

THE THREATENED MINERS' STRIKE

THE world, like Premier Drury of Ontario, is becoming used to crises. Perhaps they are the feeble echoes of the great war, perhaps they are interludes provided to satisfy a public mind tuned up to the gigantic discords which not so long ago reached us from Europe. This week it is the coal miners of Great Britain who occupy the stage. The fact that the issue is in the United Kingdom, and a local one at that, has led this continent to regard it with experienced complacency. The mother country has handled such difficulties with success, and without expressly committing herself to any new principle of economic life. There is no formula for industrial crises, nor does the League of Nations' document provided a remedial principle.

It has become apparent, nevertheless, that the public will come out on top. The coal miners wanted an increase in wages coupled with a reduction in price, a combination which is in violation of economic law. The British government has ceased to subsidize industry, and will scarcely renew this policy by bonusing coal production. The workers in an industry have no more right to absolute control than have the capitalists. All essential industries which have outgrown the competitive stage must be operated by the public or under its control. Even in Italy, which is so close to the seat of Bolshevik movement, the attempt to segregate the country into its economic units has failed. The British coal miners, finding that the public was behind the government in its operation, agreed to suspend their threatened strike on September 24th.

The coal owners, it is known, are anxious to have an agreement with the miners, and there is so much difference between the recent output of coal and the amount mined in normal times that it is considered there should be little difficulty in agreeing on a scale that will enable the miners to get the increase they desire. Suspension of the strike is recognized as being a great victory for the government. The miners have been forced to drop both of their demands, first, to have the right to control the profits and prices of the industry; secondly, to obtain a rise on the ground of the high cost of living, and they have been induced to accept the government's contention that output could be considerably increased if the miners and mine owners would co-operate with each other. The miners gave way because they realized that obstinacy would jeopardize their own organization. The clear statement of the government's position and the ruthless analysis of the miners' contentions by Sir Robert Horne and Lloyd George at a series of interviews, published in all the newspapers, created a division in the ranks of the miners themselves.

RENTALS AND REALTY VALUES

HOUSES are still scarce, and rentals continue to go up; so at least we are told by the tenants, and they are in a position to know. But as we have during the past few years had a shortage of capital, of labor, and of materials of all kinds, why should we not also have a shortage of houses, which are a product of all three? The increased costs of building, in fact, made it impossible to place houses on the market at current values, with the result that new building practically ceased; old houses were not replaced, and new ones were not built to meet the demands of a growing population. Rents have accordingly risen, and with them the values of property, which is the net rental capitalized at current rates of interest, have risen also.

This is a movement which must continue until such time as property values have caught up with costs of building, or until the cost of building comes down to such a level to make it possible to build at present prices. It must be remembered that during the earlier years of the war, when commodity prices were steadily rising, property rentals and values stood still, in fact declined in some cases. The pre-

sent rise is an effect of readjustment. Government housing schemes have failed to supply the shortage. The value of such property must continue to be determined by the cost of replacement, for this is the cost at which new properties must be placed upon the market, and investments in property must yield a return comparable with that obtainable in other fields.

THE GROWTH OF THE CLERICAL MACHINE

FOR many years mechanical production has been carried on as a process in which the individual workman plays an insignificant part; he is a part of the machine which is essential because inventive genius has not been able entirely to eliminate the human element, an element which must judge and direct. With the growth of large corporations during the past few years the same tendency in the clerical end of production is more and more making itself felt. Here, too, a great machine has been created. In this machine the human factor is still essential, but the part which the individual plays is less conspicuous, because the method of working the machine is obvious from the design of the machine itself.

The construction of the modern office grows constantly more like the construction of the factory. Work has been standardized. Long rows of desks of uniform design and equipment now occupy the offices of our large commercial and financial institutions. With the increasing division of labor each operation becomes more simple. The field in which each member of the staff operates is narrower. As in the case of mechanical production, however, the growth of the machine has meant that the comprehensive plan which somewhere underlies the whole is a new product of modern economic life. Detailed operations may be simplified, but the vision of the organization as a whole must remain.

Communism in Italy has been given up, because pay day no longer brought any pay.

* * * * *

The price reductions which come from increased production are the best, for the producer is compensated by the fact that he has more to sell.

* * * * *

The banks still continue to open numerous branches in Canada. Confidence in the future expansion of the Dominion is not affected by temporary depression.

* * * * *

Better flour at a lower price is now being turned out by the Canadian mills. This country's record for superior grain and grain products should be preserved.

* * * * *

W. F. O'Connor, K.C., formerly a member of the Board of Commerce, has refused to pay the income tax levied by the city of Ottawa. Still another way of fighting the high cost of living, no doubt.

* * * * *

Foreign government loans floated in the United States have been upon an 8 per cent. basis. What is even more surprising than this, however, is the fact that they should be so anxious to borrow on these terms.

* * * * *

Irish sympathizers are planning to boycott the city of Toronto because the mayor refused permission to hold a Sinn Féin meeting. No doubt the Irish sympathizers are prepared to go out of the market entirely.

* * * * *

If Sir Robert Falconer keeps up his plea for more salary for the staff of Toronto University the public will soon be as tired of the complaints of the "salaried" as it used to be of the complaints of the proletariat.