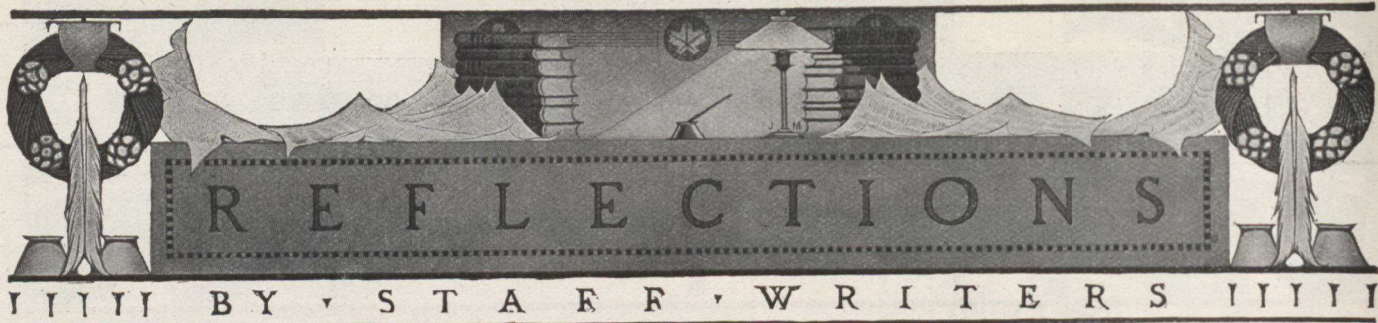




REFLECTIONS

IIII BY STAFF WRITERS IIII

IT begins to look as if there would soon be an era of declining wages. The population is increasing faster than capital and soon men will be looking for work. When the harvest is over and the farm workers crowd

AN ERA OF LOWER WAGES

back into the towns and cities there will probably be more men than positions and wages will tend to fall. Nor will this be an unmixed evil. Wages have been advancing so fast and the hours of labour shortening so radically, that the workingman has become somewhat careless and over-confident. He has forgotten that there are two sides to every question, that wages cannot rise indefinitely without increasing the price of articles which labour produces. An era of low interest and an era of rising wages might continue together for a long period as they have done in Great Britain for the past half century. In America they have run fairly well together in the more settled portions of the continent for some time. They have now parted and industrial expansion is likely to be limited for a year or two because of the scarcity of capital.

An era of stationary or lower wages would mean cheaper manufactured articles including lower prices for bread, milk, meat and the other necessities of life. This is the compensation which would come to the wage-earner. If he has less money to spend, his money will likely buy more.

Of course, the lowering of wages, if it comes, will be so gradual as to be hardly perceptible. The first stage will be a cessation of strikes. The second will be talk of co-operation and profit-sharing. The third will be an increase in non-union working-men and a displacement of the high-priced unskilled worker by a lower-priced unskilled worker. Then will follow other substitutions looking to a lessening of the cost of production. In the world of labour, as in the world of finance and industry, there must be periods of re-adjustment.

THE United States is experiencing a lack of capital, a period of scarce and dear money. The real reason for this is—and it is modestly given—that the European investor and money-lender has shut down on

THE CAUSE OF DEAR MONEY

optimistic America. For more than a year, the British financial papers have been thundering against the exploitation of Britain's money market by Yankee financiers and loan-seekers. The Bank of England has been fighting hard for six months to get back the gold which the shrewd Yankee has taken away during a period of years. Europe needs its own capital and is drawing it home. That is the real reason, and the term over-expansion means nothing.

In Canada, this explanation applies with less force. We have been making many flotations in London, but it is getting more difficult to float even federal and provincial loans there. The rising rate of interest in Britain indicates plenty of local demand for capital. The low price of Consols is another evidence. Added to this, however, is the drain of capital caused by Canadian investments in Central and Southern America and an era of expanding imports and stationary exports. If we buy a hundred million dollars' worth more abroad than we sell abroad, we must pay in cash. This is exactly

what we have done during the past year. To these two causes must be added a third, the employment of Canadian capital on call loan work in New York. Whenever the rate of interest goes up in Wall St., the Canadian banker rushes a few millions there because of the huge profit to be made.

ALL the members of the Cabinet of Great Britain are ministers for Great Britain only, with the possible exception of Lord Elgin and Mr. Winston Churchill who have some interests in the affairs of the King's Dominions over-seas. Greater, however, than these two is a man who has no portfolio and is not a member of His Majesty's Privy Council. He

MINISTER FOR THE EMPIRE

is the only "Minister for the Empire," the one Britisher who sees the greatest need of the scattered portions of King Edward's wide domain and is devoting his time and ability to supplying that need. He is the one great man in London to whom governors-general, lieutenant-governors, federal premiers, provincial premiers and ministers of colonisation look for a sympathetic hearing, for prompt and efficient action, and for a broad and comprehensive Imperial policy. That man is General Booth.

Hon. J. P. Whitney, premier of Ontario, is in England and the cables have announced only one conference that he has had. That conference was not with His Majesty, not with the jovial "C.B.," not with Lord Elgin, the Secretary for the Colonies, not with Barred-the-Door Churchill—it was with General Booth. The explanation is not far to seek. General Booth realises that if the Colonies are to be developed along British lines, they must have more British citizens. If the Colonies contain a large proportion of British people, the problems of Empire will take care of themselves. With these people go affection for the Sovereign, attachment to the British flag, respect for British law and the British constitution. The questions of preferential trade and contribution for the British navy will be easily and naturally settled, when the Colonies are full of British people.

General Booth has visited all the leading colonies and he knows that settlers is their greatest need. He has met almost every Colonial official of importance and listened to the recital of their hopes, ambitions and plans. He is co-operating with them and by so doing has gained their confidence. He has proved to them that he is a man of action and a man of his promises. They recognise in him a Minister for the Empire.

INTERMITTENTLY, Newfoundlanders write to English newspapers averring their determination never to enter the Canadian confederation. The situation in the Tenth Island is curious in that every one of its Governors for decades has reported to the Colonial office that the Colony's welfare would be advanced by its joining Canada. Hon. A. B. Morine, now a repatriated Canadian, fought no less manfully than unsuccessfully to bring the island inside the Canadian ring-fence.

The islanders must be a curious people. Speaking for them, Premier Bond waxed vastly indignant in London last spring over the alienation of their fishing rights