



Some of Manitoba's Women Harvesters. The Part Played by Women in Helping to Keep Up Farm Production in Western Canada Saved the Situation in Many Instances.

The Tariff and How It Works

ARTICLE I.

RECENT activities go to show that the Big Interests, with a keen foresight abnormally developed by always looking ahead for profits without work, have anticipated an early falling off in the fabulous unrighteous gains derived from profiteering during the war, and are again concentrating their attention on a further development of some of the old reliable perennial sources of tribute. They have evidently decided upon an aggressive campaign to break up the opposition too, and boom their old friend Protection.

They have apparently organized a carefully prepared series of tariff gas attacks to be made upon the strongholds of Free Trade among the united western farmers. They expect great results from the effects of the fumes of a new mental alkaloid atropin prepared at their recently remodelled and extended works, the "Knightshade Reconstruction Gas Plant," situated on the outskirts of Unionville, the creative centre of the people's unrealized expectations.

"Ultra-Brit-anti-Yankous Gas"

They have no doubt been encouraged in this line of action by the pleasing recollection of the immense sums of easy money they have been able to take from the pockets of the farmers during the past few years. This act of continuing robbery would have been impossible had the unsuspecting victims not been brought at a critical time under the influence of a tariff asphyxiant known as "ultra-Brit-anti-Yankous gas." On recovery from the effects of this gas, commonly known to the octopus-herders among themselves, for obvious reasons, as "laughing gas," the farmers found that they had unconsciously bound themselves for another term to pay a large percentage of their hard-earned revenue towards the making and support of parasitic millionaires.

They are thoroughly awake again. They realize fully how easily they were gassed, and are simply waiting for the close of the war to take the first opportunity to advance unitedly and determinately against any government that gives a license to about eighteen per cent. of the people of Canada engaged in gainful occupations by virtue of which for their own selfish benefit they are enabled to levy a tax upon others.

Prepared to Defend Themselves

In the meantime, owing to the bitter experience gained from their Egyptian Bondage and thanks to the earnest and persistent educational efforts of The Guide and of the officials of the farmers' organizations, most of the members are now in the front line trenches provided with conviction masks that will withstand the effects of the attacks of the noxious, though sweet-scented, gas made upon them by the trained mercenaries of the plutocrats.

There are, however, still a number of farmers throughout the West who are liable to be overcome by the pernicious fumes floating on the raw winds from the East, not because they do not know the danger, nor because they do not feel that they are being plundered, but because they have not had sufficient practice to have developed skill in handling argumentative material in such a way as to mold it into a mask of fixed conviction.

The best frame work for a farmers'

A Tax on Consumption which the Consumer Must Pay Continuously in Cash, Without Any Discount

By A. S. Handicap

(Who wrote "Backsetting the Farmer")

tariff gas mask is a definite conception of what is meant by the terms "free trade," "tariff," "revenue tariff" and "protective tariff," combined with a clear understanding of a few of the basic principles of practical economics.

A Tariff Means a Tax

For example, a tariff means a tax, and a tax as a consumer you must continuously pay in cash, without discount.

If you pay this tax on foreign goods brought into the country the amount goes to the government and is revenue.

If you pay the tax to a protected home producer the amount goes into his pocket.

Revenue tariff is the tax you pay the government on bringing in outside goods. Protective tariff is the tax you pay some fellow-citizen to hire him to carry on his own business.

While under a protective tariff you are called upon to pay taxes to your fellow-citizens to hire them to carry on their various lines of businesses, there is no possible method by which your fellow-citizen can be made to pay a tax to hire you to carry on farming.

The prices for the produce for the farm are fixed in the markets of the world by supply and demand and free competition when these products are exported, and the export price fixes the price for home consumption. Other producers under a protective tariff buy each others products, and thus help each other out, but you pay taxes to all of them without getting a cent of tax in return from any of them.

The Only Way

The only way the government can assist you is by making provision whereby you can produce cheaply by having the cost of production, transportation and distribution reduced to the lowest point possible.

The only way to assist you to produce cheaply is to help you in getting your necessities—that is your raw material, such as land, provisions, clothing, lumber, hard ware, machinery and the use of money—at a low cost.

