

Canadian Manufacturers' Association

Annual Meeting—President Parsons' Address—The Tariff Question

The tariff and the relations of Capital and Labor were dealt with at length in an address of President S. R. Parsons, at the opening of the Canadian Manufacturers' Association convention in Montreal on Wednesday, June 12.

Mr. Parsons warned his conferees that they must guard against the destruction or impairment of the protection now afforded by the tariff, without which, he declared, the manufacturing industry of Canada could not exist. The country must choose between the tariff with manufacturers, on the one hand, or free trade without manufacturers, on the other.

LABOR AND CAPITAL.

On the question of Labor and Capital, President Parsons spoke very strongly in favor of the working out of plans of co-operation, declaring that he was not afraid to trust representatives of the workers. After the deeds of the workers on the field of battle they were entitled, not only to proper recognition at home, but to "a consideration of their interests which hitherto they have not had in large enough measure."

CAPITAL AND LABOR.

"The thing which call democracy is revealed more in spirit than in organization or regulations," said Mr. Parsons. "If democracy is going to be anything more than a label on an empty bottle it must characterize our human relationships and actions. We have perhaps unconsciously, ignored to some extent the human element in giving effect to the relationship existing between employer and employed. In the old days when in small shops the so-called "master" worked with his men, often at the same bench, and each called the other by name, there was continuous friendly intercourse which resulted in producing good relations throughout. Afterwards with the introduction of machinery there was brought about an industrial revolution. Instead of the small shop with few workers there was the great factory with many hands, so that it soon came to pass that employer and employe did not often meet or even know each other.

"The result in many cases has been that the workers came to look upon themselves as part of the machinery of the organization to be used solely in the interests of the producing capacity of the business. It was quite natural, therefore, to expect that disagreements would arise between the two chief interests involved that have led here and there to occurrences of which neither side could possibly be proud. We have now come to see that just as a human body cannot do its best work unless the integral parts are acting together, so in the case of our great industrial system there must be a living spirit of working together in order to complete service. We have had, perhaps, more or less of the external form and have boasted too much about the body of democracy when having little of the soul.

SHOULD BE UNION.

"Looking around us, and especially in old world countries, though not unknown even in Canada, there are armed camps of capital and labor. I have no hesitation in saying that these should find some method of union. These two classes must stand together in their own interests. There must be a meeting ground where antagonism and suspicion shall not dwell.

"Capital on the one hand must realize the duty of caring for the welfare of all those associated in industry, and labor must be ready to co-operate to the fullest possible extent in a spirit of helpfulness. My own opinion is that each individual industry will work out its own plans applicable particularly to the special conditions governing the concern. Many schemes, some of them quite elaborate, have been brought forward in Great Britain, providing for a more effective co-operation between employers and employes.

CO-OPERATION.

"In the United States some plans of co-operation have already been put into effect and others are being considered. Everywhere there is the feeling that the time has come when most earnest consideration should be given to this important matter. Nearly all the plans which have been put forward carry with

them the idea of representation in our great manufacturing enterprises from both capital and labor. In some industries a committee of ten or twelve is appointed, half of whom represent the company and the other half the employes.

"These representatives are charged with the duty of dealing with matters such as employment, discipline, right of appeal, wage adjustments and joint conference. In a certain industry employes after one year's service are insured at the expense of the company, the amount varying from \$500 to \$2,000; in case the employe leaves the service of the company he takes his policy along with him and keeps up the insurance if he wishes to do so. Annuities are also provided after twenty years of service.

"No one industry can be a pattern for all as the ability to deal with such questions is not shared equally. It appears to me that it is impossible for us to develop immediately a satisfactory plan of co-operation that might suit all the different industries with their varying conditions.

FELLOWSHIP WITH THE WORKER.

"There is, however, no reason why a start should not be made and some headway gained. The evolution of processes must be gradually; the new heaven and the new earth will not burst upon us in a day. Personally, I am not at all afraid to trust representatives of our workmen to join in plans of co-operation in the interests of all concerned. When we think of what our men from the ranks of labor have done in this great war, coming forward largely under voluntary enlistment, and when we realize further the valor they have displayed on the battlefield, they are not only entitled to proper recognition at home, but to a consideration of their interests, which hitherto they have not had in large enough measure.

"One thing appears to be certain, namely, that where individual interest, ambition, and good work are shown these must all be recognized by both interests in the business and properly rewarded. On the other hand the unwilling and the inefficient must not block the path of the ready and the skilful. There can be no universal betterment applying to each and every worker in any scheme of co-operation without individual participation if we are to hold our own against other countries and nations whose competition we have to meet both at home and abroad. I would like, however, to see such a spirit of mutual-ity and co-operation engendered that the two great classes would think together and not apart. I believe this would result in such efficiency in all our organizations that we would be able to increase our home and foreign trade, help pay our war obligations, make reasonable profits, and pay higher wages than would otherwise be possible. It should be remembered that as from the ranks of labor a very large proportion of our men have gone to front, so when the war is over to the ranks of labor they will be returned. Much as we would like to see the returned men go upon our farms, yet the great majority will naturally revert to their former occupations. They will, therefore, be a charge for the promotion of their interests upon our towns and cities and the manufacturing industries in particular. We cannot begin too soon to lay our plans for giving effect to that particular form of co-operation which will fit our individual concerns best and enable employers and employes to serve one another."

