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A National, Sane Labor Paper

True Confidence and Understanding Between Employer
and Employee Absolutely Necessary to Industrial Peace.

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EMPLOYER, EMPLOYEE AND PRODUCTION

By A. A. Wright

I NOTE with pleasure that you have in two recent leading articles taken up the questions of wages and production. The writer of the articles, however, seems, in common with leaders of organized labor, to believe in several things, which, in the experience of business men, are proved to be fallacies, viz:

1. That there are certain men set apart in the world as employers of labor, for whom the rest of mankind must labor.
 2. That all of these men, or the majority at least, have been making fortunes by exploiting the services of their employees.
 3. That the producer of goods fixes their selling price.
 4. That it is the activities of organized labor leaders which have raised wages and generally bettered the condition of mankind.
 5. That it is apparently an offense against mankind for an employer of labor to make a profit out of his business.
- Now, if, instead of treating the subject as an abstruse problem, like Einstein's theory of relativity, you get down to everyday practice, you will find that employers of labor are being recruited daily from the citizens who do not spend all they earn, but singly or in groups desire to increase their savings by hiring one or more of their fellow-citizens to help them produce more goods than they could by their own efforts. In the majority of cases, the effort ends in failure. See Dun's, Bradstreet's, or other mercantile agency for statistics of failures in business.
- It is true that in some cases, usually from faulty laws, a very few employers have exploited labor, but statistics show clearly that in the great majority of cases employers have paid more for their labor than they could afford, and the business failed.
- It is a fixed economic law that in the final analysis the buyer makes the price of all commodities. Ask any farmer or manufacturer whether he sells, at all times, his goods for what they cost to produce plus a profit. Of course, in times of famine, partial or complete, or where legislation gives a monopoly of certain lines, the fortunate holders for a time can name their own price, but eventually the economic law resumes control.
- Except by strong-arm methods, organized labor has no effect on rates of wages, and even then they are only raised temporarily, because the rate of wages is determined by the price at which the products of labor can be sold.
- The cost of goods is made up of costs of raw materials, labor and overhead. (The latter includes management, insurance, taxes, rent, interest on loans, power, light, heat, bad debts, etc.) If there is any margin between selling price of goods and the total of these items, then the business shows a profit; if those items total more than selling price, then the business shows a loss.
- In the latter case, if the management believes loss is caused by lack of production, they often look for men who produce more than their own employees, and offer them higher wages to come with them, and it is competition among employers for good men which all through history has raised wages, because it is not the rate of wages which is important; it is cost of product of that labor. If changing men is not a success, then wages must be reduced, or the business fails. Under the theory that wages must not be reduced, then business fails and unemployment ensues. The error of organized labor is that they do not see, when they talk of giving men a greater share of what they produce, that in practice what they demand is that the poor or indifferent worker should get a share of what the good worker produces, since they demand that all men at the same class of work be paid the same rate.
- When you talk of increased production per man today over the past you omit to mention that it is machinery which produces in that case. Where the man's effort alone is a factor, the production per man today is infinitely less than before the war. I need only to quote one instance. Thirty years ago, a qualified bricklayer laid 1,200 to 1,500 bricks per day. I am told the Union allowance today is 450 or 500 bricks per man, or about one-third a good man's capacity.
- Why is it wrong for a man who is willing to risk his own and his friend's money by employing labor to make goods, to sell at a profit if he can? When you consider the encouragement given him, he should be paid handsomely instead of getting on the average but little, if anything, over interest paid on Government bonds. Here are a few of the things done at present to encourage men to employ labor:
- His taxes are increased 50 per cent. over those of the man who does no business, under the so-called "business tax."
- He is taxed under the Workmen's Compensation Act for cost of accidents in his competitor's plant, no matter how free he keeps his own.
- He has to pay a sales tax, which is more than an average profit. At present he cannot sell his goods for enough to cover a profit over the sales tax, as purchaser naturally considers tax part of cost of goods.
- He is pilloried by organized labor leaders and newspaper writers as a grasping, soulless individual fattening on the struggles of his employees.
- He has to pay a tax of 10 per cent. on any profits he makes in the business, plus 10 per cent. on the previous year's tax, plus 10 per cent. on any contributions to charity, just as if these latter two items were a profit, instead of being as much of an expense in producing goods as wages paid his men.
- He is worried to death filling out forms for statistics which may be interesting to the compilers, but are of no use to him. Of what value is it to a man to learn in 1924, or any other time, that in the previous August unemployment decreased 1.7 per cent., when he has just had to lay off a large number of men for lack of orders to keep them employed? Or of what value is it to a workman to learn that the cost of commodities has decreased last month 2.3 per cent., when he has just been laid off work?
- The press can do no greater service to the public than to discuss these questions and try to educate our lawmakers, Federal, Provincial and municipal, in the rudiments of every-day economics.



