

The Grain Growers' Guide

Winnipeg, Wednesday, June 19th, 1912

ANOTHER STEP FORWARD

A general election has been called for Saskatchewan on July 11, and Premier Scott in his election address has declared in favor of the Initiative and Referendum, and states that if he is returned to power a law will be enacted to give effect to this reform. Mr. Haultain, the leader of the opposition, had already declared in favor of the same principle several months ago. Thus the Saskatchewan people will secure control of the legislative machinery no matter how the election goes. The people know what they want and political parties are bowing to the popular will. Both Conservative and Liberal parties in Alberta and Saskatchewan are now pledged to Direct Legislation. In Manitoba the Liberal party is also pledged to this reform. Sir Rodmond is the only leading politician in the Prairie Provinces now opposed, and he will be in favor very shortly.

Premier Scott and Mr. Haultain are also of one mind on the need of providing cheaper money for agricultural development in Saskatchewan. The educational work carried on by the organized farmers is beginning to have its effect.

SIR RODMOND ROBLIN

We wish to extend our congratulations to Sir Rodmond Roblin. If knighthood is an honor, and if any of our Canadian politicians are deserving of it, we consider Sir Rodmond's distinction has been well earned, and we wish to him many years of its enjoyment. Without deprecating Mr. Roblin's qualifications we feel that the title of "Premier," which has been bestowed upon him by the people of Manitoba, who have been intimately acquainted with him for the last twenty-five years, is an infinitely greater distinction than knighthood. Considering the fact that Mr. Asquith and Mr. Balfour, who have had control of the distribution of titles in Great Britain, and Mr. Borden, who performs the same function in Canada, have not themselves accepted titles, it seems a doubtful compliment for them to pass them along to other people. We fail to see any advantage in the bestowal of British titles upon Canadian statesmen, and we believe that this feeling is becoming more general year by year. The Canadian people have at their command honors for their distinguished citizens of greater significance than any that come from Great Britain. Titles form part and parcel of the British system but they seem most out of place in Canada.

THE CEMENT DUTY

The temporary reduction in the duty on cement, which went into effect on June 12, is already having its good effects. The City of Winnipeg, which bought 25,000 barrels of cement from an American firm in January last will receive a rebate of 26 cents a barrel on the 20,000 barrels yet to be delivered, and the taxpayers will thus be saved \$5,200 on the cost of the sidewalks and pavements laid down this year. Other cities, and thousands of contractors throughout Canada are also getting American cement more cheaply than they could formerly purchase either the imported or the made-in-Canada brand, and what is more significant, the Canada Cement Co., which controls practically the whole output of cement in this country, has already reduced its price to Eastern users by ten cents a barrel. A reduction in the price to the Western trade will doubtless be announced before long, for if the Canada Cement Co. does not take this course an ample supply of cement can be obtained from the United States at prices well under those which have

hitherto been paid. And the beauty of it is that no legitimate interest will suffer by the reduction. The men employed by the combine will receive the same wages as before, and those who have money invested in the business will get their dividends, for even at the reduced price the company will easily earn sufficient to pay interest on the bonds and dividends on the preferred stock which together represent the whole of the capital invested in the combine. The common stock, otherwise water, which does not represent any investment of capital, but was issued to take up the surplus profits which the high duty has hitherto made possible, is not now such an attractive speculation as it was, but no one need worry about that. While the temporary reduction of the duty to one-half of the former tariff, and the results which have followed are extremely gratifying, however, it must not be supposed that the public will be satisfied to let the matter rest where it is. The cement users of the West, and that is practically everybody, will not be satisfied until the duty is entirely and permanently removed from cement. The duty is still over 30 per cent. ad valorem, and by the order-in-council passed last week the old duty of 52½ cents a barrel will again be imposed in October next. Why cement should be so highly protected, has never been satisfactorily explained. If the object of the tariff was to "build up the country" as its supporters claim, it would surely be framed so as to make building materials, which are so necessary for the development of a new country as cheap as possible. Cement enters into the construction of almost every substantial building that is being erected in Canada today. The present, in fact, has been called the "Cement Age," and the extent to which cement may be used by farmers is illustrated by an interesting book published by the cement merger which contains directions by following which one hundred different things used by farmers can be made of concrete. The list includes barns and bridges, chimneys and cisterns, dairies and dog kennels, farm houses and fence posts, hog pens and hen nests, mangers and manure pits, root cellars and rollers, silos and stairs, walls, walks and well covers. The book is called "What the Farmer Can Do With Concrete," but until lower prices for cement prevail "What the farmer would like to do with concrete" would be a better title.

