(March 13th, 1916.)

Western Problems and Immigration After the War.

By Hon. George W. Brown.*

AT a regular Luncheon of the Club held on the 13th March Hon. Mr. Brown said:

Mr. President,—If I thought it would be better for the West and the Province of Ontario, of which I am a native, that I should stay in Toronto and not go back to the West, I should stay in Toronto, but I think there is nothing better for any man who has the interests of his country at heart and enjoys the privilege of being a Canadian, than to give his country the very best service he can render it. (Hear, hear!)

With regard to the subject I am to present to you to-day, probably you may not all agree with me, for I am looking at the Mountain of Truth from the Western side of it and you are looking at it from the Eastern side, and the Mountain is between us. Anything I say will be said with the intention of bringing the Canadian people together, East and West, so that viewing our problems from a common viewpoint we may the better understand them, and that there may be as far as possible no "East" and no "West" in the ideals, the institutions and the work that are before our people.

With regard to the first great problem, I know we can have no difference of opinion. That problem is the bringing to a successful conclusion the great War in which we are now engaged, which engrosses and engages our attention before any other. During the continuance of this War every Canadian must do his part in arousing our people to know and realize what its successful termination means to Canadian institutions and Canadian liberty.

The next problem is one on which we may have some honest difference of opinion—that is the problem of preparing ourselves to meet the new conditions which are sure

*Hon. George W. Brown was one of the early settlers in the Canadian Northwest, having commenced the practice of law in Regina in the late eighties. He is regarded as an authority on the problems of Western Canada.

to arise after the war is over, to meet the conditions that must be met in order that there may be a satisfactory re-adjusting of our financial, industrial, commercial and great agricultural interests. This problem must be dealt with; and it must be solved in such a manner that we shall get back to normal conditions as quickly as possible and be able to do our utmost in shouldering the immense taxation which must be borne by Canada after the war. We must see to it that there is a full employment of our capital, both public and private. Sir George Paish, when in Canada in 1914, made the following statement:—"It is evident that the railway machinery created to take care of the production of the country is sufficient to deal with twice, if not three times, the existing output, and it is obvious that the burden of interest upon the immense amount of capital supplied will be a heavy one until the productive power of the country is greatly increased." In the report recently made by the Ontario Commission on "Unemployment" it is stated "that other forms of 'plant' expenditure, such as municipal improvements, have also been made in excess of existing needs." The report goes on to state "that returns received from Ontario Manufacturers show that during 1914 the decrease in the volume of employment was equal to the full working time of at least 30,000 persons. The figures for unskilled labor and the building trades are not avaliable but these would increase the already formidable total of those out of employment for long periods of time." It also states that in 1911 Canada had an industrial plant $200,000,000 in excess of productive requirements. If we are to secure world-wide markets we must adjust our finances and our business in such a way that this unemployed labor and capital may be employed and may be made to render revenue on full time or as long as possible in order to compete with the trade outside our own country as well as to retain the trade in it. (Hear, hear!)

I understand that it has been stated by Sir Frederick Williams-Taylor of the Bank of Montreal that the sum of $185,000,000 annually is now required to pay the interest on our foreign borrowings which sum will be greatly augmented before the conclusion of the war. To meet the taxation which is inevitable to meet the interest charges, where are we going to get the money? We may borrow it, which would only be a temporary relief, or it must be paid for by the excess of our exports over our imports. Exports may be said to be of two kinds:—*Primary,* from such sources as agriculture, mines, forests and fisheries, and *Secondary,* the products of our manufacturers: the only sources of wealth in the case of the latter being the value of the labor bestowed on the raw products. During the year 1914 the value of our agricultural products exported, in round numbers, was $251,000,000, mines $59,000,000, forests $42,000,000, fisheries $20,000,000, and lastly manufacturing, the Secondary source, $57,000,000. These are the principal sources out of which the $185,000,000 we expect to be saddled with practically all has to come, as well as sufficient to pay for what we are compelled to import.

