

**THE
FUTURE
OF
INDUSTRY**



**Heaps Engineering (1940) Limited,
of New Westminster, B.C.,
Addresses Open Letter
to Political Groups**

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BY

THE SOCIAL CREDIT BOARD
LEGISLATIVE BUILDING
EDMONTON ALBERTA

The Enquiry

Open letter from The Heaps Engineering (1940) Limited to the Alberta Social Credit Board, and addressed in identical terms, with the exception of the party's name, to the National Secretaries of the C.C.F., Liberal and Progressive-Conservative Parties.

Sir:

Purely from the standpoint of enlightenment we would request that you give us your answers to the following questions:

1. If the Social Credit Party becomes the Government of Canada or the Government of British Columbia, What would you do to, with, and for an industrial concern such as ours?
2. It is understood that we are referring in particular to post-war conditions.

Do you propose to,—

- (a) leave us alone to find our own business?
- (b) plan our production and provide us with markets?

Also, would you,—

- (a) buy us out?
- (b) supervise our management with a political appointee?
- (c) Put in management of your own choosing?

There are about 500 men and women employed at Heaps Engineering Company. These men and women, for reasons akin to those of the management, have reason to be concerned with the continued full-scale operation of this plant after the war. It is not necessary to tell you that in this staff there is the usual cross-section of the Canadian electorate. Each political party has its followers here, and we now invite you to give your answers to the questions raised above. These answers will be given full and fair publicity in the next issue of VISIONEER.

HEAPS ENGINEERING (1940) LIMITED.

Reply of the Social Credit Board

NOTE: In acknowledging receipt of the letter the Board Stated:

"I should like to explain that this Board is a non-political body appointed by the Alberta Legislative Assembly as an authoritative source of information on matters relating to Social Credit. Further, that Social Credit—as it is termed—is a subject that extends beyond any narrow political partisan considerations, embracing the whole field of democratic social organization.

"You will appreciate, therefore, that in giving specific replies to your questions we cannot speak for any political group, but we can state very definitely what the adoption of Social Credit principles by any government would involve in the matters you mention."

* * *

Following is the answer from N. B. James, Secretary of the Alberta Social Credit Board:

We welcome this opportunity of clearing away some misconceptions regarding Social Credit and replying specifically to the questions which you ask.

In the first place it is necessary to stress emphatically that Social Credit is not merely a scheme of monetary reform and neither can it be associated properly with party politics.

Social Credit—or the 'credit of Society'—is the motivating power which arises from the belief inherent in society that individuals in association can gain objectives they want and which otherwise would be impossible of attainment.

To the extent that the social system of a country enables its individual members to get the results they want from their co-operative efforts, (i.e., to realize their

social credit), the nation will be contented, harmonious and progressive. To the extent the social system thwarts its individual members from gaining the results they want, the community will be rent by discord and strife, and it will tend to disintegrate.

The nature of a social system is a matter of organization and, as readers of your paper will appreciate, organization is a science.

The only form of social organization which will enable the people of a country to get the results they want from their association as a nation is a properly functioning democracy.

Therefore, in a democracy—i.e., government in accordance with the will of the people—the people must be the supreme authority and must be able to state in a coherent manner the results they want; further they must be able to enforce obedience to their wishes. (Authority without the means to enforce it is non-existent.)

The means available under our complex modern social structure to enable millions of individuals scattered over wide areas to exercise their sovereignty as a nation are supplied by voting mechanisms which if properly organized, can be made effective.

In the political sphere the voting system should enable electors (a) to choose their representatives, (b) to tell them the results they want, and (c) to control their representatives **all the time**. Democracy should operate every day; not merely one day in every four or five years. This entails the people being organized as electors so they can state in definite terms their collective will and be able to enforce obedience to it.

In the economic sphere the voting mechanism—though not recognized as such—is the monetary system. Money enables the individual to demand the results he wants from the economic system by going into a store and buying the goods of his choice. Moreover, by their purchases the people can control the nature and volume of production provided that no artificial barrier is placed in the way.

To the extent an individual has money in relation to the price of goods, he has economic voting power. To the extent he is assured of this in an adequate amount he has economic security. And to the extent he has control over the conditions under which he receives his economic voting power, he has freedom.

It follows then that control of the monetary system is a sovereign power which, in a democracy, should be exercised by the supreme authority—the people—through Parliament.

The Social Credit proposals are designed to ensure a smooth transition from our present pseudo-democracy under which the people do **not** get the results they want, to a properly functioning democracy under which the people's political and economic voting mechanism will be effective in enabling them to get the results they want. Personal freedom is fundamental to the attainment of this.

