

c Grinder



Grinder in
ur cutlery in
is easily and
zontal to ver-
used at any
eth hold the
The grind-
on ball bear-
secured this
how you ever
sent free, and
to will collect
—new or re-
—newers' Guide,
ney collected
es of the sub-
e. Mail your
tion. Depart-

WINNIPEG

value

SS

75

TE
RS

har-
tern
set
ting
have
and
ler"
the
est.
30
ome
lsfy
re-
se.
ptly
ose
on.
ete
aps
ls.

ind-
ord
ice

ed,
76
ne
76
vn
76
vn
76

The Brain Growers' Guide

Winnipeg, Wednesday, December 27th, 1916

THE RATE OF INTEREST

In the current issue of Canadian Finance, published in Winnipeg, the editor of that journal points out that a very serious error has been made in calculating the interest that farmers will have to pay under the government mortgage scheme that has been formulated by Hon. Edward Brown and is now being discussed by representatives from the three Provincial Governments. In the article mentioned it is claimed that in order to pay off a \$1,000 mortgage in twenty years on the basis provided for in the government schedule it will be necessary to make the annual payment \$93.58 instead of \$87.22. This is provided the sinking fund is established on a three per cent. basis as is proposed by the government. In other words, the borrower will have to pay seven per cent. on his money instead of six per cent. The editor of Canadian Finance states that the government schedules have been examined by actuaries both in Winnipeg and Toronto, working independently, and that they arrived at the same conclusion. These figures do not depend upon legislation in any way, but are purely a mathematical calculation, the correctness or incorrectness of which can be demonstrated by competent actuaries.

If the contention of Canadian Finance is correct it will raise the rate of interest one per cent. on farm loans under the government system, but it does not destroy, by any means, the usefulness of the government mortgage plan. Even on a seven per cent. basis, it would be highly desirable to have such a system for several reasons. Altho some farmers in Manitoba are borrowing money at this rate the majority are probably paying more. Again, the government system provides for repayment running over a long period of years with the option of repaying in full at any time. Furthermore, the inauguration of this government system will tend to improve legislation affecting mortgage credits and will also necessitate the private companies doing their business on a satisfactory basis. Frankly we do not lay claim to the expert knowledge sufficient to demonstrate the correctness or the incorrectness of the government figures, but tho they may be in error the plan should be proceeded with. It is also proposed by several financial authorities that the sinking fund plan in the government scheme is not necessary. This also is a matter for financial experts to settle. It undoubtedly requires a lot of extra work to maintain a sinking fund, and if it is not necessary it will make the government mortgage system far simpler and that much more efficient.

THE NATIONAL SERVICE CAMPAIGN

Premier Borden and R. B. Bennett, M.P., Director of the National Service Campaign, have completed their tour of Western Canada in favor of the voluntary census of the man power of the Dominion. In a few days the country will be flooded with cards asking every man to give answer to a number of very important questions concerning himself. From these replies the National Service Committee expect to be able to derive information showing how many men are available in Canada for fighting and how many to assist in providing munitions of war. Undoubtedly a great many replies will be received, but we can hardly see how this census can produce the results expected. A very decided handicap to the success of the National Service campaign is the fact that our government in Ottawa is still conducted on party lines. Of the twelve men comprising the National Service Committee, eleven of them are good Tories. Canada among the warring countries of the world stands practically alone in retaining a

party government instead of a National Government. Even in the hour of our country's greatest need party politics is being played and our administration of war problems suffers on that account. Long ago in Great Britain they abandoned party government and organized a National Government which has now developed into a National Dictatorship. The people of Great Britain realize that they are in a life and death struggle. In Canada the government does not seem to appreciate that fact. It is absolutely impossible to get the resources of the country mobilized for the prosecution of the war and for the proper settlement of our war problems so long as we maintain a party government. We need a shake-up at Ottawa and we need it badly. If the best men of the present government were retained, some of the best men from the opposition and a few good business men added who are not now in politics, we might have a National administration that could do things and get results. The National census of the man power of the country should be accompanied by a National census of the money power. It is unfair to ask all our young men to sacrifice their lives without at the same time asking those too old for service to sacrifice their money. Anything approaching conscription of men should be accompanied by conscription of wealth. No party government would dare propose such a scheme, but a National Government could not only propose it, but make it effective. No party government can handle the Quebec problem, but a National Government could. A party government is a weakness even in time of peace, but it is a positive danger in time of war.

