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## The Journal of Commerce

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Canada's Economic Expansion,

By W. W. SWANSON.

Bolshevism in Canada,

By J. W. MACMILLAN.

Conditions in the West,

By E. CORA HIND.

Money for Canadian Farmers,

By C. J. LYNDE.

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## One of the Great Problems

OF the many problems that will face the country when war and its immediate aftermath are no longer with us, unquestionably the greatest one will be the relations between labor and capital. It is, of course, not a new problem. It has long been with us. But it is to be with us in wider and more acute forms in the future. In all the civilized world, especially in all democratic countries, labour has been asserting its rights and its claims more emphatically than in former times. And it is gratifying to find that amongst capitalists and amongst people generally who are not usually counted as of the "labor" class, there is a very general recognition of the claim that the interests of the workers are entitled to better consideration than they have sometimes received in the past. In that fact lies the hope that the problem can be met and successfully dealt with. There is, however, much probability that there will be some friction and some trouble in the process of readjustment.

There has been a very large advance in the wage scale in most lines of industry. The more liberal wages have in a great many cases produced a higher standard of living—at all events a more generous standard as respects food, comfort and enjoyment. Some part of this higher standard will remain when the conditions that produced it have passed away. Not for a long time, if at all, is labor likely to fall back to the wage standard that prevailed before the war. The misfortune is that even a moderate recession, such as economic laws may seem to justify, will not take place without a struggle. In many lines of industry wages are very far above what they were in 1913-14. The advance has been due largely to the pressing demand for labor, and largely to the increased cost of living, which gave the workers a good ground for demanding higher pay. If the increased cost of living was a just cause for claiming higher wages, it should follow that, when the cost of living falls,—as it eventually must, though the fall will be slow when it comes and may not begin soon—there should be a reduction of wages. Logic, however, is with most men a one-sided science. They are quick to see and apply the reasons which can be given in support of anything they want. They are not so ready to see that the rule should work both ways.

This one-sidedness is exemplified even in the case of so able and excellent a man as Mr. Samuel Gompers, the head of the American Federation of Labor, the greatest American labor organization. Mr. Gompers has done magnificent service during the war by his wise counsel to

his fellow American workmen, and by his patriotic efforts in the United States, in Canada, and in England to keep the forces of labor united with others in the great war work. Mr. Gompers' speech before the House of Commons of Canada was a fine statesmanlike effort, which was received with universal praise. A big man intellectually, Mr. Gompers evidently is still quite as human as others in his indisposition to see the other side of a question in which he and his friends are particularly concerned.

A gentleman named William H. Barr, President of an American organization, the National Founders' Union, has been discussing, as business men everywhere are discussing, the question of after the war trade, with particular regard to the prospect of the United States securing foreign orders to keep its factories busy. In the course of his remarks, Mr. Barr said that "a reduction of wages and longer hours would be the only means to enable American manufacturers to cope with foreign industries after the war." Whatever may be said respecting the hours of labor—a question bearing on the health of the workmen—the suggestion of an after-the-war reduction of wages from the figures to which they have arisen under war influences, would not seem to be a very rash utterance. It does not appear that Mr. Barr was proposing any present reduction of wages. While the cost of living remains high and the demand for labor is greater than the supply, there will be no reduction. But as everybody must see that these conditions cannot last long, and that the labor market may before many months be unable to quickly absorb all the workers seeking employment, it does not seem unreasonable that economic laws should then lead to some reduction of wages. Mr. Gompers, however, is not among those who see that under such changing conditions manufacturers may not be able to keep the wheels moving if they have to pay the present rates of wages. Mr. Gompers, if the telegraphic despatch correctly reports his speech at the close of the Pan-American Labor Conference at Laredo, Texas, thinks the case is not one which admits of argument. He does not seem disposed to apply the rules of logic to the matter. If war has boosted wages, he thinks peace should not cut them down. "Notice is given here and now," said Mr. Gompers, "that American people will not be forced back by either Barr and his association or all the Bourbons in the United States." If Mr. Gompers were a Scot he would probably have given some reason why wages boosted by war conditions should remain boosted after the war. But Mr. Gompers, now a distinguished American citizen, an Englishman by birth, and perhaps for that reason not disposed to argue, is inclined to accept the motto which some Englishmen like: "What we have we'll hold."