Now if you notice, our agricultural exports are nearly five times as much as our manufactures; are nearly five times as much as our exports from mines; more than five times those from our forests; and more than twelve times those from the fisheries, from which we take it that on agriculture mainly depend the facility and ease with which we will meet the tremendous load we shall have to bear. Coming from the North West and knowing the North West Provinces, our great agricultural Provinces where the greatest agricultural development has taken place and where a much greater development is possible, you can see how essential it is that we in the West should understand the East and the people in the East should understand the West, that the people of the West, strong though their opinions may be (and the people in the West are not noted for hiding their opinions under a bushel) (laughter) must learn that the people of the East have their side of the question as well as the Western people theirs and that a compromise must be arrived at which will mean the most and best for every Canadian citizen. (Applause.)

The lot of the average North West farmer is not nearly as enviable or prosperous as Eastern people imagine. Of course we have many successful men, men who would succeed anywhere, as well as those who succeed nowhere and who after a few years of failure leave us for other parts, advertising the country to its detriment. The average farmer can only succeed by living a most frugal, laborious and self-denying life. The fact that so many of our fairly successful agriculturists leave the farm, and many of them Canada, is proof positive that there are serious agricultural problems to be solved in the North West. I will only speak of four of them, namely, *Transportation, Markets, Cost of Farmers' Supplies necessary to carry on farming,* and *Banking Facilities.*

With regard to the first, *Transportation.* Are we going to build more railways when according to Sir George Paish

we have two or three times as much expended in that line as the necessities of the country at present demand? During the present season, although splendidly managed, they have not been able to move the crop without a great loss both to the farmer and themselves. Surely Canadian Railway expenditure has not been made in a business-like way but has rather been done haphazardly, building roads where they were not needed and paralleling each other where there was little or no traffic to carry. The fact that so much money has been spent to little use in no way solves the transportation problem of the West. Are we to build more railways (I do not mean a few hundred miles here and there to complete existing systems) or are we to lean to some extent to the great systems to the south of us to carry the overflow during abnormal years, either by conveying it to the seabord or their great milling centres to be exported as flour? During 1913 we had an average crop, which our railways were able to move, though with some difficulty, in a reasonable time. In 1914 we had a short crop, resulting in a great part of our rolling stock lying idle, so much so that even such strong concerns as the Canadian Pacific Railway seriously considered, if you can judge by the man on the street, whether it could pay its usual dividend, while this year with an abnormal crop the railroads although in a better position than usual to handle traffic, are completely blockaded. It is estimated that there is at the present time between eighty and one hundred million bushels of wheat in the farmers' hands and in store west of Winnipeg, which cannot be moved before next August. Are we going to build a system of railroads able to handle the crop of a year like this and in lean years to have idle railroads? There are to-day millions of bushels of the finest wheat lying threshed on the prairies of Saskatchewan without shelter and subject to storms of winter. You wonder why we are not getting more immigrants from the United States. You cannot get more immigrants to come to a country from which their friends write back that they have a most wonderful crop but that it is rotting in the fields for lack of transportation facilities, and that they could not sell last year's crop. What kind of immigration literature is that, Gentlemen? Yet that is the kind that is going to the people South of the boundary. The great transportation route of the Canadian West is by rail to Fort William, thence to Buffalo and New York. During the present year nearly two-thirds of our wheat went by this route. Next year the new Erie

Canal, improved and deepened from a depth of six feet to a depth of twelve or fourteen feet (I speak from memory) will be available. There are no tolls and steamers can take their cargoes through to New York and load them by means of pneumatic elevators into vessels in the harbor without using docks or elevators. Can any railway running north of the Great Lakes ever hope under ordinary conditions to compete with this? The Welland Canal and Montreal may to a limited extent but the route is more difficult to Montreal and Montreal can never offer equal advantages with New York. This is our real route to the ocean but we must have others to aid. The Hudson's Bay Railway will help. I don't know how much but it will help some.

