

five-eighth cents per bushel, thus saving the farmer \$7.50 on every carload of oats. Is organization worth while? Whatever benefits the organization has brought to the farmers in the past are small compared with what the organization can do for Western farmers and for Canada in general after the war. Pay up your dues, attend your meetings and keep the organization a going concern in every community.

Produce For The Allies

It must surely have reached the ears of every farmer in Western Canada by this time that the Allies are in desperate need of food. The curtailment of imports through lack of tonnage has made it imperative that practically all the allies food should come from the United States and Canada. A total of 923 British vessels or nearly five a day is the toll of the submarine and since February 1 nearly 2,000,000 tons of the British mercantile marine has been sunk. Allied imports from Argentina, Australia and New Zealand have been cut to pieces. It is the duty of Canada, the food controller tells us, to supply Great Britain's needs. Right now the most pressing need is for fats, oils and bacon. Bacon is the most concentrated form in which these essentials can be taken to the boys at the front. That shortage is likely to become worse as time goes on. Hence as a patriotic duty to the millions going on short rations or starving in Europe it is essential that Canadian farmers raise every hog they can next spring by breeding every sow worth while now and keeping her over. There may not be any great profit in it above market prices of grain. Indeed in many cases it may be found it would have been better to have sold grain. But profits should not be the dominant motive at this time. Profits unfortunately are all too important to many even yet. We can scarcely stand by while others starve and refuse to do our utmost to feed them. It seems altogether likely also that the increased demand for these products will be very great as time goes on and that prices will jump tremendously in the next few months. Now is the time to prepare.

Consequences of the Victory Loan

The campaign for the Victory Loan has been fought and won. The people have conferred on the government the power to purchase commodities to the amount of over \$400,000,000, or about \$50 per head of the population. The result is surprising and gives rise to reflection upon the consequences following therefrom.

First, perhaps, occurs the thought that a large amount of income has been withdrawn from the taxable resources of the country. Interest at the rate of five and one-half per cent. will be paid on the bonds free of liability to income tax. Thus a sum of \$22,000,000 will remain untaxed during

the average life of the bonds. Where the funds invested in the Victory Loan were previously applied to the production of taxable income there will be a loss to the exchequer of the annual revenue which would have accrued under the new income tax. But the true loss will be less than the total amount of the bond interest by the amount subscribed out of the current incomes of the poorer people, or out of the funds previously held in an unremunerative manner. Nevertheless it is not a good feature of the loan that the income derived from investments in it should be free of income tax irrespective of the total incomes of the people or corporations holding the bonds. If, as seems probable, the bonds should tend into fewer hands as time passes, through their realization by holders of only moderate resources, the country as a whole will be taxed to provide incomes for the privileged few, without the power to recover a fair proportion of the incomes in relief of taxation. Hence, probably, the eagerness of some interests to invest in the Victory Loan.

The encouragement to thrift provided by the moral obligation on people of moderate wealth to take bonds is a distinct asset. Many thousands of subscribers have sacrificed some luxury in order to buy a bond. The pleasurable sensations of possession and of added security against the unknown will tend to enforce the continuance of self-denial to the point of becoming a habit. A larger proportion of the people will learn the value of thrift and come to appreciate the power and independence accompanying its tangible results.

The proceeds of the Victory Loan are to be expended entirely in Canada. There will, therefore, be some stimulation of industry,

largely that connected with the prosecution of the war. But the success of the Victory Loan demonstrates the lending power of the people of the Dominion. The patriotic motive has doubtless been a powerful factor in mobilizing this power; nevertheless, a remarkable evidence of the elasticity of the domestic sources of capital has been afforded. In ordinary times these sources are virtually untapped; municipal, provincial and Dominion authorities go abroad to float their loans. For this there is obviously less justification than has been assumed. Increased thrift implies a great demand for investments. The money for public works and national development can thus be supplied to a greater extent by Canadians if the proper facilities are provided. The Dominion will then be freer from external financial influences, a condition which would be in many respects desirable.

When Sir Joseph Flavelle told the munition makers "To Hell With Profits," he realized that big profits were dangerous to business morals. No doubt this is the reason he sacrificed himself by taking such big profits. He no doubt felt if he took big profits he would save others from being contaminated in the same way. It was undoubtedly very, very good of Sir Joseph.

Many people thought that Lloyd George's Paris speech was a great indiscretion. Since the debate in the British House of Commons, however, they have learned that it was a brilliant stroke of leadership.

New Jersey has a law that any man found idle will be arrested and put to work. That is a mild form of conscription which might well be adopted in Canada next spring. With every available man employed the farms will still be under-manned in 1918.

Is your local association active? If not, whose fault is it? Somebody is to blame. Stir up your members and get them together. There is big work to be done.

What kind of seed have you got to put into the ground next spring? Is it clean and will it germinate well? The time to find this out is now and not when seedling time arrives.

By raising a few more hogs you will not only be sure of a good return for your labor, but you will be helping the cause of the Allies immensely.

The fall of Jerusalem brings hope anew into the breasts of millions of a scattered race.

When you sit down to enjoy a nice Christmas dinner, don't forget the millions who will not have the same pleasure. Send a donation to some of the War Relief funds.

What rate of interest are you paying to your local bank and are you able to get the credit you require? Let us hear about it.



KEEP THE POT BOILING