



Ways to National Prosperity

Canadian Money,
Canadian Made,
Should Stay in Canada
For Canadian Trade

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Made in Canada

The heavy discount on Canadian exchange is a symptom of an unhealthy national condition. Apparently the only permanently effective remedies are an increase in production in the Dominion, development of export trade, curtailment of unnecessary imports, and substitution, to the largest possible extent, of Canadian products for imported commodities. In the national interest Canada must attain a larger measure of economic independence. It can do so by developing the home market. A pronounced demand for Made in Canada goods would constitute a guarantee of sales which would encourage factory expansion. By such expansion, new wealth would be created through increased production, and steady and profitable employment would be provided for new industrial populations. Any substantial increase in industrial workers would create bigger and better markets for all kinds of farm produce. New factories, expansion of old factories, greater production, more workers, and better agricultural markets mean national progress.

During the calendar year 1919, no less than 78.7 per cent. of all imports into Canada for consumption came from the United States. On such imports we now have to pay a premium of from 10 to 15 per cent on account of exchange, an additional cost to Canadian consumers of between \$75,000,000 and \$100,000,000 a year. Further, we are giving employment to foreign workers instead of to Canadian labor and buying from American companies which neither pay taxes in this country nor provide any appreciable market for other Canadian productions.

There is another serious side of the problem which cannot be overlooked. The world exchange situation threatens still further to curtail orders from overseas, especially for manufactures, and if the slack is to be taken up, it must be by increased support from the home market.

The situation now confronting the Dominion demands national co-operation. As there is an obligation upon the Canadian manufacturers to meet home market demands and to provide products that compare favorably with imported goods, so individual purchasers, retailers, wholesalers, and public and business bodies and organizations in the Dominion should promote national prosperity by buying Canadian goods.

The Government at Ottawa is in sympathy with the Made in Canada campaign which has long had the support of the Canadian Trade Commission, the Canadian Reconstruction Association, the Canadian Manufacturers Association, and other public bodies. Various organizations, such as the National Council of Women, the Daughters of the Empire, and the Daughters of Canada, have urged upon women buyers the necessity of patronizing Canadian goods. Labor papers have endorsed the campaign, and exhibitions of Made in Canada goods are being promoted at home and abroad. In newspaper advertising and on bill-boards throughout the Dominion much space is being given to home market appeals. Moving pictures are being used to the same end. Special representations have been made to wholesalers, retailers, employees, and the general public to support the home market. Scores of municipalities throughout the Dominion have endorsed the principle that public supplies should be purchased in Canada, whenever they can be secured from Canadian factories at reasonable prices and they have requested all municipal officers in making purchases to consider the possibility of securing Canadian products. Canadians should buy Canadian goods and help to build up national prosperity.

Save Money and Buy at Home

Canadian dollars are worth 100 cents in Canada. Spend them here. Only necessities should be imported and then only if similar Canadian articles or substitutes are not available. During 1919, products to the value of \$941,007,700 were imported into Canada for consumption in this country. If one-half of these goods had been produced in Canada, or if the people of the Dominion had substituted Made in Canada products for one-half of the imported commodities, employment would have been provided for 100,000 more workers and close to \$100,000,000 more would have been paid in wages and salaries. In 1919, the value of the Canadian dollar declined steadily in the United States. It is at a discount still. A substantial reduction of imports is necessary to restore it to par. In addition, Canadian money would be saved for domestic trade, and industrial and agricultural prosperity would be promoted.

An authority on fruit growing in Canada, for instance, has pointed out that little more than one-third of the fruit canned in the Dominion is home-grown. About 50,000 bushels of pears alone were imported into Canada from as far west as the State of Washington last year. "Nine times out of ten, when one opens a can of strawberry jam or preserves from the Canadian factory, the fruit has come from Maryland, or some of the other southern states. Thousands of tons of strawberries are yearly imported into Canada for canning purposes, buyers starting early for the scene of the southern crops so as to be on the ground when the fruit is at its best. Every time the customer purchases a can of this fruit he pays for these expensive trips of the cannery buyers, as well as the duty on the goods and the excess price which such foreign berries naturally bring." Purchase of native berries and other fruit would stimulate development in the Niagara Peninsula, the Okanagan Valley, and other great fruit areas in the Dominion, provide employment for labor, encourage investment of capital, and assist industry and agriculture. As with fruit, so with other products of the farm and the factory.

