

**Sir. John Willison**



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

FOR RELEASE

*7/13*  
*No. I*  
*300 150. 7/13*  
*5 hrs 25 minutes*

The United States Department of Labour is taking practical steps to provide employment during the period of demobilization and reconstruction. It has organized a Division of Public Works and Construction and has a special force of field men conferring with State and municipal authorities and public organizations to determine ways of stimulating business and affording "buffer employment" for labor. It is hoped that work on public buildings, highways, and homes will be encouraged in such a practical manner that by the spring every State in the Union will be engaged in projects which will ensure building operations in all communities and provide employment for many thousands of returned soldiers and workmen released from war industries. Already the Department is able to report that Buffalo is considering an \$8,000,000 building programme. Indianapolis is rushing work on a gigantic scheme of track elevation. New warehouses to the value of \$1,500,000 are to be built for Columbus, Ohio, by the Federal Government. The State of Connecticut is to spend nearly \$1,000,000 on a new highway and trolley project. Cleveland Heights will spend nearly \$500,000 on high school buildings. Many other important public works are under consideration in various communities.

The "Own Your Own Home" movement which is already active in Winnipeg has received Government sanction in the United States. One branch of the new Division of Public Works and Construction Development of the United States Department of Labor is known as the "Own Your Own Home Section" and a movement has been started to enable building and loan associations in the United States to provide capital for housing at low rates of interest. The Department of Labor announces that information which it has obtained indicates that there is a national shortage of more than half a million houses. The statement adds: "The Department believes nothing more helpful to the general situation could be done than at once to resume building. The homes are needed; it is very doubtful if labor or material conditions and prices will improve for several years. Building, being a basic industry, if accelerated, will add impetus to general business throughout the country."



While the Western Canada Development Bureau, the Winnipeg Board of Trade, the Canadian Council of Agriculture, the Western Committee of the Canadian Reconstruction Association, and other organisations have been studying the agricultural and commercial importance of the potato flour industry, the British Ministry of Food has made arrangements for the establishment in Great Britain of mills for the production of potato flour, which, it is hoped, will be on a large scale. The industry, although a new one in Great Britain, has been established for many years on the Continent. Germany before the war had 500 potato flour factories in operation, whereas at the signing of the armistice it had more than 2,000. Great Britain now has an overproduction of potatoes, and the creation of the potato flour industry will provide a means for consumption of the oversupply.

Industrial, financial, and commercial interests in the United States are alive to the necessity for co-operation for the development of foreign trade. The United States Chamber of Commerce is taking a plebiscite of its members on proposals for vital modifications of the Sherman and Clayton anti-trust legislation. Powerful trade organisations have already been completed under the Webb-Pomerene Bill which permits industries to unite for foreign trade. In addition to important organisations formed in the steel, copper, and textile trades, export associations are under consideration by manufacturers of rubber goods, the coal trade, the drug and chemical and allied industries, lumber producers, including specifically the Southern Pine Association and the Douglas fir interest, manufacturing of cement with plants near the seaboard, the hardware trade, manufacturers of electrical goods and supplies and companies making brass products.

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CANADIAN RECONSTRUCTION ASSOCIATION

PRESS SERVICE

TORONTO, CANADA

FOR RELEASE

No 2

Great preparations for the construction of public works and for general building activities in the spring are being made in the United States. In addition to the survey being conducted by the field men of the Division of Public Works and Construction of the United States Department of Labor, the Kelly and Kenyon Bills have been introduced in Congress to provide heavy appropriations for national constructive activities. Each measure calls for an appropriation of \$100,000,000. The Kenyon Bill, in addition, empowers the War Finance Corporation to make advances, within one year from the passage of the Act, to an aggregate amount not exceeding \$300,000,000, at not less than 5 per cent per annum to any State for financing public works whenever unusual unemployment is actual or threatened.

A bill is now pending in the United States House of Representatives for an appropriation of \$100,000,000 for investigation, irrigation, drainage, and development of swamp, arid, cut-over, waste and undeveloped lands throughout the United States. The object is to provide employment and farms for soldiers and sailors. Under the appropriation it is estimated that approximately 20,000 farms may be settled on about 1,500,000 acres. The plan contemplates construction of community settlements of not less than one hundred families.

The necessity for adequate Government and industrial organization for the development of foreign trade is emphasized by the activities of American and European competitors. Contending that "no nation has outlined so comprehensive a plan of trade stimulation as the United States, "Mr A.B.Clark, Manager of the New York office of the United States Department of Commerce, says:-

"Within the last month there have passed through the local office of the Bureau of Foreign and Domestic Commerce no fewer than twenty commercial representatives of this Government, bound for newly created posts throughout the world, with no other mission than that of looking after and increasing the commercial interests of the citizens of the United States. Over thirty trade commissioners are being sent out to every quarter of the globe, as rapidly as competent men can be examined, appointed and dispatched."

There has been considerable reorganization of the staff of the Bureau of Foreign and Domestic Commerce stationed throughout the United States. Not only have changes been made in the personnel, but it is planned within the next few months to increase the number of branches within the United States.



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President Wilson provided a special fund of \$200,000 from the war fund for foreign trade inquiry, and Mr. Redfield, Secretary of Commerce, has asked Congress for a largely increased appropriation.

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Mr. George Ford, head of the Red Cross reconstruction work in Paris, has listed the agricultural machinery needed by France as follows: 81,000 plows, 56,000 cultivators, 30,000 mowing machines, 115,000 farm wagons, 88,000 harrows, 50,000 rollers, 48,000 hoes, 36,000 seed drills, 13,000 fertilizers, 16,000 beet extractors, 21,000 winnowing machines, 18,000 horse-drawn rakes, 32,000 reapers and binders, and 53,000 root cutters, besides other farm implements. There are now no horses in the devastated portions of France, though there were 242,000 in 1915 and 607,000 in 1917.

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The newly-formed export organization of the Canadian biscuit, confectionery, chocolate, and cocoa industries will send a representative to the West Indies and another to Great Britain to develop export trade.

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It is announced that Great Britain will spend \$50,000,000 during 1919 for the reconstruction of roads and bridges, thus providing work for demobilized soldiers.

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Reconstruction plans in New Zealand provide for a Government expenditure of over \$12,000,000 on public works, including extensive railroad and highway construction. Initial work will be started on the Dominion's \$65,000,000 hydro-electric development programme. Fifteen hundred thousand dollars will be devoted to new public schools, and it is proposed to organize schools of agricultural instruction for returned soldiers. Large sums will likely be spent on reclamation and drainage of swamp lands for grazing purposes. The United States Consul at Auckland, New Zealand, has reported that all these undertakings will call for more or less machinery, tools, and structural material, and that it would seem wise for American interests to put themselves in a position to supply these needs, especially as far as railway material, farm implements and dredging machinery are concerned.

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Striking evidence of the decline of industry under Bolshevism was given before the Senate Committee at Washington by Dr. W. C. Huntington, who was Commercial Attache of the American Embassy at Petrograd from 1916 until near the end of 1918. "In nearly every instance," he said, "the nationalized factories have come to grief. When the decree of nationalization was issued the factories were placed in charge of committees of workmen. Then came factions and friction and quarrels between them. One would have supplies, another would not, and the result is that few if any factories are running now. The principal industry left in Russia now is printing paper money. I have seen the complete overthrow in Russia of all that we know in human life as it exists here at home. I have seen a condition of absolute chaos in all human relations develop in Russia. I have seen conditions attained that amount to nothing less than a reign of absolute terrorism."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 3.

TORONTO, CANADA

March 4, 1919.

### FOR RELEASE

upon receipt.

Throughout the Dominion there is increasing realization of the necessity for scientific investigation of natural resources and practical stimulation of industrial development. Since its inception, these have been outstanding policies of the Canadian Reconstruction Association. Now both Manitoba and Alberta are taking practical measures to put these policies into effect. In Alberta, the Provincial Government has established a Department of Industry under the Hon. A. G. MacKay. Its chief function will be to determine by investigation what industries can be successfully and profitably established in the Province and to encourage the development of natural resources. In Manitoba, after a conference between the Cabinet Ministers and representatives of the Manufacturers Association, the Industrial and Development Section of the Winnipeg Board of Trade, Lieut. J. W. Wilton, M. P. P., and others, the Government has decided to create a commission to investigate the natural resources of the Province and to encourage the establishment of industries.

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The National Foreign Trade Council of the United States which has a membership of merchants, manufacturers, railroad and steamship men, and bankers, representing all sections of the country, is to hold its sixth convention at Chicago at the end of April. In issuing a formal call for the convention, Mr. James A. Farrell, Chairman of the National Foreign Trade Council, says:-

"Now, as never before, the United States must rely upon foreign trade to make certain the full employment of labor and to provide investment for capital; to stabilize industry and prevent disturbance of domestic conditions; to ensure the permanent retention and operation of our new merchant vessels under the American flag; to maintain prosperity among American producers and to forestall any retrogression from the high standards that have been achieved."

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There is to be close co-operation between American bankers and the Department of Agriculture in dealing with agricultural problems of reconstruction in the United States. A conference has just been held in Washington between the secretary, assistant secretaries, and bureau chiefs of the Department of Agriculture, representatives of the Bureau of Education, the Federal Farm Labor Board, the Agricultural Commission of the American Bankers' Association, and the agricultural committees of 42 State Bankers' Associations. Up to the present time the work of the Bankers' Association has been largely confined to encouragement of agricultural production. Warehouse construction and the organization of co-operative marketing associations are now under consideration.



The Naples Branch of the Italian Co-operative Society, which has been organized for the benefit of employees of the State, desires to purchase in very large quantities, for cash against documents, for immediate shipment, the following articles, according to a report made to the United States Department of Commerce by the United States Consul at Naples:-

Fats of all kinds, especially lard in barrels; bacon, all fat; hams; cases of tinned meats, such as boiled beef and corned beef, and tongue; cases of tinned salmon, sardines, tunny fish, and other edible tinned fish; smoked salmon in bulk; flour, white, unadulterated, without bran or any substitute content, best quality; cheeses, large; beans, dried, white, and butter beans in bulk or sacks; coffee, especially Porto Rican; sugar, white in barrels; condensed milk, sweetened (not evaporated); eggs; chickens and poultry, cold storage.

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Human rights of labor and the principle of collective bargaining have been recognized in Italy as they are being recognized in Great Britain and the United States. Capt. Angelo Fanelli, a member of the Italian Military Mission now in the United States, is the authority for the statement that only one serious strike has occurred in Italy since the signing of the armistice.

"Three months ago," he says, "a very satisfactory agreement was arrived at between the industrial leaders of the country and representatives of the labor unions. The negotiations resulted in the formation of a permanent committee on which capital and labor are both represented. The Committee has its headquarters in Milan and is working earnestly to adjust all labor questions as they arise. A strong point in the situation is that the manufacturers have agreed with labor upon a system of profit-sharing. This system has been legalized by special law. These compacts between capital and labor are enabling Italian industry to develop to a remarkable degree its technical and financial side."

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Appealing for consideration of reconstruction problems, the Canadian Reconstruction Association has written to boards of trade asking them to call conferences in their communities. It suggests that there should be a frank discussion by all concerned of pertinent facts with a view to co-operation between employers and workers, and a sympathetic understanding among all elements in the community of the actual situation and outlook.

"It is desirable," the Association says, "that such a conference should be attended by representative employers, employees, and consumers. To this end it would appear wise to invite manufacturers, employees, wholesale and retail merchants, representatives of commercial and financial interests, labor leaders, and representative citizens, such as clergymen and teachers. Among the matters which might be considered are the difficulties inseparable from a readjustment of prices from war to peace levels, the outlook for domestic and export orders for local factories, other demands for local labor, and the possible effects upon employment, wages, and prices of the productive competition of other countries seeking as we are a world market to maintain their industrial stability. It is particularly important that your Member of Parliament should attend any such conferences as may be held and that any recommendations agreed upon should be forwarded to the Government and to the Canadian Trade Commission at Ottawa."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 4.

TORONTO, CANADA

March 11, 1919.

FOR RELEASE

upon receipt

Canadian branches of American firms are not to be subjected to double taxation. As a result of protests to Washington by the Canadian Reconstruction Association and Canadian branch companies, unsatisfactory clauses in the United States Revenue Bill have been amended. Legal opinions secured by a prominent Canadian firm are in agreement that the amendments met all objections which were taken and that the Bill as it now stands will be satisfactory to Canadian branches of United States companies.

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Public work<sup>4</sup> on a large scale are now being constructed by the Italian Government. It is spending more than \$300,000,000 in re-organization of the railways. A great deal of new track construction is under way. Factories which were producing guns and ammunition during the war have already transformed their plants and are making locomotives, rolling stock, rails, and other equipment of all kinds. Construction of roads, bridges, and public buildings is in progress all over the country.

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The movement for modification of the anti-trust laws of the United States is steadily gaining strength. A special committee of the United States Chamber of Commerce has asked the members to vote on recommendations that Congress should at once consider the situation of all statutes constituting anti-trust legislation and that there should be formulated standards of general business conduct to be administered by an enlarged Federal Trade Commission of nine instead of five members acting as a supervisory body. Commenting on these proposals, the Guaranty Trust Company of New York says: "The committee having the matter in charge apparently seeks to dissipate the uncertainties of anti-trust legislation now existing, to authorize closer co-operation among producers in the same line of business, and to remove sections of the Sherman Law alleged to be a handicap to business growth. The Government would also be asked to tell business what it could do as well as what it could not do, and to supervise business to see that the bonds were not overstepped."

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The Assistant Secretary of the United States Department of Labor, in an address welcoming the delegates to the agricultural conference of bankers in Washington, said that it was significant of a new state of mind among financiers that representatives of the American Bankers' Association and of the several state bankers' associations should meet in Washington in order to get into more intimate touch with the Department of Agriculture. The Assistant Secretary pointed out that agriculture is in special need of the aid and counsel which experts in finance are qualified to give.

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Extensive highway construction is under consideration in the United States. The American Road Builders, Association is preparing for a campaign to obtain an appropriation of \$2,000,000,000 for road building including a transcontinental highway to be named in honor of Theodore Roosevelt. The United States Department of Agriculture has issued a statement, based on an estimate of the available funds, that approximately \$500,000,000 will be spent on highway construction during the coming season, giving employment to 100,000 men.

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Industrial development in the interior of China has led to an enormous demand for machinery of various descriptions. In an address at a recent banquet in New York, the Chinese Consul-General said: "For Government requirements alone, we need machinery for arsenals, mints, railways, dockyards and so forth. Many of the smaller cities which used to be lighted with candles now use electric light. Such cities number about 10,000. Especially machinery for mining and smelting is wanted in increasing quantities every year. Besides factories for filature and cotton cloth, oil mills, flour mills and rice mills are springing up all over China like mushrooms." Dr. Chilien Tsur emphasized the very rich opportunities for American capital in China. "The returns awaiting adequate investment," he said, "would be regarded by Occidental capital, accustomed, prior to war dividends, to fair percentages of return, as something far beyond their normal expectations in domestic finance."

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Mr. Bernard Baruch, formerly Chairman of the War Industries Board of the United States, who is now in Paris, has advised the United States Government that France is willing to allow sales to French merchants of \$40,000,000 worth of machine tools and agricultural implements if credits for one year can be secured. It is proposed that individual American firms should deal with individual French concerns under the same conditions as before the war except that deferred payments are necessary. It is reported that similar enquires are being sent out for large amounts of cotton.

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# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 5.

TORONTO, CANADA

March 19, 1919.

### FOR RELEASE

upon receipt

Australia's attitude on the question of tariffs has been given striking expression by H. Y. Braddon, Australian Commissioner to the United States. In a public statement he says: "Broadly, Australia regards the British Empire, including, of course, the self-governing Dominions, as one body politic, one political entity. Within these wider boundaries Australians consider themselves entitled to grant preferences, if they so desire, to any other section of the Greater Britain, on the ground, mainly, that this is a matter of purely domestic concern. . . . In Australia, no doubt it would be resented if an outside agency sought to hamper Australia's freedom of action within the Imperial domain; and to my mind it would be extremely regrettable if at the Peace Conference it were suggested or urged to impose any such restrictions. Australians would argue, I think with justice, that they must retain the same right of internal determination (within the Empire) as, for instance, obtains between Maine and California in the United States, or between Prussia and Bavaria, in the German Empire. Admittedly, we have as yet no "imperial zollverein," because as at present constituted, the British Empire is a rather loosely articulated entity; still it is an entity.

"In this natural desire for freedom of action within the Empire there is not the faintest element of unfriendliness towards the United States. The exigencies of public finance unfortunately necessitate fairly heavy import duties into Australia; and if these are slightly relaxed in favor of the Mother Country, that would in Australia be regarded as a domestic matter, and one which did not imply any lack of friendly good feeling towards the United States."

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The movement for the creation of industrial councils in Great Britain gains strength daily. The National Council of the Commercial Motor Users' Association has been informed that the Government will shortly require employers to join a suitable federation in order to regularize dealings with Labor. Plans for the calling of a national conference of employers and trade union representatives are being considered by the representative organizations of capital and labor. The executive committee of the Federation of British Industries have passed the following resolution:-

"That the Federation should take immediate action in conjunction, if possible, with the Engineering Employers' Federation and the national organizations representing Labor, with a view to summoning a joint conference of employers and employed, on the lines suggested by the National Alliance of Employers and Employed, for the formation of proposals for dealing with the present grave condition of industrial unrest."

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A good market for agricultural machinery is reported from Mesopotamia. The great dearth of draft animals and the lack of labourers will promote machine traction for scientific farming, and it is said that the necessity of using such tractors is already noticeable among the small farmers and holders. Before the war, German manufacturers of agricultural machinery studied the conditions in Asia Minor very thoroughly, and offered to agriculturists there what they wanted and what was best suited for their purposes.

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The British Manufacturers' Corporation has unanimously adopted a resolution to amalgamate with the Federation of British Industries for the purpose of concentrating upon the extension of overseas trade. The Federation of British Industries represents over \$12,000,000 in capital and its organization is in touch with nearly 16,000 British firms. The British Manufacturers' Corporation, as originally proposed by Sir Charles Mandleberg, was to consist of approximately 1,000 manufacturers with a total capital of \$1,000,000. Amalgamation will result in the creation of an unusually powerful trade organization and will prevent any duplication in operation. It seems, from Sir Charles Mandleberg's speech at the meeting of the British Manufacturers' Corporation to discuss the amalgamation, that the two associations are already working together and that definite steps have been taken for trade development with Spain.

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The British Commercial Attache Service has been re-organized as a Commercial Diplomatic Service, a joint Department of the Foreign Office and the Board of Trade. Numerous appointments to the new Service have been announced. In the future British Consuls in foreign countries will be expected to deal with trade in the districts of which they have charge; while the duties of the Commercial Attaches will be to keep the Government informed as to what is taking place in regard to the general economical state and development of the countries they are sent to, to see that the Consuls do their work properly, and to keep a constant watch for any system of commercial penetration on the part of trade rivals.

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Urging mutual co-operation between Government and business, Francis H. Sisson, Vice-President of the Guaranty Trust Company of New York, contends that "commerce is the greatest of all political interests" and that the United States Government must learn that "all great offices of State are occupied with commercial affairs." "Great Britain, France, Italy and Japan," he says, "have evidenced due appreciation of these axioms of statesmanship in their reconstruction programmes." He gives a striking review of European trade preparations:-

"The peace plans of England, carefully worked out by the Government in co-operation with the Country's varied industries, include," he says, "the lowering of the costs of production of its manufactures; the speeding up of labor; the cheapening of raw materials by buying in enormous quantities; nation-sized combinations; the abolition of wasteful competition among manufacturers; the placing of Government funds at the disposal of producers who co-operate; the formation of big and influential associations of business men; the insurance of credits; the establishment of a commercial intelligence bureau of world-wide scope; the subsidizing of research bureaus for the benefit of manufacturers; the sanctioning of monopolies among the so-called "key" products; the development of the inner arteries of the Empire; the lowering of the costs of transportation, and the granting of preferential rates to British goods.



"France proposes to lower the costs of production through standardization and modern methods; to effect an improvement in the relations between capital and labor; to purchase raw materials, cultivate new markets, and ship finished products at common expense; to provide assistance to production; to reduce imports, and increase exports; to enact liberal legislation in abolishing administrative restrictions; to initiate vast public works such as road-building, railroad extensions, dredging rivers, deepening harbors, and building a merchant marine.

"Italy's after-war programme calls for a protective tariff; the establishment of credit arrangements for foreign business; for the liberation of new industries from taxation; for the construction of canals to convert Rome into a first class port; for the abolition of taxation on certain essential industries, and on capital while it is producing; for consular agents to act as the 'economic eyes' of the nation; and for the co-operation between financial interests and industry.

"Japan is preparing to give Government subsidies; immunity from taxation to certain industries; guaranteed dividends to certain subsidized industries; Government co-operation with big business interests; large Government appropriations for the developing of essential industries; the services of trade commissions to make detailed investigations and reports; the services of a commercial intelligence system; and the Japanese Government will insist that trades build for the future."

# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 6

TORONTO, CANADA

March 26, 1919.

**FOR RELEASE** upon receipt.

All over the United States the spring will witness a revival of building activity. Extensive Federal and State plans for the provision of "buffer employment" are under way. The Bureau of Public Roads estimates 1919 expenditures for roads and bridges at \$385,000,000; while during the next three years, according to the terms of the Federal Aid Road Act, the Government, co-operating with the various states, will have a total of at least \$574,000,000 for road building. The Federal Government has voted an extra appropriation of \$209,000,000 for this suggested highway construction. The growth of the "Own Your Own Home" movement is indicated in a statement from the Labor Department that twenty cities are now engaged in such campaigns.

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Co-operation and combination are outstanding features of trade preparations in Denmark, according to a report from the United States Consul at Copenhagen who writes:-

"In addition to the Merchants' Guild and the Manufacturers' Association, there have grown up during the war purchasing committees selected by and acting for particular industries. These committees make purchases abroad, seeking the most available market and the best possible terms; they then endeavor to effect the shipment of the goods, and after their arrival, supervise their division among the firms concerned. This is in every essential respect a scheme of joint purchase and joint import. The best organized of these committees is that of the Association of Textile Manufacturers, which purchases and imports cotton and cotton yarn. By the same method the Chocolate Manufacturers' Association purchases and imports cocoa, nut-kernels, and other materials for its members; the Tobacco Manufacturers' Association imports tobacco; and the Leather Manufacturers' Association secures shipments of tanning materials and similar supplies. Although these associations have been brought into existence because of war-time restrictions on commerce, the manufacturers have readily seen the advantages to be derived and will probably continue joint import in peace times."

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Immediate and drastic action to remedy the serious depletion of the salmon fisheries of Great Britain and Ireland has been demanded by the Fisheries Boards of England and Wales. As a first step, they urged the establishment of the Board of Fisheries as a separate Department under its own Minister. National control of all salmon and fresh-water fisheries was called for as well as the investment of the new authority with full powers to deal with pollution, both river and estuarial.

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Enactment of the following legislation to secure industrial reforms and restore confidence in representative government is suggested in The London Times by George Beeby, Minister for Labor for New South Wales, who has had twenty years close association with politics in Australia:-

1. Legalization of the genuine eight-hour day, i.e., 44 hours per week with clear half-holiday. Exceptions to meet certain cases to be fixed by a council of industry. In mining occupations the hours of all underground men to be six hours per day, provided miners definitely agree to remove all restrictions on output and to work more than one shift, where necessary.
  2. The appointment of a series of district councils with power after inquiry to fix minimum wages for adult male and female labor for the districts prescribed.
  3. The recognition by the State of "the right to work", to be achieved by the registration of all labor in national bureaux: the duty devolving on the State to find work for unemployed, and on the workmen to accept such work, wherever provided. The State to provide a living wage for those who through no fault of their own are unemployed. In cases of recurring short periods of unemployment the living wage to be made up from insurance funds.
  4. The adoption of the Whitley scheme of industrial organization for the regulation of conditions above the statutory minima.
  5. The creation of a permanent national industrial council representative of employers and workmen, such council to advise the Government on all legislation affecting the relationship of employer and workmen, and to hold inquiries as necessity arises on industrial and economic questions.
  6. The immediate undertaking by the Government, and by employers of large groups of workmen, of housing schemes--whatever the cost may be.
  7. The acceptance by employers and workmen of the principle that in all industrial conflict the community has an interest, and that no strike or lock-out shall be tolerated until all available machinery for conciliation has been exhausted. Statutory conciliation committees to be maintained for the investigation of all matters of definite industrial grievance which may be stated at any time by workmen or employers as likely to lead to conflict.
  8. The wide extension of co-operative marketing and distribution of necessary commodities.
- "None of these proposals goes beyond the full acceptance of the principle which is universally endorsed to-day--that every worthy citizen is entitled, so far as the total wealth production will permit, to the enjoyment of at least a minimum standard of comfort and to a reasonable opportunity of moving above that minimum on merit".

