agree to submit the matter to arbitration and abide by the results was accepted after some delay by the men and rejected by the Company. The Minister of Labor had to explain three times to the President of the railway that there was no possibility of applying the Conciliation and Labor Act, and that there was no way of applying the principle of arbitration unless both sides agreed to submit the matter to arbitration and abide by the results. As a consequence, however, of the personal intervention of the Minister of Labor, a settlement was finally effected. The men accepted the wages which the Company had put into effect as the equivalent of the award by the Board, and the Company agreed to shift forward one year the date of the "immediate" standardization of the rules from January 1, 1913, to January 1, 1912, at which date the rates of wages will also be standardized. Thus ends a dispute which has brought injury to Canada and involved both parties in loss. It is evident that even Canada, with its advanced legislation on the subject of industrial disputes, has not yet succeeded in banishing from industry the evils of warfare.

THE CLOAKMAKERS' STRIKE

A promising attempt to bring about a settlement of the cloakmakers' strike in New York City has come to a disastrous end. A conference between representatives of the union and the manufacturers' protective association, after agreeing upon practically every point in dispute, split upon the rock of the closed shop. The conference was brought about by the efforts of Mr. Louis D. Brandeis, of Boston. As the attorney for the union he proposed to the employers the plan for a conference, and when the proposal was accepted, he was asked by both sides to act as chairman. No better choice could have been made. Mr. Brandeis is an able lawyer; he possesses wide and thorough knowledge of industrial conditions; and is a faithful friend of the workingman. The conference met, with the distinct stipulation, agreed to by both sides, that the closed shop was not a subject to be discussed. The grievances of the strikers included low wages and their irregular payment, long hours, unsanitary conditions, work in tenement-houses, the system of sub-contracting, the requirement that workers pay for electricity (used in running their machines) and materials, and discrimination against non-union men. Agreement was soon reached upon every point except those of wages and hours of labor. The manufacturers granted the other demands of the men practically entire, and declared themselves ready to submit the question of wages and hours to arbitration. Even on those points the two sides were not very far apart. The union representatives were not in a position to agree, without referring the matter to the union members, to submit these questions to arbitration, but it seems likely that the differences on these points might have been harmonized if a more serious difference had not arisen. The question arose, What methods shall be adopted to make sure that the reforms agreed upon would be carried out? The union representatives demanded the closed shop as the guarantee of the new conditions, and when Mr. Brandeis reminded them firmly that they had agreed not to discuss the closed shop they modified the demand to one for the "union shop." This means, in their interpretation, a shop in which non-union men may be employed if there are not enough union men available, but in which the non-union men must join the union after they have been employed for a short time. The distinction is to them a real one, and there would doubtless be practical differences in the working of the two plans, though in principle the "union shop" seems to us to be open to the same objections as the closed shop. The employers were as opposed to the one as to the other; and Mr. Brandeis thereupon suggested what may be called the "preferential union shop," a plan which, so far as we know, has not been tried elsewhere. The "preferential union shop" is one in which the manufacturers recognize the union, "declare in appropriate terms their sympathy with the union, their desire to aid and strengthen the union, and their agreement that as between union men and non-union men of equal ability to do the job, they will employ the union men." This plan, provided it were entered into and carried

on by both parties in good faith, seems to us an admirable one. It avoids the fundamental objection to the closed shop held by many employers, and aims to secure the undoubted advantages which organization among workers can bring not only to themselves but to the industry. Mr. Brandeis's proposal was heartily accepted by the manufacturers, but was rejected by the union leaders, who would accept nothing less than the "union shop" modification of the closed shop. In so doing they were doubtless acting under severe pressure from the mass of their followers; and this pressure was in great measure the result of a distrust of the manufacturers bred by years of unfair and inconsiderate treatment. The manufacturers were thus in a sense paying the penalty of past oppression—a penalty which even the generous concessions which they made at the conference could not remit. The union leaders, on the other hand, were guilty of stupidity in not trying to secure the acceptance of the manufacturers' liberal concessions. Perhaps the temper of the rank and file would have been too much for them, but there is little evidence that they made an attempt to secure their acceptance, or even wanted to. Their insistence upon the closed shop under the circumstances was no service to the cause of union labor, and, after their agreement at the opening of the conference not to discuss the subject, came perilously near to being a breach of faith. The strike is now running the usual course of such conflicts. Both sides are claiming everything; but the outcome is still in doubt. It is deplorable that the conference could not have resulted in a settlement. If the strikers had accepted the employers' concessions they would have gained much; and not least of the gains to both sides would have been the atmosphere of good will and co-operation in which the settlement would have been brought about and the new era begun.

NEW YORK'S PRIVATE BANKS

Sections of New York's great alien population have for many years been the prey of a class of self-styled private bankers who have hitherto managed to evade all restrictions on their business methods. It would hardly be just to assert that all these men are unscrupulous, but it is a fact that most of them are irresponsible. A bill was passed by the last New York Legislature with a view to enforcing some measure of State control over those who engage in this business. The new law will go into effect on September 1, and State Comptroller Williams has issued a statement summarizing its provisions. The law requires that individuals or partnerships that hereafter engage, directly or indirectly, in the business of receiving deposits of money for safe-keeping or for the purpose of transmission, or for any other purpose, must first obtain a license from the Comptroller. The only private bankers exempted from this requirement are those whose deposits during the preceding year averaged not less than $500 each. Hotel-keepers receiving money from guests for safe-keeping and express and telegraph companies receiving it for transmission are also exempted. Exemption from all the provisions of the statute may be secured by filing a bond in New York City in the sum of $100,000, and in Rochester and Buffalo in the sum of $50,000. An applicant for a license must have been a resident of the United States for five years, must make a written statement under oath showing his assets and liabilities, must pay a license fee of $50, and must deposit with the Comptroller $10,000 in money or in approved securities. He must also execute a surety bond for the safe-keeping of moneys, the penalty of which is to be a sum fixed by the Comptroller, not exceeding $50,000 and not less than $10,000, according to the amount of business done. Thus, if a banker has a deposit and transmission liability of $100,000 or less, he will be required to maintain the minimum fund of $10,000 in cash or securities, together with $10,000 in a surety bond—$20,000 all told. If his liability is between $100,000 and $300,000, he must maintain a safety fund equal to twenty per cent of such liability; while if his liability exceeds $300,000, the maximum fund of $60,000 will be required. Licensed bankers must file in the Comptroller's office quarterly statements, under oath, as to assets and liabilities, and there are provisions for the enforcement of this