Canadians can help each other, help themselves, and help the nation by patronizing Canadian products and utilizing Canadian services. They should ship by Canadian carriers through Canadian ports, thus encouraging the development of national harbors and of the Canadian merchant marine. During the five years' period, 1913-17, 63.17 per cent of Canada's exported grain was cleared through other than Canadian ports. Canadians should use Canadian harbors, they should patronize Canadian railways, Canadian steamships, and Canadian banks. Canadians should employ Canadian architects, engineers, scientists, and other experts. To do otherwise is to drive much that is best in the intellectual life of the country to the United States for adequate employment and fitting recognition. A feature of the industrial movement in the English-speaking world is recognition of the value of group insurance. Through technical difficulties in the Insurance Act, such Canadian business in the past has been placed with insurance organizations in the United States. Now those difficulties have been removed, and Canadian insurance should be placed with insurance companies which employ Canadian workers, make their investments for the most part in Canadian securities, and pay taxes in Canada. So, while exchange continues against us, more Canadians might spend their vacations in the Dominion where the funds of holiday-makers will be spent to the advantage of Canadians generally. Greater efforts should be made to attract tourists. Before the war, American tourists spent \$250,000,000 annually in France, while tourist trade brought Germany \$150,000,000 a year.

Farm and Factory

Farmers throughout the Dominion should give enthusiastic support to the Made in Canada campaign. There is a natural economic relationship between agriculture and industry which makes home market development advantageous to farm and factory. Domestic industrial expansion, attracting new population, ensuring steady and well-paid employment, developing natural resources, and creating new wealth for the country, will appreciably stimulate national prosperity and ensure profitable and stable markets for all kinds of farm produce. Just as it is an economic truth that hard times in industrial communities produce agricultural depression, so prosperity in manufacturing centres is reflected in rural localities.

With the industrial development of the East there has come increase in population, financial stability, and diversity of occupations. Farmers have realized greatly on urban expansions which have afforded them steady and growing markets for their products. With increasing prices and no long hauls or high freight rates to add to overhead expenses, truck and garden farming have flourished. Fruit lands have acquired a new value, and their cultivation has been richly rewarded. As cities have grown into great national industrial centres, the increasing demand for raw materials has resulted in the establishment of primary processes of manufacture in smaller centres. Such manufacturing activities have given employment to increasing populations. With the growth of the town, the tradesman, the truck gardener, and the farmer have found new markets, and a variety of employment has been provided for all working members of the family, offering remuneration in the seasons when the fields cannot be cultivated.

As eastern districts and provinces have grown wealthier there has been greater examination into and utilization of natural resources. New settlements, villages and towns have grown up with the development of mining, fishing and lumbering industries. The development of these industries has meant millions of new wealth for the country, greater opportunities of employment, increased population. The attractions of cheap power and raw materials have led the manufacturer to erect factories and mills in rural territory thus increasing the industrial activities of the country, and in great centres the decentralization policy of large manufacturing industries and the establishment of smaller plants in rural communities has added further new towns or stimulated the growth of the old ones.

To-day the home market can absorb between 85 and 90 per cent of the products of the farm. Unless that home market is expanded to meet declines from the war volume of export trade, there must be arrested industrial activity and consequent depression in the farmers' best market. But with active domestic trade development, farms and factories will continue to prosper and the industrial history of the East will be repeated in the West. The prairies cannot depend on grain alone, neither can they rely entirely on the products of the soil. If Western farmers will support the home market they will promote manufacturing activity, which will give diversity of occupations, offer employment for all members of the family, provide remunerative work for the laborer as for the tiller of the soil, and make the great prairie areas less dependent on the seasons. Town and city growth will be hastened, immigration encouraged, investigation and utilization of natural resources stimulated, agricultural markets improved, and national wealth increased.