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A leaflet has just been issued by the Department of Scientific and Industrial Research explaining the Government scheme for the encouragement of industrial research, for which a million sterling has been set aside. "The broad features of the scheme are already well known," says The London Times. "But the leaflet makes clear a point which is of considerable interest--namely, the question of the ownership of the results of investigation. The approved research associations to be formed under the scheme will in the first place hold the results of their researches in trust for the benefit of their respective members. But with a view to safeguarding the national interests where new discoveries are made with the assistance of Parliamentary funds, the Government will keep in its own hands the power to veto any proposal made by an association to communicate the results of research to a foreign person or to a foreign corporation. The Government also reserves to itself the right, after consultation with the association concerned, to communicate the results of discoveries to other industries for their use on suitable terms.

The Department will not, however, make any results obtained by a research association available to firms or individuals who are eligible for membership of that association, but have not joined it. Nothing in these proposals interferes with the broad policy of leaving the prosecution of research to the industries themselves, and of securing complete autonomy to each industry. The £1,000,000 will certainly be money well spent, and with the voluntary associations co-operating in the solution of problems of common interest, it should not be long before the scheme is productive of valuable results.



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No 7.

TORONTO, CANADA

April 1. 1919.

**FOR RELEASE**

upon receipt

Owing to high prices, lack of materials, shortage of labor, transport conditions, and the need of much repair and reconstruction work, as well as the desirability of stimulating useful work, the British Government will make a grant of \$50,000,000 for roads and bridges throughout the United Kingdom. Of this grant \$8,500,000 will be furnished by the Road Board and the balance by the National Exchequer.

British manufacturers are alive to the value of industrial research, and valuable work has already been done in many directions. In the glass industry the ingredients required for the manufacture of optical glass, hitherto made at Jena, have been defined. In addition to this three completely new glasses, previously unobtainable, have been discovered. Something like \$100,000 has been spent in the past three years on work in this department, and in the coming year another \$150,000 will be spent on grants to individual students and workers. In the pottery trade a new ware has been discovered, also a new cheap glaze which will enable the British trade to hold its own with the hard porcelains produced in Germany and Austria.

It is estimated that not less than 300,000 houses are needed to meet the shortage in Great Britain. London and other cities are considering extensive housing programmes and much building is anticipated this year, but there is a great shortage of materials. The United States Consul at Nottingham reports that there is a demand for all kinds of builders' hardware, "such as locks, hinges, bolts, nails, screws, doorbells, sashes, doors, and blinds, and larger quantities of these materials will undoubtedly be imported from foreign markets until the factories in this country are able to supply the increased demand. It would therefore be advisable for all American firms engaged in the exportation of building materials to consider the advisability of entering this market."

The Commission of Conservation has recently completed an investigation of the water powers of British Columbia. It reports two great water power centres, namely, Nelson with 400,000 horse power within a radius of 50 miles and Vancouver with 300,000 horse power within the same distance. The Commission says: "Based on experience at Toronto, these quantities would suffice for a population of 1,700,000 at Nelson or for 10 manufacturing cities of 170,000 each. The power near Vancouver would suffice for one manufacturing city of 1,250,000 population, or for 10 cities of 125,000 each."



A Minimum Wage Board is to be created in Saskatchewan, consisting of five persons, two of whom shall be women. The board is to ascertain and declare what wages are adequate to furnish the necessary cost of living and what are reasonable hours and proper sanitary conditions. It can make enquiries and investigations, summoning witnesses and examining them on oath. All employers must keep a register of their employees, showing their earnings. In case any employee receives less than the minimum they may recover in a civil action the full amount, less what they have been paid, whether an agreement to work for less than the minimum wages exists or not. The Act applies only to cities of Saskatchewan unless an order be made extending its scope to other parts of the province.

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The fleet of tractors supplied to British farmers by the British Food Production Department during the war will soon be demobilized. It is anticipated that these tractors will then pass to private owners, thus greatly strengthening and improving the resources available for food production. The value of the tractor is said to have exceeded the most sanguine hopes in the production of corn and potatoes, according to The London Times, and its use is now looked upon most favourably by farmers. The utility of the various types of tractors has been emphasized by Capt. J. T. Hutchison, mechanical cultivation commissioner, of the Food Production Department. The Food Production Department reduced the number of types from 20 to 6 in order to simplify the supply of spare parts and the repair of breakages, as well as to promote the rate of output, but Capt. Hutchison favours private ownership for securing the maximum of efficiency and economic results.

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The international trade movement is towards protection. Great Britain has accepted Imperial preference. It is protecting key industries, restricting foreign imports, and is pledged to adequate measures to prevent dumping of foreign goods on British markets. Australia is to increase its protective duties and promote industrial development. According to an announcement by Acting Premier Watt, revision of the tariff laws of the Commonwealth will be directed largely by the following considerations: 1. The necessity of preserving those industries brought into existence throughout the war. 2. The encouragement of contemplated new industries and extension and diversification of existing enterprises.

South Africa is increasing its tariff. New Zealand, Newfoundland, Japan, Brazil, and Portugal are rigidly maintaining theirs. A higher tariff for the United States is forecast by Chairman Fordney of the Ways and Means Committee of the next United States Congress, who will be the author of the new tariff bill. Congressman Gillett, of Massachusetts, who will be the Speaker of the House of Representatives in the new Congress, says, "at the earliest opportunity there should be passed by the Republicans of the House a protective tariff measure which will provide more abundant revenue and prevent an inundation of foreign goods produced by cheaper labor." France is exercising Government control of imports to build up home manufactures and home markets. Italy's after-war programme calls for a higher protective tariff. Representatives of German industries are not only urging continuation of the protective policy which gave the country its great commercial position before the war, but they are advocating State organization, State control, and gigantic monopolies to force German products on other nations.



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 8

TORONTO, CANADA

April 8, 1919.

**FOR RELEASE** upon receipt

Industrial group organization for the development of foreign trade is proceeding rapidly in the United States. Already over eighty export associations have been formed under the Webb-Pomerene law. Among the principle commodities represented by these organizations are: steel, copper, lumber, textiles, automobiles, machinery, raw cotton, sugar, magnesia, paper, tanning materials, phosphates, oils. One association will limit its foreign trade to clothes-pins. The Government's billion dollar fund for financing foreign trade will be available soon to exporters through loans from the War Finance Corporation. Regulations now being prepared by the Corporation to cover advances will provide for the lending of sums up to \$50,000,000 to any individual firm, corporation, or export association, probably at 5½ per cent interest for a maximum of 5 years on adequate collateral. Scores of informal applications for information or for advances have been received from individual exporting firms or representatives of the export associations organized under the Webb law.

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The Canadian Trade Commissioner at Yokohama, reports that it has now been decided to build aeroplanes in Japan, and that 600 will be constructed this year. The engines will be imported, but the ensilages will be constructed entirely in Japan. The Commissioner adds:-

"This will mean a new market for Canadian aeroplane spruce and also for the many materials and parts necessary for aeroplane construction, such as wire, screws, bolts, nails, forgings, stampings, turn-buckles, varnish, aluminium, rubber and 'dope', etc."

The latest issue of The Weekly Bulletin of the Department of Trade and Commerce contains inquiries from firms in Japan for quotations on aeroplane spruce and aeroplane accessories. The Trade Commissioner warns that, as the authorities intend to begin their aviation campaign at once, Canadian exporters should lose no time in answering these inquiries.

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In connection with the establishment of the billion dollar credit to be loaned to United States exporters through the War Finance Corporation, a precedent is found in the policy of Japan which was adopted in 1911.

The Japanese Government borrowed millions in the United States at 9 per cent and then loaned the money at 4½ per cent to manufacturers in Japan, principally those engaged in the textile industry, so that they would be able to enlarge and speed up their factories, having in mind particularly the exportation of their commodities to China.

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The Rockefeller Foundation will appropriate \$500,000 to promote fundamental research in physics and chemistry.

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The Commonwealth Government of Australia has announced its intention to provide approximately \$2,500,000 for use by local governing bodies on works that will give immediate employment to returned soldiers. A despatch from Sydney, Australia, states that the Government intends to find employment for 80,000 soldiers in New South Wales.

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At a recent meeting held in Pittsburg, representatives of 98 per cent of the nut, bolt, and rivet manufacturers of the United States and Canada agreed on a reduction of from 20 per cent to 40 per cent in the prices of their products without reducing wages. The schedule will be submitted to the Industrial Board of the Department of Commerce for ratification.

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The Department of Overseas Trade (Development and Intelligence) and the Association of British Motor and Allied Manufacturers (Limited) have completed arrangements for the dispatch of an investigator to Australia, New Zealand, India, and the Far East to ascertain the conditions and prospects in the above-mentioned territories for the sale of British motor vehicles, their parts and accessories. Among the subjects to be covered in the investigation will be technical specifications of the cars most in demand, facilities for obtaining fuel, road systems, Custom duties, legislative restrictions, importers, trade organizations, method of competitors, transport facilities, etc. During his mission the following places will be visited by the investigator: Ceylon, Singapore, Batavia, Brisbane, Sydney, Melbourne, Adelaide, Hobart, Wellington, Yokohama, Shanghai, Rangoon, Calcutta, and Bombay. The cost of the investigation is being defrayed in equal shares by the Association and the Government.

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It is estimated that, since the signing of the armistice, alien emigration from the United States has taken out something like \$80,000,000. Customs officials report that since the signing of the armistice 40,000 persons have been given passports by the consulates of their respective countries, and that 15,000 applications are now on file. The average sum in possession of each alien is placed at \$2,000.

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The War Trade Board of the United States is planning to protect the newly developed dye industry by careful censorship of all imports.



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 9

TORONTO, CANADA

April 15, 1919.

**FOR RELEASE**

upon receipt

As the international economic movement is towards Government restriction of imports and Government assistance for the protection of the home market and development of foreign trade, so emphasis is being laid upon the necessity for increased production. The British Prime Minister has told his countrymen that they will never get the maximum of well-being in their country until they increase its productiveness. "Improved welfare in every trade and in all trades put together depends on increased efficiency. Wealth lies in production and production can be enormously increased." The British Labor Party in conference has said that "it is vital for any genuine social reconstruction to increase the nation's aggregate annual production." During a debate in the British House of Commons on the urgent need of national economy, Mr. Austen Chamberlain declared that the only way the country could bear the burden of an expenditure which was going to be greater than its pre-war debt, was "by increased efficiency, increased production, and a greater export trade." So Mr. J. R. Clynes, M.P. for Manchester and one of the leaders of British Labor, insisted that the working classes ought in their own interests to understand that the war had left an enormous burden of debt and not an enormous collection of wealth. The nation could not continue to live upon its indebtedness. Escape from its difficulties could be found only in a greatly increased volume of production which was impossible without work and organization.

The recently organized export association of the Canadian Biscuit and Confectionery trade is meeting with splendid success. Already several shipments in carload lots have been made to the British Isles, and the Association was recently offered a British contract for cake chocolate which was double its exportable surplus. An order was accepted for the utmost that the companies which are members of the Association could produce for export within the time limit, and subsequent orders are confidently expected. The Association is having no difficulty in securing British business and it also hopes to develop extensive trade with South America.

The Sales Manager of the Campbell Company (manufacturers of Campbell's prepared soups) states that there is every prospect of a large demand from Europe for food stuffs of all kinds and no immediate prospect of a recession in prices of either soups or canned goods.

Nineteen British industries have formed joint industrial councils under the Whitley scheme and committees have been appointed and are now at work drafting constitutions for 18 other industries which will adopt joint councils as soon as the constitutions are completed and adopted. Twenty-five other British industries, less well organized, have formed interim industrial reconstruction committees. Eight other great industries have established trade boards, upon which masters and men are jointly represented.

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Splendid work is being done for Canada by the Canadian Trade Mission in London. Credits already established include \$25,000,000 with Roumania, \$25,000,000 with Greece and \$25,000,000 with Belgium. The \$50,000,000 credit with the British Government for Canadian lumber has also been concluded and first payments have been made. Negotiations are proceeding with France, Italy and Serbia. With France it is hoped to establish a credit of \$10,000,000. While such foreign credits provide an exceptional opportunity for Canadian producers, they do not constitute an obligation to buy upon the foreign Government. It rests with the Canadian manufacturers to supply goods of the character and standard required, and it is imperative in the interests of foreign trade development that such products should be of the highest possible quality.

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An Iowa dispatch states that the House of Representatives of that State has passed a Senate measure declaring that human labor is not a commodity or an article of commerce, and permitting organization of unions for improving conditions of the workers.

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Mr. G. I. Christie, Assistant Secretary of Agriculture for the United States, in an address at a recent meeting in Washington of the Agricultural Commission of the American Bankers' Association, said that bankers should aid farmers in making a more careful study of their operations and assist in determining the desirable and profitable lines to be followed. Regarding relations between the farmers and townspeople, he said:-

"Individuals or groups of individuals who undertake to separate themselves and their interests from those of the town are breaking down that which has required years to build. Existing barriers between town and country should be removed. The farmers and business men must work hand in hand for the development of agriculture, the building of roads, schools, and churches, and the establishing of strong, adequate, and attractive community centres."

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With its tremendous increase in national debt and annual expenditures, it is imperative that Canada should utilize every resource to develop domestic trade, increase production, and capture foreign markets. In five years the net debt of the Dominion has increased from \$335,996,860 to 1,420,000,000, which means an increase of from \$43.49 to 160.72 for every man, woman and child in the Dominion. The carrying charges on this debt, including interest and sinking funds, have advanced from \$1.96 per capita in 1913-1914 to an estimated \$12.16 per capita for 1919-20. During the war expenditure on consolidated fund account has risen from \$127,384,473 to an estimated \$351,785,491 for the current fiscal year. In the same period capital expenditures have jumped from \$37,180,176 to an estimated \$85,893,581, exclusive of war expenditures which are estimated for the fiscal year at \$296,696,614. Further, during the period 1900-14 Canada borrowed \$2,713,300,000 in excess of revenue for Federal, Provincial, municipal, industrial and other purposes.

# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 10

TORONTO, CANADA

April 22, 1919.

### FOR RELEASE

upon receipt

Bolshevism was bitterly denounced by Samuel Gompers, President of the American Federation of Labor, in his first address before the National Civic Federation after his return to America.

"All of you who know me or know of my attitude in regard to labor conditions know my absolute opposition to Bolshevism in theory and to Bolshevism in fact," he said.

"In theory Bolshevism is an impossibility. In fact, if it were put into operation, or could be put into operation, it would mean the decadence or perversion of the civilization of our time. To me the story of the desperate Samson who pulled the Temple down on his head, is an example of what is meant by Bolshevism. I am not willing that all of the genius of past ages should be flung to the winds. And I am not willing that the little service that I may have been able to render during the long years that I have attempted to improve conditions in a constructive way should be destroyed by maddened desperation. And so may I say to you that it is well for us to see now that our own house is kept in order."

In a remarkable address before the Leeds Luncheon Club, Mr. W. A. Appleton, Secretary of the General Federation of Trade Unions in Great Britain, declared that one general misapprehension was that idleness made for happiness. Continuing, he said, as reported in The London Times:-

If people who were striving for more leisure were only doing so in order that they might do nothing, he was sure that they were not going to be any happier. It was the exercise of thought and creative capacity that afforded the highest happiness. He was afraid we were getting into trouble by imagining that shorter hours necessarily meant less unemployment. The effect would be seriously to increase the cost of production and the selling price in overseas markets. He feared they were making the mistake of assuming that the grievances of the minority were more important than the welfare of the majority. They were having lightning strikes, which were stopping production and holding up the whole country. We were running after will o' the wisps, and later on we would have to pay for the foolishness that had kept us more or less idle for the past three months. Three occupations were to-day combining to compel the rest of the workers to pay additions to their wages. He wanted the miners, the railwaymen, and the transport workers to have a good time, but they should realize that every penny put upon the community handicapped the other fellow.



He wanted working people to get back to the old truth--"In the sweat of thy face shalt thou eat bread."

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Referring to the numerous public inquiries that have been made into industrial conditions in Great Britain lately, the London Times says in "Notes and Comments," in The Trade Supplement:-

"While we deprecate any attempt on the part of a section of the community to take advantage of the nation's present plight to advance its own interests, regardless of those of others, we welcome the awakened interest of the whole community in the conditions of labor, and particularly in the housing of the people. The rate of wages is not the important point; what matters is the cost of the unit of labor in industry. The task before not only statesmen but all leaders of thought is to convince the country that prosperity can only come through persistent effort. A sane national trade policy, the introduction of modern machinery, improved processes, and greater efficiency are all urgently needed. Yet all these things cannot of themselves bring prosperity to the community. The time has come to preach the gospel of 'hard work,' and not only to preach it but to take measures to see that it is followed, if this country is to be saved from insolvency."

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Mr. Fred I. Kent, Director of the Division of Foreign Exchange of the Federal Reserve Board of the United States, is on his way to Europe to study the foreign exchange situation and to discuss with bankers of London, Paris and Rome some arrangement for future credits for the purchase of commodities in the United States.

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The Bureau of Markets of the United States Department of Agriculture is sending abroad several agricultural trade commissioners to act as permanent representatives in foreign countries. They will report on agricultural conditions and will study the marketing and distribution of United States farm products.

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A Franco-American Bureau has been formed for the development of commerce between France and the United States. A New York office has been opened for the new Chamber of Commerce which aims to enable French goods to enter the United States markets and to give French manufacturers the opportunity of extending their sales in the United States. A Paris office is to be opened shortly by United States exporters and manufacturers.

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While there are at present no fewer than 992,000 persons in receipt of unemployment donations in Great Britain, 637,000 demobilized soldiers, or 79 per cent, have been placed in employment, according to a statement by one of the British Ministers.

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It is reported that seaweed paper is being manufactured in Denmark for newsprint and packing-paper purposes. Experiments are now being conducted to determine the feasibility of manufacturing better grades.

# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 11

TORONTO, CANADA

April 29, 1919.

**FOR RELEASE**

upon receipt

The Canadian tariff is not a sectional one but a national one. As "Industrial Canada" says, not only the manufacturers need protection, but also:-

1. The seven hundred thousand men and women who work in Canadian factories.
2. The wholesalers and retailers and their employees, who distribute the products of the Canadian factories.
3. The farmers who sell 80 per cent of everything they produce in Canada.
4. The railway and steamship companies and their employees who carry Canadian goods.
5. The bankers, brokers, and commission agents, and their employees, who finance Canadian industry.
6. The innumerable investors who own stock in Canadian manufacturing concerns, but who are in no sense manufacturers.
7. All others--doctors, lawyers, insurance men, publishers, etc.--who make their living, directly or indirectly, from industrial concerns and the industrial population.

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The United States Labor Department has received a report from the Employers' Industrial Commission, which recently visited Great Britain, to the effect that commercial and industrial leaders in the United Kingdom maintain that the greatest danger confronting business in the period of reconstruction lies in the tendency to await a reduction in the prices of materials and labor. These leaders doubt that wages will be appreciably lowered and they state that whatever might be gained by a later reduction in the cost of raw materials will be more than offset by the benefits accruing in the immediate manufacture of needed commodities.

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According to the Neue Freie Presse of Vienna, February 4, the Hungarian Minister of Agriculture has ordered that every landowner be compelled to cultivate land hitherto farmed, and that every individual hitherto an agricultural laborer or engaged in agriculture be compelled to continue to devote himself to agricultural pursuits. Should any landowner not be in a position to cultivate his land himself he is to be compelled to surrender it wholly or in part.

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The Wall Street Journal states that United States bankers, headed by a group of the leading New York institutions, are formulating plans which will probably be in definite shape within a few weeks looking to the extension of great credits to France, Belgium, Italy, Denmark and Sweden, and some other smaller nations, such credits to be granted immediately following the settlement of peace conditions.

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Mr. A. W. Ferrin, United States Commercial Attache at Melbourne, Australia, in an address at Melbourne on April 16, said that he was of the opinion that the new Australian tariff would be strongly protective, but that it would not have any serious effect on American imports. In the first eight months of 1918, Australian imports from the United States exceeded Australian exports to the United States by nearly \$8,000,000, while in 1912 the balance against Australia was nearly \$40,000,000. Mr. Ferrin said that he believed that the stream of trade eventually would balance. Australian exports in the future would consist largely of wool, tin, hides, skins, and probably dairy products, while imports from the United States would consist mostly of clothing, agricultural machinery and machine tools.

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In Great Britain the National Agricultural Council, at the suggestion of its Advisory Committee, has approved a resolution asking the Board of Trade to constitute a Whitley council for the agricultural industry to deal with all questions other than those within the scope of the Wages Board. The Advisory Committee reported in favor of the appointment of county conciliation committees to deal with disputes incipient in agriculture, composed of equal numbers of employers' and employees' representatives, with a court of appeal of a standing committee of the N. A. C., employers and employees to have equal representation on this body also. A resolution on the lines of the report was carried.

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"Production," the organ of the British Empire Producers' Organization, is strongly emphasizing the necessity for combination amongst British employers. In its commentary, "From Month to Month," it says in its last issue:-

"Facts, though distasteful, must be faced. The great handicap to British industry in competition with Germany and America is, that in this country the British community thinks in firms and not in industries. Both in America and Germany individual firms in each industry are linked up in cartels and each cartel works in foreign markets as a single unit, and not as a collection of independent firms underselling one another in cut-throat competition."

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M. Cels, Under-Secretary of State for Public Works, has outlined a vast programme for the development of ports, railways, and river navigation in France. It is proposed to make Marseilles one of the biggest ports in the world, increase the port capacity of Algiers three-fold, construct extensive improvements at La Pallice, the port for Bordeaux, and to develop the Rhone from the threefold standpoint of navigation, irrigation, and the production of electric power. The navigation of the Rhone is to be completed by a canal joining the Rhone and the Rhine. This new canal is designed to attract Alsace-Lorraine traffic and that of the Saar coal-mines and Upper Alsace, and the working and industrial centres of Strassbourg, Mulhouse, and Basel will be in touch with the Mediterranean.



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 12

TORONTO, CANADA

May 6, 1919.

**FOR RELEASE** upon receipt

Speaking before the Manufacturers' Club of Philadelphia, Senator Primrose, who will be chairman of the finance-tariff committee in the new senate, said: "Once again we must take up the task under new and unprecedented conditions, of framing a protective schedule which will provide adequate protection for American capital and labor, and secure the industrial independence of the United States; a protective tariff which will very largely insure the Mexican market to the American producer, thus enabling us to maintain the high scale of wages required by our living standards, and start the country once more upon a triumphal march of development and progress.

"We must prepare for it, not as heretofore, against foreign competition from nations which were either free trade or largely had merely a protective tariff, but as against industries of nations aided in every conceivable way by government, subvention, subsidies, contracts, regulations, and tariffs. In other words, a protective tariff system is more vitally necessary to the United States in the immediate future than ever before in its history. Without its proper enactment, distress and perhaps ruin, will stare our people in the face. We must proceed in a heroic way."

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Declaring that Canadian workers are now standing at the cross-roads, Mr. P. M. Draper, Secretary of the Dominion Trades and Labor Congress, interviewed at Toronto said that the workmen of the Dominion "must decide whether they will take the road that leads to reconstruction, high wages, shorter working day, improved working conditions, better homes, share in the direction of industry, participation in the profits of industry, and co-operation and representation on Government commissions and committees as advocated by the Dominion Trades and Labor Congress and the American Federation of Labor, or the road that leads to strife, riot, revolution, starvation and national bankruptcy, as they now have it in Russia." Mr. Draper recently returned from Paris where he acted as adviser to Sir Robert Borden on all matters before the Conference and took part in the formulation of international labor policies at the Labor Conference.

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During the twelve months in which the Webb Act permitting combinations in the United States for the development of export trade has been in force, over eighty organizations have taken advantage of the measure and have filed papers with the Federal Trade Commission.

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In England and Wales the principles of the Whitley report are being applied to the whole field of local Government activity. It has been decided to establish separate joint industrial councils for gas, water, tramways, and electric services. A constitution for a joint industrial council for the non-trading services has been approved by the employers' associations and the trade unions concerned, and a similar constitution is being drafted for the administrative, technical, and clerical departments.

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A committee of nine manufacturers and nine representatives of organized labor appointed at a conference convened by the North London Manufacturers Association has completed consideration of the "basic principles" upon which they are of opinion that any practical scheme of industrial partnership must be based. One of the fundamentals is that the rewards rightly due for services rendered are as follows: Firstly, to Labor a reasonable living wage; secondly, to Capital in respect of money secured by assets, a reasonable fixed rate of interest, sufficient to secure its employment; thirdly, to Labor, 50 per cent of the net divisible profits, to Capital 50 per cent of the net divisible profits.

