

The Brain Growers' Guide

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DEBATE ON C.N.R. DEAL

For the first time since the policy of pouring the public money into the treasury of the C.N.R. was inaugurated, Parliament is now giving real serious attention to the system of financing employed by Mackenzie and Mann. For the past ten years these gentlemen have gone to the provincial and Federal Governments alike, year by year, and carried away millions of the people's money, without ever saying "thank you," or even being asked for what purpose they intended to spend it. This reckless system of squandering the public money would undoubtedly have continued had not public opinion demanded a change. And now when the C.N.R. is practically bankrupt, and the country on the verge of a financial crash, the politicians have finally awakened to the fact that a part of their duty is to protect the interests of the people, and that there is a limit to which they can go in pandering to the plutocrats. The C.N.R. deal is one which affects the pocketbook of every farmer in the Prairie Provinces and should be studied carefully because it will not be settled at the present time nor for several years to come. New light that is being continually let into the Mackenzie and Mann financial methods indicate that, next to the protective tariff, the construction of the C.N.R. has been the most demoralizing and corrupting influence in Canadian political life since confederation. The prospects are that this corruption will still continue for some years to blacken the future pages of Canadian history. It is quite true that in the end Canada will have a third transcontinental railway. But at what a cost, not only in public money and public credit, but also to public honor and public morals! The Borden Government has made the first real attempt to deal in a businesslike manner with Mackenzie and Mann, and yet the information they have compelled these two railway promoters to give has confused the public mind and aroused such widespread incredulity that a great deal more light is needed before the statements provided by Mackenzie and Mann will be believed.

The feature of the last week's debate in Parliament was the revolt of R. B. Bennett, M.P. for Calgary, and W. F. Nickle, M.P. for Kingston, and their fearless analysis of the C.N.R. financial situation, coupled with their scathing denunciations of Mackenzie and Mann. These two men are lifelong members of the Conservative party and are still remaining in the party, but they claim the right to criticize the C.N.R. deal proposed by the Government, which they believe to be not in the best interests of the people of Canada. There are quite a number of other members of the Conservative party who are opposed to giving Mackenzie and Mann another \$45,000,000, but they have all been whipped into line by methods familiar to political parties, and, tho they have a great deal of sympathy with Bennett and Nickle, they have not the courage to follow them. These two men have performed a distinct and signal service to the people of Canada by the course they have taken, as undoubtedly it was their revolt and the fear of other Conservative members following them that forced the Government to extract the information secured from Mackenzie and Mann as to their financing methods. Mr. Bennett criticized both parties very sharply for the reckless manner in which they have given the public money to Mackenzie and Mann. He declared that both parties were guilty, as the party in power would make a proposal to aid Mackenzie and Mann and the other party would readily support the

proposition in order that both of them might get a good subscription to the party campaign fund. This statement, which has not been challenged, was made in Parliament. It is in reality a charge that the Members of Parliament have betrayed the people who elected them and sold themselves to Mackenzie and Mann in return for contributions to their campaign funds, which they hoped would enable them to go out to the country and fool the people again. Mr. Bennett has been in political life for many years and has also been intimately connected with the largest corporation in Canada, so he should know whereof he speaks. Has corruption become so widespread in Canada that wealthy men can buy up our members of Parliament in this wholesale manner? This is a matter which should be sifted to the bottom in the interests of the people, but if both parties are involved, as Mr. Bennett declares, it is very likely that they will unite to suppress any attempt to expose their bargainings with the C.N.R. promoters.