Save Raw Materials

Hundreds of millions of dollars are lost to the Dominion annually by export of raw materials and semi-manufactured products which could be saved for the country if final processes of manufacture could be completed at home. In 1918, Canada exported products, other than those officially classed as manufactures, to the value of more than \$900,000,000. If the manufacturing processes of even one-third of these had been completed in Canada, employment would have been given to at least 125,000 more work-people, close to \$125,000,000 would have been provided for additional wages and salaries, and the net value of Canadian products would have been increased by approximately \$275,000,000.

In the case of leather, for instance, for the fiscal year ending March 31, 1918, Canada exported more than 11,000,000 pounds of unmanufactured leather to a value of \$8,412,060 and imported manufactured leather products to the value of \$4,066,869. If the raw leather, instead of being exported, had been utilized in final processes of manufacture in the Dominion, an additional value of some \$6,000,000 would have been created, much of which would have been spent in wages to Canadian workers and the encouragement of secondary leather industries. As it was, the countries to which Canada sent its manufactured product secured all the benefits of final processes of manufacture, while more than \$4,000,000 of Canadian money was spent upon imported boots and shoes and other leather products. In the same way over \$66,500,000 was lost to Canada in the export of 1,300,000 cords of pulpwood valued at \$8,500,000. Manufactured into paper at home this pulpwood would have represented more than \$75,000,000 and provided an additional \$25,000,000 for wages for Canadian workers. So in the great asbestos areas of Quebec, Canada is sacrificing both raw material and wealth by failure to conclude processes of manufacture at home.

It has been said that "in an average dollar's worth of Canadian produce sold abroad there was, before the munition trade sprang up, probably 80 cents worth of raw material and 20 cents worth of labor, skill and art. In a dollar's worth of American produce there is probably 10 cents worth of raw material and 90 cents worth of the others. Canada sells rough stone for grindstones at \$5 a ton and buys back foreign-made grindstones at \$100 a ton, sells wheat at 1.8 cents a pound when she could get 2.5 cents a pound for it as wheat flour, sells a carload of pulpwood for a six-gross carton of American toothpaste, sells a train load of nickel matte from Sudbury for two cars of medium priced automobiles."

Such conditions should not continue. Why should Canada export leather and import boots and shoes, export pulp and import manufactures of paper, export raw asbestos and import finished products? Why should there be 80 cents worth of raw material and 20 cents worth of labor, skill and art in a dollar's worth of Canadian produce, where there might be 10 cents worth of raw materials and 90 cents worth of the others? Canada should enjoy the full economic value of its natural resources. Consumers should purchase, and wholesalers and retailers should promote the sale of, Canadian goods. Secondary Canadian industries should demand primary products of Canadian manufacture. As far as possible, all industrial processes should be carried to final stages in the Dominion. By such a programme new sources of national wealth would be developed, industrial stability would be assured, and steady and well-paid employment would be provided for a large additional population.

Labor and the Home Market

Canadian workers should support the home market by buying Canadian goods. Over 700,000 Canadians find employment in Canadian manufacturing industries and over 2,000,000 Canadians are directly dependent for their livelihood upon the continued prosperity of Canadian industries. The war volume of foreign trade can hardly be maintained and industrial prosperity cannot continue unless there is adequate expansion of the home market. Such expansion will be ensured if preference is given to Canadian rather than imported goods. Every month Canada is buying American products to the value of between \$60,000,000 and \$75,000,000. On an average every Canadian family is paying \$1.50 every working day to United States producers and United States workers. Why should such expenditures not be made in Canada to the national interest and to the particular advantage of Canadian labor? A decline in foreign orders without any commensurate increase in home demands must mean retarded industrial activity and consequent unemployment. Under such conditions, the present scale of wages could hardly be maintained. Canadian workers in supporting the productions of their own factories will not only assist themselves but their fellow-workers in associated industries. So, by demanding Canadian products from retailers, they will create a demand upon wholesalers which will be reflected in secondary and primary industries.

