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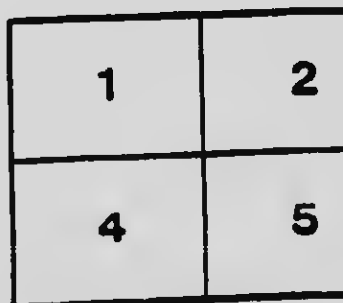
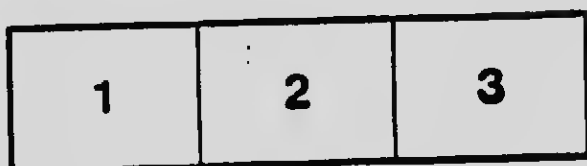
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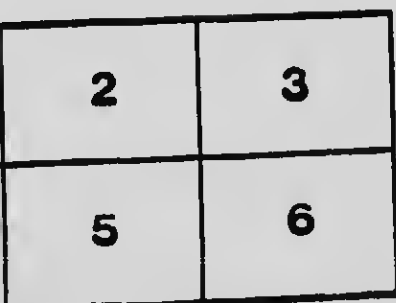
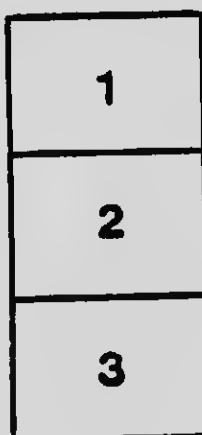
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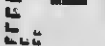
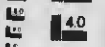
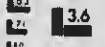
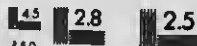
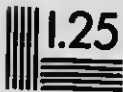
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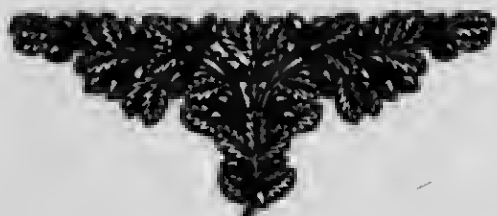


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THE NATIONAL ISSUE OF THE NEWS
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What an Industry Employ- ing 1000 Hands Means to a Community



By
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A FAVORITE occupation of many newspapers and of some public men is to seek some notoriety and cheap applause by holding up the manufacturer to public gaze as a hard master, reaping where he has not sown, and fattening on the common people. Nothing can be more improper than the cultivation of such an attitude in the public mind where real cause for it does not exist. It has been this attitude of some public speakers and others that has suggested the following question to me :

What would it mean to any community without manufactures to secure an industry which would employ a thousand mechanics?

In answering this question I have in mind a little town of some two thousand inhabitants, about a hundred miles distant from Toronto in the Northwestern part of Ontario, and it is my purpose to describe what effect such an industry would have upon that typical community. The statistical calculations must be only an approximation, but it is quite possible to gain an idea of the effect which would be caused by the location of a large manufacturing institution in a small town having no other resources than a favorable geographical position and a surrounding area of fertile lands.

Before the pulse beats of industrial life were felt in the little northern town which I have chosen as an ideal spot for manufacturing, there were fifty stores, two banks and twelve professional offices established to supply the various needs of the town itself and the tract of country extending round about it for a radius of ten miles. The town covered an area of fourteen hundred acres, on which were built four hundred and fifty-four dwelling houses, and the cost or value of the public utilities owned and operated by the municipality amounted to \$49,500. The assessed value of real and personal property was estimated at about \$900,000. Scattered irregularly over more than two square miles of property the integral parts of this corporation could easily make room for the buildings, residences and additional population introduced by the establishment of an industry employing a thousand mechanics. Many towns in Ontario with seven and eight thousand of a population are confined to less than a thousand acres. What then, would be some of the results of the establishment in this particular community of a manufacturing plant and the one thousand men required to operate it?

Added 5,000 Consumers.

In the first place, the absolute physical needs of one thousand men and their families—their food, shelter and clothing—would mean much to the business interests of the town to which they come to live, and secondly, the social requirements of such a

people must, of necessity, become a strong factor in the proper development of this new community. Hence, the two broad lines of investigation present themselves—the purely economic, which has to do with the one thousand mechanics and their families as a body of wage earners and consumers, and the sociological aspect which concerns these people in their relation to the life of the municipality which they help to compose.

