

The Grain Growers' Guide

Winnipeg, Wednesday, May 21st, 1913

MANUFACTURERS AGAIN WIN

Hon. W. T. White, Finance Minister, brought down the budget in the House of Commons on the evening of the 12th, and had the pleasure of announcing that after all expenses of the country had been paid there was a surplus in the treasury amounting to \$55,000,000, or about \$8 per head for all the people of Canada more than was needed. The only tariff reductions provided for by Mr. White were as follows:

Cement—Duty reduced from 12½ cents to 10 cents per hundredweight, which amounts to a reduction of 8¼ cents per barrel.

Type-setting and type-casting machines placed on the free list.

Traction ditching machines placed on the free list.

Refined sugar—Duty still remains at 83 cents per hundredweight under British preference, and is reduced from \$1.24½ to \$1.07 2-3 general tariff.

Raw sugar—Duty reduced from 52½ cents to 40¼ cents per hundredweight under British preference, and from 83½ cents to 57½ cents general tariff.

Cocoa beans, limes and lime juice, which have been free, will now pay a duty except when coming from the West Indies.

Yarn duties have been somewhat reduced at the request of the manufacturers.

Lead bounties have been extended for another five years.

As near as we can estimate we judge that these reductions in the tariff will reduce the taxes on the people of Canada on an average less than 10 cents per head per annum, or the saving for the average family of five persons will be something less than 50 cents. This is a magnificent measure of relief for which the western farmers owe Mr. White a deep debt of gratitude. We do not know whether the Manufacturers' Association prepared Mr. White's tariff changes for him in detail, but they certainly could not have done it any more satisfactorily to themselves.

TYPICAL WESTERN DELUSION

A very interesting advertisement, which is reproduced below, appeared in the Winnipeg daily newspapers two weeks ago. This advertisement, displayed in large type, cost considerable money, but we think it of sufficient importance to print it here free of charge. It reads as follows:

A Humboldt Delegation

Will be in Attendance at the

St. Regis Hotel, Winnipeg

To Meet Everybody Interested

Tuesday (Tomorrow) and Wednesday

FROM 2 P.M. TILL 5.30 P.M.

This Delegation is sent by the Board of Trade, Humboldt, Sask., to give authentic and unbiased information concerning "The City Growing Daily." We wish to meet **Manufacturers, Wholesalers, Business Men of all Classes**, and to explain our offer of

FREE SITES, FINANCIAL ASSISTANCE AND SPECIAL INDUCEMENTS

If you can't call afternoons make a special appointment

Investors also advised. We welcome all enquiries

This endeavor on the part of the good people of Humboldt to attract population and industries to their town illustrates an extremely interesting phase of Western development, and in order to learn just exactly what special inducements Humboldt offers to prospective future citizens, a representative of The Guide accepted the invitation to meet the delegation. Though frankly stating that his visit was chiefly prompted by curiosity, our representative was cor-