WHITE PROPOSES ECONOMY

Finance Minister White in a public statement says the people must economize in order that Canada may do her full share in the prosecution of the war. Sir Thomas' statement is absolutely correct and he will not find any person in Canada to dispute it. Advice on the subject, however, no matter how sound, will produce but a small fraction of the results actually required. In Great Britain the government has put on the greatest advertising campaign the world has ever seen to show people their duty not only in enlisting, but in saving their money and helping the government in every way to finance the war. Which ever way the Britisher turns he sees a government advertisement staring him in the face telling him to save his money and stop helping the Kaiser. Sir Thomas would find that a similar campaign would work wonders in Canada. But the British Government has not stopped by giving advice nor by posting up advertisements. They have taken the only practical way of getting results, that is by increasing the taxes. The people of Canada know that taxes must be paid. The old saying that "nothing is surer than death and taxes" is well known to everyone. Let Sir Thomas put the taxes on in some kind of an equitable manner and put them on good and heavy. The Canadian Council of Agriculture has recommended taxation that will produce results and produce it quickly and in overflowing measure. The Farmers' Platform proposes that additional taxes be raised in the following manner:—

- 1—By a direct tax on unimproved land values, including all natural resources.
- 2—By a sharply graduated income tax upon all incomes over \$4,000 a year.
- 3—By a heavy graduated inheritance tax on large estates.
- 4—By a graduated income tax on the profits of corporations over ten per cent.

If Sir Thomas wants the people to be

economical he can prohibit the importation of luxuries or put a tariff tax on them so high that people will have to pay mighty dearly for what they get. Then let him tax incomes and land values and vacant land and large estates and large corporations and he will find money in quantities that he never dreamed of. The people of Canada have not started to economize in any real manner. There is loads of money available. Let Sir Thomas as finance minister take a good slice of it, but let him take it in fair proportions. Let those who have the most pay the most.

THE FREE PASS EVIL

Practically every member of the provincial legislatures in Canada gets a free pass over all the railways in their own province. These passes are donated by the railway companies presumably in order to encourage a good feeling on the part of the legislators. It is also stated that the members of the House of Commons who now travel free on the railways by Act of Parliament receive free passes for their wives and families as a donation from the railway companies. It is only a few years since the members of parliament, themselves, travelled on passes donated by the railways. If it was found advisable to prohibit this paternal affection on the part of the railway companies in the case of members of parliament it would seem equally advisable to abolish the same system in connection with provincial legislators and the families of the federal members. The railway pass system is an evil. Our legislators should be paid enough for their services that they will not be in need of donations from railway companies, and railway passes should be prohibited by law as they are in the United States. We can hardly expect satisfactory railway legislation when the men who enact such legislation have in their pockets free passes donated by the companies they are supposed to be regulating. It is also claimed that many judges in Canada receive free passes over the railways. If so, this is another evil that should be remedied.

A RIPPING OPPORTUNITY

The British Government has called upon the Canadian Government to assist in providing railway tracks in France in order to facilitate the movement of men and munitions against the Germans. The Canadian Government acted promptly and as no other materials were available they ripped up a number of miles of Canadian railways and some of the material is already on the water. We have a whole lot of railways in Canada that could be ripped up for the same purpose if they are required. The C.N.R. north of the Great Lakes and the National Transcontinental would afford a pretty fair opportunity for ripping and if these tracks will be of valuable service against the enemy, that is more than they will be to the people of Canada. Probably the C.N.R. will sell these tracks to the government at a price that will allow them a good profit, particularly as the track was practically donated to Bill and Dan in the first place by public aid.

A SOURCE OF REVENUE

Sir Thos. White, finance minister, is very busy hunting for sources of revenue which we need very badly. Why not turn to the steel interests who are now rolling in wealth from the manufacture of war munitions. These steel industries have been the costliest infants ever reared as wards of the Canadian Government. According to the official figures of the Trade and Commerce Department the steel interests received in bounties from the Public