

WESTERN FARMERS AND TARIFF

Instead of Concessions, They Got Tariff Additions and Arbitrary Customs Valuation

Editor, *The Monetary Times*.

Sir,—In your issue of July 7 you publish an article from the Regina Leader regarding the tariff situation in the West, which, I think, scarcely represents the actual feeling among the farmers of the prairie provinces. The article makes it appear that the farmers would be satisfied with a moderate measure of tariff reform. As a member of the Farmers' Association, I have had opportunity of attending some of the conventions and listening to the discussions upon the tariff. I am also fairly familiar with the feeling throughout the provinces, and I can say that while steady progress in the direction of tariff reform would be very satisfactory to most of us, mere tariff revision is not the ultimate aim of the farmers. I believe the very large majority of the farmers stand firmly on the principle of trade freedom. In the same issue of *The Monetary Times* which contained this article, a very full statement of the case appeared from the pen of Mr. R. G. McKenzie, secretary of the Manitoba Grain Growers' Association, which in itself was a sufficient answer to the Regina paper. Mr. McKenzie certainly presented the view that the tariff, from the farmer's point of view, is wrong in principle and therefore not a thing to be modified, but rather abolished. At the same time, as I have said, it would satisfy many to see it go gradually, as long as the going was continuous, and the quicker the better.

Policy, Not Principle.

It is true the farmers did not ask for free trade in their onslaught upon Ottawa some years ago, but I presume this was policy rather than principle. It is not, as a rule, wise to ask for more than there is any reasonable hope of obtaining. The farmers asked for a great deal. Instead of concessions we have got 7½ per cent. added to the tariff and besides this, an organized system of arbitrary valuation appears to have been adopted by the customs department, whereby the duty has been enormously increased upon implements, lumber and other commodities largely used by western farmers. These arbitrary rulings are producing a very hostile feeling throughout the West. This thing has got to come to an end. This is the attitude of the western farmers. What the West demands is at least reasonable progress toward free trade, and if there is not a change soon in the trend of tariff legislation in this country, there is likely to be something doing in the West, which will make the indifferent ones take notice.

Resolutions of Farmers.

The following resolutions passed by the organized farmers, given verbatim, need no comment:—

"Whereas, the protective tariff was designed to encourage infant industries for a few years until they became established, but has in reality proved to be an instrument of extortion, taken advantage of by a few manufacturers to levy tribute from the people of Canada, and has produced trusts, combines and mergers by which the cost of living has been greatly enhanced, with no corresponding advantage to the public;

"And whereas, the tariff is a most inequitable, unfair and unjust method of raising public revenues, as it bears more heavily upon the poor than upon the rich;

"And, whereas, we believe the best interests of the public would be served by absolute free trade;

"Therefore, be it resolved, that this convention, representing 14,000 farmers of Alberta, places itself on record in favour of the complete abolition of the customs tariff of Canada as soon as possible and the collection of all public revenues by a direct tax on land values;

"And further, we condemn utterly the attempt being made to tax the British workmen for the benefit of the Canadian farmer."

The above, passed practically unanimously at the annual convention of the United Farmers of Alberta, scarcely bears out the contention of the Regina Leader.

Following is a paragraph from a resolution passed at the annual convention of the Grain Growers' Association of Saskatchewan:—

"And further, that we consider the most equitable method of raising all public revenues is by a tax upon land values."

Part of a resolution passed by the Canadian Council of Agriculture, representing the organized farmers of the various provinces, at a meeting held at Regina, February 14:—

"And we further recommend, that in order to meet the deficit in the present revenues, and eventually to raise the bulk of the national revenue, the system of direct taxation of land values should be introduced, supplemented by a graduated tax upon incomes."

I have quoted only a part of these resolutions, as they are lengthy. Many others resolutions could be given, but enough said.

Yours, etc.,

D. W. BUCHANAN.

Winnipeg, July 15th, 1916.

CANADA'S TRANSPORTATION PROBLEMS

The scope of the proposed enquiry into Canadian railway problems is indicated in the following sections of the order-in-council: "The prime minister submits that the enquiry should have reference to the following matters: 1—The general problem of transportation in Canada. 2—The status of each of the three transcontinental railway systems, that is to say, the Canadian Pacific Railway System, the Grand Trunk Railway System (including the Grand Trunk Pacific Railway and the Grand Trunk Railway and their several branches), and the Canadian Northern Railway System, having special reference to the following considerations: (a) The territories served by each system and the service which it is capable of performing in the general scheme of transportation. (b) Physical conditions, equipment and capacity for handling business. (c) Methods of operation. (d) Branch lines, feeders and connections in Canada. (e) Connections in the United States. (f) Steamship connections on both oceans. (g) Capitalization, fixed charges and net earnings having regard to (1) present conditions, and (2) probable future development with increase of population.

"3—The re-organization of any of the said railway systems, or the acquisition thereof by the state, and in the latter case the most effective system of operation whether in connection with the Intercolonial Railway or otherwise.

"4—Generally speaking all matters which the members of the board may consider pertinent or relevant to the general scope of the enquiry."

BEHIND THE WESTERN FINANCING PLAN

Hon. Edward Brown, Manitoba's provincial treasurer, is the man responsible for the Manitoba, Saskatchewan and Winnipeg refinancing scheme, a plan which is likely to involve a considerable sum, and which is described in detail on another page of *The Monetary Times* this week. Mr. Brown, who is on his way back to Winnipeg direct from New York, has been in conference with J. P. Morgan & Company, who are attending to the details of the scheme. Manitoba's provincial treasurer is being congratulated on the early signs of the success of the plan, the British treasury now giving it their cordial support.

Mr. Brown is an Ontario man, but his long residence in the west has qualified him as a true westerner. He is well known throughout the prairie provinces. Born of Scotch descent, at Gresham, Bruce County, Ontario, in 1865, he went to Manitoba in 1888. Mr. Brown is a director of many financial institutions, including several land companies, the British Northwestern Fire Insurance Company and others. He has been a success as provincial treasurer of Manitoba, and has proved a suitable man in other ways for the political situation of that province. The present financing scheme, for which much credit must properly go to him, is attracting a great deal of attention in financial circles here.

After an automobile trip beyond Dundurn, and also about the same distance west, to Kinley, Mr. G. H. Clare, of Messrs. G. H. Clare and Company, Saskatoon, writes *The Monetary Times*, that everywhere the crops are looking fine. Wheat is practically all out in head now and indications are that the crops will be as good as last year and little, if any, later. The farmers all seem optimistic and are showing their faith by erecting good homes, barns and implement sheds. The majority of them, are also buying automobiles.