dially received, and was very pleasantly entertained by Fred W. Mellis, the Board of Trade Commissioner, which is a much more euphonious title than that of "Town Booster." The plan adopted by Humboldt is, in brief, to give to manufacturers free sites for their factories, to exempt them from a considerable portion of their taxes, and to make arrangements which will enable them to secure the capital necessary for the establishment of their business at a low rate of interest. The town also undertakes that when the municipal electric light and water systems are established, as they will be shortly, manufacturers will be supplied with these services at a lower rate than other citizens. These advantages amount to the granting of a direct cash subsidy. When a free site is granted, the people of Humboldt give away valuable public property to private individuals. When the manufacturers' taxes are reduced, the taxes of other residents of the town must necessarily be increased, and when the manufacturers get their water and light below cost the rest of the people will naturally have to pay more than the cost in order to make up the deficiency. The Humboldt Board of Trade apparently does not believe that manufacturers and wholesalers can come to their town and pay for what they get and make a profit. They admit that the natural conditions of Humboldt, the raw materials to be found in the locality, the facilities for manufacturing and distributing and the requirements of the district are not such as to make the establishment of manufactures and wholesale houses commercially profitable. Otherwise it would not be necessary to subsidize industries and to practically take money from the municipal treasury and pay people to come to Humboldt and become manufacturers and wholesalers. And having done this, the people of Humboldt will be in honor bound to "patronize home industries." It will not matter how much better and cheaper goods they can purchase from elsewhere, they will have established these industries and it will be their duty to support them. These future Humboldt industries may possibly be mismanaged and fail to advance with the times, but they must be supported and enabled to make profits else the town will lose them and will also have to make good the money they have enabled the manufacturers to borrow at low rates of interest. In the end Humboldt will pay for any industries it may get and will pay for them dearly, just as some municipalities in Manitoba and also in Eastern Canada, have paid and are paying for their folly in being hoodwinked into subsidizing railway companies which threatened to pass them by unless they got a substantial hand-out from the local taxpayers. There is method in the madness of Humboldt, however. The men who are behind the scheme are chiefly real estate speculators, and their main object is to create a real estate boom. Each pap-fed industry that is secured, each new railway line that is built, will be advertised as another reason why those who wish to get rich quick should invest in Humboldt real estate. As the population increases, real estate prices will soar, and the real estate men will reap their profits. By the time the boom dies down and the artificially created industries have become a burden upon the town these gentlemen will have sold out their corner lots and have departed for pastures new.

There is no necessity to give free sites, tax exemptions, and light and water below cost, or to pledge the credit of the municipality for the benefit of private individuals in order to build up Humboldt. The town lies in a rich and productive agricultural

section, in a locality admirably adapted to mixed farming and grain growing, and there are plenty of people who would be glad to engage in those industries and whose business would build up a large town, if they could get land at reasonable prices. But the speculators are there ahead of the farmers. Mr. Mellis states that unimproved land, partially covered with poplar and willow scrub, is being held at \$60 an acre and over near the town. If the Board of Trade of Humboldt wants to see the town grow it should abandon its foolish plan of trying to establish industries that will depend for their profits upon public charity, and join in the movement that is growing throughout the West to get rid of the speculator, who is getting rich without working by holding land out of use. If all the vacant land around Humboldt was in the hands of farmers, instead of being held by speculators, Humboldt would have a healthy, vigorous growth such as no policy of indirect subsidies can generate. And what is true of Humboldt is true of the West generally. The speculator must be taxed out of business before the West can come into its own, and the people must be made to see that no community is richer by taking a dollar from one man's pocket and putting it into his neighbors.

INTERIOR STORAGE ELEVATORS

The Dominion Government has announced its decision to erect one or more interior storage elevators in the West, equipped with cleaning and drying apparatus. Each elevator will also be made an inspection point where government grades can be secured. A transfer elevator is also to be erected at the Pacific coast. Considerable benefit will undoubtedly accrue from cleaning and drying facilities nearer to the farmers and further loss on out of condition grain should be eliminated. If the railways will co-operate they can certainly reduce the transportation congestion with storage space so near at hand. As to the additional assistance from the banks which will follow the erection of these houses, the farmers will be sceptical until actual experience demonstrates the advantages. There are, of course, several other problems of considerable magnitude to be met with in the operation of interior storage elevators and only experience can prove the extent of the value of these houses, but the action of the government, in view of the needs of the West, is certainly well justified, and the effect of this new policy on western conditions will be looked forward to with general interest and hopeful anticipation.

DO UNTO OTHERS

When he arose from his bed shortly after four o'clock last Tuesday morning to begin his day's work on his farm, twenty miles west of Winnipeg, George Junkin found that fire had destroyed his barn during the night and that his seventeen working horses and six head of cattle were all dead. Only farmers who know the value of a successful spring's work can appreciate what this loss meant. Mr. Junkin had only partially finished seeding and in addition to the loss of his horses and cattle he fully expected that half of his land would remain fallow, as seed time was nearly passed and he could not restock on short notice. But the farmers living around Sanford are human beings with warm blood in their veins and are capable of expressing practical sympathy with a fellow farmer in distress. With one accord they decided that they could each, without any injury to themselves in any way, contribute