

The Grain Growers' Guide

Winnipeg, Wednesday, February 17th, 1915

THE BUDGET

Readers of The Guide will learn with great interest the details of the new and additional taxes announced by the Finance Minister, Hon. W. T. White, in the House of Commons last week, and which are given on page 25 of this issue of The Guide. The principal feature of Mr. White's proposals is a straight increase of the tariff rates by five per cent. on British goods and seven and a half per cent. on goods coming from all other countries, with the exception of about a dozen articles enumerated elsewhere, on which no change is made.

This means that, besides adding five or seven and a half per cent. as the case may be, to the tariff on articles formerly dutiable, the free list is abolished and goods formerly imported without duty will be taxed five or seven and a half per cent. In addition stamp taxes are imposed on letters and postal cards, checks, bills of lading, patent medicines, express and postal orders, railway, sleeping car and steamboat tickets, telegraph messages and wine. There is also a tax of one per cent. upon the note circulation of banks, upon the gross income of trust and loan companies and upon the net premiums of insurance companies. From the increases in the tariff Mr. White anticipates an increased revenue of from \$20,000,000 to \$25,000,000, while from the stamp duties and other special taxes he estimates a revenue of \$8,000,000.

No very great objection will be made at this time to the stamp taxes. There are better ways of raising revenues it is true, but at least the people will know how much they contribute under this head, and they will have the satisfaction of knowing that practically the whole of the amount which they pay will go into the federal treasury. It is nothing short of a calamity for this country, however, that the Government has decided to increase the burdens of the people by making a general and substantial increase in the tariff. The cost of living will inevitably rise and the purchasing power of the wages of the worker, already reduced as they are in many cases to a bare subsistence level, will be considerably decreased. This is a serious burden to place upon the backs of the people and will tend to accentuate trade depression. The most unfortunate circumstance, however, is that unless all human experience is to be reversed, the increase of the tariff rates will result in a reduction, instead of an increase in the revenues received. Imports, and consequently the customs revenue, as we have shown in previous articles, had begun to decline some months before the war broke out. Since hostilities commenced the decline has been greater, and with these additional taxes there will unquestionably be a further slump. Goods hitherto on the free list, such as plain fence wire, cream separators, oranges and other tropical fruits, will produce a revenue which will be a gain to the treasury, but it is very likely that the amount thus raised will be more than offset by the decreases in the importations of clothing and manufactured goods generally, which is bound to result from their increased cost.

Mr. White, in his budget speech, remarked that he believed the tariff increases, beside producing greater revenue, would be "strongly efficacious in stimulating Canadian industry and agriculture, and in relieving unemployment." We believe that Mr. White is in error in each assertion contained in this sentence, but we should particularly like to have him enlighten the farmers of this country as to any respect in which the increase of the tariff can possibly stimulate agriculture. The new tariff will increase the cost of every agricultural implement bought by the farmer except the mower and binder, it will increase the cost of his lumber, cement, fencing, food, clothing, hardware, wagons, and threshing outfit. It will in all these ways increase his cost of production, but it will not by one cent increase the price which he will receive for his product. We do not wonder that the organized farmers of Saskatchewan, in convention at Regina, sent a swift and indignant protest to the government against the piling up of burdens upon their shoulders. The organized farmers have a right to complain, too, of the action of the Finance Minister in ignoring their demand passed at several conventions, that the taxation of unimproved land values be adopted as a means of raising revenues. The Grain Growers' Associations of Manitoba and Saskatchewan and the United Farmers of Alberta are the largest representative bodies in Canada, yet the Finance Minister, if newspaper reports can be relied upon, did not even deign to mention their proposal. It is extremely doubtful if the tariff increases will even have the effect, under the circumstances, of benefitting the Canadian manufacturer. It is true that the additional protection will enable him to raise the price of his products and thus supplement the taxes of the Government by taxes for his own private benefit, but the people are bound to realize that they can only contribute to the treasury of the country thru the tariff when they buy imported goods, and thus it will become a patriotic duty in the eyes of many people to refuse the "Made-in-Canada" article. It should be noted, and not forgotten, that the tariff increases and new taxes imposed are in no sense war taxes. Mr. White clearly stated that it was the intention of the Government to borrow, thru the Imperial authorities, all funds required for war purposes, provision being made only for current revenues in the budget which he presented.

THE SASKATCHEWAN CONVENTION

The largest and most representative convention ever held in Canada was that which met at Regina last week when the delegates of the Saskatchewan Grain Growers' Association gathered in annual meeting. With nearly twelve hundred duly elected delegates from one thousand local associations of farmers, together with more than four hundred visiting farmers and farm women, it constituted a legislative assembly worthy of the great calling which it represented. It was all the more remarkable from the fact that many of the local associations in the drought stricken districts could not afford to send delegates to the convention, the numbers being, therefore, reduced on that account. It is a tribute to the value of organization and education that such a body of farmers could come together for

four days and deliberate calmly upon matters of the most vital interest to themselves. The manner in which the business of the convention was conducted was also a clear indication of the fact that the farmers of Saskatchewan are studying public questions and carefully examining proposed solutions as to their practicability. Such care and study are the more necessary because the Saskatchewan Grain Growers' Association now possesses the power, if ever it cares to use it, to control absolutely the political destinies of that province. But even while the association takes no direct action politically, and as an association probably never will, it moulds and influences public opinion to a greater extent than any other organization in the province. The statute books of Saskatchewan already show considerable wise and progressive legislation which came direct from the Association and more that developed from the influence of the Association. The very fact that the Association possesses such power and such influence throws a great responsibility upon every individual and every local association to see that every action be well considered, and that resolutions passed in locals shall represent the voice of the community and harmonize with the best interests of the province.

The new constitution occupied a considerable part of the time of the convention, but with it in force the association will be equipped to carry on its organization work and its commercial activities with more system, and consequently with better effect. In the development of co-operative trading by the association the delegates were very much pleased at the announcement by the secretary that arrangements were being made between the Association and The Grain Growers' Grain Company by which the two great organizations would work in conjunction for the benefit of the farmers, and their combined purchasing power utilized to secure farm necessities at the lowest possible margin of profit, while the possibility of overlapping and conflict would thus be removed.

The growth of the Saskatchewan Women Grain Growers' organization during the past year has been quite in proportion to that of the men's organization, as was attested by the two hundred farm women who gathered in their separate convention and considered problems affecting the welfare of the province. The farm women of Saskatchewan are fitting themselves for the time which is rapidly approaching, when they will enjoy the franchise upon equal terms with the men, and will also enjoy property rights with the men. It has required fourteen years for the men's organization to reach its present magnitude and importance, but it seems safe to predict that considerably within that length of time the farm women of the province will have an organization of equal strength and of no less importance. While every problem vital to the men is also vital to the women, yet each organization will find a number of matters which it is best qualified to investigate and deal with. In the development of the possibilities of the rural school the women of Saskatchewan have a magnificent opportunity, and their efforts in this direction may be very

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