

GOVERNMENT OWNERSHIP OF INTERNAL ELEVATORS

Grain Growers Call Conference to Devise Plans for Such a Scheme in Western Provinces—Premiers and Executive of Farmers' Associations to Meet to Discuss Question.

The Board of Directors of the Manitoba Grain Growers' Association held a meeting in Winnipeg, Friday, Sept. 25th. The meeting was called for the purpose of considering complaints from country points as to the arbitrary methods adopted by the elevator companies in refusing to accept special binned grain and other irregularities in violation of the Grain Act.

The Directors waited on Mr. Castle, Warehouse Commissioner, and Mr. W. B. Lanigan, Assistant Freight Traffic Manager, C. P. R., and made a demand that the extra freight charges of 1c per 100 lbs., on bulk head cars be cut in two and that the specific charge of \$3.00 per bulk head, made by the terminal elevators be reduced to \$2.00.

The Directors instructed the Secretary to take the necessary steps to have the conference between the premiers of Manitoba, Saskatchewan and Alberta and the executives of the Grain Growers' Association, which was postponed in June on account of the absence of Premier Roblin from the Province, called together to devise a scheme of Government ownership of line elevators that would be applicable to the three provinces.

The following is the proposition submitted to the Premiers by the Inter-provincial Council of the Grain Growers' Association:

PROPOSALS

Resolved, that we the members of the Inter-provincial Council, having the verbal suggestions of the Premiers placed before us, and having carefully considered same, regard them as being totally inadequate to safeguard the interests of the farmers in marketing their grain and we beg to reiterate our former request that the Government acquire and operate the interior storage facilities along the lines previously stated, more specific details in certain particulars of which are given below.

(1.) That the government provide by purchase or construction or both at each railway point where any considerable quantity of grain is marketed, elevator facilities with up-to-date equipment for cleaning, weighing and loading grain, that these facilities for the most part be sub-divided into bins of 1,000 bushels capacity, and that the system be operated by the government direct, or through a commission appointed for that purpose.

(2.) That the minimum capacity required at each shipping point will be approximately one-third of the quantity annually marketed there. This whole amount need not, however, be provided at the outset, but the storage structure should be so arranged as to admit easily of addition and extension as necessity demands.

(3.) That the charges for handling and storing grain be such as to provide interest on amount invested, cost of maintenance and provision for gradual payment of initial cost.

(4.) That a certain per cent. of the storage, (not to exceed 25 per cent.) should be at the disposal of buyers of street grain.

(5.) That two or more farmers be granted the privileges of jointly occupying a bin.

(1.) Advantages without the co-operation of the Dominion government.

(a.) The abuses incident to the storage facilities being in the hands of those interested in the purchase and sale of grain would be abolished, such as, improper grading, the giving of light weight, the taking of excessive dockage, the substituting of grain of inferior quality for that specially binned by the farmer, denying the privilege of special binning to the farmers on the false plea of lack of space and interference with the freedom of shipment of stored grain by the owner.

(b.) Adequate facilities for the cleaning of the grain are not provided by the elevator companies. The government system would enable the cleaning of grain to grade requirements before shipment, retaining to the farmers a large

amount of screenings valuable for feeding purposes, increasing their chances of obtaining higher grades when grain was inspected and saving them from payment of freight on screenings from point of shipment to the terminals.

(c.) Dockage would be no longer a matter of guess work. The farmer would be credited with his exact amount of cleaned grain and permitted to retain his screenings, which oftentimes include valuable grains of various kinds as well as weed seeds having a high feeding value.

The following facts illustrate the saving possible in this connection. It is estimated that the 70 millions of wheat of the crop of 1906 inspected, contained 2 p. c., or 1,400,000 bushels of screenings, averaging in worth $\frac{1}{4}$ ct. per lb., and which cost the farmer on an average 10 cents per bushel in freight charges owing to his inability to have his grain cleaned before shipment. These two items represent a loss of \$560,000 to the farmers of the west, which will occur every year with additions until abolished by the establishment of a government storage system equipped with proper cleaning apparatus. The above amount would pay the interest on a sum sufficient to create the storage system asked for and provide a sinking fund which would liquidate the cost within a reasonable term of years.

The grain being weighed into cars by a government official having no interest therein, will facilitate the collections of claims for shortage from the railway companies.

(d.) The preservation of the identity of grain in special bins under the custody of government officials will make possible the establishment of a sample market which will largely correct the injustices incident to a grading system, when climatic conditions make it impossible for the grade description to classify grain according to its intrinsic value. For example, a slight bleaching suffered by a large percentage of wheat the year before last condemned millions of bushels having the essential qualities of One Hard to be graded as Two Northern, making the price four cents per bushel less than it should have been and occasioning an enormous loss to the producers. Also this year owing to a general frost the grading system operated to group types of wheat together in the same bin having in many cases a difference in value of twenty cents a bushel.

(e.) The having of storage facilities in the interior under government supervision would make it possible to send samples to be displayed on the sample market in advance of shipment. This would permit the grain to be exhibited for a number of days without expense to the owner and also permit of the grain being sold for shipment, either east or west of the point loaded.

(f.) With the building of the Hudson's Bay railway will come a still greater advantage in interior storage as grain in the interior will have the choice of two routes and two markets, while grain sent to the terminals before being sold will have only one.

(g.) The presence of government storage facilities that could be used by buyers, who are not owners of elevators would place these buyers in a position to compete on even terms thus preventing a monopoly of the market by elevator owners, and tending to keep street and track prices near together.

(2.) Advantages with the co-operation of the Dominion government:

The complete plan of the Grain Growers' contemplates the passing of an amendment to the Inspection and Sale Act that would permit the operator of a provincial elevator to discharge the functions of a Dominion weighman and sampler, and the granting of weight and grade certificates, the grading to be done by the inspection staff at Winnipeg using the samples of the contents of the special bins forwarded by the elevator operators.

Several members of the Dominion government have given representatives of the Grain Growers' an assurance that such legislation can be easily secured as soon as the request is made by a provincial government.

The additional advantages under these circumstances would be that grain could be sold for future delivery to greater advantage since the grade would be known. Also advances on warehouse receipts could be secured so soon as delivery of a car lot was completed at the initial elevator, enabling a farmer