

away from dictatorship and tyranny, and we have come a long way in labour matters and in political affairs.

I think we are at times a bit too complacent about our political freedoms. Being a peace-loving people we cannot imagine other nations taking aggressive action against us. The situation in Korea has shown us very clearly that there are nations in this world who have no compunction about taking aggressive action against other nations. The attack on Pearl Harbour woke us up, and the Korean affair has had the same effect. It is true that we are having to spend considerable money in Korea, but I think that most of the funds we are raising today will help us to prepare against possible aggression in other parts of the world. If the Korean affair has shaken us out of our complacency, then I think the money we are spending on it is well spent.

We tried for many years to win political freedom, and today North Americans enjoy more freedom, I think, than the people of any other part of the world. Some countries are slipping back into the regimentation of dictatorship that prevailed throughout the world centuries ago.

After political freedom had been won, the labour unions of the country fought for the workers in their battle against employers. Many employers at one time exploited labour to the full, leaving the working people with barely enough on which to subsist, but the labour unions, through organization and by pressing their demands, were able to greatly raise the wage standards and living conditions of the workers.

Then another change came about, and political action was taken with respect to labour conditions. It was no longer just the labour unions that were responsible for improved working conditions. The government commenced to introduce all manner of labour legislation covering maximum working hours, minimum wage scales, safety devices, workmen's compensation, and many other matters. Some labour leaders looked upon the government's action in this regard as infringing upon their field of activity. They saw how this might cause them to lose their hold on their members, who of course were paying dues. Some of the unions countered this move by getting into the political field themselves. They formed groups, put up candidates to run for public office, and tried to control political parties. Thus a struggle arose between labour organizations and government in controlling the conditions of workers. On the one hand are men selected by a particular labour group or union and, on the other, men elected by the people at large to form the parliament of the country. When it comes to a struggle between these two classes, I

do not think there is any doubt about the final result, but the labour unions still have the power in their hands to disrupt the whole business of the country as was vividly illustrated within recent days.

If the government, in order to fully protect the public, feels that it should set up boards to control the services, prices and profits of public utilities, then why should we not go a step further and place public utilities completely under government control so as to ensure that proper service will be given and that the public will not be inconvenienced? A stoppage caused by labour in the functioning of a public utility is just as serious as a stoppage caused by the company itself.

When labour used to be exploited, as I said earlier, many companies were owned by individuals. But there has been a change, and today it is rare to find a company owned by one person. Most concerns now have large numbers of shareholders, in some cases running into the thousands. Indeed, it often happens that the number of shareholders in an industry exceeds the number of workers. And of course a good many concerns are publicly owned—by the state, or a province or municipality.

Only by close co-operation between management and labour can we have real progress in our country. When a company has a dispute with its employees over rates of pay or working conditions it does not arise because the manager is trying to keep labour down. He has to look at the picture from the broad view of what is in the best interests of his company's shareholders and employees together, for he knows that the company can only remain successful by giving satisfaction to both classes. If he sees that a requested increase in wages would make it necessary to boost the price of the company's goods or services so high that the volume of business would be greatly diminished, he realizes that in the long run the workers would be better off by continuing on their present scale. The management of a railroad, for instance, know that if in order to meet higher demands from labour freight rates have to be increased beyond a certain level, many firms which have been accustomed to shipping their goods by rail will patronize trucks, airplanes or water transport instead, and before long it may be necessary for the railway to lay off men. A company which is able to maintain all its existing staff on a 44-hour week might, if the week were reduced to 40 hours, suffer such a loss of traffic as to be forced to dismiss half of its employees.

Another thing to be considered is the point of view of people in business for themselves,