

quality of flour, to create a competitive market. The more people we have competing for the purchasing of our wheat the more likely the premium that is now obtained will be to continue, and it is surprising that any Canadian who has the interest of the Western farmer at heart should hesitate for one moment in giving approval to an agreement that provides us a competing market for our grain. As a business proposition it looks foolish to refuse a market at our doors and to go seeking for markets in other parts of the world.

DIRECT TAXATION

When the big delegation of Canadian farmers placed their demands before the government at Ottawa last December they stated formally that they were prepared for direct taxation as a means of raising revenue when the tariff was wiped out. The Western farmers have made the same representations to the Leader of the Opposition during the past few weeks. The farmers are prepared to have the necessary revenues for the conduct of public business raised from a tax on land values. Of course, they are not unanimous, but those who have studied the question know that a tax upon land values is the most equitable system of raising public revenues. It will shift the burden from the backs of the farmers and laboring classes and place it upon the exploiters and monopolists where it belongs. The value of the land in the cities and towns in Canada is far greater than the value of all the farm lands, so that the farmers' taxes would be greatly reduced. Again, under such a system our water powers, timber limits, minerals, public franchises, and all the vast and varied natural resources of the country would pay an immense revenue into the public treasury instead of being donated to special interests and political favorites as is done at present. These great natural resources were intended by the Creator to benefit mankind generally, and it is the politicians who have set aside the Divine will for something man-made and distinctly inferior. No individual or corporation should be given a perpetual franchise of any natural resource, but they should all be held upon short term leases. There would be competition for these privileges, and the highest bidder should receive them. The speculators would disappear and the nation would be well rid of them. When the revenues are raised by a tax upon the value of land the disheartening spectacle of farmers working for the land speculators would become a thing of the past. Travelling over Western railways one sees miles upon miles of rich lands near the railways lying idle. Where are the farmers? They are back some miles, earning a living upon their farms. In addition to earning their own living they are earning a huge income for the railway companies and speculators who hold the vacant land out of use. This vacant land when taxed at its annual rental value would soon be handed over to men who want to earn a living by working it. Today the best way to make money is to buy vacant land in the country or city and then rusticate in a comfortable place and let the workers increase its value. The men who have accumulated millions have not done it by their own labor, but by the labor of others. The sooner that the tax upon industry is replaced by a tax upon the natural resources the better it will be for all men who work for their living. The tax upon land values would be much easier and cheaper to collect than the revenue from customs tariff, and it would not need an army of officials along our borders and in many towns taxing a man upon every article he purchased. It would not mean the spending of millions of dollars every year in steamship subsidies, bounties and other largess to help trade, and then the imposition of a tariff to prevent that same trade. A tax upon land

values would stop the bribery and corruption that has accompanied the administration of our protective tariff since Confederation. The Special Interests say they are opposed to direct taxation because it would be so heavy upon the farmers and laboring classes. But their solicitude is only a subterfuge to protect themselves from paying upon the monopoly of natural resources which they now enjoy at the expense of the people. Every great fortune is founded upon a monopoly of the natural resources, and no landed aristocracy could ever exist if land values were taxed for revenue purposes. The men who want to make money without working for it will not favor a tax upon land values, but the people who earn their bread by honest toil should welcome such a system. The present system does not at first glance appear so oppressive as direct taxation, because the indirect tax is collected in so many ways that the taxed does not realize how heavily they are paying. Today the tariff costs the average Canadian farmer \$200 per year. Direct taxation would not cost him half this amount, and would give him an opportunity to sell his produce to the highest bidder, and buy his commodities in the cheapest market. The farmers of the West can well afford to study the question of Direct Taxation. The better they understand it the more favorable it will appear and its terrors will disappear. When taxes are paid directly those who pay them will take a keener interest in the methods of spending our public monies. Of course, no one advocates wiping out the tariff immediately, but there should be a definite step in that direction made immediately. It has required a campaign of education to convince the people of the West that they were being robbed under the shelter of a protective tariff. It will also require considerable educational work before the taxation of land values becomes recognized as the most equitable means of raising a revenue. Those who have already studied the question should assist others to the same truths.

