## Grain Bill Disagreement

(By The Guide Special Correspondent.)

Press Gallery, Ottawa, April 7.

The special committee of the Senate, appointed to take evidence on the Grain Bill, presented its report to the House on Tuesday. As already reported in The Guide, the majority of the committee recommended that the provision prohibiting owners of terminal elevators from dealing in grain be struck out. They also recommended that provision be made for an appeal to the Governor-in-Council against the revocation by the Board of Grain Commissioners of the license of an elevator operator, that due provision be made for the operation of "hospital elevators," and that the Grain Commission be given power, subject to the approval of the Governor-in-Council, to make such further rules and regulations as may be deemed expedient to ensure terminal elevators being managed and operated in the best interests of grain growers and of the country at large. The following minority report, signed by Senators J. M. Douglas, T. O. Davis and P. Talbot, was also presented:

"We, the undersigned members of the special committee appointed to consider Clauses 122, 123 and 242 of Bill Q, beg leave to recommend that these sections should stand.

"The manner in which the grain trade has been carried on in terminal elevators has not been in the interests of the public, and this is one of the particular grievances which this Bill is designed to remedy. It has been drafted after hearing the complaints and contentions of the aggrieved public, and is considered to be the minimum amount of legislation necessary to bring about the required reform.

"The only objection made before the committee to the above mentioned sections was made by a small section of elevator men whose interests were opposed to the public good and whose methods of operating the elevators are largely responsible for the proposed legislation. These men did not contend that these sections were not in the public interests, but that particular vested rights in terminal elevators would suffer under their operation. But, in our opinion, these men did not succeed in showing any such sacrifice of vested rights as would warrant the elimination of the said sections. Even under the existing law all terminal elevators were considered public elevators and subject to the strictest government control, and subject to changes at any time that might be considered in the public interests. These men were not able to show that the proposed legislation would seriously interfere with their earning power, but, on the other hand, admitted that under the proposed legislation the increased production of grain annually would be more than sufficient to keep all the elevators going at a profit, and that, the government having control of the rates to be charged, would be a guarantee that these rates would be sufficient to pay a fair dividend on investments.

"The evidence given before the committee went to show that the operators of the terminal elevators invariably operate a series of other elevators in connection therewith, and that such combinations tend to extinguish or drive out of business all elevators that are not connected with a terminal elevator. Under the proposed legislation all elevators would have an equal chance, so that even if the vested rights of a few should suffer, the vested rights of many would be saved. While, on the one hand, there are a few asking for the elimination of portions of these sections, there are, on the other hand, the representatives of 300,000 farmers and of 300 millers of Canada asking the government for this beneficent legislation, by means of which the high standard of Canadian grain and its products will be maintained in the markets of the world, and by which the grain producers, rather than the grain manipulators, will receive the profits to be derived therefrom.

"Mr. Watts, secretary of the Millers' Association of Ontario, one of the best informed men that gave evidence before the committee, showed conclusively that it was absolutely necessary to retain those clauses in the interests of the grain trade of the Dominion, and that there was no danger of vested interests being affected. Mr. Hogg, of the Grain Section of the Toronto Board of Trade, gave evidence to the same effect, as did Mr. Flavelle, who represents the great milling interests of the country. Mr. McKenzie, secretary of the Grain Growers of Manitoba, Mr. Maharg, of Alberta, of Manitoba, Mr. Maharg, president of Saskatchewan Grain Growers, and Mr. Bower, of the United Farmers of Alberta, and president of the Canadian Council of Agriculture, representing the farming interests of Canada, showed that it was absolutely necessary to retain those clauses in the interests of the farmers and country generally, with the object of keeping our grain at the present high standard.

"As the law now stands, the western grain trade is being monopolized by a few magnates, and the situation is becoming worse from year to year. The sections under consideration strike at the foot of this trouble and will relieve the present undesirable condition of affairs. If these sections are eliminated the petitions of the people for relief will have been disregarded."

The reports will be considered on Thursday, April 20.

The Senate adjourned on Tuesday for Easter and will meet again on April 19.

# The Grain Growers' Guide

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# The Budget Speech

(By The Guide Special Correspondent)

Press Gallery, Ottawa, April 7.

The annual budget speech was delivered in the House of Commons on Tuesday, April 4, by Hon. W. S. Fielding, minister of finance. The speech was the shortest on record, occupying only an hour, and the debate was concluded within a single afternoon, Hon. Geo. E. Foster, who was finance minister in the last Conservative government, being the only speaker to follow Mr. Fielding. The brevity of the debate, however, is due to the fact that tariff changes, which are usually announced in the budget speech and form one of the chief subjects of debate, have this year been brought before the House in the resolutions embodying the proposed reciprocity agreement. It only remained, therefore, for Mr. Fielding to present the financial statement for the year which closed on March 31 last, and to make some general observations on the financial condition of the country.