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Urging development in the home market, the Canadian Labor Press in a special article in its May issue, says:-

"There is an obligation upon all Canadians to buy domestic products, just as there is an obligation upon manufacturers to supply commodities equal in merit to those of foreign competitors. Every dollar spent for goods produced by Canadian labor means better conditions for Canadian workers, and no goods purchased abroad are cheap that take the place of our own labor and our own raw material. The Canadian Trade Commission has estimated that for every \$1,000,000 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."

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The success of the movement in Great Britain for collective bargaining has been such that the Government, employers, and employees have approved of the appointment of a National Industrial Council subject to necessary Government action and to ratification by their respective organizations. Among individual industries, nineteen, have formed joint industrial councils under the Whitley scheme and committees have been appointed and are now at work drafting constitutions for eighteen other industries which will adopt joint councils as soon as the constitutions are completed and adopted. Twenty-five other British industries, less well organized, have formed interim industrial reconstruction committees. Eight other great industries have established trade boards, upon which masters and men are jointly represented.

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# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

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TORONTO, CANADA

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No. 13

May 13, 1919

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**FOR RELEASE** upon receipt

While the Canadian Council of Agriculture is urging acceptance of the Reciprocity Agreement of 1911, there is no indication that that agreement is now acceptable to the United States. Indeed, there is strong American opposition to it.

In a special article in the Manitoba Free Press, Mr. J. A. Aiken, writing from Washington, says: "The reciprocity pact of 1911 is regarded as obsolete, and not to be considered as going into force by consent from Ottawa."

Mr. Wm. S. Culbertson, of the United States Tariff Commission, believes there will be a tariff revision upwards after the next presidential election. He is interested in closer trade relations with Canada, but declares they cannot be established on the basis of the Reciprocity Agreement. While technically the offer is still open, he contends that the United States is not under any moral obligation. "We cannot sacrifice the interests of our Middle West in favor of the Canadian West. Any reciprocity agreement must rather take the form of concessions in non-agricultural products."

Mr. Frank Lyon Polk, counsellor for the Department of State, says that the Reciprocity Agreement would have to be reviewed by both Governments before any action could be taken to put it into force.

Senator Warren G. Harding of Ohio, a former lieutenant-governor of the State and Chairman of the Republican national convention of 1916, recalls the strong reaction, especially in the border states, against the agreement in the United States after it had been rejected by the people of Canada, and is confident that Congress would never consent to that agreement.

Senator Francis E. Warren of Wyoming, who is likely to be chairman of the Senate Committee on Committees says: "We are ready to consider a new trade arrangement, but we consider that of 1911 as behind us and not to be put in force."

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The importance of the home market is emphasized by Chairman Fordney of the Ways and Means Committee of the next United States Congress who has forecast a higher tariff for the United States. "I am not in favor," he says, "of chasing rainbows around the world to find a market for our surplus, which in amount is only about 7 per cent of our normal production, and at the same time neglect our home market and open the bars to the flood of goods offered us, made by the cheap labor of the world, to the detriment of our own laboring people."

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Commenting on the announcement that the Australian Government is considering a revision of the tariff, the Guaranty Trust Company of New York says: "The revision will be designed to serve the following ends: preserving those industries brought into existence during the war; encouraging contemplated new industries; extension and diversification of existing enterprises. Australia's action is thus definitely aimed at limiting the importation of goods which previously were bought from more highly industrialized nations, or if not to limit such importation, at least to place them upon a price basis which will make it possible to manufacture similar products in Australia to be sold in competition with those hitherto imported.

"A similar condition to that in which Australia now finds itself undoubtedly exists in other countries, which, cut off from their customary sources by the war, organized their own industries to make up for the lack. Half a dozen countries are now nursing infant industries, and they find them threatened by the resumption of trade routes. Hence a general demand for tariff revision, subsidies, and similar government aids to production."

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As a result of a referendum vote of the business interests of the country as represented in trade and commercial organizations, the Chamber of Commerce of the United States will recommend to Congress reconsideration of all anti-trust legislation. The Chamber submitted four propositions to be voted on. That asking Congress to consider immediately all statutes constituting anti-trust legislation was carried by a vote of 1,543 to 51. That proposing the formulation of standards of general business conduct, to be administered by a supervisory body was carried by a vote of 1,159 to 389. On the point that an enlarged Federal Trade Commission should be made the supervisory body, a favorable vote of 1,102 to 437 was recorded. The vote for an increase in the membership of the Trade Commission to nine was also favorable, 1,104 to 422.

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# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

No. 14

May 20, 1919

**FOR RELEASE** upon receipt

The British Government has just issued a White Paper containing a collection of reports from His Majesty's official representatives in Russia, from other British subjects who have recently returned from that country, and from various independent witnesses of various nationalities, covering the period of the Bolshevik régime from the summer of 1918 to the present date. The reports are accompanied by nothing in the nature either of comment or introduction, "since they speak for themselves in the picture which they present of the principles and methods of Bolshevik rule, the appalling incidents by which it has been accompanied, the economic consequences which have flowed from it, and the almost incalculable misery which it has produced."

The destruction of industry in Central Russia is indicated in the following statements from the British report on trade conditions in October last:-

**Metal Trades.**- The metal trade was practically at a standstill, due to the shortage of fuel and raw materials, probably not more than 40 per cent of the plant on all branches being in operation.

**Linen Trade.**- Production was 50 per cent of the normal and was gradually being reduced owing to shortage of flax (due to difficulties of transport) and fuel. Workpeople were starving and absenting themselves from their work searching for food.

**Woolen Trade.**- Production was decreased 60 per cent owing to shortage of wool and fuel. Similar conditions prevailed amongst the workpeople as elsewhere in Central Russia.

**Cotton Trade.**- Production was decreased 60 per cent below normal. This applies to all branches.

**Silk Trade.**- The silk trade is practically dead. All supplies of silk from Italy, Japan, Central Asia, and the Caucasus being cut off and the stocks of silk are now exhausted.

**Paper Trade.**- The paper trade has greatly decreased, probably the output of the mills being 60 per cent of the normal.

**Coal Trade.**- In the coal trade production has been reduced 40 per cent. The same applies to the peat industry.

**Timber Trade.**- Tracts of forests are being cut down for the use of the railways and industries, especially power stations, but the shortage of labor and disorganization of traffic prevented any serious results being attained. The shortage of fuel has caused the authorities to close the schools or to curtail the period of instruction.

**Agriculture.**- The only exception to this condition of under-production is in agriculture where extraordinarily high prices for food products has stimulated land cultivation.



The brutal excesses of the Bolsheviks, as cited in the British White Paper, recall the Bryce Report with its ghastly account of German brutality in Belgium. The Bolsheviks are employing Chinese to carry out their plans of wholesale slaughter. A British subject who left Moscow on December 1, says in a memorandum: "The number of people who have been coldly done to death in Moscow is enormous. Many thousands have been shot, but lately those condemned to death were hung instead, and that in the most brutal manner. They were taken out in batches in the early hours of the morning to a place on the outskirts of the town, stripped to their shirts, and then hung one by one by being drawn up at the end of a rope until their feet were a few inches from the ground and then left to die. The work was done by Mongolian soldiers. Shooting was too noisy and not sure enough. Men have crawled away after a volley, and others have been buried while still alive. I was told in Stockholm by one of the representatives of the Esthonian Government that 150 Russian officers who were taken prisoners at Pskoff by the Red Guards were given over to the Mongolian soldiers, who sawed them in pieces."

The British Consul at Vladivostock reported on January 14: The number of innocent civilians brutally murdered in Ural towns run into hundreds. Officers taken prisoners by Bolsheviks here had their shoulder straps nailed into their shoulders, girls have been raped, some of the civilians have been found with their eyes pierced out, others without noses, whilst twenty-five priests were shot at Perm, Bishop Andronick having been buried alive there."

The story of mutilations and tortures at Perm, as recorded by a member of the British Red Cross Mission is a terrible one. He says that for rank barbarous brutality, the horrors which he has witnessed of Bolshevik legacies in the localities which they evacuated, the tortures and mutilations performed on wounded and others before death, baffle description. Even the ferocity of Turks in Armenia cannot be compared with what is now being done in Russia by Bolsheviks. Many seriously wounded were taken from Kief hospitals and ruthlessly murdered in the streets. Bolsheviks forced into the streets and shot men with abdominal wounds, broken limbs, and grave injuries in other parts of their bodies. He recollects seeing officers being eaten by dogs in the streets of Kief. Wife of Dr. Girsas assistant herself saw an automobile load of frozen bodies of dead officers being carried through the streets to a dumping ground outside the town. These men were forced out of their homes in the middle of the night, hospital beds were emptied, patients who were seriously ill were ruthlessly slaughtered, and men shot without mercy and without trial.

The following conditions are reported in the British white paper on Bolshevism by eye-witnesses in Petrograd where the present population is probably not more than 600,000 and wholesale starvation has only been prevented by illicit trafficking in food by 'sack-men'. All newspapers except the Bolshevik ones have been closed, and their plant and property confiscated. All Government securities have been annulled and all others confiscated. Safe deposits have been opened, and all gold and silver articles confiscated. Payments by the banks from current or deposit accounts have been stopped. It is forbidden to sell furniture or to move it from one house to another without permission. Hundreds of houses have been requisitioned for official or semi-official use, and thousands of unhappy residents have been turned out on the streets at an hour's notice with permission to take with them only the clothes they stood in, together with one change of linen.

All owners and managers of works, offices, and shops, as well as members of the leisured classes, have been called up for compulsory labor, first for the burial of cholera and typhus victims, and later for cleaning the streets, &c. All goods lying at the custom house warehouses have been seized and first mortgaged to the Government Bank for 100,000,000 roubles. Any fortunate owner of these goods, which were not finally confiscated, had the possibility of obtaining them on payment of the mortgage. All furniture and furs stored away have been confiscated. All hotels, restaurants, provision shops, are now closed after having had their stocks and inventories confiscated. The food question in Petrograd has gone from bad to worse. Elaborate food cards are given out each month covering all kinds of products, but for months past nothing has been given out on them except bread, which has for the last few weeks consisted of unmilled oats. There are now only three categories of food cards, the first being for heavy workers, the second for workers and the third for non-workers. The last time bread was given out on the daily allowance on card one was half-a-pound, on card two quarter-pound, and on card three one-eighth pound. Hundreds of people are dying weekly from hunger, which first causes acute swelling of the features.

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# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No 15

TORONTO, CANADA

May 27, 1919.

FOR RELEASE

upon receipt

While the British White Paper on Bolshevism gives no specific account of the nationalization of women, General Knox in a special report from Vladivostock to the War Office on March 4, gives the text of a document belonging to a Red Commissar captured at the front, and quoted in the local press: "Herewith I certify that the bearer, comrade Evdomikof, is allowed the right of acquiring a girl for himself and no one may oppose this in any way, he is invested with full power which I certify."

Specific accounts of the nationalization of women, however, have been printed from various sources. A Bolshevik decree issued by the Bolsheviks of Vladimir and published in the official Socialist organ, "Izvestya," at the end of last year, states that all girls having reached their eighteenth year are to be announced as the property of the State and that any such girl not having married is obliged under the most severe penalties to register at the Bureau of Free Love at the Commissariat of Surveillance. Having registered at this Bureau, she has the right to choose a co-habitant husband from among men between the ages of 19 and 50. The consent of the men in the said choice is unnecessary, and the man on whom such a choice falls has no right to make any protest. On the other hand the right to choose from a number of girls who have reached their eighteenth year is given also to men. The opportunity to choose a husband or a wife is to be presented once a month.

A special correspondent writing to The London Times from Helsingfors on March 11, stated that Stuchka, president of the Bolshevik Government of Lettland, had issued a proclamation nationalizing women, and free love without restriction has been decreed for women from 17 to 45 years of age.

The London Times has published a translation of a proclamation that was posted in Saratoff, East Russia, and was given effect to in a limited degree. The same proclamation was posted in Ekaterinburg, where effect was also given to it for a few days before the advent of the Czechs. "There need be no hesitation," The Times says, "in accepting the decree as a genuine document." The proclamation read in part:-

This decree is proclaimed by the free association of Anarchists of the town of Saratoff.

In compliance with the decision of the Soviet of Peasants', Soldiers', and Workmen's Deputies of Kronstadt the private possession of women is abolished.

From March 1 the right to possess women of the ages of 17 to 32 is abolished.

The former owners may retain the right of using their wives without waiting their turns.

All women according to this decree are exempted from private ownership, and are proclaimed to be the property of the whole nation.



The distribution and management of appropriated women, in compliance with the decision of the above said organizations, are transferred to the Saratoff Anarchists' Club. In three days from the date of publication of this decree all women, given by it to the use of the whole nation, are obliged to present themselves to the given address, and to supply the required information.

Men citizens have the right to use one woman not oftener than three times a week for three hours, observing the rules specified below.

Each man wishing to use a piece of public property should be a bearer of a certificate from the Factories Committee, the Professional Union, or Workmen's Soldiers' and Peasants' Council certifying that he belongs to the working family class.

The chief of the Anarchists will be in charge of the temporary technical measures relating to the realization of this decree.

All refusing to recognize and support this decree will be proclaimed enemies of the people and counter-Anarchists and will be held strictly responsible.

(Signed)

COUNCIL OF THE CITY OF SARATOFF, RUSSIA

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Purchase of Canadian products is a national obligation during the reconstruction period. Home buying employs labor, maintains wages, stimulates production, and increases prosperity.

The Canadian Trade Commission says: "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.

Canada exported last year unfinished products 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.

Canadian imports in 1918 totalled \$906,954,900. If half this money had been spent on Canadian products, it would have given employment to an additional 100,000 workmen, with an increased payroll of nearly \$100,000,000.

To meet its great war debt and reconstruction obligations, Canada must increase production, build up the home market, develop export trade.

Every dollar spent for goods produced by Canadian labor means better conditions for Canadian workers, and no goods purchased abroad are cheap that take the place of our own labor and our own raw material.



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

No. 16

June 3, 1919.

FOR RELEASE

upon receipt

Canada is the only country in the world where there is any pronounced agitation for tariff reduction. In the United States the movement for greater protection steadily gains strength. The majority of the members of the Ways and Means Committee of the House of Representatives have decided, after a full consideration of the business situation, to take up a general revision of the tariff at once. Mr. Longworth, House leader of the Progressive wing of the Republican Party and a member of the Ways and Means Committee, has also introduced the first tariff measure of the session. The bill which is said to have the support of the Republican members of the Committee deals primarily with dye-stuffs but includes also products employed in making drugs, photographic developers, flavors and explosives. Special interest is attached to the bill, not because of its specific clauses, but because it is the first practical expression of the higher tariff movement. The following comparative table shows the rates now in force under the special war measure passed September 8, 1916, in the first war revenue bill, and the rates proposed by the Longworth bill:-

	<u>Present Legislation.</u>	<u>Longworth Bill.</u>
Group 1.- Small number of coal tar products.	Free.	Free.
Group 2.- Long list of products, apparently largely raw materials used in the manufacture of finished products.	2½ cents per pound, plus 15 per cent ad valorem.	6 cents per pound plus 35 per cent ad valorem.
Group 3.- Mostly finished dye stuffs, and other chemical preparations.	5 cents per pound, plus 30 per cent ad valorem.	ten cents per pound, plus 50 per cent ad valorem.

The National Association of Manufacturers of the United States, in session in New York, warmly approved the action of the United States Tariff Commission in recommending to Congress the enactment of a bargaining tariff. In a special report, the Committee on Readjustments declared that such a measure has been consistently advocated by many leading business men and the decision of the Tariff Commission would be highly commended. "Desirable as such a measure was before the war, it has now become essential to our commercial development," the Committee said. "Our new and influential position in foreign commerce and finance makes imperative a bargaining tariff for the protection of American commercial interests in foreign countries." Over a score of American industries have written to Chairman Fordney of the Ways and Means Committee of the House of Representatives urging the necessity for protective tariffs not only for the purpose of fostering the infant industries that were started during the war, but to prevent the dumping of goods upon the United States market. Speaking before the American Brush Manufacturers' Association, Mr. J. G. McKenzie stated that the brush manufacturers of the United States would make a determined fight for a high tariff to protect their industry, and that they believed that they had a fair chance of having their demands granted and incorporated in the forthcoming tariff. Mr. McKenzie said that a demand should be made for a tariff rate of



100 per cent. The present duty is 45 per cent, having been reduced from 50 per cent in the Underwood Tariff of 1913.

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Mr. Thomas R. Marshall, Democratic Vice-President of the United States, speaking at the convention of the American Cotton Manufacturers Association at Atlantic City, made the following striking statement on the tariff:-

"What danger there may be to the Republic from an influx of foreign goods I do not know. Time was when, theoretically, I was a tariff-for-revenue Democrat, practically a free-trader, but every principle known to economic man has been jostled out of position by the war and I find myself very much in hope that the Tariff Commission, while refraining from giving bonuses for service unperformed by the manufacturers of this country, will take care to see that they have an even start in the race for the commercial supremacy of the world."

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The suppression of industry under Bolshevism is supported by so much evidence that additional proof is hardly required, but in the Economic Supplement of the Review of the Foreign Press issued by the General Staff of the British War Office, there is an extract from the "Izvestiya," one of the two daily papers whose publication has been permitted in Moscow and which is edited by leading Bolsheviks. The statement, which deals with conditions last December, reads: "With a very few exceptions the great mass of our employees are inert, apathetic and unnerved, incapable of any initiative and creative labour. Socialisation and the requisition of the factories have led to absolute chaos in the timber and paper manufacturing industries.

How bad the workers' situation is, is shown by a resolution carried in Ivanov, which reads in part as follows: "Since the middle of June no bread has been issued in the government. The workers have not the strength to go on starving. We protest against the policy of the central power which has brought the working classes in this government to the verge of death by starvation."

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Contending that an unfair appropriation of Federal revenue is now raised in the United States through the taxation of personal and industrial corporate income, the special Committee on Taxation of the National Association of Manufacturers of the United States, says:-

"Your committee's investigations have convinced it that an unfair proportion of Federal revenue is now raised through the taxation of personal and industrial corporate income. We believe this to be not only an unfair but an unsound public policy, for, in addition to the unequal distribution of the tax burden by consolidating rather than distributing contribution to the support of the Government, it tends to relieve a vast proportion of our population of personal interest in, or concern about, the cost of Government or the system through which it is met. Direct contribution to the support of the revenue system interests every individual to the extent of his participation and emphasizes a responsibility of citizenship.

"Your committee observes, with concern, that the tendency established out of war-time necessity to rest the great burden of taxation upon personal and corporate income by direct excise threatens to continue and become crystallized into a peace-time policy. We believe that public and political attention should be earnestly and emphatically directed toward the imposition of sales, tariff and consumption taxes, which tend to operate upon expenditure, as well as income, are simple in operation and conveniently and inexpensively administered. This is particularly true of a well-devised non-cumulative sales tax."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 17

TORONTO, CANADA

June 10, 1919.

**FOR RELEASE** upon receipt

France is to increase its protective duties. The French Minister of Finance has laid before the French Parliament proposals for increased taxes, including ad valorem surtaxes on imports. Increased prices have resulted in a decreased percentage of protection by specific duties and the Minister's proposal calls for ad valorem surtaxes on manufactured goods to give the same relative protection as before the war. The import duties are mentioned as accompanying a progressive removal of the import prohibitions. The French import duties are nearly all specific in form and, as prices have advanced, the present rates represent a much lower ad valorem duty than before the war.

Mr. Roger Culver Tredwell, United States Consul at Petrograd, has forwarded to the Department of State at Washington a statement of his observations regarding Bolshevik rule. He says that he wishes to give, without prejudice, the result of observations made in the course of almost two years in Russia.

The effect of Bolshevism, he says, has been to replace the bureaucracy of the Czar by dictatorship of new and more ignorant oppressors of the Russian people.

The Bolshevik army, as a rule, lacking discipline, is feared and hated by the railway workers, who object to the policy of the present régime, and to the augmented number of minor officials with unnecessary functions. Discontent is found particularly among the lower classes, who are finding working conditions worse than before. Because of the valueless paper currency, the peasants have no incentive to produce crops beyond those necessary for their own immediate needs, and are willing only to exchange crops for manufactured articles.

Out of the total direct levy on incomes by the Federal Government, during the war, the agricultural community has been assessed for only about 54/100 of 1 per cent, or 1/184 of the total. Excluding the Business Profits War Tax, farmers have only been assessed for 3.88 per cent of the total of the entire assessment under the Income Tax Law.

Replying to questions put on the order paper by Sir Herbert Ames, Sir Thomas White has stated in the House of Commons that the aggregate assessment under the Income War Tax Act of 1917, of all persons giving their vocation as farmers or stock raisers was \$417,349.10. The total amount assessed on incomes under clause 4 of the Income Tax Act of 1917 was also returned as \$10,031,094.28. Nearly all of this amount represents taxation of personal income, for the reason that many companies which would otherwise be assessable for income under the Income War Tax Act are not so liable because of a larger assessment under the Business Profits War Tax Act.



In reply to a question regarding collections from the Business Profits War Tax, Sir Thomas White has given the following figures:-

1916-17.....	\$12,506,516.72
1917-18.....	21,271,083.57
1918-19.....	<u>32,970,061.81</u>

Total.....\$66,747,662.10

The actual assessment is larger than this total but the Minister stated that information as to how much remained for collection could not be supplied, as a number of returns were being held for adjustment.

From the figures given above, it is apparent that the non-agricultural population—and in reality the industrial interests of the country, exclusive of farmers or farmers' organizations—have paid in present income taxes, or are liable to pay, \$9,613,745.18 on personal income account, and \$66,747,662.10 in Business Profits War Tax, a total of \$76,361,407.28 as compared with a direct levy upon agriculturists, who represent approximately 50 per cent of our population, of only \$417,349.10.

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In view of Mr. Lloyd Harris's appeal for financial organization for the development of foreign trade, it is interesting to note that Mr. Paul M. Warburg, who is recognized as one of the ablest financiers in the United States, in an address before the Bond Club in New York endorsed the "investment trust" as the most desirable agency for dealing with the problem of financing foreign purchases in the United States. He suggested that investment houses all over the country might join in such a trust, which would purchase foreign securities, thus enabling American exporters to finance sales abroad. In turn the investment trust would offer the foreign, or its own, securities to the public in the United States. In this way not only would the problem of foreign credits largely be solved, but the American people would be encouraged to save and invest in sound securities.

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# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 18

TORONTO, CANADA

June 17, 1919.

**FOR RELEASE** upon receipt

The effectiveness of group organization in the development of foreign trade is indicated by the success of the recently organized "Biscuit and Confectionery Industries of Canada," which association includes ten Canadian firms engaged in the manufacture of biscuits and confectionery. To date business to the value of approximately \$750,000 has been booked, of which nearly \$700,000 is for the United Kingdom, and the balance for the West Indies and South American countries. The orders for England are all for confectionery, while those from South America are largely for biscuits but with some orders also for confectionery.

The Government of France has signed a decree approving the creation of a new French National Bank for foreign trade with a capital of 100,000,000 francs (approximately \$20,000,000). The new institution is designed to grant long-term credits to French importers.

The New York Journal of Commerce states that German machinery is being sold in Holland at prices with which the Dutch manufacturers cannot compete. The machines in question are made by Krupps and sold for less than cost price.

Mr. Frank A. Vanderlip, formerly President of The National City Bank, in an address before the Merchants' Association of New York City, said: "The nation which dominates the world will be the nation which solves the problem of industrial peace." To this end, Senator Edge, of New Jersey, has introduced into Congress a resolution calling for appointment of a Federal Commission to devise a policy of co-operation between the employing and employed elements of the United States. The resolution proposes that the Commission should report a plan for a permanent joint council with representation of these two elements for discussion of any and all subjects of individual and mutual interest to them. Under the plan the Commission would be composed of 8 members, 4 of them employers and 4 employees. It is proposed by the resolution that the Commission should be appointed by the President and that it should report its findings not later than January 1st.

The problem of providing long-term credits to European countries is now receiving greater attention in the United States than at any time since the armistice was signed. Mr. Eugene Meyer Jr., Managing Director of the War Finance Corporation, is about to leave for France to consider the problem, not only as head of the War Finance Corporation, but also as the representative of Hon. Carter Glass, Secretary of



the Treasury. A Washington despatch to The Wall Street Journal says that it is generally understood in Washington that Mr. Meyer is going abroad to advise a credit system. The despatch adds: "None of the bankers who have been abroad has been able to work out an adequate plan. The project is entirely too big for even groups of private interests. A credit consortium has been discussed but no conclusions have been possible."

