

The Grain Growers' Guide

Winnipeg, Wednesday, May 7th, 1913

PROGRESSIVE IDEAS SMOTHERED

The Banking Committee of the House of Commons, by its action last week, fully sustained its reputation as the grave-yard of progressive ideas. There is very little likelihood of the Banking Committee making any changes in the Bank Act that would be displeasing to the Canadian Bankers' Association. This is practically the only committee of the House of Commons that does not play party politics all the time. In the Banking Committee there are several members, representing both sides of politics, who have been endeavoring to have the Bank Act amended so that the power of the bankers may be curbed and the interests of the public more fully protected. They have, however, been out-voted by a majority composed of the stand-pat members of the Committee, who also represent both sides of politics. We will venture the opinion that the majority of the members of the Banking Committee do not by any means represent the majority public opinion in Canada. There are always a number of bankers around to shout "ruin" every time any suggestion is made that the public needs more protection. It has been the same throughout all time. Every group of men who have enjoyed special privileges always declare that if these special privileges are withdrawn the whole institution will be ruined and the country in general will go to the dogs, and then they summon tears to their eyes and protest that the banking system of Canada is absolutely necessary to the conduct of the business of the country. Of course, no person has ever suggested that the banking system is not necessary, but there should be some limit set to the power of these institutions. At the present time the commercial business of Canada is very largely in the control of a handful of bankers who are at liberty to charge any rate of interest they like and shut down on a man's business whenever they feel inclined. They can also use the deposits of the people to finance Mexican, South-American and any other foreign corporations they please while the needs of their own country are passed by. What is needed is publicity. There is no doubt but that our banking system can be made satisfactory to the people if sufficient daylight is let into the methods employed by the bankers.

"MADE IN CANADA" TRAIN

The Canadian Manufacturers' association, or rather its twin brother, the Canadian Home Market association, is sending another "Made in Canada" exhibition train throughout the Prairie Provinces during May and June to educate the free trade grain growers to the merits of a high protective tariff. The Guide is most heartily in favor of the closest co-operation and mutual sympathy between the Eastern manufacturers and the Western farmers, and this exhibition train is a splendid idea, except for the motive for which it is sent out to this country. It is prominently announced in the press that the aim of this train is to give "first hand information as to what factories mean to a community, how they add to population, benefit mercantile life and increase enormously the home market." In other words, the manufacturers have a high tariff now protecting them by which they can make the Western farmers pay more for their necessities of life than they are really worth, and this train is sent out for the purpose of making farmers believe that there would be no factories in Canada except for the protective tariff. It is not yet announced

whether there will be any of the tariff barons on the train but we presume that there will be at least one representative. It is announced that the train itself and everything on it will be "made in Canada." Last year they made a great mistake because a number of the people on board the train were dressed in clothing gathered from all parts of the world, while in their dining car were vintages gathered from foreign climes. There is one matter, which in justice to the Western farmers the promoters of this "made in Canada" train should not overlook. If the Western farmers are to be fully informed on the tariff question, they should know just what protection costs them. We believe that every article in this "made in Canada" train should be plainly placarded with the price at which it is sold in Canada and also the price at which it is sold in foreign countries, because it is a well known fact that many of our protected industries here in Canada sell their products cheaper in foreign countries than they do to the Canadian people. For instance, if the Massey-Harris Company should put a binder on board the train and a tag on it showing the "price in Winnipeg \$162," and "price in Minneapolis from our American factory \$135," it would take exceptionally well among the Western farmers, and would show very clearly what a beautiful thing the protective tariff is—for the Massey-Harris Company. When the manufacturers are ready to stand upon their own feet they will find the Western farmers ready to meet them.