Sir Edmund Walker, President of the Canadian Bank of Commerce, has declared that "we can trade with each other to an almost unlimited extent while we settle in our own money, but every dollar's worth we buy abroad means not only that a dollar's worth of work has been diverted from a Canadian workman, but that we may have a national position where it is impossible to provide the dollar in international money." The Canadian Trade Commission, in a particular appeal to the women of Canada to support the domestic market, said :—

"For the present and the immediate future, there is on women especially the obligation to see that purchases for the homes are made in such a way that the effect will be to stabilize Canadian trade. Wherever possible, they should buy only Canadian produce and Canadian products, because this will give employment in additional lines of production to returned soldiers and to those, many thousand in number, who were formerly occupied in war work. In this way, they will not only ensure employment for our workers, but they will help also to lessen the financial pressure which is likely to be increasingly felt.

"Without entering exhaustively into the field of national economics women will quickly realize that every dollar sent out of the country for commodities which can be produced at home will affect the financial situation adversely and at once. As the women of Canada purchase about 90 per cent of the commodities used in our domestic life, a realization by them of their power to re-make and vitalize Canadian trade and finance is a first step towards relieving the situation and safeguarding the national future.

"For every million dollars retained in Canada by a refusal to buy other than Canadian goods, a year's continuous employment can be given to at least 1,000 people."

Canadian money, Canadian made, should stay in Canada for Canadian trade. No goods purchased abroad are cheap that take the place of our own labor and our own raw material.

Science and Resources

The net Federal debt is now over \$2,000,000,000. In five years the per capita debt charge upon every man, woman, and child in the Dominion has risen from \$43.49 to more than \$220. Make Science pay the bill. There is wealth in the mines of Northern Ontario, in the asbestos areas of Quebec, in the fisheries of the Maritime Provinces and the Pacific Coast. But the value of all combined gives only a suggestion of the total natural wealth of Canada if its resources could be scientifically determined and utilized.

Already, as a result of its investigations into the utilization of fish waste, the Council for Scientific and Industrial Research has discovered that the annual yield of the Canadian fisheries can be increased by over 25 per cent. It estimates the loss in solids, comprising chiefly fat and proteins, in the 300,000 tons of waste that are thrown away yearly at \$10,000,000 and in oil at \$2,000,000. It has long been engaged in experiments to determine the commercial feasibility of utilizing the lignite deposits of the Prairie Provinces as domestic fuel. The necessary manufacturing processes have already been carried out on a super-laboratory scale. There is every reason to anticipate industrial success, and success, according to Dr. A. B. Macallum, Chairman of the Council, will not only mean industrial development in the West and the annual saving of \$5,000,000 through the substitution of lignite coal for the half million tons of anthracite now imported into Manitoba and Saskatchewan from Pennsylvania, but it will blaze the path for the utilization of the 57,000,000,000 tons of lignites of Saskatchewan and of the vastly greater quantity of the better grade of this fuel in Alberta. Further, eventually utilization of vast quantities of valuable by-products will provide the raw materials of great and flourishing industries. Finally, it will constitute the first step in the systematic, scientific utilization of the vast stores of energy locked up in the lignites of the two provinces which, unlike the other provinces of the Dominion, are scantily supplied with water power.

Other important inquiries are being conducted by the Research Council, and already agriculture in Canada owes much to scientific investigation. Experiments in wheat breeding, for instance, produced Marquis wheat, the staple wheat of the West, and now the Council is assisting special research to breed a variety of wheat which will ripen early, be wholly rust-resistant, and have good milling and baking qualities.

After rigid tests, a new process of making binder twine out of Saskatchewan straw grown for flax purposes has been discovered which, it is anticipated, will mean the development of an important industry in the Province and a great monetary saving to the farmers. So, the Research Council is endeavoring to devise some means of utilizing the thousands of tons of waste straw which are annually burned in the Prairie Provinces.

