

MORE PRACTICAL EDUCATION OF OUR SCHOOL CHILDREN REQUIRED TO OFFSET RADICALISM IN CANADA

OUR MONTHLY TRADE REVIEW

Few changes of a radical nature appear in the current budget which was adopted by the House of Commons on May 23rd. The notable features are the reduction in the British Preferential Tariff and in the duty on certain specific commodities the lowering of the maximum stamp tax on cheques, and the changes in the operation of the Sales Tax.

The provision for an increase in tariff preference to Great Britain contains an interesting condition, namely, that goods must enter Canada direct from British ports. Such a measure obviously aims to increase direct importations with a view to assisting the Canadian carriers, and also to further the development of Canadian ports. The reductions, which amount to 10 per cent of the former preferential rate, incidentally, does not apply to goods admitted under the Canada-West Indies Trade Agreement of 1920.

The most notable tariff reductions are on sugar, cigarettes and certain classes of machinery. In the original statement of the budget it was proposed that the dumping duty on sugar should not apply when the home consumption price of sugar at the point of shipment in Canada was more than eight cents per pound, but subsequently it was decided to make the dumping duty operative up to three-quarters of a cent per pound. Tariff increases, on the other hand, are provided for on such commodities as artificial silk fabrics.

Probably the most important change in taxation, as stated above, is the lowering of the maximum stamp tax on cheques and bills of exchange from \$2 to \$1. This is a consequence undoubtedly of the disfavor with which this tax was looked upon by the business community who charged that, in addition to being a burden, the tax diverted much business to the United States, chiefly in border cities.

The change in the operation of the Sales Tax is directed to making the tax more certain as well as more easily understood. The tax is now to be collected at the source, from manufacturers and also on imports, all at 6 per cent. In addition, provision is made to prevent double taxation by the payment of taxes on materials used in the manufacturing process, only on completion of that process.

The Business Cycle (1).
As the nations progress commercially and economically, and as the problems arising out of the rapid advance in industrial technique grow more intricate, it becomes ever more urgent that some means should be found, if not to control, at least to mitigate the effects of the upward and downward swings of business cycles. The human race has constructed an intensely complicated process, which like the monster in "Frankenstein," has, to a degree at least, slipped beyond the control of its maker, and we periodically pass through a series of up and down movements which are attended by intense suffering, unemployment and loss. As international relations become closer, the trade cycle naturally becomes wider in scope, and the vibrations which arise from a disturbance in one country are usually felt throughout the world. Not only their influence felt by large manufacturing industries and financial corporations, but also by business and professional men in all classes of society.

The most potent weapon in combating the detrimental effects of the business cycle is an understanding of the factors which enter into the cause of these movements. A systematic study of the situation, made possible by the use of statistics, has given us a knowledge of the characteristics and frequency of the cyclical movements during at least a century. Formerly, the causes of such movements were not well understood, and they were frequently explained by various spurious theories such as the "sun spot" theory, but within recent years the tendency has been to seek the causal factors within the industrial and commercial systems themselves, rather than looking for external causes. It is our present purpose to set down the characteristics of the trade cycle, and in our next issue to outline the methods, so far known, of controlling the movements. Although the extent of the movements vary somewhat in different countries, being more in evidence, for example, in Great Britain, Germany and the United States than in France, and somewhat less, evident in Canada than in more highly industrialized countries, the general movements are the same. For convenience,

therefore, we shall start our analysis at the point at which business seems to stand today with special reference to the United States and Canada.

The Period of Expansion.

One of the interesting features of the business cycle is that each phase contains within itself factors which automatically terminate that particular phase and bring on the succeeding one. In our last issue we pointed out that the present movement in the United States resulted naturally from the period of depression and liquidation which ended only a few months ago. The characteristics of that period were low prices, small profits, liberal bank reserves and a hesitancy in establishing new business enterprises. Such a situation naturally leads to a wearing down of the available surplus of goods, and in the lines in which a shortage first exists, increased activity will first take place. Retailers begin to experience increased demand for their goods. As a result they begin to increase their orders with the wholesalers who must consequently augment their orders from the manufacturers. All along the line additional labour is required, and the purchasing power of the community thus becomes greater. Such a movement inevitably becomes cumulative. A feeling of optimism displaces the pessimistic outlook of the previous months and, with this change, future buying increases as the opportunity of making larger profits becomes greater. Employers are willing to pay higher prices for labor and materials rather than run the risk of being unable to fill their orders. Meanwhile the increased demand gives rise to higher prices. Wages, discount rates and speculative stock quotations rise during the movement, and each increase causes others to increase. Thus all along the line business expands, optimism increases, and prices rise at an accelerating rate.

