

The Grain Growers' Guide

Winnipeg, Wednesday, September 6th, 1911

SAVING \$1,000,000 TO FARMERS

H. W. Hutchinson, general manager of the John Deere Plow company, announced on August 22:

"I say this for the company of which I am a member, that we are prepared in the event of the adoption of reciprocity, to reduce our prices to the farmers \$5 on every harvester, \$3 on every mower, \$1.50 on every rake, \$5 on every seeder, \$5 on every American wagon, and other things in about the same ratio.

"What my company will do my competitors will be obliged to do also, because competition is the life of trade.

"The farmers will save in this way, as near as I can reckon, \$1,000,000 per annum."

WHAT THE PEOPLE MUST DECIDE

In two weeks the people of Canada will be called to give a decision upon the most important question of the present generation. It is not a question of whether a Liberal or Conservative government shall rule at Ottawa. Governments come and governments go but there are principles which are of greater importance than any party. It is not a question alone of having free trade in natural products with the people of our own blood and tongue adjoining us. These two questions must give way to a consideration of the fundamental principles involved. The Guide is wholeheartedly in favor of reciprocity with the United States and to a much greater degree than the present agreement provides. The Guide is no admirer of the record of the administration at Ottawa for the past fifteen years, as anyone can judge from the manner in which we have pointed out their weaknesses, but the present issue is something above party.

There has never before been a real clear cut issue before the people of Canada in the present generation. Today there is one. This issue is whether the people are to have any voice in the legislation at Ottawa or whether the few thousand men who benefit by special privileges are to be an absolute autocracy. This is the burning issue that goes down deeper than any of the superficial and minor questions being tossed to and fro in the present campaign.

We have dealt thoroughly with every phase of the reciprocity question. The people are fully alive to its benefits. But let us look at the anti-reciprocity forces today. Who are they? They number in their ranks every one of the elements that have been preying upon the Canadian people for a generation past. Let us consider them a little.

There are many of the agricultural implement manufacturers who bring their raw material into Canada duty free and sell their implements with the full cost of protective tariff added as unearned profit. They sell their binders cheaper in Great Britain than to the Canadian farmers. They sell their plows more cheaply in the United States, after paying the duty, than they do in Canada. They need no protection whatever, yet they are bending all their energies against reciprocity because it reduces their protection in some cases 2½ per cent., and in others 5 per cent. They oppose reciprocity because they know it will mean free trade in implements very soon.

There are the leading financiers of the Canadian Bankers' association who control Canada's banking system by their practical monopoly. It is an immense privilege for which they give no return. They pay the people of Canada 3 per cent. on deposits, and then loan the money in the United States at high rates of interest when it is needed to finance Canadian industry. These same gen-

tle men provide the funds to finance the watered stock mergers that are oppressing our people. They are opposing reciprocity because it is a reform movement which, as it grows, will demand from them a return for the privileges they enjoy.

There is the Canadian Manufacturers' association, composed of a few hundred men who are making immense unearned profits out of our protective tariff. This is a political organization absolutely. At their annual conventions practically the only subject before them is protection and more protection. They support lobbyists at Ottawa and contribute their money to campaign funds to maintain their control over politicians. They use their power to corrupt our political life in order that they may be allowed to amass unearned riches under a protective tariff. The reciprocity agreement does not touch them, but they fear it is the beginning of the end of their unfair privilege.

There are the flour millers who buy the farmers' wheat at the very lowest price possible and agree among themselves to charge a high price for the flour. They pay less for the choice hard Western wheat at Winnipeg than it would bring at Minneapolis, yet they charge more for their flour than is charged at Minneapolis. They also ship their flour to Great Britain and sell it cheaper than in the heart of the land where the wheat is grown. The reciprocity agreement reduces the protection on their flour from 60 to 50 cents a barrel and increases the cost of their wheat by bringing more buyers. Naturally they oppose reciprocity.

There are the coal and steel barons. The latter have been given more than sufficient cash in bounties from the Dominion treasury to build their entire plants, and yet they sell their steel rails more cheaply in Australia, India and South Africa than in Canada. These men fight tariff reductions on general principles. Their bounties have been withdrawn. They hope to have them renewed. The coal barons are having their protection cut from 53 to 45 cents per ton. They can ship their coal to the United States and pay the duty and then sell cheaper than in Canada, but cannot live without protection in Canada. Of course not.