Our situation geographically is difficult. On the West we have British Columbia, mountainous and not specially an agricultural country, cutting us off from the sea; to the North we are barred by the Arctic Ocean; to the East all our railroads running to the sea through a country not agricultural in the sense that we are and not needing an export market for their farm products; while you in the Western peninsula of Ontario use extensively the American roads as well as your great waterways, enforcing more satisfactory rates from the Canadian railways than we can. The Railway Commission gave this as the great reason why Ontario rates could not be brought up to the rates charged in the West. To the south, in the Western States, we have a great country with conditions naturally very similar to our own. They have, however, free access to the Gulf and thus competition with the great Railway systems running to the Atlantic seaboard. From this country we are separated only by a tariff wall which has been modified to our great advantage. In this direction our Western people will ever look longingly and wistfully for relief, believing that in the near future they will be able to enforce reasonable conditions. Your Eastern farmers now have the American market for almost every thing they wish to export. We want it for a portion of our great staple product, wheat. If the peak of the transportation load could be sent south it would mean that Canadian Railways would be busy all the time, as our route being the direct one would naturally be used except to carry the excess of traffic. Canadian railways would then more easily be kept continually employed without Canadian farmers having to lose advantage of a magnificent crop such as we have in a year like the present. (Applause.)

Some may say "What about our Mills," is it not better to grind your wheat in the West? To grind wheat in Canada means a difference in freight to Europe of fifteen cents per barrel for flour as compared with the freight for unground wheat. The capacity of our Canadian mills is 110,000 barrels per day. They are only working at forty per cent. of their capacity. We have never exported over five millions of barrels in one year (during the year 1914-15 when large gifts were made to the Imperial Government, we exported only 4,897,-129 barrels.) Our home demands amount to eight or nine million barrels. The flour exported had to be sold at a bare margin and the profits from our milling industry is almost all made up from what we consume at home. Canadian mills have many handicaps. Nearly all our wheat is of one variety, namely, hard spring wheat, while the United States mills have many varieties. In Great Britain during the last twelve or fifteen years they have built the finest mills in the world. They draw their supply of wheat all the year around from every source and have a good market for their offal. How can mills using only 40% of their capacity and with the handicaps mentioned ever hope to compete in the world's markets or afford us any relief? You cannot ask farmers to grow more wheat and refuse them the United States market; but that matter is contoversial and I do not intend to raise it. You say the United States do not need wheat, they are exporters. They are, but they have still the American export flour trade. They import for a hundred millions of people and of necessity the people who sell to them must buy—South America, Central America, Mexico and the West Indies. Why did Jamaica refuse to join us in preferential trade with the other British West India Islands? She would not give up her trade with the United States for anything Canada had to offer and so our neighbors hold the flour trade of all these countries. We cannot get these markets and can never do so under existing conditions. They have nearly every variety in quantities far greater than they need for milling but they have not the strong spring wheat that we can supply for mixing with their weaker grades. Grinding in bond does not help us as that necessitates re-shipping the product without mixing. It is only by grinding our wheat with theirs that we can force the United States to indirectly export for us. Suppose the United States paid us five cents per bushel less than the Canadian market price, would it not be better say for forty million bushels to be marketed there and that our merchants and manufacturers should have the money even if it

was "tainted" American money? (Laughter and applause.)

