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True Confidence and Understanding Between Employer and Employee Absolutely Necessary to Industrial Peace.

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## THE LABOR POLICY OF THE KING GOVERNMENT

### ROCKEFELLER COMPANY MAKES HUGE PROFITS BY CUTTING THE WAGES OF ITS MINE WORKERS IN COLORADO FIELD

#### HOW THE MACKENZIE KING LABOR PLAN WORKS OUT

(Foreword)—To the Right Honorable MacKenzie King, Prime Minister of Canada, belongs the dubious honor of having introduced the Rockefeller plan into the Colorado coal mines owned and operated by Rockefeller interests.

On numerous occasions Mr. King has publicly stated his belief that the plan in operation there was the proper solution of the Capital and Labor problem and took credit to himself for having introduced this plan. That such is far from being the case, the following article proves and further proof is noted in the repudiation of the plan sometime ago by several groups of miners working in the Colorado coal district.—Editor.

Enormous profits for the company and miserably low wages for the miners. That's the way the Rockefeller plan is working out in Colorado. A report issued by the Colorado Fuel and Iron Company, the Rockefeller concern, says that in the second quarter of 1924 the company earned a surplus of less than \$60,000, while in the second quarter of 1925 it earned a surplus of \$685,000. This is an increase of more than 1,100 per cent in the profits of the company.

And about the time the company issued its financial statement, it announced another 20 per cent cut in wages for its employees, in order that it may make still greater profits. This latest reduction applies to all of the coal camps of the Colorado Fuel and Iron Company in the Walsenburg district.

"We have found it necessary to ask our employes to take this lower wage in order that we may compete successfully with other coal districts," said D. A. Stout, production manager for the company, in a statement published in the Walsenburg Independent on July 31.

If the Colorado Fuel and Iron Company was able to compete and increase its profits over 1,100 per cent in the second quarter of 1925, why is it necessary to further reduce wages, unless the company proposes to milk the coal consumers and the mine workers of every possible dollar for profits?

And not only did the Colorado Fuel and Iron Company announce a fresh wage cut for its employes, but it also increased its mine selling price of coal one dollar a ton.

Almost every day I receive letters from different parts of the country asking what the chances are for getting work in the union mines of Colorado. All miners should stay away from Colorado. The following should convince them that they do not want to come here at all.

The coal mine inspector's report for the month of June shows that there were 8,700 men working in and around the mines in Colorado. In February there were more than 13,000, which is the number employed in normal times.

On March 16, this year, the Colorado Fuel and Iron Company, through the manipulation of their Rockefeller plan and the so-called elected representatives of said plan, arranged for and put over at the mines of the company a reduction of 20 per cent in wages. While the company did not promise any steadier work for their men, the so-called representatives assured the miners that

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### NO LABOR CANDIDATE IN WEST HAMILTON

Hamilton, Ont.—Labor will not contest east or west Hamilton in the coming Federal elections, it has been decided. The action of the L.R.P.A. in keeping out of the contest is expected to result in stronger support for the Conservatives, whose platform of protection is of greater interest to the workers than the free trade policy of the Liberal-Progressive combination. Being an industrial section, Hamilton workmen are suffering as the result of inadequate tariff and it is predicted that the great mass of workers will give their support to the Conservatives.

An interesting development in the political situation is the announcement that Harry G. Fester, ex-president of the central branch of the L.P.L. and a prominent and active trades unionist, is to be one of the principal speakers in the coming campaign on the side of the Conservatives. The news came recently. Mr. Fester who is a very capable speaker has a large following.

It was stated recently there is a possibility of the L.L.P. entering a candidate in East Hamilton. The L.L.P. is not connected with the L.R.P.A. and might consider the election question at its next meeting, but prominent members declare that there is very little chance of a standard-bearer being put in the field.

Farmers and Progressives are linking up in Wentworth and Saturday the candidate will be named and an attempt is being made to have county labor men support this combination ticket. The workers will have their pocket ready for the Farmers and Liberals Saturday.

James T. Gunn, editor of the "Canadian Labor Press" and a labor candidate in the Federal election of 1917 and the Provincial election of 1923, said with reference to Mr. Fester's defection from the Labor party: "The position taken by Mr. Fester is logical and sound. In view of the continued situation in the country today the plain duty of labor is to endorse the position taken by Mr. Meighen. The Labor policy of the Mackenzie King Government has not been such as to furnish an attraction for the working class. In the speech from the Throne of March 10, 1922, it contained the statement the continued business depression has naturally created unemployment upon a larger scale than usual. The use of the words 'than usual' shows clearly that the Mackenzie King Government believes unemployment to be a usual feature of the industrial state. At least Mr. Meighen does claim that his policy will absorb the unemployed and prevent their recurrence.

