

OUR CHARTERED ABUSES

THE LUMBER JOKE

If there is any product of nature that a farmer may reasonably expect to purchase at first hand, it is the common lumber necessary for the erection of his barns, machine sheds, etc. If anything gathered from the face of the earth today may without qualification be regarded as a "staple article," surely it is the ordinary timber that must enter into the construction of the commonest habitation designed for the accommodation of man, mammal or machine; and yet there are few things which are absolute necessities to civilization that are so hedged about with "protective" strictures in the interests of a combine as barefaced in its operations as any chartered monopoly that ever came before the courts.

Here are a few FACTS for the farmer to assimilate before he makes his next deal with the lumber man. From \$8 to \$10 per thousand feet (or about 30 per cent) is the normal profit figured on by the local retail man. This is a pretty tall profit on a "Staple" even if the farmer gets what he believes he is paying for—but he doesn't. The number one common a dealer buys from the mill is not always the number one common he gives the farmer. The lumberman's system of stock-keeping explains the entire history of the thing—here it is:

He orders from the mill a carload of number one common boards, on the arrival of which every board is gone over carefully and any one grading a little better than number one common is sorted out of this grade and pigeon-holed in a compartment—"selects" or "finishing". On this selected material the dealer realizes from \$20.00 to \$30.00 per thousand feet and it is safe to assume that a dealer will endeavor to boost every board he possibly can from common to uppers. This is considered quite legitimate and a very important feature of the retail lumber business, especially by line yard concerns.

The farmer will gather from this process that if he received the lumber first hand from the mill, out of common he could select his cornice boards, outside casing, and jambs whereas he now buys these from the retail dealer under grades of select and finish at an exorbitant advance. This abuse is sugar-coated with the term of "culling" and the lumber trade enjoys the distinction of being the only "staple" industry that is manipulated in this way.

Prices are fixed throughout Manitoba, Saskatchewan, and Alberta by the Secretaries of the Provincial Retail Lumbermen's Association, who are closely related with the combine of the wholesale men. If a retail dealer offers any serious objection to the rules set forth by the combine, he is reported to the Secretary and if he still proves refractory, his license is revoked and his source of supply cut off. In other words, the Secretary of the retailers' combine reports the dealer to that of the wholesalers who are placed under penalty of being boycotted by the men in the retail ring if they or any individual of the combine dares to supply the offender with goods.

Further; the number of yards in each town is regulated by the combine, and these locations are sold at from \$25.00 up to as high as \$200.00 according to the location. They are frequently the subject of a purely speculative purchase to be resold at a handsome profit to a second party. Possibly the reader may have in his own town one or two yards that undoubtedly are in the combine. An enterprising lumberman steps off at the town; sees it is a growing centre of population. He has money and with the object of making some more, would start a lumber yard. If he is not familiar with the combine, he will make the usual inquiries. When he comes to the vital business of buying his lumber from the mills, he finds he is up against a stone wall, as his inquiry after

being looked into by the mill man is turned down because of the fact that he is not a member of the combine and also because the combine have the sole arbitrament as to how many yards there shall be in the Province. The combine also dictates the price at which lumber shall be sold to the farmer, and in so doing annihilates competition. The lawyers may quibble about it as they will but it is a clear case of "restraint of trade" if ever there was one and a deliberate hold up of the entire farming community.

That this combine has for years seriously retarded the improvement of the country, goes without saying. The farmer has waited for years with the patience of an ox for the price of lumber to come down while the combine has been actively employed in putting forth every conceivable effort to keep it up. "The Grain Growers' Guide" advises every farmer to anticipate his wants in lumber as far ahead as he can. If he will, he can easily defeat the genius of the combine. Get in touch with or form your own "combine" with one or more neighbors so that together you are able to handle a car-load or more. If you have any difficulty in obtaining a car-load direct from the mills from which you can "cull" your own finishings, etc., write to the "Grain Growers' Guide." It can help you here to some wholesome advice and may at least point you to a means whereby you may procure this product untampered with by any middleman and at probably a reduction of one-third of the price you have been paying.

THAT OAT CORNER

(From the "Commercial.")

Exchanges to hand from almost every point in the three provinces have something humorous to say regarding the attempt to corner "rejected" oats. A large number express sympathy for the grain dealer. But there is not much sympathy towards the party or parties who "backed" the project. Here we have a conservative bank—all banks are of course conservative—advancing thousands of dollars of the depositors' money in the most risky speculation, and at a time when hundreds of honest and responsible manufacturers and merchants are struggling to tide over legitimate, healthy enterprises. They cannot get money, but the gambler can.

Millions of dollars of Canadian money are always available for stock gambling in New York—one million to this man, two million to another, and so on. When a slump comes who suffers? The men the banks were chartered to assist. We understand a large number of business men could have been given considerable assistance with the amount lost in the recent oat corner.

There is surely room for a change, and it must come soon. The longer the system of the present day is allowed to go on, the harder it will be to control it and put it on a more sensible, fair and honest basis. There are more ways than one of bleeding the people, and in principle there is not much difference that we can see between taking money out of a man's pocket, and preventing him from putting money in, and the latter is what a bank does that refuses accommodation to a reliable merchant and sinks and loses it in questionable and unreliable deals, as has been shown through the failure of the Ontario and Sovereign banks, to say nothing of a few smaller banks in Quebec.

Ed Note:—A prominent business man stated in a recent conversation that his Bank refused him credit to tide him over the present stringency on the ground that their capital was taken up in carrying the lumber trade, thus contributing towards maintaining lumber at a high level of price by enabling the combine to carry their stock of lumber. Thus it goes, one Bank after another has its capital tied up in one form of gambling speculation or another, and legitimate business and sound and normal development is allowed to languish for want of necessary medium of circulation. What the Commercial says as to its effect on reliable merchants applies with equal force to reliable farmers.