

The Grain Growers' Guide

Winnipeg, Wednesday, May 8th, 1912

HOW TO BECOME A RAILWAY MAGNATE

First buy a charter. There are plenty of them lying about idle. They can be secured for "\$5.00 down and the balance on easy terms." Then announce that you are going to build a railway. The federal and provincial governments will immediately insist upon guaranteeing bonds for more money than you need. The rivalry between the governments to hand you the people's money will be as keen as between life insurance agents. By playing one government off against the other you will finally be able to get a splendid pile of the people's money. No doubt if you are quite diplomatic you will not only get a bond guarantee but a good big cash grant as well and free town-sites, together with tax exemptions. If you cannot become a railway magnate by this means you are a failure. Of course, it has its drawbacks. You will always be bothered by governments chasing after you to give you more of the people's money until you will find your chief trouble in investing it. But never refuse it as nothing offends a government more than losing an opportunity to get rid of the people's money. Keep this in mind and you can't avoid success.

ROBBING THE FARMER

No one, except the manufacturers, now attempts to defend the tariff on agricultural implements by which the farmers of Canada are compelled to pay a heavy tribute to the protected manufacturers. From the report of the Department of Customs for the year ending March 31, 1911, (the last available) we reproduce the following figures showing the agricultural implements and machinery imported for that year and the duty paid thereon:—

Articles.	Quantity.	Value.	Duty Collected.
Binding attachments	6,296	\$ 10,022	\$ 1,753.88
Cultivators and weeders	6,886	59,064	11,811.52
Drills, seed		355,821	71,161.95
Farm, road or field rollers	118	64,305	15,328.05
Fork prongs	20,982	10,018	2,176.87
Harrows	15,001	229,911	45,969.90
Harvesters, self-binding	1,110	115,794	20,263.93
Hay loaders	453	25,272	6,318.00
Hay tedders	9	261	65.25
Hoes	4,737	1,210	263.17
Horse rakes	851	26,967	5,389.95
Knives, hay or straw	8,213	4,517	941.56
Manure spreaders	705	65,562	13,112.40
Mowing machines	1,367	52,999	9,274.97
Plows	52,972	1,993,214	398,594.12
Post hole diggers	4,213	4,368	1,092.00
Potato diggers	626	16,767	4,127.85
Rakes, n.o.p.	58,769	10,689	2,389.33
Reapers	827	60,677	10,618.50
Scythes	2,286	10,559	2,230.36
Sickles or reaping hooks	529	1,163	226.60
Snaths	15	30	7.50
Spades and shovels, of iron or steel, n.o.p.	9,539	45,751	11,581.61
Parts of agricultural implements paying 12 1/2 p.c., 17 1/2 p.c. and 17 1/2 p.c.		464,201	81,235.73
Parts of agricultural implements paying 12 1/2 p.c., 17 1/2 p.c. and 20 p.c.		765,844	153,164.53
All other agricultural implements, n.o.p.		83,226	20,385.80
Fanning mills	2,246	29,319	7,323.15
Grain crushers	92	2,405	585.95
Windmills and complete parts thereof	1,482	51,805	10,361.00
Fodder and feed cutters	395	4,177	1,044.25
Horse powers, for farm purposes	4	281	56.20
Portable engines with boilers in combination, and traction engines for farm purposes	2,170	3,636,392	724,167.75
Threshing machine separators	1,286	741,360	148,231.50
Threshing machine separators, parts of, including wind stackers, baggers, weighers and self-feeders thereof, and finished parts thereof for repairs, when imported separately		422,044	84,408.80
Farm wagons	10,634	435,317	108,814.63
Total	214,813	\$9,801,311	\$1,975,778.56

The duty collected averages 21 per cent. We have not included gasoline engines, as it is not possible to know what portion of them were used for farm purposes. But on the above list we see that the farmers of Canada

contributed \$1,975,778.56 to the federal treasury in the way of fines for engaging in the tabooed profession of agriculture. It is fair to assume that the farmers paid not only this duty but a profit of at least 10 per cent. on this duty, which would be added by the importers. No importer could afford to pay out so much cash in duty without adding something to the selling price over and above the duty. At 10 per cent. this extra charge would be \$197,577.85. Thus the total duty and added charges paid on imported implements would be \$2,173,356.41.