The Critical Period of Business.
Such a movement cannot obviously continue indefinitely. Normally there must be a fairly exact adjustment between co-relevant factors in business such as supply and demand for goods, bank reserves and demand liabilities, the cost of living and the money income of consumers. Such an adjustment naturally exists during the period of expansion, but increasing demand for goods cannot continue indefinitely, and there comes a time when a mal-adjustment takes place, and not only do prices cease to rise, but slight reverses begin to take place. At this point optimism commences to wane. Overhead costs have continued to decrease in relation to unit cost of output, but this decrease reaches a limit. The efficiency of labor has begun to decline on account of overtime work and unusually high wages, and the efficiency of management also becomes taxed to fill the increased orders. Then again the supply of available funds for the purchase of bonds, mortgages etc., is unable to keep pace with the rapidly enlarging demand. The available loan fund of the banks cannot expand indefinitely. Money has been spent lavishly and savings bank deposits have thus suffered. It is at this point that the confidence of the community is in the greatest danger of breaking. The failure of a large business concern or any similar catastrophe may very easily induce a sudden financial panic, which, like the panic of 1907 in the United States, may paralyze business and cripple industry with alarming rapidity. This, however, occurs only in extreme cases. Since the establishment of the Federal Reserve System in the United States, such a panic is much less probable. As prosperity approaches its peak, normally, a marked contrast develops between the business prospects of different enterprises. Some are already operating with their resources strained to the breaking point and these are the first to go down. It is now only a question of time until the period of liquidation sets in.

The Period of Depression.

The general outlook of the business public has gradually changed. The problem of maintaining one's position rather than of seeking to enlarge profits becomes the dominant issue. The volume of new orders continues to decline, and, in general, expansion has given place to contraction. There is a gradual decline rather than a rise in the security and commodity markets. Unemployment begins to become general. Banks have gradually refused to expand their loans further, and the policy of contraction goes hand in hand with forced suspensions and bankruptcies. As the purchasing power of the community declines, collections become more difficult. Depression gradually spreads throughout the entire field of business and industry, and this depression is cumulative, since

every reduction in employment means a decrease in consumer's demand.

During this period prices continue to decline and forced sales increase. Wholesale prices usually decline more rapidly than retail, and prices of raw materials than those of manufactured goods. All these factors have tended to check enterprise and to spread pessimism. In duration, the period is approximately equal to the period of expansion. The liquidation period, as the name implies, brings business to that point where costs and prices are at a minimum. The problem of when this point will be reached is the second uncertain factor in the business cycle. The value of this period is that it induces the reorganization of enterprises which have become insolvent, or which have been running outside the margin of safety. Bad debts are written off and depreciated values written down. At the same time the visible supply of goods gradually becomes exhausted. All these factors combined are paving the way, as we have shown, for the beginning of the up swing. They prepare the way for new business effort and enthusiasm, and slowly, or suddenly, the depression merges into business expansion, at which point we commenced our discussion of the cycle.

In attempting to review the factors which enter into the cause of the business cycle, we have not discussed purely physical phenomena such as crop failures, nor have we referred to the large part played by wars in these movements. Such factors tend to disturb the rhythmical movements, bringing on one or another phase of the cycle sooner than would otherwise be the case.

We shall endeavour in the next issue to outline the progress which has been made in the effort to stabilize business and thus eliminate the extremes of the upswing and the downswing.

The Sugar Situation.

