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The Farmers and The Grain Exchange.

The simple remarks on the grain situation in the last issue of the Western Home Monthly seem to have created no little uneasiness in some quarters. Indeed the whole vocabulary of abusive epithets seem to have been exhausted by some of those who have written to us on the question. Fortunately we have nobody to please in this matter and we are not to be deterred by threats from proceeding as we planned at the beginning, to indicate what we believe is the only permanent solution for the problem as we face it in the western provinces.

The Real Injury.

Yet we are not certain that all our people are looking for a complete and permanent solution. Some of them evidently consider the present trouble as one that concerns only the producers and the shippers, whereas it affects every member of the state. It is a comparatively small matter that one man gets a few dollars too much and another a few dollars too little, but it is a matter of the gravest national concern that every man should have confidence in the honesty and integrity of those with whom he associates in his dealings. For without this mutual confidence there is no hope of national stability. So long as men view this problem from the angle of self-interest they will be unable to arrive at or even appreciate anything in the nature of a true solution. The fight will go on in changing form from worse to worse, and of charges and counter-charges there will be no end. He who seeks a lasting remedy must consider all the interests involved.

No Unique Phenomenon.

The injustice in the handling of grain is not a unique phenomenon. It is but one of a class, and it is well to recognize this in all endeavors to settle existing disturbances. The producer, the middleman and the consumer are continually at war. Not a day passes but that a complaint is registered in some quarter. Every week there is a passage-at-arms somewhere, in the form of a lock-out, a strike, or a public upheaval. As among the three classes mentioned it is the middleman who is usually considered the diabolical agent. This is most natural, for nearly every man is both producer and consumer. If he pays more than he should for his neighbor's wares, he makes up for it by charging too much for his own. But the poor middleman has to rob the producer for part of his profit and then rob the consumer for the remainder. This is his privilege and nobody will say that he does not cheerfully take advantage of it. However, there are evidences on every hand that the producer is coming into his own. Even the greatest producer of material wealth—the farmer—is beginning to get all that his time and labor are worth. This is a matter for sincere congratulation. But how about the consumer? When is his day coming? Let us at least hope that a brighter future awaits him. Let us at least believe that even in our own generation he may be able to purchase for \$2.50 a pair of boots that it cost \$1.00 to manufacture, or that he may be able to buy for five cents a dish of ice-cream that it cost one and one-third cents to produce, or that he may be able to obtain in Winnipeg for \$5.00 some fruit shipped from Okanagan at \$2.00 and handled by the express company for another \$1.50. It is necessary to explain that these figures represent actuality only in a rough way. They are given in this way in the hope that some of our readers

may be led to investigate somewhat closely the relation between cost and purchase price of ordinary articles in daily use. It is possible that there may be surprises in store.

Some Concrete Illustrations.

Suppose for example, one contrasts the price which the rancher obtains for his beef with the price paid by the consumer in Winnipeg. Who pockets the difference? Does anyone get more than his share? Does the consumer pay more than he should? Suppose again that it is a book that is being purchased by a reader in the country. If it cost eighteen cents to produce it, what do you suppose the reader pays for it? It will be found on examination that there is unlooked for unfairness, where it might least be expected. Yet it is to be remembered that the main evil is not that somebody is getting more money than he should but that by getting it unfairly and without due labor he is undermining the whole social fabric. The dangerous time in a nation's history is when a section of the people really become alive to the fact that they are being unjustly dealt with. Better have them in ignorance of their state, than rouse them without pointing out the true remedy for evil.

An Attempted Solution

There is a remedy proposed frequently, viz.: that of a combination between producers to act as their own middlemen—or at least as their own shippers. This principle is well illustrated among the fruit growers of Southern California. A few years ago these men were in despair because all their hard earned wealth was absorbed by the combination of shippers who owned the "shipping houses". The growers rebelled and formed a combination for the purpose of erecting shipping sheds and directing the transportation of fruit. The shippers derided this movement for self-defence, but the fruit growers remained true to their own organization. They put in charge men of the highest ability—men who could be trusted to deal fairly with the shareholders of the company and keep out of the gambling pit. The result everybody knows. The shippers have been literally "knocked out of commission," and the fruit growers are handling all their own produce.

This, of course, is just what the Grain Growers' Grain Co. claims to be aiming at in Western Canada. There is, however, a great difference. The company does not represent the grain growers in any true sense, it is not managed by experts in the grain business, and rumor has it that some of the controlling spirits are too familiar with "puts" and "calls", and with the methods of the speculators in the Grain Exchange.

But passing this by, let us examine further into the California matter. It is true that the fruit growers are doing better, but it is also true that every year carloads of fruit rot on the trees. Why is this? Because the fruiterers' union controls not only the shipping of fruit but its consumption. They limit the output in such a manner that they receive a maximum of profit. Formerly the middleman robbed the producer. Now the producer robs the consumer. Isn't it about time the consumer had a little consideration?

There is no doubt that if the consumer is to pay more than a legitimate price for his goods he had better pay it to the producer than to the middleman. Yet it is not very much consolation to us who are paying top prices for fruit because it goes rotting on the trees, to know that in the fight between producer and shipper, the former has come out ahead. As between the two our sympathies are naturally with the producer. We want

him to get every cent to which he is justly entitled. Still, as we are the unfortunate victims, we cannot but feel that no matter which of the two wins, we are to pay the price.

No Permanent Remedy Here.

So the California arrangement has not effected a permanent settlement of the question at all. It has simply shifted the injustice from one field to another. It has not regarded all the interests involved. We have no hesitation in saying that were the grain growers of Western Canada to form in a great combination worthy of their great occupation, it would not make matters much better for the whole state. For although it might put a little money in the pockets of the farmers, it would in the end add to the miseries of the poor people in the towns and cities who have to eat in order to live.

Another Illustration.

Reference has been made to strikes and lock-outs resulting from conflicts between employers and employees. Here we have the California situation in another of its phases. It is not a war between producers and middlemen but a war within the ranks of the producers themselves. One section of the producers in order to protect its interests forms a union and resolves to redress its wrongs—real or imaginary—by coercive measures. Everybody understands the methods employed. The important feature in the matter is frequently overlooked by both contending parties. In every war of the kind there is a third party who has a right to consideration and that party is the consumer. Nobody understands this better than the farmers of Western Canada who went through the experiences of coal famine two winters ago. Yet the contestants in this case acted as if the public had no rights at all. Let us again say that the main evil in all such cases is not that one man is getting a fraction too much and the other a fraction too little, but that the harmony which should exist in the whole community is being destroyed by the unfairness of somebody. Any permanent remedy must consider the interests not only of the parties immediately concerned, but the interests of the whole community. In one sense it makes very little difference whether the union or the company wins. Outsiders have to pay the piper in either case. Unionism can never effect a real solution.

Before entering upon a constructive policy it is necessary to make one further observation: It is necessary to give credit where credit is due. It is right to say that although there have been some actions of the Grain Exchange which can never be excused, yet there are many members against whom not a word can be urged. There are some commission firms who have been strictly honest in their handling of grain, and who would never be charged with wrong-doing of any kind. Men of this class have been of the very highest service to the producer. If farmers are going to sell their grain on commission it will always be safe to deal with a reputable firm. In the grain business as in everything else it is the honest man that should be sought. Nor should the Grain Growers' Grain Co. go without its meed of praise. It put up a good fight for a time and exposed the unscrupulous methods of the large operators. As friend of the farmer it was much more capable in opposition than it now is in directing the government. As for the press of the country, the farmers and the general public know who have been working for the highest welfare of the state, and who have been working for special interests.