LABOR'S VOICE IN INDUSTRIAL CONTROL

Community Also Should Have Interest in Industry with Labor and Capital

"Reconstruction cannot be replaced by readjustment as suggested by a member of the Union Cabinet." Such was the statement made by Hon. W. L. Mackenzie King, formerly minister of labor, during the course of an address before the members of the Reform Club, on January 11th, in Montreal. He insisted that the four component parts of industry must be capital, labor, management, and community.

In defining the meaning of reconstruction, Mr. Mackenzie King said that there were two wholly different schools of thought. One thought of the word primarily in material terms of commercial and industrial supremacy, economic boycotts, and the building of high tariff walls—wealth being the main aim and purpose of government. To the other school the chief aim of government is human happiness and the improvement of well-being.

"The party which stands for readjustment only," said Mr. Mackenzie King, "would lead us back under the guise of patriotism to a renewal of efforts which up to the moment of the war were absorbing our political thought to the exclusion of human well-being and its fundamental problems so long ignored. To such effort the word reconstruction is by no means applicable, but simply rebuilding the old edifice on the old site. The problem of reconstruction is deeper than mere restoration, even in Europe, where to-day all is ruin and desolation. It is the problem of establishing right relation between man and man in human society, and avoiding for all time the worship of false gods, material wealth and material power, which alone are responsible for the hell into which this world has been plunged by Prussian ambition, greed, and barbarity."

War But an Episode

"To understand the meaning of the word reconstruction," he said, "we must ask what was it for which our people fought and died. Did they leave our shores, many of them never to return, to fight for a civilization to be estimated in tons or calculated in dollars, or was it for the maintenance of a great ideal? It is this vision which we hold in trust for those who fought and died in Flanders field. If this dream is to be realized we shall have to begin the work of reconstruction in industry with a completely new conception of its aims and purposes. Our conception of industry must be changed, for instead of regarding it as an institution for the purpose of creating wealth, should it not be regarded as in the nature of a social service? Industry has been for too long looked upon as the exclusive concern of capital, and regarded too little in the light of an enterprise in which there are four interested parties—capital, labor, management and the community. The community is as much an investor in industry as capital or labor, for is not 99 per cent. of the expenditure of government in normal times but outlays in the nature of investment in industry. It is the community which provides the natural resources and power that underlie all production. Individuals may acquire titles by one way or another but it is from the community, and with the consent of the community, that titles are held. In our reconstruction of industry we must aim at bringing about a system of joint control which will involve a change in the status of the worker, and give wider recognition to the rights of the community. The worker must be a partner, admitting him along with capital and management, and representatives of the community, to round table conferences in all that pertains to the conditions and circumstances of the employment."

Not Profits but Share in Control

"Let there be no no mistake," he said, "for neither Canada nor the United States will escape Bolshevism, Syndicalism or any other inevitable influences unless our industrial institutions, like our political institutions, are brought into fuller harmony with the democratic sentiments of the times. Here is work enough for a party of reconstruction, and the moment for that party to begin its work is at hand.

"What labor wants is, not a share of profits, but rather in a share in the control of industry, under which profits are made; not houses built with government aid, but houses owned and built and enjoyed by the just reward of honest toil."

"England did not wait till the end of the war, but created first of all, a committee of reconstruction which later on developed into a ministry of reconstruction. The Whitley report constituted the corner stone of its reconstructive policy. Through all its careful preparation the Government of the United Kingdom has been able to give to the nation not a plan of readjustment, but a well-defined policy of reconstruction. It cannot," he said, "be too clearly recognized that if the war has any significance at all, it is that it stands for the overthrow of what remains in the old world of autocracy in government and feudal political control."

COMPENSATION LAW AND PROVINCES

The judgment in the case of Fullum versus the Foundation Company, which was mentioned in *The Monetary Times* of January 10th, was handed down a few days ago in favor of the defendant. The plaintiff had been in the employ of the foundation Company, Limited, whose head office is in Montreal, and was injured while engaged at work for that company at Amherstburg, Ontario. He entered suit for compensation in accordance with the Workmen's Compensation Act of Quebec province. Justice Greenshields held that it was the law of the province of Ontario and not of the province of Quebec which applied. Under the Workmen's Compensation Act of Ontario every company carrying on the business of building and construction is obliged to contribute to an accident fund, and as a consequence is relieved from all liability for injuries sustained by its employees in the ordinary course of their work. The defendant company was at the time of the accident contributing to this fund, and was in consequence relieved of liability. The plaintiff's only recourse, therefore, would be against the Workmen's Compensation Board of Ontario.

POLICYHOLDERS GAIN IN LIFE INSURANCE

The increasing liberality of life insurance policies was dealt with by Mr. George A. Morrow, president of the Imperial Life, at the annual meeting of that company on January 8th. The temporary set-back experienced by life companies during the year 1918 will not permanently affect this development.

The main points in Mr. Morrow's speech were covered in last week's issue of *The Monetary Times*. Mr. E. T. Malone, K.C., vice-president, entered in some detail into the subject of disbursements. "While the year 1918," he said, "has been a record one in many particulars, such as new business, premium and interest, income, etc., the record which will stand over as belonging peculiarly to the year is the amount of the payments to policyholders." In the case of the Imperial Life this reached the sum of $1,760,000, and exceeded by almost $100,000 the aggregate of the payments for the previous year. Mr. Morrow then dealt with the subject under the heads of cash values of surrendered policies, dividends to policyholders, policies and payments to beneficiaries under policies maturing by death.

Mr. G. F. Weston, the managing director, gave a comprehensive statement of the effect upon life insurance of the war and of the influenza epidemic. "The outstanding lesson," he said, "which the experience of the last five years teaches us, is the importance of charging adequate rates and the maintenance of a strong contingency fund to absorb the shock of unexpected mortality or material shrinkage in the value of securities." A resolution was introduced by Mr. Weston and passed to the effect that $60,000 be transferred from the shareholders' fund to the special contingency reserve.