

Farmer's Advocate

and Home Journal

REGISTERED IN ACCORDANCE WITH THE COPYRIGHT ACT OF 1875

September 23, 1908

WINNIPEG, MANITOBA

Vol. XLIV. No. 835

EDITORIAL

The Iron is Hot

The trade in commercial cattle during the past two years at least has been steady with a healthy undertone. The supplies of cattle the world over are lower, and the price of cattle foods higher than at any time in recent history. Every indication points to higher values for meat, and it looks as if the skill of the breeder and care of the feeder would receive compensation in keeping with the importance they play in providing the world with food.

No one denies the advantageous position of Canada when it comes to producing meat cheaply. The value of Canadian lands considering their productiveness, is lower than in any other country, which gives us a first great advantage in meat production. The expensiveness of shipping is being, and can be, overcome by the increase in numbers of stock shipped, making the cost of each animal proportionately less. Interest in stock raising is being created by the educational campaigns of the provincial departments of agriculture, by the press and by general sentiment. The continual increase in our population is removing the general objection to stock-raising on the score of lack of help. Our soils are beginning to cry out for the benefits that stock farming gives them. Every sign and token is right for the enlargement of the stock industry. The depression that has been over the business of the purebred stock breeder appears to be on the point of lifting. There is no more strategic time to push the live-stock business than at present.

Fixing Railway Rates

When the Railway Commission was sitting last week in Winnipeg, complaint was made by representatives of certain boards of trade that certain freight tariffs in operation on the C. P. R., and C. N. R., were discriminatory, that advantage was given some communities in the matter of rates that was not enjoyed by others, and so forth and so on. It seems that this tariff, held to be discriminatory, has been in operation since last November, and that when it came into force it took the place of a tariff held by the board to be illegal. The old freight rates were discriminatory it was held, and the new rates, to judge by the argument of counsel before the commission, are as bad or worse. It seems difficult, if not impossible, for a railway company to frame up a freight tariff that will be profitable to them and yet satisfactory to the general public. In this case the public through its counsel was asking for a return of the old order of things, of the old illegal tariff which with all its shortcomings seems to have been a more satisfactory one than that now in force.

In the course of argument the question arose as to what a "reasonable" freight tariff really was. That is, what would be a reasonable charge for carrying a certain quantity of goods between any two points, and how did the railway companies determine what those charges should be? In the evidence submitted, it came out that the railway officials did not have much of a notion as to what the actual cost to the company was of carrying any class of freight between any two places in Manitoba. They believed the rates now in force were paying rates, the company evidently was not out of pocket by reason of their being in force, but professed that by no method known to them could it be determined whether or not the charges levied were just and equitable, in keeping with the services rendered by the carrier company, and the actual cost of such services to them.

Now in most lines of industry, in manufacturing for example, the cost of production plus the

interest on capital invested in the business, and the charges for depreciation in the plant represents the selling price of the finished article, at least in theory it does. But there seems to be nothing to show that railway companies have even a theory to work on when they set out to build up a freight tariff. They seem to just tack on what looks like a good paying rate and let it go at that.

It is the boast of the management of a railway running east from Chicago to the sea, that the line has been double-tracked and its carrying facilities vastly increased during the past ten years or so, and that all the charges for these capital improvements have been met by the surplus earnings of the road. That is to say the earnings of that road over and above the cost of operating it and paying returns on the capital invested, have been sufficient to very nearly duplicate the system. If this is true there must be quite a difference between the charges that road is making on its patrons for services rendered, and the actual cost such services are to it, plus the earnings of invested capital. And this same thing is going on more or less on all railways. There is charged up against the earnings a lot of things that are really chargeable to capital account, and the public are paying not only for the up-keep of the system, but for its extension and the increase of its earning power as well.

There is need for some investigation work along this line. Railway charges for passenger and freight carriage should not be arranged to provide capital for increasing the earning capacity of the road and enhancing the value of the property of the shareholders. There is a lot of extension work going on all the time on all railways that is being paid for from the roads' earnings, but which should very properly be met by increasing the capital stock. Until something like this is done, serious difficulties will continue to present themselves in the way of arranging "reasonable" freight tariffs, and the public will continue in doubt as to whether the charges made upon them for service goes to maintain the system and pay legitimate earnings, or whether a portion of it goes over to the shareholders in the way of a permanent increase to the value of the property they own shares in.