After the industry in question and its following of people had become settled in the town which used to have two thousand inhabitants, we find that its population has increased to seven thousand. This number does not take into consideration, however, the addition to the population that would result from the establishment of various extra stores and trades throughout the business section of the town. The seven thousand people would be made up of the original two thousand of the town's population and five thousand men, women and children who would be connected with the manufacturing industry. Census reports show that in industrial communities the average family numbers at least five persons. This would mean that our manufacturing industry is employing one thousand mechanics with families, making in all 5,000 more consumers in the town.

Filling in the waste places of the town's fourteen hundred acres would be a thousand extra dwelling houses, making in all over fourteen hundred homes. Many of these dwellings of course would be in the form of terraces and tenement rows and would not cost as much, on the average, as the four hundred and fifty houses in the original town. Instead of fifty stores there are now over a hundred, and three banks are doing business compared with two before. As against twelve professional men in the old town, there are now twenty-six engaged in practice. The public utilities owned and operated by the municipality have increased in value from \$49,500 to \$140,000 and the assessed value of real and personal property now amounts to \$1,500,000 as compared with \$900,000 formerly.* This remarkable expansion in every department of the community's organization may be traced to the earning power of the one thousand employes at work in the factories.

Great Body of Wage Earners.

Based on the manufacturers census of 1905, an average of nine per cent. of the total number of men engaged in every manufacturing establishment are salaried employes. The remainder of the pay roll, or ninety-one per cent., is made up of wage earners.

*A typical comparison of figures taken from the Ontario Gazetteer and Business Directory in the case of a town of 2,000 population without manufacturers and one of 7,000 population with numerous industries.

The average salary in 1905 was estimated at \$842 per annum, while the average wage in that year amounted to \$377 per annum. Hence an industry employing one thousand men would pay out \$75,780 per year in salaries and \$343,070 per year in wages, making a total expenditure of \$419,850. In the six years since the last census, wages, however, have advanced at least, one-third, so that the output of this industry in salaries and wages for one year would be fully \$559,800. A certain portion of this sum would be saved and the remainder would be spent, largely in the purchase of necessities from the different tradesmen of the town.

But before enumerating the costs of food and clothing required to sustain five thousand industrial people for a year, let us note the outlay in buildings which would be included in the initial expenditure connected with the establishment of the industry. Homes for one thousand families would mean one thousand residences, nine per cent. of which would belong to the employes earning the higher salaries. Ninety or a hundred houses, therefore, would be built at a cost befitting the salaries of the men who would live in them and over nine hundred dwelling places would be erected at costs relative to the workman's ability to pay a certain rent. On the whole, the better houses would cost on an average of \$1,000 and the poorer places about \$500. The building of nine hundred and ten houses at \$500 each and of ninety houses at \$1,000 each would amount to \$545,000. Building operations would also include the factory buildings and the many additional places of private and public business that would be required, but it would be difficult to estimate the expenditure on any of these establishments except the factories. The last report of the Bureau of Labor for Ontario gives the instance of one textile industry which employed 1,062 hands. The capital involved in that concern including the plant was \$1,500,000. Using this amount for our purpose, the industry employing one thousand hands would represent through its buildings and the houses of its employes at least \$2,000,000.

Expenditure in Food.

In determining the cost of certain staple articles of food, which five thousand industrial people would consume, one has recourse to the recent report of the Department of Labor, on wholesale prices in Canada. Flour, meats, potatoes, sugar, eggs and dairy produce (including only milk and butter) must in this case form the basis of any estimate of the total consumption of that new portion of the town's population. Flour is consumed more than any other commodity and to find out how much of it five thousand people would eat in a year, one must depend altogether on averages. It is estimated by American statisticians that wheat