The foregoing is but a bare outline of the fundamental principles involved and in reply to your specific questions, the adoption of the Social Credit reforms would have the following results:

1. Nothing would be done to or with industrial concerns such as yours, but a great deal would be done for them.

(a) Industry would be provided with adequate credit facilities to finance wanted production.

(b) The home market being constantly equipped with purchasing power sufficient to enable the people to buy the goods produced, industry would be assured of a ready and expanding market.

(c) Workers would be assured of adequate wage scales supplemented by family allowances and have the guarantee of basic economic security in sickness, unemployment, disability and old age.

(d) Prices would be subsidized to meet the additional costs of the increased standard of living and to assure

manufacturers, primary producers and merchants alike of prices which would enable them to meet their production costs and receive a fair return for their services.

(e) The money required to finance the foregoing would be issued by a national monetary authority responsible to Parliament and without debt to the nation. Taxation would be systematically abolished except for the purpose of withdrawing surplus purchasing power, if any.

Private enterprise, personal initiative, individual responsibility and the freedom of the citizen being fundamental to democracy, these features would be jealously safeguarded with effective measures to preclude their abuse by some individuals at the expense of others.

2. State domination, bureaucracy and regimentation are the antithesis of democracy and are inseparable from totalitarianism. The essence of Social Credit philosophy is to place everybody in the position of being able to mind their own business, and to prevent their servants—i.e., governments, civil servants and others—from minding their business for them. Therefore:

(a) You would be left to find and mind your own business.

(b) You would be left to plan your production to meet the demands of the markets you served.

3. (a) **No.** { Any such steps as those involved in your questions would constitute the quintessence of totalitarianism as exemplified by national socialism in Germany. It would be the antithesis of democracy.
- (b) **No.** {
- (c) **No.** {

This Board will be happy to supply any further information which either you or your readers may desire.

Yours very truly,

(Signed) N. B. JAMES, M.L.A.
Secretary,
Social Credit Board.

Answer to Open Letter Addressed to C. C. F.

Following is the answer from David Lewis, National Secretary of the C.C.F.:

The questions posed in your open letter to me, as National Secretary of the C.C.F., are interesting and important. I will try to answer them clearly and directly. If, on one or two points, I should appear to be insufficiently concrete, it will be due only to the fact that since we are dealing with the future, it is not possible to do more than sketch the general lines of our policy. The details of its application will depend largely on conditions and circumstances which it is not possible to foretell in their entirety.

You will, I hope, also forgive me if I do not attempt to answer your questions in the precise order in which you state them. You will yourself see that the three series of questions overlap a great deal and it will therefore be much more useful if I answer their clear general meaning instead of trying to deal with each subdivision in turn.

Your questions deal with two separate matters which must be kept clearly distinguished one from the other: One concerns the ownership of your firm; the other has to do with its functions in the economy of Canada and of British Columbia. I will deal first with the second matter—the place of an undertaking such as yours under the C.C.F.

On this point, it is the belief of the C.C.F. that many resources of our country have not been fully utilized in the past, that even during this war we have not yet achieved full use of all available resources. Thus the C.C.F. in British Columbia outlined at its recent provincial convention our policy for the development of more and cheaper electrical power which, together with a planned

utilization of the iron ore and other resources of British Columbia, would enable a tremendous development in the production of steel, plastics, chemicals and many other lines which are only just beginning to emerge as the important industrial developments of the future. Further, it is our belief, based on the clearest evidence, that the great resources of British Columbia have been recklessly and wastefully exploited and that a comprehensive scheme of reforestation and conservation would not only provide employment in many branches of industry but would greatly increase the natural wealth of the province.

Thus we believe that an undertaking such as yours would have much greater functions and much wider scope under the planned economy of increased production which is the economic objective of the C.C.F. Engineering, machine and tool manufacturing will, under the C.C.F., be one of the major industrial fields which will require and receive careful attention and support. This is clear from the fact that any industrial development depends in very large measure on whether the necessary engineering skill, machines and tools are available. I can, therefore, say with a clear conscience and absolute certainty that as far as the workers, office and trained technical staff in your firm are concerned, the policy and program of the C.C.F. will open new and greater fields for their efforts.

The second matter with which your questions deal is, 'What is likely to happen to the ownership of your firm under the C.C.F.?' This question is not possible to answer with certainty. The C.C.F. stands unequivocally on the principle of the social ownership of industry. We stand on this principle because we believe that only through social ownership will it be possible to plan and use our resources to the best advantage for the welfare of all the people. However, we know that social ownership cannot be achieved overnight, especially since it is our determination to build the new society in Canada with a minimum of hardship and dislocation of industry. We therefore realize that, during the first period, some sectors of the economy will have to be left in private

hands and the C.C.F. government will have a very big job socializing the monopolies and near-monopolies. It is quite likely, therefore, that a relatively smaller concern such as yours may be left in private hands. I should add, at this point, that from its inception the C.C.F. has declared itself against confiscation. Whenever an industry or plant will be acquired by the C.C.F. government for the people, its owners will be compensated in a fair way—fair not only to the owners but to the people of Canada.

