

The Grain Growers' Guide

Winnipeg, Wednesday, August 14th, 1912

COL. HUGHES' IMAGINATION

In another column we publish extracts from a recent speech by the Minister of Militia. Colonel Hughes intimates that Canada is in danger of invasion from Germany. He also states that Germany offered once to cease shipbuilding if Britain would cede her colonies to the German Empire. A Cabinet Minister ought to know that Great Britain has no more authority to dispose of Canada than Canada has to dispose of Great Britain. The destiny of Canada is absolutely in the hands of the Canadian people. Further let us consider the question of a German invasion of Canada. Today our doors are open to all the best citizens of Germany, and we have thousands of them within our borders. They enjoy every privilege that is enjoyed by native born Canadians. Then what could Germany gain by invasion or even the conquest of Canada? Provided all other nations remain neutral Germany might send an army into Canada, but would be powerless to levy tribute or even permanently to change our form of government. Great Britain has led the world as colonizer and empire builder and has learned that the stability of empire rests upon the absolute autonomy of the overseas dominions. This has been her experience when dealing with people of the same race and tongue. How much less successful would Germany be, differing in language, customs and traditions. Canada is today an independent nation and is a part of the British Empire by the free will and desire of the Canadian people. The only additional benefit Germany could secure from Canada, that she does not secure today, would be free trade which we deny even to Great Britain. Free trade is coming but cannot be forced. Considered from every standpoint Germany could gain nothing even by conquering Canada, and Germany knows it. Col. Hughes' visions of a German invasion are the product of a disordered imagination. There is nothing further from the range of possibility than the invasion of Canada by Germany, or any other nation. The Minister of Militia has delivered an unprovoked insult to tens of thousands of German-Canadian citizens who have the welfare of Canada as much at heart as himself, though they may not make so much noise about it. Such remarks coming from a Cabinet Minister tend to create suspicion and strife. The next thing we may expect to hear from Colonel Hughes is a proposition to fortify our southern boundary against the nation with whom we are about to celebrate one hundred years of peace. We do not believe that Mr. Borden shares the views of his Minister of Militia, whose mania for militarism is a decided menace to peace and good will.

HUDSON BAY RAILWAY

Before leaving Winnipeg on August 7 Hon. Frank Cochrane, Minister of Railways, announced that he was calling immediately for tenders for grading the balance of the Hudson Bay Railway to tidewater. Mr. Cochrane goes at once to investigate personally the relative claims of Churchill and Nelson as terminal points, but is calling for tenders immediately to both points in order to save time. We consider this one of the most welcome announcements made to the Western people in years. Mr. Cochrane is taking hold of the road to the Bay in a business-like manner. He has investigated the needs of the West this summer and realizes that the Western farmers were right in their demand for a government owned and operated road to the Bay. It will probably take three years at the lowest estimate to open the road for

traffic and by that time every outlet from the West will be taxed to the utmost. Mr. Cochrane will have Western sympathy in bending every effort to a speedy construction of the road to the Bay.

SAFE FROM THE WOLF

For the year ending June 30, 1912, the gross earnings of the Canadian Pacific Railway totalled \$123,319,541. The net profits amounted to the astounding sum of \$43,298,242, as compared with \$36,699,830 for last year. This profit is more than double what it should be and the balance is milked from the public in extortionate freight rates. Yet the minute anything is said about reduction in rates the railway magnates are very indignant. But the people are becoming wiser. About \$25,000,000 of that profit should go to the people in reduced rates. That still leaves a handsome profit of 9 per cent. dividends on watered stock. We judge that the C.P.R. magnates can keep the wolf from the door for a while. And in the face of these figures we have some people in the West who defend the C.P.R. No doubt if it were made a party question quite a number of people would favor making freight rates higher.

TARIFF TAXES GO HIGHER

We have investigated the report that higher duty is being imposed on certain farm machinery. Here is a letter from the J. I. Case Threshing Machine company that is authoritative:—

"Grain Growers' Guide,
"Winnipeg, Man.

"We have your favor of the 25th. It is true that the Canadian Customs Department has made a new ruling increasing the amount of duty collected on our class of machinery. Heretofore we paid 20 per cent. on 80 per cent. of the list prices. They now require that we pay 20 per cent. on 87½ per cent. of the list prices. Ten per cent. is allowed on our factory list to cover agent's commission, and 2½ per cent. to cover cash discounts.

