

The Grain Growers' Guide

Winnipeg, Wednesday, February 8th, 1911

FARMERS ARE FAVORABLE

Opinions have been freely expressed on the proposed reciprocal tariff arrangements. There is strong opposition showing in many quarters. It is apparent that the new schedule must be taken as a whole or not at all, if anything is to be done during the present session of parliament. This being the case, the farmers are certainly in favor of accepting it. It does not give all they asked, and more must be given at next session. But if the proposed arrangements are completed on both sides of the line and the British preference is substantially increased during the present session, the farmers may consider they have done a good year's work.

FREE TRADE MANUFACTURERS

In this issue we are publishing a number of exceedingly interesting letters sent us by British manufacturers in reply to a request for their reasons for favoring free trade. These reasons are given by business men, and are reasons of dollars and cents, in which sentiment plays no part. The British manufacturer finds that under free imports he secures his raw material and his machinery more cheaply than manufacturers in any other part of the world. He has the whole world to draw from and he buys where he can buy cheapest. Under free imports the shipping industry of England leads, and the commerce of the world is largely carried on by means of British ships. Her ships bring from the farthest ends of the earth raw material to be manufactured in her mills. Protection would fetter her shipping industry, would increase the cost of production to all manufacturers, and would cripple industrial England. Free imports make the price of food less and hence wages are lower, because the cost of living is lower than in protectionist countries. British manufacturers buy cotton grown in the Southern States as cheaply as do the cotton manufacturers in the Northern States, due to unreasonable freight rates exacted from the home manufacturer. British workmen pay less for their flour made from Western Canadian wheat than do the people who grow the wheat. The same applies to several other Canadian food stuffs, another example of unfair conditions to the Canadian but very favorable to the Britisher. A large number of manufactured articles from Canada and the United States are sold in Britain more cheaply than at home. British manufacturers do not believe in making anything which they can buy more cheaply, no matter from whom they buy. Sentiment does not enter into the transaction. They do not care what peoples of the earth provide the raw or manufactured material so long as the prices are right. The result to the British manufacturer has been that under the exceedingly favorable circumstances of free imports they are able to manufacture at the lowest possible cost, and to compete with ease with the protected manufacturers in their own markets all over the world. Britain undoubtedly has her economic troubles, but her system of free imports does not appear to be responsible for them. The benefit of free imports of raw material more than off-sets the benefit which would be derived from the protection on the manufactured articles. Why do not our Canadian manufacturers take a lesson from their British brethren? The Canadian manufacturers say they must have protection be-

cause they pay duty upon their raw material. Then why cannot they reduce the duty upon raw material and at the same time upon the finished product? The benefit will be decidedly in favor of the consumer. The farmers will be glad to go hand in hand with the Canadian manufacturers in demanding free imports of raw material and at the same time free imports of manufactured goods into which such raw material enters. But here at once is the difficulty. Iron and steel enter largely into the manufacture of agricultural implements, and the iron and steel interests of Canada are very wealthy and very powerful. They protest at once against any reduction in the duty upon their products. Though they are heavily protected by the tariff and have been bonused by millions from the public treasury, they still cry "infant industry" and demand more assistance. The iron and steel interests are powerful factors in the Canadian Manufacturers' Association and they stand shoulder to shoulder with the other manufacturers to retain the protective tariff. Probably the duty on agricultural implements is more burdensome to the Western farmers because it is more apparent, but it is not heavier than the tariff burden upon numerous other articles such as woollens, cottons and leather. However, in the case of agricultural implements manufactured in Canada, we see them sold more cheaply in England than at home, and we also have seen cases where they are sold more cheaply in the United States also, even against the high American tariff. No manner of reasoning can make this right. The Canadian people are as a rule sensible people and they cannot see any patriotism in paying more for a Canadian made article than for an article made somewhere else. They believe that the Canadian manufacturer who can compete with the world in Britain, and who in many cases can compete with the American manufacturers on their own ground, should be able to stand without protection. The Canadian manufacturers tell us that high freight rates militate against their business. Then why do not the Canadian manufacturers join with the Canadian consumers in demanding that the freight rates on the Canadian railways be made right? Some of the Canadian manufacturers have declared that the farmers are selfish in their demands for low tariff and that the statements made by the farmers or on their behalf are exaggerated and decidedly unfair. We would point out just now in reply that ever since protection was inaugurated in Canada the manufacturers have always been consulted before any changes have been made in the tariff. In fact it is well within the bounds of reason to say that the manufacturers of Canada have practically made the tariff laws of Canada for the past 30 years. The farmers and other consumers have never been consulted. They have paid the bill every time, and except during the sittings of the tariff commission of 1905-6 their interests have never been considered. It is in view of these things that the Canadian farmers have protested against the tariff and have demanded redress. The manufacturers have replied that they cannot live without protection, but they have given no proof of their statement. The farm industry of Canada is an open book to the world and any man at a glance can ascertain exactly the profits of the farmer's business. On the other hand the manufacturer's business is a sealed volume into which the public is never allowed to peep. We have only the word of the manufacturers, and the farmers of Canada may well be pardoned if they do not accept all the manufacturers'