The newspapers throughout the United States and Canada have recently devoted a good deal of space to a discussion of the price of sugar and to whether or not this price is justified. The discussion has been provoked largely by the action of the United States Government in seeking an injunction to close the Sugar Exchange as an organization permitting operations which had the effect of a conspiracy to increase the price of sugar. This injunction was denied, but it is intimated that the Government may appeal the case to the United States Supreme Court. In the meantime, several representatives of the Government have used very immoderate language in publicly putting forward their views. Taking their cue from the Government's attitude, various women's organizations have advocated a boycott of sugar. These actions, while not affecting the price, have undoubtedly resulted in a sub-normal demand and a very important decrease in the available supply. The action of the Government and statements credited to Government representatives have led to a letter of protest being sent to President Harding, signed by practically the whole sugar trade of the United States, strongly resenting the charges made. In Canada a committee of the House of Commons recently conducted an investigation into the price of sugar, and in the budget brought down on May 11th, the general tariff on raw sugar was reduced from \$1.687 to \$1.287 per hundred pounds, and the British preferential tariff from .8575 cents to 45 cents per hundred pounds. On the other hand, the Chancellor of the British Exchequer, in presenting his recent budget, declined to reduce the very heavy tax on sugar entering Great Britain, giving as his reason, that, in his opinion, the statistical position was so strong that a reduction in the duties was likely to lead to a further increase in the world price of the raw product rather than to a reduction in the price of refined in Great Britain.

With so much attention being given to this product, it is timely to review the circumstances leading up to the present situation, and also to the present statistical position. On February 12th, 1923, the United States Department of Commerce published a statement, calling attention to a shortage in supplies as against anticipated consumption. Their estimate of world consumption for the present year was placed at 19,035,000 tons and production was placed at 18,308,000 tons. The publication of this statement coincided with an increase in one week in the C. & F. (New York) price of Cuban raw sugar from 3 1/2 cents to 5 1/2 cents per pound. We believe this statement to have been an accurate estimate of the situation so far as it could be judged on the date on which it was published. The world's production for the present year is estimated by Messrs. Willett & Gray under date of May 24th at 18,167,876 tons. These figures include an estimate for Cuba of 4,000,000 tons. The latter figure is too high, as we are convinced that the actual production will be at least 400,000 tons less. According to the Government statement, the final world carryover at the end of last year was 1,290,000 tons—a reduction of 500,000 tons from the end of the previous year. It will therefore be seen that if production does not considerably exceed present estimates, consumption must be restricted, and, taking this into consideration, also the high purchasing power of the United States and Canada at the present time, it would seem that the present price is not excessive, and that it is unnecessary to look beyond the statistical position to find the reason for this price.

BOTH TEACHERS AND CHILDREN SHOULD DEVOTE PART OF THEIR TIME EACH DAY TO THE READING OF CURRENT NEWSPAPERS AND PERIODICALS TO FURTHER CHILD'S EDUCATION ALONG PRACTICAL AND SANE LINES.

Reviewing the activities of the "Industrial Disturbers" in Canada during the past few months, we begin to realize what a firm hold their propaganda has taken upon the workers of the country and their families. They have displayed a crafty form of ingenuity in their methods of spreading discontent and upheaval in industries' ranks, and, as pointed out in previous issues of The Canadian Labor Press, they are spreading their network of discontent among those most susceptible to evil influences. It is bad enough to try to palm off their "bunk" on mature minds but they do not stop at that; they have a "Young Communist League" to poison the minds of young men just commencing in the field of industry and have established schools for the teaching of disloyalty to the children. Indeed, Communism is an insidious evil which is anything but dying out. It is just as hard in Canada as in the United States to convince the average citizen that there is a constant growing group of individuals plotting against our system of government. Witness the investigation into Russian Communist propaganda in the United States. It is an eye-opener. Wade H. Ellis, formerly assistant attorney-general, who aided the Senate in its probe, instanced the fact that there are four hundred periodicals, daily, weekly or monthly, with a combined circulation around 5,000,000 which are openly or publicly advocating violent sedition and insurrection by force of arms against the government of the country.

This situation is appalling, and we believe that the time has come when it is not only necessary that the children of Canada receive a theoretical education, but that they should also be in possession of a practical one and this practical education should include the reading and digesting of articles and items on current events appearing in newspapers and periodicals of sound construction. A few minutes spent each day at school in real thinking on the practical every day occurrences that go to make up life, would gradually mould the character of the child so that when the time arrives for the boy or girl to share in the responsibilities of the nation, they will at least be equipped with a fundamental knowledge of those matters which enter into our daily activities. By instilling in their minds the principles of sound citizenship, they will avoid the pitfalls of radicalism, and thereby materially increase their own prosperity and contentment as well as the general welfare of Canada.