American Federation of Labor Convention— Address of Canadian Fraternal Delegate

Address by Mr. Donald Dear, (Canadian Trades and Labor Delegate)

Mr. President, fellow delegates and friends: I have been entrusted this morning, on behalf of the Trades and Labor Congress of Canada, to deliver two messages to you. The first one is to express to you our deepest sympathy on the death of your departed President Gompers. The second is to extend fraternal greetings from the Trades and Labor Congress of Canada. Both at these things I do with absolute sincerity.

Our convention, just closed in Canada, revealed that one of the outstanding problems was the problem of unemployment, and year after year this problem is becoming more difficult to meet. It may be truthfully said that no problem confronting society today is so universal in its character as the problem of unemployment.

In close relation to the problem of unemployment comes our problem of immigration. We saw in Canada, during the month of July, which should have been one of the peak years for employment in Canada, 65,000 farm hands that could be procured to go to our Western Canada for the harvest fields.

On the other hand, we saw immigration agents throughout European countries particularly, telling the workers that Canada is in need of labor. I don't for one moment wish to say that the Trades and Labor Congress of Canada is opposed to immigration, providing it can be assimilated, and I will read now the Declaration of the Trades and Labor Congress in 1924:

"It will be noticed that the principle that Canada should have the right to accept or reject any immigrant coming to Canada is accepted as a definite policy by organized labor, in common with all other classes in Canada; and the defining as to what 'nationalities and classes of people—are not a desirable acquisition to our citizenship' must remain with the Canadian Government.

"Of paramount importance in Canada, in this respect, has been, and is yet, the question of Oriental immigration. This need not be elaborated, as agreements have been reached between the Canadian Government and other parts of the Empire which have eliminated this so far as Oriental British citizens are concerned. It might be stated, however, that the admittance of Oriental laborers into Canada is primarily sought to supply cheap labor and is of no benefit whatsoever either to the immigrant or the country from which he comes, or to Canadian labor or Canada generally.

"A second phase of this subject is that dealing with the refusal on the part of Canadian authorities to admit British subjects on moral or physical grounds. Numbers of persons charged with various crimes in Great Britain have been in the past rejected on the consideration that they left for Canada, or other parts of the Empire. Some public bodies in Great Britain have lent themselves to the idea of relieving themselves of a responsibility of maintaining their charges by shipping them to Canada, without any regard to the fitness of the individual.

"Others have been led, by false inducements, to leave for Canada, only to find themselves seriously handicapped in obtaining a living in a country which demands physical fitness to an exceptional degree.

"All these have led to rejections upon arrival and deportations which in numerous cases have created great hardships to the immigrant and often financial loss and personal suffering to the immediate relatives of the immigrant.

"To reduce this, as much as possible, organized labor has pressed for medical examination of immigrants, to take place in their home country and ask for the fullest co-operation of the British authorities to make this possible and effective. The official declaration of the Trades and Labor Congress of Canada is:

"Medical and other examination of immigrants to take place at port of embarkation."

Regarding our legislation in the Dominion of Canada, we are going slowly, but surely. A little over ten years ago Ontario was the only province with a workmen's compensation act. Now we have a total of six out of the nine provinces enjoying similar legislation.

The Mothers' Allowance Act and Minimum Wage Laws have likewise been secured in most provinces. Compulsory education has been generally secured throughout the Dominion, and the school age is practically uniformly set at sixteen years.