Senator Owen, of Oklahoma, has suggested organization of a billion dollar corporation to extend long credits to those in Europe who are in need of facilities of this kind. His proposal is that the United States Government should be a member of the corporation and that the Government and the banks of the country together should provide half of the capital, while the remaining half should be obtained by private subscription. In the meantime, financial interests in New York, with the assistance of the Federal Reserve Board, are giving consideration to the formation of group export corporations for wheat, copper, steel, tobacco, and other American products similar to the organization for handling foreign sales of cotton. It is planned to give the group corporations the backing of a central securities corporation, which would draw its funds from the investing public, furnishing perhaps hundreds of millions of dollars to finance the shipment of raw materials to the countries lately at war, so that they may return to work and pay off their debts to the United States.

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There is an intimate economic relationship between agriculture and industry. Industrial Canada largely provides the market which absorbs between 80 and 85 per cent of the agricultural products of the Dominion. No less than 2,000,000 Canadians are directly dependent for their livelihood upon the continued prosperity of Canadian manufacturing establishments. In 1917 these establishments gave employment to 700,000 persons and paid over \$550,000,000 in wages and salaries. They represented an aggregate capital investment of \$2,772,517,680, and the value of their products was in excess of \$3,000,000,000.

Reports on specific industries now being issued by the Dominion Bureau of Statistics show that the iron and steel industry in 1917 provided a market for the products of other industries to the value of over \$200,000,000. It represented a capital investment of \$307,407,980. The total value of its products was \$400,385,086. It employed over 77,000 persons and paid \$78,737,983 in salaries and wages. So, the Canadian woolen manufacturing industry in the same year gave employment to over 25,000 persons, produced goods to the value of over \$578,000,000, and represented a capital investment of \$64,472,747.

Special reports published by the pulp and paper industry for the last year show that it represented a total capital investment of \$186,000,000, employed 25,000 persons, and paid \$20,500,000 in wages.



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

No. 19

June 24, 1919.

**FOR RELEASE** upon receipt

The salient features which constitute the programme of Bolshevism as it exists to-day in Russia are summarized as follows by the Overman Committee of the United States Senate which has just issued its report on German Propaganda and Bolshevism:-

- (1) The repudiation of democracy and the establishment of a dictatorship.
- (2) The confiscation of all land and the improvements thereon.
- (3) The confiscation of all forests and natural resources.
- (4) The confiscation of all live stock and all agricultural implements.
- (5) The confiscation of all banks and banking institutions and the establishment of a State monopoly of the banking business.
- (6) The confiscation of all factories, mills, mines, and industrial institutions and the delivery of the control and operation thereof to the employees therein.
- (7) The confiscation of all churches and all church property, real and personal.
- (8) The confiscation of all newspapers and periodicals and all mechanical facilities and machinery used in the publication thereof.
- (9) The seizure and confiscation of all public meeting places and assembly halls.
- (10) The confiscation of all transportation and communication systems.
- (11) The confiscation of the entire estate of all decedents.
- (12) The monopolizing by the State of all advertisements of every nature, whether newspapers, periodicals, handbills, or programmes.
- (13) The repudiation of all debts against the Government, and all obligations due the non-Bolshevist elements of the population.
- (14) The establishment of universal compulsory military service regardless of religious scruples and conscientious objections.
- (15) The establishment of universal compulsory labor.
- (16) The abolition of the Sunday school and all other schools and institutions that teach religion.
- (17) The absolute separation of churches and schools.
- (18) The establishment, through marriage and divorce laws, of a method for the legalization of prostitution, when the same is engaged in by consent of the parties.
- (19) The refusal to recognize the existence of God in governmental and judicial proceedings.
- (20) The conferring of the rights of citizenship on aliens without regard to length of residence or intelligence.
- (21) The arming of all so-called "toilers," and the disarming of all persons that have succeeded in acquiring property.
- (22) The discrimination in favor of residents of cities and against residents of the rural districts through giving residents of cities five times as much voting power as is accorded to residents of rural districts in such elections as are permitted.
- (23) The disfranchisement of all persons employing any other person in connection with their business.
- (24) The disfranchisement of all persons receiving rent, interest, or dividends.



- (25) The disfranchisement of all merchants, traders, and commercial agents.
- (26) The disfranchisement of all priests, clergymen, or employees of churches and religious bodies.
- (27) The denial of the existence of any inalienable rights in the individual citizen.
- (28) The establishment of a judicial system exercising autocratic power, convicting persons and imposing penalties in their absence, and without opportunity to be heard, and even adopting the death penalty for numerous crimes and misdemeanors.
- (29) The inauguration of a reign of fear, terrorism, and violence.

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The Overman Committee of the United States Senate on German Propaganda and Bolshevism says that if the Bolsheviks secured control of the United States as they have of Russia, millions of farmers would be deprived of the right of participation in the affairs of government and substantial elements of the rural population would be subjected to special repression and restrictions. "Under the revolutionary formula the voting power of the cities would be five times as great as that of the rural communities, the ratio of the representation in cities being 1 to every 25,000 of the population, while that of the rural districts would be only 1 to every 125,000 of the population. In the United States the rural population under the 1910 census was considerably in excess of the urban. We must also remember that the application of the formula would include the disarming of all disfranchised classes and the arming to the teeth of the criminal and alien elements. "It would result in the confiscation by the Government thus constituted of the land of the United States including 6,361,502 farms, of which 62.1 per cent, or 3,948,722 farms, are owned in fee by the farmers who cultivate them and represent the labor and toil of a life-time. On the farms of the United States there are improvements, machinery, and live stock to the value of \$40,991,449,090, (census of 1910), all of which would be confiscated with the land."

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"Bolshevism accords to the family no such sacred place in society as modern civilization accords to it. Conflicting reports have been passing current during the last few months relative to the nationalization of women by the new Russian Government. Two or three local Soviets have apparently thus degraded the womanhood of their particular districts, but the central Government has refrained from adopting any such policy in the whole nation. They have, however, promulgated decrees relating to marriage and divorce which practically establishes a state of free love. Their effect has been to furnish a vehicle for the legalization of prostitution by permitting the annulment of the marriage bonds at the whim of the parties, recognizing their collusive purposes as a ground for the severance of the matrimonial state."

—Report of the United States Senate Committee on German Propaganda and Bolshevism.

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"One of the most appalling and far-reaching consequences of an application of Bolshevism in the United States would be found in the confiscation and liquidation of its life insurance companies... Almost 50,000,000 life insurance policies, representing nearly \$30,000,000,000 of insurance, the substantial protection of the women and children of the nation, would be rendered valueless."

—Report of the United States Senate Committee on German Propaganda and Bolshevism.

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"Complete control of all banking institutions and their assets is an essential part of the (Bolshevist) revolutionary programme, and the 31,492 banks in the United States would be taken over by the Government and the savings of millions, including 11,397,553 depositors drawing interest on accounts in savings banks, and consequently belonging to the so-called bourgeois or capitalistic class, jeopardized."

—Report of the United States Senate Committee on German Propaganda and Bolshevism.

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# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

July 2, 1919.

NO. 20

**FOR RELEASE** upon receipt

The protectionist movement in Great Britain is reflected in British financial methods. The United States Commissioner in London in a report to the Department of Trade and Commerce at Washington says that the present British financial policy, as reflected in the maintenance of the embargo on gold exports, removal of restrictions on the issuance of capital for domestic enterprises and removal of the peg in sterling exchange in New York, "indicates a policy of extreme caution, of protecting bank reserves at home, and of providing ample credit for industry as against the former policy of maintaining at all cost British supremacy in world finance by the maintenance of sterling exchange at par, and of maintaining the cheapest commodity market in the world by preventing an expansion of the currency, which would raise the price of goods." The Commissioner adds: "We have, in other words, a reflection on the financial side of the protectionist sentiment, which has been developed in the country and which may be necessary at this critical time in British history, but which is none the less a departure from British traditions of free trade, free gold movements, and control of world finance and world trade by the maintenance of world markets through the policy of lowest world prices."

The industrial awakening of the West is an outstanding fact of the reconstruction period. Both Manitoba and Alberta have established machinery to promote industrial expansion. Last April Western members of the House of Commons organized a Natural Resources Committee which will probably develop into a permanent body, and now they are active in promoting development of the Pacific trade routes. They want a commission appointed by the Government for this purpose and they have created a special committee consisting of the following members to press their views upon the House and the Country: G. W. Allan, Winnipeg; H. H. Stevens, Vancouver; Dr. F. S. Tolmie, Victoria; Dr. W. D. Cowan, Regina; and W. A. Buchanan, Lethbridge. Mr. M. A. Brown, Mayor of Medicine Hat and President of the Alberta Industrial Development Association who has been the leading spirit in promoting the Alberta Industrial Congress which is to be held in August, has been active in the movement for development of the Pacific trade routes and is warmly supporting all efforts towards Western industrial expansion. Arrangements for the Industrial Congress are now well advanced. Speaking of this Congress at a recent dinner at the Palliser Hotel, Calgary, the President of the C. P. R. said: "I wish to assure you that, in my opinion, this is one of the most advanced steps ever taken in the West....Nothing could do more to arouse public support toward the end of industrial expansion here and in attracting the manufacturer from elsewhere and interesting him in your great natural advantages....Nothing will provoke a better feeling than a knowledge on the part of the East of the conditions obtaining in the West and a knowledge of the people of the West of conditions in the East." Fully twenty thousand invitations have already been sent out to business and financial men in Canada and



the United States to attend the Congress, and arrangements are being completed for what will undoubtedly be an outstanding event in the industrial history of the Dominion.

There has been frequent official testimony to the industrial stagnation in Russia. Concerning this ruination of industry, the Overman Committee of the United States Senate, which has just completed its investigations into German propaganda and Bolshevism, says: "Confiscation, under the milder term of nationalization, has eliminated from all industrial establishments such as factories, mills, and mines the business acumen and scientific methods necessary to successful operation and competitive methods. This has been followed by the stagnation of the industrial life of the country, and even those nationalized industries which have been able to operate under Government control have operated at an enormous percentage of loss, the deficiencies being met from the unlimited issue of fiat paper money printed by the Government. The nationalization of the enterprises essential to the production and delivery of raw materials has so handicapped their production as to restrict the quantity of raw materials available for the maintenance of industrial enterprises, and the whole economic condition of Russia has made it impossible to secure relief from foreign sources."

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"The apparent purpose of the Bolshevist Government is to make the Russian citizen, and especially the women and children, the wards and dependents of that Government. Not satisfied with the degree of dependency incurred by the economic and industrial control assumed by its functionaries, it has destroyed the moral obligation of the father to provide, care for and adequately protect the child of his blood and the mother of that child against the misfortunes of orphanhood and widowhood."

—Report of the United States Senate Committee on German Propaganda and Bolshevism.

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The formation of a huge investment trust or debenture company for the provision of credits to European Governments is proposed by Mr. H.P. Davison of the J. P. Morgan Company of New York. He suggests that such an organization, including banking institutions and private bankers in all parts of the United States, should purchase the obligations of foreign Governments and sell its own debentures to the American public. It is further proposed that loans might be advanced to other public borrowers of Europe, such as municipalities and government-owned railroads. For financing European industries and other private borrowers, Mr. Davison proposes that industrial concerns in the United States engaged in the same line of manufacture might organize themselves into associations, each group financing the sale of its products to corresponding industrial groups in Europe.

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# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

No. 21.

July 8, 1919.

**FOR RELEASE** upon receipt

Condemning Bolshevism, at the third annual conference of the National Democratic and Labor Party (British Workers' League), Mr. J. A. Seddon, M. P., President, said that the primary function of the party was national reconstruction. Two things were essential to the realization of the progress they sought—the declaration of a principle and its incarnation in action. The principle underlying their programme recognized the people—not a section, however powerful—but all classes forming the nation. The sovereignty of selfishness spelt despotism or anarchy. The sovereignty of democratic rule must transform social wrongs and conform to the undying elements in human nature—love of country, liberty, association, the family, and personal rights—otherwise it had neither value nor meaning. Revolution in a democratic State was the apex of insanity, the reflex of weakness, and the instrument of intellectual and self-seeking bullies. They stood resolute and immovable against the Bolshevik madness of Russia or their would-be imitators here. Equally they sought to resist and destroy the social cancer of undeserved poverty, the blight of undeveloped childhood, whether of mind or body, the gaunt spectre of old age in want through ill-requited toil.

The Industrial Protection League has been inaugurated in Melbourne under the patronage of Mr. W. A. Watt, acting Prime Minister. "The policy of the League," according to the Sydney correspondent of the London Times, "predicates high protection, its general purpose being set out as that of bringing to bear upon Parliament such pressure of public opinion as will compel the Legislature to give Australian producers command of their own domestic markets and facilitate the development of a great export trade and of supporting candidates who will vote for an efficient protective tariff to Australian industries, especially key industries, which will make Australia as far as possible independent of external supplies."

The 1917 statistics of Canadian manufacturing industries which are being issued by the Dominion Bureau of Statistics, Ottawa, provide convincing evidence of the national value of industrial development and are timely in view of the tariff agitation which tends to conceal the close economic relationship between farm and factory.

The last census of Canadian manufactures in 1917, shows that the 34,380 manufacturing establishments in the Dominion represented an aggregate capital investment of \$2,772,517,660. These establishments gave employment to 700,000 persons, and paid over \$550,000,000 annually in wages and salaries. The value of their products was in excess of \$3,000,000,000, of which \$1,602,820,631 represented the cost of materials used and \$1,412,686,238 the additional value given to the products by manufacturing processes.

In the case of specific industries, the iron and steel industry in 1917 provided a market for the products of other industries to the value of over \$200,000,000. It



represented a capital investment of \$307,407,980. The total value of its products was \$400,385,086. It employed over 77,000 persons and paid \$78,737,983 in salaries and wages. So, the Canadian woolen manufacturing industry in the same year gave employment to over 25,000 persons, produced goods to the value of over \$78,000,000, and represented a capital investment of \$64,472,747. Statistics of the milling industry, which have just been issued by the Dominion Bureau of Statistics, are as follows:-

FLOUR AND GRIST MILL PRODUCTS, 1917.

Number of Establishments	No.	1,098
Capital	\$	72,573,982
Employees on Salaries	No.	1,486
Salaries	\$	1,953,695
Employees on wages	No.	5,428
Wages	\$	4,339,102
Cost of Materials	\$	183,586,936
Value of Products	\$	224,191,735

The Canadian pulp and paper industry in 1917 represented a total capital investment of \$186,000,000, employed 25,000 persons, and paid \$20,500,000 in wages.

The Canadian milling industry in the same year gave employment to 6,914 persons, paid \$6,292,797 in salaries and wages, and represented a total capital investment of \$72,573,982, while the total value of its products was \$224,191,735. The figures given above for specific industries afford striking testimony to the national value to Canada of industrial development. Over 2,000,000 Canadians are directly dependent for their livelihood upon the continued prosperity of Canadian industries.

Advocating development of the home market, imperial preference, and trade within the Empire, Mr. Hughes, the Australian Prime Minister, speaking on home markets and Imperial ties at a luncheon of the British Empire Producers' Organization in London, said:-

"How can the Empire make for the men who saved it a place worthy of them if it has not control of its own trade and industry? The workers demand, and rightly, their place in the sun, better wages, better conditions of labor. But how are these things to be assured unless the Empire has a policy which will ensure the development of its great resources in raw materials, ensure trade for its mercantile marine, and such control of its home markets as to ensure employment for its own people? There are the home markets and the foreign markets; both are good, but the foreign market without the home market is like a house built upon quicksands—it cannot endure. That nation which has a policy which ensures its home markets for its own producers is best equipped for the intense competition that will most certainly exist in the foreign markets. Organization is essential to success in modern industry and commerce. Effective organization is impossible without some control of the home markets. And Germany is still the best organized country in the world.

"Nothing is more certain than that unless a definite policy is adopted that will give British manufacturers a preference in the home markets and to the Oversea Dominions a larger market within the Empire for their raw materials—not only will Imperial trade suffer, but the Empire itself will tend to disintegrate, for the surest tie is that of mutual self interest. The Dominions must develop their great heritage, and to do this they must find regular and profitable markets for an ever-increasing supply of raw materials."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 22.

TORONTO, CANADA

July 15, 1919.

**FOR RELEASE** upon receipt

The Canadian agricultural implement industry represents an invested capital of \$80,000,000, employs over 20,000 persons, and pays \$20,000,000 in wages and salaries annually. In a recent address to the farmers of Huron County, Mr. Thomas Findley, President of the Massey-Harris Company, said:-

"We could make implements in Canada under free trade, but to make as much money we would have to remove part of our industry to another country. That removal I do not wish to contemplate, because it means the enrichment of another country at the expense of this. As to this the manufacturer also pays duty. But if we were to say on that account we want to go to the other country and ship the finished articles from there, though we should make as much money under free trade in this country, it would mean first putting the industry upon the other side of the line. It would mean putting the people who make their wages in the industry on the other side of the line. The capital and the employment would go out of Canada. That is what is involved by the attack upon the tariff on the claim that it affords protection to particular industries."

The St. Louis Chamber of Commerce has approved a plan for formation of a million dollar corporation to build homes for sale on time payments to men working for wages or salary.

By Presidential decree dated June 14th, customs duties on goods imported into France and Algeria have been increased by ad valorem surtaxes, payable in addition to the specific rates fixed by the customs tariff. These surtaxes apply to 411 different items in the French tariff, including a large number of manufactured articles, but not to food products, raw materials and other items of which France is in need and the importation of which would not interfere with French industry. Textile products, including yarns, threads and tissues, are omitted from the schedule and no immediate increase in the duties on such imports is established, as importation of textile products continues to be subject to strict regulation.

The surtaxes are upon the value of the imports at the time and place of clearance through the French customs, but not including the import duties. They range from 10 to 40 per cent ad valorem as an addition to duties under the general tariff and from 5 to 20 per cent ad valorem in cases of imports to which the minimum tariff is applicable.

Introducing into the French Chamber of Deputies the bill providing for increased duties M. Klotz, the Minister of Finance, said:

"The re-establishment of commercial freedom, which must be as complete and rapid as possible, renders an examination of the customs tariff absolutely necessary. The customs duties laid down in the minimum tariff for manufactured articles were calculated so as to represent for our industries



a compensation for the excess charges which they bear as compared with their foreign competitors. But owing to the considerable increase in the price of goods, these duties have to a large extent lost their value and cannot, therefore, any longer fulfil the duty of protection for which they were established."

The situation is more easily understood when it is remembered that the French import duties are nearly all specific in form and that they were adopted at a time when the average prices were much lower than at the present time and when the duties were equivalent to a higher proportion of the actual value of the goods.

Canadian and British products may still be imported into France under the French minimum tariff and as the surtaxes applicable to such imports are less than under the general tariff which applies to imports from the United States, the effective preference to Canada on certain goods is slightly increased. The commercial convention between Canada and France terminates on September 10, 1919, however, unless renewed, and it is expected that any extension at the present time will only be of a temporary character.

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The final report of the Cost of Living Committee is an interesting and instructive document. The Committee, which held forty-eight sessions and examined witnesses relative to a wide range of commodities, including such necessities as meat and meat products, butter, eggs, flour, groceries, clothing, boots and shoes, and fuel, came, among others, to the following important conclusions:-

1. That so far as your Committee are able to discern no material reduction in the cost of such commodities as above indicated can be expected, except by increasing the volume at a lower cost of production or by lowering the cost of distribution.

2. Your Committee do not presume to say that there are no cases of undue inflation in prices, or of profiteering, but in the main it was their opinion that, having in mind the service which the consuming public demand, the margin between the actual cost of production and what the consumer pays for such commodities is reasonably narrow.

The report of the Committee should have the widest possible circulation, not only because of the sound economic reasons which determined the Committee's conclusions, but because of the equally sane remedy advised for correcting present conditions. The Committee says:-

"Get our men back into productive industry as rapidly as possible. Every war in the past has resulted in greatly increased prices of commodities and the only way in which nations have been able to rehabilitate themselves in the post-war periods has been by intensive application to productive industry. Having said this, your Committee do not feel that they should leave the subject without strongly urging what they consider to be the paramount necessity at the present time, namely: the need of getting our people to see the situation as it is. Canada must get more men into productive activity if our people are going to cope with the conditions now confronting them. Your Committee desire to emphasize the need of united effort in order to restore the waste of the last five years so that Canada may be brought back to normal conditions. In the final analysis the solution of the whole problem rests in a willingness on the part of all the Canadian people to seize and make use of the splendid opportunities before them."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 23

TORONTO, CANADA

July 22, 1919.

**FOR RELEASE** upon receipt

Representative Young of North Dakota, a Republican and a member of the Ways and Means Committee of the House of Representatives to which tariff legislation is referred, has introduced a bill in Congress repealing the Reciprocity Act of 1911 and the reciprocal provisions in the Underwood tariff law dealing with wheat and potatoes. Automatically, under the Underwood law, the tariff on wheat, wheat flour, semolina, and potatoes, from Canada into the United States, was removed when the Dominion put like American products on the free list. Mr. Young now proposes to repeal the following two sections of the Underwood law which places certain articles on the free list:-

"Paragraph 581. Potatoes and potatoes dried, dessicated or otherwise prepared, not specially provided for in this section; provided that any of the foregoing specified articles shall be subject to a duty of 10 per centum ad valorem when imported directly or indirectly from a country, dependency or other sub-division of government which imposes a duty on such articles imported from the United States."

"Paragraph 644. Wheat, wheat flour, semolina and other wheat products, not specially provided for in this section; provided that wheat shall be subject to a duty of 10 cents per bushel, that wheat flour shall be subject to a duty of 45 cents per barrel of 196 pounds, and semolina and other products of wheat, not specially provided for in this section, 10 per cent ad valorem, when imported directly or indirectly from a country, dependency or other sub-division of government which imposes a duty on wheat or wheat flour or semolina imported from the United States."

"Farmers of the northwest are against reciprocity with Canada," Mr. Young said. "With a guaranteed price for wheat this year the wheat growers, of course, will not suffer from free Canadian wheat. But next year when the government guaranty expires it will make a lot of difference whether Canada can ship wheat into this country free of duty."

"With an open market free wheat from Canada, provided a surplus crop is grown in that country, might force down prices greatly to the disadvantage of our northwest farmers."

Potato growers are as much interested in the repeal of reciprocity as the wheat farmers, Mr. Young said.

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In the interests of Canadian industry the final report of the Cost of Living Committee should receive wide circulation. The public inquiries of the Committee were so conducted that a premium was placed upon sensational evidence and the proceedings were more calculated to excite popular clamor than to enlighten the public on either the economic reasons for present living costs or the real facts of Canadian industry. The final report constitutes a general vindication of Canadian manufacturers against charges of profiteering. On the question of the spread between the base costs and what the consumer pays, for instance, the Committee, which investigated the prices of



such necessities as meat and meat products, butter, eggs, flour, groceries, clothing, boots and shoes, and fuel, finds that "while there may have been isolated cases of undue profits and other cases where poor business methods have resulted in high prices, on the whole the business has been carried on a margin of profit reasonably close to actual cost.

"In the abattoir and packing house business, we find that while without question the large companies are making a lot of money in the aggregate, they are doing this because of the efficiency of their methods and their large turnover, and not because of excessive profits on the commodities themselves.

"The gross margin covering cost of milling and the profits made is about four-fifths of one cent a pound of flour while the net profit averages about one-tenth of one per cent. To illustrate what this means it has been shown that a reduction of ninety cents on a barrel of flour would make a possible reduction of one-half cent a loaf on a one and one-half pound loaf of bread, so that if all profits in this business were wiped out the possible reduction would be less than one-tenth of one cent on a one and one-half pound loaf of bread.

"The same applies to dairy products and eggs. In the case of butter your Committee find that the creameries are taking cream from the farmers and manufacturing it into butter at a gross cost of from  $3\frac{1}{2}$  to 6 cents a pound, varying according to locality and the distance the cream has to be hauled. This cost covers transportation charges, manufacturing costs, boxes, marketing and any possible loss in collection. In this respect the evidence shows that one creamery only made any profit at all and that was a very narrow one.

"Your Committee also enquired into the question of cornering the market and in this connection it was found that no such thing prevails. There is direct and keen competition and any man having the money and wishing to do so can purchase direct from the producers any commodity he wishes, one case of eggs or one box of butter, etc., as the case may be. The same applies to meat products. Markets are wide open. Any butcher or retailer or consumer can compete in the open market with those who are engaged similarly.

"In the case of the retailer your Committee have found the spread to be greater, with varying results, showing undue high prices in isolated cases only. But here again, as in the case of foodstuffs, the operations are carried on on a margin close to the actual cost. In this connection the consuming public have it in their power to reduce the cost from 5 to 16 per cent by using some of the cheaper grades of meat products or being satisfied with a less expensive service."