However, whether your firm remains in private hands or not, its production and its work will have to fit into the national and provincial plans for the building of our country. This war has taught us that if the national objective of victory over Hitler was to be attained, our production had to be planned in accordance with war needs. This lesson the C.C.F. will carry into the peace. We shall plan our production in every field in accordance with the needs of the people and the welfare of the entire population. Every unit of the economy will be fitted into the general plan.

Planning under the C.C.F. will be democratic. It will be carried out by the technical experts in consultation with the workers in industry. There will be no political managers in industry, no civil service rigidity, and no patronage. Managers, to quote the C.C.F. Regina Manifesto, will be appointed for their competence in the industry and will conduct each particular enterprise on efficient economic lines. If, as I have reason to believe, the management of your firm is efficient and if, as I hope, it will be eager democratically to co-operate with the national and provincial plans in a spirit of patriotism and loyalty, there is no reason why there should be any change in your management.

In short, I would summarize what I have written as follows: Under the planned and increased industrial activity which the C.C.F. program will bring, a firm such as yours will have a very important place in our economy. All your employees, whether workers in the plant and

office or members of the technical and supervisory staff, will have much greater scope for service and permanent security. The work and development of your firm will be part of comprehensive, democratic, national and provincial plans for increased production in every field so as to provide a high and ever higher standard of living for all the people.

I believe the above, answers all your questions directly and fully. May I, in conclusion, express appreciation of your approach in this matter and thank you for this opportunity of outlining the policy of the C.C.F. on your questions.

Yours faithfully,

(Signed) DAVID LEWIS,
National Secretary.

The Progressive Conservative Party Reply

Following is the answer of R. A. Bell, National Director, 140 Wellington Street, Ottawa, Ontario.

In reply to your letter in which you set out a series of questions on the policy of the Progressive Conservative Party, I will reply in the order in which they are asked.

1. If the Progressive Conservative Party becomes the Government of Canada, or the Government of British Columbia, what would you do to, with or for an industrial concern such as ours?

In the first place, let me make it clear that we at the National Headquarters do not speak for the provincial organization in British Columbia. Ours is a democratic organization. The British North America Act sets out the functions and scope of activity to be carried out by the provinces and the Federal Government. The National Headquarters is concerned primarily with the responsibilities of this Party's attitude toward national issues.

For the first section of your question, what we would do to such a concern as yours, the answer is simply, we do not intend to do anything to your concern or any other concern that carries on a legitimate, constructive, creative business, giving employment to the people of this country. We expect, of course, that any such concern will conduct itself properly and observe the laws of the land in the spirit as well as the letter.

The answer to the second section of the first question is answered in part, at least, by the answer to the first section. As a government, we would not expect to do any-

thing with such a concern as yours so long as it was properly conducted.

For the third question, as to what we would do for an industrial concern such as yours, the answer is more comprehensive and is applicable to all business as well as your own. There is no longer any doubt that one of the first responsibilities of any government is to have this country's economy so directed that there will be a high level of national income. The national economy must be so enlarged that the spectre of unemployment will never again stalk the land. Private enterprise will be encouraged to provide work for those who will work, at fair rates of pay. The worker who is worthy of his hire must be protected against exploitation of all kinds. Where private enterprise cannot function, it will be the duty of the state to carry on the work. Within these limits, every employer will be expected to show initiative and constructive endeavour.

2. It is understood that we are referring to post-war conditions in particular:

Do you propose to,—

- (a) leave us alone to find our own business?
- (b) plan our production and provide us with markets?

For the first section (a), the answer in so far as domestic markets are concerned is that you would be left alone to provide products and services that can be sold by yourself.

For the second section (b), the answer falls in two brackets. The answer to the first part of this question is definitely no, as we do not intend to plan your production. We do, however, hope to be of some help in enlarging Canada's markets abroad.

Section 17 of the resolutions dealing with Reconstruction, adopted at the Winnipeg convention in December last, reads as follows: 'The Government through a public

corporation should establish a foreign trade advisory service to assist exporters, train men for foreign selling, and place them abroad in strategic places where they can facilitate the sale of Canadian goods and act as medium for purchase of imports to aid export sales.'

3. Also, would you,—

- (a) buy us out?
- (b) supervise our management with a political appointee?
- (c) put in management of your own choosing?

The answer to all three sections of this question, spelled in capital letters, is 'NO.'

