

# The Western Problem

By George F. Chipman

No one will deny that it is the inalienable right of every individual to secure the full value of the product of his labor. A careful estimate leads to the conclusion that the producer in the Prairie Provinces is not receiving more than 60 cents for every dollar's worth of wealth he produces. Public attention is being drawn to seek a remedy for such conditions. Thousands of men today are studying the problem of the West with an honest desire to effect an equitable solution. The only way by which the remedy can be reached is through careful study on the part of the public, followed by prompt and energetic action when the proper remedy has been decided upon. Different views will undoubtedly be held as to just what is the proper remedy. This has been the case all through history where great problems confronted any people. But when the people generally are aware of the evils which confront them, and are unanimously determined that they must be eradicated, it is generally possible to secure sufficient unanimity of opinion to accomplish the desired results.

## The "New Country" Delusion

It is continually advanced in defence of present conditions in the West that it is always the same in a "new country." While it is admitted that in the earlier stages of development in a new country the cost of living is higher than in older settled countries due largely to lack of sound commercial organization, yet the "new country" argument is no excuse for the intolerable conditions prevailing today in the Prairie Provinces. The "new country" argument does not explain why the grain growers here in the West pay more for their flour made from the grain they grow than the British consumer pays for flour from the same wheat after it has been transported nearly 5,000 miles. The "new country" explanation does not explain why Canadian beef and bacon are cheaper in Liverpool than in Winnipeg, nor does it explain why the English farmer buys his Canadian made agricultural implements cheaper than the same implements are purchased by the Saskatchewan farmer. The "new country" proposition is entirely inadequate to satisfy the man who works hard at manual labor through the cold of winter and the heat of summer and after producing 100 cents' worth of wealth receives only 60 cents in return.

## The Land Question

The land question is one which affects with great seriousness every citizen of the Prairie Provinces. At the present time land speculators, many of whom have never seen Canada, are putting in their pockets at a moderate estimate at least \$50,000,000 yearly. It is nothing uncommon to meet a man in the Western cities who has "made" from \$250,000 to \$1,000,000 in the space of three or four years through land speculation. Thousands are doing it on a smaller scale, yet none of these speculators have given one dollar's worth of value in return for this vast sum of money. All of the value in the land was created by the presence of the people, and in proportion as the speculator pockets what he does not earn so the farmer and worker have earned what they are not allowed to pocket. The peculiar result of conditions is that in this country where millions of acres of virgin land lie idle there is a scarcity of land, that is, there are millions of acres of unused land lying close to the railways, but a farmer who wishes to use this land is not permitted to do so until he has paid tribute to the "dog in the manger" speculator.

Every one can see the facts as set forth above, but not everyone realizes to what an extent the land problem complicates every other problem in the country. Immigration is pouring into



Steer Branding on the Range.

this country at an enormous rate. Thousands and tens of thousands of farmers and their families are forced to go from fifteen to a hundred miles from the railway to get cheap or free land when there is room and to spare to give each family plenty of land within ten or twelve miles of the railway lines. The hardships thus imposed upon the women and children on the frontier is often times desperate. Domestic help in such cases cannot be secured. There are no nurses in such places to assist at maternity, and many a child is born on the frontier without the attendance of even a physician to protect either mother or child. There is a lack of educational facilities, and of the spiritual and social benefits of the church. Physical suffering must be endured because of the distance from medical or surgical aid. The land policy which permits speculators to hold land out of use until it rises in value results in sparsely settled communities all over the West, and the further the distance from towns and railways the more acute the problem. It is the land policy that thus militates against better social environments; it is the land policy largely that prevents the building up of efficient and well-attended rural schools; it is the land policy which hinders co-operation among farmers in marketing and also in securing satisfactory agricultural credit. Anyone who will study the land question in the West will realize that it is a blight upon our Western civilization.

Land speculation takes a heavy toll even from those living in towns and within a convenient distance of the railways, but the heaviest burden is felt by those living further away, just as in the cities by those who are driven to the outskirts to secure a home in which to live. Many men who have profited through land speculation fully realize the evils of the system and are strong advocates for reform. Many of those who have made the most money, however, through land speculation, are the strongest defenders of the present system. The remedy for the land question is simply one of taxation. Taxes on vacant land should be made so heavy that no speculator could afford to hold it out of use. A graduated tax also on large holdings, would prevent the building up of large estates, such as is going on throughout the West today. The Creator made the land for the people, but by the assistance of barbarian laws the few are profiting at the expense of the many. Unless the land question is attacked seriously in the near future there is every likelihood that the landlord system which has proven such a curse in Great Britain will be transplanted in Western Canada

and become a millstone about the necks of the Western people.

