

The Farmer Gets 'Soaked' Both Buying and Selling

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could be arrived at. If not the only alternative would appear to be some sort of regulation as in Ontario and Quebec. The basic producer in the dairy industry as in all other primary industries cannot be bled white forever.

Having dealt in a sketchy manner with the unfair price which the primary producer receives for his product let us now examine the prices which he has to pay for the commodities which he must buy. And let us once again take for an example the producer in the largest of our industries, the agricultural industry. What are the costs of production of the farmer and what does he have to pay for the necessities of life? The other basic producers—the fisherman, lumberman or miner would give us a similar illustration.

Extremely high tariffs on manufactured products have been particularly injurious to our basic producer in this respect because they raise the price on almost everything which it is necessary for him to buy. As a farmer puts it—When he arises in the morning and uses the wash basin he realizes that it carries an indirect tax of 35 per cent.; the soap he takes is taxed anywhere from 20 to 30 per cent.; the towel, 35 per cent.; and if the water comes through a lead pipe even that comes in for an imposition of 32½ per cent.; if his wife carries the water up to him in a pitcher things are even worse and he pays another 2½ per cent. His woollen underwear carries a tax of 45 per cent., his socks, 35 per cent.; his shirt, 35 per cent.; his shoes, 40 per cent., and the trousers he dons, 45 per cent. When it comes to breakfast time even the stove on which his meal is cooked does not escape, and the tea kettle, dishes, knives and forks share the same fate. Even when he looks at the timepiece that is carrying an imposition of 35 per cent.

If during the day he uses a mower or binder it carries a tax of 28¾ per cent. The same tariff rate applies to a cultivator, harrow, plow, or almost any farm machinery which it may be necessary for him to use. The same 28¾ is also tacked onto his cream separator. If he has to erect a barbed wire fence he has to pay a tax of 19.90 per cent. on the wire. Even an insignificant lawn mower squeaks to the tune of excessive tariff taxation. If our farmer is a Maritimer the burden is particularly intolerable because he is paying tribute to manufacturers in Central Canada and has hardly a ghost of a chance of selling any of his products in that market.

The manufacturer does not pay similar taxes for the benefit of the farmer or the other basic producers. Why should these secondary industries, and the heavily capitalized business organizations therein, benefit to the detriment of the primary producer? If the loss were distributed evenly it would not be so bad, but it falls mainly upon the basic producer—the basic producer loses his purchasing power. For the Maritimer it is particularly important to note that together with the Westerner we are paying very heavy tribute because at least 70 per cent. of our population is composed of basic producers who are paying and paying and again paying these indirect taxes through high protection to the manufacturers of Central Canada.

A similar problem faces the primary producers not only throughout the Dominion but also in all high tariff countries. Here are the words of a United States farmer lamenting his loss of purchasing power due to high tariffs:

"I remember my first automobile. It was the pride of my life—a big Oakland—and cost me 500 bushels of corn. When I changed cars, five years later, 500

bushels still bought a car, although not so big a one. Five years after that, fortunately for me, Henry Ford reduced his prices, and I bought a Ford. Early in 1929, when it was time to change again, 500 bushels of corn paid for a very fair price on the old Ford. I am wondering now if I can't get it painted again this year, if the corn goes up."

In the end, of course, the Frankenstein will return to destroy his master as the manufacturer's market depends upon the purchasing power of the basic producer. This lost purchasing power reduces manufacturing production, decreases freight movement on the railways, increases the burden of taxation and is one of the direct causes of unemployment. It is a cold fact that with the adoption of a policy of high tariffs one of the first casualties is the home market, it is the first to suffer. High tariffs destroy the home market—the very thing they are supposed to develop. They are fatal also in their effect on export trade.

Just as long as the primary producer—the base of the economic pyramid—suffers, just so long will we continue to flounder around in bad times and depression and never return to normalcy, let alone so called prosperous times. The one and only solution is a New Deal for the primary of basic producer.

The New Deal must include:

1. A reduction in price spreads so as to give the primary producer a fair price for his product and if necessary the setting up of government boards or commissions to ensure this end.

2. An equitable tariff policy so that the primary producer will not be paying an unfair price for the goods which he buys.

Such a tariff policy would stand for:

(a) A reduction in the present extremely high tariffs on manufactured products and the removal of trade obstructions so as to lower costs of production and open up new markets. Incidentally this would provide further employment for the railwaymen.

(b) Relief for the basic industries from tariff duties on all instruments of production. This might conceivably take the form of exemptions, draw-backs or subsidies to primary producers when they are purchasing implements of production for use in the basic industries whereby the amount paid in customs duties, or in enhanced prices on the Canadian product because of tariff protection, is refunded to the purchaser.

(c) One uniform price throughout Canada on all manufactured products receiving tariff protection so that the consumer in the Maritimes and the West would not have to pay a higher price for the manufactured product which he buys than the consumer in Central Canada. In other words if we must have tariff protection then it should at least be a truly "National" tariff as far as it is possible to make it so.

Canadian Pacific Promotions



Official announcement has been made by Mr. E. W. Beatty, K.C., LL.D., Chairman and President, Canadian Pacific Railway Company, of the approval of the directors of the Company to the election of Mr. D. C. Coleman, vice-president, Western Lines, with headquarters at Winnipeg, to succeed the late Mr. Grant Hall as vice-president of the Company at Montreal, and of the appointment of Mr. W. M. Neal, General Manager Western Lines, to the post of Vice-President Western Lines, in succession to Mr. Coleman, Mr. H. J. Humphrey, General Manager, Eastern Lines, has been appointed Vice-President and General Manager Eastern Lines with headquarters in Montreal.

Picture layout shows Mr. Coleman (top) Mr. Neal (right) and Mr. Humphrey (left). They take over their new duties immediately.

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The puzzle form below contains ten ordinary words. Each has ONE LETTER TOO MANY OR ONE LETTER MISSING. Where it says "put" you choose the letter you think will complete the correct word. Likewise, when it says "take" decide on the letter you want to take out.

A clue to each word is given and it is clearly indicated in every case whether you have to put in a letter or take one out. For example, the first one listed below, a letter has to be put in and you will quickly see that "N" is required.

So carry on, have some fun, win a prize. All solutions must be made on the form below and mailed to "Put and Take," Broadcaster Publishing Co., Ltd., Saint John, N. B.

No. 5's solution must reach us not later than OCTOBER 18.

Five prizes will be awarded each week to readers who send in the correct or nearest correct solution. In case of a tie there will be a drawing. The Contest Manager's decision will be final.

The solution of Put and Take No. 3 will appear in the issue of October 12. Solution of No. 4 in the issue of October 19. Solution of No. 5 (this week's) in the issue of October 26.

"PUT AND TAKE," No. 5		LETTER	
The present season	AUTUM	PUT	N
Peel	PBARE	TAKE	
Seen in the garden	OSE	PUT	
Close	NEARLBY	TAKE	
Improves many a house	PINTING	PUT	
Found in hospitals	PMATRONS	TAKE	
Cooking suggests it	BTTTER	PUT	
Ran away	SELOPED	TAKE	
Light	AY	PUT	
Ladies value	LOOKKS	TAKE	

I agree to accept Contest Manager's decision as final.

Name.....

Address.....

CLIP AND USE THIS FORM