Under our present system a boy or girl to be equipped with a knowledge of the principles of Governmental, Industrial and Financial affairs, must follow up a costly and intricate schooling extending into the universities, which is only available for the few having the time and the means to do so. This course of study should be incorporated into the curriculum of every public school in Canada and should be prepared in a condensed and practical form, and open to every school child of poor and rich alike. The study should be commenced by easy stages, and gradually increased so that if it is necessary for the scholar to start to work at the end of the public school career, he will be equipped with that knowledge which is so necessary for his advancement in the industrial world; and this is where our newspapers and periodicals can play an important part, for are they not a moving picture of current events and reflect the intricate workings of our country?

ated by Messrs. Willett & Gray under date of May 24th at 18,167,876 tons. These figures include an estimate for Cuba of 4,000,000 tons. The latter figure is too high, as we are convinced that the actual production will be at least 400,000 tons less. According to the Government statement, the final world carryover at the end of last year was 1,290,000 tons—a reduction of 500,000 tons from the end of the previous year. It will therefore be seen that if production does not considerably exceed present estimates, consumption must be restricted, and, taking this into consideration, also the high purchasing power of the United States and Canada at the present time, it would seem that the present price is not excessive, and that it is unnecessary to look beyond the statistical position to find the reason for this price.

he would have his breakfast or move. And in this particular, at least, girls would do well to imitate him. At lunch, however, they may bring a cold lunch with them, have a lukewarm lunch brought to them, go home for a lunch or dinner, or eat in the cafeteria. A "brought" lunch must be eaten somewhere. In some places and under some circumstances it can be eaten out of door comfortably, without being contaminated by flies or dirt. Generally, however, it must be eaten indoors, either in a room set aside for this and other purposes (such as recreation) or in the work-room. To eat in the recreation room interferes with its use by those for whose benefit it was set aside. To eat in the work room prevents the complete airing that is so important after several hours of occupation; it interferes with the sweeping of the dust that has accumulated in the morning hours and that unless removed, will continue, with accumulation, to be breathed all afternoon; it exposes the food to dust that settles fast when the air is comparatively quiet and is always unwholesome and often dangerous, to the disease germs with which the air is laden, and to flies, which stay after the lunch is cleared away. These dangers are not imaginary. The weight of evidence now seems to indicate that tuberculosis (for instance) is often a "hand to mouth" disease and is carried to the lungs by way of the stomach as well as by the breath. This is particularly true of forms of tuberculosis other than that affecting the lungs but may be true of pulmonary tuberculosis. Eating in a modern factory cafeteria or in a clean restaurant is un-

FOOD AND INDUSTRIAL WORKERS

Food, as far as the vast majority of women industrial workers are concerned, means "lunch," says the U. S. Public Health Service. What they eat in the morning and in the evening depends very largely on conditions over which some other woman has control. Taken as a whole they have very little choice.

About the only rule that can be laid down is to eat something and not to rush to work without eating anything. Hundreds of working women, mostly young girls, do this nearly every day. No boy would do it twice;

ally much the most wholesome way of getting lunch. A plant cafeteria is usually well ventilated (at the beginning of the meal, anyway), is free from dust, and is screened more or less effectively against flies. The food is commonly clean and well cooked. Finally, to go to a cafeteria induces most people to wash their hands; it promotes fellowship; it gives valuable recreation; and it tends to make one cheerful.

As for food—well, one important thing is to avoid the things one gets at home. Home cooking tends to sameness and nearly always lacks some element that it ought to have. Buy something different. As a general thing hot food is best.

Meat for sedentary workers is inadvisable at lunch, unless lunch is really dinner; meat once a day is usually enough for most people. Fruit, vegetables, and salads are excellent. Pies, cream puffs, eclairs, etc., are all right in their place, but should never be allowed to take the place of better foods. Sweets drag the appetite for a time but leave one hungry and often feeling faint before the day is over. A bowl of soup with crackers or bread costs about what a piece of pie and a cup of coffee does; but soup, if properly made and eaten with bread and butter will sustain and the other will not. The pie satisfies more quickly, but those who chat with somebody while they eat, and therefore eat slowly, are likely to find that the soup has satisfied them by the time they get through, and they are practically certain to find themselves better satisfied an hour later than if they had spent the same money for frothy meringues.