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Mr. Lloyd Harris, Head of the Canadian Trade Mission in London, has warned Canadian industrial and financial interests that further development of export trade with France, Greece, Roumania, Belgium, Italy, and Serbia, depends upon their own initiative and ability. He has stated that Government credits cannot be extended indefinitely and that interests concerned with foreign trade should create their own financial and industrial machinery. Numerous Canadian industrial groups have already been formed but no solution of the financial problem has yet been offered.

In the United States much the same situation prevails. The Guaranty Trust Company of New York states that discussion of the question of financing Europe during the reconstruction period seems at the moment to have centred upon the formation of a central organization embracing both financial and industrial interests through the various sub-divisions of which all arrangements for supplying machinery, raw materials, and other products needed by Europe would be made.

In Canada there is immediate need for the establishment of adequate foreign trade machinery and the American proposal for a central financial and industrial organization merits attention.

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# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 24

TORONTO, CANADA

July 29, 1919.

**FOR RELEASE** upon receipt

Under the title, "Patronize Home Industry," the Western Committee of the Canadian Reconstruction Association has issued the following appeal for support of the home market:-

"In Patronizing home industry, we help the laboring man and protect the home capital that is invested. A thing that keeps any town backward, is the man who wakes up at the alarm of a clock made in New England States and buttons his New York pants to a pair of Buffalo suspenders; puts on a cowhide tanned pair of shoes made in St. Louis, shaves with a Connecticut safety and dries on a cotton towel made in Pennsylvania; sits down to a Grand Rapids table on a chair made in Chicago, and butters his bread with Australian butter with a Boston-made knife and eats Kansas City bacon and Minnesota grits fried in American lard, cooked on a Detroit stove, and has a dessert of California fruit seasoned with spice made in St. Paul, after which he slips into a New York raincoat and claps on a wool hat made in Philadelphia, and goes down in an Ohio automobile and finds the office boy dusting his office furniture, made in Illinois. He fills his Rhode Island pipe with tobacco put up in Georgia. He starts to business and wonders why local trade is quiet; goes home at night and gets into a foreign-made bed, and the only thing local he gets is the bark of the street dog, after which he concludes that the town is not a good place to live in and do business in."

There is ignorance of economic laws in much of the present discussion on living costs. High prices are due, primarily, to decline in production throughout Europe and to industrial destruction and dislocation in five years of war. Writing in the Christian Science Monitor, Mr. Paul T. Cherington, professor of marketing in the Graduate School of Business Administration of Harvard University, presents the following short but interesting review of recent price tendencies:-

"The price section of the War Industries Board found, from investigations completed in Washington during the war, that wholesale prices of some 90 commodities in this country advanced during the first two years of the war roughly 40 per cent. In the last two years there was an abrupt movement upward until prices stood generally at a point nearly 150 per cent higher than the five years' pre-war level. It is interesting that figures for the Civil War correspond very closely. The advance for the first two years of that conflict was about 40 per cent, but in the last two prices shot up to approximately the same point they reached in the world war just ended.

"After the Civil War it required seven years for prices to get back to the figures they reached after two years of war, that is, to the 40 per cent advance. Wages, which had lagged in the upward movement of prices, likewise lagged in the decline."

As Bolshevism has wrought the destruction of industry, so its adherents have terrorized the working classes as well as the bourgeoisie in Russia. Starving, destitute, and naked, the working men of Vilna are now in revolt against "the dangerous and vicious elements of all nationalities and from all over Russia," who "have gained



complete ascendancy." The plight of the workmen and ex-workmen of Vilna is revealed in a letter to the President of the Council of the People's Commissaries for Litvia in which the President is asked to give the necessary instructions "to ameliorate the perfectly impossible conditions under which we are eking out our miserable existence."

"We get no bread on our coupons, and we cannot buy any clothing, and are therefore, for some unknown reason, condemned by a so-called working-men's Government to death from starvation and exposure; our wives and children are starving and in rags, while our enemies in this town exude complacency and self-satisfaction and are wallowing in food and luxuries and obviously derive considerable satisfaction from our miserable plight. We are the victims of a regular bacchanalia of speculation, which puts bread, clothing and every commodity of primary necessity far beyond our reach, and which is indulged in by every member of the community who has two forty-rouble notes to rub together, while the Government officials are far and away the worst off....

"Such a state of things can no longer be borne. Call us counter-revolutionaries, call us brigands, and place us outside the pale with a price on our heads. Do anything you like. It will have no effect. The time has come when we must interfere and must punish our oppressors for the wrong done us. Our patience, which has been tried daily for the last four years, has now come to an end, and our day of reckoning will be terrible to look upon....

"Starving, destitute and naked, we welcome death as a merciful release, but we shall take care that the outer world will know beforehand why we died. For the death to which we are condemned, we shall repay with death. We repeat, the culprits are known to us, and we shall be merciless. We are stricken with hunger, and they will die at our hands."

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Commenting on conditions in the southern cotton plantations, the W. J. Wollman & Company Review (New York) says: "Southern planters complain that although they are paying as high as \$5 per day to negro cotton choppers they are not getting as much work done as when their daily wage was less than a dollar. Yet these same farm hands go to the fields wearing twelve-dollar shoes and think nothing of working in silk shirts costing \$10 dollars apiece. The remedy for the high cost of living is more work—efficient, earnest work—and less extravagance. The fault lies with ourselves rather than the 'beef trust' or any other trust."

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The Cost of Living Committee of the House of Commons which found no justification for the sweeping charges of profiteering made against Canadian manufacturers, was also unable to discover any foundation for reiterated complaints of hoarding. In its final report the Committee says:-

With reference to the question of hoarding, your Committee had the records of the Cost of Living Branch of the Department of Labor, together with the evidence given before the Committee, and it was found that there were no instances of anything that could be legitimately termed as hoarding. During the past six months, it is true, there was in storage in Canada a large quantity of frozen beef. This, however, was a product prepared for the British Food Commission, having been ordered by that Commission before the signing of the Armistice and being held in storage subject to shipping instructions and not being a commodity marketable in Canada to a limited degree."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

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No. 25

August 5, 1919.

**FOR RELEASE** upon receipt

In a special article in the Christian Science Monitor on "The Economics of 'Bolshevia,'" much space is given to the decision of the Russian Government to partly nationalize agriculture as it has already nationalized industry. The writer quotes from a speech of Lenin on May 3, that "the Soviet Government has only one fundamental economic difficulty--it cannot get food." The peasants refuse to sell their surplus rye and wheat for paper roubles with which, in view of the lack of manufactured goods, they can buy nothing. As there is no incentive to plough and sow, no surplus food supplies are being produced and an enormous area of land is uncultivated. The official Bolshevik newspapers say that of the land seized from private proprietors after the Bolshevik revolution of November 1917, no less than 8,100,000 acres will not be tilled this year, and there are 4,500,000 acres more of derelict land owned by the peasants as individual proprietors or by the peasant communes collectively.

The Government has now passed a new law, "for the increase of the acreage under seed," by which the State is enjoined to cultivate all land which in the Spring of 1919 was not ploughed by its present owners. For this purpose a complete bureaucratic organization has been created on paper which closely resembles the existing organization of industrial nationalization. Each district soviet is to be applied to for the necessary labor, and the district soviet will recruit--that is, conscript--workers. In particular, all unoccupied "bourgeois" will be compelled to plough, sow, and reap. "The State," says the correspondent of the Christian Science Monitor, "will take all the crops for the support of its officials and Red Guards; and Bolshevism, it is proclaimed, will henceforth be independent of the sulking peasants, and will in fact profit from their sulking; for the less land they cultivate, the larger will be the acreage which will fall to the nationalizing State."

"This is by far the most grandiose nationalization scheme yet projected by Bolshevism. Its defect is that it is adopted as a pis aller; that is, only after other nationalization experiments have failed; and therefore without much faith. The Bolshevik newspapers, Pravda and Krasnaya Gazeta, both criticize the scheme, and plainly imply that it will fail. The Pravda's argument is as follows: If nationalization of industry, which on April 1 embraced 1342 large undertakings, had proved a success, nationalization of farming would not have been necessary. The nationalized industries would be producing sufficient and reasonably cheap manufactured goods; and for these the peasant farmer would willingly sell his grain, and eagerly increase his output of foodstuffs generally. This would have been the obvious course. 'But the Soviet organization unluckily failed to make a success of industrial nationalization; therefore it gets no food; and to remedy this it now aims at producing food itself. But can one believe that our bureaucrats, who have failed to manage our industry, will succeed in the far more alien task of managing our agriculture?'

"This is a typical comment. Some Soviet newspapers laugh openly at the 'colleges' and 'chancelleries' as the climax of bureaucracy; and the Menshevist Vsegda Vpriod declares that the soviets should instead have concluded agreements with the farmers



binding them to till all their land and offering them something concrete in exchange. This was not done, says Vsegda Vpriod, because Bolshevism boycotts the successful small farmer, who is regarded as a 'little bourgeois,' and as a worse foe than the capitalist. In particular this is the view of Lenin, who never ceases denouncing the peasant of medium prosperity as a usurer, or as Russians say, 'a fist,' and who exalts the landless farm hands and the more idle and improvident of the peasant proprietors as genuine proletarians."

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The Chairman of the Senate Banking Committee of the United States Congress has made a favorable report on the bill of Senator Edge, providing for organization of American corporations to extend credit to foreign countries for purchases in the United States. The bill proposes not only to give such corporations the right to exercise ordinary banking functions but also allows them to advance money to foreign purchasers on security. In financial circles the proposal, according to The Wall Street Journal, is regarded in a large measure as meeting the difficulties of financing export business. A bill has also passed the Senate giving national banks of the United States the right to invest up to five per cent of their paid-in capital and surplus, until January 1, 1921, in such corporations.

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As a result of the French decree of July 8, abrogating that of June 14 relating to ad valorem surtaxes on imports, increases in French protective duties will range as high as 200 per cent. The decree of July 8 establishes for each article an advance in the tariff rate representing the percentage increase in value of the goods from 1913 to 1918. A periodic revision of the duties, based on the difference between prevailing prices and those obtaining before the war, will be made by an interministerial commission which has yet to be named. Under the new arrangement, French import duties will be specific in form, except for a few products subject to ad valorem duties previously.

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Gustave Francq, editor of The Labor World, who has made a close study of the facts for and against Bolshevism, has issued a pamphlet entitled, "Bolshevism or Trades Unionism, Which?" Mr. Francq declares that Bolshevism could only find root among illiterate multitudes such as are found in Russia, and that while it represents liberty in its widest form for one class of the population, it means complete oppression for the others. He points out that in Russia production has been demoralized, free speech has been suppressed, and personal liberty is no longer recognized.



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

No. 26.

August 12, 1919.

### FOR RELEASE upon receipt

The recent speech of Mr. George M. Young, Representative from North Dakota, during the debate in the Congress of the United States on the bill to repeal the Reciprocity Act indicates that the agriculturists of the United States are moving for higher protection of their products against Canadian competition and that their demands relative to the tariff are based wholly upon consideration of their own situation.

Mr. Young said in part: "The Underwood law did not get well under operation before the European war began. The conditions created by that war have acted as a high protective tariff. When we get back to peace conditions....the American farmers will raise a howl which, by comparison, will make the roar of protest against Canadian reciprocity seem like a feeble murmur. In other words, when the farmers really find out that the Underwood law lets down the bars as to agricultural products to a much greater extent than Canadian reciprocity, they will throw the men responsible for it higher than they did Mr. Taft."

At the request of the Honorary Advisory Council for Scientific and Industrial Research, the Dominion Bureau of Statistics has completed a special survey and directory of Canadian chemical industries. The chemist in charge was Mr. S. J. Cook, B.A., A.I.C., who has introduced the report with a summary of war-time enterprise and accomplishment which must rank as a proud chapter in the development of Canadian industry. Mr. Cook refers to the construction at Shawinigan Falls, Quebec, of one of the largest power reservoirs in the world, second only to the great dam at Gatun. A city with great industries has grown up at Shawinigan and there the world's largest glacial acetic acid plant was built for war purposes, an entirely new process beginning with acetylene having been developed. Other important chemical products of the highest grade are being manufactured there, while two plants at Shawinigan are producing aluminium.

Mr. Cook reports that salicylic acid and its derivative, aspirin, are now made in Canada, as are many other chemicals. New disinfectants, closely resembling former German products, are appearing from Canadian factories. Mr. Cook enumerates a large number of other chemicals which are now being produced in Canada for the first time in commercial quantities. He also tells of the expansion in lines of production which, before the war, were comparatively undeveloped.

But public support is essential if this progress is to be maintained. War demands built up in Canada a number of large industries employing thousands of workers and unless many of these factories can find peace-time uses for their products much of the advantage will be lost. Already many of the plants operated by the Imperial Munitions Board have been closed and, in some instances, dismantled, but there remain many plants in the chemical field which are still operating and there is room for others. Mr. Cook points out that "in every land where an industry of national importance is to be built up, the people must be educated to its importance and value."

Following is an extract from a letter from one of Canada's foremost bankers:

"Our great endeavor should be to prepare for the new era in the world trade by conserving our capital, supplying to a greater extent the needs of our home



market, and increasing the production of those articles of which we have a basic supply of raw materials. The immigration of skilled artisans and practical farmers should be encouraged, and United States capitalists induced to invest in our securities. We can only attract this capital by demonstrating our ability to help ourselves and much depends upon the success of our projected loan."

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The National Economic League, with headquarters at Boston, has issued a report on the labor problem, as stated in a number of questions drafted under the supervision of a special committee of its members. The opinions of the members were indicated by answers "yes" or "no" as follows:-

Is readjustment in industrial relations essential to American prosperity? Yes, 57; No, 3.

Should employees share in the profits of industrial undertakings? Yes, 46; No, 4.

Should there be a general acceptance of union recognition? Yes, 42; No, 11.

Should there be active participation by employees or representatives of employees in all problems of management, affecting the worker? Yes, 48; No, 7.

Should the open shop principle prevail in American industrial life? Yes, 43; No, 8.

Should trade unions be incorporated? Yes, 39; No, 14.

Should public employment offices be established by the Federal Government and co-ordinated throughout the country? Yes, 45; No, 12.

Is there need for a Federal Industrial Tribunal to assume jurisdiction in dealing with potential and actual strikes? Yes, 41; No, 8.

Should women be given equal opportunities and equal pay in industry for similar work and efficiency? Yes, 50; No, 4.

Should labor in industry of children under sixteen years of age be abolished? Yes, 45; No, 10.

Should there be a National Industrial Parliament made up of representatives of the business and industrial forces and of organized labor, meeting jointly as a forum and industrial body? Yes, 37; No, 14.

Should the obligations of employees engaged in public utilities vital to the daily functions of society be different from those of employees in private industry? Yes, 48; No, 4.

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The United States House of Representatives has passed a bill providing for substantial increases in the protective duties on laboratory glass and porcelain ware; surgical and dental instruments; optical glass and scientific and laboratory apparatus. The bill also provides for repeal of the duty-free provisions in the case of imports of the articles enumerated when for use of Government bureaus and educational institutions. The bill calls for duties of 60 per cent ad valorem on laboratory glass and porcelain wares and surgical and dental instruments; and 45 per cent on optical glass and scientific and laboratory apparatus, these rates representing substantial increases over the schedules of the Underwood Tariff. Representative Kitchin, of North Carolina, who criticized the Republican tariff measures was met with the following statement from Chairman Fordney of the Ways and Means Committee: "Manufacturers want a protective tariff to meet the American scale of wages."

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# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

No. 27.

August 19, 1919.

**FOR RELEASE** upon receipt

Under the heading, "Labor's Obligation in the Present Crisis," the Canadian Labor Press for August reviews the present industrial situation and makes a strong plea for the purchase of Made in Canada products. It urges the necessity for increased production and for efficient workmanship and contends that labor must repudiate the leadership of extreme elements.

"The reception of the report of the Industrial Relations Commission," the Labor Press says, "seems to prove that the sentiment of the country is with Labor in its demands for an eight-hour day, collective bargaining, and the right to organize in trade unions. These conditions are admitted in the majority report of the Mathers Commission, but if there are to be legitimate concessions to Labor, both industry and the general public have a right to demand sound economic teaching from Labor leaders. The crying need of Canada to-day is increased production. Only by the creation of new wealth can the Dominion recover from the strain of five years of war and correct the present economic situation. The democracy which preaches the rights of the individual should also insist upon individual responsibility to the community. It is right that Labor should have a reasonable working day at more than a living wage, that it should have assurance against unemployment, time for recreation, and decent housing conditions. But in return Labor is under obligation to the state to render efficient service, to give its best workmanship, to produce to the maximum, and to employ constitutional methods in the conduct of its particular activities.

"Labor must be divorced from I.W.W. and Bolshevik influences. The leadership of thoughtful workers must be restored. The Trades and Labor Congress to be held in September will be a critical event. In Toronto, Winnipeg, Vancouver, and Calgary, Red influences attempt to dominate the local councils. If such influences control the Trades and Labor Congress, the Government's efforts to create a better understanding and more thorough co-operation between employers and employees through the medium of the Industrial Conference which is promised within the next few weeks, can hardly succeed. Its success depends upon the reasonable attitude of Canadian workers, and if their leaders refuse to participate in such a conference as local councils refused to appear before the Royal Commission on Industrial Relations, harmony cannot be restored in the industrial field and Labor will merit the condemnation of the general public."

In a special appeal for the purchase of Made in Canada products and development of the home market, the Western Committee of the Canadian Reconstruction Association gives a long list of commodities imported into Canada during the last fiscal year which, if manufactured at home, would have given employment to over 100,000 persons with an additional pay-roll of nearly \$100,000,000. The Association admits that its estimates are in the nature of rough computation based on 1917 Government figures showing that 693,071 persons were employed in Canadian industries with a pay-roll of \$553,000,000. It states that some of the items in its list could not be made economically in Canada at the present stage in the country's development, but it contends that there are many



articles of wearing apparel imported into Canada and purchased wholly or chiefly by women, that could be manufactured at home, thus providing millions of dollars for Canadian industries and employment at good wages for thousands of Canadian workers. A partial list of commodities follows:-

COMMODITIES	Value of imports into Canada for home consumption, during fiscal year ended March 31st, 1918.	Estimated number of permanent additional Canadian workers for whom employment would have been provided if imported products had been manufactured here.	Estimated addition to payroll of Canadian factories if imported products had been produced in Canada.
Boot, shoe, shirt, and stay laces.....	\$ 275,591	65	\$ 57,000
Boots, shoes and slippers except rubber, etc.....	414,822	95	85,000
Brooms and brushes.....	670,623	155	135,000
Candles.....	160,330	37	33,000
Carpet sweepers.....	103,203	25	21,500
Combs.....	173,289	40	35,000
Corsets, clasps, etc.....	390,132	90	81,000
Cotton, manufactures of.....	35,230,546	8,100	7,200,000
Curtains trimmed or untrimmed.....	357,328	82	73,000
Elastic.....	154,229	35	31,000
Furs and manufactures of.....	936,029	236	189,000
Gloves and mitts.....	1,688,944	425	340,000
Hats, caps and bonnets.....	3,354,440	771	680,000
Knitted goods of every description.....	230,296	53	47,000
Silks and manufactures of.....	13,848,395	3,183	2,800,000
Wool and manufactures of.....	24,004,193	5,517	4,900,000
Total.....	\$81,992,390	18,909	\$16,707,500

Thirty years ago no tinplates were manufactured in the United States. To-day according to the statistician of the National City Bank of New York, that country produces three-fourths of the tinplate of the world. The Philadelphia Press attributes



the tremendous growth of the industry to a sane policy of protection. "Years ago," it says, "when a Republican Congress embodied in a tariff act a provision of protection which would foster tinplate mills in the United States, Democratic newspapers held this portion of the tariff law up to ridicule. The infant tinplate industry they then regarded as being too weak even to imbibe nourishment. Thirty years ago no tinplates were manufactured in the United States.

"To-day, according to the statistician of the National City Bank of New York, this country is producing three-fourths of the tinplate of the world. In 1888 our imports of this article amounted to 1,036,489,074 pounds. In 1918, the imports had dropped to 71,403 pounds, while our exports, which began in a modest way in 1898 with 20,827 pounds, have grown to 560,068,432 pounds, and our production has reached 3,387,207,404 pounds in a single year....

"Had the industry not been stimulated by a Republican Congress it would never have thrived, yet the value of the tinplate production in the United States in 1918 was about \$200,000,000. So strong has the industry become that a delegation of Welsh tinplate manufacturers is en route to this country to study the methods of American competitors."

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The American Federation of Labor is opposed to nationalization of industry. It contends that Government ownership and control would mean not the establishment of an industrial democracy but the creation of a bureaucratic autocracy. Speaking before The National Economic League, Mr. Matthew Woll, assistant to Mr. Samuel Gompers as Chairman of the Committee on Labor of the United States Council of National Defense, said:-

"We have three distinct schools of thought striving for supremacy in the solving of this great problem. We have the socialist, who, as you well know, believes that all instruments of production and distribution should be owned and all our industrial activities should be controlled by the Government. These good but erring persons would establish an industrial democracy through the ownership of all means of production and distribution by the Government. The American Federation of Labor, the only organization able to speak for the workers, is emphatically opposed to that school of thought. It is opposed to the Government owning all means of production and distribution and regulating our industrial activities. Diverting ownership from private and individual to governmental ownership and control does not mean the establishing of industrial democracy, but creates in its stead a bureaucratic autocracy."

Mr. Woll also contended that the relation between employers and employees was not properly a matter of legislation but rather one to be exercised by those directly concerned and interested. He declared that the American Federation of Labor was not opposed to the organization of employers but sought such organization, and likewise demanded for wage-earners the same privilege of assisting and helping each other in determining the conduct of the business.

"We believe," Mr. Woll said, "that employers and employees of each particular group of manufacture and of each distinctive process of production should jointly and collectively determine the requirements and standards of their joint enterprise.... In giving approval to private initiative and enterprise and disapproving the systems and relations proposed by the Socialists, Syndicalists, Bolsheviks and I. W.W.'s, the American wage-earners are insistent that the old order of industrial autocracy shall pass and that the new order of industrial democracy shall enter. It is unfair and radically wrong to permit the old order and relation of master and servant to continue. This relation must give way to the more humane and modern relation of co-operators."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

No. 28.

August 26, 1919.

**FOR RELEASE** upon receipt

The strength of the protectionist movement in the United States is indicated by the fact that no less than 22 bills have been introduced in the House of Representatives this Session calling for higher duties. It is significant that amongst these measures are those of Representative Young of North Dakota and Representative Smith of Michigan, demanding repeal of the Reciprocity Act. In addition there is a bill to impose a duty of 50 per cent ad valorem on all imported building and monumental stone, except marble, breccia, and onyx, not specially provided for in the Underwood Tariff. Higher duties are asked on tungsten ores and all manufactured materials containing tungsten, including high-speed tungsten steel. Another bill asks for increased protection for domestic potash producers. Import duties are demanded on sulphur and on the sulphur content of crude iron, sulphide minerals, ores and concentrates, on crude manganese ores and on manganese ores and concentrates, magnesite and magnesite brick, on graphite and products containing graphite, on certain synthetic chemicals and on molybdenum content of ores, concentrates, compounds and manufactured materials. Another measure provides for import duties on cattle, swine, horses and mules, sheep, all other live animals, corn, cornmeal, oatmeal and rolled oats, rye, wheat and wheat flour. The duties called for in this bill are high, including 1 cent per pound on oatmeal and rolled oats, 25 cents per bushel on wheat and 25 per cent ad valorem on wheat flour. Another measure asks for an import duty of 35 cents per pound on quicksilver and a similar duty on the mercury content of all ores or compounds. Import duties are asked on starch made from potatoes and on natural potato flour. Higher import duties are asked on buttons, beans, peas, lentils, mushrooms and truffles, laboratory glassware and porcelain ware, on optical glass and scientific and surgical instruments and on snap fasteners. A tariff duty of 2 cents per pound is demanded upon the metallic contents of all zinc ores imported from any foreign country, and a particular measure seeks to regulate the importation of coal tar products and to increase the protection for domestic manufacturers of a long list of dye-stuffs and other coal tar products.

The introduction of anti-dumping legislation is likely in New Zealand. In an address before the Wellington Chamber of Commerce, Hon. A. M. Myers, Minister for Customs, referred to Canadian legislation in this respect and continued: "There is little doubt that the altered conditions following the war will necessitate the introduction of some such measure in New Zealand. The subject has already been under the consideration of the Government, and a clause dealing with this matter has been drafted for submission to Parliament when the opportunity shall arise."

