

# WHEAT-GROWERS and \$1.70 WHEAT

**T**HERE is something singularly radical in the mere idea of a farmer—the most conservative man in the world—organizing and combining with other farmers. It needs a new country like our West to develop it. But to see the Western farmer put his back up and tell Sir George Foster to take his offer of \$1.30 per bushel for wheat, figuratively speaking, to Gehenna, and calmly ask forty cents more, is superlatively shocking. Yet that is the case. Sir George, negotiating on behalf of the British Government, says: “\$1.30 for your wheat.” Mr. Westerner, looking at the price paid British and Australian farmers, says: “Nothing doing! \$1.70—or we’ll keep our wheat!”

In a recent article in the *Courier* I took the liberty of pointing out that this injunction to the Western farmer to grow more wheat was not only economically unjust, because it menaced the future of sane agriculture, but also obscure, because it included no guarantee of prices. I said that among all prime producers, the farmer alone is unable to base his selling price on what it costs him to produce. He must accept the fluctuating prices dictated from Liverpool or Chicago. Since that article was written, the details of the controversy between Sir George Foster and the Canadian Council of Agriculture (representing the farmer) have been made public, but not made clear. The farmers have been misunderstood and misrepresented.

Here is the farmers' case. I took it down from H. W. Wood, a great big Westerner who is President of the Council of Agriculture. Wood is of American origin. Attempts have been made in some quarters to impugn his loyalty, but not—I think—with any degree of success. Wood is backed by the opinion of the West. Western farmers are hard-headed business men as well as good Canadians.

The Canadian Council of Agriculture is an affiliation of the three farmers' associations of the West: the United Farmers of Alberta, the Saskatchewan Grain Growers Association, and the Manitoba Grain Growers Association, with a representation of the newly organized United Farmers of Ontario, the Grain Growers Grain Company of Winnipeg, and the Alberta and Saskatchewan Co-operative Elevator Companies. The six Western organizations have a total membership, without duplication, of about 75,000. The three co-operative elevator companies in 1915 handled about 24 per cent. of the total amount of grain moved from Western Canada. Mr. Wood is President of the United Farmers of Alberta—a big bluff, four-square farmer with a 1,600-acre farm at Carstairs, a slow but weighty speaker, a very clear thinker, and a specialist upon the subject of co-operation. When he says “co-operation,” he does not mean the co-operation of farmers, or of train-men, or of any class to secure class ends; he calls this intensive competition. He means universal co-operation.

**A**CTING, as is well known, as an intermediary for the British Government, Sir George Foster approached the Council of Agriculture to ask what they considered a reasonable price for their entire 1917 wheat surplus. Lloyd George had not only guaranteed the British farmer a 1917 price of 60 shillings a quarter, which means about \$1.82 per bushel, but had also purchased the whole available surplus crop of Australia at \$1.12 at port of export, and taken measures to control the surplus crops of India and Egypt. Sir George suggested a price of \$1.30 for No. 1 Northern wheat at Fort William. The Council, after due deliberation, replied that the lowest pos-

*President of the Canadian Council of Agriculture Informs the Consumer why the British Government should Pay this Flat Rate for Wheat in 1917*

By CHARLES STOKES



A big, bluff, four-square farmer with a 1,600-acre farm at Carstairs, Alberta.

sible price acceptable to them would be a flat rate of \$1.70 per bushel, or preferably a guarantee of prices from a minimum of \$1.60 to a maximum of \$1.90. Now hear Mr. Wood.

“Look here,” he said, “take the price paid to Australia. Take that first. To begin with, in Australia they have a very much lower internal freight rate than we have. The price, \$1.12, is for fair, average quality, which would probably net the Australian farmer more for his wheat, on his farm, than the price which Sir George would pay to the Canadian farmer for the same quality wheat on his farm. I’m not sure about this, but I think that’s how it would work out.

“Now take the price guaranteed to the British wheat raiser—about \$1.82 a bushel. I have seen recent quotations from the Liverpool market, in which No. 1 Northern was quoted at 32 cents a bushel higher than the British wheat. Add this to the 12 cents difference between \$1.70 and \$1.82, and it will be seen that the British farmer is getting 44 cents a bushel more than the Canadian Council of Agriculture asks for our wheat.”

He paused and thought deeply for a moment or two.

“Sir George suggests that we may, unless we make this contract, have our wheat left on our hands, to dispose of as best we are able on an open market. Well—that seems scarcely pertinent. The Canadian farmers didn’t ask the British government to guarantee any price. The proposal comes from the British government!”

Again a pause.

“I am reliably informed,” he continued, presently, “that the British Grain Commission last fall ex-

pressed a willingness to put a minimum of \$1.50 and a maximum of \$2.00 on No. 1 Northern, Fort William, for the 1916 crop. Sir George has not yet definitely told us that they are not still willing to take our suggestion of \$1.50 and \$1.90—minimum and maximum—on this year’s crop.

“The price that Sir George suggests—if present conditions continue—would fix the average price of the different grades of Canadian wheat at a figure NO BETTER THAN THE PRICE OF FEED! Think of that—FEED!

“How does Sir George Foster expect to encourage the production of wheat by putting a feed price on the product? Can you explain that? We farmers have NOT been shown why the price we fixed is not a reasonable price under present conditions of high prices and high wages. WE have NOT been shown that this price is above the price to be paid for the Australian crop. WE have not been SHOWN that it is above the price agreed upon with the British producer. We have not been SHOWN that the Canadian farmer is under any moral obligation to produce wheat for the Empire at a cheaper price than the British farmer or the farmers of any other part of the Empire.”

The big man drew a deep breath.

“I still believe that the action of the Canadian Council of Agriculture was just and fair and reasonable. Until I have some good reason for changing my mind, I will continue to hold the same opinion.”

**S**IR GEORGE, to let him interpolate a word, denies that the British government ever made the 1916 \$1.50 offer, and defends the Australian purchase by claiming that the \$1.12 purchase price was for delivery to port of export at the sea-coast, and not to a terminal elevator a thousand miles from the nearest port. He finally draws back the velvet glove sufficiently to reveal the mailed fist beneath, in the shape of uncertain transportation and the probably entire loss of the Allied Market.

The Western farmer, however, shows no signs of receding from his position. In the days of his sudden power, he remembers his “grouches” of by-gone days, and one of them is Protection. Your westerner is nothing if not a Free-Trader; when he finds himself a political factor, as he now does, he remembers Protection first of all and all the time. It is a notorious fact by now that the Council of Agriculture were willing to accept the \$1.30 price provided—provided—the Canadian government fixed the price of a few other things besides wheat. Farm machinery, for instance.

Incidentally, it may be added, that out of 27 members of the Council of Agriculture, 13 are Canadians, 11 British, and 3 Americans. The attempt to re-invoke the unfortunate dispute that has recently divided west against east by hurling suggestions of disloyalty at the council’s head finds him in surprising company.

Editor’s Note: The opinions of Mr. Wood, as quoted by our contributor at first hand, are given as the western wheat grower’s side of the argument. The opinions of the average consumer might not tally with his estimate. But the average consumer nowadays is confronted by decidedly unaverage conditions. The western wheat grower is making himself the beneficiary of these unaverage conditions by trying to average up now for the years when poor crops conspired with low prices and the high cost of production to reduce the profit on an acre of wheat to somewhere near the vanishing point. And the consumer may still fall back on the philosophy that high prices to the farmer means more power to buy what the rest of the country produces.