

Royal Commission on Industrial Relations

THREE sessions of the Royal Commission on Industrial Relations were held in Montreal, on May 29, 30 and 31. The evidence received was fairly representative of all phases of the question. Among those heard was H. M. Lamb, secretary of the Canadian Mining Institute. "Our institute has gone on record," he said, "that in its belief the industrial problem is an educational problem. The two are interlocked. We must do something to educate the people with a view to having them realize their responsibility of citizenship. We feel that in order to make a success of the Whitley scheme, or any kindred scheme, in this country, the people should be educated to a higher sense of their responsibility."

"The whole difficulty here would be one of money. In order to get the money we would have to get something from the Dominion government. The government has already given large sums for technical education in this country, and to our minds technical education is of secondary importance to the education to which we refer."

The chairman pointed out that this matter of education to a higher sense of citizenship would be taken up in September at Winnipeg when a convention for that purpose would be held in the western city metropolis.

Mr. Lamb said that the greatest brake on the wheels of production in the industrial world to-day was the reluctance and antagonism of the workmen. This mental attitude arose from the suspicions that they were being exploited in the interest of capitalists, and from the accumulating ill-will due to an economic system that does not properly regard the rights of human personality, and that leaves the workers a constant prey to the grinding uncertainty which arises from being to a great extent a helpless and voiceless unit in a vast organization which they either do not understand or wholly misunderstand. This is why a practical grounding in the fundamental facts and principles of economics and ethics must become an essential part of any comprehensive scheme looking to a final solution of this greatest of present social problems. The ground work of such education must be laid in the schools, but the superstructure will be built by the intelligence, experience acquired, and the added responsibilities borne by the workers, arising from their new place and outlook in a democratically organized industry. This complete change no sane man would expect to bring about to-morrow or next year. But the change in the organization can be made more quickly and, if made, it will go far towards meeting present difficulties.

A. L. Smith, president of the Notre Dame de Grace Civic Improvement League, discussed the relative rewards of labor and of capital. There must, he said, be a scientific appraising of the capital invested in industrial corporations, removing all traces of watered stock. "Workers to-day understand thoroughly the meaning of watered stock, and quite rightly refuse to pay a dividend upon it, while their own families are short of the real necessities of life. Until the custom is entirely removed by legislation, co-operation between capital and labor is scientifically impossible. You may say 6 per cent. would be rather a small dividend. I say if 3 per cent. is sufficient interest on the small saving of the people, certainly 6 per cent. is sufficient for the owners of millions. The risk of great losses, that capital owing to strikes, lockouts, overstocking, etc., run at the present time, under this system would be entirely removed. Of course, this also applies to labor. With the stock jobbery and the various methods at present in vogue for the exploitation of labor removed, including unreasonably large salaries, labor would take a new heart, get in on the ground floor, so to speak, knowing that he was getting all of his product less 6 per cent. on investment and cost of management."

In conclusion Mr. Smith put forward four suggestions which he asked the commission to recommend to the government: (1) Remove all watered stock from industrial corporations; (2) pay dividends of 6 per cent. on the actual investment, management to be equally divided between labor

and capital; (3) raise revenue by a very steep graded income and an inheritance tax; (4) all the balance on land values, removing absolutely all kinds of taxes and licenses on the products of labor.

Views of Montreal Labor

J. F. Foster, president of the local Trades and Labor Council, in a statement to the commission, said:—

"It is assumed that many of our difficulties—industrial and economic—arise from the want of confidence in the present government, the lack of modern labor laws and of legislative measures protecting the working classes and the people at large from the encroachments and exploitation of food profiteers, trusts and capitalists. This situation is still aggravated by frequent misunderstandings and differences between capital and labor. The entire situation has become serious owing to the fact that at this date no comprehensive constructive and practical plans for reconstruction have been put into effect. Out of this state of affairs, disorder and confusion has arisen, accounting for the national unrest and present business stagnation."

"The detailed causes are as follows:—

"1. The workers are not properly represented in the governing body. We find fault with the fact that the great majority of the legislators are lawyers who know little of practical manufacturing and less about the conditions under which the working class are required to live.

"2. The growing conviction that the present government is largely controlled by the agricultural vote of the west. As a consequence, no real effort, seeking the control of food prices has been made.

"3. The situation is accentuated by procrastination of the government in the program of repatriation and the civil re-establishment of the soldiers.

"4. The failure of the government to formulate comprehensive and practical plans on the reconstruction issue.

"5. The dissatisfaction of the people, arising out of the question of the non-taxable bonds, which, to a great measure, has shifted the indebtedness of the country and its future obligations upon the backs of the working people.

"6. The suppression of free speech, free press, right of assembly and other restrictions, through orders-in-council, are directly responsible for the strong feeling of resentment.

"7. The failure of the government to relieve unemployment through comprehensive and constructive plans of public works, and its inertia in developing the shipbuilding program.

"8. The establishment of elaborate credit systems throughout the Dominion among farmers, wholesalers and retailers has created excessive interest charges which multiply the burdens not only of the consumer, but of all concerned.

"9. The refusal of a large number of employers to recognize and deal with labor organizations, and their opposition to collective bargaining.

"10. Lack of a system by means of which a minimum wage may be established in accordance with the cost of living, and for the reduction of hours of labor to suit production. Opposition to collective bargaining has retarded progress in this direction.

"11. The continuous depreciation of the purchasing power of the dollar and the ever present bogey of unemployment can be designated as among the fundamental causes of unrest.

"12. Uncertainty of fiscal policy, which has depressed business and caused unemployment."

Employers' Evidence

Jospeh Quintal, president of the Montreal Chamber of Commerce, appeared along with a delegation representing Montreal manufacturers. Conditions of work and wages in Canada were already good, he said, and further reform would have the effect of stimulating immigration and thus defeat