

The Brain Growers' Guide

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TAXING THE FOREIGNER

Sir George Foster is a delightful platform speaker. It is a pleasure to hear him deliver an address upon any subject. He has a great gift of oratory and his eloquence never fails to charm his hearers, whether or not they agree with his conclusions. In Winnipeg on October 11 he addressed an audience of 2,000 men at the Canadian Club dealing with "after the war problems." As reported in the press he concluded as follows:—

Touching on a question asked him in the United States recently, with regard to whether Canada proposed to deal with allies such as Russia, Italy and France in preference to the United States, Sir George said he answered it in this way:—

"Why the United States? You haven't shed a drop of your blood in this fight for liberty. You have grown rich on the profits made possible by the war which took of our noblest and best. You have made millions of dollars out of the cause without fighting for the cause. Here are our allies, who fought and bled with us. Belgium, trampled underfoot; Serbia off the map; Montenegro, a place which cannot be found; France, one-tenth of her under the crushing hoof of the foe. Our first duty is to rehabilitate and reconstruct ourselves and our allies, and we'll claim and probably exercise the right to cooperate with our allies and do more business between ourselves and our allies than we do with neutrals."

The 2,000 men in the audience, largely composed of Winnipeg business men, cheered Sir George to the echo and loudly applauded his plan to tax the American people in favor of the people of Belgium, Italy, France and the other allies of Britain. It sounded well. It was very plausible and it touched a sympathetic cord in the hearts of Sir George's audience. But what does it mean? If Sir George knows of any way by which the foreigner can be taxed, he has discovered something that will be the greatest boon ever conferred upon the people of Canada. Sir George's proposition to tax the foreigner is and always has been by means of a tariff tax and his statement was a serious proposal to increase the already very high tariff on goods imported from the United States. This will be no punishment to the people of the United States, but it will be an extra burden on the people of Canada. It will increase the cost of all American made goods which we buy, and at the same time, and to the same extent, will increase the cost of similar articles made in Canada. As the tariff is increased there will be less importation from the United States and consequently less revenue to the public treasury, but higher costs on everything made in Canada. Sir George knows that Canadian manufacturers use the tariff to increase their prices. He was Minister of Finance in the Canadian government from 1889 to 1896. In delivering his budget speech in the House of Commons on Tuesday, March 27, 1894, he made the following statement:—

"I say that in the initial years of a national policy with a protective principle in it, it will have the effect of enhancing the cost of goods and that at the first the cost of goods will be very closely up to the measure of the protection which was given. If it does not have that effect, why should it ever be adopted at all, and what is the good of it?"

In that statement Sir George was perfectly honest. He knew that the protected manufacturers added the protection to the selling price of their goods. If he raises the tariff against American goods, the Canadian manufacturer will raise the price to the same extent and Sir George's scheme to "tax the foreigner" will merely mean an additional tax on the Canadian people.

High railroad rates mean restricted commerce and high cost of living; low rates mean well distributed prosperity.

LACK OF FARMING STATISTICS

It is safe to say that less facts are known concerning the cost of the various operations that enter into farming than of those in any other business enterprise. Frequently quite justifiable complaints have been laid by farmers' organizations only to be overruled thru absence on the farmers' side of facts to substantiate their just contentions. A railroad manager knows to the last cent how much it costs to haul a ton of freight a certain number of miles, but there is no such definite information available for any branch of farm work. If the majority of farmers kept accounts a fund of information would be available from which reliable statistics could be compiled. The value of such to the farming business as a whole cannot be estimated in dollars and cents. This principle was evidently realized in Manitoba last year when the Department of Farm Management and Rural Economics was created at the Agricultural College under the able leadership of Prof. Geo. G. White. It is hinted that the vacancy caused by Prof. White's untimely death may not be filled. In our opinion there is no department of the Agricultural College, the work of which is more essential for the development of agriculture. Instead of marking time in the matter, strenuous efforts ought to be made to find a man capable of carrying on the work so ably begun by Prof. White.

