

The Mail Bag

THE TARIFF FIGHT

Editor, Guide:—What shall be the future fiscal policy of Canada? The most of your readers will be disposed to answer "Free Trade and Direct Taxation." The answer of the protected manufacturers and their friends will be "adequate Protection," and many—very many—Canadian voters will say, "moderate Protection." How often "the wish is father to the thought." Thoughtful men, who have had an opportunity to feel the public pulse, and have given the matter careful consideration, will not be too positive in their answers. To my mind, the answer depends very much on the future actions of the organized farmers of the three great Prairie Provinces. They seem to me to be the greatest force in Canada making for sound political principles. The easterners at first looked on our organization as a freak movement that would shortly die out like its predecessors, exhausted by its own violence and impatience. These are possibly the greatest dangers to which any new reform is exposed.

We all agree that "Rome was not built in a day," but we are rather disposed to think that we should be able to build our own Rome in a very short time. The growing steadiness of our movement, and the growing determination and breadth of view of our leaders is beginning to command the attention of our eastern fellow countrymen. I believe the action of the Manitoba Grain Growers' Association in opposing the idea of the imposition of a duty on grain entering Great Britain, in order to give us a preference, did more to open the eyes of the public to the breadth and possibilities of our movement than any other one thing. We must retain at the head of our movement big, broad, determined men, who will stay steadily and patiently on the work, who will look at questions from every point of view—the other fellow's point of view as well as their own. We must not shut our eyes to existing facts; we must clearly recognize the difficulties of the situation, which are many.

Protection has been firmly planted in our fiscal system, and, like "the tares of old among the wheat," and many other objectionable things, it is much easier to plant than to root up. Our opponents are disposed to admit that Free Trade is correct in theory, and deny that it will work out in practice. It seems to me every correct theory is capable of being worked out in practice, tho it may require time and patience to work it out. We are told that to have Free Trade in our country while the countries with which we deal retain the protective principle, would be ruinous to our industries; that the markets of our manufacturers would be restricted, while the manufacturers of other countries could have an unlimited run in our markets. Without discussing the advisability of opening our markets to the world, while others close theirs to us, I must admit that I see no present prospect of inducing a majority of our voters to agree to such a plan, but it seems to me the feeling in favor of trade treaties between nations is growing, notwithstanding the fact that the people of Canada were once stampeded with the fear of "truck and trade" with their neighbors. We must not forget the bug-a-boo of Direct Taxation. It would be a grand cry with which to work up another stampede. We do not know how much taxes we pay under the present system. The system is successful in procuring the necessary amount of money to keep things going without the individual realizing that he is paying his share of these taxes, and also paying a great deal more at the same time to make millionaires out of the protected manufacturers. When he pays out a direct tax he knows he is paying it, but when he pays out an indirect tax, he thinks he is merely buying some article he needs, and hardly realizes that he is at the same time paying one tax to his country and two or three taxes to the manufacturer.

Then, we have the home market appeal. We must remember that the ar-

guments of the Protectionists are addressed to the selfishness and cowardice of humanity, and that these are very vulnerable points to which to appeal. It is discouraging to find how readily some farmers will respond to an appeal for protection against outsiders, who, if not restrained by protective duties, may prevent them from making a few extra dollars out of some fellow countryman, forgetting that some other fellow countryman is at the same time, and by means of the same protective system getting \$10.00 out of them for every dollar they get from someone else. Our fear of outside competitors is so easily aroused. We are so apt to pay out the price of Protection without ever noticing it, while we greedily grasp the trifle we get by means of Protection. We may have a few hundred bushels of oats to sell during some year when the crop is generally short in our own country, with an overflow in the neighboring republic. We see that we can get perhaps five cents per bushel more for these oats than we would obtain were the market open to our American neighbors, conveniently shutting our eyes to the fact that the five cents we gain is taken from some one more unfortunate than ourselves, and that next year, the conditions may be reversed, when there may be a surplus of oats in our country, and a shortage in the Dakotas, when we could get five cents per bushel more for our oats by having trade barriers removed, and in the fat year, we would probably have ten bushels to gain on for every bushel we gain in the lean year. In the fat year, we in this country will be the gainers by removal of the barriers, and during the lean year, the majority will also be the gainers, even the some exceptional persons will be thereby deprived of some questionable gain, which Protection would give him. I am trying to depict the home market principle in its true hideousness. I grant my picture is not so pleasant as that which the Protectionist draws, but it is truer to the actual facts.

