

## The Producers and The Consumers Are Still Out of Line

### NEGOTIATING A WAGE CONTRACT TO END THE SOFT COAL STRIKE

Cleveland, Ohio.—Negotiation of a wage contract, which, according to sponsors of the plan, will probably result in breaking of the soft coal strike was begun Thursday by operators and miners, who decided to leave the details of settlement to a committee of twenty-one, which will begin considering its report, tomorrow. The start was made after the policy committee of the United Mine Workers voted in favor of contracting with those operators of the central competitive fields who had enrolled in the conference.

Approximately 29 per cent. of the normal coal production of the central competitive field was represented in the conference, but this proportion did not deter President John L. Lewis in predicting that a settlement of the conference here would result in more than 300,000 miners returning to work in the soft coal fields within a week.

"The miners have won this fight, and it is practically over," he said.

### RAILWAYS REPLY TO THE MINISTER

Montreal, Que.—The executives of the Canadian Pacific, Canadian National and Grand Trunk Railways today issued a statement on the issue between the companies and the men over the Industrial Disputes Act. It is in answer to the minister of railways' communication on the subject.

The statement says: "The railways upon the advice of the crown counsel are not in accord with the opinion of the Department of Justice. The contention raised has been before the supreme court of Nova Scotia in District 26, United Mine Workers of America, against the Dominion Coal Company and others, where the court in a carefully considered judgment unanimously decided that a similar proposed reduction is not a change of conditions within the prohibition of Section 57 of the Act. It is thought that this authoritative decision may not have received full consideration in the preparation of the department's opinion.

there, who have been on strike for definitely announced by the employees we have referred, it having now been majority of the members employed on Canadian roads have applied for a board of conciliation that they were willing to return to work at the same reduced rates, effective July 1st, as were proposed by the Canadian railways, effective July 16th.

"In these circumstances we submit that, in fairness to all parties, the railways could not adopt a course of action which they believe is not in accordance with law nor required by the merits of the case.

"(Signed) Howard K. Kelley, president Grand Trunk Railway System; D. B. Hanna, president Canadian National Railways; E. W. Beatty, president Canadian Pacific Railway."

### STRONG BOARD ON UNEMPLOYMENT

Toronto.—Through an order-in-council passed at a meeting of the Ontario Cabinet, the following have been chosen to act on the Provincial Employment Service Council:

Employers' Representatives—Geo. Gander, Toronto Builders' Exchange; A. C. Mambert, Canadian General Lumber Company; R. F. Fitzpatrick and O'Connell, and William H. Shapley, of Toronto.

Women's Representative—Mrs. Rose Hodgson, Dundas, Ont.

Bankers' Representative—Donald Alexander Cameron, Canadian Bank of Commerce.

Farmers' Representative—William C. Good, Paris.

Soldiers' Representatives—Hugh McLeod, G.A.U.V., and William D. Sharpe, Brampton.

Employees' Representatives—John W. Woggett, Building Trades; John A. P. Hayden, Canadian Congress Journal, Ottawa, and William Tite, London.

The Council has as its chairman, Prof. Gilbert Jackson, of the University of Toronto, who will receive \$15 a day for each session of the committee, while the remainder of the members will be paid \$10 a sitting. Traveling expenses will also be allowed.

The chairman is appointed for a term of three years, as well as Messrs. Doggett, Gander, Shapley and Mrs. Hodgson. Messrs. Cameron, Mambert, Sharpe and Tite are appointed for two years, while Messrs. Fitzpatrick, Hayden, Goode and McLeod, are chosen for one year.

The duties of the Council will be confined to alleviating further unemployment situations and raising the standard of employment bureau efficiency.

### F. T. COSTELLO NAMED CHAIRMAN OF BOARD

F. T. Costello, barrister, of Alexandria, Ontario, has been appointed chairman of the board of conciliation and investigation in the dispute between the Canadian National Railways and its employees who are members of the Canadian Brotherhood of Railway Employees. The appointment was made by the Minister of Labor in the absence of a unanimous recommendation from the two parties. The men are represented on the board by H. S. Ross, of Montreal, and the company by Geo. D. Kelley, of Ottawa. The dispute is over a reduction in wages.