"The continued policy of the Mackenzie King Government has been to aggravate the industrial situation, as for example, the woolen industry being forced to close for lack of tariff protection. The British woolen industries, since able to capture the Canadian markets, have been able to pay dividends of from 10 to 45 per cent. Something must be done to remedy this situation and no other sensible way appears than to adopt the tariff policy of Hon. Mr. Meighen. In other respects the Labor policy of Mr. King has been a fiasco, as in the case of the miners' strike in Nova Scotia and the postal workers' strike in Toronto."

### A Record of Failure to Deal With Unemployment, Strikes, Immigration and Industrial Progress

On October 29th next the electors of Canada will cast their ballots in the hope of electing a Government capable of looking after the welfare of the Dominion.

It behooves Labor to analyze the record of the Government that has been in power this last four years and see if that record has been one that the Working Class can endorse as being in accord with their hopes, aspirations and well-being. Even a superficial analysis proves quite clearly that the King Government has failed in its duty regarding the momentous questions of the day and especially those problems and questions with which Labor has a vital concern.

The most urgent problem confronting the country from a working class point of view is that of unemployment. The fact that thousands of men and women are anxious to obtain work in order to acquire the necessities of life and are unable to do so because of the lack of employment is of vital importance. It is true that unemployment is not as high in Canada as it is in the older European countries, but the point is that with the splendid natural resources of the Dominion and the inherent capacity for development, there should be not one person idle in the country. The Conservative Party which is in opposition claims that its policy will prevent unemployment and be a stimulus to the expansion of immigration into the country. If we may judge by the pronouncements of the Mackenzie King Government, they evidently believe that unemployment is something we must always have with us for at the very first session after the 1921 election the speech from the Throne compiled by the Cabinet contained this statement:

"In many parts of the Dominion continued depression of business naturally produced in a much larger degree THAN USUAL the misfortune of unemployment."

The words "THAN USUAL" indicate that the Mackenzie Government at the very outset of its career believed that unemployment was something that the country would have to put up with. There is cold comfort to the working class in such an outlook as that.

It is true that they claim their policy would build up Canadian industry. Let us see how that policy has worked out during this past four years. At the Winter Unemployment Conference held September 3rd and 4th, 1924, under the Chairmanship of the present Minister of Labor, it was reported among other things that 156 firms in the Textile and Woolen Industries had been compelled to close during the years 1922 and 1923—Why? Let the answer be furnished by the head of one of these firms forced out of business—Mr. W. Harris of the Harris Woolen Mills, Rockwood, Ontario,



Crowd waiting for free admission to recent meeting at Dufferin Park after 5 o'clock—Ontario Government decided that no tax should be charged on free admissions.

who on being interviewed as to the reasons why his firm was closing its plant and thus depriving half the population of Rockwood from making a livelihood, stated that the preferential tariff on woolen goods enabled British manufacturers to place cloth on the Canadian market at a price Canadian manufacturers could not meet and that although Canada's population is less than ten million, because of the lack of sufficient protection there were sufficient woollens being offered in the country to supply a population of one hundred million.

No one desires to see European countries get any benefit at the expense of Britain and naturally the citizens of Canada are willing to see Britain receive a preference at the expense of European and non-British countries BUT it is a suicidal policy to give British Industries a preference at the expense of Canadian industries and that is the result of the King Tariff Policy. That British firms have gained at the expense of Canadian industry can be seen by the list of dividends of British woolen firms given below, the dividends in each case being the last four for each firm and covering the period during which the King Government has been in office.

Bradford Dyers' Association	20 p. c.	45 p. c.	25 p. c.	25 p. c.
British Cotton and Wool Dyers	10 p. c.	10 p. c.	10 p. c.	15 p. c.
(In addition this Company paid a share bonus of 33 1/3 p. c. in 1922 and 1923).				
Isaac Holden and Sons, Wool Combers	11 1/4 p. c.	6 1/2 p. c.	13 3/4 p. c.	15 p. c.
(the last three dividends tax free)				
Wool Combers' Limited	11 1/4 p. c.			
Patons and Baldwins, Wool Mfrs.	12 1/2 p. c.	5 p. c.	12 1/2 p. c.	15 p. c.
William Fison and Co.	10 p. c.	5 p. c.	10 p. c.	13 p. c.

These figures are taken from the Labor Bulletin published by the Labor Research Department of Great Britain and can be accepted as authoritative. They show quite clearly that as long as the present policy of the King Government is continued Canadian industry will suffer.

On other questions the Government has sadly failed. If there are duties laying upon the Government of a country one of them is to see that the quarrels that read industry shall be minimized as much as possible and that the offices of Government shall be used for the purpose of promoting Industrial Peace. An examination of the industrial quarrels during the present Government's term of office shows that in this respect likewise they have FAILED. The Nova Scotia Miners' strike, prolonged for months with rioting and bloodshed, was only brought to a conclusion by the intervention of a Conservative Government in that province and the result of the Federal Government's policy there only intensified bitter feeling where it should have promoted Industrial harmony.

