

homes. They are too bulky and formidable for the average, tired farmer.

How do we know unless we have studied chemistry of farm products that the potash is needed for potatoes, roots and clover especially?

How do we know the particular kind of soil that needs certain applications to liberate the soil potash in available form?

Who but a farmer can convince a farmer in spite of his skepticism?

This shortage of potash invites the development of native resources, and I'm convinced we have all we need of them if "the scales would fall from our eyes" and we would open them to a rational use of our own wasted products.

Prince Edward Co., Ont. A. LOWDER.

A Most Serious Situation—Agriculture Throttled—Consumers Burdened.

Editor "The Farmer's Advocate":

When, toward the close of the past year, you suggested that I should add a word to what was being said respecting the duty of farmers, along the line of greater production, I then felt that we were receiving such a plethora of advice—good, bad and indifferent—from all imaginable quarters, that, in the hazy conglomeration, "silence" perhaps "was golden"—not that I do not realize, as, in fact, all farmers do, that, in the midst of this terrible world struggle—a struggle between the great principles of freedom, and liberty and a higher civilization on the one hand, and that of a chained militarism, on the other, the most pressing duty of the moment, for those who remain at home, is to strive to the utmost—regardless of financial consideration—toward the production of "more than usual." Such advice is good, and worthy of the widest publication. One impression, however, appearing too often in your varied correspondence—that this war, up to the present, has been a benefit to Canadian agriculture—should be corrected.

To any one who knows that the live-stock industry is the very backbone of a permanently successful agriculture, and who stops to think that the commercial prices of all kinds of finished live stock are away below what these were a twelve-month ago, this impression will at once be dispelled. And again, the extremely high prices of grains, in proportion to the prices of the finished products in all kinds of meats and staple foods—always a most undesirable factor, in tending to discourage the holding of live stock, with the result that too many farmers will almost sacrifice these and turn to the growing, for sale, of wheat and coarse grains—all tend to make the situation, from the standpoint of true agriculture, most undesirable indeed. As we noticed the seeming passionate interest of all classes—farmers, business men, artisans, workmen, great captains of industry, masters of finance, and railway magnates—all vying with each other, and fairly burning to relieve themselves of the advice—that the unprecedented financial and economic situation could only be relieved through the further developments of Canadian agriculture—in short, that Canada's national watchword must be: "Development of Canadian agriculture—Canada's only hope." As we noticed all this were we not justified in being buoyed with the hope that the day of deliverance had come, that the strings which had held the millstone would be cut, and that at last the great pursuit of agriculture would be allowed to enter into the possession of its own in this country; and this hope was even further encouraged by the great banner of the Government program auspiciously inaugurated by the Minister of Agriculture under the heading—"Patriotism and Production." Could any one in his senses have believed that all this was to be the advance agent—the veiled forerunner—of the diabolical enactments which appear in the new customs tariff bill, announced by the Minister of Finance in his budget on February 11 last.

While these tariff changes are being made, presumably as a "war revenue tax," yet not one dollar of the revenues to be obtained from these sources goes to meet Canada's war burdens. In his budget speech the Finance Minister made it plain that every dollar of the \$50,000,000 voted last August and the \$100,000,000 now being asked to prosecute the war, is being met by the British Government, to be arranged later between the British and Canadian Governments. The enactments simply mean (apart from the further burdens they place upon the requirements of the farmer) that the consumers of Canada, of which those engaged in agriculture and its allied industries make up over 70% of the whole, are bound hand and foot to the Big Interests of this country, and yet the suggestion is made that, under present war conditions, we should just grin and bear and be silent.

These enactments have nothing whatever to do with the further prosecution of the war. Therefore, to remain silent while these further burdens are being fastened upon the Canadian people, and

more particularly upon the farmers and workmen, would be nothing less than criminal.

What is the present situation? As the Government take credit for the matter of not increasing the duties upon flour, sugar, etc., (the ratio upon the latter of which was raised in August last) some few agricultural implements, etc., let us first deal shortly with the prices of flour to the Canadian consumer. The present retail prices of the select brands of Canadian flour in Western Ontario are from \$4.40 to \$4.60 per cwt. While I have not at hand the comparative prices at which these grades are being sold in Britain, yet, no doubt the same difference still prevails as did one and two years ago, when it was known that at the same time flour was being sold to the retail merchants in Winnipeg for \$2.90 per cwt., the same quality of flour was being laid down at the doors of the co-operative societies in Manchester and Glasgow for \$2.50 per cwt.

The committee of the Toronto Board of Trade (report fall of 1912) found that, at the same time as a certain brand of Canadian flour was being sold retail in Toronto at \$3.00 per cwt., it was being sold in London, Eng., at \$2.53 per cwt. wholesale, and it must have cost something to ship it there.

The "Montreal Telegraph" reported Sept. 12, 1913, that flour was selling as follows:

	Winnipeg	Montreal	London, England.
Top grades, per bbl....	\$5.00	\$5.10	\$4.18
Patent, per bbl.....	4.80	4.90	4.06
Bakers, per bbl.....	4.00	4.10	3.60

These prices show a difference between Canada and Great Britain of about 80 cents per barrel. Why are Canadian millers enabled to charge home consumers so much more than the article commands in the open market of Great Britain? Simply because the Canadian customs tariff imposes a barrier upon foreign flour imported into Canada of 60 cents per barrel, which, added to the freight from foreign points, enables the big milling companies to make this additional charge and put the margin in their pockets.