### FORMS MAIN OBSTACLE TO A RETURN OF PROSPERITY

### DIFFERENT OPINIONS AS TO THE DANGERS OF INFLATION

In looking over the industrial field, it may be observed that the main obstacle to real prosperity still exists—namely, the disparity between prices of different commodities, more especially between the prices of producers' and consumers' goods. It is estimated that half of the whole population get their living by producing raw materials; that is, farm products, metals, woods, etc. If we compare the prices of these products with those of 1913, it will be found that some, like copper, zinc, and farm animals, are still below the earlier year; farm crops are at a little above 1913, while steel, wool, and cotton range from 10 per cent. to 25 or 30 per cent. above. But consumers' prices on such things as foodstuffs, coal, timber and clothing, are very much higher relatively, being almost twice as great as in 1913 as pointed out by Wm. C. Cornwell, in the Bahe Review.

The recent advance in wholesale prices has been accompanied by an advance also in some important raw materials, and retail prices are following suit. These movements do not make for an increase in demand, but rather set the consumer in an attitude of resisting further advances by buying less.

Rise in prices is an accompaniment of inflation, and the large supply of credit and the enormous accumulation of idle gold have caused much cogitation as to whether America is going into a period of secondary inflation.

The Financial World is conducting a canvass among the leading bankers of the country, for opinions on this subject. The majority of opinion thus far reveals possibility of only a mild, secondary inflation. Mr. James F. Sullivan, President of the Market Street National Bank, of Philadelphia, however, believes that inflation is already general and widespread. Real estate and rents are higher than ever before, he says, while cotton, wool, coal, coke, iron, steel, food supplies, and most other commodities, have rapidly advanced in price and appear to be going still higher.

"Securities of nearly all kinds are higher than they have been for many years.

"Throughout the land, the cost of living is on the increase. Labor is restless and discontented. Higher wages bring about inflation and lower wages lock-outs and strikes. The taxes of the National Government continue to be burdensome and city and state taxes are mounting higher and higher.

"Inflation is brought about by super-abundant energy and ambition of the business men of America. They are discontented and intensely eager to acquire great wealth. In order to do so they are willing, some at least, to take all sorts of chances and put their money in extra hazardous enterprises."

Mr. William O. Scroggins, in the "Business To-Day" column of the Evening Post, however, takes an opposite view. He does not think that the recent upturn in wholesale prices is sufficient to bring about sustained inflation.

"Prices may continue to advance somewhat further, but no one expects to see a restoration of the high levels of 1920. Just at present there are several conditions tending to give added firmness to the prices of most basic commodities, but there seems to be little reason to fear a return of real inflation. Lower price levels and the slackened pace of industry during the past two years have caused a large amount of the idle funds to accumulate in banks throughout the country. The war and its aftermath had caused an expansion of credit and currency that was in excess of the country's normal requirements. In other words, banking facilities, as well as physical plants had, in some cases, been overbuilt. The reaction of 1920 left some capital temporarily unemployed, and it began to be diverted into investment channels. The situation thus appears on the surface to invite inflation, but the steady decline in note circulation of the Federal Reserve system and in its rediscounts for member banks points to a readjustment of banking facilities to the needs of the country and affords ground for the belief that temporarily redundant credit will not be able to sustain any prolonged advance in prices."

accumulated pension privileges. Seniority, the statement said, depends upon continuity of employment, while pensions are based upon the total years of service, regardless of whether they are continuous or not.

### MEN WILL DECIDE WORK CONDITIONS

Cleveland.—Railroad brotherhood chiefs here practically served notice that their members might decide for themselves whether objectionable working conditions at railroad terminals in competition with the actions of shopmen, justify their remaining away from their jobs. "We are not going to have our men shot up or beaten up or threatened by armed guards at railroad shops and yards," Warren S. Stone, president of the brotherhood of locomotive engineers said when told that several hundred members of the "Big Four" brotherhoods had gone on strike at Joliet, Ill., last night.

### RESTRAIN MEMBERS CLOTHING WORKERS

Montreal.—By agreement of counsel, the argument on a restraining order issued a week ago by Mr. Justice Rinfret against the Amalgamated Clothing Workers of America, at the instigation of S. Hart, and the Society Brand Clothing Company, has been postponed until next Friday.

The order is to prevent the officers and members of the Clothing Workers from picketing the premises of the two applicants and to restrain them from molesting, following, assaulting or in any way interfering with the employees of the latter or prospective workers.

Peter Berovitch, M.L.A., K.C., appearing for the union disclaimed all responsibility for the actions alleged by Mr. Weinfeld, attorney for the manufacturers, and stated that if any misdeeds were perpetrated this was at the order or with the sanction of local unions which had no connection with the amalgamated workers.