The examination to which the C.N.R. deal was subjected by Mr. Bennett and Mr. Nickle establishes pretty clearly that the \$40,000,000 of common stock which the Government will take is of no value and affords consequently no security. It is also pretty clearly established that the whole C.N.R. system is now mortgaged to its full value and the additional mortgage which the Government will take will be practically worthless. The Government has issued a statement declaring that a thorough investigation of the C.N.R. system shows that Mackenzie and Mann have never made anything out of the C.N.R. personally, either thru their construction company or thru any of their subsidiary companies. This statement will not be believed and no one could reasonably be expected to believe it until it is accompanied by a complete explanation of the huge personal fortunes which Mackenzie and Mann have accumulated. Mr. Bennett has demanded a Royal Commission to investigate the whole C.N.R. system and undoubtedly such a commission would render splendid service, but at the same time it would probably uncover facts decidedly unfavorable to both political parties and will probably not be granted. Mr. Bennett also demonstrated pretty conclusively that the capital stock of the C.N.R. was water, as well as the stock of the twenty subsidiary companies. He also maintained that the Government's plan to amalgamate these companies into one was unworkable, because of the bonds outstanding against each company. It is impossible for any ordinary individual to understand the network of companies which Mackenzie and Mann have built up, and it is doubtful if there are a half dozen members of the House of Commons who have the slightest idea of this great national tangle. It seems clear, however, that Mackenzie and Mann have performed the greatest feat of financial jugglery ever seen in this country or any other, and the result has been to make themselves wealthy and the C.N.R. bankrupt. The last few months have seen swarms of lobbyists in Ottawa working with the members on both sides of the House in an endeavor to have the C.N.R. deal put thru. These lobbyists have included Mackenzie and Mann and their associates in the C.N.R., together with contractors and corporation magnates who are creditors of the C.N.R. The rights and the interests of the common people have mighty little chance in the face of such pressure, and such methods do not tend to purify our political life. No doubt the present scheme to provide another \$45,000,000 will prevail and will keep Mac-

kenzie and Mann quiet until another election is held. Two or three years hence there will be another swarm of lobbyists around Ottawa and another demand for more money for the C.N.R. There will be little likelihood for any democratic legislation for the benefit of the people so long as both political parties are controlled by a handful of Canada's wealthy men.

THE FARMER AND MILITARISM

We would call the special attention of our readers to an article on page seven of this issue, in which is reproduced a speech on "Farmers and Militarism," delivered by Professor Mack Eastman, of Calgary University, before the annual convention of Rural Municipalities and Local Improvement Associations of Alberta. Professor Eastman has made a wide study of the question of militarism, not only thru general and contemporary history but also thru residence in some of the militarist countries of Europe. He finds that tho the nations of Europe are impoverishing themselves by the enormous burdens of their armies and navies, the great mass of the people have absolutely no desire for war. They feel no ill-will against their fellow workers in the adjoining countries and no desire to fight with them. The chief causes of big armaments are the periodic war scares deliberately engineered by armament firms whose profits depend on making each nation believe that some other nation is planning an attack upon it.

Professor Eastman pointed with alarm to Canada's growing expenditures on military and naval armaments, and predicted that if the present tendency was not checked the country would before long be saddled with the expense of maintaining a standing army which would only be an irritation to our neighbors. Professor Eastman is strongly against the establishment of a Canadian navy, and regards the proposed gift of \$35,000,000 to the British Admiralty only as a lesser evil. He maintains that such a gift would not be any help to Great Britain, and for this and all other statements which he makes he gives very good reasons. The article throws new light on several aspects of the question and will repay careful perusal.

WEST DEMANDS JUSTICE

The annual meeting of the Winnipeg Board of Trade, held on May 12, took firm and decided action upon the judgment of the Railway Commission. The following is the resolution unanimously adopted by the Board:

"Whereas, the Winnipeg Board of Trade petitioned the Government of Canada, under date of Nov. 14, 1911, to, by legislation, lay down the principle that rates charged by railways in Western Canada should not exceed those charged in Eastern Canada for similar service, to a greater extent than necessary to cover additional cost of performing the service, if any, in Western Canada; and

"Whereas, the Government of Canada caused an investigation to be made by the Board of Railway Commissioners into the rates charged by railways for carriage of freight in Western Canada; and

"Whereas, the Board of Railway Commissioners has held repeated hearings, taken voluminous evidence from the many interests involved, and, after consideration thereof, has given its decision; and

"Whereas, by its judgment, dated April 6, 1914, the Board of Railway Commissioners has declined to grant Western Canada that equality of treatment with Eastern Canada in the matter of freight rates which has been advocated by the Winnipeg Board of Trade for many years past, but has simply ordered reductions in certain rates; and

"Whereas, the Board of Railway Commis-