Scientific research is attracting the attention of all the great nations of the world. It is not too much to say that Germany's commercial position before the war was due to the association of science and industry. There is no question that adequate provision of facilities for scientific research should be one of the dominant considerations of Governments, of agricultural organizations, and of industrial groups in Canada to-day. There should be joint action to determine and develop the fish, forest, and mineral resources of the country, and generous appropriations for the encouragement of agriculture and improvement of farm methods.

Strikes and Lockouts

Canada enters a new period with a splendid promise of industrial peace. Bolshevism and the One Big Union movement have been repudiated by labor itself. At the last annual meeting of the Trades and Labor Congress at Hamilton, only one dissenting voice was recorded against the report of the executive that "the futility of the One Big Union methods should have been apparent from the beginning, founded as it was on force and intolerance of the chosen leaders of the labor movement, repudiating the organizations from which they drew their financial and numerical strength, preaching class hatred throughout the country, and gambling their whole future on the success of sympathetic and national strikes."

At the Industrial Conference at Ottawa a greater measure of agreement was reached between employers and employees than the country could have expected. While there was disagreement on vital questions, valuable concessions which should make for industrial peace were granted by both sides. Employers, while unable fully to concede labor's demand for an eight-hour day, consented to the appointment of appropriate Government commissions to report upon the probable effect of such limitation of working hours in specific Canadian industries. They also admitted the right of employees to join any lawful organization, but contended that employers should not be required to negotiate except directly with their own employees or groups of employees. Labor met the employer's concessions by admitting that "entering into agreements and bargaining collectively with an association or union of employees does not mean recognition of the closed shop unless the agreement so provides."

It is of signal importance that the promise of harmonious relations between capital and labor should be realized. There are few more costly interruptions to national progress than industrial strikes and lockouts. Taking the average wage at \$3 per day, strikes have cost the workers of Canada over \$46,000,000 in the last nineteen years, or an average of approximately \$2,425,000 a year. A revised summary of industrial disputes from January 1, 1901, to June 30, 1919, as issued by the Department of Labor at Ottawa, shows that there were 2,127 disputes during the period involving 620,235 employees, and that there was a time loss of no less than 14,937,229 working days. A further official report from the Department shows that 1919 was the worst year in the history of the country for industrial disturbances. During these twelve months there were 298 strikes (including 8 carried over from 1918), involving 138,988 employees and a loss of 3,942,189 working days. The average wage during the year would not be less than \$3.50 a day, at a conservative estimate, so that the monetary loss to the employees directly involved was at least well over \$13,750,000. Hundreds of millions of dollars would be required to meet the indirect cost of these strikes. In some cases, as in Winnipeg, there was marked dislocation of general industrial life, loss of output to factories affected by the disputes, loss to general commercial interests through cessation of orders, and loss to the community through business stagnation. Hon. Gideon Robertson, Minister of Labor, estimated, for instance, that in arrested public works and municipal and industrial enterprises the Winnipeg strike cost \$100,000,000. But great as were the financial losses involved in such a prolonged strike, they were only part of the economic cost. To them must be added the privation and suffering of individuals and families through unemployment and consequent loss in wages only partially relieved by special funds.

Production and Quality

With the tremendous increase in national burdens caused by the war, it is imperative that there should be maximum production in field and factory. In agriculture, public as well as personal considerations demand the application of improved methods of farming and marketing. In industry, specialization and standardization have the same value for the individual and for the nation. "Quantity production," the Canadian Trade Commission has said, "is dependent upon standardization and specialization. They lower the costs per unit and improve the quality of the product. They are the keys to successful marketing at home and abroad. They enable home manufacturers to meet foreign competitors. They afford the surest guarantee of an increased consumption in the home market."

Greater production and industrial efficiency, with standardization and specialization, are the key-notes of industrial preparations in Great Britain and the United States. The British Labor party declares that "it is vital for any genuine social reconstruction to increase the nation's aggregate annual production." Mr. J. H. Thomas, M.P., a prominent British Labor leader, declares that "the only wealth of the country lies in what the workers can produce"; and Mr. Lloyd George, who has repeatedly urged increased output, says: "I do not not believe that you will ever get the maximum of well-being in this country until you increase the productivity of the country. Improved welfare in every trade and in all trades put together depends on improved efficiency. Wealth lies in production and production can be enormously increased."

