

Current Public Affairs

Indo-Canadian Trade

By SIR ATUL CHATTERJEE

THE trade between the Dominion of Canada and the Indian Empire which was slowly growing in value and volume in the late nineties has received a phenomenal impetus in the first three years of the war. During the four years immediately preceding the war, imports from India into Canada exceeded in value twenty million rupees or roughly seven million (Canadian) dollars, while Canada's exports to India amounted to about half that sum. The reason for this disparity is simple. The two largest single items of Canada's imports from India consisted of jute manufactures and tea, goods in which India has comparatively few competitors. Other articles imported from India were of a miscellaneous character, such as woollen rugs and carpets, peanuts and other seeds, raw jute, spices and cleaned rice. Canada on the other hand had only one major class of goods for export to India, namely, motor vehicles and parts, and in these she had a very powerful competitor in her neighbour, the United States. There was also a variable but minor trade from Canada in paper and paste board, machinery, provisions, chemicals and metals. Since the beginning of the war, for obvious reasons, Canada has very greatly developed her imports of Indian tea and jute manufactures. Her consumption of other Indian goods has also expanded rapidly. Similarly India now imports very large quantities of paper, (mainly newsprint), metals, etc. and the value of motor vehicles and parts sent from Canada to India is also much greater than it was before the war. As a result the value of the trade became practically equal on both sides and the

total value of imports and exports between the two countries was in the year 1941-42 more than four times as large as it used to be during the years immediately preceding the war.

It is difficult to say what has been the effect on this trade of the Japanese aggression in the Pacific and the consequent interference with the normal trade routes between Canada and India. There can be no doubt however that the development of economic relations between the two countries which characterised the first three years of war is a matter of sincere congratulation. It is earnestly to be hoped that after the war, this trade will be stabilised and lead to a further expansion of the commercial relations between India and Canada. For these two components of the British Empire do not compete with one another in any important class of products. Jute is virtually a monopoly of India and the country in the vicinity of Calcutta enjoys special facilities for the manufacture of jute goods. Tea comes down to the seaboard of India mainly by water transport and the transit charges are consequently kept down to the minimum. Most of the other articles exported from India to Canada are either food products, such as rice, coffee, nuts and spices, or other raw materials which cannot be grown in Canada. On the other hand, India is not likely to be able for very many years to supply from her own factories the rapidly increasing number of motor vehicles and parts needed for her expanding internal transport. The Indian people are daily becoming more newspaper-minded, and the spread of literacy among the four hundred millions of the Indian population will mean a very much increased demand for paper of all kinds. Raw material for the manufacture of paper is not available near the large cities of India such as Calcutta or Bombay, and sea transport from Canada

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compares favourably with land transport from the Indian mountains. Metals and machinery from abroad will be needed by India for many decades in order to supply the requirements of her expanding industry. In a country where comparatively little meat is consumed, there is naturally a growing demand for bottled fruit, vegetables and other provisions. These instances could be multiplied. It is clear that for a long time to come the products of the two countries will be complementary instead of competitive, and the development of mutual trade can only redound to mutual benefit.

There remains the question of a trade agreement between the two countries. Conversations on this subject were initiated at the Imperial Economic Conference at Ottawa in 1932. For various reasons it has unfortunately not been possible to conclude the necessary agreement, and in view of the special circumstances of the war it may be doubtful whether this is an opportune moment for an agreement of this type. The Atlantic Charter envisages a freer system of exchange of goods between the countries of the world than has prevailed in the twenty years since the close of the last war. The political and economic relations between different nations, and more particularly between the integral parts of the British Empire, are likely to undergo substantial changes. India has enjoyed during the last twenty years complete fiscal independence, and will remain competent to take her full and free share in the economic arrangements that will follow the war. It is to be hoped that in the post-war period the economic ties between Canada and India will become even closer and firmer than they have been during the war.