For purposes of home consumption the Canadian people require annually about 50,000,000 bushels of wheat—9,500,000 barrels of flour at 80 cents per barrel, or a margin to Canadian millers of \$7,600,000 per annum over and above what British market prices would afford. The abolition of this duty would very soon reduce the price of Canadian flour to Canadian consumers to this extent and enable them to retain the margin in their own pockets. With this margin the consumers of Canada could pension the 6,791 flour mill employees to the full extent of the wages they receive—\$3,756,275, and allowing them to go idle all year, and still leave in their pockets \$3,843,725. Does the milling industry really need this favor?

The census returns of 1911 show:

Capital invested in Canadian flour mills.....	\$42,905,689.00
Materials used	57,227,520.00
Salaries and wages.....	3,756,275.00
Output.....	82,494,826.00
Annual profit	21,511,031.00

or an annual dividend of 50% on capital invested. Is it any wonder that John Corbett, after 28 years' experience as foreign freight agent of the C. P. R. said, "The milling monopoly is one of the worst in Canada." Still, at the same time tariff conditions have been largely the cause of the starving out of the small milling plants of the country to such a degree that while in 1891 there were 2,550 flour mills in Canada, in 1911 these had been cut down to 1,141.

Take the duty on agricultural implements. As it stands to-day it compels the Canadian farmer to pay nearly \$4,000,000 per annum more than they should on the implements they buy, and the additional 7½% on all but binders, reapers, mowers, etc., will saddle at least another million and more to their burden, and put very little if anything more in the public treasury. The same is true on all other of the farmer's requirements: his iron and steel goods, hardware, harness and saddlery, wire fencing, grass seeds, even cream separators, which have always been free, in fact, on all his supplies (with very few exceptions, such as corn for feeding purposes, etc.) thus saddling the already over-burdened pursuit of agriculture with millions of an additional taxation, and the public treasury will get a very small percentage indeed. And so it is all down the lists of the requirements of the consumers of Canada: boots and shoes, cotton and woollen goods, but I must not enlarge.

The most shameful feature, however, of this whole new tariff enactment, is the imposition, under present circumstances, of an additional 5 per cent. on British goods. There is nothing which would seem more to condemn this played-out policy of tariff exaction than the desperate expedient of increasing the tax on the goods of the old motherland at this present time. To think

that Great Britain is now engaged in such a desperate struggle; that she is fighting for national life, and the continued existence of the whole Empire (Canada included); that she is now financing every dollar of Canada's share in the war; that in the last resort British trade must be the final and decisive source of revenue, to carry the war to a successful termination; and that, but for the maintenance intact of British overseas trade, Canada at the present moment might be bankrupt, and without the funds even to buy a pair of useless boots for a soldier; and yet, in the face of such a solemn situation, the Government calmly and coldly imposes an extra tax on the already over-burdened British trade coming into this country! Do you say that in such a trying situation "silence" on the part of the Canadian people "is golden"? If every Canadian—railway magnates, captains of industry, and masters of finance included, and not overlooking the paid representatives of agricultural thought and direction—the men to whom, more particularly the agricultural industry has a just right to look for deliverance at this time—if all these men are true to their past utterances, that the present financial economic situation can only be relieved through the further development of Canadian agriculture, then with a united voice the Canadian people should demand that the unjust, most burdensome economic restrictions under which agriculture has for over thirty years been struggling, should at once, along with these additional onerous and proposed enactments, be removed. By this means alone will the agriculture of Canada ever be placed upon a permanent successful basis, and without this all the elaborate educational splurge lately set in motion is simply adding insult to injury, as the more we educate the people the more they realize their true situation and the more they incline to leave the farm. If this is not done we are likely to experience another exodus such as that which drained too much of the very life-blood of Canada during many years of the latter part of the last century. Immigration has already been checked, and the trek from the West has begun.

Huron Co., Ont.

THOS. McMILLAN.

Counting the Cost.

Editor "The Farmer's Advocate":

It is surprising how little attention we, as farmers, give to this very important mental calculation of counting the cost. Nor is it confined strictly speaking to dollars and cents, although that may be the indirect result. But it has an important bearing on nearly every farm operation that comes under our care. It even extends to the social or home side of rural life.

The foregoing paragraph suggests then three ways in which it is possible with considerable satisfaction to ourselves and comforts to others to put on a business basis the three prime factors of the average farm home: First, that which is strictly financial, or in other words, those products and operations of the farm which have a distinctive commercial value; secondly, that which may be termed "daily routine," in which it is almost impossible to simplify down to a dollar-and-cent basis, but without which no farm can be carried on successfully; third, the social or home department.

Let us then deal for a little on these three distinctive phases of rural life. In the first place let us consider the strictly financial side, the side that is over-estimated by some and under-rated by others. It is a deplorable fact that a great majority of farmers in looking over their incomes for the year neglect to count the cost of production. As has been suggested by other writers to "The Farmer's Advocate," it would surprise many farmers if they really knew what the finished product had cost them. While it is not possible for the farmer to set his own prices for his produce, it is possible for him in view of the markets prevailing to see to it that the cost of production is brought down to a minimum; and, thus comparing the gains or losses on the various productions of the farm, it will be much easier to determine the most profitable lines of production.

This "counting the loss" has still another advantage besides pointing out the most profitable production, it creates in the producer a desire to lower the cost, especially in those things that show a small margin of gain. Is the dairy a paying proposition? Does the poultry account show a balance in your favor? Or, are the returns you are receiving from the live stock on the farm paying for the feed, time and capital invested? How many farmers can answer satisfactorily such questions as these? And yet they are all problems with possible solutions, and the sooner they are solved the sooner will they reach an intelligent footing, and as a consequence better methods will be adopted, not only in regard to production but also in marketing—the latter, by the way, could do with a good deal of improvement. Let us not forget then that the financial returns of the farm, in no small degree, depend on "counting the cost."