Even in the case of the Government's own employes, the Postal Workers, who were bullied and badgered until a strike occurred, a bungling job was made at the attempts at settlement by Cabinet representatives and in spite of the pre-election promises of an increase in salaries now announced by the King Government, the Postal Workers are not deceived and will undoubtedly remember the treatment they got at the hands of one of the leading Ministers in that Government.

The drifting policy of the Government in respect of immigration is peopling the Canadian West with non-British Europeans without any accompanying encouragement to emigrants from Britain and will assuredly create difficult problems in the future.

TO SUM UP, FROM THE VIEWPOINT OF LABOR, THE MACKENZIE KING GOVERNMENT HAS MISERABLY FAILED IN ITS DUTY TO THE CITIZENS OF CANADA AND CERTAINLY SO FAR AS THE WELFARE AND RIGHTS OF THE WORKING CLASS ARE CONCERNED. Putting forth reform of the Senate as an issue at the present time in view of the critical prob-

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### A NATIONAL INDUSTRIAL COUNCIL FOR CANADA

By G. Frank Beer

The power of workers to control their opportunities for labor lessens with the growing centralization of factory production, and with the widening of distribution. Employment is becoming increasingly dependent upon business managers trained to foresee and estimate demand and to market successfully the products. For this reason the working forces of a modern community are utilized in proportion as organizing and managing ability are available. The importance of personal and moral qualities in this leadership are daily more apparent. Strikes and lockouts are the result of a wrong working relationship. The willingness of workers to acquire and practice the most economical methods of production, and to work diligently and intelligently at the tasks for which they are responsible is less important only than the managing ability which plans the work and markets the products. The working alliance which will produce the greatest stability of employment is that which combines business capacity and a solicitous regard for the welfare of the workers with a trust and co-operation on the part of the workers which meets and overcomes exceptional difficulties in marketing by exceptional economy and efficiency in production. A fixed scale of wages and unalterable hours of labor cannot but lead to unemployment while the markets of the world are influenced by new enterprise, competitive sources of supply, the changing demands of fashion and the unavoidable fluctuations of purchasing power. Stability of employment can be obtained only through the acceptance of necessary adjustments even when these call for sacrifice. The national importance and economic value of high personal and moral qualities in business leadership therefore can hardly be overestimated. Another indispensable qualification is marketing ability. Price alone does not govern demand; in the case of a few commodities only does cheapness determine the volume of consumption. By publicity and in other ways a market can be secured at prices higher than those asked for similar products of equal quality. Nor does intrinsic worth alone ensure demand; design may be of greater marketing importance than durability, convenience for use than quantity, attractiveness than utility. We live in an age in which beauty has a large commercial value. Artistic or popular appeal in the product may be made to compensate for local advantages in the cost of labor and raw materials. To utilize the work of the artist is to increase the demand for artisans. With the growing subdivision of work it is mind alone which creates and controls diversified opportunity for profitable employment. Scientific research to discover and develop new products, and scientific management to lessen the cost of production are important, but no less important is selling ability, since a mastery of marketing method increasingly dominates the nature, volume and location of employment.

Our failure to give to our industrial difficulties that research which has proved so productive of results in the field of science, both creates and perpetuates problems which are largely within our own control. If the tangled network of causes contributing to unemployment were fully understood remedies would be obvious. Their varied character, relative importance call for continuous study and constant adjustments. A remedy for unemployment cannot be discovered, it must be constructed. International, national, local, seasonal and handicap unemployment indicate derangement within the labor market which differ in their origin and call for remedies so dissimilar that they bear no relation to each other. In proportion as the desired field of adjustment widens new problems are created. The stabilization of employment in all world markets whose trade mingles demands a balanced production and distribution, and an international co-operation which is at present impossible. Under existing conditions those remedies for unemployment are wisest which are wholly within our own control. Moreover, a satisfactory condition within a labor market, even though attained, would be but transient unless provision is made to prevent or equalize the effect of intruding disturbances. Nationally we are organized for military defense, but in the equally important field of economic defense we continue to place our trust in spasmodic and unrelated efforts. Business enterprise will contribute to local successes, but to win all along the line calls for resources not now available.

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### Greet British Postal Worker

J. W. Bowen, of London, England, president of the International Association of Postal and Telegraph Workers of Great Britain, who is on an official visit to Canada and the United States, was warmly welcomed at a meeting of Toronto Postal Workers at the Labor Temple recently.

Controller Joseph Gibbons, who acted as chairman of last night's meeting, suggested that the union men in the service that they should attend meetings of candidates in the Federal elections and ascertain from them what they would do to improve conditions in the postal service.

An interesting address on the international outlook, with special reference to conditions affecting postal workers, was given by W. J. Gorman, president of the Brooklyn, N. Y. Letter Carriers' Association.

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