

The Grain Growers' Guide

Winnipeg, Wednesday, July 3rd, 1912

SPECIAL OFFER

We are now making a special offer in which we ask our readers to assist us. We will send The Guide to any address in Canada from now till the end of 1912 for 25 cents. Those interested in the reforms for which the farmers are fighting cannot do better than to help us secure a few thousand additional subscribers at this very low rate.

MEAN AND BASELESS CHARGES

Certain interests are again circulating among the Western Grain Growers false reports in regard to the Grain Growers' Grain company. This time the charge made is chiefly that the elective officers of the company are using their positions for personal gain and have become wealthy as a result. In other words, the charge is graft. The enemies of the Grain Growers have circulated various other false reports during the past few years in an attempt to injure the Farmers' Company, but this is the first time they have stooped to accuse the officers of graft. Those who are acquainted with the situation and with the president and officers of the company will agree with us that the charge is the meanest and most unfounded that could be levelled at them. The Grain Growers of Western Canada have had no more faithful servants than the officers of the Grain Company and the charge of dishonesty is one which will find no sympathy among the rank and file of the shareholders. These men at the head of the company have given the Grain Growers their very best efforts for a number of years and we are not disclosing any secret when we say that the remuneration for their labors has been very small. There are men at the head of private grain companies in Winnipeg handling less than half of the business of the Grain Growers' Grain company whose individual incomes are more than double the combined incomes of the chief elective officers of the Grain Growers' Grain company. There are individual farmer shareholders in the Grain Growers' Grain company, who, with the proceeds of one crop, could buy up probably all the property owned by the leading officers of the company. If the acquisition of wealth had been the chief desire of these officers they would never have accepted the positions to which the shareholders of the company have elected them. Every shareholder of the Grain Growers' Grain Co. has a right to a full knowledge of the business transactions of that company, and at the shareholders' meeting held on the 16th of July will have an opportunity of seeing how baseless are the charges made against the officers of the company. Today the Grain Growers' Grain company is the largest grain company in Canada and naturally has incurred the hostility of many other grain concerns who would gladly spend hundreds of thousands of dollars in a campaign to ruin the Farmers' Company and drive it out of the field. Every known device has been used in an attempt to injure the Farmers' Company, and the last and most despicable attempt is to destroy the confidence of the shareholders in their officers. Those familiar with the history of the company have not forgotten the struggles of the early days. "Observer" has not been forgotten. Travelling representatives of hostile private grain companies are continually sowing seeds of discontent among the farmers in an endeavor to draw them away from their own company. The leopard has not changed his spots. Never before in the history of North America has a farmers' or-

ganization acquired the strength of the Grain Growers' movement in Western Canada. This has only been accomplished by the untiring efforts of the leaders and the unswerving loyalty of the farmers as a whole. There are thousands of farmers who have not yet joined the Grain Growers' Grain company yet they are deriving the full benefit that has been secured through the efforts of the organized Grain Growers. The farmers today are getting better treatment from the elevator companies and the grain companies than ever before in the history of Canada, and this fact is due to the work of the Grain Growers' association and the Grain Growers' company. As the farmers realize this they will undoubtedly give more widespread support to the company that is working so untiringly in their interests. This year the Grain Growers' Grain company has handled 28,000,000 bushels of farmers' grain, and with a good crop this fall the company's business will undoubtedly increase to 40,000,000 bushels or more. It is essential that the farmers use their best business judgment in preparing for the future of the company and that the officers to whom they entrust the management of their company be men of integrity and sound business judgment. It is no child's play to manage the affairs of a company with a business aggregating \$30,000,000 annually. It is a tremendous task to finance such an undertaking, and is only made possible by the strong backing of the farmers. The farmers, who are shareholders in the company, look forward to seeing the day when it will broaden its activities considerably and not only sell the grain for the farmers but buy and distribute also many other necessary commodities for the benefit of the farmers. The capital stock of the company today is over \$600,000, which will undoubtedly increase to several millions in years to come. The Grain Growers' movement is the greatest force working for democracy in Canada, and the Grain Growers' Grain company is the greatest triumph of the organized farmers. The farmers' company is one in which every farmer may take just pride. Hostile interests will no doubt continue the campaign against the Grain Growers but the farmers may very well take these rumors and reports with a grain of salt. The charge of graft cannot be levelled at any of the leaders of the Grain Growers' movement. Such charges are only made by enemies.

