
A TAX ON FOREIGN LABOR.

While there will be general approval of the attitude of the Canadian Federation of Labor against international and United States trades unions operating in Canada, their proposal to tax imported labor will be anything but acceptable to employers. This is perhaps the first effort of a labor organization to secure a share in the protection accorded employers. The tariff is designed to favor those who sell goods and buy labor, but the Canadian Federation wants it extended so as to favor those who sell labor and buy goods. The demand is made for a tax on labor imported by non-Canadian companies only. This would seem on its face to afford but a small measure of protection. If our tariff on goods applied only on imports by aliens in the Dominion it would give but a small measure of protection to the manufacturers. But if the non-Canadian companies designated include all that have stockholders outside the Dominion they would make a large element in the employing community. The tariff on goods puts the seller of labor at a serious disadvantage. It increases the cost of every line of supplies. By so doing it lessens the consumption of goods, lessens the demand for labor, lowers wages, and makes employment more precarious.

To put the seller of labor on an equality with the buyer it would be necessary to impose the average tariff rate on the prospective earnings of every incoming seller of labor. No union has ever seriously suggested anything so far-reaching. The workman sells his labor in an absolutely free trade market. Whether the competing workman is brought in or comes voluntarily, the effect of his competition is the same. Goods are all brought in and never come automatically, so they are always taxed. Trades unions have gone so far as to demand restrictions on that portion of the labor import that is brought in. Now the Canadian Federation asks that the restriction take the form of a tariff impost, but does not ask its extension beyond that brought in by non-Canadian companies.

There is no prospect of any such tax being imposed. The present exclusion of foreign labor under contract rightly prevents the growing up of undesirable conditions and affords workmen a measure of compensatory protection. Such disabilities as they suffer should be corrected not by imposing new taxations and restrictions, but by granting relief from those already in existence. The workmen should be relieved by the removal of existing taxation, and not compensated by new imposts difficult of application and uncertain in results. The demand of the Canadian Federation is not unnatural, considering the economic system in operation, but the organization will achieve more lasting results by seeking to lessen rather than to increase the restraints on natural development in trade, industry, and immigration.