

during these three years or at all events made little progress, while the public expenditures increased, as shown, enormously.

### Generosity to McKenzie & Mann.

It was and is a matter of general knowledge that the famous Railway Contractors and Promoters McKenzie & Mann materially assisted the Government to get into office. We might go further and state that they were the initiators of the campaign against Reciprocity which was carried on with so much expensive publicity and flagrant corruption. It is not surprising therefore to find that these promoters have been well treated by the Government. "Well treated" does not suitably express the kindness of the Government towards them. The records show that the Government completely surrendered, held the Treasury doors wide open, and invited the magnates to fill their capacious satchels. Just look at this list of Tory gifts to these two men and then ask yourself whether the Government is worthy of further trust.

(a) A cash subsidy of \$6,000,000 in connection with the construction of the Manitoba section of the Canadian Northern Railway.—Also guarantee of principal and interest of bonds to the amount of \$4,500,000.

A straight cash subsidy of \$15,640,000.

A guarantee of principal and interest of Canadian Northern bonds to the amount of \$45,000,000.

The Tory Government also advanced \$10,000,000 in cash on the security of \$12,500,000 of these bonds.

A straight loan of \$15,000,000 in the Spring of 1916.

### Quebec-Saguenay Steal.

We doubt whether in the annals of any civilized country there is a more nefarious transaction than the Quebec and Saguenay Railway deal. At a time when the Country was at war and there was necessity for conserving every dollar of cash, the Borden Government, coolly and with bold effrontery, paid some of its political debts by taking over and paying for certain railways in Quebec for which they had as much use as a cart has for three wheels. The bold truth is that the owners of these railways found them to be white elephants, and they unloaded them on a too willing Government. This steal (it cannot otherwise be fairly described) cost the Country directly over four million dollars, and in-as-much as large expenditures are necessary to complete one of the Railways, the ultimate cash outlay is likely to be in the neighborhood of ten million dollars. No more monstrous job was ever perpetrated in the Parliament of Canada.

### Criticism of the Finance Minister.

The Finance Minister, Sir Thomas White, has been greatly lauded in the Tory Press for his success in raising loans from the people. We have no desire to detract from his glory, but it is really not a great effort to get money from a willing and

patriotic people, especially when they are attracted by a very generous rate of interest. The raising of money for the needs of a Country with as good credit as Canada has, is perhaps the least difficult of the duties of the Finance Minister, and it is by no means the standard by which his administration should be judged. The true tests to apply to him and his Government are, how has the money been used and has the taxation of the people been equitable and along sound lines? Applying these tests we find that prior to the war every change made in the Customs Tariff—the principal source of revenue—was in the direction of higher duties which imposed greater burdens on the people for the benefit of the favoured classes. Sir Thomas White cannot point to a single instance where he bona fide decreased taxation or made the burdens of the poor easier to bear. Knowing comparatively nothing about the Tariff when he took office, he has been guided and directed entirely by the high protectionist school. Some of his taxation measures are quite indefensible and some reprehensible. For instance his action in increasing the protection to the Canadian sugar refiners from 42c to 59c per 100 lbs. shortly after the war broke out. There can be no reasonable justification for that step, which means in reality a gift of over one million and a quarter dollars a year to the sugar refiners. The protection of 42c per 100 lbs. was more than sufficient. The theory of protection is to compensate the Canadian manufacturer for the low cost of production in other countries, and if Sir Thomas White will take the trouble to investigate he will find that the total labor cost in refining sugar is not more than 15c per 100 lbs. Apart from the merits of the matter, the Finance Minister's action was especially reprehensible because he concealed the increased protection under the cloak of revising duties for revenue purposes, and did not explain it to Parliament or to the Country.

Then too there is the war tax import duty of 7½% which was superimposed on a tariff already quite sufficient for the needs of manufacturers. There is no gainsaying the fact that that means additional and unnecessary protection. In regard to foodstuffs the tax is not only absurd but almost criminal. It means in effect that the meat packers and canners of fruit, fish and vegetables are enabled to charge 7½% more for their goods without benefiting the Dominion Treasury. To call it a war tax as applied to foodstuffs is a ridiculous distortion of the truth. If Sir Thomas White really intended this war tax on imported foodstuffs to be additional protection to the Canadian Manufacturer it was an almost criminal act in times of war; if he did not so intend it, it can only be characterized as stupid, because it is not a revenue producer except to the manufacturer.

Sir Thos. has shown no originality or ingenuity whatever in his war taxes. His various stamp taxes have been in operation in other countries, and the Business Profits War Tax had been introduced in England, with this difference, however, that there it is a real and substantial tax, whereas in Canada, it is a trifling one. This brings us to one of the most important of our criticisms of the Finance Minister and his Government, which is,