Are you getting this assistance? A glance over the tariff schedules will con-

vince you that the highest tariff taxes you have to pay are those on things you stand most in need of—the things you must have in order to live and carry on business. The manner in which transportation and shipping facilities, railway, express and telegraph rates, packing plants and cold storage charges and regulations have not been controlled by legislation in your interests, or in the interests of the public, is conclusive evidence that you are not receiving the assistance that might easily be given you. In this connection it is not out of place here to draw attention to a principle that has been clearly brought out by the war. It is that the people of any country can never be happy and prosperous, or even safe, where conditions are such that human greed and selfishness have the power to deny to the masses the necessities and conveniences of life.

What "Free Trade" Means

The term "free trade," although much discussed, is seldom rightly defined. It does not mean the abolition of custom houses and the abolition of revenue taxes. Nor does it mean the substitution of direct for indirect taxation.

It means just what it says, "free," that is "unobstructed," "unhindered," "unrestricted" trade. It means such an adjustment of taxes on imports as will cause no diversion of capital from any channel into which it would otherwise flow, into any channel opened or favored by the legislation which enacts the customs. Note particularly (for here is where many get a wrong impression) that the "free" refers and applies "to trade" and not to "tariff on taxes."

Free trade means trading under conditions in which there is no discrimination in taxes either for or against it. The taxes may be nothing, low or high so long as there is no discrimination, no favoritism, no advantage given one over another. A country may collect its entire revenue by duties on imports and yet be an entirely free trade country, so long as it does not lay those duties in such a way as to lead anyone to undertake any employment or

make any investment he might avoid in the absence of such duties.

Thus the customs duties levied by England—with a very few exceptions—are not inconsistent with her profession of being a country which believes in free trade. They either are duties on articles not produced in England, or they are exactly equivalent to the excise duties levied on the same articles if made at home. They do not lead anyone to put his money into the production of an article, because they do not discriminate in favor of the home producer.

The Purpose of Protectionism

Protectionism, on the other hand, has for its object the diversion of a part of the capital and labor of the people out of the channels into which they would otherwise run into channels favored or created by law.

It will be noticed that this definition of a protective tariff says nothing about foreigners or about imports. It is not of consequence whether foreigners like our tariff or not. What we are interested in is: Why should one Canadian tax another? Who gains and who loses by it?

For us a protective tariff is a device for effecting a transformation in our own industry. If a tariff is levied at the port of entry on a foreign commodity which is actually imported, we pay the tax to the treasury and it produces revenue. A protective tariff is one that is laid as a bar to importation in order to keep a foreign commodity out. It does not act protectively unless it does act as a bar, and is not a tariff on imports, but an obstruction to imports.

Hence, a protective tariff is a wall to enclose the domestic producer and consumer, and to prevent the latter from having any other access of supply for his needs in exchange for his products than that one which the domestic producer controls. The purpose and plan of the device is to enable the domestic producer to levy on the domestic consumer taxes which the government has set up as a barrier, but which do not and are not intended to produce revenue.

Under this device the government says, "We do not want the revenue, but we will lay the tariff so that you, our selected and favored producer, may collect it. We do not need to tax the consumer for ourselves, but we will hold him for you while you tax him for your own benefit."

The Farmer Cannot Get In On It

As has already been stated, the farmer cannot get in on this arrangement. The selling price of his produce is fixed outside the wall. The consequence is that as a consumer he is held up by legislation and taxed on his necessities by each protected producer one after the other until, his money gone, he retires within the periphery of starvation until Spring calls him to repeat his previous year's experience.

He accepts his fate as ordained by Heaven, overlooking the fact that his condition is reached by taking what Providence gave him, minus what legislative taxation has taken from it.

If this minus taxation created by his representatives in Parliament is so great as to leave him impoverished, his duty is not to lie down, but to get busy and have the taxes reduced. His future depends upon his use of his ballot and influence at election time. Providence helps those who help themselves.



The Executive Committee of the Canadian Railway War Board. Under their control are 51,359.74 miles of railway track in Canada, about 6,000 locomotives, 220,000 freight cars and 7,000 passenger coaches. Reading from left to right they are Howard G. Kelly, D. B. Hanna, Lord Shaughnessy, A. H. Smith, E. W. Beatty and W. M. Seal.