A World Food Plan

In these weeks an International Food Conference of the United Nations is meeting to discuss the difficult problem how the continent of Europe and especially the Nazi occupied countries can be

saved from starvation at the end of the hostilities. But the international food problem has much wider implications. They involve an improvement of nutritional standards for all the world and a more equal distribution of the sources of food supply. Is this not an Utopian ideal? Sir John Boyd Orr, the famous British nutritionist and social reformer, thinks not. In the March issue of the *International Labour Review* he puts forward a plan of his own meant to realise these ideals. It is a bold plan, appealing to the best instincts of mankind and aiming at international solidarity.

Sir John points out that food requirements for the maintenance of health are well established by science though not frequently realised, especially in the lower income groups. These standards of health are equal throughout the world. A food plan based on human needs would therefore be applicable to all nations.

To produce the necessary food in peacetime for all groups of the population should in Sir John's opinion, not be too difficult a task. If governments show anything like the same resolution and energy in providing for the primary needs of the people in peace that they have shown in providing food and armaments in war, the problem can be readily solved, Sir John contends. He also points to the Canada-United States agricultural production agreement which aims not merely at feeding the people of the two countries, but also fills the needs of Britain.

The policy, embodied in this agreement, should be further extended and an international organization set up which would enable the nations to cooperate with each other in regulating food production and to develop their industries and trade on a world basis to their nutritional advantage. Special commissions should be set up to facilitate international trade in food and in the things needed for food production. Arrangements would also be necessary for long term credits which would be needed for the first few years to enable the poorer countries to bring the diet of their people up to the health standard.

The Bookshelf

SOCIAL SECURITY AND RECONSTRUCTION IN CANADA. By Harry M. Cassidy. Toronto. The Ryerson Press. \$2.50 (cloth); \$2.00 (paper).

In these weeks when the Beveridge Report is being discussed all over the world and Ian MacKenzie's Health Insurance Bill and Dr. Marsh's plan are before the Canadian Parliament, Dr. Cassidy's latest contribution to the literature on social security in Canada is of particular value. The little book is full of constructive suggestions although the author does not purport to put forward a plan of his own. He renders an even more important service by giving a critical analysis of the situation with which present and future planners in Canada are faced, by examining the constituent elements which must go into such plans and by discussing the various methods for combining and integrating these elements in an effective and unified system of social services. In doing so he reviews not only past Canadian experience and reform plans such as the one recommended by the Rowell-Sirois Commission, but draws also upon the experience of other countries, especially Great Britain, New Zealand and the United States.

Among the most stimulating chapters in the book is, in the opinion of this reviewer, the one dealing with provincial and municipal activities in the field of social welfare. While we do not agree with Cassidy's suggestions to have the poor-houses in the Maritimes taken over by the provinces (page 167) we underwrite his statement that the transfer of operating responsibilities from local authorities to the provinces has already gone too far. We feel that it is not only possible as Cassidy states, but highly desirable to delegate the administration of the whole field of public assistance—including old age pensions, mothers' allowances, etc.—to local welfare departments under provincial supervision, provided of course that municipal units are—by another program of reform—made large enough and given the necessary financial strength to discharge these responsibilities.

Professor Cassidy who has dealt with these problems in several articles published in this journal during 1941 will make them the subject of another more comprehensive study that is soon to be brought out by the Ryerson Press. If it has the same fine qualities which distinguish the book under review we can look forward to it with great expectation.

HISTORY OF CANADIAN PEOPLE. By Mordon H. Long. Vol. 1, NEW FRANCE. The Ryerson Press, Toronto. 1942. \$3.50

THE SOCIAL DEVELOPMENT OF CANADA. By S. D. Clark. University of Toronto Press. 1942. \$4.00.

CANADA MOVES NORTH. By Richard Finnie. The Macmillan Company, New York. \$4.00.

The three books under review cover the entire history of Canada from the conquest of the territory which is now Quebec by the French to the conquest of the North by the aeroplane in our times.

As the title of his book indicates, Professor Long is concerned with the history of the Canadian people and not merely with the political history of the country. There are accordingly in the first volume which is devoted to the French period, comprehensive chapters on the physical and racial background, on the economic life, the seignorial system and the role of the church. The statesmen of the time were guided by the principles of mercantilism and state control permeated all spheres of the community. Parallels to the conditions of the present war economy are therefore frequent. The author describes for instance a system of family allowances in force at Quebec in the seventeenth century which might have served as a model for Sir William Beveridge. The book does not give unknown facts and new insights but it is a very able and readable presentation of the material which historical research has accumulated.

