

LESS UNEMPLOYMENT FOR LAST MONTH WAS SHOWN

Report of Conditions Generally across Canada as Compiled by Labour Gazette. In most Groups there was good demand for help

Despite the large number of returned soldiers that were absorbed by the various industries, there was an appreciable reduction in the amount of unemployment during April as compared with the previous month, according to statistics compiled by the *Labour Gazette*. There was considerable depression in the coal mining industry in the West, but there was a very strong demand for farm labour and high wages were being offered as an inducement for men to go on the farms. A considerable amount of municipal work was started in order to relieve the situation.

In the metals, machinery, and conveyances group improved conditions were reported at the Sydney steel plants. Employment was good in the shipyards in the Maritime Provinces, at Sorel, and Fort William, but elsewhere the shipyards were reducing their forces. In the rest of the group there was a slight drop in employment in the early part of the month. In foods, tobaccos, and liquors there was activity. Bakers and confectioners were busy and breweries and soft drink plants and tobacco factories showed some improvement.

IN PACKING PLANTS.

The flour mills, abattoirs, and packing houses generally were active in the East, but a little inclined to quietness in the West.

In the textile and clothing groups there was a good demand for help, mostly female. Owing to the high price of clothing, the dyeing and cleaning establishments were very busy, but the number of returning soldiers needing civilian outfits kept the demand for new clothing from falling.

The pulp and paper mills were practically all actively engaged. Employment was good in the printing, publishing, and paper goods, there being a noticeable demand for job printers. The wood-working and furniture group was inclined to be quiet, the seasonable activity in the sash, door, and planing mills not being as pronounced as usual. Employment was good in the tanneries and boot and shoe factories, and very good in the rubber plants. Paint factories were busy, but cartridge and munition factories were very quiet.

In the clay, glass, and stone group, glass factories were well employed and there was some activity in the brick-yards. In metalliferous mining, there was activity in the Cobalt region, and also in the gold camps in the Porcupine and Kirkland Lake districts. In coal mining there was an improvement over the previous month in Nova Scotia, but in the Western coal fields there was considerable depression. In the transportation group there was seasonal activity in the navigation and longshore work.

RAILWAYS WERE ACTIVE.

The steam railways were unusually active in the transportation of returned soldiers. Railway repair shops were well employed. Employment generally in the building trades showed a slight improvement, there being some activity at Halifax, Fredericton, Toronto, Hamilton, and Winnipeg. In railroad construction there was a considerable increase in activity, several hundred men being taken on during the month. A considerable amount of municipal work was also started. The lumbering industry was very active, except that operations in the Fernie district and in other parts of British Columbia were restricted by the lack of orders. In agriculture there was a strong demand for farm labour throughout the country, which was not being adequately met, despite the high wages offered.

The loss of time on account of industrial disputes during April was much

greater than during either March, 1919, or April, 1918. There were in existence at some time or other during the month 37 strikes, involving 12,415 workpeople, and resulting in a loss of 111,083 working days, compared with 19 strikes, 2,730 workpeople, and 49,799 working days in March, 1919, and 15 strikes, 7,417 workpeople, and 17,332 working days in April, 1918. On April 1 there were on record 10 strikes, affecting 1,751 workpeople. Twenty-seven strikes were reported as having commenced during April, compared with 16 in March. Seven of the strikes commencing prior to April and 16 of those commencing during April were reported terminated, leaving 14 unterminated strikes affecting approximately 1,812 workpeople on record at the end of April.

SLIGHTLY HIGHER PRICES.

Slightly higher price levels for April appeared in the index number of wholesale prices and in the retail food budget, averaged for sixty cities. In wholesale prices the index number fell slightly each month from November until March, the chief decreases being in metals and other industrial materials, with a sharp fall in coarse grains, cattle, hay, and hogs, in each of which there was afterwards a recovery. During April the fall in prices of materials was arrested to some extent. Wool was higher, and there was a recovery in some metals, although the decline in iron and steel became more pronounced and manufactured metal goods were lower. There were advances in grains, fodder, meats, butter, some vegetables, hides, boots, and house furnishings, due to seasonal conditions, demand for export, cost of production, etc. In retail food prices the chief increases were in butter and in meats, but eggs and beans were lower. Anthracite coal was slightly lower, but bituminous coal and wood were slightly higher. There were some increases in rent for April, but advances to take effect on May 1 were reported in many of the cities. The index number of wholesale prices reached 279.6 for April, as compared with 277.6 for March, 290.9 for November, 1918, 269.4 for April, 1918, and 136.7 for April, 1914. In retail prices, the average cost of a family budget of staple foods in some sixty cities was higher, being \$13.35 at the middle of April, as compared with \$13.05 at the middle of March, \$12.57 in April, 1917, and \$7.51 in April, 1914.

CHANGES IN WAGES AND HOURS OF LABOUR.

