

that the cost of replacing employees runs from \$10 to \$300 for each replacement. He speaks of one plant where replacement ran as high as 30 per cent. of employees per month and declares that in the Ford plant at Detroit replacements by various experiments have been reduced from 140 per cent. per annum to 29 per cent. He argues that it is the prospect of poverty in old age and the fear of leaving behind a wife and dependent children which leads men to leave good places for places a trifle better. He believes that the worker should be maintained out of the active capital and labor of the country and that the provision of insurance and annuities is sound business and sound national policy. "Our Company," he says, "has encouraged its refinery employees to elect representatives with whom the management is pledged to deal in all matters affecting wages and working conditions and the remedying of every grievance or possible injustice." Speaking at a joint dinner of the Directors and employees Mr. Teagle said: "The appeal to brute force, the policy of gaining an advantage wherever coercive measures permitted, has been a common fault of all. Industrial peace as well as peace between the nations must depend upon mutual sympathy and understanding between all sections of industry and an equitable division of the proceeds of that industry between the two partners of American business—capital and labor." In the great American packing plants representing 99,000 employees in eleven cities Conference Committees of employers and employed have been established as in the Standard Oil plant in New Jersey. It was frankly admitted by directors of these companies that industrial peace with unorganized labor was impossible and that long experience had demonstrated the wisdom of recognizing labor and dealing with its representatives as responsible business partners. It is essential, I believe, that we in

Canada so far as may be practicable should follow the example of these great American concerns, and have full knowledge of movements in Great Britain for sympathetic and organized co-operation between companies and workmen.

Advantages of Consultation

It is possible, whether labor is organized or unorganized, to have a close association between employers and employed. Only the best results can follow from mutual consultation and co-operation. If workmen can confer with managers and directors, acquire knowledge of working conditions, of relative rates of wages in competitive industries and of the state of home and foreign markets, they will be stimulated to greater exertion in the common interest. There can be effective conference only through organization of labor and free recognition by employers of the chosen representatives of the workmen. Of peculiar value is organization in the individual industry although no plan can succeed if it aims to deprive labor of common machinery for the protection of its general interests. It is the judgment of the Industrial Reconstruction Association that in preparation for after-war conditions industries or groups of industries in Canada should call their workmen into council and establish so far as is practicable the co-operative but mutually independent relation which will be necessary if we are to have unity, stability and prosperity during the difficult period of reconstruction. Assuredly such a co-operative relation would go far to establish the complete identity of interest between capital and labor, to defeat the devices of demagogues, and to steady the social forces. It is not suggested that any possible co-operation between employers and workmen will guard against all misunderstanding or trouble in future but only that a common understanding of common problems will ensure early considera-