It is also interesting to note that while Canada is considering early tariff revision, New Zealand, to quote the Minister, "has under consideration a scheme by which, when it appears desirable that the tariff on any article should be altered, the matter can be referred to an advisory committee, on whose report the Minister for Customs may, with the approval of the House of Representatives, modify the existing tariff as he



thinks necessary. Some such scheme, it is believed, will be of benefit to manufacturers in New Zealand, and especially to those contemplating the establishing of new industries in the Dominion. The New Zealand Customs tariff, as at present constituted, is not sufficiently elastic to meet the rapidly changing conditions of modern industry and commerce. The last general revision of the tariff took place in 1907, and experience of its working has shown that alterations are required in many directions. As matters stand at present, those alterations cannot satisfactorily be made except at a time of general revision of the tariff. This cannot be regarded as at all satisfactory."

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Trade organization is proceeding rapidly in Belgium. As Great Britain has its Federation of British Industries and France its formidable industrial groups, so Belgian industry has been divided into a well-organized system of 18 main divisions. In each of these divisions have been formed one or more groups to take charge of the interests of each of the particular branches into which the industry in question is subdivided. The groups are not merely industrial associations, but are judicial organizations with power to buy and sell. They were formed without any official intervention or control, but have been virtually recognized by the Belgian Government. At the head of this system is the Central Industrial Commission which existed before the war as a federation of the large industrial associations. The Commission has established a special reconstruction service with headquarters in Brussels for the purpose of assuring unity of action among the various groups and to serve as the intermediary in dealing with the Government in all questions of general interest.

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The adoption of special fiscal measures to protect new industries is a marked feature of reconstruction activities of other countries. In Great Britain and the United States key industries and industries which have been developed during the war are receiving preferred treatment. In Canada a large number of industries have been started since August, 1914, and many products are being made here for the first time. These include margarine, candied peel, phonograph records, steel for motor car frames, galvanized sheets, beet slicer knives, steel barrels, ribbed hosiery, knitting machinery, equipment for electric furnaces, semi-rotary double-acting pumps, steel plates, gear hoppers, machine tools, machinery of various kinds, alloys, a considerable range of chemical products, collapsible baskets, electric bulbs, semaphore lenses, ruby lantern globes. These industries are needed in Canada to give employment to Canadian labor, to make use of Canadian raw materials, to pay taxes in Canada, to provide traffic for Canadian transportation services and, in general, to promote the all-round development of the Dominion.

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Higher protection for Italy is anticipated by the Department of Commerce at Washington which says that "the office of the commercial attache in Rome, has transmitted the information that it is officially stated that new customs regulations will become effective September 20, 1919. Indications are that the rates will be substantially higher than at present."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

No. 29.

September 9, 1919.

**FOR RELEASE** upon receipt

A remarkable picture of "Petrograd under the Terror" is given in recent issues of the London Times by a correspondent, a Russian officer who was compelled to serve with the Bolsheviks and who escaped as recently as July 10. The Petrograd of to-day is "starved, half-dead, overworked, thoroughly cowed." There is now only one common food ration for all, and food is only given to those who work under the control and for the benefit of the Soviets. "The day's ration in Petrograd in July consisted of the following: One plate of soup, consisting of hot water with a little fish in it; one-eighth of a pound of bread. The cost of this meal, which has to last all day, is Rs.6. The food can be eaten in the Communal dining rooms which are to be found all over the city or it can be taken home. It is very seldom, however, that anybody takes food home. There is such a scarcity of fuel in Petrograd that it would be almost impossible to re-warm the food, and half the satisfaction in eating is in the warmth obtained from the soup. It is for this reason that one puts up with the filth of the dining rooms and the disgusting behaviour of the Communists--it is bad, of course, but better than cold soup.

"In the mornings a drink of some sort is made by stewing wild berries. For a long time now we have had no tea, coffee, or cocoa, and even the Ersatz foods were long ago consumed. Those who are very careful occasionally leave over a tiny morsel of bread so as to eat it in the morning and thus have a breakfast, but the majority just eat the one meal. Meat is quite unknown and sugar has also entirely disappeared."

Wholesale shootings continue. "The crimes for which people are being shot are various--from being in possession of verses written against the Bolsheviks up to being suspected of counter-revolutionary purposes. Sometimes when the army has suffered at the front wholesale shootings take place; thus, for instance, in Gatchina at the end of June whole groups of people were executed on the order of a former barrister, Lichtermann.

"At present it is difficult to say to whom preference is given to be shot; workmen opposed to Bolshevism, peasants refusing to give up their corn to the Red Army, engineers suspected of sabotage, officers believed to have a leniency to the White Guards, or perhaps a sailor who dares to express his views on certain matters, all are shot alike. The daily number of executions is from 65 to 80 men."

The condition of the city itself is terrible. "Petrograd," says the writer, "is gradually becoming destroyed, as no repairs are made; pieces of stucco cornices fall off the roofs, the waterways and drain pipes get cracked and burst, the pavements fall to pieces and thanks only to the rain, wind, and sun, some appearance of cleanliness seems to be kept up. Bodies of dead animals, horses, cats, and dogs, remain for weeks lying in the streets. Some dead horses serve as an attraction to people who creep furtively to them and cut off a chunk of the carcass to be used for food or for sale. The general aspect of the town leads one to think that some terrible calamity has happened to it; so solemn and gloomy is the effect produced by its ruined appearance, the reigning silence, interrupted only by separate shots or by the sounds of music coming from the dancing halls of the Communists....



"Typhus, small pox, meningitis, the Spanish 'flu, and cases of insanity are spreading so violently that the hospitals are unable to find places for all those sick with infectious diseases, and have no time to bury the dead, so that frequently the bodies are lying heaped up in the chapels of the hospitals awaiting their turn to be taken away to the cemetery in a common open cart (as logs of wood are transported). And when brought to the cemetery they are just thrown into one common trench and buried without any prayers read over them.

"The absence of medical assistance is the result of complete absence of medicaments and surgical appliances, for which substitutes are used made of herbs and articles to hand."

In a remarkable summary of the true position of the workman under the Bolshevik régime, the writer says:-

"(1) He must work whether he wants to or not.

"(2) He may not change his work without permission. In other words, there is no choice either of occupation or employer. Both lie entirely in the discretion of the Commissaries.

"(3) He may not leave the town in which he is living without special permission, which is only granted in exceptional cases.

"(4) No holiday or day off may be taken without special leave. As Petrograd is regarded as being in a state of siege, leave for workmen is given only on production of a medical certificate that it is necessary for the workman to have a two months' 'cure.' Doctors are rebuked if they give too many of these certificates.

"(5) Workmen are always under supervision.

"Now and then you will hear a little grumbling when the patience of the docile Russian crowd is utterly exhausted. Thus I remember once standing by a long, unending queue outside the Siestoretzk munition works, and after hours of waiting the workmen began to say: 'Wait a moment. The Whites will soon be here, and they will show you how to do things in an orderly way.'

"The Soviet leaders do not pay much attention to the opinions of non-Russian Labor leaders, least of all to British opinion. In fact, England is rarely mentioned, except to be blamed for anything and everything that is wrong. Thus I heard of one case where a quite obscure and entirely insignificant little person who was a Soviet member tried to get elected to the executive committee of his trade Soviet, but was unsuccessful. For a long time he went about telling his friends that his defeat was entirely due to the 'machinations of the Entente.'

"The billeting of the workmen in the bourgeois flats, so much welcomed by them at first, has not satisfied the workmen in the end, because the entire conditions of life of the bourgeois family differ so much from his own that the only result of this was mutual constraint and displeasure. Moreover, as the workmen do not believe in the stability of the Bolshevik power they fear future vengeance, and know that their stay there is only temporary.

"Prohibition of meetings, of free speech, frequent conscriptions, and the vast contrast between the promises of the Bolsheviks and their performances, the deaths of thousands of children of the working classes in the children settlements, all create ground for discontent, which is manifested by strikes. These are suppressed by arms, with the result that a great number are killed and wounded."

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# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 30.

TORONTO, CANADA

September 16, 1919.

FOR RELEASE

upon receipt

British Labor Leaders are opposing "direct action" and exposing the fallacy of under-production. Speaking before the Industrial League of Birmingham recently on "Labor in its Relation to Industry," Mr. J. R. Clynes, M. P., urged the employment of constitutional methods in industrial disputes and warned workers that they could make no more grave mistake than to encourage under-production. Scarcity of commodities, he said, was the opportunity of the profiteer. Scarcity might cause some little inconvenience to the rich, but it could cause real and continued privation to the masses of people whose purchasing power was limited. Some forms of profiteering could be punished by the law, but workmen who deliberately restricted output, or who failed to accept any form of industrial development which could make their labor more productive, were punishing themselves and their class without knowing it. If profiteering was conscious pilfering, "ca' canny" was an ignorant act which deprived many people of their real needs. It inflicted no loss upon the favored class, which; wherever it was practised, it might be designed to punish. It was a sentence passed upon the innocent by those who might not know they were guilty of a wrong. Lessened production meant the greater prospect of unemployment. It impeded recovery from the industrial dislocation which the war inevitably caused. It kept up prices, and lowered nothing but the workman's standard of existence. It was in the highest degree harmful to the general public interest, but in a special degree under-production was the enemy of the masses whose pressing needs required more abundant supply of all forms of material for house-building, for food production, the manufacture of every kind of house requisite, clothing, and the common daily needs of existence.

The folly of "ca' canny" was also emphasized by the British Prime Minister in his recent declaration of Government policy. He declared that "there never was a more fatal error, a more fatal fallacy" than Labor's belief that "the less you work the more work there will be for others." "You have only got to look at the coal trade," he said. "The reduction in the output of coal is at the present moment depriving people of employment. If it goes on, it will throw hundreds of thousands out of employment in the country. You have only got to work it out to its inevitable consequence and you will find that deliberately to reduce output means in the end all-round unemployment on a gigantic scale.

"It is important, therefore, that that fallacy should be exploded, especially by those who speak with authority to Labor.... It is a very dangerous policy to pursue and encourage, and a disastrous one to Labor. The price of food and the cost of material will go up, and, what is still worse, we will not get food for this country, because you cannot live forever on borrowed food. You will not get raw material to the country. There



will be no work for those who manipulate and transform and transfigure it into the beautiful things that British hands can transfigure any material into. It is a disastrous policy for all classes. That is why I appeal to employers and to workmen to get rid of this ruinous fallacy, which seems to possess the minds of hundreds of thousands at the present time."

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Taking the average wage at three dollars per day, strikes have cost the workers of Canada over \$44,800,000 in the last eighteen years and a half, 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. Between January 1 and June 30, 1919, there were 189 disputes involving 105,026 employees and a loss of 2,118,379 working days. During this six months' period the average wage 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 \$7,500,000. Scores of millions of dollars would be required to meet the indirect cost of these strikes. In some cases, as in Winnipeg, there has been 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.

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On more than 80 per cent of the items affected by the recent revision of the French tariff increases in protection range from 60 to 200 per cent. In 705 out of a total of 2,535 items representing manufactured commodities the increases are no less than 200 per cent. Increases ranging from 150 to 190 per cent apply to 828 items.

Spain is to increase its tariff and will follow a plan similar to that adopted in France. The Spanish Government has denounced certain commercial treaties preparatory to a general tariff revision. Proposals for such revision are now being framed and the Government is striving to present a report on an early date.

The Government of Poland has established a State Commission of Import and Export and a license system has already been put into operation. This system is designed to control the entry of luxuries and to restrict importation of commodities which can be produced in Poland. The London Times, commenting on Poland's new fiscal policy, says that it will "protect young Polish industries and maintain improved conditions for the working classes in the factories and work shops."

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No less than 41 joint industrial councils representing 2,438,500 work-people have been formed in the United Kingdom. The industries which are now organized in this way are the following: Pottery, building, rubber manufacturing, gold and silver, etc., match manufacturing, silk, furniture, heavy chemicals, bread baking, etc., paint, color, and varnish, vehicle building, china clay, hosiery (English), metallic bedsteads, bobbin and shuttle, made-up leather goods, woollen and worsted (Scottish), hosiery (Scottish), saw-milling, wall-paper making, wool (and allied) textile, tin making, electrical contracting, packing-case making, elastic webbing, etc., Welsh plate and sheet, road transport, asbestos manufacturing, Coir mat and matting, water works undertakings, local authorities' non-trading services (manual workers), gas undertakings, electricity supply, heating and domestic engineering, spelter, flour-milling, boot and shoe manufacture, iron and steel wire manufacture music trades, printing, needles, fish hooks, and fishing tackle.



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

September 23, 1919.

FOR RELEASE upon receipt

In a vigorous plea for the development of the fruit-growing industry in Canada, Mr. G. W. Echlin, writing in the Farmers' Magazine, declares that with the development of the canning industry fruit growers have suddenly become aware that what was once a hobby is now a great national asset of untold commercial value. He contends that probably no other agricultural pursuit is destined to reach such a dignified and important level as that of fruit growing. "It is a certainty," he says, "that the farmers of Ontario are not awake to one of the golden opportunities of the age when they neglect to plant new orchards each year or care for those they already have....Little more than one-third of the fruit canned in the Dominion is home-grown....About fifty thousand bushels of pears alone will be imported into Canada from as far west as the State of Washington this year, so that the orders of the canneries can be filled. It would appear that there is nothing short of a criminal short-sightedness on the part of farmers to allow such a state of affairs to exist long....

"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. As high as \$10 per crate was paid this year for strawberries imported."

A further incentive to fruit growing is provided in the energetic campaign now being conducted for public support of the home market. The Canadian Trade Commission recently made a particular appeal to the women of Canada to support home industries. In doing so it submitted a partial list of commodities imported into Canada from the United States, including the following:-

Green apples.....	\$1,528,000
Berries (blackberries etc.).....	685,000
Cherries.....	107,000
Plums and Prunes.....	1,227,000
Cranberries.....	102,000
Grapes.....	441,000
Peaches.....	496,000
Quinces, apricots, pears, etc.....	691,000
Total.....	\$5,277,000

Contending that "protection is essential to the economic safety of Canada during the reconstruction period," the Canadian Labor Press for September in a special article urges the adoption of "a Canada-first policy of buying Canadian goods and encouraging Canadian industries"...."It is the business of the Dominion, "it says, "to build up its own markets and, by developing a volume of home trade sufficient to guarantee regular



employment at good wages for Canadian labor, to maintain the industrial activity necessary to attract new capital and additional population, and to ensure profitable markets for farm products. These conditions cannot be realized by any change in economic policy which will disturb industrial stability. Neither farmers, factories nor workers can prosper from radical tariff reductions which will halt the wheels of industry and promote unemployment. Nor can there be any relief in the extreme measure advocated by some Western grain growers of boycotting Canadian manufactures. To refuse to buy Canadian farm implements is to throw employees out of work and to encourage a dislocation of industry which cannot but effect others and which will eventually produce depression and so disturb the farmers' home market."

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"Protection is the very essence of trade unionism," says the Canadian Labor Press for September. "It is the foundation of the present 'local' as it was of the ancient 'guild' and the system that was needed to give workers collective strength for the advancement of their social and industrial position is as greatly required to protect them in the commercial world. It is as sound economic policy as it is good social policy. The war has finally revealed the many fallacies of free trade in a protectionist world. Practical application of the theories of the Manchester School can only result in disaster in a world where the pronounced economic movement is not only against free trade, but towards even a greater measure of protection. Canada is the only country to-day where there is any appreciable agitation for lower tariffs."

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Strikes are costing the United States \$10,000,000 a day, according to Mr. Stephen C. Mason, President of the National Association of Manufacturers of the United States. In a public statement he urges an armistice between organized industry and organized labor until such a time as President Wilson declares the period of readjustment ended.

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A despatch from Washington to The Wall Street Journal says that a temporary credit was opened by the British Treasury last December for Belgium to facilitate the placing of Belgian orders for the produce and manufactures of the United Kingdom. Purchases of more than \$22,500,000 have been sanctioned against this credit, while the British Treasury is considering the extension of credit in aid of private enterprise in Belgium, as a result of the recent visit of the Belgian Ministre des Affaires Economiques to Great Britain.

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Mr. Herbert N. Casson of London, England, a well-known newspaper man, in his book entitled "Labor Troubles and How to Prevent Them," finds that welfare work, profit sharing, or shorter hours do not solve the problem of labor unrest. Nor does a general higher level of wages satisfy: rather it causes more strikes than low wages. In many cases the wastage of labor turnover is greater than the wastage of strikes, he states. The normal turnover is about 30 per cent a year, but for 57 firms in Detroit the labor turnover averaged more than 252 per cent. To train new workers costs from \$25 to \$200, so that labor turnover is a considerable factor in increasing costs of production. Mr. Casson urges the need for industrial training. Again he says:-

"In the game of life hearts are trumps--not clubs as the Germans vainly imagined. Successful business is honeycombed with sentiment. Germany was defeated because she played the body against the soul: the lower nature of man against the higher. This is the most terrific object lesson of modern times. These four great fallacies: that labor creates all wealth; that profits are theft; that capital opposes labor; and that high production is against the interests of the worker, have all got to be exposed and downed."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

No. 32.

September 30, 1919.

**FOR RELEASE** upon receipt

The Commonwealth Government of Australia has created a Bureau of Commerce and Industry to promote organization of the country's resources, prepare a policy for the expansion of trade, improve industrial methods and bring about the establishment of new industries. The Director of the Bureau is being assisted by a temporary general council representative of primary producers, the Chamber of Manufactures, the Chamber of Commerce, and banking, shipping and other interests. The main purpose of the council is to achieve effective organization from within the industries in order, as far as possible, to secure co-operation, co-ordination and employment of modern methods in all stages of production and marketing. It is proposed to encourage formation of associations or groups of individual industries with an executive for each group, such executive being represented on the general council. The British Government Board of Trade Journal, which describes this development, states that three other objectives will be kept in view:-

1. Adequate supplies of raw materials for:-
  - (a) Local consumption.
  - (b) Overseas export.
2. Increased production with decreased costs.
3. Better marketing (buying and selling) facilities.

Australia already is a large exporter of wheat, flour, butter, meat, tallow, wool, and non-ferrous metals. Consideration will be given to the encouragement of other branches of primary industry. In this connection, the Bureau will have the support of the Institute of Science and Industry in keeping primary producers informed, through their associations, of what is being done in other parts of the world to increase production. Advice and assistance will also be given to primary producers in the conduct of local experiments and the application of the most modern industrial methods.

The United States Tariff Commission is preparing an anti-dumping bill to protect American manufacturers of dyes, according to Mr. Fordney, Chairman of the Ways and Means Committee of the United States House of Representatives. In addition to this anti-dumping legislation, Mr. Fordney believes that a higher rate of duty than that proposed by the Longworth Bill is necessary to provide sufficient protection for the industry.

The United States Consul at Sydney, N.S.W., in a despatch to the Department of Commerce at Washington states that "just now there is a formidable movement to make Australia more of a manufacturing country, also substantially to increase the tariff and the preference in favor of Great Britain."



With Japan rapidly developing as a manufacturing country and with competition from Japanese manufacturers active in many commodities which are now made in Canada and inevitable in many commodities which will be made eventually in the Dominion, it is pertinent to consider the wages paid to Japanese workers. As an indication of how low such wages are compared with those paid to workers in this country, the Eighteenth Financial and Economic Annual of Japan for 1918, prepared by the Japanese Department of Finance and printed at the Government Printing Office in Tokio, gives the average daily wage paid to Japanese pottery workers, both men and women, at 34 cents for an 11½ hour day. The average wage paid by the American porcelain manufacturers is \$4 for an eight hour day. Even if the difference in number of working hours be disregarded, the American wage is 12 times as high.

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In order to foster industrial undertakings in South Africa, there has just been organized the National Industrial Corporation, Ltd. Prominent in the corporation are leading financial, mining and business men in South Africa, and the new venture is also sponsored by the National Bank of South Africa. The present capital is £500,000, but the directors have the power to increase this up to £2,000,000 without consulting stockholders. The corporation will make long time loans or will subscribe capital to approved business either to aid in developing new industries or to expand going concerns.

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In the interests of Italy's foreign trade an Interministerial Commission has just been appointed at the Ministry of Foreign Affairs. Its objects are:-

- (a) To examine the most efficient means for promoting and developing Italian trade abroad.
- (b) To study problems of railway and maritime transport as effecting not only exports but also emigration.
- (c) To draft instructions for commercial attachés and members of the diplomatic and consular services as regards foreign trade policy.
- (d) To consider the advisability of establishing new consulates and of changes in relation to foreign trade policy in those already established.
- (e) To consider the appointment of additional commercial attachés.
- (f) To co-ordinate the work of the various Ministries dealing with trade relations abroad.



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

October 7, 1919.

**FOR RELEASE** upon receipt

The United States Consul General at Sydney, Australia, in a report to the Department of Commerce at Washington says that the question of exchange with the United States continues to be a serious barrier against the purchase of American merchandise by Australian merchants. He also reports "a formidable movement to make Australia more of a manufacturing country, also to substantially increase the tariff and the differential in favor of Great Britain."

The United States Consul at Calcutta, India, has notified the Department of Commerce at Washington that a bill has been introduced before the Viceroy's Legislative Council imposing an export duty of 15 per cent on Indian hides and skins with 10 per cent rebate for shipments to destinations within the British Empire, providing that before re-export they are tanned there. The report adds that the bill will undoubtedly be approved and will go into effect immediately.

As the United States draws from India a very large part of the supply of goat skins for the manufacture of shoes, the preference involved in this new legislation may stimulate the Canadian boot and shoe industry at the expense of manufacturers in the United States. At any rate, the Canadian leather tanning industry should be advantageously affected.

Changes in the Mexican tariff, authorized by the decree of August 30, involve a considerable increase in protection. Duties have been increased in a number of cases to protect developing industries and rates have been lowered in the case of certain products not manufactured in Mexico. As an example of the increase, the import duty on automobile tires has been advanced from a former rate of .75 peso per kilo to 1 peso in view of the fact that there are now two factories in Mexico producing automobile tires with a stated capacity of 100 per day.

As a result of the persistent issue of paper money by the Bolshevik Government and the progressive depreciation of the currency, the Russian rouble, which before the war was worth fifty-one cents, has to-day little if any international value. The present value of the rouble in Bolshevik Russia is indicated by the fact that in Petrograd at the end of July the prices of the chief foodstuffs were:-

Horse meat (very rare), 100 roubles per lb.; bread, 150 to 180 roubles per lb.; butter, 270 to 300 roubles per lb.; sugar (rare), 250 roubles per lb.; potatoes, 45 roubles per lb.; milk, 30 roubles per bottle; eggs, 20 roubles each.



The third half-yearly budget of the Bolshevik Government shows a total revenue of 20,349,627,888 roubles and a total expenditure of 50,702,627,888 roubles, leaving a deficit of 30,353,000,000 roubles. The Commissary of Finances states that the deficit will be met by issuing further paper money. Since the revolution the State expenditures have been approximately doubled every half year.

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The shoe industry of Great Britain has organized a National Export Selling Agency as a limited liability company to develop the foreign trade of its members. A London despatch says that an effort probably will be made to enlist all shoe manufacturers in Great Britain in order to secure standardization of samples for each of the overseas markets in which the agency will operate. The American Chamber of Commerce in London has expressed the opinion that this combination undoubtedly will result in "huge production on standard lines." The Selling Agency, by acting for the entire trade, will be in a position to accept bulk orders which will be split up among the members for concentrated production of the standard models.

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The Government of the Argentine has refused German appeals for credits for German purchases in that country but has extended a credit of \$200,000,000 to Great Britain, France, and Italy for a period of two years at 5½ per cent.

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Despite the general increase in wages in Europe, payment to industrial workers is still much below the standards on this continent and the hours of work are considerably longer. The United States Trade Commissioner at Brussels, Belgium, has sent to the Department of Commerce at Washington a report on wages and hours of work containing details which the Commissioner says may be regarded as representative of general wage conditions in Belgium. It shows blacksmiths, machinists, etc., employed by the community in reconstruction work, receiving from 19 to 24 cents per hour for an eight-hour day, while mechanics employed in textile factories are paid from 18 to 22 cents per hour. Chief machinists get \$12.55, expert machinists \$11.77, and assistant machinists \$11.19 per week of 54 hours. Skilled workmen in the rubber factories are paid 24 cents per hour, and laborers 19 cents per hour for a 52-hour week. The 54-hour week is fairly general in the textile industries. In the linen industries children are receiving 7 cents per hour, while the scale for experienced male cotton spinners ranges from 23 to 28 cents per hour. In the clothing industries garment workers receive 19 cents per hour with a 9-hour day. Carpenters are paid 23 cents per hour for a 54-hour week, while masons and plasterers receive 17 and 18 cents per hour supplemented by a bonus of 4 cents per hour on account of the high cost of living. Painters get 16 to 17 cents per hour plus a 4-cent bonus.