TARIFF MATTERS.

President Parsons then proceeded to deal with tariff matters. "The manufacturers of this country," Mr. Parsons went on to say, "along with all other classes are vitally interested in the success of the agriculturists and will not be satisfied until the fullest possible measures looking to their betterment, and removal of any inequalities or unfair burdens, are accomplished. It is surely not necessary to do this, however, at the expense of other classes and at the risk of ruin of our great industrial fabric, built up with great care and national efficiency."

STILL AGAINST RECIPROCITY.

Noting rumors from the west that there is more or less of demand there for reciprocity if not a closer connection with the United States, Mr. Parsons said:

"While as Canadians we value more than ever our friendship with the great nation to the south of us,

yet we believe we have an important part to play as an integral portion of the great British Empire and in working out our own future. When there was an agitation for reciprocity, in 1911, and which certain elements in our population are now trying to revive, the majority of the people decided against it and in favor of a continuance of our national political, and fiscal policy and entity. Nothing has occurred since to lead us to believe that we were mistaken at that time."

"SCIENTIFIC" CHANGES POSSIBLE.

"Manufacturers feel," he continued, "that the tariff could and should be changed here and there, and so amended that it would apply more scientifically than it does at the present time. For this and other reasons the manufacturers would like to see created what might be termed "A Trade and Tariff Board"; such a board to be composed of representative men of actual experience and wide knowledge of commercial conditions and whose broad outlook and vision would fit them particularly for the proper study of these great questions so vital to our national interests; this board to report to the government from time to time their findings, and if after a full and complete survey of the situation it be clearly established that the tariff is inimical to the best interests of the country at large; nay, more than that, if it is not actually essential from a national standpoint, then I say, "Away with the tariff."

SUGGESTS CONFERENCE.

"The time has arrived when we must all face this matter in a sincere and broad-minded fashion. It surely cannot be simply a matter of give and take as between manufacturers on the one hand and grain growers on the other. Labor must be consulted and considered, the transportation interests of the country (now so largely controlled by the government) must have their say, the great financial institutions of the country, wholesale and retail business, producers controlling our mines, forests, and fisheries, are all vitally interested in the question of the tariff and must clearly have a voice as to its retention or otherwise. In giving expression to the convictions of manufacturers in this manner we should at the same time be glad to meet the grain growers of the West and would do our part to try and bring about a conference to be held a little later in the season in the city of Winnipeg; this conference to be followed by other meetings if necessary. We desire most earnestly to co-operate with our fellow producers and to show them in the frankest manner our problems and to be shown by them their handicaps, in order that we may each of us see where changes could possibly be made that would be of mutual benefit and help.

"We would, however, be altogether insincere and dishonest did we not state in general terms that if there is one thing more certain than another, it is that manufacturers could not possibly exist in this country without the small measure of protection which the tariff affords them. The two stand or fall together. Speaking broadly, Canada must choose between the tariff with manufacturers on the one hand or free trade without manufacturers on the other; the issue cannot be dodged and should not be clouded.

"At this particular time in our national history, when employment for returned soldiers is going to be a matter of paramount importance, and when the largest possible revenue must be obtained in all directions to carry our gigantic war debt, the question may fairly be asked: Is the farming industry languishing to such an extent that in order to help it out there must be destroyed, or even impaired, its fellow producer, the manufacturing industry of this country? In fact, the weakening of the latter from our standpoint would mean partial destruction of the former."

The president then gave a general review of the situation, in defence of the protective tariff.

NEW PRESIDENT ELECTED.

For the first time in the forty-seven years of the history of the Canadian Manufacturers' Association a western man is president. W. J. Bulman, of Winnipeg, who was first vice-president of the association last year. A Montrealer will be the next president, Mr. T. P. Howard, of the Phoenix Bridge and Iron Works, Montreal, being elected vice-president, while in the meantime he will continue his national duties with the British War Commission at Washington. The new second vice-president is J. S. McKinnon, of Toronto. For treasurer, Mr. J. S. Ellis, of Toronto, was unanimously re-elected.

The other officers elected were:

Executive council — W. K. McNaught, Toronto; Sir Chas. Gordon, Montreal; P. W. Ellis, Toronto; C. A. Birge, Hamilton; W. K. George, Toronto; Hon. C. C.