These are some of the difficulties we have to face, but I believe they can be overcome. Many of us can hardly expect to live to see complete victory, but that is no good reason why we should not take part in the fight. We must keep up a steady fight, and impress the world with not only our earnestness but our fairness and breadth of view as well, and above all, we must keep up the work of education. The protective principle seems strongly embedded in the minds of our Canadian voters, but if we can shake the Canadian laborer free from that theory, our progress will be rapid, and I fail to see why our labor friends cannot be shown that free trade is in their interests. There is free trade in labor; why should there not be free trade in what labor procures. It is true they come more closely in contact with, and are more liable to be influenced by, the manufacturers than the farmers, but they are losing confidence in their employers, and coming to find that they are being made political tools by these people.

It seems to me that now is the time to begin an active educational campaign among the laborers of our Canadian cities, and to show them that we are not blind to their interests. Educational work along this line, and along the line of showing the wisdom and economy of Direct Taxation seems to me to be very much required at this stage.

LEVI THOMSON.

Wolseley, Sask.

CO-OPERATIVE HAIL INSURANCE

Editor, Guide:—From time to time there has appeared in the pages of The Guide letters from Saskatchewan farmers on the subject of hail insurance. Many of these letters exhibit a lamentable ignorance on the part of the writers upon the subject which they attempt to discuss, and for the benefit of these parties and others who have not gone into print but who are perhaps equally in the dark, I wish to submit the following explanation:

The first wrong impression I want to nail is the seemingly common impression that we have, in Saskatchewan, government hail insurance. This is an entirely false impression; the government of Saskatchewan has nothing whatever to do with the administration of the hail insurance act, that power being wholly vested in the Hail Insurance Commission, a body comprised of three men, two of whom are elected by the Reeves of the municipalities under the act, the third being appointed by the Lieut. Governor-in-Council.

Another false impression seems to be that the government can make, and is making, money out of the business. This also is wide of the mark; the government can never get its hands on one dollar of the money collected in taxes for hail insurance purposes as all money paid in the hail insurance taxes is forwarded to the Commission by the secretary of the municipality and out of this accumulated fund all indemnities are paid, no matter where the loss may have taken place, providing the damage has been done upon land under the Hail Insurance Assessment. The system is, therefore, purely co-operative, no profits or dividends being distributed to any person. Insurance is furnished at actual cost and any surplus which may be accumulated becomes a guarantee for the benefit of the insurance.

Another false impression which has been created by the opposition press of this province is that the hail inspectors appointed by the Commission are Grit heeled. This, also, is absolutely at variance with the truth, as every man thus employed has been selected solely on account of his ability to perform the work entrusted to him. All are experienced farmers, many having been for years connected with the farmers' various organizations and it happens that they are of various political faiths: Conservative, Liberal, Independent and Socialists all working for the success of this insurance system, which, more than anything else I know of, is the fulfillment of the command of the apostle to: "Bear ye one another's burdens," and the object and work of the Commission is to divide the burdens and make it as light as possible upon the individual.

Any person desiring the act or a copy of our last annual report may procure same free by writing to the Hail Insurance Commission, 304 Darke Block, Regina, Sask.

J. E. PAYNTER, Chairman.

Regina, Sask.