The duty on cement, by increasing the cost of buildings, makes the rent of houses and the cost of producing agricultural products higher, and is thus a permanent tax upon the people. It also discourages building; it is a tax upon industry. This is clearly a case where the tariff permits the plundering of the people and the manufacturers and the railways divide up the proceeds. The removal of the tariff would put an end to this plundering; it would compel the cement combine to bring the price at the mill down to a proper level and the railways to give a fair freight rate. The Conservatives when in opposition claimed that the Liberals who made the present tariff framed it so as to enrich their political friends. Now that they are in power, they have an opportunity to readjust the tariff and remove unjust burdens from the backs of the people. They could not do better than begin by wiping out the cement duty.

The best proof that reciprocity is living is that its opponents are always declaring that "Reciprocity is a dead issue." The Democrats in the House of Representatives have refused to remove the standing offer from the American statutes. No, reciprocity

is very much alive and when the next grain crop is harvested the need of wider markets will be more keenly felt than in the past.

MANITOBA TELEPHONE SITUATION

The Commission appointed by the Government to investigate the Manitoba Telephone system has issued a lengthy report, which is summarized in the following words:—

"We wish to say that as a result of our investigation we have found that the Manitoba Government Telephone property is well built and well equipped; that good service has been provided for the public; that the system has generally been administered extravagantly and that a very large saving could be made by economic management; that there has not been a proper system of accounting and of keeping records in the various departments; that the proposed increase in rates and the introduction of the measured service is not required to put the system on a sound basis, and that the automatic system demands close and earnest consideration."

Thus it will be seen that the commissioners declare against any increase in telephone rates. Had it not been for a general protest throughout the province, the increase in rates would have been effective on April 1. The investigation has done a great deal of good and has proven that public ownership is practicable under proper management. The responsibility for the telephone losses must be divided between the telephone commission and the government. The report of the commission is conclusive proof of the laxity of management in several particulars, and political interference on the part of the government has also militated against the successful operation of the system. It is to be hoped that the government will place the telephone business on a satisfactory basis and will divorce it absolutely from party politics.

THE LUMBER DUTY

By the decision of Judge Cassels in the lumber case on June 12, much rough lumber that has been coming into Canada duty free, will now be taxed twenty-five per cent. This will be a serious burden on the homesteaders and home builders of the Prairie Provinces. Lumber was placed on the free list by Hon. Geo. E. Foster, Minister of Finance, in 1894. His reason was that it would assist the people of the Prairie Provinces by giving them cheap lumber. Since that time rough lumber has been free and would still remain free had it not been for the demand of the British Columbia lumber combine for more protection. Judge Cassels is not to blame in the matter in any way, as he has merely given a judicial interpretation of the statute brought before him. Hon. Dr. Reid, Minister of Customs, is the man who must take the responsibility for the new ruling on this provision of the Customs Act, which has been in force for the last eighteen years. Dr. Reid now maintains that he is opposed to any duty on rough lumber. If that be so, what was his reason for throwing the matter into the courts, when it could easily have been left as it was? Unless the Supreme Court of Canada reverses Judge Cassels' decision, which is rather unlikely, the only solution now will be by legislation, but in the meantime the duty is being collected, and the homesteaders on the prairie are being plundered by the lumber interests, and the farmers buying rough lumber henceforth will be able to give a clearer answer to that most vital question: "Has protection made you rich?" Juggling with the tariff is always for the benefit of the few at the expense of the many, and no better example could be found than this recent action in connection with the duty on lumber.