

Paris Hats and Dresses Add to the High Cost of Living



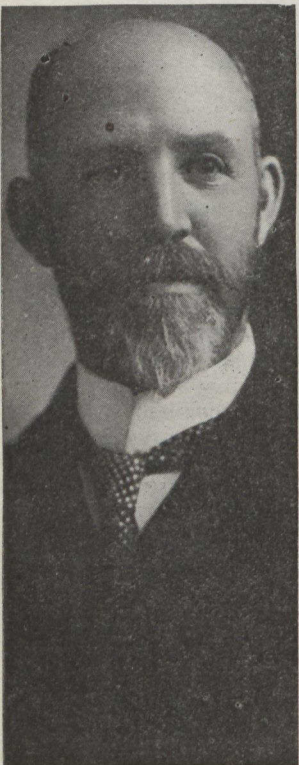
In the days of yore Mrs. Timmins made her daughter's dresses at home. She also trimmed the family hats. Now-a-days, Mrs. Timmins, Jr., must take a trip across the Atlantic to see the latest "creations" in London and Paris. "Hubby" is equally guilty since he is as socially ambitious as Mrs. Timmins.

Drawn by W. S. Broadhead.

Extravagance Outrunning Production

By NORMAN PATTERSON

THERE is no person in Canada perhaps who is better able to express an opinion on the present controversy concerning high prices than Professor Adam Shortt. Although Dr. Shortt has been transferred from Queen's University to the Civil Service Commission he has never lost his place as the chief economic adviser of the nation. There is no other man, except perhaps Sir Edmund Walker, from whom Canada is willing to take economic advice. There should be more such men and their absence from the arena of public discussion is a great defect in the Canadian body politic. Dr. Shortt has been good enough to give the writer a brief summary of his views.



Dr. Adam Shortt.

other students of political economy at home and abroad. His "first" principle in this question is that if men decrease the hours of productive labour and

service while increasing the rates of wages and profits faster than the productiveness of nature and therefore the means of life are increased, they will simply increase prices without any corresponding benefit to the community. The people cannot divide among themselves more than they produce. But that is what we are striving to do.

The Professor comes at it this way. Man is a biological specimen living upon nature's bounty. Nature produces very little spontaneously. As the world becomes more and more settled the spontaneous production of nature grows less and less. Man cannot now live on wild seeds, fruits, and herbs; he must produce cultivated grain, fruits and vegetables. He cannot now live on game and clothe himself with the skins of wild animals; he must carefully attend his flocks and herds in order that he may obtain from them food and clothing. He must laboriously work his mines and carefully preserve and restock his fisheries. In other words man must continuously force the hand of nature, not wait for her spontaneous bounty. Hence his whole problem is how to get the most from nature with the least effort.

IN order to increase his income from nature, man has only two factors at his service: he can work harder himself or he can make nature work harder. If he combines these two factors and uses them advantageously he will bring a greater reward to himself. It is quite true that the modern civilized community, by reason of its own organization and command over nature, obtains immensely more per individual than it ever did before. But, of recent years, our expectations and demands have been steadily outrunning our increased efficiency. Our products are increasing at one ratio and our demands are increasing at a much higher ratio. We increase prices to meet increased demands, but we do not thereby increase the means of life.

Thus the simple explanation of higher prices in Canada is that every man and every woman is trying to get greater results without corresponding

exertion and hours of labour—a manifest impossibility. Because we have shortened the hours of labour and decreased our efforts in conjunction with nature, and because we are at the same time increasing our demands, prices are going up.

SUCH is Professor Shortt's simple explanation of the situation. It will be noticed that he eliminates the theory that the increased gold supply has affected prices. He will probably admit that this is one of the minor causes, but he places very little emphasis on it. He prefers to argue from the one ground because it is the central ground. For a hundred years the producers of the world have been aiming at shorter hours of labour and longer hours of ease, as well as a higher standard of food, dress, and housing. They have been getting what they aimed at, but they are no longer content with the rate of increase. They are not content with dividends out of profits; they are taking them out of capital. High prices are bound to result from these efforts. Man's ingenuity and inventiveness may retard the rise in prices for a time, but in the end the rise is inevitable.

The statisticians look across the field in a general way and find that prices have increased very largely in recent years. What they do not record is that in some communities prices have risen more than in others. The hours of labour and the earnestness with which men work varies in different countries and in different parts of each country. Social atmosphere varies and has an effect upon production and upon expenditure.

THE problem before Canada to-day is, therefore, not only one of wages and hours of labour, but of profits and extravagant living on the part of all classes. It is quite proper that the working-man should not be forced to work beyond his strength or to live miserably. Neither should he expect to live in ease and luxury without performing his due share of the world's tasks. No nation can decrease its production and increase its expenditure without feeling the pinch. Canadians are working for themselves. They have a rich country, a great national heritage. If they are content to labour fairly and honestly and intelligently, they have no need to fear the prices of the future.