A REMARKABLE DISCOVERY

The Winnipeg Telegram, in its issue of July 4, makes a brilliant discovery. This "find" is nothing less than that the manufacturers, trusts and combines of Canada are not opposing the reciprocity agreement, and are not, in fact, taking any interest in the fight whatever. Here are a couple of extracts from this rich gem:

"The effort of the reciprocity organs to represent the 'interests' as the principal assailants of the agreement in Canada has just about run its course. The farmer is beginning to ask why the Canadian interests should attack reciprocity when reciprocity does not attack them. They are demanding to be 'shown' what clauses in the reciprocity agreement affect the manufacturers' interests in any shape or form, or what relief they promise the consumer from excessive tariff taxation."

"The simple truth is that the 'interests' of Canada are congratulating the 'interests' of the United States on their mutual good fortune in being excluded from the reciprocity agreement, and are watching with good-natured indifference the spectacle of the United States farmers fighting a trade compact which in their opinion would be seriously injurious to the American farmer without bringing the slightest gain to the Canadian farmer."

Just how The Telegram ascertained the truth of the above statement we have no means of knowing, but it is evident that when the big interests subsidized four hundred papers in Eastern Canada to print articles against reciprocity, they were only joking; and that when they financed speakers to campaign against reciprocity they were not in earnest either. Further, if the Telegram's statement is true we would ask them to explain the opposition to reciprocity on the part of the Canadian Century, Industrial Canada, the Canadian National League, the Canadian Manufacturers' Association, Sir William Van Horne, Sir Edmund Walker, Z. A.

Lash, Robt. Meighen, the Montreal Gazette, and practically every other individual or interest that has any connection with the manufacturing of monied interests in Canada. Certainly the reciprocity agreement does not affect these interests, but they all realize what the next step will be after reciprocity, and thus they are fighting it. In the United States the very same thing is going on. In fact, the Grange, composed of United States farmers, was financed by the trusts to oppose the reciprocity agreement. If necessary we could produce evidence without end to prove the untruth of the statement in the Telegram. Freedom of trade is the greatest foe of the big "interests," and for that reason they are spending their good money like water to prevent even the farmers from trading as they like.

At the public meeting addressed by R. L. Borden, at Somerset, Manitoba, on July 8, Hon. Robert Rogers was one of the speakers. In discussing the merits of R. C. Henders and R. McKenzie, respectively president and secretary of the Manitoba Grain Growers' Association, Mr. Rogers said:

"You will have these gentlemen going about the country circulating falsehoods. In the localities where they live their statements are of no effect, for they are despised by the dogs and crows of the communities in which they live."

Could anyone imagine Mr. Borden making such a statement! Yet Mr. Borden was compelled to sit on the same platform and listen to it. Mr. Borden's utterances all over the West have been marked by the utmost dignity and courtesy, which commanded the respect of every man, no matter whether or not they agreed with the sentiment expressed. Coming from a cabinet minister who expects to become a member of the government at Ottawa, Mr. Rogers' statement does not reflect much credit upon himself and is not calculated to raise the standard of our public life.

Mr. Borden has declared that if the people were prepared to make him prime minister of Canada he would not support reciprocity. He has also declared that a referendum of the people should be taken upon the reciprocity agreement before it is ratified by parliament. Now a general election might be held this fall, and at the same time a referendum might be taken upon the agreement. It is possible that Mr. Borden might be made premier, and yet the reciprocity agreement strongly endorsed by a large majority of the electors. What would be Mr. Borden's attitude toward reciprocity? Would he be prepared to give effect to the will of the people? Again, Mr. Borden says he has an "open mind" as to the efficacy of the Initiative and Referendum. Now if the Referendum is a good thing at one time, why not at another? No one will claim that in the majority of cases a general election is a decisive expression of opinion upon any one issue.

Some of the anti-reciprocity campaigners are protesting against the \$300,000,000 business we did with the United States last year, because Canada did so much of the purchasing. Of course Canada means the people of Canada. Does anyone for a moment suppose that the people of Canada would buy from the people of the United States unless it was to their advantage to do so.

It is rumored that Sir Frederick Borden will succeed Lord Strathcona as Canadian High Commissioner in Great Britain. His appointment will be about as popular as knighting Max Aitken, of cement merger fame.

It would be interesting to hear Sir Wilfrid Laurier and R. L. Borden discuss their impressions of the West when they meet in Ottawa this week. Both will admit that their Western trip was an education.

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