THE NEW CHAIRMAN

The appointment of H. L. Drayton, K.C., of Toronto, as chairman of the Dominion Railway Commission in succession to the late Mr. Justice Mabee will be hailed with satisfaction by those who either know him personally or have followed his public career. In the four years he has been corporation counsel for the city of Toronto he has constantly shown himself not only a tireless worker and a brilliant lawyer but one whose sympathies were ever on the side of the people. He is endowed with common sense, tact and firmness—qualities which went far to make Judge Mabee so pronounced a success on the Railway Board. Mr. Drayton's experience will be an admirable training for his new position, for in preventing the aggressions of the railways on the public rights of the people of Toronto he was forced to wage a continuous warfare with the sharpest corporation lawyers in the Dominion. How fondly these public service companies seek refuge in legal quibbles and subterfuges he knows full well—too well, no doubt, to be imposed upon. Unless the salary attaching to the chairmanship is increased, Mr. Drayton will

lose \$5,000 a year in accepting the position. If he performs the heavy duties of the office as well as his previous career leads one to expect, he will be worth far more than \$15,000 to the people of the Dominion. To have the right man as judge between the railways and the people is vastly more important than any monetary consideration.

THE STEEL RAIL FAMINE

After pouring seventeen million dollars into the coffers of the steel companies of Canada and erecting a protective tariff against imported steel rails Canada now faces a steel rail famine. These companies that have been petted and pampered by our governments for the last fifteen or twenty years are yet not able to meet the requirements of Canadian development. They have watered their stock and made huge fortunes for the promoters, which is the chief object for which they were organized. Today railway development in Western Canada is held up for the lack of rails. Most of the rails now being imported are from the United States. During the last fiscal year the importation from the States was 89,827 tons and for the previous year 29,645 tons. The duty paid on these rails was \$7.00 per ton. This extra charge is added on the cost of railway construction and consequently charged upon freight rates to the people of Canada. The steel rail industry of Canada as it has been conducted has been an expensive luxury. There is no doubt that a large steel industry could be developed and maintained in Canada with little or no protection, and if any protection is necessary it should be given in the way of bounties and not by tariff. But before any protection is given the people should know for what they are paying. There has been no honest attempt on the part of the steel magnates to supply the demand. What they have been most interested in is dividends and profits, and these they have taken out of the public treasury in the way of bounties and added to by plundering the people of Canada under shelter of a protective tariff. There is every reason to believe that if properly conducted the steel industry of Canada could thrive in the face of free competition. Of course they will at once point out that the United States Steel Corporation has a capitalization of over a billion dollars and could kill any Canadian rival under free trade. But the fallacy of this is easily seen when it is known that the capital of the United States Steel Corporation is more than half water and the prices they charge are such as will pay dividends on this inflated capital. Any properly conducted steel industry in Canada need not fear the competition of the United States Steel Corporation which has made Andrew Carnegie the possessor of \$500,000,000 and created numerous other multi-millionaires. When large Canadian institutions are formed to supply the needs of the country and not for the purpose of creating millionaires we will need no tariff to protect us from any other country. With raw material free and the cost of living reduced to a proper standard free trade will be the desirable condition for Canada.

Our readers will notice that we have reduced the size of The Guide. This is in accordance with our custom during the summer time when farmers are too busy to do much reading and advertising business falls off. Later on when the warm weather has passed we will resume the regular size of The Guide.