We have also made great advancement in the ownership of public utilities, and wherever possible we have one or more of our own members on the Boards of Management.

On the economic field we in Canada are practically in the same position as you are in the United States. Most of your problems are our problems, and I feel it is needless for me to take up your time enumerating them to you at this time.

I want at this time to express our appreciation for the unstinted co-operation and support given by the officers of this Federation and of the various international unions having locals in Canada, and I trust that the same friendly relations will continue in the future.

You have heard from past Fraternal Delegates from Canada of the One Big Union movement. This is now practically a thing of the past so far as the name goes, but we find the same forces at work under other names endeavoring to destroy our movement from within.

The National Catholic Unions, located principally in Quebec Province, are still a factor to be contended with, though not as virile as a few years ago. As the name suggests, this organization presents a delicate situation with which to deal.

In order that you may more fully understand just what we are up against in this regard, I will cite you an instance of the workings of that organization in my home city. During a strike of the Typographical Union and a strike of the Plumbers' and Steamfitters' Union in Ottawa, the National Catholic Union shipped their members into Ottawa to fill the places of our men. They sent them in under guise of union men.

Now, Mr. President, I will not detain you longer. One could summarize the labor movement in a lengthy discussion of conditions, but as we meet from time to time, just as you meet, they are conditions with which you are familiar.

I am glad of this opportunity to be with you and to bring fraternal greetings from the workers of Canada. We pledge our co-operation to the American Federation of Labor and ask that you co-operate with us in our work.

Building Activity Shows Increase

Total awards for Canadian construction for the month of October, as compiled by MacLean Building Reports, Limited, were \$29,647,500, as compared with \$29,746,400 in September. The total for October, 1924, was \$21,066,800. This year's figure is an increase of 40.8 per cent over the corresponding period of last year. Residential building accounted for 29.5 per cent. of the October building amounting to \$8,826,700. Business building amounted to \$5,314,900 or 18 per cent.; industrial building, \$7,535,800 or 25.4 per cent., and public works and utilities, \$7,970,100 or 26.8 per cent.

The activity was distributed among the provinces as follows: Ontario, 26.7 per cent.; Quebec, 57.1 per cent.; prairie provinces, 5.8 per cent.; British Columbia, 8.5 per cent.; and Maritime provinces, 1.9 per cent. Contemplated new work in October aggregated \$22,163,500.

Total construction started from January 1st to October 31st has amounted to \$238,324,900, compared with \$222,779,100 during the corresponding period of last year, an increase of 7 per cent.

The above figures speak for themselves. They need no comment, especially when it is remembered that up to the end of July the total value of contracts awarded were several millions less than for the corresponding period of last year. In other words during the past three months the volume of work started has been increasing steadily instead of falling off as is usual at this season of the year. It is particularly gratifying to note the increase in industrial work. For the year this amounted to twenty-five millions of dollars while for the corresponding period for last year the total was less than thirteen million. Residential building also shows a total increase of sixteen millions of dollars for the year to date.

Quebec province shows the greatest proportion of increase in general construction, the maritime provinces are holding their own while the western provinces show an increase of approximately 8 per cent.

Picketing Is Declared Illegal

Calgary, Alta.—Apparently peaceful picketing on the streets of Calgary is illegal according to a decision handed down by the appellate division of the supreme court recently.

Last August two men were arrested for picketing the Palace theatre, they were tried by a local magistrate, convicted, and fined. The unions affected appealed the decision, with the above result. Local labor officials are contemplating carrying the case before the supreme court of Canada.

The two convicted men were, when arrested, engaged in handing out notices on the streets advising Calgary residents that the theatre in question did not employ union help, and stating that for this reason union men did not patronize it, and others were requested not to. The men are members of the Calgary Theatrical Federation.

There are 272 woolen and knitting mills in Canada. Sixty per cent of these mills are in towns of under 10,000 population. Their maintenance and building up is vital to the life of these rural towns.