When an American comes across the boundary he gets better land and naturally is much taken with the seemingly low price of it. He forgets the artificial handicaps. I have an American foreman, managing a 4,000 acre farm. He must be a practical and intelligent man in order to fill the bill. He knows American conditions and after three or four years in Canada is beginning to understand some of the difficulties of making a farm pay. He says that if my farm were in Southern Minnesota or Northern Iowa, instead of being worth $45 per acre it would be worth $200 per acre. When asked the reason for the difference in price he says "satisfactory transportation, good markets, implements and household goods 25 to 35% cheaper, cheaper labor resulting largely from cheaper living, and cheap money, farmers in those states being able to borrow by way of farm mortgages at the rate of 5 or 6%, local banks understanding local conditions and stimulating home enterprise and industries. The cash cost of a binder there is $125, with us it is $175, and so it is with everything else the farmer uses. The United States has a highly protected market but they see the necessity of taking a finer profit and of allowing the farmer to buy his goods more reasonably, while the Canadian manufacturers take advantage of the tariff up to the limit, with the result that we are importing all kinds of American machinery and millions of dollars are being lost to Canadian manufacturers. The American farmer who comes into Canada remembers the price that he paid in the United States and naturally resents the fact that the same people from whom he bought machinery manufactured there at American prices charge him much larger prices for the same goods made in their Canadian branches. If the manufacturers of Canada and our business men saw these conditions as we in the West they would appreciate the difficulty of so much Western Canadian money being spent south of the line. The Western farmer has received a substantial education in these matters from the American immigrant. The only reason I run a farm is that I have realized that while I have lived in the West for 35 years and have been intimately associated with conditions surrounding agriculture there, I cannot understand that country unless I understand the difficulties of the basic industry of the Dominion of Canada. (Hear, hear!)

Then you hear a good deal about the banking facilities of that country. I want to tell you that the banking institutions of this country are making an honest endeavor to solve a

problem that can never be solved by a system brought into existence at a time when it was admirably suited to the commercial, manufacturing and agricultural conditions of that time. At that time Canadian agriculture and all Canadian enterprises were closely associated in the Eastern provinces, while at present our Agricultural interests have been removed to the prairies. The directors of our banks are composed of men associated with our financial, commercial and industrial enterprises but I do not at present know of any director of a bank who is a farmer, while farming is the basic and greatest industry in the Dominion. I am not disparaging the banking institutions; they are admirably suited for what they were intended. The system we have tends to make large advances to manufacturers and wholesalers and this is indirectly lent to the people in the West, many of whom do not deserve credit and who would not receive credit except for the fact that the wholesalers and manufacturers must personally become sponsor for the advances, the result being that in very many cases it costs the manufacturer nearly as much to sell and collect the price of his goods as it does to manufacture them. Under a system of local banks such as they have in the Western States, and with whom a large portion of our people have been accustomed to deal, you have the advantage of knowing through the local directors the standing of practically every farmer in the community, the result being that anyone who could not borrow from the local bank would not be a suitable person to sell to. I have been told by manufacturers in Canada, who sell in the Western States, that they are able to dispose of for cash any notes that they might take provided they are approved of by the bank, and the transaction as far as they are concerned with the farmer is ended. An American manufacturer selling implements in the Western States told me that last year out of sales amounting to $3,000,000, by the end of the year they had received their cash in full with the exception of about $10,000. Our manufacturers will never be able to hold their own in that country unless they divest themselves of all the unnecessary worries in connection with their business. The manufacturing of goods for that country should be sufficient to keep them engaged without taking upon themselves all the minutia and detail in the collecting of their accounts from individual farmers which can be done so much more satisfactorily by a system of banks such as they have in the Western States. I have heard it said that the Bank of Weyburn, which is purely a Saskatchewan Bank with American management and backing, charges higher rates of interest than any of our Eastern banks. That may be so. It is not always cheap money we want but the certainty of being able to get it when we need it. The returns of the Bank of Weyburn for last year show that the rate of interest earned on its paid up capital was the greatest of any bank in Canada. It is doing business in a country fully supplied with branches of Eastern banks and the fact that it has been able to charge higher rates and make more money for its shareholders under such conditions is one of the strongest proofs that I can adduce for local management in an agricultural province. I am not attempting to make any argument against our present banking system with reference to the conditions that obtain in the East but I am quite positive, after an experience of many years, in stating that our system of banking is entirely unsuited to meet the conditions of the farmers of the West. Let the farmers have their own banks and run them as they like, while you have yours and run them as you like. Compare the State of Kansas with the Province of Saskatchewan. The Province of Saskatchewan has produced more wheat than any Province in Canada or any State in the Union during 1915. In the State of Kansas last Autumn the deposits were so great that the banks had to extend their paid-up capital in order that they might legally accept the deposits that were offered to them. Imagine a Province with five hundred branches of banks producing more than one-half of the wheat in Canada and more rough grains than any other province, the third province in population, the first in agricultural production, with only 40% of its farmers British born, and excepting the Bank of Weyburn not a resident director, a large proportion of its population Americans, accustomed to their own system, and to whom our system can never be satisfactory. We do not know whether our money is being loaned to the West or in the East or is being invested on Wall Street in call loans. You can never satisfy intelligent, progressive agriculturalists with any system which denies them all intimate knowledge of the fruits of their labors and the results of their production.

