

members of £100 per annum. The National Association of Manufacturers of the United States, a body which corresponds largely to our own, charges a single uniform fee of \$50 per annum, and the same fee is charged by the Illinois Association of Manufacturers, which includes the city of Chicago. Moreover, the American associations make extra charges for special services. According to the present schedule, the average fee paid per member of the Canadian Manufacturers' Association is \$23 per annum. Under the proposed schedule, the average annual fee per member would be \$39. Your committee believe that, while our average fee is low in comparison with these other associations, we could not afford to follow their example and adopt a single uniform fee, owing to the almost inevitable loss of membership which such a decision on your part would create. Twenty-six per cent. of our members employ fewer than 10 people, and pay only \$10 per annum in fees; 28 per cent. employ fewer than 30 people, paying only \$15 per annum; and 20 per cent. employ fewer than 60 people, paying \$20 per annum. Consequently, as 74 per cent. of our total membership pay not more than \$20 in annual fees, and as many of them would probably resign if asked to pay a uniform fee, which would vary from twice to four times their present fee, we have no option but to retain our principle of grading fees according to the number of employees engaged.

"The association is now beginning a period of intensive organization. During the past seventeen years a framework has been created from coast to coast, with branches covering all the provinces; now this framework needs a certain amount of enlargement and consolidation in order to achieve its maximum effectiveness.

"Your committee feel that the association is being constantly hampered by lack of revenue, and that the services rendered by the various departments and branches could be greatly increased by the judicious expenditure of additional funds. It is believed that there is a fairly general feeling throughout the membership, that our fees have never been commensurate with the importance of the association or with the value of the service rendered.

"Your committee decided to publish the 'Canadian Trade Index' this summer, in an edition of at least 8,500 copies, for distribution among the purchasing departments in Canada and abroad. Arrangements have been made with the Dominion government to take at least 1,000 copies for foreign distribution. Copies sent abroad will contain sections printed in French, Spanish and possibly Italian. The suggestion has been made to your committee that the value of the 'Canadian Trade Index' is so highly appreciated that it would be advisable on the part of the association to arrange that it should be published annually. While the financial difficulties at present are such that your committee do not care to recommend annual publication, the suggestion is worthy of future consideration.

Proposed Formation of Divisions

"A proposal will be submitted to you at the last business session to sanction the grouping of the association for administrative purposes into five divisions, namely: The Maritime Division, consisting of the maritime provinces; the Quebec Division, consisting of the province of Quebec; the Ontario Division, consisting of the province of Ontario; the Prairie Division, consisting of the provinces of Manitoba, Saskatchewan and Alberta; and the Pacific Division, consisting of the province of British Columbia. The formation of branches within the territory covered by such divisions should be encouraged. There is no doubt that the formation of branches in all the chief industrial cities will do much, not only to increase the membership of the association, but also to stimulate thought on industrial matters.

"Your committee accepted an invitation from the Canadian Council of Agriculture to hold a joint conference of farmers and manufacturers in Winnipeg during October or November, 1919. Tentative arrangements were made, but these were cancelled on receipt of a telegram from the Canadian Council of Agriculture suggesting abandonment of the proposed conference in Winnipeg, pending the visit of western agricultural representatives to eastern Canada.

"At its meeting on November 26th, 1918, your committee received with great regret the resignation of Mr. G. M. Murray, who has been in the employ of the association since 1904. Mr. Murray stated that, while sorry to leave the Association, he had an excellent opportunity to engage in private business, and wished to take advantage of it. The resignation was accepted, but Mr. Murray was induced to remain with the association until the close of the parliamentary session at Ottawa, where he was placed in charge of the new office of the association. Mr. J. E. Walsh was appointed successor to Mr. Murray, but your committee decided to change the title of the chief executive adviser to 'general manager.' The general manager will continue to exercise special supervision over the transportation department.

"Your committee has given much attention during the year to the problems connected with industrial relations. The principles of the labor war policy, formulated by the Minister of Labor, were favorably considered and approval was recommended in so far as these principles were applicable to industrial conditions. When the Labor Board of Appeal was created, two representatives of the manufacturers were appointed, and continued to act until the board was abolished by the government, when the special conditions arising out of the war were altered, and it was considered that the work of the board had been completed.

"In February last the various branches were asked to encourage the formation of joint standing committees of employers and employees in the manufacturing towns and cities throughout Canada. Action was taken in many localities, and there is no doubt that many difficulties were solved and many grievances settled by common discussion.

"When the Royal Commission on Industrial Relations was appointed, council decided that the association would make no official statement on a subject possessing so many ramifications, but the suggestion was made to local members in territory adjacent to the points where sittings were to be held, that they should appear before the commission and express their personal views. These suggestions were carried out, with the result that manufacturers have appeared at all the sittings and have given evidence that, in addition to recording valuable information, demonstrates the great amount of thought and energy devoted to this subject by employers throughout Canada.

"Your committee made special efforts to ensure that the Committee on Nominations and Resolutions, of which all your committee are ex-officio members, should give particular attention to the necessity for ensuring that nominations for officers and members of committees should not only provide territorial representation, but should also secure manufacturers who are in a position to give time and thought to the duties of their respective offices. To this end three notices were sent out to the members of the Nominations and Resolutions Committee, in addition to the general notice to all members.

The Tariff and Trade

"Mr. W. P. Hughes, secretary of the Montreal branch, represented the association at the fair held at Lyons, France, and also gave assistance to members who exhibited their products. The following were among the exhibitors: Great Britain, the United States, Australia, France, and the Canadian section, consisting of exhibits of the Canadian government, products of fifty-five Canadian manufacturing firms, the Canadian Pacific Railway, and the Canadian Government Railways. Of the Canadian industrial exhibits, 38 were from Ontario firms, 14 from Quebec, 2 from Nova Scotia, and 1 from New Brunswick.

"It is generally admitted that the Canadian exhibit did much to advertise Canada and Canadian products in Europe, while Canadians who attended the fair obtained information which will be valuable in conducting export trade.

"The lower tariff and free trade movement received special consideration. Your committee discussed the question at regular and special meetings, submitted proposals to council and took any action which was considered necessary to assist in maintaining fiscal stability in Canada.

"The advisability of supporting a proposal to send an exhibition train containing exhibits of Canadian products to