

Sink-or-Swim Results.

It was found that under our homestead system, which we borrowed unthinkingly from the United States with the idea of filling up our vacant western land, 262,865 homesteads and pre-emptions, or 39.7 per cent of the total, had been cancelled up to the end of 1915.

You know what that means. More than a quarter of a million, of those who took our offer of 160 acres of free land apiece, failed to fulfil even the absurdly easy conditions of cultivation and residence required. The area thus thrown back on our hands was 42,058,400 acres, unless some had been cancelled more than once. Of the homestead entries made from 1900 to 1909, as many as 49 per cent had been cancelled.

Making every allowance for deficiencies in the homesteaders themselves, there is not the slightest doubt that many thousands of these failures could have been avoided, if any carefully thought-out steps for ensuring the homesteaders' success had been taken by the organization entrusted with the settlement of our lands. An organization on business lines would have taken such steps as a matter of course. This was not done, and the result was a national loss huge beyond all calculation.

The second fact referred to was this. While thousands of men had been allowed to scatter over a vast area and settle on public land far from any railway whatever, the wasteful over-construction of competing lines had given many districts two and even three times the railway facilities they needed. It was a case of surfeit in one region, starvation in another. Of the 261,783,000 acres within 15 miles of a railway in the Prairie Provinces, 27,125,120 acres were served by two railways, and 16,876,800 of these acres had two railways within five miles of them. More than that—5,125,120 acres had three railways within 15 miles of them, and included 3,369,600 acres within five miles of three railways.

The Commissioners were confronted by mountains of convincing evidence that the departmental system had failed, and that the cause of failure lay deep-seated in the very nature of that system.

Serving Two Masters.

I was asked to put in writing the grounds on which this conviction was based, with particular reference to land settlement and immigration.

In doing so, I had to point out, among many other unpleasant facts, that a Cabinet Minister in charge of a business department was compelled to "serve two masters" and perform—or attempt to perform—incompatible duties. He was distracted between objects. As a politician, he had to please his party. As an administrator, with a salary paid by the whole country, his duty was to manage his department regardless of party considerations.

This involved distraction of time and attention as well as conflict of interests; and a department, especially one involving such a vital and complex business as that of building up a successful agricultural population, could not possibly succeed without the undivided attention of a perfectly single-minded chief.

As for the Minister's staff, his own dependence on a political party necessarily affected those under his orders. Men of commanding ability, men of initiative and constructive talent, men capable of organizing and managing important operations, naturally tended to shun the public service—though there, of all places, *the need of such men was overwhelmingly great.* When such men did appear in the service they found that its tendency was not to encourage and develop talent by exercise, but to atrophy and smother it.

Confessions of Failure.

The failure of the present system, it was pointed out, had been at various times confessed by the Government in a most unmistakable way—by the setting up of the Railway Commission and the Grain Commission, for instance. The overwhelming reasons why

the existing Railway and Trade Departments had not been allowed to exercise the powers of those Commissions, were equally decisive against allowing similar departments to manage or mismanage the business of immigration and settlement.

The system of putting our business operations under the management of political ministers, in short, was a fossilized failure, a hopeless specimen of organized incapacity.

If this was not truth, it was treason. I was quite prepared for official censure, or at any rate a mild reproof, for my audacity.

Instead of going too far, I was agreeably surprised to find I had not gone far enough to suit the Commissioners—at any rate in boldness of programme. What that programme was, and what became of it, you will see when the curtain goes up for the tragic final scene of the drama.

Yours sincerely,

HOWARD ANGUS KENNEDY.

MEDICINE-MAN RULE.

The Story of a Suppressed Revolt.

We publish below the fourth letter of a series written to the Prime Minister, the Right Honorable W. L. Mackenzie King, by Mr. H. A. Kennedy. Mr. Kennedy has an intimate knowledge of the workings of the Civil Service; he has an intimate knowledge of the work accomplished by the Commission with which he deals, and he is therefore well qualified to express opinions on both subjects. In the fifth, and concluding letter, the writer makes a number of constructive suggestions which have an important bearing on questions of the day. The letter will be published in this column in the course of the next few days:

Dear Prime Minister:—The demand which, I was authoritatively informed, the Economic and Development Commissioners would have to press on the Government, and which I accordingly formulated, was that land settlement and immigration should henceforth be carried out by three Commissioners, appointed for their special capacity for this work, (I had previously suggested that one of them should be a woman), holding office for ten years, and exercising specific powers conferred on their body by statute.

The demand which the Chairman, speaking for the Commission, did actually make at a meeting of the Cabinet went much farther. Not merely one but four important branches of Federal administration were immediately to be set free from political management.

In what I have already described as the most damning document ever presented to a Canadian Government by one of its members, these words were used:

"Our departmental machinery is not calculated to adapt itself, as would a business organization, to new and advanced methods of developing our resources in those subjects where promotive and aggressive methods are the essentials to success. No business organization would for a moment entertain the application of such machinery as our departmental methods to the transaction of an expanding business.

"The question therefore arises whether Canada must necessarily rely upon the methods which we have used for the transaction in the past of our national business, and which may be said to be entirely responsible for our want of progress, or whether we shall awake to the national opportunities which we are losing and abandon our traditions of stagnating methods and adopt new systems, both modern and efficient."

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The Minister of each Department, the report declared, was "in the very nature of things charged with keeping his Department largely in touch with the political fortunes of his party," while among the officials, no matter how capable they might be, "initiative is not encouraged, constructive ability is not given full play, and aggressive methods are at variance with the traditions of the Departments."

The Commissioners' declaration was nothing less than an ultimatum to the Government which had appointed them. The Commissioners regarded it as "fundamental" that the Government should "give expression to its willingness to adopt machinery" through which alone the Commission's objects could be efficiently carried out. It was "absolutely indispensable" that the working out of these subjects should be entrusted to "active and permanent Commissions specially organized for that purpose," appointed for, say, ten years. The Civil Service Act "should in no way apply to them."

Four such Commissions, of not more than three members each, were recommended. They were to take charge of (1) Immigration and Colonization, (2) Agriculture, (3) Trade, and (4) the Development of our Natural Resources. The then existing, but since destroyed, "Conservation Commission" was to be converted into a Bureau of Industrial and Scientific Research and attached to the Commission (No. 4) of Natural Resources. Each Commission "could be attached to the Department cognate with the subject," but "should be charged with the same responsibility and given the same freedom of action that a business organization would feel it incumbent to apply in analogous cases," and they should be judged by the results they achieved. The four Chairmen might form "a central committee or qualified executive," meeting at short intervals to promote "co-ordination, co-operation and other aggressive and promotive work."

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Finally, "with all deference," the Government was notified that, unless it adopted some policy of the kind suggested, the Commission could not with any well defined advantage proceed further with its inquiry.