Here is another thing in which we make a great mistake in the East. We believe the farmer in the West is the worst farmer in the world, has the weediest farm, (that is, the man who never farmed at all thinks so) (laughter), but I am going to tell you that I have heard it said by the Western farmers that the reason you did not have weeds in Ontario to the extent we have them in the West was because the

land was not rich enough to produce them. (Laughter.) You can take it from me that the first six years I spent in the West, I spent not in accumulating a pile but in unlearning the things that I had learned in Ontario which had been drilled into me by my father, who was considered a first-class farmer. The conditions in the West are entirely different to what they are here and entirely different methods have to be used. Many of our farmers, if they had the same privileges that the financial institutions of the Western States are affording their people, would not have farms such as they have now, because while no doubt we have many thriftless farmers, many of our farms are not in the condition that the men who own them would like to see, but are the result of doing the best that is possible under the circumstances in which they are placed. What about the farmer who has all of last year's crop lying on the ground rotting? Will the condition of that farm next year be affected more by conditions over which the farmer has no control or by conditions which he does control?

The Western farmer knows that he produces more wheat, oats, flax, cattle, hogs and horses than is produced by the farmers in any other portion of the Dominion. Our farmers are being urged by men, who never had any agricultural experience to quit their present method of farming and go into mixed farming as you do in Ontario. It may surprise you, as it certainly did me, upon looking into the matter, to know that even in the Province of Ontario, which is considered the banner mixed farming province, that you are not producing as much of the mixed farming products as we are in the West. For instance, although you have a rural population of almost one and a half million and we have a rural population in the three prairie provinces of almost one million, I find that last year Ontario had 903,527 head of horses while the Prairie Provinces had 1,492,681; milch cows, Ontario, 1,077,803, Prairie Provinces, 553,152; other cattle, Ontario, 935,606, Prairie Provinces 1,450,212; sheep, Ontario, 611,789, Prairie Provinces, 422,770; swine, Ontario, 1,469,573, Prairie Provinces 804,328. Thus you see that this great farming province, importing much of its feed from the Western provinces and enjoying the privilege of importing corn from the United States, duty free, to the exclusion of the grown-in-Canada article known as Canadian oats which are denied access to the American markets, in the aggregate contains live stock to the value of that owned by two-thirds as many people in the provinces of the West, the farmers of which have hitherto been considered by

