

paid if they had not been promised exemption will then be small comfort to the Finance Department, which will probably find that the exemption privilege was bought very cheaply. If a large part of the wealth of the country is exempt from taxation those who are obliged to pay will not be disposed to regard the situation with satisfaction. There will surely be widespread discontent with the operation of a law which exempts many of those best able to pay, and taxes many on whom the burden will be heavy. The Minister, in placing future loans might consider whether it would not be better for the Government to accept a lower price, or even to advance the rate of interest, to make the loans attractive to investors than to adhere to the policy of exemption which, though it may be found convenient for the moment, will lay up a store of trouble for the early future.

The Question of Excessive Profits

THESE is no question — not even that of the war itself—that comes more closely home to the mass of the people of Canada to-day than that of the cost of living. To the average citizen it is the most pressing question, because it faces him every day, at every step, and cannot be set aside. Hence the recent report of Mr. W. F. O'Connor, K.C., the Commissioner representing the Department of Labor, respecting the large profits of some of the companies trading in foodstuffs has attracted great public attention. The difference between Mr. O'Connor and the packing companies, as disclosed by the report and the companies' reply to it, seems to be one of accounting methods. Mr. O'Connor shows an apparently large "margin" between the cost of production and the selling prices. But it is explained that "margin" does not mean net profit. There are expenses that must be allowed for before the net profit can be declared. It is desirable, therefore, that competent persons be chosen to (1) check Mr. O'Connor's figures, and (2) ascertain the proper charges that are not covered by Mr. O'Connor's report, and thus establish the actual profit made by the companies. If such inquiries show that the companies, even with the high prices current, have made only fair and reasonable business profits, their case will be fully made out and they will have good ground for complaint that they have been unjustly held up to public opprobrium. If the inquiries show that profits altogether unreasonable have been obtained, and especially if there has been anything like combination to attain such ends, the companies and those who control them will be held to a stern responsibility by public opinion.

In ordinary times the law of demand and supply may safely be left to work out its ends. There is a measure of speculation in almost every business and men who take the risks of the market may be left to enjoy the profit or bear the loss, without any interference from public authority. But in times like the present, in the case of foodstuffs and other necessities of life, the ordinary law of business may properly be restricted in its operation, and men who in other circumstances might be allowed entire freedom in speculation may properly be required to have due regard for the needs of the people and to modify their profit-seeking aims. The Prime Minister, in a recent telegram to Sir Joseph Flavelle, of the William Davies Company, said the Government would order a "judicial" inquiry. To the public this implied an investigation by a judge of one of

the courts, and that, probably, was what Sir Robert Borden had in his mind at the time. The inquiry that has now been ordered is not of that kind. However, that need not militate against it. The gentlemen chosen, owing to their knowledge of accounting methods, may be better qualified for the service than any judge would be. It is to be assumed, of course, that care has been taken not to name on the Commission any man who has been in his professional work connected with the packing companies whose affairs are under review. Such connection, it is hardly necessary to say, would in the public mind be a disqualification, notwithstanding the high rank of the men chosen. Assuming that such care has been taken, the three Commissioners seem to be well qualified for their important duties. Mr. Henderson is an eminent lawyer of Ottawa who has had much experience on the business side of the legal profession. Mr. Brodie, of Montreal, and Mr. Clarkson, of Toronto, are members of firms of chartered accountants of high standing. These gentlemen, co-operating as we presume they will with Mr. O'Connor, should be able in a short time to place the facts of this most important matter before the public. The tendency of Government Commissions is to proceed with much slowness. It will be well if the present Commission pursue a different course and give the public at a very early day the results of their investigation. In the meantime it will be only fair for the public to suspend judgment.