The Maritimes which are only incidentally mentioned in Long's book on New France, come in for more extensive discussion in Professor Clark's "Social Development of Canada". The author propagates the thesis that social organisation in Canada is bound up with the opening of new areas of economic exploitation and he describes in his book how social welfare, prevention of crime and the maintenance of moral order, cultural organisation and education, as well as religious institutions fit into the economic pattern of the frontier region. He illustrates his thesis by the development of the fisheries in the Maritimes, while Quebec is characterized by the fur trade, Upper Canada by the timber industry and British Columbia by the mining industry. The final chapter shows how the trans-continental railways and the industrial capitalist areas have in our days changed the pattern of society. The bulk of the book is made

up of documents referring to the above mentioned industries and in each case Professor Clark has written an introduction depicting the general pattern. Students of economic history will find in the book a wealth of information and the hope expressed by the author that the volume will serve as an introduction to further studies in the field seems fully justified.

The fur trade, mining and farming are also dealt with in Finnie's book on the Canadian North, the first popular book on the North West territory as a whole. But Mr. Finnie has by no means written a treatise on Economics: the geography of the North country and the character of its inhabitants, the communication system and especially the role of the aeroplane, past history and a promising future are discussed. It is the work of an explorer and journalist, fascinatingly written, illustrated with beautiful photographs: a book which gives rich food to our imagination and makes us desirous of going north with the author.

UNION POLICIES AND INDUSTRIAL MANAGEMENT. By Sumner H. Slichter. The Brookings Institution, Washington. 597 pp. \$3.50.

If the author had a flair for sensational titles he might have called his book "Industrial Democracy in the Making". For this is his thesis: as political government is characterized by the rules of law and by the machinery for its enforcement, so will industrial management eventually be based on "civil rights" recognised by both parties and conducted by rules rather than by arbitrary decisions. How do these rules come into existence? Which are the union policies aiming at their recognition? These are the questions which occupy Professor Slichter's attention. He tries to answer them by explaining the unions' attitude against the background of the conditions prevailing in the various industries. The major problems,—which have proved controversial in labour agreements—come up for critical examination, such as the control of apprenticeship, of hiring and of lay-offs and the unions' position towards technological changes and systems of wage payments. The last six chapters of the book are devoted to the various types of union management cooperation. Again Professor Slichter is undogmatic: he shows why cooperation succeeded in some industries and failed in others, and he is satisfied to explain the conditions which are essential for the proper functioning of the new organ of industrial democracy.

The book is replete with information taken from speeches of labour leaders, extracts from trade union journals and official and unofficial

reports. No thesis is put forward which is not based on solid facts and the author's familiarity with the techniques of a great many industries is truly astounding. But the greatest value of the book is in its penetrating analysis. Problems which are regarded as highly controversial in the negotiations between management and labour, issues which are often obscured by slogans, are shown in their proper social and economic setting. The road thus is opened for an understanding which may eventually lead to harmonious solutions.

The book is "must" reading for employers as well as union leaders. It is certain to become a standard work in the literature of Industrial Relations.

MUNICIPALITIES AND THE LAW IN ACTION. Proceedings of the 1942 War Conference of the National Institute of Municipal Law Officers. Edited by Charles S. Rhyne. Washington, D.C., 1943. \$7.50.

METROPOLITAN GOVERNMENT. By Victor Jones. University of Chicago Press, 1942. \$4.00.

MUNICIPAL AFFAIRS: By Ernest W. Steel. International Textbook Company. Scranton, Pennsylvania. 1941.

The first book, the latest edition of an annual compilation of the Institute's proceedings, presents an "over-all" picture—perhaps the most complete yet published—of the effect of the war on American city governments. Among the many and varied problems discussed, there are such specific topics as national defense, civil liberties, housing, zoning and planning, revenues, financing, tax exemptions, public utilities, airports, personnel and wages, tort liability, controls to meet social problems, and federal-state-municipal relations. Canadian municipal authorities will find the carefully indexed discussions of these matters very useful in meeting similar problems as they exist or arise in this country.