is consumed at the rate of 6 bushels per capita per annum and a barrel of flour usually contains 4 bushels of wheat. Therefore, five thousand people would need 30,000 bushels of wheat or 7,500 barrels of flour in one year. The price of Manitoba first patents, the grade used nearly altogether for home-made baking, has been on an average of \$5 per barrel for the past ten years, so that the amount of money spent on flour amongst the stores of the town would be at least \$37,500 per year. Beef, pork and mutton would comprise the meats mostly consumed by these five thousand persons. Of course the adult population would eat more meat than the children, and for this characteristic, provision must be made in the average rate of consumption. For the working classes, domestic scientists prescribe the eating of at least a pound of meat per day, or its equivalent in proteids. This would mean 1,000 pounds of meat per day for the male heads of the families; one half that amount, or 500 pounds, for the female adults and one quarter of a pound per day for the children, three thousand of them in all or 750 pounds. Here we have then, under labor conditions, one thousand families consuming 2,250 pounds of meat every day. But amongst mechanics the rate of meat consumption is no, so high as amongst the manual laborers, and therefore, it would be necessary under ordinary conditions to make the total consumption of meat less than 2,250 pounds per day for a thousand factory men's families. A point arises, however, which possibly equalizes the computation we have made. The mechanic receives a higher remuneration for his work than the day laborer, and often he will indulge in such delicacies as fowl, which in the end would cause an expenditure on meats equal to that of the laborer, although he does not as a rule partake so liberally of them.

Using the 2,250 pounds per day as the unit of meat consumption in this community of five thousand, to arrive at the cost, one must give equal shares to beef, pork and mutton. Not allowing for the variety of cuts, but rather taking the article as a dressed carcass, the average price of beef at present in Ontario is about 9 cents per pound, so that 750 pounds of beef would cost \$67.50. In the same way 750 pounds of pork would cost, at 10 cents per pound, \$75.00, and 750 pounds of mutton would cost, at 9 cents per pound, \$67.50. The total expenditure per day on meats would be \$210. In one year, allowing for three hundred days on which meat would be eaten, \$63,000 would be spent through the butcher shops of that town.

The very conservative nature of the estimates on meats may be understood when it is considered that bacon and ham as parts of the dressed pork, range from 15c to 20c per pound, and that dressed lamb costs from 12c to 13c. **Then be it understood that**

all these prices are being quoted from the wholesale markets and not as retail figures.

Potatoes, amongst all classes, are considered as a food, second only in importance to bread and equally as valuable as meat. Through inquiry from dealers and typical families the average consumption of potatoes by a family of five would be one bag per month for the community of 1,000 families. The average cost is 80 cents per bag, so that for one month the total expenditure would be \$800, and for one year, \$9,600 on potatoes.

The family of five it has also been ascertained would consume at least one barrel of sugar per year at a wholesale cost of \$5 per barrel. This would mean for 1,000 such families an output of \$5,000 per year for sugar. This amount is very much below the mark when the retail custom of selling 18 or 20 pounds for a dollar is taken into account.

Business for the Farmers.

Butter, eggs and milk are used abundantly and the per capita consumption is equally great in these articles with children and with adults. The rates of consumption of butter in the family of five is claimed to be at least one pound per day, and the average cost of the different grades used for baking and for the table, is 18 cents per pound. Thus, 1,000 families would spend each day \$180 for butter or \$65,700 per year. Eggs are consumed by a family of five at the rate of ten dozen per month and they cost on an average 23 cents per dozen for an entire year. One thousand families would at this price spend \$2,300 per month or \$27,600 per year on eggs. The milk dealers say that a family of five would use on an average of one quart of milk per day, and this quantity at an average cost of 5 cents. So milk would cost our thousand families \$50 per day, or \$18,250 per year. Summing up, the dairy produce alone, consumed by the industrial element in the town would represent an expenditure of \$111,550 per year.

One must pause at this juncture to consider the total amount of money paid by the people employed in the big factory for their food, every article of which, save sugar, might come from the farms bordering on the town. For flour, meats, potatoes, sugar, and dairy produce the amount paid in one year would be \$226,600, or, excluding the sugar, \$221,600. This sum comprises the wholesale price for all the farm produce eaten by five thousand factory people. One of the reasons for giving the wholesale quotations, while they do not represent the exact amount spent by the consumers, was to show the close relation between the industry employing one thousand men and the farmers in the neighboring country, because, there is very little difference in Ontario between the wholesale price and the producer's price.

