

# NEW OLD WORLD CONDITIONS:

*A Contrast, Showing the Special Difficulties of Industrial Reconstruction in Canada.*

*Eighth of a series of articles on the relation of capital and labor by R. M. MacIVER, ASSOCIATE PROFESSOR OF POLITICAL ECONOMY, University of Toronto.*

Up to the present there has not been in either Canada or the States any activity looking towards the improvement of industrial relations at all comparable with that manifested in Great Britain. The reason is not far to seek. The social upheaval of the war has been much more gradual in Canada, and the late entry of the States into the maelstrom has delayed it still further in that country. But it would be foolish to conclude that there is no necessity here for measures on the more heroic scale which Great Britain has planned. It may be said that the conditions in Canada are so different from those of older countries that we can get along without any serious modification of the existing haphazard relations of capital and labor. I do not read in this way the signs of the times. I think it is very possible, on the contrary, that unless adequate preparation can be made, the after-war industrial situation in this country, and also in the States, may be more acute than elsewhere. There are differences, great differences, between new-world and old-world industrial conditions, but they are differences which may aggravate rather than diminish the need for preparedness. They may prevent the application by us of old-world solutions, but they make more imperative the quest and discovery of our own.

It is worth while to consider for a little the differences in question. They are differences of organization and differences of spirit.

## Only Rudimentary Here.

Of the former kind the most, obvious is the greater development of labor organization in Great Britain. Labor organization is nowhere very complete, but in Canada it is only rudimentary. In Canada there are about 200,000 unionists, or roughly, one in forty of the population; in Great Britain there are some 4,000,000 unionists, or about one in twelve of the population. It would on that account be far harder to work the Whitley plan in Canada, for that plan is based on the representation of the workers on industrial councils, and without organization there cannot be representation.

Again, Britain sends out emigrants, Canada receives immigrants. Emigration simplifies, immigration complicates the industrial problem. It is quite obvious that in any country subject to immigration no stable organization or control of industry is feasible that is not supported by a concerted policy in respect of immigration. This is a matter full of difficulties, but I think they can be met. In fact, a policy of immigration determined in view of the actual employment situation as it develops from time to time, following a plan clearly and openly based on the economic conditions of general welfare, would be far less invidious than the seeming arbitrary exclusions of the present.

We have, besides, the complication of cross-divisions almost unknown in Great Britain. There are conflicting interests of Provinces at different stages of industrial development, each semi-autonomous in the sphere of labor legislation, so that the co-ordination necessary to a successful scheme is hard to attain. There are racial differences not only between Provinces, but also within the general body of workers. These differences are barriers to industrial organization hard to break down. In

particular they create something like a distinction of class between skilled and unskilled labor in parts of the country, and so make it more difficult to organize the latter.

We suffer more violent transitions from prosperity to adversity, from boom to depression, than do the older countries. In the older industrial countries the relation between agriculture and industry approaches nearer a state of equilibrium; with us it is changing rapidly. For this and other reasons we experience even greater fluctuations of employment and unemployment than do the older countries, while we have fewer safeguards in the form of provision and insurance against this and other risks. Such conditions undoubtedly make industrial reconstruction harder to achieve, but they do not lessen the likelihood of after-war crisis.

## Sense of Responsibility Lacking.

Besides these differences of organization there are also differences of spirit to be taken into account. The conditions of our growth as a country have induced or attracted the more individualistic and adventurous types, the pioneer, the migrant, the land exploiter, the hunter after fortune. There was the necessary spirit of an army of occupation, but the time of settlement follows, and then that spirit proves a hindrance. More stability is demanded, more purpose, more sense of social responsibility.

This has been lacking in our industrial relations, perhaps even more than in other countries. I am speaking in general, well aware of numerous exceptions, but the general statement seems true alike of workers and employers. Because of his economic superiority it is the employer who must first exhibit that change of attitude without which harmonious relations are less likely in the future than in the past. On this point there are some things that need to be said. If in the changed temper of labor and of the world industrial order, not to say human progress, is to be assured after the war, the employer must everywhere abandon the doctrine that human labor is merely a commodity, so to be treated, so to be bought, so to be used up, driven, or rejected, as will conduce to the immediate maximum of productivity or of profit. The very opportunities offered by a new land have contributed to foster that attitude, men being so engrossed in its exploitation, in the control of its material resources, that they have scarcely been able to stop and think about its human costs. I have myself heard a large employer of labor admit that the growth of his business had been so great that he had been unable to give attention to the working conditions of his employes. A new country furnishes a particular temptation to think more in terms of magnitude than of human efficiency, of output than of utility. To grow big has naturally, perhaps inevitably, seemed more urgent than to lay the sound foundations of prosperity. But whatever justifications may have been offered for that doctrine in the past, they are ruled out by the necessities of the present.

A good illustration of the kind of irresponsibility to which I refer is found in the attitude of the majority of workers and the majority of employers towards unionism. But this is a subject of such importance as to deserve a separate article.

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