprived Canada of so many of her bravest sons, have given her greater self-reliance and wider vision. The world has come to expect great things of Canada.

Our army has set us the highest example — to persevere and to succeed.

Canada has the fundamentals of success — strong, virile men, resolute and devoted women, and unbounded resources. In the readjustment of Canada's affairs, as in the affairs of the world, money plays a leading part.

The transition from War to Peace is long, tedious, costly; it takes money, time and effort to beat swords into plowshares. Men cannot drop their arms and return immediately to their former occupations.

War has left Canada a heritage of obligations.

War has left Canada—and the world—face to face with problems that are new and gigantic.

Money is required to discharge these obligations and to solve these problems.

Canada therefore is about to ask her citizens once more to lend their money to enable her to fulfil her obligations to her soldiers and to maintain the country in prosperity.

Canada can, if Canada will, march straight on to her glorious destiny.

# VICTORY LOAN 1919

Issued by Canada's Victory Loan Committee in cooperation with the Minister of Finance of the Dominion of Canada

### Ontario General Election October 20th

The workmen and women of the Capital City have chosen as their standard-bearers in the Ontario General Election

**JOHN CAMERON**  
For Ottawa West

**F. LAFORTUNE**  
For Ottawa East

They are appealing for your support on a democratic and constructive platform, which includes:

- Free and Compulsory Education—Free education in all institutions supported by the Government.
- Free text-books.
- The public ownership of all public utilities and natural sources of wealth.
- Nationalization of banking and credit systems.
- Direct legislation through the initiative, referendum and recall.
- Gradual elimination of unearned increment through increasing taxation.
- Equal pay for equal work.
- Abolition of property qualifications for all municipal offices.
- Abolition of election deposits.
- Proportional representation with grouped constituencies.
- Abolition of the Canadian Senate.
- That adequate equal pensions be granted to all disabled soldiers, either officers or men, or their widows and dependents.
- Pensions for mothers with dependent children.
- Old age pensions.
- Creation of national reserves of coal and timber.

We believe that performance is better than promise, and we rest our claim for the support of the workers on the general declaration that we stand for the industrial freedom of those who toil, and the political liberation of those who for so long have been denied justice.

Your vote and influence is desired for the Labor Candidates.