In Canada, as in Great Britain, wealth lies in production, and there is no question that production can be enormously increased. But it can only be done through the continuation of harmonious relations between employers and employees, through avoidance of changes which may disturb industrial stability, and through national recognition of the necessity for maximum output. A recognized Canadian labor leader has said that "only by greater production can there be higher wages and more comfort for the working people," and in Great Britain the fallacies of under-production have been clearly realized. Mr. Lloyd George has denounced 'canny' as "a disastrous policy for labor," and Mr. J. R. Clynes has declared that it lowers nothing but the workman's standard of existence while increasing the prospect of unemployment.

If the full value of the output of Canadian farms and factories is to be realized, Canadian products must be of a quality that will command universal recognition. Such recognition will constitute a commercial asset of the greatest value. It is so with Great Britain where her manufactured goods, stamped with the seal of quality, enjoy an international reputation that in many cases gives them preference in the markets of the world. Some Canadian products have won similar distinction: All should command it. As standardization and specialization are the keys to successful marketing at home and abroad, so high quality production guarantees both home and foreign market expansion; and maximum production of high quality goods, increasing domestic and foreign sales, is the surest economic road to lower prices.

Quality should be the hall-mark of Canadian products. It is essential to success in the export field and in the domestic market. In return for public support of the Made in Canada movement, Canadian manufacturers should provide products that compare favorably with imported goods, and Canadian workers should recognize good workmanship and maximum production as their standards.

Ten Commandments for Canadian Trade

1. **BUY CANADIAN PRODUCTS.** In doing so, you develop the home market, encourage factory expansion, provide employment for new populations, and create bigger and better markets for all kinds of farm produce. New factories, expansion of old factories, greater production, more workers, and better agricultural markets mean national progress.
2. **IMPORT ONLY NECESSITIES,** and then only if similar Canadian articles or substitutes are not available. With Canadian money at a discount of from 10 to 15 per cent, exchange with the United States is costing Canadian consumers between \$75,000,000 and \$100,000,000 a year.
3. **PRODUCE TO THE LIMIT IN FIELD AND FACTORY.** Increased production means new wealth and is essential to the success of any effort to reduce imports and promote export trade.
4. **CO-OPERATE, CONSERVE, SPECIALIZE, STANDARDIZE.** These are the means to maximum production of high quality goods at minimum cost.
5. **DEVELOP EXPORT MARKETS.** Foreign business gives stability to trade. It reduces unit costs, benefits domestic consumers, affords employment to factories and workers in times of depression, and corrects adverse exchange by improving the trade balance.
6. **UTILIZE CANADIAN SERVICES.** Ship by Canadian carriers through Canadian ports. Patronize Canadian railways, Canadian steamships, and Canadian banks. Place insurance in Canadian companies. Employ Canadian architects, engineers, scientists, and other experts. Spend vacations in Canada.
7. **MANUFACTURE RAW MATERIALS TO FINAL STAGES** in Canada. Hundreds of millions of dollars are lost annually to the Dominion, and especially to Canadian wage earners, by the exportation of raw materials and semi-manufactured products.
8. **USE SCIENCE FOR THE DETERMINATION AND DEVELOPMENT OF NATURAL RESOURCES.** Industrial research will reveal new wealth, improve industrial processes, and help to relieve our economic dependence upon outside sources for fuel, iron and other essentials.
9. **MAKE QUALITY THE HALL-MARK OF CANADIAN PRODUCTS.** In return for public support of the home market Canadian manufacturers should provide products that compare favorably with imported goods and Canadian workers should recognize good workmanship and maximum production as their standards.
10. **BE FAIR TO CAPITAL.** Canadian money should be encouraged to invest at home and foreign capital attracted to promote Canadian industrial expansion.

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