CHILD IMMIGRATION

Labor and the Barnardo Home Controversy

CONSIDERABLE interest is being taken in Labor quarters regarding the controversy and charges made against Dr. Barnardo's Homes at the recent Child Welfare Conference held at Ottawa where statements were made tending to show that a large proportion of the young girls attending Toronto General Hospital and who were stated to be of a low standard of morality, had been brought to the Dominion through the agency of the Barnardo Homes.

The publicity given this matter recently through the columns of the Canadian Press proves quite clearly that instead of Dr. Barnardo's Homes being open to criticism upon the score of bringing undesirable immigrants to Canada, they have a wonderful record when the number of persons passing through their hands is taken into account. Out of a total of 6,315 girls brought to the Province of Ontario since the year 1898 it is asserted by the critics of the Homes, that fifty-four could be classed as having a low standard of morality. This is an extremely low percentage and when one takes into account the frailties of poor human nature it can only be considered as an amazing tribute to the wonderful system of selection used by the Home before bringing girl immigrants to Canada and the excellent system of supervision over these immigrants after their arrival in the Dominion.

Professor McPhee, who at the Child Conference, made the statements reflecting upon the work of the Homes has made a public apology through the columns of the Press, retracting the criticisms he had made without a study of the actual facts. One would have thought that this would have closed the matter but apparently those who are opposed to the work that the Barnardo Homes are doing, are still anxious to place the Homes in an unfavorable light before the Canadian public as we find that another gentleman connected with the University of Toronto, in letters to the Toronto Press, refusing to take Professor MacPhee's amende honorable as accurate and reiterating the criticisms made at the Child Welfare Conference.

What purpose can be served by these unjust attacks upon the Dr. Barnardo Homes, the "Canadian Labor Press" fails to see unless it is part of the general campaign to discourage immigration from Great Britain, something that has been going on for the past two or three years.

May we point out from the viewpoint of Labor that the Barnardo Homes have brought thirty thousand boys and girls to Canada during a period of sixty years, the vast majority of whom have made good and in many instances become successful and prominent citizens of the Dominion and all of whom have been drawn from our own class. These facts necessarily make us sympathetic to the work that the Homes are doing and when untrue and unfair criticism is leveled at the methods of the Barnardo Homes, it behooves Labor to pay some attention to the matter and see that the Institution which has done so much for British boys and girls, shall at least receive a square deal.

130,000 Women Work in Ontario

It is a surprising fact that in Ontario there are more women workers in proportion to the working population than is the case in the States. In that country it is estimated that one in every four workers is a woman. In Ontario the figure is much higher. The industrial population is estimated at about 400,000 and from the information in the possession of the Revision of Industrial Hygiene of the Provincial Department of Health it is known that there are nearly 130,000 women workers exclusive of the women employed in domestic service, and exclusive also of "professional women" such as doctors, teachers, nurses and owners of private businesses. Thus in Ontario one in every three workers is a woman.

Of the 130,000 women teachers 40,000 are in offices, nearly 40,000 in retail stores. In industry proper, that is in factories, there are over 34,000. Telephone exchanges account for 7,000, hotels and restaurants 3,500, laundries 1,500, mail order houses 1,400 amusement places 600 and a further 1,800 are scattered throughout the province in miscellaneous employments.

As regards the protection of these women from exploitation, the position in Ontario according to the department is, startling behind that of other countries, except on one exceedingly important point. The Minimum Wage laws have secured to most of the women of our province "the right to live from her work." No longer is it permissible for women and young girls to be paid a non-living wage for a life not worth living.

Communism Issue in Australia

Melbourne, Australia.—The election campaign is now in full swing and the main issue is Communism, which is being most strenuously fought. Hughes, former prime minister, has now definitely come down on the side of Bruce and predicts the Nationalists will be victorious. It would have suited the Labor Party very well to have confined the election issue to deportation, upon which they have con-

centrated their efforts with all the violence and intensity which are part of their political equipment.

Bruce is beginning his campaign under the handicap that the issue upon which his opponents insist is one capable of closing up the ranks of Labor and unionism in passionate resentment against what they are speedily coming to believe is a deliberate and vital attack upon their most cherished liberty. There is no counterpoise of equal devotion and unanimity among the parties behind

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