

THE WESTERN HOME MONTHLY.

WINNIPEG, CANADA.

Vol. XI, No. 3.

MARCH, 1910.

Legalized Piracy.—A Simple Story for the People.

A Simple Transaction.

There is a factory down in Eastern Canada where they make boots. Things are so perfectly managed that the exact cost of any pair of boots can be ascertained in a few minutes. Now a certain pair cost for production one dollar and eighty-three cents. These boots were sold to a wholesale dealer for two dollars and seventy-eight cents, and sent by that firm to their Winnipeg branch, the cost of shipment being eleven cents. The wholesale house sold to a country merchant for three dollars and twenty-nine cents and the cost of handling in this case was nine cents. The country merchant, after paying all costs, marked the boots at four dollars and fifty cents, as a special bargain.

On the same day a farmer came into the store with thirty dozen eggs, which the merchant purchased at fifteen cents a dozen, giving in exchange the pair of boots. These eggs he shipped to Winnipeg to a wholesale provision house at eighteen cents, the express being two cents a dozen. The wholesale house disposed of them to a retail dealer at twenty-four cents a dozen delivered, and in a few hours the customers had bought up the lot at thirty cents.

Now apart from figures this is the picture of an actual transaction. Nor are the figures so wide of the mark. Let anyone who is curious make an actual examination and discover the facts for himself.

Who Makes on the Boots?

Now the manufacturer of boots swears by all that is right and fair, that if he accepted less than the two dollars and seventy-eight cents he would have to close his shop. He uses certain expressions regarding cost of raw materials and unreasonable-ness of unions, but these do not concern us just now. The main point is his emphatic assertion that the boots cannot be sold for less than the price named. Similarly the railway company protests that it makes nothing on hauling freight from the East to Winnipeg. In fact this is a "losing proposition." In line with this are the statements of certain American roads leading into Chicago who have given testimony that they lose on the freight business, the passenger traffic, on special excursions, and on everything. Yet they pay a good dividend on watered stock. It is strange how these things happen. Next, the wholesale firm in Winnipeg protests that it barely manages to live by selling the boots at three dollars and twenty-nine cents. The proof of it is the manager's little hovel in the fashionable district. The wholesale merchants of Winnipeg are proverbially poor. Nor can the country merchant live unless he marks the boots at four dollars and fifty cents. On nearly every line of goods he must sell below cost because of the great competition, and he is making on the boots just sufficient margin to pay for cost of handling.

If anyone doubts the facts as above stated, let him institute inquiries and he will find everything just as given.

Who Makes on the Eggs?

When we investigate the transaction in eggs we are informed by the farmer that there is positively no money in hens. They eat off their own heads; and the business is on so small a scale that if it were not because every farmer must have a few eggs for his own family use he would not bother with hens at all. Similarly, the merchant assures us that there is nothing in handling eggs, but he must oblige his farm customers by acting as salesman. Everybody knows that the express company never makes anything on the handling of goods of any kind. Certainly they make nothing on perishable goods like eggs. So it remains for the wholesale merchant and the retail merchant to explain that it is necessary in the case of eggs and dairy products to charge a little above cost because of the great risk they take in handling such goods at all.

This is all so reasonable and so perfectly plain that it is surely not worth one's while to examine into the facts. They must be in line with the testimony given.

Who Pays too Much?

Yet notwithstanding all that has been asserted, it does seem strange that a farmer should have to pay four dollars and fifty cents for boots that were made for one dollar and eighty-three cents, and it is more strange still that the sick wife of

a poor day laborer in Winnipeg should have to pay thirty cents for eggs that the farmer was willing to dispose of at fifteen cents a dozen. And because of these strange facts there arises the question in economics that is now being propounded far and near, and compared with which all other questions are but trifling. Why does it cost so much in these days to live? It is the question of the consumer, and perhaps it is well that he is about to have a hearing.

A Ray of Hope.

Some months ago, when the struggle between the producers and the shippers was at its worst, we predicted that before long the consumers would begin to assert their claims. We did not think then that in four short months the question would be agitated in Canada, in Great Britain and in the United States. Yet to-day that is the leading question in these three countries. It has been discovered that in Canadian cities the ordinary

"It is probable that if every great fortune in the United States could be traced to its source, we would find its origin in some form of favoritism by the Government. The lumber kings, the railroad millionaires, the sugar monopolists, those who have enriched themselves by operating public service corporations, all these and the long list of those who have been enriched by a wicked, vicious, deceitful tariff system, have to thank a kind government for the means by which they have piled up wealth at the expense of the farmer, the workingman, the professional man, and the ordinary business man. The alliance between big business and politics has been profitable to the big business man and the politicians."