PREMIER MARTIN'S VIEWS

Hon. W. M. Martin, the new premier of Saskatchewan, has issued a statesmanlike address to the electors of the province dealing with the problems which his administration will take hold of. His declaration that he will discharge any member of his cabinet or of the civil service found guilty of dishonesty in the investigation taking place has the right sound, and it is to be hoped that the suspicions under which some of his colleagues rest will be cleared up no matter how drastic may be the action necessary to accomplish this purpose. With a record of progressive legislation such as that possessed by the Saskatchewan Government there is no need of dabbling in campaign funds and truckling to special interests in order to hold the confidence of the people. As never before the people demand honest administration and will support it.

It will be gratifying also to know that the new premier intends to take action on the farm loan legislation for the purpose of bringing cheaper mortgage money to the Saskatchewan farmers. On the tariff, Mr. Martin makes the following statement:—

"Another question which concerns most vitally the people of Saskatchewan is that of wider markets and the tariff. As leader of the Liberal party in the province I deem it my duty to say that there is no room for compromise on these issues. The struggle for reciprocity in natural products, for free wheat and free agricultural implements and for a general revision of the tariff downwards must be carried on."

This statement has the right ring also. A few weeks ago the National Liberal Advisory Council at Ottawa, of which Hon. Walter Scott and Hon. Jas. A. Calder were members, quietly buried reciprocity and substituted some other issues. It will be gratifying to the people of the West to see that Premier Martin does not propose to abandon reciprocity and intends putting up a genuine fight for tariff relief for the Western people.

There is one important subject which Mr. Martin overlooked in his address, whether intentionally or otherwise, we do not know, namely, Direct Legislation. Prior to the last election the Saskatchewan Government as well as the opposition declared for Direct

Legislation. The government prepared a bill and then submitted it to a referendum with restrictions attached which no fair-minded person doubts were intended to kill the bill, which was the actual outcome. If Premier Martin and his government believe in Direct Legislation they should put that bill on the statute books. If they do not believe in it they should have the courage to say so and not trifle with the question.

ONLY ONE WAY TO RELIEF

The Free Trade League is putting on an active campaign for membership and for accumulation of finances in order to carry on educational work. There never was a time in the history of Canada when there was greater need for the work of the Free Trade League than there is at the present time. The tariff is costing the consumers very dearly and everything points to tariff increases rather than decreases unless there is some activity on the part of the public. The Free Trade League has found that at a membership fee of \$1.00 per year it is impossible to carry on any vigorous work and they have, therefore, changed the membership fee as follows:—

Annual membership	\$ 2.00
Sustaining membership	10.00
Endowment membership	25.00

Out of each endowment membership \$15.00 will be placed in an endowment fund and the interest only used. The hope in the course of time is to build up a large endowment fund as the free trade fight will be a long one and a large amount of money will be needed. While the League has as its object the advancement of the cause of free trade it is felt the situation was such as to have some immediate definite program and consequently at the last general meeting of the League the following program of immediate demands was unanimously adopted:—

- (1)—Free Trade with Great Britain by annual reductions of at least 20 per cent. of existing customs tariff so as to ensure complete Free Trade with the Mother Country within five years.
- (2)—Immediate legislation making effective the Reciprocity Agreement (1911) with the United States.
- (3)—Abolition of customs duties on agricultural implements, farm machinery and vehicles, coal, lumber and cement, and all articles used in primary production, and all natural products.
- (4)—A general lowering of the customs tariff on the necessities of life, so as to secure a measure of relief from the present high cost of living.

The protective tariff costs the average farm family in this country between \$200 and \$250 per year, of which about \$50 goes into the public treasury and the balance goes to the protected interests. There are approximately 200,000 farm homes in the prairie provinces and the tax on these 200,000 homes is between \$40,000,000 and \$50,000,000 every year, whereas a legitimate tax would be not more than \$10,000,000 or \$12,000,000. The farmers of the West are actually losing thru the protective tariff not less than \$30,000,000 every year. Any farmer can figure this out for himself when he sees the prices he has to pay for what he buys. If farmers in this country want any relief from the tariff burden they must put up some of their money to assist in educational campaign. If the farmers generally are satisfied with present conditions there is no need of any Free Trade League. If they are not satisfied and want to get relief it is absolutely impossible to get this relief without the expenditure of money. It is no use to put up \$1.00 a year and expect to get big and immediate results. Any farmer who is willing to contribute towards the Free Trade League and to assist in getting other members for the League should communicate at once with the Free Trade League, 406 Chambers of Commerce, Winnipeg, Man.