

if it forced the producer to sell that much lower, would have no effect upon the consumer. On the other hand, just as an increase of 10 cents in the mill price has frequently led to an increase of 50 cents to the consumer in the ordinary course of trade, so it is quite possible that an increase of the tariff by the amount of 10 cents might increase the consumer's price by 50 cents. In regular business the relation of the price which the producer receives for his commodity to the price which the consumer pays for it seems to follow no rule of logic. The point of interest seems to lie here, that if any sound economic argument can be made for the permanent maintenance of a certain scale of protective duties the pith of it will be found in this consideration of the relation of producer to consumer. Indeed, after a consideration of facts of this nature, we may have to admit that what seemed hopeless inconsistency in the protectionists position is not so hopeless after all. And from a careful study of such facts as those mentioned above, it is conceivable that a protective tariff can be so arranged as to raise the producer's price while not increasing the consumer's price.

THE CONTROL OF INDUSTRY

THERE is a constitutional way of dealing with labor demands and the relation of labor to any particular industry, and there is the way of the I.W.W. and the Bolsheviks. In the United Kingdom, the Dominions and the United States both labor and capital have made most progress by negotiation, deliberation and compromise. Some of the labor unions have achieved prosperity for their members and the good-will of the employers by the fairness of their attitude to capital and the judicial stand they have taken. There is not wanting evidence, however, that goes to show that the tried leaders of some of the most important unions on both sides of the water are being browbeaten and threatened by that type of agitator who has done his best—or his worst—work in Russia. In the United Kingdom, for example, the shop "stewards" have usurped functions never entrusted to them, and are virtually ignoring trade union leaders in all matters of dispute that arise between master and men.

The high wages, high prices and general scarcity of labor during the war have caused many workers to lose all sense of proportion in presenting their demands to capital. It was possible to pay high wages during the past two or three years for the simple reason that market prices were high. But these high prices cannot continue: already there has been a sharp decline of prices in some directions and a heavy falling off of orders. It is certain that the European countries devastated by war will buy only imperatively necessary supplies at present prices. They will wait, to secure the materials required, until prices have fallen, or until they can be supplied by their own labor and industry. Labor cost is almost always the biggest factor in the costs of production, and it cannot go beyond a definite level without putting an end altogether to the industry in question.

The Colorado Iron and Fuel Corporation has made remarkable progress within the last two or three years in harmonizing the interests of employer and employees. Boards, in each industrial centre, have been established upon which the men and the company are alike represented. By friendly negotiation and compromise, wages, hours of work and general social conditions have been established to the satisfaction of all concerned. Those who recall the strikes, the turmoil and disturbances that almost approached civil war in Colorado, because of the gulf that formerly separated the company and the men, will realize best what a wonderful change has taken place. And in Great Britain Lord Leverholme, the director and business manager of the great industries at Port Sunlight, has announced recently that he proposes to overwork machinery rather than men, and cut the working day to a minimum. It is the sheerest absurdity to assert that it is impossible, under the present organization of business, to get labor and capital together to their mutual benefit.

The Russian Soviets have demonstrated what the common ownership and control of the machinery of production will do for a people. To-day Russia is not merely on the brink of starvation—the people are actually dying by the thousands from want and starvation. Yet, in the United Kingdom and the United States and elsewhere, labor agitators and visionaries demand that private enterprises be appropriated for the benefit of the working class. It is even suggested at Washington that the railroad brotherhoods take over and operate the railways of the United States. How efficient and effective committee management by workers can be is shown by the fact that Lenine and Trotzky have been compelled to appeal, and pay high salaries, to former industrial managers of mines, factories, railroads and the like. Canadian and American workmen have achieved the highest standard of wages and living conditions in the world; and their sound sense can be relied upon to reject the appeal of the agitator to throw upon the scrap heap what has taken generations of effort and sacrifice to construct.

COMPLETING THE RAILWAY PROGRAMME

WESTERNERS are practically unanimous in urging that the Dominion government railway from Hudson's Bay be completed, as is indicated by the fact that a recent resolution of western members of the House of Commons to this effect lacked only the names of two members from the Prairie Provinces.

They go still further than this, however, and want a number of extensions, branch lines, etc. While this is more in accord with the policy as announced by the management of the Canadian National Railways, there are many proposals which could well be postponed in preference to the completion of the larger project which has already involved the expenditure of many millions of dollars. This expenditure will be quite unproductive unless the work be completed, as there is no local traffic through the unsettled country served by the Hudson's Bay road.

As an instance of one of the additional proposals a deputation from Prince Albert has asked that a line be built joining Prince Albert with the Pas. This line would be of little value excepting as a shorter route from Prince Albert to Port Nelson. If the Hudson's Bay Railway route is going to be a failure, as is quite possible, this branch line would be of little value and it would appear wiser, therefore, to confine the experiment to a minimum cost.

The Alberta Government has decided that it will not abolish private employment agencies, at least until such time as the government bureaus have proved their ability to meet all demands.

The office for Western Canada of *The Monetary Times* has been moved from 1208 to 1206 McArthur Building, Winnipeg, the new telephone number being Main 3409. This office was opened more than twelve years ago and the new quarters have become necessary for our increasing requirements.

The Ontario Government is considering granting partial exemptions in the case of municipal assessments of low priced dwellings. This would be a more logical means of assistance than the government housing schemes. It is a question, however, if the principle of progression has not already been sufficiently applied in Canada through our income taxes and succession duties.

The municipality of the district of Fraser Mills, B.C., is to be disincorporated and be placed directly under provincial taxation or incorporated with the municipality of the district of Coquitlam. Notice of resolution to that effect was given by Premier Oliver. The notice recites that "it is apparent that the municipality of Fraser Mills was created and exists for the purpose of evading the burden of a fair measure of taxation."