The Canadian implement manufacturers export to all parts of the world and meet competition from every hand without any special privilege. In fact in many cases they show their patriotism to Canada and the Empire by selling more cheaply to foreigners than to Canadians. From the same report we find that during the same year the following agricultural implements were exported from Canada:—

Article.	Quantity.	Value.
Mowing machines	22,449	\$ 766,146
Reapers	7,606	448,888
Harvesters	16,479	1,695,040
Plows	17,643	558,459
Harrows	9,453	174,513
Hay rakes	11,610	363,538
Seeders	181	14,714
Threshing machines	32	10,126
All other		1,288,169
Parts of		662,351
Total	85,453	\$5,931,944

On all of this export business the manufacturers were refunded the duty paid on their raw material. This is a concession granted to the foreigner who buys Canadian-made goods, but which is denied to the Canadian who buys goods made in his own country. The aim of our protective tariff as it exists is to smite our own people hip and thigh, and give everything possible to the foreigner and home manufacturer.

Until the 1911 census report on manufactures is published it is not possible to know the total value of the agricultural implements manufactured in Canada in the same year for which we quote the above figures. But it would seem a fair estimate to say that the export trade would not be more than half the domestic trade. On this basis there would be \$12,000,000 worth of Canadian-made implements sold in Canada in the year ending March 31, 1911. No one now denies that the protected manufacturer adds the full amount of his protection to the selling price of his product. This would be 20 per cent. of \$12,000,000 or \$2,400,000. But Canadian manufacturers sell their implements at the same price as the imported article, which means that they also add the 10 per cent. profit which importers must charge to carry the duty actually paid. Ten per cent. of \$2,400,000 would be \$240,000, making the total tribute collected by the Canadian manufacturers in one year on agricultural implements to be the snug sum of \$2,640,000. This added to the duty actually paid on imported implements, and the added profit thereon makes \$4,813,356.41, which was taken out of the farmers' pockets in one year by the tariff on agricultural implements. This is on only one class of article the farmer has to buy. Is it any wonder that farming is not progressing as it should? We fondly say to ourselves that the duty actually paid on imported articles goes into the Dominion treasury and thus helps to reduce taxation. But a month ago the Dominion Parliament voted \$6,300,000 in a cash gift to Mackenzie and Mann. So that there is little hope of reducing taxation by paying duty.

Now, how long are the farmers of the West going to pay this unjust toll and rob their families for the benefit of a handful of multimillionaire manufacturers? These manufacturers pay no higher wages on account of

protection. They put in their pockets the extra toll and then talk loudly on patriotism and loyalty. Every Western member of the House of Commons pretends to be in favor of lower tariff on agricultural implements. They can have it reduced at the next session if they are sincere. By simply refusing to permit the government to proceed with business they can bring the tariff down in two weeks after the House opens. If the farmers will forget for a while that there is such a thing as party and put the pressure on their members they will get relief.

TRADE AND ANNEXATION

Despite the defeat of reciprocity and the keeping up of the tariff restrictions against trade between Canada and the United States, the significant fact is shown by the trade returns for the twelve months ending with February last that Canada's total trade with her neighbor to the south increased during the year by \$63,582,240, or about fifteen per cent., while trade with Great Britain increased by only \$18,342,157, or not quite eight per cent. Canada's total trade with the United States for the twelve months was \$453,225,632, and with Great Britain, \$260,672,657.

The Dominion's aggregate trade with the world was \$847,372,738, an increase of \$93,432,178, of which \$81,820,639 was in imports. Exports of domestic products, which totalled \$285,607,342, increased by only \$9,455,768. The Dominion's total trade with the United States is, therefore, considerably more than half of the total trade with all the world, and is increasing at a more rapid rate than with any other country. Canada does not appear to be in any immediate danger of annexation, however.

PROGRESS OF DIRECT LEGISLATION

Those who are working to bring about a better system of government through the establishment of Direct Legislation,—the Initiative, Referendum and Recall, have good reason to feel encouraged by the progress which that reform is making in the United States. Arkansas, Arizona, South Dakota, Oregon, Maine, Montana, Colorado and Missouri now have Direct Legislation as part of their constitutions, and the Mississippi legislature has passed an Initiative and Referendum Bill which will be voted on by the people in November next. The Initiative, Referendum and Recall are also in use for local purposes in many states which do not permit their use for state purposes, and the number of cities in which the people are assuming control over their representatives by this means is constantly and rapidly increasing. The first referendum vote in the State of Alabama was taken recently in the city of Birmingham. Birmingham is governed by a commission, and the majority of the commission had made a contract with a corporation for the lighting of the city. The citizens, however, did not approve of the bargain made for them by the commissioners, and a referendum was called for and the contract was annulled by a vote of two to one. If they had not possessed the power of the Referendum the people of Birmingham would have been saddled with a lighting contract of which two out of every three of the electors disapproved, and naturally there is great satisfaction being expressed at the outcome of the first application of this power. From Arkansas comes the news that several bills are being prepared for submission to the people next fall. The Initiative and Referendum, it is said, have put new spirit into the people of Arkansas, made them feel new responsibilities and inspired them to broader informa-