

## CANADA

Mr H. T. Owens in a News Letter writes :

The Conference of Dominion-provincial Premiers, convened in Ottawa last January to consider the report of the Rowell-Sirois Commission, split on the second day of its deliberations. Three provinces—Ontario, Alberta and British Columbia—would not enter into discussions on the basis of the plans of constitutional changes proposed in the Commission's report, so Prime Minister Mackenzie King terminated the proceedings forthwith. While official consideration of the report is shelved for the duration, it will be discussed on the hustings, for the Manitoba legislature has been dissolved, and a provincial election called for 22nd April. The Manitoba Premier was the most ardent proponent for carrying the Sirois proposal into immediate effect. It is a moot question whether the findings of the Commission arose out of its report, which provides a great deal of ammunition against the present fiscal system, that advocates of land value taxation can use to advantage. It is to be hoped that much of the Commission's work can be salvaged.

Unfortunately for Canada, our taxation system makes the load in a time of stress all the greater. A suggestion of the Henry George Society to the Finance Minister that the federal authority should levy a land value tax after the fashion of Australia and New Zealand has elicited an official reply, firstly to the effect that the Government regard land value taxation as the preserve of the municipalities and, secondly, that the Rowell-Sirois report does not recommend such taxation. If, however, that report is to be the criterion, then the Finance Minister should abolish all consumption taxes.

Negotiations regarding the huge power development project of the St Lawrence Seaway are nearing the stage where a treaty will be signed between the United States and Canada. There is a suggestion that the Dominion Government may adopt it as a war measure. Land values in the affected areas will increase, but neither the federal authority nor the provincial will get the benefit of these values under the present set-up—they will continue to be privately appropriated. The province of Ontario will have to rebuild a considerable mileage of highway due to the flooding along certain portions of the river, and several towns will have to change their sites for the same reason. Stiffening of land values is already reported in the areas to be affected.

Following the federal example of bonusing wheat growers, the provinces of Ontario and Quebec are voting bonuses to encourage the production of cheese and bacon. Ontario may devote \$3,000,000 of its \$12,000,000 surplus for this purpose, while Quebec has announced \$500,000 to be earmarked for premiums on cheese. When war orders for these products are brisk, in addition to a much better home consumption due to increased employment, the average layman cannot understand why these bonuses are necessary. The Ontario Premier says too much milk is going to the condenseries. However, the funds for bonuses do not come from the rural areas—they are the surplus taxation collected from motorists in petrol tax and licence fees, from the profits of liquor sales, from stiff taxes on corporations, and from a heavy tariff on estates of deceased persons. A Quebec M.P. says: "We do not ask for any special privilege for the agricultural class, but we ask the authorities to treat agriculture as they treat the essential industries of war." When tariff beneficiaries get a hand-out perennially, it is not surprising that the farmers should ask for their share.

The Ontario Property Owners' Association passed a resolution of protest against the "continued refusal of the Wartime Prices Board of the right of owners of residential properties to a moderate, basic return on their investments," and the Dominion Mortgage & Investments Association wants the basis of rental control to be changed and a "fair return to landlords" principle adopted. The fair return is to be based on the investment, but the questionable part of the investment may be the speculative cost of the land in some boom period. It is amazing how much urban real estate in Canada is administered by trust companies, hence the interposition of the Mortgage & Investment Association.

The Property Owners' Association further deplores the "continuance of the policy . . . of encouraging war profiteering by tenants at the expense of property owners." Now that there is a boom in rooming space, the landlord inject a

sour note because the tenants have a chance to make a little money, for which incidentally they furnish service, which the land speculator does not. A disgruntled landlord wrote a letter to the *Ottawa Citizen*, and some of his statements are worth perpetuating for museum purposes. "Rental control," he says, "was not invented for property owners. . . . Rental control was created for a superior race, the tenant. Tenants are, in many cases, tenants that they may travel unhampered by property from place to place, taking advantage of the highest salaries." Sour grapes! From 1st April, federal contributions for direct relief will be discontinued. Hitherto, the relief burden has been carried by contributions of 40 per cent by the Dominion, 40 per cent by the provinces and 20 per cent by the municipalities. The province of Ontario, it has just been announced, will relieve its municipalities of any responsibility for the present. Relief, of course, has greatly decreased owing to the improvement in employment. The Federal authority has also served notice that it will in its next budget "move in" on succession duties (inheritance taxes), formerly the exclusive preserve of the municipalities.

## SOUTH AUSTRALIA

The general election for the House of Assembly took place on 29th March. We await results with interest because, in addition to Mr E. J. Craigie's candidature in his constituency of Flinders, he has two colleagues, Mr James P. Moore and Mr Charles Hobbs, who were standing respectively in the Eyre District and in Stuart.

Mr Craigie's latest letter dated 28th January, has only just been received although dispatched by air mail. He writes: "Mr Moore ran with me when the old Flinders district returned two members, and got within 124 votes of being elected with me. In the coming contest he is up against the sitting member who has represented the district for eight years, and I know it will be a big task to shift him."

"Mr Hobbs has recently come to South Australia from New South Wales, where he did good organizing work for the Sydney League, both in the country areas, and in Sydney Domain open air meetings. He is a good speaker, has a good grasp of principles, and will give a good account of himself. The district is regarded as a strong Labour centre, the Labour representative being elected unopposed last election. Big industrial developments have taken place at Whyalla in the district recently as the Broken Hill Proprietary Company have erected a blast furnace and other industries."

"The New South Wales School of Social Science are holding another Conference at Newport, N.S.W., 8th to 10th February, with a big rally in Sydney on the 10th. Dowe and others associated with the School of Social Science have started a party called the "New Social Order Party" and contemplate running candidates at many districts at their State elections in May next."

"I leave Adelaide on 25th February, will open Mr Moore's campaign at Kimba on 28th February, and then go on to my own district and speak every night until 28th March. I shall travel about 2,000 miles by car; and driving by day, speaking at night, and preparing *The Advocate* paper to send back to Adelaide, in addition to correspondence, makes me feel I have to solve the secret of perpetual motion on such a campaign."

In answer to a question by Mr R. GIBSON asking what further steps he has been taking, in view of the progressive diminution of grazing lands in Scotland consequent on the ploughing-up campaign, to make available deer-forest land for grazing and other agricultural purposes, THE SECRETARY OF STATE FOR SCOTLAND (Mr T. Johnston) stated on 25th March: A circular has been sent to the Agricultural Executive Committees for the Highland districts stressing the importance of seeing that the fullest use is made this year of deer-forest grazing and intimating that I am ready to take possession of any deer forest which cannot be put into full productive use by agreement with the owner. No forest for which stock can be found should be left ungrazed during the coming summer. We have already taken over two deer forests. They are the Forest of Killilan, in Ross-shire, and the Forest of Benmore, in Sutherland.