Fully \$221,600 would go to the farmers in one year from the new town as a direct contribution from the industry employing one thousand mechanics. And just here one might appropriately draw attention to the relationship which 435,000 artisans, the estimated number employed in Canada to-day, must bear to the farmers of the Dominion. If one thousand employes contribute \$221,600 to the farmers of this country for a few of their principal products, 435,000 artisans would mean very much more than \$96,306,000, which is only 435 times the amount paid by one thousand families in a single year for **eight** consumable commodities produced on the farm.

Money for Clothing.

And now to complete the general thesis, what would the one thousand families spend upon clothing in one year? Again, one must deal exclusively with the necessities and arrive only at an approximate estimate. We shall give to the father and his two sons the following articles of wear for one year—2 suits of clothes; 2 pairs of boots; 2 suits of underclothes; 2 shirts and 3 pairs of hose. Based again on the average cost as found in the special report of the Dominion Department of Labor, two suits of men's clothing such as would be worn by the average mechanic would cost \$30; two pairs of men's boots would cost \$7; two suits of underclothes would cost \$3; two shirts would cost \$2 and three pairs of hose would cost 75c; a total expenditure for the father of \$42.75. Similar articles of wear for the two sons would cost in all about \$61. The mother and her daughter would use in the year 2 dresses, 2 pairs of boots, 2 suits of underclothing and 3 pairs of hose. These would cost approximately \$65 for mother and child, valuing the adult's clothing as follows: Dress, \$12; boots, per pair \$3; underclothing, per suit, \$2, and hose, per pair, 50c. The expense for clothing in one family would thus aggregate \$168.75 per year. For one thousand families, wearing apparel would cost \$168,750.

Having now arrived at estimates of the costs of shelter, food and clothing for those one thousand mechanics and their families who came into the town as part of a great industry, a resume may be given in the form of the following statement:

Buildings	\$2,000,000
Food	226,600
Clothing	168,750

Total\$2,395,350

Economically speaking, the above total expresses the answer to the question made at the outset—"What would it mean to any

community without manufactures to secure an industry which would employ a thousand mechanics?"

The Sociological Influence.

To express the sociological effects of the establishment of five thousand such additional inhabitants in the town in the same concrete way that the economic point of view has been shown, is a more difficult matter. The various widespread influences of such an industrial element in a town cannot be reckoned in dollars and cents. What we do know, is that mechanics as a class are regarded as amongst the nation's very best citizens.

In a town of seven thousand inhabitants, five thousand of whom are directly connected with some phase of mechanics, one would naturally look for a certain identifying inclination in the educational and social life of that town. Civic improvements are also associated with a smart industrial class of people, and the outward appearance of the community would bear evidence of the thrifty, intelligent population. The civic status can, in a way, be estimated by the amount of taxes the one thousand men and the industry itself would contribute each year to the town's exchequer. The assessed value of real and personal property in the town became \$1,500,000 with the acquisition of the industry employing one thousand mechanics. The rate of taxes became 22 mills on the dollar, so, the total revenue from this source would be \$33,000 a year.

With the annual payment of taxes added to the total expenditure on buildings, food and clothing, you have in all \$2,428,350 turned into the town in one year through the coming of one great industry. In conclusion, one may again note the prodigious results which are effected by the presence in Canada of some 435,000 artisans. In round figures these men meant at least \$1,056,332,250 to the Dominion.

An industry employing 1,000 hands may be regarded as a large one, but the same percentage of results would follow in larger or smaller plants, so that one can easily begin to reckon for himself what any particular industry would mean to a town or city.

Broadly speaking it means that the purchase of \$1,000 of goods from your own town or your own country, instead of purchasing it outside, means the addition of one person to your town or your country instead of supporting him abroad.

Should not the knowledge of these facts add to a proper appreciation of the value of manufacturing industry to a country or a particular town; and so replace the unreasoning antagonism to manufacturing activity, with a spirit of hearty co-operation and support?