SOUTH AFRICAN SCRIP

Readers of The Guide who last year found themselves in possession of South African Scrip for which they had paid \$800 or more, but which could not be located owing to a mistake on the part of parliament, will be glad to know that under a bill which passed its second reading in the House of Commons last week the scrip is to be re-instated and will be available for location up to October 1 next. The Guide, it will be remembered, vigorously opposed the two previous extensions of the time in which South African scrip could be located, but this extension is one of which we can approve. We objected to the last extension because the conditions were such that it benefitted no one but speculators. The clause discriminating in favor of the speculator was one inserted in a bill passed in March, 1912, stating that: "No such substitute made, constituted or appointed before the 1st of January, 1912, shall have any right under the special act or under this act, except such as is provided by sections 5 and 8 of this act." Hon. Robt. Rogers, who moved the insertion of this clause, stated that its effect would be that nobody who was trafficking in his right before the 1st of January, 1912, had any right at all, and on this explanation the clause was passed without further discussion. If proper consideration had been given to the matter it would probably have occurred to some astute parliamentarian that a man who had sold his scrip obviously would not have any further rights anyway. What the clause really did accomplish, as The Guide has previously pointed out, was to prevent the location of all scrips which were in the hands of actual intending settlers, and to provide for their redemption by the government at \$500 each. These facts having been brought to the attention of the government by The Guide and by settlers who had suffered, Mr. Rogers has now brought in a bill which appears to have set the matter right by making this scrip available for location up to Oc-

tober 1 next, and according to press despatches Mr. Rogers stated that those who have redeemed their scrip for \$500 will be allowed to regain their rights on returning this sum to the government. This is very satisfactory. It is to be regretted, however, that in doing justice to those who had suffered from a mistake made by the government parliament should have given another concession to the speculators who have already made far more out of the South African bounty than the volunteers whom it was designed to reward. There was no occasion whatever for granting another extension of time on warrants held by speculators. Hon. Robt. Rogers, in the House of Commons last week said that every letter which went from his office on the question stated that there would be no further extension after December 31 last. The effect of this was that scrip went down in price as the end of the year advanced, and at one time no more than \$500, the price at which it would be redeemed by the government, was offered on the Winnipeg Stock Exchange. Then Hon. Dr. Roche announced that an extension would be granted, and heigh! presto! the price of scrip soared to \$1,200 or \$1,300, the latter being the figure asked last week. This is the third time the same thing has happened, and a bunch of speculators who have anticipated the announcement of a further extension of time have made a nice clean-up on each occasion. The government has done justice to bona fide purchasers of scrip for location on the land, but there was no necessity for giving a hand out to speculators at the same time.

FREIGHT RATE INVESTIGATION

What has become of the Western freight rate enquiry? The enquiry was commenced in February, 1912, and on April 16, 1912, the Railway Commission decided that a prima facie case had been made out that Western freight rates were unjustly high, and that the tariffs showed unjust discrimination against the West. This ruling placed upon the railways the responsibility of justifying their charges and the enquiry was adjourned to give them time to prepare their defence. After some months the railways made their reply, which was analyzed and rebutted by the representatives of the West. Now for four months nothing has been heard of the matter. The investigation has not been closed, but the Railway Commission has held no sittings in connection with it and no announcement has been made as to when it will be resumed. To the outsider it looks as if the investigation had been indefinitely postponed or allowed to drop altogether. The railways, of course, would be very glad if this were done, and it is commonly reported that not only the heads of the railways, but their friends the bankers, have been exerting their influence with the Government to have the investigation abandoned. It has been stated in the press, and not denied as far as we have been able to discover, that Sir Edmund Walker, C.V.O., LL.D., D.C.L., president of the Canadian Bank of Commerce and director of many large companies, and Z. A. Lash, K.C., LL.D., vice-president of the Canadian Bank of Commerce, director of the C.N.R. and of numerous other corporations, have urged upon Premier Borden the necessity of stopping the investigation and preventing any reduction in Western freight rates. The railways undoubtedly have many very astute and able officials and legal advisers in their service, but after a year's effort the combined ingenuity of these men has not been sufficient