From Hampton's Magazine.

workman cannot afford to marry, because he cannot purchase food and clothing for a family; it is found that in the United States thousands of families have to live on half-fare, because the earning capacity of the parents is not great enough to purchase the necessities of life; and in Great Britain legislation has been promised which will relieve the situation in which the poorer classes find themselves when it comes to the grave problem of barely maintaining an existence.

Known by their Fruits.

In the examination which will be made regarding existing conditions, the various commissions that are appointed will find it necessary to doubt every man's word just a little—but more especially the word of the man who is doing well financially. There is no man who can make such a strong plea for poverty as the man who is living handsomely on the fruits of the labors of others. When a manufacturer says he is making nothing it is well to examine his coach-house and to study the dimensions of his private yacht. When railway owners say that rates are reasonable it is well to remember right at once that the reference is not to conditions in our own country, where the people have paid for the roads and bonused them, and then are accorded the privilege of paying to private parties an exorbitant fee for using what should really belong to themselves. And as for wholesale

dealers and retail merchants, they must be judged by results. On the whole, we venture to say that in proportion to his output in labor, anxiety and faithfulness of effort, there is nobody to-day in a worse position than the day-worker, who has no landed property and no business which is growing with the years. For it must be remembered that even the farmer is growing in wealth as he sleeps, but the wage-earner is completely at the mercy of Providence—and his employer.

The Robber of the Combines.

The commissioners, in making their investigations, must also inquire as to whether the manufacturer has combined with others of his ilk to charge the wholesale dealers more than they should for the boots, and whether the transportation companies have not, in spite of railway commissions, combined to charge twice the rate that is necessary, and whether the express company, as an annex of the railway, does not use its power as a monopoly to force the shippers to pay exorbitant rates. It is not forestalling the report of any honest commission that may be appointed, to say that one of the first things that will be discovered is a whole series of combines organized to raise the selling price of manufactured products and to lower the price of raw materials. For example, a recent article in a western newspaper has published what it claims are verified tables to show that whereas the farmer loses about \$1.25 on every cow that he prepares for the market, the abattoir owner makes \$15.40 and the butcher \$15.80. And this because there is a combination among the dealers in meat. Similar combinations among producers and shippers are found all around us. Can anyone tell us where the consumer comes in?

The Policy that Renders Combines Possible.

A third thing the commissioners must examine into is the fact that though the manufacturers charge prices beyond what is right and necessary, they are free from competition of manufacturers outside of our own country. And this because they are protected by that system so unfair in every way to the consumers. If this protection policy were not in force every last man of us could have foods of certain kinds, clothing of almost every kind, and shelter in all its forms, together with the implements and supplies necessary to life at such a low cost, that we might indulge in one or two little luxuries during the course of the year. If there is anything absurdly ridiculous it is for the consumer to support the doctrine of protection. The selfish manufacturer wishes this policy in force, but why should the farmer, who has no protection for his wares, favor a system which taxes him from 20 to 30 per cent. on all that he purchases. If a farm implement can be bought in the United States for \$100, and the duty is 25 per cent., is it not always true that the Canadian-made implement sells for \$125? Yet it would yield a good profit to the manufacturers to-day if sold at \$100. We all know the cry of these people, "You must give us encouragement to begin!" How long does it take to begin? Judging by the bequests of some Canadian implement manufacturers, they have done pretty well in the early years of their experience. Is it not time the whole farce ended? If we have to pay taxes to support our national necessities we shall pay them like men; but we object to this legalized robbery, which protection makes possible.

The Reason Why Protection is to be Rated.

But the farce will not end for a little while yet, because most men would rather suffer anything than offend the political parties to which they belong, and as yet we have not parties who can afford to do without the aid of the manufacturers—who, along with the railway-magnates, have been from the very beginning, "a very present help in time of trouble."

The Dawning of a New Day.

But the clouds are lifting. Next year we may hope to eat a little more beef, if the farmers do not quit raising it. We may be able to buy boots instead of moccasins, we may be able to buy implements to work the farm; but for the present we must be contented to know that if our daily wages will not feed and clothe our little ones, the children of the favored few are happy, and we have ministered to their happiness.