Rural Delivery of Mail Proposed

We submit that the Hon. Rudolph Lemeux is misinformed if he has been led to think Canadian farmers want rural mail delivery and that he has over-stepped the obligations of responsible government if he is arranging to give a rural mail delivery service upon his own responsibility. That he has decided upon the step upon his own initiative it is fair to assume, since the farmer's organizations have not memorialized parliament for the purpose of securing rural delivery. Nor are we aware that the members for rural constituencies have taken the trouble to determine the attitude of their electors upon the subject.

The minister apparently assumes that the function of government in this particular case is to give the people what it thinks is good for them, rather than to enact and administer legislation expressive of the wishes of the majority.

Canada, as a nation, is past that period of her existence when it can be assumed that the government exists, to mature minds, as a sort of successor to the fairies of childhood, although we are free to admit there are communities where this conception of the government prevails. But the people themselves are coming more and more to realize their own responsibility in affairs of government, especially when a large expenditure in their own interests is being contemplated. As a nation we should be, and are, making toward the time when legislation involving large expenditure by the federal government will be submitted to the people for ratification, just as money by-laws are now ratified by vote in municipal government.

Mr. Lemieux has in the past given considerable evidence of an understanding of public opinion, and of instinct for government, and it is to be hoped that in the further administration of the post office department he will follow his better counsel and obtain an expression of public opinion before committing the country to the tremendous expense of rural delivery of mails.

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It would be idle to discuss the question of rural delivery of mails in Western Canada. Every one agrees that while it would be a considerable convenience, the cost of the service would be out of all proportion to the value of it. In Eastern Canada there are no doubt many communities where the expense of rural mail delivery would fall proportionately light, owing to the closeness of settlement and the improved condition of the country roads. Such a locality is that about Niagara Falls where Mr. Lemieux made the announcement last week that he intended to introduce the scheme of rural delivery. People living in such a community might probably be willing to undertake a little expense for the sake of having their mail brought to their farm gates, and if they are, we make no objections to such a service. But in introducing the service, the principle should be laid down that the people who benefit by it should bear the greater proportion of the cost. In the matter of necessities, one section of the nation does not object to being taxed for the benefit of another section, therein lies the discharge of the duties and privileges of citizenship; but in the matter of a luxury such as a mail service to the door of each farm house, those who want it should alone bear the cost of it with the assistance of a nominal subsidy from the post office department.

As an abstract question it is interesting to note certain conditions related to the rural mail delivery scheme. The announcement of the intention to inaugurate the scheme was made to Ontario farmers. In Ontario the rural population is on the decrease so that if ever there was a reason for establishing such a service the decrease in population would weaken the case. Throughout Ontario, the telephone is being established in the farm houses and this furnishes a means of communication where urgent messages are desired. And as the population is decreasing, the farms are becoming larger and hence the proportionate cost of delivery would constantly increase.

The argument that the system has been a success in the States, is no justification for establishing it in Canada. Our territory is larger than the States, and our population is as five to eighty, with conditions in the distribution of that population totally different.

These facts are set down here, not in an attempt to deny to that portion of the population which lives in the country any of the conveniences which are theirs by right of their contributions to the national exchequer, but because we believe the cost of the system will be out of all proportion to its utility, and that its maintenance will, in the natural course of affairs, fall upon the rural population, or, if it does not, then it will be used by the urban element as a reason why more protection for various enterprises should be applied.

Figuring Fortunes in the Poultry Business

In no other business in the world, gold mines or saloons not excepted, can a man sit down with a pencil and a supply of paper and figure himself into wealth more quickly than with poultry. Wealth, beyond the wildest dreams of avarice, can be figured out in the poultry business, but the trouble is in working out the "get rich" schemes that seem plausible enough on paper. No end of systems have been evolved for "breaking the bank" at Monte Carlo, but none thus far have been successful; men, nevertheless, haven't ceased scheming out some means by which it can be done. It is the same in poultry, and will be, we suppose, as long as hens have feathers,