Eastern people as a lot of farmers who have completely neglected the great stock producing industry which has made Ontario wealthy. I might also remind you that in addition to producing stock to this extent we produced during the present year of all kinds of grain the amazing amount of 714,000,000 bushels. You cannot wonder that under this state of affairs the Western farmer objects in some degree to too much advice from theoretical agriculturists and business men, who have not even a theoretical knowledge, in the East. The agriculturist of the West is told that he does not understand his business. Well that may be so but he gets results, and we should therefore be very careful what we say about the methods of the Western farmer. I should be very careful in talking to manufacturers about how to run their business. Every man understands his own business and it is his interest to run it to the best of his ability. We are not out there for fun but to work, to make money, to do our share in building up this great Canada of ours, but our handicaps, as I said before, are unsatisfactory transportation, inability to move our products, denied American markets for the protection of our Canadian millers, who can never compete with the millers of the United States or Great Britain. They must depend upon local trade which amounts to eight or nine million barrels per annum and an export trade with a bare margin of profit which has never risen to five million barrels per annum. That industry can never take the place of an industry that must bear the largest part of the burden that will come to us after the war.

I have no animosity toward the Canadian millers but a great deal of sympathy. It is an artificial industry which cannot fit into general conditions. We do not want the American market in order that we may get a larger price but we must have an overflow somewhere. With 80 or 90% of our people living within one hundred miles of the American border, a frontier 3,500 miles long, we will always find that along the entire line our people will naturally have more in common with the people to the south of the International Boundary than with communities hundreds and thousands of miles away, interested in completely different problems, although in our own country. Great as this difficulty is we must face it; our national existence demands it but it can only be settled by the East and the West yielding and compromising sympathetically and fairly.

I do not believe that a manufacturer should become a farmer any more than that a farmer who knows nothing about

manufacturing should go into it, or that a returned soldier who has never driven a horse, should go farming, but the circumstances which I have mentioned are beginning to drive our farmers into all sorts of business enterprises. For example, the Saskatchewan Co-operative Elevator Company, the largest farmers' co-operative concern in existence, managed by a man who a few years ago was farming a quarter section, has handled up to the present about 35,000,000 bushels of grain and before the end of the year will probably have handled between 50 and 60,000,000 bushels. That shows what you can make of a farmer when you put him into conditions where he cannot help but succeed if he proceeds along ordinary business lines. It shows what you can make of a farmer when he goes into business on an equal footing with other commercial enterprises. (Laughter.) This Company owns in our Province elevators worth about $2,000,000. They are taking steps to build this year an elevator to hold two and one-half mililon bushels at Fort William at a cost of three-quarters of a million dollars. It is estimated that they are saving the farmers of our country about three cents per bushel as compared with the prices that were received before the co-operative movement was set on foot. The crop of Saskatchewan is about 344,00,000 bushels, of which at least 200,000,000 bushels of wheat and oats is for export—a clear saving of $6,000,000 to our province. In the Province of Manitoba and Alberta they have similar institutions. In addition to the co-operative elevator, we have co-operative hail insurance, which in the case of the Province of Saskatchewan, after four year's business, has a rest of over $600,000. During the present year their income was about $1,000,000, about two-thirds of this being paid for losses. We also have co-operative telephones, co-operative dairies, co-operative stock market associations, and co-operative trading companies.

A great many of our Farmers' Associations in the West are not properly understood by our people here. For instance, in the Province of Manitoba they have their Grain Growers' Associations, the Grain Growers' Grain Company, their Co-operative Trading Associations. In Saskatchewan we have the Saskatchewan Co-operative Elevator Company, the Saskatchewan Grain Growers' Association and the Farmers' Co-operative Trading Companies. In Alberta they have the United Farmers of Alberta and the Alberta Farmers' Elevator Company. I have not time to deal with the business that is being conducted by these different Associations. The Grain Growers' Grain Company of Manitoba and the Ssakatchewan Co-operative Elevator Company are probably the two largest concerns doing business in the Winnipeg Grain Exchange. The Saskatchewan Co-operative Company was able to secure last year a line of credit from one bank of $3,000,000 and had control of other funds amounting to $600,000 or $700,000 in order to make advances to farmers on their grain, as it is the settled policy of the Company not to enter the speculative field but only to warehouse and sell grain for the farmers on commission. The Grain Growers' Association of Saskatchewan has a membership in good standing of 27,000. The Provinces of Manitoba and Alberta have between them as large a membership if not larger. There are about two hundred Farmers' Co-operative Trading Companies in Saskatchewan. They have been in operation for only one year. The Canadian Manufacturers have refused to do business with them. Notwithstanding this fact they were able to handle about $9,000,000 worth of goods last year. President Maharg at Weyburn and again at Prince Albert last Autumn stated that steps were being taken to arrange for the importation of goods from the factories of the co-operative institutions of Great Britain to be handled by these co-operative associations in Saskatchewan.