The second book deals with one of the major prerequisites to successful post-war reconstruction—the problem of re-organizing the governments of metropolitan areas in order to provide efficient and effective democracy in those areas. The author traverses the whole field and has assembled and analyzed the basic considerations—technical, social, economic and political—affecting the problem. The various inventions and techniques of government that have been proposed or tried as solutions of the problem are analyzed and critically evaluated. This is a brilliant contribution to a clearer understanding of a complex situation not only as it exists in the United States, but also in Canada. Further,

while the author is concerned primarily with metropolitan areas, many of the problems and principles discussed pertain as well to municipal areas.

Effective democracy in local areas requires more than a proper adjustment of areas and a proper allocation of functions. It may require the development of new political ideas and ideals; in every case, it requires scientific organization of government and efficient administration. The third book combines a discussion of the fundamentals of city government with the functions of the various departments and the techniques of administration. The emphasis on practical matters commends the volume to city officials, while the concise treatment of basic principles makes profitable reading for the layman and for the student who is approaching for the first time systematic study of "Municipal Affairs".

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CAPE BRETON OVER. By Clara Dennis. Ryerson Press. Toronto, 1942. Pp. XIV, 392.

In this volume Dr. Dennis continues the labour of love for her native province begun in *Down in Nova Scotia* and continued in *More About Nova Scotia*. Like the preceding, this volume is in the form of a travelogue and is a happy combination of description, dialogue, folklore and local history. It is illustrated by choice photographs taken by the author, and written in plain, straightforward style.

Dr. Dennis catches the real atmosphere of Cape Breton: the charm and simplicity of its rural life; the nearness of its people to the Scottish highlands and to former days; the romance and tragedy of the sea which lies about it like a garment; the links with the 18th century in Louisburg, St. Ann's and Acadian communities; the smoky, noisy reality of the present in the steel and coal towns; the variety and beauty of nature, symbolized like that of the Scottish Highlands in its place names. Like the Hon. A. L. Macdonald who writes a foreword, Cape Bretoners abroad who read this volume will grow homesick. Others who know not Cape Breton, will want to discover it for themselves.

Dr. Dennis is to be congratulated on her whole trilogy on Nova Scotia. In the reviewer's opinion this is the most interesting of the three, perhaps because the subject has a uniqueness which even mainland Nova Scotia does not possess.

R. A. M.

PAMPHLETS

The latest pamphlets of the National Planning Association in Washington are devoted to problems of Reconstruction in the United States and in the international field. They are No. 16, *Regional Resource Development* by Alvin H. Hansen and Harvey S. Perloff; No. 17, *Relief for Europe* by an NPA Study Group; No. 18, *The Economic Pattern of World Population* by J. B. Condliffe and Nos. 19 and 20, *Business Reserves for Post-War Survival: Their Impact on Capital Adjustments* by Mark S. Massell. Price 25c each; Nos. 19 and 20, 50c.

Post-war problems are also the subject of some recent pamphlets of the Public Affairs Committee in New York: 74. *How Can We Pay for the War?* 75. *Where Can We Get War Workers?* 76. *Workers and Bosses Are Human;* 77. *Women at Work in War-time* and 78. *The Airplane and Tomorrow's World*. Price 10c each.

Behind the Headlines, the pamphlet series of the Canadian Institute of International Affairs and the Canadian Association for Adult Education, emphasizes Canada's part in the war. The last pamphlets are: *An Anglo-American Economic Policy; Will Food Win the War and Canada in a Hungry World* by Andrew Stewart; *Canada's Last Frontier* by Trevor Lloyd and *Canada—Crossroads of the Airways*. Price 10c each.

Of the Oxford Periodical History of the War published by the Oxford University Press and written by Professor Edgar McInnis, Nos. 11 to 14 have come out dealing with the war from January until December, 1942. Price 25c each.

Finally may be mentioned two new pamphlets in the Series America in a World of War which is brought out by the Oxford University Press of New York: the one deals with radio in war-time, the other contains a very valuable "Atlas of the U.S.S.R." with sixteen maps and explanatory text.