## The Protective Tariff

Practically every farmer in the West is alive to the burden which is placed upon him through the operation of our protective tariff system. The protective tariff cannot benefit a farmer when the price of his product is regulated by competition on the world's market. The Western farmer sells his product in a free trade market and buys his machinery, clothing and necessities of life in a protected or enhanced market. In other words, the much lauded protective system does not "protect" the people.

It does not protect the farmer and does not protect the wage earner, but simply allows the manufacturers to charge higher prices for their product. The protective tariff has caused the growth of an immense number of mergers with largely "watered" stock, by which they can hide their profits and thus postpone the day of reckoning. The operation of the protective system has done more to corrupt public life in Canada than any other agency, and has placed in the hands of the manufacturers tremendous power which they wield unscrupulously for their own benefit. The protective system is defended on the ground that it will build up industries in Western Canada. But it is plain that such industries will have no protection against the competition from Eastern industries, and such competition will be just as keen and bitter as the competition from any foreign country. Only as the evils of the protective system are clearly seen will public opinion declare against its continuance. The opponents of the protective system are not desirous of ruining any legitimate Canadian industries, and believe that there are few if any of them that need protection—provided they can get their raw material duty free and have free access to the natural resources of the country. Such industries as require further assistance, if there are any, could be given it in the form of a bounty and thus not be an eternal burden on the people of the country.

## Transportation

The transportation problem as stated elsewhere in this article is complicated by land speculation. The railway companies themselves, however, are the greatest beneficiaries of land speculation and naturally the strongest advocates of the present system. If the people of the West were permitted to use the idle land there are nearly, if not quite, enough transportation facilities to meet the needs of the people today.

Because too many of the railway lines in the West are built for the benefit of the railway promoters who have large holdings in the natural resources of the country. Public credit has been pledged to the limit to secure railways, yet the transportation charges in the West are from 50 to 100 per cent. higher than the rates charged by the same railways on their own lines in Eastern Canada. Up to the present time there has been practically no control of the railways in Canada, and only the future will show to what extent the Railway Commission can cope with the railway situation. With conditions as they are there are not enough railways in the Prairie Provinces, not enough rolling stock, and too high charges for service rendered. Reciprocal Demurrage would probably force the railway magnates to withdraw some of their made-in-Canada millions invested in foreign countries and give a better service to the Canadian people. Some of these men have huge sums of money invested in South America, Brazil and several other foreign countries that should be used in Canada. In the United States an endeavor is being made to control the railways, but has been only partly successful. No other country has found an effective solution for the railway problem except through public ownership. At the present time the railway system in Canada is used as a gigantic lever in the hands of the few men to accumulate vast wealth from the people. The chief argument against public ownership is that it will entail graft and mismanagement, but even graft and mismanagement could not be so expensive as the present system. Australia, New Zealand, South Africa, Germany and France and other countries have found the solution in public ownership.

## The Grain Trade

In working out a solution of the grain trade in Western Canada, the farmers have had more success than in the solution of any other problem with which they have been confronted. This is due at least in part to the fact that it had such a vital bearing upon all farmers that the political parties were not able to divide them. The producer and the consumer are the two vital interests in the grain trade and it is due very largely to the vast army of middlemen that the producers have not secured full value for their labor, and the consumer has been compelled to pay too much for his bread. The last ten years has seen a great improvement in conditions surrounding the grain trade. Many farmers have arrived at the conclusion that the only way to market their grain satisfactorily is to do it through their own organizations. Today they are marketing a good percentage of the crop through their own co-operative companies and returning the profits so made to themselves instead of allowing it to go into private pockets. Right along this line the remedy lies, and when the farmers control the grain trade from the sheaf to the flour barrel they will find that the present evils have disappeared. They have already challenged the admiration of the world by the business-like manner in which they have taken hold of this problem. When the internal elevators are all in the hands of the farmers, and the terminal elevators taken out of private hands, and all the grain passing through the channels of the farmers' own companies, there will be no opportunity for the grain speculator to levy toll upon the grain grower. The inauguration and operation of a satisfactory sample market system will give to each farmer the intrinsic value of his own product. The establishment of a proper system of agricultural credit will enable him to market his grain slowly and avoid congestion, and when the organized farmers own and operate their own flour mills the problem of the grain trade will be a thing of the past. The farmers are certainly the wealth producers in this country, and