The Irish Convention

RECENT events in Ireland, especially the electoral successes of the Sinn Fein party, have somewhat discouraged those who had hoped that the Convention of Irishmen now sitting in Dublin would be the means of reaching a happy settlement of the long-standing Irish political trouble. Nevertheless, the best friends of Ireland are still hopeful of good results from the meeting. The unanimity of the gathering in the selection of officers was a good omen. Sir Horace Plunkett, who was chosen as Chairman, has for many years labored for the welfare of Ireland and has been of much service in promoting the cause of Irish agriculture. None can doubt his sincere desire to advance the best interests of Ireland in all its affairs. Sir Francis Hopwood, who was named as Secretary, is an old official who has had much experience in public affairs, formerly in the Colonial office and later in the Admiralty. The presence at the Convention table of two such able and experienced men should exercise a good influence in moulding the proceedings of the gathering.

The Dublin Convention is the most representative body of Irishmen that has ever assembled to consider Irish questions. Every element in church and state, with two exceptions, is represented, and while those present approach the question of the day from different viewpoints all seem to appreciate the spirit of the occasion and to be anxious to find a solution of the Irish problem. The exceptions are the Independent Nationalists led by Mr. William O'Brien, M.P., and the Sinn Fein organization. The O'Brien section have been bitterly hostile to Mr. John Redmond and the other National leaders, but are advocates of a large measure of Home Rule. O'Brien refuses to participate in a conference in which Redmond will naturally play a prominent part. The Sinn Fein men are the extremists who demand the absolute independence of Ireland, and they have refused to attend the Convention because such a policy is entirely at variance

with that for the promotion of which the meeting was called.

The cry for the complete independence of Ireland is a sentimental one that readily attracts enthusiastic youth who have been filled with the stories of the wrongs of Ireland and who are easily persuaded that the only remedy for Ireland is separation from England. But it is far from probable that a majority of the Irish people would to-day, if asked to express their opinion, vote for an independent Ireland. Whatever may be said of the past, it must be admitted that in recent years, under the legislation of the Imperial Parliament, much has been done to improve the condition of Ireland. The land question, which for so many years was a constant source of trouble, has been largely settled and there can be little, if any, grievance on that score. Ireland to-day is not an unprosperous country. The industrial North is, as usual, busy and prosperous. In the South the improvement in agriculture has brought about much better conditions than those of former years. The Irish farmer is busily employed in catering to the wants of the English markets. Ireland has really few substantial grievances now. But the recollection of injustice remains. It is well that efforts be made to effect such constitutional changes as will make Ireland contented. If the Ulstermen can put aside their old belief that "Home Rule means Rome Rule," and that the Protestant minority would be treated unjustly by the Roman Catholic majority, and if the Irish Nationalists can give assurances against such injustice, it should be found possible to agree on a scheme of Home Rule which would give Ireland all the liberty it can desire in Irish affairs, while maintaining the position of a nation within the Empire. In the presence of a cordial union of the Nationalists under Redmond and the Ulster men under Carson, the eccentricities of the O'Brien section and the folly of the Sinn Fein party would be of less importance than they are at present.

Another School Question

EVEN where the separate school system exists to but a small extent difficulties are found in interpreting and administering the law. A case in point has arisen in Saskatchewan, which is likely to become prominent. While there are very few separate schools in that Province in one of them an issue has been raised which is of much importance and which can only be settled by the Judicial Committee of the Privy Council in England. The right of a minority, whether it be Protestant or Catholic, in a district to have a separate school under certain conditions is admitted. The point raised is, whether all those of one faith must for assessment purposes be treated as a unit, or whether an individual can separate himself from his co-religionists and act independently. A citizen of Regina, who declared himself a Roman Catholic, was dissatisfied with the separate school, and expressed a desire to have his school taxes applied to the public school of the district. The school authorities assumed that he had a right to determine the fund to which his taxes should go, and applied the money as he requested. But this ruling was challenged. It was claimed that under the law as applying to that district the school taxes of all Roman Catholic citizens formed part of the separate school fund. This contention was upheld by the local court, and later by the Supreme Court of Saskatchewan. Now announcement is made that the case is to be carried on appeal to the Privy Council in London.