MR. WHITE'S ARGUMENTS

Editor, Guide:—It may be interesting to examine a little more closely than I have seen done hitherto the arguments in the Finance Minister's speech on the question of farm implements. His decisive argument against duty free implements is simply this, that Canadian railway freights to the West are higher than American railway freights and, therefore, if Canadian manufacturers were not helped by the tariff the American would get the whole trade and the Canadian industry would be destroyed. He gives no figures to support the statement, but taking its truth for granted, to an ordinary mind like mine, the thought would occur that the Canadian railway rates might be reduced to the level of the American, which, on the basis of Mr. White's argument would render the duty unnecessary and so help both manufacturer and farmer. But I suppose it would be sacrilege to touch railway profits, and so Mr. White's remedy is to make both railways and manufacturers happy by leaving the double burden of tariff and high railway freight on the patient shoulders of the farmer. I am probably presumptuous in expressing an opinion on the tariff, as I am in this skinning process only in a passive way, as a victim, and the "Liberal" member Mr. Carroll, in his luminous speech told us that manufacturers ought to be allowed to keep the tariff up just as long as they felt they needed it; they were the best judges in that matter.

A very curious auxiliary argument of Mr. White's was the "drawback." You

know the "drawback" in the case of implements means paying back to the Canadian manufacturer the duty paid on foreign iron and steel used in making implements that are shipped out of Canada to foreign markets. On implements sold at home in Canada the full duty remains. The purpose is to enable the Canadian manufacturer to sell cheaper in foreign markets and meet the competition there. In this way the Canadian farmer at home buys his implements at prices with the duty counted in; the foreign farmer, in his country, buys the same implements at prices with the duty taken off. The "drawback" paid to manufacturers is, of course, an expenditure that has to be paid by the other people in Canada, chiefly the farmers. Those foreign farmers who get the benefit of this "drawback" are our competitors everywhere in the world's market, partly even in Canada, and our wise Ottawa Government and our "patriotic" manufacturers have thus devised a scheme whereby we Canadian farmers pay the duty on our implements in the home markets, and also pay the "drawback" that is helping our foreign competitors. Mr. White confesses that he has felt some doubts about the "drawback," not, of course, because of its injustice to farmers, but because it might hurt the iron and steel industries. In a very curious sentence he explains why he has resisted the demand of the steel and iron industries to "give them the benefit of the market by repealing the 'drawback.'" "In the interests of the farming community, and having regard to the tariff as it exists today, we have said: 'We will allow that drawback item to stand.'" For the interests of what farming community? At Ottawa they look at the interests of the Canadian farming community thru the wrong end of the telescope. Try to imagine the roars of laughter in the House of Commons if anyone there were to propose a "drawback" of any kind on the 130,000,000 bushels of wheat we are exporting this year, or a "bounty" on any farm produce.

JAS. SPEAKMAN.

Penhold, Alta.

DOCTORS' FEES

Editor, Guide:—I want to express approval of the stand taken by the Keatly and Warman Grain Growers' Associations in this matter. Here in the Nut Hills the people are particularly incensed about this matter, and if something drastic is not done before the next election the government will get a bad jerk. Such pettifoggish humbugs as a "Saskatchewan Medical Association" or a "Saskatchewan Medical College" ought not to exist. The provincial legislature should pass a law throwing the province wide open for the practice of medicine by British M.D.'s, and another law doing the same thing for the graduates of all the European and Canadian medical colleges where such colleges are above suspicion. If after this is done there are still farmers who have not got a good doctor, charging reasonable fees, close at hand, the government should make a careful inspection of the claims of the American and Asiatic medical colleges and where they pass muster, throw the province wide open to their graduates. If this second expedient fails, there would be nothing for it but for the province to subsidize medical officers for the outlying townships. The subsidies might well be financed by extra taxation on the cities, towns and villages, or by additional surtaxes on land speculators in the country.

JOSEPH R. TUCKER.

Kuroki, Sask.

NOTICE TO CORRESPONDENTS

This Department of The Guide is maintained especially for the purpose of providing a discussion ground for the readers where they may freely exchange views and derive from each other the benefits of experience and helpful suggestions. Every letter must be signed by the name of the writer, tho not necessarily for publication. The views of our correspondents are not of necessity those of The Guide.