During the first quarter of 1919, sixty-three changes in rates of wages and hours of labour, affecting approximately 48,398 workers, were noted by the Labour Department, as compared with 50 changes, affecting approximately 29,983 workers in the quarter immediately preceding, and 26 changes affecting approximately 18,800 workers in the corresponding quarter of 1918. Of these 63 changes, 41 were in rates of wages only, 15 were changes in hours, and 7 were changes in both wages and hours. Of the changes in hours, 11, affecting about 33,192 workers, were for a working day of eight hours or less. Of the wage changes, 46 were increases and 2 were decreases.

Americans on Prairies.

There are in Alberta 24,922 natives of the United States, in Saskatchewan 20,567 Americans, and in Manitoba 5,939, who are males of 16 years of age and over, according to the report of the Canada Registration Board.

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SUMMARY OF JUDGMENT; BELL TELEPHONE COMPANY

Because of Steady Increase of Material and Labour Costs Revision of Rates is Allowed by Board of Railway Commissioners

The following summary of the judgment of the Board of Railway Commissioners of Canada (Commissioner S. J. Maclean) *re* Bell Telephone Company's application for increase in rates has been issued by the Commissioners. The importance of the matter involved, the complex situation concerned, and the detailed analyses of accounting data, which it has been necessary to make, justify a summary of the situation and findings.

(1) There has been during recent years a steady increase in material and labour costs in the operations of the Bell Telephone Company.

(2) The company has carried these costs during these years.

(3) Beginning, however, with October, 1918, there has been a very great increase in wage costs, which still continues and which the company cannot properly carry with its present rates.

(4) These wage costs computed on a yearly basis represent a wage increase of over \$1,500,000. While there has been increase in gross revenue, there has been a sharp decrease in net. The operating ratio since the increased wage costs came in in October, 1918, is over 90 per cent.

(5) In meeting the increased costs prior to October, 1918, the company did not keep up maintenance in the same ratio as the use of telephone instruments demanded. There is, therefore, to be dealt with not only the question of increased material and wage costs, but also the item of deferred maintenance.

NON-OPERATING REVENUE.

(6) Non-operating revenue has assisted hitherto in carrying the interest and dividend charges. The Northern Electric, from which a dividend of \$210,000 was received in 1917—which item was also set out as included in the anticipated total revenue of 1918—passed its dividend in 1918 and was unable to meet its fixed charges. Consequently this item of non-operating revenue is unavailable to meet the charges by way of interest or dividends.

(7) The company has since October, 1918, been earning on its outstanding securities less than 4 per cent.

(8) There is an admitted need for an expenditure of \$7,000,000 for replacements and new construction. While the carrying charges of this are not set out as an item in the increases asked for, the existing situation affects the ability of the company to finance this necessary amount.

(9) The reserves of the company which are large are not in cash, but are invested in the plant. This is admittedly good business practice and at the same time lessens the burden of necessary revenues. Since the reserves are so invested, they are, therefore, not available to pay dividend or interest charges, or to provide replacements or extensions.

(10) The application has been treated substantially as a wage cost application. Independent, therefore, of the factor of material costs, there is an increased wage cost of approximately \$1,550,000 to be met.

(11) There is an emergency situation existing.

(12) The burden of the emergency should be divided between the Bell Company and the public.

(13) The company, as part of its contribution, must of necessity bear the costs which have accrued since the beginning of the present year and up to the time the rate increases become effective.

(14) The company, as an emergency measure, should make a contribution from its allowance for depreciation, said contribution to be computed on the basis of the difference between 5.7 per cent and the existing percentage, thus giving a sum of approximately \$330,000 per annum.

(15) The connection charges as asked for, and not objected to, cannot be allowed because of the limitations of the Bell Telephone legislation.

(16) The moving charges as asked for, and not objected to, are allowed.

(17) The contribution from the emergency depreciation ratio and the moving charges will amount to approximately \$450,000 per annum. In addition, as pointed out, the company has to bear the increased costs since the beginning of this year and pending the rate increases. This would represent at least 5/12 of the total in the present year.

(18) Of the total rate increases found necessary, there is approximately \$1,100,000 to be met by increases in long distance and exchange revenues.

LONG DISTANCE RATES.

(19) The long distance rates as filed are not objected to and may be allowed. The company asked for 20 per cent increase in exchange rates. A 10 per cent increase in exchange rates is deemed adequate. The long distance rates as allowed and a 10 per cent increase in exchange rates are considered sufficient to provide the sum of \$1,100,000.

(20) In the case of Dominion taxation, this is listed under income tax or business profits tax, depending on which classification gives the greater total. It is held that the tax so imposed is not properly classified as an expense, but should be classified as a charge against profits.

(21) The situation being treated as an emergency one, the Board retains the conduct of the case, and will take steps to obtain necessary information so that revision of the emergency rates may be dealt with as soon as possible.

The judgment was concurred in by the Chief Commissioner, Deputy Chief Commissioner, Commissioners Goodeve and Boyce.