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A cable to the New York Tribune points out the harmful effect of fixed prices in Germany. It states that following the removal of the maximum price for oats, the price increased to 1200 marks per ton, while the price of wheat was still fixed at 500 marks and that of rye 400 marks. This overbalancing of prices drove the farmers to hasten threshing of oats and encouraged the feeding of wheat and rye to live-stock. As a result the bread supply was threatened.

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One of the strongest arguments yet presented for development of domestic trade is contained in a recent report from the Dominion Bureau of Statistics which shows that, while up to the present the overseas demand for food-stuffs has been maintained, exports of chemical and allied products have dropped already to a mere fraction of the war-time volume of trade, and there has also been a decline in the exports of iron and non-ferrous metals and their products. It is apparent that with the loss of the munitions market and with the reductions already reported in the export of other commodities there must be marked expansion of domestic trade if the industrial activity of the war period is to be maintained.

Of the total imports into Canada for the twelve months ending last March, valued at \$16,443,432, no less than \$746,937,509, or 81.5 per cent came from the United States. Even before the war 65 per cent or more of Canadian imports were from the same source. It is necessary not only for the industrial but also for the agricultural prosperity of the country that this huge volume of imports from the United States should be curtailed. Canadian producers, wholesalers, retailers, and consumers should be united in support of the Made in Canada movement which, by giving preference to Canadian goods of equal quality, will stimulate industrial activity and prevent extensive unemployment. So, Canadian raw materials should be used to the greatest possible extent in all processes of manufacture, and there should be searching investigation by Governments and by industrial groups to determine the extent and commercial possibilities of our natural resources.

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A Washington despatch to The Wall Street Journal contains the following statement of the tariff programme of the Republican party:-

"The revision of the tariff upward will be the dominant issue of the Republicans in the next Presidential campaign. This has been decided upon by potent Republican leaders in Congress, of whom Senator Penrose, chairman of the Senate Finance Committee, and Congressman Fordney, chairman of the House Ways and Means Committee, are the leading and controlling factors.

"This revision of the tariff upward will be presented to Congress in bills that will be introduced early in the next regular session, and these bills will consume much of the time of Congress during the Winter and early Spring, and the bill, in its finished and complete form, will be passed late in the Spring. It is expected that this bill will be vetoed by President Wilson, and thus the tariff issue will be projected at once into the Presidential campaign during the Summer and Fall.

"Because of this decision, all efforts on the part of the Republican members in the present House in this Congress to get through 'popgun' tariff bills are doomed to failure. If such bills, in any way, get through the House, they will be pigeonholed by Senator Penrose, in the Senate Finance Committee.

"Already the House has passed bills increasing tariffs on tungsten, zinc, pearl buttons, chemical dyes and tar products, and has a bill under consideration to increase duties on magnesite. None of these bills, it is stated, will be allowed to pass through the Senate unless it is the bill increasing duties and applying a license to chemical dyes.

"It is the opinion of Senator Penrose that it is an uneconomic plan to attempt to revise the tariff by 'popgun' bills, because such revision disturbs the entire tariff base fabric and prevents the building of a complete and scientifically adjusted tariff system which will distribute fairly the tariff charges on all related and unrelated articles of import. For instance, he says, the tungsten and magnesite industries bear directly on the steel industry, which is the largest user of these materials and their products. He claims it is unfair to the steel industry to jump the tariffs on such necessary adjuncts without readjusting the tariff on steel to meet the raise on tungsten and magnesite. His judgment on the tariff questions, especially in their bearing on political issues, has great weight with his Republican colleagues in the Senate."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

TORONTO, CANADA

No. 35.

October 21, 1919.

**FOR RELEASE** upon receipt

Export trade credits to the value of \$156,000,000 have now been established by the Dominion Government, including \$50,000,000 with the British Government for Canadian lumber; \$25,000,000 each with France, Belgium, Roumania, and Greece; and \$6,000,000 with Italy.

Many groups of Canadian industries have organized for export trade, and an agreement has been reached between the Canadian Manufacturers Association and the Federation of British Industries for the promotion of trade between the Mother Country and Canada. Several hundred Canadian representatives of branches of English and Scotch firms have formed a Canadian Association of British Manufacturers with branches at Toronto and Montreal. While the object of this Association is largely to increase British imports into Canada, it should also be influential in developing export trade. A great deal of foreign trade has been received by the Canadian Woolen Manufacturers Association. The Canadian manufacturers of women's garments, representing 95 per cent of the trade, have organized a "Ladies' Wear Export Association" and have representatives in Europe.

Since April 1, the Canadian Biscuit and Confectionery Export Company, Limited, has sold at least \$1,000,000 worth of confectionery to Great Britain alone, as compared with total exports to all countries for the fiscal years ending 1913, 1914, 1915, 1916, and 1917, of \$27,112, \$43,996, \$82,702, \$75,206, and \$113,187, respectively.

Agricultural implement manufacturers have formed their own organization for foreign trade development. So have Canadian oil and lumber industries; Canadian distillers, packers, manufacturers of paints, hardware, stoves, boots and shoes, pulp and paper, and other commodities.

The British Commonwealth Union has estimated that if the demand of the British Trade Union Congress for a 44-hour week and prohibition of systematic overtime were adopted the value of the output of British industry would be reduced by \$2,100,000,000 annually.

In view of the opposition of British labor leaders to the policies of "ca' canny" and under-production, it is interesting to note that the American Federationist, the monthly publication of the American Federation of Labor, condemns under-production in its October issue. Answering the criticism that "the producers of the world are not producing, that the working people are not working as they ought to work," the Federationist says, editorially: "The working people of the United States have never considered, much less adopted, a policy of limitation of output, and in the last twenty years not even has any appreciable group of workers followed any such policy. It is foreign to every principle they hold and foreign to the whole code of ethics of the organized labor movement."

The statement that Mr. Lloyd Harris, Chairman of the Canadian Trade Mission in London, has returned to Canada to discuss with the Government the question of financing Canadian export trade through the establishment of a trade corporation, recalls the fact that over two years ago a special committee of the Senate recommended the organization of a trade bank, to be known as the Canadian Trade Corporation, as the best means of securing and financing overseas trade. The Committee in its report made special



reference to the British Trade Corporation established under Royal Charter, with a capital of \$50,000,000, to assist in the development of British trade and industries, and continued:-

"Your Committee have after inquiry ascertained that the chartered banks, or some of them, and leading industrial and commercial companies and individuals are willing to favourably consider undertaking the organization and operation of a Canadian corporation somewhat similar to the British organizations, and having for its object the conservation and extension of Canadian trade after the war. Your Committee have taken into consideration that the British Trade Corporation, although not directly operated under the control of the British Government, was nevertheless organized directly at the instigation of that Government, which has accorded them certain privileges and extended to them a certain measure of assistance and official recognition."

In one of the most important industrial announcements in the history of Western Canada, Mr. R. A. Ross, Chairman of the Lignite Utilization Board, has declared that in August, 1920, the Board hopes to have a \$400,000 plant in operation, manufacturing briquettes from the lignite deposits of southeastern Saskatchewan and southwestern Manitoba. It is the intention of the Board to let all the contracts for construction and equipment during the coming winter. When completed the capacity of the plant will be 30,000 tons per year, and Mr. Ross believes that briquettes can be sold to dealers in Winnipeg at approximately \$9.40 a ton.

The decision to construct a \$400,000 plant is the result of extensive investigations and experiments initiated by the Honorary Council for Scientific and Industrial Research, and later continued by the Lignite Utilization Board which was appointed jointly by the Dominion Government and the Governments of Saskatchewan and Manitoba to determine the commercial feasibility of utilizing the lignites of the Prairie Provinces as domestic fuel. Mr. Ross is now able to say that "our experiments have now reached the point where we have got a process for carbonizing and briquetting lignite which gives us a commercial product at a commercial price from lignite coal, practically equal in heating value to anthracite coal."

As long ago as June, 1917, a special committee of the Honorary Council for Scientific and Industrial Research reported that the necessary manufacturing processes had been carried out on a super-laboratory scale and "their feasibility on an industrial scale remains only to be demonstrated."

"The success of this project," Dr. A. B. Macallum, Chairman of the Council, declared, "is to be fraught with results which are to be of more importance than the immediate object of it. It will induce private capital to go into this enterprise, and eventually several plants may be erected which will supply the half a million tons that will be required to replace the anthracite hitherto imported into Manitoba and Saskatchewan from Pennsylvania, thus retaining in the country about five millions of dollars, now annually spent abroad for the supply of this fuel. It will blaze the path for the utilization not only of the 57 billions of tons of lignites of Saskatchewan, but also of the vastly greater quantity of the better grade of this fuel in Alberta. It will inevitably lead, eventually, to a process of utilization of the vast quantities of the by-products which result, by-products which now are not highly valued but in the years to come will be 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 are, unlike the other provinces of the Dominion, scantily supplied with water power."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 36.

TORONTO, CANADA

October 28, 1919.

**FOR RELEASE** upon receipt

Opinions are widely at variance as to Germany's ability, immediately, or in the near future, to engage largely in export trade. The Canadian Acting Trade Commissioner in London, England, states that firms engaged there in the trade in boot and shoe lasts reported that Germany is ready to recommence export trade in that line and that, aided by the present abnormal rate of exchange, lots of lasts have been offered at prices as low as, if not lower than, costs of production in the United Kingdom.

The British Toy Manufacturers' Association also recently sent a deputation to the President of the British Board of Trade, asking for protection against the low rate of German exchange, which offers an important encouragement to German export business. The President of the Board of Trade in his reply said that Germany had only small stocks of goods accumulated for export; there was no great manufacturing activity at the present time; costs of production were enormous; and Germany could not compete even with British manufacturers for a long time.

The British Government has reserved power to stop all or any imports into the United Kingdom from a country from which such imports are made possible and overwhelming by the state of the exchange.

The Committee on Commerce and Marine of the American Bankers' Association in a report presented to the latter body has declared that for the extension of foreign credits "the necessary financial machinery in the form of a large, capably managed and thoroughly equipped organization with which the bankers, business men, and manufacturers of this country would become identified, and which might very properly be initiated and supported by the members of the American Bankers' Association, should be provided with the least possible delay."

The Committee declares its belief that the provisions of credits for foreign purchases in the United States constitute an essential basis for the maintenance and extension of the foreign trade of the United States. This basis, the Committee adds, can be secured "to a markedly important, if not wholly necessary degree, by wisely made American investment in foreign securities, not only Government issues, but also municipal and industrial, if properly guaranteed."

The Committee was of the opinion that such an organization should have ample capital and "be sufficiently resourceful to extend credits running into the largest figures that can be required for the purchase of American products." The efforts of the organization "should most certainly be supplemented by the maximum of production here" (i.e. in the United States) in order, not only that American workers be kept well and profitably employed, but also that they be not subjected to the payment of excessive prices for their own needs.

The Trade Supplement of The London Times, in discussing the Indian export duty on raw hides and skins, says that "the bent of the politically-



inded Indian to protection of what are termed 'nascent' industries is very strong."

The University of London proposes to spend \$2,500,000 in the establishment of a commercial faculty, the endowment of a chair of commerce, the foundation of scholarships and travelling clerkships, the erection of necessary buildings, and the acquisition of a commercial library. The University is now conducting an active campaign to raise the necessary money, and the principal British steamship companies have subscribed large amounts to the fund. The United States Trade Commissioner in London says: "It is felt that at the moment no more valuable work would be done for British trade than by endowing a really practical and complete system of higher commercial training."

Speaking optimistically on the prospects of British trade, Sir Auckland Geddes has declared that Germany cannot hope to rank among the great manufacturing nations of the world for months, and perhaps for years to come. He also contended that owing to the high cost of living and increased costs of production, Japan will not be able to compete successfully with Great Britain in those superior articles of manufacture which have given British products such an international reputation. It is a striking fact, however, that the value of Japanese imports into India have tremendously increased until to-day they represent practically one-fifth of India's import trade. The official figures for 1918-19 show Japanese imports into that country of \$111,666,665, as compared to \$11,666,665 in 1917-18, and \$44,166,665 in 1916-17.

The striking progress of industrial research in Great Britain is indicated by the fact that on July 31 last, according to the report of the British Committee of the Privy Council for Scientific and Industrial Research, licenses had been issued to nine research associations and the Committee has approved of eight others as follows:-

Research Associations Licensed.

- British Photographic Research Association.
- British Scientific Instrument Research Association.
- British Research Association for the Woollen and Worsted Industries.
- British Portland Cement Research Association.
- British Motor and Allied Manufacturers' Research Association.
- British Empire Sugar Research Association.
- British Cotton Industry Research Association.
- British Iron Manufacturers' Research Association.
- British Boot, Shoe, and Allied Trades Research Association.

Research Associations Approved.

- Research Association of British Rubber and Tire Manufacturers.
- British Music Industries Research Association.
- Linen Industry Research Association.
- Glass Research Association.
- British Chocolate, Cocoa, Sugar, Confectionery and Jam Manufacturers' Research Association.
- Scottish Shale Oil Trade Research Association.
- British Non-Ferrous Metals Research Association.
- British Refractories Research Association.

On July 30, 1919, money grants aggregating \$87,530 had been made by the British Government to approved research associations, and the Imperial Trust for the encouragement of scientific and industrial research was committed on that date to further expenditure to the extent of \$990,000. It is also estimated that the grants which will be made to research associations now in the course of formation will amount to at least another \$875,000 on the basis of their minimum contributions.



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 37.

November 4, 1919.

TORONTO, CANADA

upon receipt

FOR RELEASE

The Premier of Italy has laid down the fundamentals for reconstruction in Italy in these words: "Maintain order at every cost; work more intensely; consume less; produce more. No other choice is open."

The Guaranty Trust Company of New York, in a report on American goods and foreign markets, says: "Australian buyers are advising the immediate shipment of goods now on order because of the expected upward revision of the tariff."

A bill presented to the French Chamber of Deputies provides for the establishment of a French national bank of foreign commerce with an initial capital of 100,000,000 francs. The bank will possess an organization for the development of long-term credit business abroad, and will have special facilities for the collection and dissemination of information to exporters and other interested parties. It will establish branches, agencies and connections abroad to work in co-operation with the central organization, and a special reserve fund will be provided for this purpose from money, including a national subsidy, provided by the State.

Mrs. Claudia Quigley Murphy, advisory counsel for the Women's National Economic Committee, who has just returned from a Western trip in the interests of protection to American industries, urges a national association for the development of the home market. "We must stand, as a nation, behind our American industries," she declares. "I want to see formed an immense national association, pledged to buy no goods unless assured of their American origin. Now that the war is over, we have splendid plants and large industries through the investment of American capital. It is our civic duty to foster and to support them. Never before have we had such wonderfully equipped plants with which to supply our domestic markets. Let us be loyal and not allow them to fail for lack of support."

Speaking before the recent International Trade Conference at Atlantic City, Hon. William C. Redfield, Secretary for Commerce for the United States, advocated the formation of a foreign finance corporation with an original capital of \$500,000,000 to \$1,000,000,000 - preferably the latter - to finance exports from the United States, accepting long term securities and obtaining additional funds for the sale of bonds to investors on this continent.

The Committee on Credit and Finance at the same Conference recommended that immediate steps be taken to expedite the passage of the Edge Bill and to encourage the formation of large corporations under that legislation for financing foreign trade.



Protection of key industries will be a feature of the new Australian tariff policy, according to Mr. Walter Leitch, Director of the newly created Bureau of Commerce and Industry, who emphasizes the necessity of making the country self-contained industrially. Basing his opinions on a recent speech of the Acting Prime Minister of Australia, Mr. Leitch declares that "the policy of the Australian Government will be a higher protective tariff than exists at present, or failing the customs tariff, a bonus for Australian manufactured goods to enable the particular industry to get properly established. No doubt satisfactory legislation regarding dumping will also be passed at the same time as the bonus and tariff arrangements." Interviewed in London, England, by a representative of the Christian Science Monitor, Mr. Leitch boldly declares his position on nationalization of industry: "I do not believe that industries could be so well handled by a Government Department as by private individuals, but I do think that greater economy could be effected, and greater efficiency obtained by co-operation amongst manufacturers, with a view to standardizing their products, and arranging for mass production on co-operative lines, also selling through central organizations, somewhat on the lines of the German cartels, more particularly as regards the export trade. Economical administration of this kind would tend to cheapen cost of production, and might bring about greater co-operation between the employer and the employee, so that each would secure an adequate return for his labor.

"The report of the Committee on Industrial Control, in which Lord Balfour and Burleigh advocates this policy, is one which I heartily indorse."

Professor W. I. King, of the University of Wisconsin, is the author of a newly issued book entitled "Wealth and Income of the People of the United States." After careful discussion of the division of national income among all classes, he reached the conclusion that if all rent, interest and profits were added to wages the sum of the latter would not be increased by more than one-fourth. He says: "It would seem improbable that, with our present national productive power, any feasible system of distribution could increase the average wage-earner's income in purchasing power by more than one-fourth, and this is an extreme rather than a moderate estimate. While such a change might or might not be desirable, it would at least work no startling revolution in the condition of the employees of the United States. The grim fact remains that the quantity of goods turned out absolutely limits the income of labor and that no reform will bring universal prosperity which is not based fundamentally upon increasing the national income. After all, the Classical Economists were right in emphasizing the side of production in contradistinction to that of distribution. Nature refuses to yield her bounty except in return for effort expended. Demands for high wages have never yet unlocked her storehouses." Commenting upon this quotation, the National City Bank says:-

"This addition of 25 per cent. to wages which Professor King calculates to be the utmost that might be theoretically made, if all rents, interest and private profits were confiscated, would leave nothing for improvements and additions to the present industrial equipment, except the savings from wages, and nobody supposes that the additions would be nearly all saved. Experience shows that wage increases are commonly spent, and are wanted for that purpose. Evidently there would be a large diminution of available capital for continuing the development which Professor King says has brought such benefit to the masses in the last fifty years. Moreover, the attempt to confiscate all rents, interest and profits, would throw industry into such confusion that in all probability there would be no more to divide here than there is in Russia, and the returns to the wage-earning would be less than they are now."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 38.

TORONTO, CANADA

November 11, 1919.

FOR RELEASE upon receipt

Assuming the same relation between wages and value of output as shown in the Census of Production for 1917, strikes in Canada have caused a total loss in wages and output of workers and factories directly affected of close to \$100,000,000. This figure takes no account of the loss to factories indirectly affected through interruption in orders and curtailment of production nor of the commercial and community loss through dislocation of business. The time loss in working days from January 1 to September 30 is officially reported by the Department at Ottawa as 3,161,525. Assuming the average wage at \$3.50, the loss in factory output, according to the 1917 figures, was approximately \$78,000,000. Making allowance for the loss from the end of September to date, we find a total reduction in output of approximately \$88,000,000, and in wages of \$11,000,000.

Industrial disputes in the United States have been more numerous than in Canada and, while detailed figures are not immediately available, it is probably not unfair to assume that the time lost there has been greater than in Canada in about the same proportion as the population of the United States is greater than that of the Dominion. On this basis we may estimate a reduction in production in the United States of about \$1,020,000,000 and a reduction in production on the North American continent in excess of \$1,100,000,000. When it is considered that this is a direct loss in goods required by the people of these two countries and for export, it must be recognized that here is one factor in keeping prices high and in preventing a decline in the present abnormal cost of living.

Retail and wholesale businesses throughout Canada could take effective action for the development of the home market if they would follow the practice of a great Canadian departmental store which uses the maple leaf to indicate Made in Canada goods throughout its Annual Catalogue. This year, advising its readers to look for the maple leaves when ordering from the Catalogue, it says under the heading, "What This Maple Leaf Means to You":-

"Buy Canadian-made goods where possible as a matter of practical patriotism. In doing so your money remains in Canada to benefit Canadian workmen and Canadian industries, and thus contributes to the financial stability and welfare of the country."

The great nations of the world are united in developing their home markets and protecting key and infant industries. Advocates of radical tariff reductions in Canada are not only blind to the international economic movement but in their allegiance to Cobden and the Manchester School, they forget that John Stuart Mill himself stated the case for newly established industries as follows:-

"The superiority of one country over another in a branch of industry often arises only from it having begun it sooner. A country which has this skill and experience to acquire may in other respects be better adapted to the production than those earlier in the field; and, besides, it is a just remark that nothing has a greater tendency to produce improvement in any branch of production than its trial under a new set of conditions. But it cannot be expected



that individuals should, at their own risk, or rather to their certain loss, introduce a new manufacture and bear the burden of carrying it on until the producers have been educated to the level of those with whom the processes have become traditional. A protecting duty continued for a reasonable time will sometimes be the least inconvenient mode in which a country can tax itself for the support of such an experiment."

So, also, Adam Smith, while contending that the danger of foreign competition had been overstated, reluctantly admitted that "the case in which it may sometimes be a matter of deliberation how far, or in what manner, it is proper to restore the free importation of foreign goods, after it has been for some time interrupted, is when particular manufactures, by means of high duties or prohibitions upon all foreign goods which can come into competition with them, have been so far extended as to employ a great multitude of hands. Humanity may in this case require that the freedom of trade should be restored only by slow gradations, and with a good deal of reserve and circumspection. Were those high duties and prohibitions taken away all at once, cheaper foreign goods of the same kind might be poured so fast into the home market, as to deprive all at once many thousands of our people of their ordinary employment and means of subsistence. The disorder which this would occasion might no doubt be very considerable."

In the conclusion of the same chapter he said: "The undertaker of a great manufacture, who, by the home market being suddenly laid open to the competition of foreigners, should be obliged to abandon his trade, would no doubt suffer considerably. That part of his capital which had usually been employed in purchasing materials and in paying his workmen, might, without much difficulty, perhaps, find another employment. But that part of it which was fixed in warehouses, and in the instruments of trade, could scarce be disposed of without considerable loss. The equitable regard, therefore, to his interest requires that changes of this kind should never be introduced suddenly, but "slowly, gradually, and after a very long warning."

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The striking similarity in the reconstruction problems facing both Australia and Canada is emphasized in a special review of foreign industry by the London correspondent of "The Protectionist:" Dealing with the growth of the protectionist movement in Australia, the writer says:-

"The position in Australia is simply this: that five million people owe about £700 millions. They must produce more in order to pay the giant interest charge, and they must expand their industries so that there may be profitable employment for a growing population. To this end a strong protectionist party has been formed in Melbourne and the government is now definitely committed to a policy of effective protection. There is not any doubt that Parliament will vote for the highest possible range of duties.

"The spirit in which these will be adjusted to study the interest of the newest protection - (1) protection; (2) revenue; (3) worker; (4) consumer - will be best appreciated by the government proposal. They contend that it rests on the people of Australia to insist on more protection and higher efficiency in rural and manufacturing industries to enable Australia to carry her war debt. Since war started the Commonwealth has learned protectionist lessons. She has seen how the great key industries of Australia, notwithstanding past efforts, have been allowed to remain practically undeveloped. For eighteen months following July 1. 1918, the import of the Commonwealth amounted to £60 millions. For the whole year ended June 30 last, it was estimated that they would amount to £100 millions. That would be the largest bill Australia had ever paid in one year, and the government contends it is more than she should pay. Imagine what it would mean to the industries of Australia and to workmen engaged in them, in continuity of employment and wages, if only half the quantity of imports were made within the Commonwealth."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 39.

TORONTO, CANADA

November 18, 1919.

**FOR RELEASE**

upon receipt

A provisional revisal of the customs tariff which will increase duties on many articles is anticipated in Italy. The British (Government) Board of Trade Journal, discussing Italian tariffs and import restrictions, says:-

"Interest centres in the revision of the existing customs tariff in connection with which a parliamentary commission has been at work since July, 1917. The need for revisal is admitted on all hands since the existing tariff was established in 1887 and is out-of-date both with regard to classifications of merchandise and to the duties imposed. The Italian Government has taken steps to free its hands by denouncing existing commercial treaties or renewing them only for short periods. The Commission, however, is not expected to report until 1920, and in the meantime, according to one of the leading commercial newspapers, a provisional revisal is to be made by a Royal Decree to be issued shortly. The statement lacks any official confirmation, but the journal in question has published what purports to be the text of the decree, and a full list of the new duties. The immediate object of the measure is said to be the necessity of preventing the Italian market from being flooded by goods from the Central Powers, favored by the cheapness resulting from the low rate of exchange. About 120 out of the 472 articles in the tariff are affected, and the increase in duty varies in general from 20 to 400 per cent. The decree would not apply to 'conventional' duties in the case of countries with whom a commercial treaty exists, nor in the case of these countries to the general list of duties unless a country has, since the beginning of the war, raised its own tariff against Italy."

In addition to likely increases in protection, the Italian Government is taking extensive and practical measures to develop the domestic market and support home industries. The United States Trade Commissioner to Rome has reported to the Department of Commerce at Washington as follows:-

"In connection with the extensive improvements in the Italian telephone system which are contemplated, a royal decree of September 2, 1919, provides that, whenever possible, not only the construction work but also the supplying of the necessary equipment shall be allotted to Italian firms, which are defined as being those which actually manufacture in Italy with Italian capital and labor, and also use, when circumstances permit, raw materials of Italian production.