Tabloid of International Labor News

LATVIA.
Krull machine factory workmen of Riga, after asking for a two hundred per cent increase of wages, went on strike, making it probable that the factory will shut down entirely.

POLAND.
As a result of industrial expansion unemployment in Poland showed a large decrease for 1922, the decrease during the year being from 219,368 to 75,262. The first quarter of 1923, however, shows a climb in unemployment figures up to 117,343, due, principally, to the seasonal employment of February and March.

SPAIN.
Labor agitation in Lisbon, on account of demands of from 30 per cent to 50 per cent increase in workmen's compensation, culminated during the past month in strikes of stevedores, bakers, metal workers, wood workers, and carpenters. Delays in shipping and unloading, and scarcity of foodstuffs in the city markets were the principal difficulties affecting the public interests on account of the strikes.

SWEDEN.
Arbitration in the building material industry has been successful and the laborers have gone back to work in all factories with the exception of one.

CANADA.
Canadian authorities report a movement of many people from the maritime provinces to the United States. Fuel shortage, high prices of coal, high wages and an increasing demand for labour in the United States are given as the principal causes of the Exodus.

GERMANY.
Members of the Association of Landowners of the Province of Brandenburg have voted to take into their homes 50,000 children from the territory occupied by the French.

Unfavorable labor conditions in the Breslau district became slightly worse during the past month, with the number seeking employment increasing by 3,000.

At the present time seventy-five concerns, of which two-thirds are textile plants, are working on reduced hours at Chemnitz. Labor leaders maintain that operators have made the time reductions in an arbitrary way, and predict serious controversies in the near future.

With a relatively small amount of tonnage, German steamship companies have found it possible to re-organize their service to almost every part of the world.

While unemployment as a whole has declined during the year throughout Germany, an unusually large percentage of unemployment is found in the domestic servant class, whose situation has gone from bad to worse from the point of view of real wages and relative demand.

INDIA.
A so-called "Workmen's Compensation Act," based on the workmen's compensation laws of England, but with appropriate changes to meet Indian conditions, has been recently passed and given the assent of the Governor General of India.

NORWAY.
Norwegian immigrants in the United States sent home, during the year 1922, monies amounting to \$177,631, the bulk of which is regarded by the Norwegian Department of Commerce as bona-fide wage remittances.

RUSSIA.
According to the resolution of the People's Commissariat of Labor, a system of rationing for the unemployed has been devised, whereby high class skilled workmen will receive full rations; skilled workmen and non-skilled workmen who have been employed not less than five years will receive two-thirds of a ration; while all other workmen, who have been in employ from three to five years, will receive one-half of a ration.

KEEPING WELL IN SUMMER

"What one should do to keep well in the summer," says Surgeon General H. S. Cumming, of the U. S. Public Health Service, "depends on what one has been doing during the winter." As winter occupations are infinitely varied it may seem at first blush that this dictum calls for equally varied summer programmes. However, most occupations fall into certain groups which call for corresponding vacations.

"For instance, most men and an increasing number of women work hard all winter and take a vacation when summer comes. On the other hand, large groups of men and women, farmers for instance, work hard all summer and take a vacation, if they ever get one, in the winter, when farm work is slack. Most women work hard in their own homes, and they too have earned a vacation, though their right to it is not always acknowledged. Some men and women appear not to work at all and would probably be very angry if any one accused them of working. These also need a vacation, but very few of them get a real one.

"A vacation should mean very different things to these different classes. A clerk, for instance, should do something that would make him use his muscles, though not to excess, and an iron mill worker something that would enable him to rest his mind. A girl who has been typewriting or packing cigarettes or cooking in somebody else's home should use her vacation in outdoor sports such as playing tennis or something like that. A tired wife and mother should rest by getting away from husband and children, soothing her nerves by chatting with other women, and having a few moments of genuine privacy. A 'society' girl who really works about as hard as anybody in the service of the Goddess of Pleasure and is probably—temporarily at least—sick of tea and men and other girls, would do well to attend a Summer Normal school, where she would at least get a brand new outlook on life—unless she has courage enough to get a job in a factory, where, if she was not too haughty some 'factory girl' might take pity on her and teach her the ropes.