Philadelphia, Pa.—The Pennsylvania railroad in a statement says that loss of seniority by returning strikers did not involve forfeiture of ac-

### DOMESTIC LOAN OF \$178,000,000

### Hon. W. S. Fielding Makes Announcement. Will Be Issued on November 1.

Hon. W. S. Fielding, minister of finance, has given out the following statement concerning government loan operations:

"Our Loan Act, passed at the present session, gives us authority to borrow \$350,000,000. We do not require all this money immediately. A five-year loan of five and half per cent. bonds issued in 1917 now amounting to \$178,000,000 will mature on the 1st December, 1922. It is our intention to provide for retiring these bonds by a domestic loan to take the form of a conversion loan. Any portion of the bonds that may not be covered in the meantime by arrangements for conversion will be redeemed in cash on the first of December. It is believed, however, that a great many of the holders of these bonds will desire to reinvest their money in Dominion securities. To meet what we believe to be their wishes we will issue new bonds bearing the same rate of interest, namely five and a half per cent., either for five years, maturing in 1927, or for ten years, maturing in 1932, as the bondholder may prefer. A further advantage to the investor will be that while the maturing bonds will be retired on December 1st, 1922, and the interest coupons of that date will be paid, the new bonds to be delivered in exchange will be dated November 1st, and will thus carry one month's accrued interest. The privilege of investment on these terms will be confined to the holders of the outstanding bonds about to mature."

"The bonds of the Canadian government, it is hardly necessary to say, are the very highest class of security that can be offered to our investors. In offering the terms above stated for renewal of the maturing loan, we are making a substantial concession to the home investors, inasmuch as our recent loan was placed in New York at a figure that yielded a little over five per cent. We believe that this high class of security offered on such terms, will readily be taken up by the holders of the bonds that are shortly to mature."

"The government will avail itself of the services of the chartered banks in effecting the proposed conversion. Holders of the maturing bonds who wish to take advantage of the offer will be asked to communicate with one of the banks as early as possible and make their decision not later than September 30th. Receipts will be given for bonds that are deposited to be exchanged in due course for the new bonds when ready."

May Be Further Loan. "After the conversion plan has been completed, it may be necessary to make a further loan in which new money will be required. But that is a matter not calling for attention at present.

Arrangements are being made with the banks for the carrying out of this conversion plan. More formal announcements will be made by official advertisements within a few days."

Asked whether or not the new bonds would be exempt from taxation as were those issued in 1917, Mr. Fielding replied that they would not. It was not the intention of the government to issue any more tax exempt bonds, he said.

### MURDOCK OPPOSED TO A COMMISSION

Calgary, Alta.—Unanimity of opinion that the primal responsibility for unemployment rests upon the Federal Government, was expressed by nearly all delegates to the conference on that subject which assembled here. There was some difference of opinion, however, on the methods of applying this responsibility. Victoria and Vancouver delegates at the outset emphasized that if the Federal Government would assume full responsibility for establishing ex-service men, these cities would feel the National Government had done its part.

Stating that as far as he was personally concerned, he was sympathetically disposed to help in aiding the solution of the unemployment problem, Hon. James Murdock, Federal Minister of Labor, addressed the conference at the afternoon session.

"My position personally will be this, that whenever provincial or municipal governments think that they need help and ask the Federal Government to aid them in solving their problems of unemployment, it will see that prompt and equitable co-operation in aiding the solution of the problem will be undertaken by my department," he declared.

He said that while he was eager for a solution of the unemployment problem, he would not recommend or countenance the appointment of an expensive commission to administer to the unemployed. There will be an expense involving hundreds of thousands of dollars even before relief to the unemployed was undertaken, and the work of investigating, and reporting upon the situation could be done just as well by the provincial and municipal governments themselves, without the formation of an expensive commission whatever. He stated that certain individuals had written to Ottawa suggesting formation of such a commission, and suggesting the names of certain individuals who might act on the commission, but that so far as he was concerned, there would be no commission.

It is always much easier to get your mind back on the serious things of life after the home team loses.

### RAIL SHOPMEN'S AWARD

A largely-attended meeting of railway shopmen in North London, held at the Argyle Hall, received a report from their delegate, F. W. Parker, on the finding of the Industrial Court in regard to the railway shopmen's claims. J. Hicks presided, and on the proposition of J. H. Gynes, the delegate was warmly thanked for his elucidation of the various points in the award.

Stratford No. 2 branch of the N.E.R. expresses regret that the Industrial Court failed to recognize the justice of the shopmen's claims, and that the award failed to satisfy further demands.