"After the firms falling in the above category preference will be given to those which, although of foreign origin and using foreign capital, manufacture the required material in Italy principally with Italian labor.

"Whenever it is necessary to depart from the above provisions and invite competitive bids, Italian firms are to be given a margin of protection of 10 per cent. with regard to foreign firms and of 5 per cent. over those which, although not actually Italian, manufacture in Italy. In the case of the latter, however, it is distinctly provided that the mere assembling of parts imported from abroad will not be considered as manufacture and will not entitle a firm to any preference."

Detailed information has just become available concerning the new Finnish customs tariff which came into force on April 1. The new rates are on



a considerably higher level than formerly, and, in addition, classification is much more extended. The new tariff contains no fewer than 961 items as compared with 284 in the preceding law.

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Acting Secretary to the United States Department of Commerce, Mr. Edwin F. Sweet, has issued a statement expressing the conviction that if surplus production of American farms and factories is to be advantageously sold as is necessary to keep the people of the United States well employed at fair wages, foreign markets must be developed and maintained. He favors energetic competition with Great Britain and other nations in the foreign markets of the world.

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The Senior British Trade Commissioner in Australia, in a report discussing the effect of the war upon that country, states that: "The secondary industries have received great stimulus and it has been demonstrated that a wide range of articles can be successfully manufactured in Australia which formerly were imported. Opportunity will no doubt be taken of the forthcoming tariff revision to protect as many of the secondary industries as possible....The natural resources and potential wealth of Australia are so vast and her people so virile and enterprising, that it is only reasonable that with the development of her resources and expansion of population, manufacturing industries on a large scale should be successfully carried on."

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Examining the results of Bolshevist Government in Russia, Mr. Herbert Hoover, in a recent address before the American Institute of Mining Engineers, said:-

"To-day two-thirds of the railways and three-fourths of the rolling stock that they control are out of operation. The whole population is without any normal comforts of life and plunged into the most grievous famine of centuries. Its people are dying at the rate of hundreds of thousands monthly from starvation and disease. Its capital city has diminished in population from nearly two million to less than 600,000. Prices have risen to fantastic levels. The streets of every city and village have run with the blood of executions; nor have these executions been confined to the so-called middle and upper classes, for, latterly, the opposition of the workmen and farmers to this régime has brought them also to the firing squad in appalling numbers.

"If we examine the recent proclamations of this group of mixed idealists and murderers, we find a radical change in their economic and social ideas. They have abandoned the socialization of the land, for they find the farmer will not produce for payment in highflown and altruistic phrases. They have re-established a differential wage in an attempt to stimulate exertion and ambition of skilled labor.

"They have established a State Savings Bank, in order to stimulate production through making provision for family and old age. They are offering fabulous salaries for men capable of directing the large agencies of production. In fact, while in the midst of flowery verbal endeavor to maintain that they are still Socialists, they are endeavoring to restore individual ownership of property and of the results of labor. The very High Priest of Socialism is to-day vainly endeavoring to save his people from their total destruction by summoning back the forces of production. The apologists of this débâcle are telling us that it is due to the Allied blockade, and to various other oppositions, but any one with a rudimentary knowledge of Russia knows that they did have within their borders ample supplies of food, coal, oil, wool, flax, cotton and metals, and the factories with which to work them in abundance, and that their sole deficiency is human effort."

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CANADIAN RECONSTRUCTION ASSOCIATION  
PRESS SERVICE

No. 40.

November 25th, 1919.

FOR RELEASE

upon receipt

The immediate adoption of an anti-dumping law similar to that in force in Canada has been recommended by the Industries Committee of the House of Representatives of the New Zealand Parliament. The Committee further found that nearly all the secondary industries were threatened by competition from abroad and warned the Government that in many cases, even where protection is now given, further assistance through duties or bonuses is essential. The Committee, according to the New Zealand Herald, approved of a substantial preference to Great Britain but recommended that New Zealand's ordinary tariff should apply to other British dominions not extending preference or favorable treatment to New Zealand. The Herald report continues:-

"The Committee believes that after the tariff is revised an attempt should be made to enter into a reciprocal agreement with Australia and other British dominions for the interchange of certain productions of each country. The Committee recommends the immediate revision of the reciprocal treaty entered into with South Africa in 1907. In 1915, legislation was passed empowering the Governor by Order-in-Council to impose a surtax of 50 per cent. on any goods specified in the order that are imported into New Zealand from the countries recently at war with the British Empire, the evident intention being that the additional duty should be imposed on such goods when peaceful relations were resumed. Provided there is no international agreement to the contrary, the Committee recommends that the above provision should continue."

The Committee urged that an expert metallurgist should be engaged to report on the value of iron deposits in the Dominion, and advised that export of scrap iron should be prohibited. Subject to the condition that local manufacturers of implements should produce articles equal in quality and workmanship to imported products and for a price approved by the Board of Commerce, the Committee further recommended the imposition of a tariff duty sufficient to secure a fair and reasonable profit for local manufacturers.

International appreciation of the value of scientific and industrial research is indicated by the fact that Japan has established a National Laboratory for Scientific and Industrial Research, with a fund of \$2,500,000 for use during the next ten years. Italy, too, is creating a National Research Council. A similar project is being discussed in France. In New Zealand a special Industries Committee of the House of Representatives, impressed with the number of pressing scientific problems demanding solution in the country, has recommended the establishment of a Board of Science and Industry for the development of national resources. The Committee also recommends that the Government should make special grants to each of the university colleges to provide fully qualified assistants to the professors of scientific subjects, including engineering, mining and medicine.

According to an estimate of Mr. Stephen C. Mason, President of the National Association of Manufacturers in the United States, strikes have cost that country \$10,000,000 a day in the last eight months, an average over the period of \$25 for every man, woman and child in the Republic.



Canada is to have the largest pulp and paper mill in the world when the plans of Price Bros & Co. of Quebec materialize. As William Price, the elder, called a whole district into being, and earned the title, "Father of the Saguenay," so a descendent of the same name, Sir William Price, proposes the construction of a great newsprint mill in the Saguenay district, with a capacity of between 400 and 500 tons a day. The proposal involves the creation of a town of Saguenay of some 7,000 people about three or four miles east of Chicoutimi, and the expenditure of millions of dollars to convert virgin land into streets, factories, public buildings and dwellings. In addition Price Bros. & Co. contemplate extensions to their existing mills at Jonquière and Kenogami which will increase their output from these plants from 260 to 325 tons a day of paper and board in addition to sulphite pulp. When their Saguenay plant is in operation Price Bros. & Co. will have a total output equal to nearly two-fifths of the present entire national production, the daily output of Canadian paper mills now being some 2,200 tons as compared with 2,900 tons in the United States.

In an interview, Sir William Price states that work has already been started on the necessary water-power at the Saguenay plant, and that construction of the mill will be under way by May of next year.

Commenting on these proposals, The Quebec Chronicle says, editorially: "It is fashionable at this moment to worship at the farmer's feet, but in the long run Canadians cannot fail to recognize the decisive part that the manufacturers have played in the upbuilding of a great and prosperous Dominion, and among these the Ancient Capital may hold itself fortunate to be intimately linked with such a progressive, patriotic firm as that which has now bent its energies to capture first place among the world's producers in its own particular commodity."

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Particular attention is paid to the tariff planks of the Farmers' platform in a special article in the November issue of the Canadian Labor Press, which is the official organ of the Allied Trades and Labor Council of Ottawa, and is endorsed by the Independent Labor Party of Ottawa, the Hamilton District Trades and Labor Council, the Hamilton Building Trades Council and the Kitchener Twin City Trades and Labor Council. It frankly states that it is an open question if any permanent alliance can be maintained between the Farmer and Labor parties in Ontario. "Canada," it says, "has great manufacturing interests built up under protection, employing over 700,000 persons and paying over \$550,000,000 in wages and salaries. Over 2,000,000 Canadians are directly dependent for their livelihood upon the continued prosperity of these industries. Is there anything but menace for Canadian labor in the free trade demands of the organized Farmers? Workers cannot afford to forget that Grain Growers in the West have become so extreme that they are threatening to boycott Canadian industries if their fiscal demands are not met. In a recent number of the Canadian Labor Press attention was called to a remarkable letter in the Montreal Daily Star from a correspondent who signed himself "Grain Grower", and declared that he bought implements made in the United States in order that the duty might go into the Treasury and to punish the East for maintaining a system of protection. Are the workers of Ontario to be punished through their wages by Western farmers who would deny business to Eastern factories, reduce output, create unemployment, and produce a period of industrial uncertainty which would inevitably be felt in many trades? Is it in the national interests that the tariff policy of the Dominion should be directed by an agricultural group clearly concerned to further its class interests? Can there be any assurance of industrial prosperity under the tariff policy of the Grain Growers which is directly opposed to the international movement towards protection? ....

There may be room for compromise with the United Farmers of Ontario, but before labor commits itself to anything approaching a permanent alliance, workers should clearly understand the Farmers' platform....It is inevitable that industrial questions should occupy much of the time in the next Legislature. Labor should demand a clear statement from the United Farmers of Ontario on their attitude towards the eight-hour day and collective bargaining. Workers should also know whether or not it is the intention of the Farmers to give legislative expression to the tariff planks of their platform."



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 41.

December 2, 1919.

For release            upon receipt

The creation of an extensive new industry in Canada and an increase of over twenty-five per cent. in the value of the annual yield of Canadian fisheries may result from special inquiries conducted by the Council for Scientific and Industrial Research into the utilization of fish waste. The annual amount of this waste for both the the Atlantic and Pacific coasts is approximately 300,000 tons, and the Research Council estimates that the quantity of solids annually thrown away, comprising chiefly fats and proteins, amounts to at least 75,000 tons which, if subjected to appropriate treatment, should be worth \$10,000,000 at prevailing prices, or about one-quarter of the total annual yield of the fisheries of Canada. Further, the oil contained in the waste, if separated and purified, should be worth on the market as much as \$2,000,000. "The utilization of this waste," the Council says, "will be of imperative urgency in the very near future. Even now there is a ver serious deficiency in the world's supply of food, including specially fats. It will take twenty years at least to restore the annual supply to what it was before 1914, and, therefore, any source of protein and fat at present untapped should, if it is at all industrially feasible, be made to contribute its quota of these indispensable nutrient compounds. The proteins so obtained would, mixed with other foods less nourishing, give a product which, as stock food, would enhance the supply of meat of various kinds, beef and pork, while the fat could be employed to the extent of its supply in the production of the cheaper and commoner kinds of soap for which so much of more valuable fat is used to-day."

The Council, as a result of its investigations, concluded that the utilization of fish waste was an industry which could be made to give profitable returns, and recommended to the Sub-Committee of the Privy Council for Scientific and Industrial Research that \$50,000 should be appropriated to carry out necessary demonstrations. A private company in Canada, however, has been so impressed with the findings of the Research Council that it has raised the necessary capital and will now conduct its own experiments at Canso.

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At a meeting of the Swiss Federal Council to discuss necessary measures for preventing "overcrowding by foreign wares," presumably German and Austrian products, the adoption of tariff protection together with prohibition of certain imports was strongly urged by Councillor Schult. The Basle News declares that the introduction of tariff measures is inevitable if Swiss commerce is to withstand foreign competition

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The work of the Council for Scientific and Industrial Research has as great a value for agricultural as it has for industrial communities. Very important experiments are being conducted by the Council to produce a variety of wheat less susceptible to the present dangers of early frost and rust fungus. The investigation on wheat genetics which has been carried on for the past three years and for which substantial annual grants have been made, has already given very interesting results. After explaining that early frosts and rust fungus are amongst the risks to which wheat-growing in the three Western provinces is



exposed, Dr. A. B. Macallum, Administrative Chairman of the Council, says in his Annual Report:

"The Marquis Wheat, the origin of which is a very noteworthy achievement resulting from the experiments in wheat breeding on the part of Dr. Charles E. Saunders, of the Experimental Farm, Ottawa, is the staple wheat of the West, and is rapidly becoming the staple wheat of the Northwestern States. It gives a large yield; it has good milling and baking qualities, which are exceedingly valuable factors in making it acceptable as a wheat suitable for cultivation in the West. It ripens earlier than the other varieties, which it has almost wholly displaced, but not so early as to escape the incidence of an early frost. Further, it has a comparatively low power of resistance to rust which, in some districts, takes a heavy toll on the crop. Professor Thompson, in his investigations, is attempting to breed a variety of wheat which will ripen early, be wholly rust-resisting and have good milling and baking qualities. He has succeeded in producing a variety which ripens nearly two weeks earlier than the Marquis, and also varieties some of which are wholly rust-resistant, others less so. He is now endeavoring to produce a hybrid of these which will ripen early, be completely rust-resistant, give a good yield per acre and have the right milling and baking qualities. The achievement of this object is fraught with consequences of vast importance to agriculture in Western Canada, as it will eliminate all the ordinary risks, except one namely, deficiency of rainfall, to which wheat growing there is subject, and the Research Council, recognizing what is involved and the agricultural interest concerned, is prepared to support financially this investigation till the object of it is attained, even if it takes a number of years to achieve it"

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The schedules for dyestuffs and chemicals in the French Tariff have been substantially increased. The revision applies also to colors, dyes, inks, varnishes, blacking, gelatin, synthetic perfumes, vanillin, saccharin and dynamite.

There is every reason to believe that the Canadian Wheat Board fully realises its obligations both to the wheat-growers and to the Dominion generally. It would be obviously unwise for the Board to make public at this time information relative to commitments abroad, prices obtained on overseas sales, etc., inasmuch as in marketing abroad Canada's export surplus of wheat and flour the Canadian Wheat Board is competing with the United States, Argentina and Australia. It is understood, however, that the Board has secured for Canadian wheat sold overseas at least as high prices as are being obtained by competing countries, and all sales have been affected on a cash basis.

While American millers are anxious to secure the high gluten Canadian wheat to mix with their softer product, it is important in the interests of the farmers themselves that Canada should continue the direct trade now being developed with new markets, especially those which formerly were supplied from Russia and the Balkans.

While details are being withheld, for sound business reasons, the statement may safely be made that no legitimate Canadian interest is being sacrificed and that when a further distribution is made to the wheat-growers on the basis of their participation certificates, the price received by the farmer will be highly satisfactory to him.

There is danger that uninformed agitation, following the action of the United States in lifting its embargo against wheat imports, may interfere with the plans of the Wheat Board; may drain Canadian wheat to American centres, there to be mixed with the softer American product; may force a temporary closing of Canadian mills for lack of wheat; and may mean permanent loss of direct export trade of a crop which, by virtue of its high quality, should go into world trade directly, as a product of Canada, instead of being used to raise the standard of United States flour



# CANADIAN RECONSTRUCTION ASSOCIATION

## PRESS SERVICE

No. 42

TORONTO, CANADA

December 9, 1919.

FOR RELEASE upon receipt

Hundreds of trade unions throughout Canada have endorsed the appointment of a tariff board. From the Pacific Coast to the Atlantic seaboard industrial workers are demanding scientific tariff revision which, in the words of the Canadian Railroader Weekly, "will enable the Dominion and its manufacturers and its workmen to progress steadily, free from the disturbing influences of political tariff battles." It will be recalled that as long ago as last April the Canadian Railroader Weekly urged the appointment of a tariff board with a representative of labor on the commission. In its issue of November 29, it says:—

"We find upon enquiries that our campaign begun in April for a scientific and modern plan for conducting tariff matters has been taken up by many labor unions throughout the Dominion of Canada. Hundreds of resolutions have apparently been passed supporting this idea. It is a source of great satisfaction to the Canadian Railroader that the idea of a tariff board, which received its first inspiration and advocacy in this office, last April, has borne such wonderful fruits. It certainly is a great tribute to the wakefulness and intelligence of the working class of Canada that they have so heartily and universally endorsed and supported the idea of a tariff board."

It prints a partial list of trades and labor councils which have "debated the question of a tariff board and pronounced in its favor." The list includes the Trades and Labor Councils of Nelson, Peterboro, Kingston, Prince Albert, Lethbridge, Niagara Falls, Hamilton, St. Thomas, Trenton, Brantford, St. John, Pictou County, Sydney, Windsor and Essex County, London, Fredericton, Montreal, and the Allied Trades and Labor Council of Ottawa and the central Labor Council of Sarnia.

Among other bodies that have endorsed a tariff board are: local unions of railway employees, carmen, and conductors; carpenters; blacksmiths and helpers; iron moulders; barbers; painters and paperhangers; metal polishers; plumbers and steam fitters; bricklayers, masons, and plasterers; locomotive firemen and engine-men; machinists; letter carriers; musicians; bakers; boot and shoe workers; cigar makers; leather workers; painters and decorators; sheet metal workers; brewery and soft drink workers; stereotypers and electrotypers; hotel and restaurant workers; book binders; theatrical stage employees; tailors; journeymen stone cutters; mine workers; telephone operators; deep sea fishermen; pulp sulphite and paper mill workers; street and electric railway employees; longshoremen's coal handlers; electricians; paving cutters; iron, steel and tin workers.

The appointment of a board has also been endorsed by the Typographical Unions of Woodstock, Peterboro, Kingston, and Stratford; and by the Calgary Fire Fighters Federal Union; Local No. 22, Progress Carmen, Carleton Place; the Toronto Pattern-makers' Association, Kingston, Ont.; Canadian Association of Stationary Engineers, No. 31, Stratford; and the Operative Plasterers and Cement Finishers International Association No. 372, Edmonton.

The tremendous increase in national financial obligations during the war period makes national economy imperative and emphasizes the necessity for the creation of new wealth both through scientific investigation and utilization of natural resources and through maximum production from fields and factories. It



also emphasizes the necessity of completing all processes of manufacture, as far as possible, in the Dominion. Millions of dollars are being lost to Canada through the export of raw pulp and pulpwood, leather, asbestos, and other materials. 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 unmanufactured 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 last year 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.

The provision of adequate tariff protection is now engaging the attention of the South African Government. The Census of 1916-17 in South Africa showed that industrial production in that country is now on an actual level with mineral production, which has always been looked upon as the preponderating economic factor in South Africa. The United States Vice-Consul at Cape Town, reporting to Washington on the census results which have just been made public, says that a feature in the industrial movement has been the active interest that has been manifested in all parts of the Union. At the Congress of the Associated Chambers of Commerce, held in Durban in September, 1918, resolutions were adopted recommending that the post-war policy of the Government should include the encouragement of industries by means of tariffs and bounties and a complete survey of the national resources of the Union, with a view to encouraging their exploitation. The Vice-Consul adds: "It is evident that the expansion of many local industries and the creation of others requires the provision of other forms of assistance," and adds that three principal forms of such assistance are recognized as indispensable:-

1. Promotion of scientific and industrial research. This need has been met by the organization of the Scientific and Technical Committee for the promotion of research work applied to trade and industries .

2. An industrial bank. The National Corporation of South Africa, Limited, a subsidiary of the National Bank of South Africa, has been organized for the purpose of lending financial aid to industrial enterprises.

3. Direct Government co-operation with industry. The Advisory Board of Industry and Science has been created and has taken over the work of the Technical and Scientific Committee.

The Consul says that there are industries in South Africa which need tariff protection and that the question of providing adequate protection, especially for new industries, is now engaging the attention of the Government.

Dr. C. H. Herty, who has recently returned to the United States from Europe, where he was sent by the United States Government to study the dye situation, stated before the Washington section of the American Chemical Society that legislation to protect the American dye industry and American consumers of dyestuffs is vitally necessary. He added that German dye manufacturers are ready to stifle competition from the United States and to seize the dye trade of the world.



No. 43

Toronto, Canada

December 16, 1919

FOR RELEASE

upon receipt

Contending that "the fiscal policy is of the greatest importance to workers throughout the Dominion," The Canadian Railroader Weekly, of December 6, continues its campaign for a Tariff Board. Such a Commission, it says, is needed in the interests of Canadian workers, of small manufacturers, and of producers who are combining new and old processes of production. "It is the small manufacturer the workman desires to see expand and develop, because expansion carries with it a greater employment of labor where the personal touch is not lost in the magnitude of the enterprise.

"The flexibility of the proposed Tariff Board," The Canadian Railroader contends, "is another important point greatly in its favor. If it is found upon investigation that the protective tariff now given industries is fashioning a monopoly the board can recommend a reduction. If on the contrary, it is found that some of the smaller industries need a greater measure of protection in order to prosper and expand, and employ a greater number of Canadian workmen, then the board can recommend a greater measure of protection....

"It is very evident from the resolutions that are pouring in from all parts of the Dominion that the sentiment in favor of the establishment of this board is exceedingly strong. It is quite apparent, at this time, that both the employee and the employer and even the general public are solidly supporting the idea.

"There is no parallel in the history of Canadian industrialism in which the great groups have come together in support of an idea of so far-reaching national and perhaps international importance. If we could all see eye to eye, as we evidently have done on this vexatious problem, is it not a strong argument that we may yet be able to understand one another sufficiently well to grapple successfully with all the great important problems which loom before us?

"If, after years and years of wrangling, we have been able to meet on a common ground on the question of the establishment of a Tariff Board, where is the problem that we cannot solve in the common aim of all to build a wonderful, a peaceful and happy Canada for all who are fortunate enough to come to our shores?"

The Weekly publishes a new list of 129 labor organizations that have endorsed the appointment of a Tariff Board in addition to reproducing the names of 161 organizations published in its last issue.

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Bulgaria has devised an effective plan to maintain Bulgarian credit. The value of all goods imported into Bulgaria from abroad must be deposited within a period of from one to two months in the National Bank of Bulgaria in the name of the exporter or consignor of such goods. This money will be sequestered for a period of ten to twelve months from the date of importation. The bank will pay 4 per cent. upon the sums deposited or 5-1/2 per cent. if they are exchanged for treasury bonds. The money deposited may be released from sequestration before the expiration of the time limit if the depositor, or his duly accredited agent, desires to purchase therewith Bulgarian products.

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Industrial interests in Italy are demanding greatly increased tariff protection. The British Board of Trade Journal says:-

"Recent articles appearing in the Italian press show that the financial measures proposed by the Italian Government are meeting with strong opposition.

"By what is called in one journal a 'providential indiscretion', the terms of the provisional tariff reform were apparently made public prematurely. This gave the industrial interests time to marshall their forces, and the general confederation has issued a manifesto to the effect that the proposed new duties, which on an average are about 50 per cent. higher than those previously existing, should be increased by an additional 100 per cent. and should be extended to all articles and not confined to those usually imported from the Central Powers."

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Contending that "safety for Canadian workers lies in thrift, production, and efficiency," the Canadian Labor Press for December contains a timely warning that the period of post-war prosperity cannot continue indefinitely. "The time," it says, "must come when money will be less easy, when only increased production will maintain wage standards, when thrift alone can prevent individual distress...Canada must get down to hard business, and capital, management, and labor must co-operate if depression is to be avoided." After emphasizing the duty of the State to support all policies calculated to improve the condition of the workers, the Labor Press says:-

"In return for these and recognition by employers of the human rights of labor, the Labor Press believes that Canadian workers and Canadian trade unions should recognize fully their responsibilities. As the trade guilds of the old world rejoiced in a tradition of proved and splendid workmanship, so we would like to see all Canadian manufactured products stamped with the seal of quality. Perhaps the chief industrial asset that Great Britain enjoys is its international reputation for high quality production. Canadian munitions won similar distinction in the later years of the war. Many Canadian products enjoy it to-day: All should. And in the domestic field, householders and contractors, manufacturers, and all employers should be assured of thorough and efficient workmanship in return for adequate wages and reasonable recognition of labor's services to the community. The present wage scale is good. The community has given unprecedented recognition to labor by its return of so many labor members to the Provincial Assembly. Now labor should acknowledge its responsibility, and the unions would secure even greater popular favor by the adoption of standards of workmanship and by insistence upon full work for full time.

"High quality production will build up both the home market and foreign markets. Maximum production will increase domestic and foreign sales and is the best economic road to lower prices. Thrift will prolong the present prosperity and create habits of economy that will provide the best insurance against any period of depression. All three are necessary now. Eight million, eight hundred and fifty thousand people in Canada are burdened with a net Federal debt of \$1,750,000,000, a per capita debt of \$197.85 as compared with \$43.49 five years ago. Canadian money is at a discount in New York. The balance of trade with the United States is heavily against Canada. Foreign orders have declined since the signing of the armistice. Industrial activity with busy factories and busy workshops can only be maintained through the co-operation of employers and employees in building up export trade and the co-operation of the whole nation in developing the home market through the purchase of Made in Canada goods."