statements as the truth. The manufacturers have never offered to meet the farmers upon an even footing and to propose remedies for the present unfair conditions. They say that the farmers are unpatriotic and are stirring up class prejudice. Can the farmers be blamed for demanding redress when the manufacturers have for thirty years been securing millions from the public treasury to bolster up their own class? It is an unanswerable fact that present economic conditions in Canada, which are very largely caused by our protective tariff, have reduced agricultural industry to a very low ebb. The farmers have organized in self defence. The low tariff sentiment in Canada is not confined to the West by any means. The burden of the tariff is felt by every province in Canada, and day by day the low tariff forces are acquiring strength. The manufacturers have enjoyed special privileges for years and naturally resent any attack upon their prerogatives. But a change is coming and the manufacturers will be wise if they realize it in time.

VIEWS UPON PATRIOTISM

One of the most humiliating spectacles in Canada today is the sight of some of our would-be statesmen, our big railway and corporation magnates and our manufacturers wringing their hands over the proposed reciprocity arrangements for fear it will "endanger the Empire." Were it not for the danger of such an appeal to loyal and patriotic people, the spectacle would be ludicrous in the extreme. Ninety-nine per cent. of these people prate their loyalty for just one purpose—their own advantage. Not one of them ever allows his "patriotism" to warp his business judgment. It is merely an attempt upon their part to turn their "patriotism" into a commercial commodity which will bring more dollars into their own pocket or will enable them to secure some advantage over their political opponents. The people of Britain are a loyal race, but they do not demonstrate that fact by robbing themselves for the benefit of a few privileged persons. They buy where they can buy cheapest, as any sensible person or people should. True patriotism, like charity, begins at home. If Canadians are loyal to Canada they will be doubly loyal to the Empire. If the fate of the Empire depends upon the citizens of that Empire being disloyal to themselves, then it hangs by a slender thread. The loyalty of the Canadian people to the Empire is supposed to be demonstrated by the British Preference. But it was more a case of economic good sense than loyalty. No class of Canadians flap the flag and prate loyalty less than the farmers. Yet they went to Ottawa a few days ago and said, "We want no protection whatever upon our own industry and we want free trade with Great Britain in ten years." The farmers also regarded it as common sense. It was too loyal for the manufacturers and the politicians. They at once protested that their loyalty could not go so far. But the common sense of the farmers not only went so far as to demand it. They are determined to have it. The high tariff we have in Canada today is kept there at the dictation of special interests who feel the benefit of it in their own pockets. No one can justify a system by which the government compels one class to pay tribute to another class. Not more than five per cent. of the people of Canada benefit by the protective tariff. Not all the remaining ninety-five per cent. realize the burden they are carrying. But they are awakening.