Mr. Fielding's statement showed that the revenue of the Dominion for the past fiscal year amounted to $117,500,000, of which $89,355,128 was raised by means of taxation ($72,704,010 by customs duties and $16,651,118 by excise) the balance being income derived from the post office, Dominion lands, railways and other sources of revenue. The expenditures for the year amounted to $3,900,000 more than the revenue, but as capital expenditures had been made amounting to $35,506,000, the surplus of revenue over ordinary expenditures, after allowing for $1,100,000 paid into the sinking fund, amounted to $30,500,000.

### Controversial Subjects Avoided

Mr. Fielding to a great extent avoided controversial subjects, but one statement to which many people, and especially the agricultural community, will take exception, was his declaration that the taxation which has been levied by means of the customs tariff and excise duties, although large, has not been a burden upon the people.

It was expected that Mr. Fielding would make some announcement with regard to the intentions of the government as to the increase of the British preference, but on this question he was disappointingly silent. Another point as to which there had been considerable speculation was that of the steel and iron bounties. The bounties on iron and steel, except for steel produced by electric smelting, expired on December 31 last and those on iron rods for the manufacture of wire will run out on June 30 of this year, and all public statements of members of the government pointed to the fact that there would be no renewal of these bounties. Privately circulated information, however, had led many people to believe that the bounties would be renewed and a boom in the shares of the Dominion Iron and Steel Company and other similar companies resulted. The finance minister in his speech, while referring to the expiration of the bounties, made no definite statement as to whether or not they were to be renewed, and later a question on this point was addressed to Mr. Fielding by A. C. Boyce, of Sault Ste. Marie. Mr. Fielding then stated definitely that there was no intention on the part of the government to renew the bounties and from the look of dismay with which Mr. Boyce received this news it might be thought that he had been investing in iron shares on the strength of the false report.

### Public Accounts

Mr. Fielding first referred to the public accounts for the year ending March 31, 1910, a complete statement of which was submitted to Parliament at the opening of the present session. The total revenue for that year was $101,503,710.93, this being the first time the income of the Dominion had exceeded $100,000,000. The ordinary expenditures chargeable to income were $79,411,747, leaving a surplus for the year of $22,091,963, which was a record for the Dominion. In addition to the ordinary expenditures, however, there was $35,971,911.94 expended on what was called capital and special account, including $19,968,000 expended on the Transcontinental railway. In spite of this large capital expenditure only $12,338,267 was added to the national debt, which Mr. Fielding considered very satisfactory.

The revenue for the year closed on March 31, 1911, was shown by the incomplete returns at present available, to be $114,666,225.80, and when the returns were complete he expected the total revenues of the Dominion would amount to $117,500,000. The expenditures for the year chargeable to the consolidated revenue fund he estimated at $87,000,000, which would leave a surplus of $30,500,000. The estimated expenditures for the present year on consolidated fund were $7,500,000 more than last year, but it was intended to meet some expenditures from this fund which had previously been charged to capital account, and the increase of expenditure was actually in round figures $4,000,000.

"There might be circumstances," said Mr. Fielding, "under which a surplus of $30,500,000 would be open to criticism. If it were the result of increased rates of taxation or of burdensome taxation, it would be. But when, as a matter of fact, our rates of taxation are lower than before, although, owing to the flourishing condition of the country, the amount collected is much larger; when, as a matter of fact, the rates of customs taxation are lower, and substantially lower, than they were in former years; and when this surplus comes to us from a system of taxation which is not open to the charge of being generally burdensome, I think we do well to take the surplus obtained in this way and use it in paying some portion of our capital and special charges which otherwise would have to be represented by additions to the public debt."

### Capital Expenditures

Capital expenditures for the year just commenced he estimated to be at $30,500,000. On the Transcontinental railway the government expected to expend $24,000,000; on public works, railways and canals chargeable to capital, railway subsidies, bounties and other minor charges of capital and special character, $11,500,000. Payments into the sinking fund for the purpose of meeting loans at maturity would amount to $1,100,000, and when this amount, added to the surplus of $30,500,000 was set against the capital expenditures of $35,500,000, they found that they were adding to the public debt only $3,900,000.

Dealing with the public debt, Mr. Fielding said he estimated that at the end of the present year it would amount to $340,168,546.33, which was equal to $43.69 per capita of the estimated population of the country, which was placed at 7,785,000. Twenty years ago, with a population of 4,844,366 and a debt of $237,809,030.51, it was equal to $49.09 per capita, and ten years ago, when the population was 5,413,370 and the debt $268,480,003.69, it was equal to $49.59 per capita. During the past year a num-

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