There are the meat packers who have been paying the farmers ruinously low prices for years and paying themselves dividends running from 25 to 120 per cent. The reciprocity agreement puts cattle on the free list and will open the Chicago markets to the Canadian cattle raiser, where he will get a much higher price. No wonder these people fight reciprocity.

There are the railway companies that have tapped the public treasury for more than enough money to build their entire systems. They have made sufficient surplus out of the Canadian people to build railways in Mexico, South America and the United States and they extort higher freight rates in Western Canada than in any other part of the world. They are fighting reciprocity because they fight all reforms and want no other competitors allowed into their preserve. The railway companies do not want the people to secure any relief, as it may lead to further reforms.

These interests number only a few thousand men, but they control wealth aggregating billions of dollars. They have made their huge fortunes out of Special Privilege secured at the hands of the Canadian legislators over whom they have exercised a most injurious control for the past generation. United States has been regarded as a trust ridden country, but Canada can weep over worse combines than United States has ever seen. These interests control scores of our leading newspapers and poison the wells of truth to serve their own selfish ends. They have combined to

fight reciprocity and are contributing hundreds of thousands of dollars to the anti-reciprocity campaign fund. If reciprocity is defeated these interests will make the laws of Canada for the next fifteen years. The tariff will go up and the burden upon the Canadian people will grow heavier. The shackles of protection and privilege will be riveted more tightly than ever upon the necks of the wealth producers. But if reciprocity receives a strong endorsement at the hands of the people on September 21, then the reign of Special Privilege is nearing an end. The government will realize that the people are supreme and will be compelled to grant the redress demanded. The tariff will go down and the various interests that have levied tribute upon the people will be compelled to stand upon their own feet. If the people intend to be the rulers of Canada now is the time for them to assert their power. Two weeks are left in which to make a decision. We look for the cause of the people to be fully vindicated on September 21, and then we will march on to greater victories.

SHARPE BELIEVES IN RECIPROCITY

Under the above heading in our issue of two weeks ago we published the following extracts from an address made in the House of Commons by W. H. Sharpe, M.P. for Lisgar, on April 14, 1910:

"In the little town of Mowbray, in 1908, the elevators handled over 300,000 bushels of wheat, but last spring a spur railway was built across the line into North Dakota, and an elevator erected there, with the result that last year instead of handling 300,000 bushels on the Canadian side, there were only 100,000 bushels handled, while the United States elevator handled 300,000 bushels. Our farmers took their grain across the line and shipped it in bond back into Canada to the lake ports, and by pursuing this course they received from 13 to 14 cents per bushel more for their grain than had they dealt in Canada.

"Let me tell the minister of agriculture also that, whereas, in the Province of Manitoba, along the boundary line the land is worth only \$20 or \$25 and in some cases \$30 an acre; right across on the American side on account of the better treatment which is accorded the farmers in North Dakota, the land is worth from \$40 to \$50 an acre.

"I represent a mixed farming community, and last year we shipped 512 cars of cattle to the city of Winnipeg. I know numbers of farmers in my constituency who always in the past have kept from fifty to seventy-five and one hundred head of cattle, but these men are selling out their herds and going out of business because the combines are robbing them of every dollar they should make. It goes without saying that the farmers must keep stock in order to keep up the standard of their land, and if the cattle industry goes, so much the worse for general farming. There were 110,000 head of cattle shipped to the city of Winnipeg last year, and all the farmers could get from the beef combine in that city was an average of \$3.76 per hundred weight, while the same time the average price for similar cattle in Chicago was \$6.27 per 100 pounds.

"With 110,000 head of cattle going in, the meat combine in Winnipeg took out of the producers between \$1,000,000 and \$2,000,000 more than they should have done. Is it any wonder that the producers are quitting? The combine is simply driving them out of business. The drovers from North Dakota come across to Manitoba and buy cattle and drive them across the line and pay duty, which I think is 25 per cent."

We consider this a strong argument for reciprocity and it certainly shows that Mr. Sharpe fully realizes how it will benefit the farmers of his constituency to have free access to the United States markets and the high prices he quotes. Mr. Sharpe speaking at Winkler a few days ago made the following reply to our article:

"In the issue of The Grain Growers' Guide of August 28 there is an article headed 'Sharpe Believes in Reciprocity'. Extracts are taken from a speech I made in the House of Commons on April 14, 1910, where I compared the conditions in Manitoba with the conditions in North Dakota, and blamed the government for the conditions in Manitoba. On that occasion I tried to show the government the remedy that should be applied

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