

NOV 30 1946

Wages Now an Employer-Employee Matter

Five years ago, alarmed by the rapid increase in prices, the Canadian government established price and wage control, and tied the stabilized wages and salaries to the cost-of-living by a variable cost-of-living bonus affecting the greater part of the country's workers. This bonus was last winter incorporated in basic wage rates—that is, it ceased to vary with the cost of living—but wages and salaries continued to be stabilized except as increases might be ordered by the war labor boards which had been established to pronounce upon such questions.

Most price controls still continue, but Prime Minister King last night announced that today will see the last of wage and salary stabilization. Wages and salaries are now a matter to be settled between employer and employee, except in cases at present in course of adjustment before the labor boards. That is, pre-war conditions are restored.

Wage control was a successful experiment and served a splendid purpose in the war and immediate post-war period. But it could not be continued indefinitely without involving unfairness to classes of workers deserving wage and salary increases who had been deprived of them by the wage order, although, in many cases, their employers were willing to pay. Some employers, however, will still have to sell their goods under a price ceiling, and this may perhaps operate to the disadvantage of their workers who will, on the other hand, have, for a time at least, the advantage of buying price-controlled products. For price controls stay, although wage controls disappear.

The Prime Minister's announcement of their disappearance is a welcome one—another step in the abolition of wartime restrictions which must ultimately be complete.

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