"The usual prescription for a vacation is exercise in the open air. Such advice assumes that exercise in the open air is the one important thing that most workers do not get. That is, of course, true in regard to many persons, but it is not true in regard to many others—farmers, street cleaners and chauffeurs, for instance. Anybody who has been spending his or her winter evenings in stuffy rooms studying, playing cards, dancing, or just nodding, should by all means get out into the open air in the summer. A truck driver, on the other hand, might well spend his vacation indoors.

"Exercise, particularly in the open air, is valuable, and indeed, essential to continued good health. Exercise, however, looks chiefly to physical and ignores mental health; and mental health is now considered to be about as important as physical health. Millions of persons, women in par-

ticular perhaps, need a "change" rather than a rest.

"As a matter of fact, nearly everyone feels this and unconsciously strives to act upon it. The 'tired business man' of whom the papers say so much is not so foolish as some persons think when he goes to the theatre to listen to a farrago of nonsense; for this is the very antithesis of his daily work. Unfortunately going to the theatre is like his business, indoors.

"Clerks or working men or girls who attend baseball games show better judgment, for they get mental stimulus; and, if they applaud the players or denounce the umpire with enough enthusiasm they get a good deal of physical exercise in the open air. On the other hand the farmer who works 15 hours a day from early spring to late fall might do worse than spend two winter weeks in the city, fighting off the wily 'confidence' men and attending the movies. And more or less similarly for his wife. They would both get enough mental stimulus to sustain them through the laborious days of next summer.

"The point is to get new ideas for the brain to mull over. All persons, after being tied to one set of ideas or to no ideas at all for months, will find themselves a lot healthier and happier if they pick up a totally different set during their vacation. Whether the ideas are wise or foolish, they can get a lot out of them, particularly if they can find friends who are considerate enough to find a contradictory set and stand up for them. The two will prevent each other from vegetating and keep each other happy, even if furious, till the next vacation. Vegetating is the worst thing in the world for a human being—at any rate for the Canadian species.

"It would be well if all persons would adopt this advice to their own circumstances and would plan vacations for the coming summer that differ radically from their daily occupations. Such vacations probably would not turn out quite as was expected; but would be half their charm. Some persons might even wish they hadn't tried the plan for a week or so after they got home; but the chances are that the next summer they would try the same or some other 'contrary' plan once more.

TUBERCULOSIS IN PORTO RICO

The laboring classes in Porto Rico suffer greatly from tuberculosis, says Dr. J. G. Townsend of the U. S. Public Health Service, who recently returned to the United States after a five months study of the tuberculosis situation in the island. The tuberculosis death rate is a little more than 200 per hundred thousand. This is greater than that of any State in the union except Colorado, where the tuberculosis death rate is of course enormously increased by the constant immigration of tuberculosis patients, for whom there is no longer any hope. In Porto Rico, moreover, the tuberculosis death rate of the well-to-do classes is very much lower than that of the laboring classes. In the industrial cities on the practically level coast belt it averages about 8 per cent of the total death rate; in the mountainous central portion it is less, averaging about 4 per cent, except in certain industrial towns, especially those dependent on the tobacco industry. The death rate for industrial women is higher than that for men. This condition, is the exact opposite of that in the United States and is supposed to be due to the fact that in Porto Rico industrial women are also wives, mothers and housekeepers.

These high rates are not due to the climate, which is delightful and healthful, but to the conditions under which the poorer classes live. A survey of more than a thousand houses occupied by the laboring classes in seven of the larger cities on the island reveals that practically all of them consist of two rooms and shelter an average of six persons. Each room has an average floor space of less than a hundred square feet; and the total air space is considerably less than ten thousand cubic feet; as the one window and the door are kept closed all night long to keep out the greatly dreaded "night air," this 10,000 cubic feet has to suffice for three persons for about eight hours. As Rosenau estimates that to keep healthy a man weighing about 160 pounds requires about 2,400 cubic feet of fresh air, renewed every hour, the state of air in these rooms after being occupied all night by three persons may be imagined. Such conditions are, of course, ideal for the transmission of tuberculosis.

The usual diet of the people for about as important as physical health. Millions of persons, women in par-