

The Grain Growers' Guide

Winnipeg, Wednesday, March 10th, 1915

On April 1 the price of The Guide will be increased to \$1.50 per year, both on new subscriptions and renewals. Less than three weeks remain for those who wish to send in renewals or new subscriptions at the old rate of \$1 a year or \$2 for three years.

WHAT IS THE PATRIOTIC DUTY

Finance Minister White has increased the tariff on practically all imported articles in order to secure the necessary revenue to conduct the public business of Canada. The organized manufacturers are conducting a vigorous campaign throughout Canada in order to induce the people of Canada to purchase "Made-In-Canada" goods. The Finance Minister intimated in his budget speech that the patriotism of the people could be depended upon to accept the new tariff taxes. The organized manufacturers are appealing to the patriotism of the people to support home industries and thus give employment to the Canadian people. Here are two appeals to the patriotism of the people which will have a diametrically opposite effect. How are the Canadian people to decide which is the right kind of patriotism? We would suggest that each one of our readers write a letter at once to Sir Robert Borden, M.P., Prime Minister of Canada, Ottawa, or to Hon. W. T. White, Minister of Finance, Ottawa, and ask these gentlemen whether it would be more patriotic to purchase imported goods or Canadian made goods, where prices and qualities are the same. We hope that several thousands of our readers will ask these questions, and let us know what reply they get, because it is a very important matter, and the situation must certainly be confusing to the Canadian people.

MANUFACTURERS APPROVE NEW TARIFF

The current issue of Industrial Canada, the organ of the Canadian Manufacturers' Association devotes considerable space to comment upon the new taxes imposed by the Budget. It is not surprising to find that the manufacturers' organ warmly approves of the decision of the Finance Minister to endeavor to raise as much as possible of the revenues required by an increase in the tariff, but at the same time Industrial Canada restrains its joy to some extent, and points out that even manufacturers will have to pay some additional taxes in this time of stress. The budget is dealt with by Industrial Canada under the heads: "How Manufacturers are Affected," "How Farmers are Affected," and "How Consumers are Affected," and it is only natural that under the first of these heads the manufacturers' organ should exaggerate the burden of the new taxes, while under the remaining heads it seeks to show that the increases of the tariff will, after all, cause a very slight increase in prices. It is admitted that the manufacturers will be benefited by the increases of protection, which, it is asserted will diminish the flood of foreign goods sent into the country, while farmers, it is stated, were given especially good treatment by the Government in the fact that the duty on binders, mowers, traction ditches and binder twine was not raised. The manu-

facturers, in other words, can rejoice for what has been given to them, while the farmers have to be thankful that more was not taken away from them.

To read Industrial Canada one would think that the manufacturers, forgetting their own "Made-in-Canada" campaign, were the only people who imported foreign goods. They will have to pay more, it is pointed out, on account of the duties on their raw material, more for their bituminous coal, more for machine oil, more for machinery, equipment and building materials. "As farmers," it is stated, on the other hand, "are not, as a rule, extensive importers, they will not be affected to any great degree," while "to the great mass of individual consumers," it is asserted, "the tariff increase will be practically negligible." The stamp taxes, Industrial Canada states, will take a heavy toll from the manufacturers. Apparently, in their view, they are the only people who use the mail, write checks, send telegrams, or ride on trains. With fine sarcasm Industrial Canada refers to the fact that the tariff increases the farmers' protection on horses, beef cattle, poultry, vegetables and other products, thus reducing proportionately competition from abroad in the farmers' most cherished asset, the Canadian home market. There is one statement, at least, in Industrial Canada with which we can heartily agree, and that is that the alternatives to the tariff as a principal means of raising revenues, are direct taxation upon land and the income tax. "Resort may yet be had to such expedients," says Industrial Canada, "but the Government apparently believed that they should not be sought until the legitimate use of the customs tariff as a source of revenue was exhausted." For our part, we believe that the contingency referred to in this last clause has already arrived, and we trust that when the Finance Minister is convinced of this fact, he will not hesitate to use the alternatives suggested by Industrial Canada.

GRAIN GROWERS' LUMBER COMPANY

We have had a quick response to our reference to the so-called "Grain Growers' Lumber Co., of Vancouver. The company has taken exception to our statement that they were "sailing under false colors" and also that it was a "fake farmers' company." Their solicitors, Messrs. Senkler, Spinks and Van Horne, of Vancouver, have written us as follows:

"We are instructed to say that our clients (The Grain Growers' Lumber Co.) are not desirous of putting this matter into court, but we are instructed to say that unless a fair and ample apology is published by you in your publication, retracting the said articles and the false statements therein contained, we will place the matter in the courts. We beg to state that unless we have an answer to this letter on or before Monday 15th of this month we will take such steps in this matter as we may deem advisable."

We have yet to see that this concern is entitled to any apology. The term "Grain Growers" is a big business asset in the Prairie Provinces, and has become so only by the great efforts and sacrifices of the farmers themselves. The name "Grain Growers" was developed by the farmers of Manitoba and Saskatchewan, and the farmers of the prairies learned from experience to have confidence in the name. This con-

cern has deliberately taken the name "Grain Growers," no doubt with a legal right, but certainly with no moral right. The intention in using the name "Grain Growers" was undoubtedly to deceive the farmers of the Prairie Provinces into the belief that it was a real "Grain Growers" organization, and thus induce them to purchase lumber from them. This is where the concern is "sailing under false colors" and is also a "fake farmers' company." We have been informed of several cases where farmers really thought this company was one of the legitimate "Grain Growers" companies. The laws of the country should prevent such deliberate attempts to deceive the farmers, and it will certainly be the duty of The Guide to assist in this work as far as possible.

MORE TARIFF INCREASES

Last week The Guide called attention to the fact that the Customs Department had taken to itself the power to increase the effectiveness of the Customs Tariff as a means of penalizing farmers for buying agricultural implements, by raising the valuation and compelling importers to pay duty on considerably more than the actual cost of the goods. The Customs Department, however, has shown that it can do much better work than this, and that it can not only collect duties considerably in excess of what the law provides for, but can actually dictate to importers the price they shall pay to manufacturers for their goods. This is done thru the "dumping clause" of the tariff, which is designed to prevent unfair competition on the part of foreign manufacturers by selling their goods for export to Canada at a lower price than that at which they sell in their own home market. The dumping clause thus prevents any possibility of the foreign manufacturer paying the duty on goods which he exports to Canada and makes it certain that the Canadian consumer will bear the burden. But in the case which has been brought to the notice of The Guide, particulars of which are given on page 4 of this issue, the Customs Department has gone even further than this and has ordered the importer, who is a large jobber, to pay more for his goods than they are sold for to United States jobbers, threatening that if the importer continues to buy at regular prices he will be penalized on every shipment by a fine under the Dumping Clause. On one shipment, which came thru before the importer was aware of the new ruling, he has already been fined \$126.95, besides having to pay duty on an inflated valuation. The goods affected in this case are gas engines, fanning mills and grain picklers, and the increased cost of these farm necessities will, of course, have to be borne by the farmers. This may be a part of the "Made-in-Canada" campaign, but it certainly can have no place in the movement for "Patriotism and Production."

DIRECT TAXES IN ONTARIO

In strong contrast to the high tariff federal budget is the announcement made on Tuesday, February 23, by Hon. W. T. McGarry, Provincial Treasurer of Ontario, that the government of the province had decided to introduce direct taxation, which will fall chiefly

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