It would be very interesting to go into the matter of dairying but I have exceeded my time now. The development of dairying in Saskatchewan reads like a novel. Three or four years ago the Eastern farmer looked upon Saskatchewan as a valuable market for his poultry and butter products. During the past season our Co-operative Dairies alone manufactured over 1,600,000 pounds of butter. Their first shipment to Australia in June consisted of nine cars, while they shipped to Montreal and Toronto in the Autumn about 250,000 pounds. Fattening stations for poultry have been established, also stations for killing and dressing the poultry, and there is no doubt that from this time forth large shipments of Western poultry will be for sale in all our Eastern Cities.

The Western farmer expects that after the war there will be a very much closer commercial alliance with Great Britain and her allies. This will be favorable to Canada in many ways from the manufacturers' point of view but they expect that there will be reciprocal advantages which will be of much benefit to them. I would advise the manufacturers of this country to get close to these fellows and talk it out with them; meet them on common ground to the common advantage of both the manufacturers and the farmers of this Dominion. There has never been an organized agricultural movement

worthy of the name in Eastern Canada although business and commercial men are splendidly organized. The farmers of the West realize that their only hope is in a thoroughly organized agricultural community, and by means of such they expect to be able to demand the treament they consider themselves entitled to.

What about immigration after the war? Nearly every person I meet here say that we shall have a splendid immigration after the war, and when you ask where the immigrants are likely to settle, the answer is "I suppose in the West." The West is beginning to feel the effect of recruiting. It has very few cities or large towns, the result being that our recruits are coming mainly from the farms. There are about five and one-quarter million acres less of land ready for crop in the three Western Provinces this year than there was last year at this time (the exact figures are 5,417,283 acres). These statistics were obtained from the Departments of Agriculture in each of the Prairie Provinces. Our farmers are very cautious about increasing the acreage under crop, principally because of the scarcity of help. When the men who have been sent from the West to the Front return, this acreage will have to be increased in order to absorb the population which we have now lost. I have no doubt that we will be able to do this and perhaps absorb a few more but not to any great extent. In fact we will be fortunate if within a year or two after the war our area under cultivation is as large as it was a year ago. If the immigrants were of a class possessed of considerable means they would be able to take up land and cultivate it themselves but this is not likely to be so in the case of the returned soldier. We will only be able to accept immigration to the extent of our ability to absorb it. Our country is no longer a poor man's country. There are very few homesteads available now within a distance of markets and railways where it would be possible for a new settler to make a living. Up to the present the newcomer has been able to take a homestead, do his duties, and work during the busy months with the farmers. When his homestead patent was secured he could mortgage it for $1,000, and this with the capital that he had saved, enabled him to commence farming. Such in the future will not be possible. I have no doubt that the returned soldier, who has been a farmer, will be a more competent man after his return. The training as a soldier will be of immense value to him, but with farming handicapped as it is at present, it is unreasonable to expect that in a business so highly scientific and practical as agriculture has become, a soldier who because he has been two or three years in the open air and unsettled, would be able to afford services to the farmer that would command reasonable wages.