### SPECIAL POLITICAL FUND

London.—While the fate of the Trades Union Amendment Act, which would deprive trades unions of the right to collect money from members for political purposes unless members gave the assent in writing, hangs in the balance, the Durham colliery employers are forming a federation to put forward candidates in the next election in opposition to the labor nominees.

### IRON TRADE WAGES

Nottingham.—It was decided at a meeting of the Conciliation Board at

### MINISTER SENDS LENGTHY LETTER TO RAILWAY HEADS

The text of the letter in which the minister of railways conveyed to President Hanna of the Canadian National Railways and President Kelley of the Grand Trunk, the view of the government, that there should be no reduction in wages pending the report of the board of conciliation between the Canadian railways and their shop employees, has now been made public.

"Strong representations are being made to the government," said Hon. W. C. Kennedy in this letter, sent in similar terms to the heads of the two systems of government railways, "and it is a matter of current report in the press that pending the decision of a board to be constituted under the Industrial Disputes Investigation Act, 1907, and amendments, the railways contemplate withholding from employees the difference between wage schedules that have been in effect and new schedules which they propose to establish. This procedure has been vigorously protested. On behalf of the government, I have to express the view that the railways should act in exact accordance with the law applicable."

### Intention of Parliament

"Upon consideration of these provisions," the opinion goes on, "I find it difficult to escape the conclusion that the intention of parliament in enacting this legislation was to prevent the doing of that which the railways are proposing to do; that is to say, that the making of a reduction in the actual amount of money paid out to employees on payday is making an alteration in the conditions of employment with respect to wages within the meaning of the statute, notwithstanding the fact that the intention of the railways is to account to the employees for the difference if and when a report in favor of the employees has been made by the board.

### Opinion of Justice Dept.

Mr. Kennedy then cited the section of the act applicable, and enclosed an opinion from the department of justice in regard to its interpretation. The opinion of the justice department, which is signed by W. Stuart Edwards, acting deputy minister of justice, is in substance as follows:

"Upon hasty consideration which I have been able to give the matter, it would seem that the question depends almost altogether upon the provisions of section 57 of (the Industrial Investigation Act), which reads as follows:

"57. Employers and employees shall give at least thirty days' notice of an intended change affecting conditions of employment with respect to wages or hours; and in the event of such intended change resulting in dis-

were not getting fair treatment from the governments and the executive was instructed to urge the federal government to change the law so as municipalities could collect from provincial governments a share of the money expended in relief. Alderman Lesage of the city of Quebec, said the city had spent over \$150,000 for relief of which \$40,000 should have been paid by the provincial authorities and the federal government, but no settlement had yet been made.

### OLD AGE PENSIONS UNEMPLOYMENT

Winnipeg.—Problems of unemployment and old age pensions were dealt with at the sessions of the Union of Canadian Municipalities in convention here. Recommendations that the federal government assume full financial responsibility for an unemployment and distress amongst ex-service men and provincial and federal governments contribute one-third each to the relief of unemployment other than ex-soldiers, were adopted following a lengthy discussion. Many delegates declared the municipalities

### Items of Interest from Overseas

### TRouble BREWING!

Newport.—Trouble is brewing among the employees of Monmouthshire County Council, which now has a majority of anti-labor members.

The Salaries and Wages Committee has decided on an all-round reduction of wages by 10 per cent., other than for certain chief officials.

The committee, which has plenary powers, has declined to receive a deputation from the clerical staff.

### TRADE UNIONS FINED

Sydney.—The Australian Workers' Union has been fined £300, and two union officials and the editor of the Labor newspaper, "The Worker," £100 each, for encouraging the shearers' strike.—Reuter.

### LONDON UNEMPLOYED

The L.C.C. Special Committee on unemployment has prepared a report for the Council, in which it states that the total of 130,618 unemployed on July 10 is the smallest recorded during the last nine months.

### RAILMEN'S COMPLAINT

Cardiff.—The South Wales and Monmouthshire Council of the N.E.R. has passed a resolution protesting against the introduction of the split turn of duty at some stations in South Wales, as being a violation of the national agreement. The Council calls on all concerned to resist wherever possible.

The Council also passed a resolution calling on the National Executive to resist any attempt to interfere with the basic rates specified in the national agreement; while in a further resolution it requests the Government to renew the subsidy to the mining industry.

### FEWER UNEMPLOYED

The Ministry of Labor announces that the number of persons on July 10, 1922, was 1,306,200, a decrease of 224,433 fewer than at the beginning of last January.

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