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Inflated Conditions Must be Removed

Massey Harris Head Says this is Necessary for Real Prosperity—
Production Must Not be Curtailed—Views of Industrial Leaders Before
Royal Commission—Profit Incentive is Indispensable to Success

AS indicated by the evidence outlined in *The Monetary Times* last week, there is much less radicalism among labor in the east than there is in the west. Actual conditions of industry are also indicated, as being more satisfactory. In Hamilton, Ontario, there is apparently very little unemployment.

Mr. F. H. Whitton thought that the eight-hour day was a new thing in the trouble. It had come on suddenly after the employers had been busy taking care of the returned soldiers. He did not think the men at the Steel Company were either dissatisfied or badly off, as they had, assisted by the company, purchased \$642,000 worth of war bonds in 1917 and \$951,000 in 1918. His company had to face lower prices for steel after stocking up at high prices, and the dividend paid now was seven per cent. on preferred stock and six on common. The average wage of the men in 1913 was \$669, and in 1918, \$1,343. Mr. Whitton thought that prices would gradually adjust themselves to wages. Mr. Tom Moore interjected that they hadn't yet, but had continued to rise about three times as fast as wages, and that this was where most of the trouble came in.

In dealing with the eight-hour day, Mr. Whitton declared that foreign competition, particularly from Japan and countries where the living standard was low, would not permit Canada to risk curtailing production by adopting it. He thought parliament should settle the eight-hour-day question, and hinted that some legislation would have to follow on the lines of tariff if it were adopted. Otherwise Canada's national wealth would decrease. He favored better housing conditions, advanced education, particularly technical, and improved conditions for the working classes. Nursing organizations should be subsidized so that efficient nurses would be within the reach of the ordinary workingman. We must be as efficient as other peoples in order to meet competition. The real patriots were those who bought made-in-Canada goods. Mr. Whitton disapproved of the Whitley system. Although an Englishman, he thought England was going down hill, and that Canada could do better to copy the United States.

Charles T. Grantham, of the Empire Cotton Mills Company, Welland, declared that while wages in his establishment were the same as in 1916, the selling price of his goods had decreased. "That's the first time we ever heard that yet," remarked one of the Commission. He employed from 500 to 700, and the company let them good, comfortable houses. The average wage was \$4 a day, although some women earned less. "The women could earn \$18 a week if they would attend to business, but they don't, and it was too hard to get help during the war to discipline them," witness said. Like all the other employers, he denied discrimination against union men.

F. J. Gernandt, superintendent of the International Harvester Company, stated that the men at the plant were purchasing company stock. "What is the capitalization of your company?" he was asked. "Ours, here, is a subsidiary company to the Chicago firm. The capital is \$140,000,000." "Not much chance of your men ever securing con-

trol," was the comment. The company, witness stated, did not see any signs of unrest. Wages had increased 100 per cent. They paid as much as competitors, and a little more. He favored an eight-hour day law, and thought that this would help a lot in reducing any discontent. They had an Industrial Committee working, and found it a good scheme, and even had union men as members of the committee, which proved that there was no discrimination.

John A. Flett, general organizer for Canada of the American Federation of Labor, sounded a warning to employers by declaring that the Bolshevik element in organized labor was attempting to secure control. "If the manufacturers of this country are wise, they would encourage the union, and encourage the best men to join it," he stated. He warned the manufacturers that their refusal to treat with the union was causing trouble, and giving the revolutionaries a chance to get control as they had done at Winnipeg. If the present wise leadership of labor unionism, which never fomented a strike and spent only thirty per cent. of its funds in defense work, i. e. strikes, were overthrown, there would be a real revolution, and the manufacturers would be to blame.

Several witnesses described profit sharing and stock bonus systems in use in three local industries. Considerable complaint was made that a local ordinance prohibiting the display of the red flag, etc., would have the effect of preventing legitimate discussion. Rev. E. J. Etherington complained that the government had not acted with courage, and that there had been too much of a hush-up policy followed. He knew that there was serious unrest among the working classes, due largely to the high cost of living and the fear of unemployment.

H. G. Foster, an officer of the Cigarmakers' International Union, dealt with the conditions of the cigarmakers in Hamilton, London and Toronto. Mr. Foster said that in Hamilton up till last July the average rate of wages was \$14 per week. The union decided to ask for a revision of the scale, and a 10 per cent. increase. Two firms refused to deal with the union, while one effected a settlement on a basis of 10 per cent. The Tuckett Co. secured soldiers in its London factory through the government, but when a protest was made the government ceased to co-operate. He believed that the employers were making a concerted effort to break up the union. One big Toronto firm locked out its employees and the Hamilton strike followed the request for an increase here. The strike is still on. Among the unskilled laborers there was a realization of helplessness, and it was among this class that the one big union movement was making progress. He advised the provincial government to go into productive industry, such as hydro-electric, with a view to lowering the cost of living and absorbing the unemployed.

"Broken promises on the part of the Federal government and employers generally are the reasons for the great unrest," declared Alex. Boyd, a union blacksmith, who said he was unemployed no doubt on account of his union activities. Mr. Boyd said that the open door of the Steel Co. of