To sum the matter up briefly, we have only one kind of employment to offer to the immigrant. I am inclined to think that after the war there will be an immense immigration but it will in all likelihood be to the United States, where one hundred millions of people in a country possessing every kind of climate to be found in the Temperate Zone, with employment of every character, having grown rich during the war at the expense of the warring nations, will be able to absorb immense numbers of people without difficulty. This no doubt will affect the middle western states, where a large number of men who rent farms and are possessed of stock and machinery sufficient to work a farm, will no doubt move northward to our country. These are the best kind of settlers we can get. They understand our conditions, are possessed of the necessary experience, also have machinery and stock and are in a position to rent farms as soon as they reach the Canadian West. Thus a month or two after their arrival they become employers of labor. While this is so, we must remember that the great State of Montana to the South of us is practically unsettled, that many of our Canadian settlers are homesteading in Montana, and further that many of the Western States such as Nevada, Oregon, and Washington, are by no means even moderately developed agriculturally, and while no doubt eventually these settlers will come to us, the tendency will be for a few years at least that they should go to their own country, especially in view of the unsettled condition of the American farmer on the northern side of the boundary.

But you say, in addition to the returned soldier, where may we reasonably look for an agricultural immigration. There is *Scandinavia.* The Scandinavian people are perhaps the most desirable immigrants that we could expect but we find that the immigration from Scandinavia to the Dakotas and Minnesota has ceased and that a great many Scandinavians are returning to their country, which during the last ten or fifteen years has experienced a wonderful development. Today in the West we have probably 300,000 people from the *Central Empires* and who are not in sympathy with us. Are their friends likely to come to us after the war? Then we have *France,* but France has no immigrants to spare. *European Russia* has a large number but she has Siberia to settle—a

country very much like our own in its climate and production, with an area four times as great. A few years ago, during a period of three years, more than 2,700,000 Russian settlers were located by the Government of Russia in Siberia. Then there are the *Balkans*. Yes, if you want them, but we do not want the people of the Balkans. They are not the kind of men who made Canada during the last 50 or 60 years. You have the *British Isles,* but Great Britain intimated to us plainly five or six years ago that she had no agricultural population to spare, and I do not think it would be fair, loyal or patriotic to take from the Mother Country after the terrible strain of this war the cream of her people. In the case of *Italy* the most desirable agricultural emigration has for many years been directed to the Argentine Republic; the remainder of her people she requires at home.

I cannot see other than that the immigration which Canada needs and is likely to get must come from the Western States. Do you think that it will help this immigration to refuse to trade with people of the United States? They have sentimental ideas on this point just as you and I have. The Canadian people will not allow a bushel of grain to be exported to the United States without the payment of a heavy duty. During 1914 many of our people had no crop. This year when they had an abnormal crop they were unable to market it. Imagine a man taking a load of grain 40 or 50 miles to get a little money for Christmas time, while at the same time he had thousands of bushels within an easy distance of a market to which he could obtain no transportation, and this is not an isolated case; there are scores like it. Until navigation closed, any person reading our Canadian press would imagine that no such thing as a blockade existed, when as a matter of fact it existed to a greater or less extent on every line of railroad west of the 4th Meridian.

The strongest immigration policy must be one where the general conditions are such that agriculturalists will be attracted to our country because of the fact that they will be able to succeed as the result of their own intelligence, perseverance and industry. An agricultural policy which aims at holding up the weakling by the chin while neglecting to make the general conditions attractive will never retain the leadership that is necessary to give progress and prosperity to the community. Give the Canadian West conditions equal to those enjoyed to the south of the boundary and the surplus population of the United States, which has proved so desirable during the last ten years, will flow into our country,

and bring progress not only to the dweller on the plains but also to those who live East of the Great Lakes. I have no doubt that within two or three years after the war if the offer of the United States Government to give us free wheat is still open, the Canadian farmers will have free wheat and that at the instigation of the manufacturing interests of Eastern Canada.

As a Canadian I see in my fondest dream the promotion of a united Canadian people willing to sacrifice for each other, to give up for each other, and do what is necessary to make this country a prosperous and splendid Dominion to live in. (Applause.)