"We have increased our prices an equal amount to customers. Our product has always been sold in Canada at factory prices, plus the freight and duty. In the United States, we sell at factory prices, plus freight. The increase that we are obliged to pay into Canada is collected from our customers.

"We are exceedingly anxious to keep the duty down as much as possible for the benefit of customers. To increase the duty makes somewhat of a hardship on the Canadian purchaser. It seems to us that it would be greatly to the advantage of the Western Canadian farmer if U. S. machinery was allowed to enter without duty.

"Our method of selling in Canada is public property for anyone who is interested.

"J. I. CASE THRESHING MACHINE CO.
"R. B. Coleman, Sales Manager."

Racine, Wis., U.S.A., July 29, 1912.

No matter how the new ruling is excused the fact remains that farmers must pay more for their machinery. How on earth can anyone claim that a farmer is better off by paying more for his machinery? This is another sample of tariff making without the consent of the people for the benefit of the few.

BONUSING AUSTRALIAN FARMERS

Despatches from Ottawa announce that the exports from Canada to Australia for the year ending March 31, 1912, amounted to \$4,221,175 and the imports from Australia to \$591,420. One of the chief exports to Australia was agricultural machinery to the value of over \$1,000,000. There is also a steadily growing exportation of Canadian automobiles to Australia. It is gratifying to see this increase of trade and we hope to see it continue. But let us examine it a little.

In Australia the Canadian manufacturer competes with the world and successfully. Why he cannot compete with the world in the home market is not clear. But further, it must be remembered that every Canadian automobile and every Canadian-made agricultural implement is sold cheaper to the Australian buyer than to the Canadian buyer. This fact cannot be disputed. It is the result of our famous "drawback" system by which all duties paid by any Canadian manufacturer on raw material is rebated to the extent of 99 per cent. when the finished article is exported. Thus, if there is \$10 duty paid on the raw material in a binder and \$100 on the raw material in an automobile, the manufacturer as soon as he exports these articles gets a gift from the public treasury of \$9.90 or \$99, as the case may be. This means that the Canadian farmer not only pays the tariff charges on his own binder but he also pays the tariff charge on the binder bought by the Australian farmer. Thus the Canadian farmer pays two tariff charges and is supposed in that way to grow rich. The same applies in the case of automobiles. Just why the Canadian farmers should be compelled to bonus Australian farmers has never been satisfactorily explained.

WILL THE TELEGRAM EXPLAIN?

The Winnipeg Telegram is making much of the fact that the Minneapolis wheat market is little better than the Winnipeg market these days. This The Telegram claims is proof positive that reciprocity would not aid the Canadian farmer. In view of this we should like to have The Telegram give some further explanations:

First—If the Minneapolis market is no better than the Winnipeg market then Canadian grain will not seek the southern market. This being the case what becomes of the "annexation" and "adjunct" bogey?

Second—We have never heard anyone claim that when the Minneapolis market was lower than Winnipeg for the same grades that there would be any advantage in shipping grain south. But if The Telegram will honestly consider the facts it will see that when this occurs the Canadian farmers have little grain to ship. The Telegram claims that we will lose, no matter whether Minneapolis is higher or lower. This is too deep for us. It is too much like the manufacturers' arguments that high prices really make things cheaper. We notice that The Telegram avoids the barley and flax question. We should like to have some further explanations. If there is really no advantage to be derived from reciprocity then the farmers do not want it. If The Telegram can prove this beyond a doubt then the reciprocity agitation will cease.

POCKETBOOK PATRIOTISM

In the July issue of Industrial Canada there is a signed article by the editor, J. T. Stirrett, on the Panama Canal. He shows that cheaper water transportation when the canal is opened will allow the British manufacturers to sell their goods more cheaply in British Columbia than they are now doing. Mr. Stirrett shows how dangerous it will be to "a well rounded Dominion" if the people on the Pacific Coast were permitted to buy the necessities of life at a lower price. He figures that it will be a menace to our "Made-in-Canada" industries. Here is his remedy:—

"The Panama Canal will soon be open. How are Canadian manufacturers to hold the Western Canada trade? Are these the remedies? Repeal, in whole or in part, of the British