R. A. BELL,
National Director.

Answer to Open Letter Addressed to Liberal Party

*Following is the reply from Gray Turgeon, M.P.,
Chairman, House of Commons Select Committee on
Post-War Reconstruction and Re-establishment.*

Note: Mr. Turgeon explains: "I have been handed your communication requesting answers in the name of the Liberal Party to certain questions in the VISIONEER for June, 1943. I shall write the answers, which will be my idea of what the Liberal Party will do in the circumstances outlined by you if the post-war government is formed from that party. My answers, of course, will have to be those of myself personally, as there is no official secretary of the Liberal Party in Canada. It happens, however, that I am Chairman of the House of Commons Select Committee on Post-War Reconstruction and Re-establishment. That is probably why I have been asked if I would answer your questions. You will understand, however, that my replies will not be those of the committee, but purely my own."

So far as industry is concerned, the doctrine of *laissez faire* is all but forgotten. But the doctrines of state ownership and operation and management of all business is repugnant to liberal thought. There remains then what might be called the basis of present day, forward looking liberal policy, *aider a faire*, that is, the doctrine that the state should aid in the development of national industry, aid in the securing of proper and profitable markets, in bringing about and maintaining the welfare of industrial labour, and in the proper protection of the consumer public.

This means then that there must be a new relationship between industry and the state. And it means also that the term "industry" should no longer imply simply the capital or the management part of industry. The term "industry" must henceforth include labour in its organized form, as well as management and capital.

Industry is social. Labour is social. Labour has the same moral right to organize as have the owners or the managers of industry. Men and women are not commodities of traffic. They are human beings with souls, and they have the dignity given to them, and the responsibilities imposed upon them, by the Creator. This is true whether they are owners, managers, or labourers. It is true in industry, as in every other human calling.

When war is over, governments, both federal and provincial, will be in duty bound to help both primary and secondary industry. This is a duty owed to the Canadian nation; and in addition, it is a duty owed by the Canadian nation to the world at large and particularly, of course, to that part of the world which today is fighting for freedom and human rights under the banners of the United Nations.

Projects which should be developed for the conservation and the proper utilization and development of our natural resources will in themselves be of great help to many branches of Canadian industry. This is particularly true of an industry such as "Heaps Engineering Limited." For instance, great quantities of machinery will be required for the carrying out of these suggested projects. At the same time, to speak of only one of our great natural resources, the life of your company will be materially lengthened if government measures are taken to make certain that utilization of our forests is not carried on at the expense of their protection and preservation.

But in post-war Canada, our government will have to help in many ways in addition to projects based on our natural resources. Take housing, for example. There are vile, repulsive, unhealthy slum conditions in many parts of Canada, both in the urban and in the rural districts. These slum conditions should be totally eliminated in the shortest possible time after the end of the war. This will be of great benefit to the social and moral life of all Canadians, and will be very helpful to industries such as yours.

I think the above, answers your questions concerning what a government would do with your business, in the post-war period, if that government were formed of men and women who adhere to Liberal principles.

It answers No. 1 by showing what such a government would do to, with and for an industrial concern such as yours. You will note that while the profit-motive is sanctioned and approved, the service-motive is stressed. Human welfare will be the guiding instinct.

It answers No. 2 both (a) and (b) by showing some of the ways in which a Liberal government would try to help you in the securing of markets and in the prolonging of your industrial life.

It answers No. 3 by saying that we would not buy you out; that we would not supervise your management with a political appointee; and that we would not put in a management of the government's choosing.

Your readers will understand what I have already told your editors, that, in fact, I have no authority to speak for the Liberal Party, either of British Columbia or of Canada. And that, although I am Chairman of the House of Commons Select Committee on Post-War Reconstruction and Re-establishment, this letter is in no way a message from that committee. It is an expression of my own views. But I am sure that these views will be accepted and endorsed by all persons of Liberal doctrine, and that, therefore, what is set out here may be taken by you as an indication of the conditions in which Heaps Engineering Limited will operate after the war, if a Liberal government is guiding the destiny of Canada at that time.

Will you please accept my thanks and that of the Liberal Party for providing so excellent an opportunity to express our views.

GRAY TURGEON,
M.P. for Cariboo.

WHAT TO READ

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"PREPARE NOW"10c

A booklet embodying a comprehensive programme for post-war reconstruction based upon the essential principles of British democracy.

"THE NATURE OF SOCIAL CREDIT"05c

A brief outline of the scope of Social Credit.

"BATTLE FOR FREEDOM"05c

An address by L. D. Byrne to the Rocky Mountain House (Alberta) Board of Trade dealing with the present day issues.

"A. B. C. OF SOCIAL CREDIT"30c

An outline of the economic aspects of Social Credit.

"THE BIG IDEA" by C. H. Douglas .50c

An exposure of the world conspiracy to enslave mankind.

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