

the time being until the pendulum swings back to normal, and exert their energies towards efficiency. The great cry is to lower the cost of living, which cannot be done by increasing rates, increasing wages, and shortening the hours of service.

Middlesex Co., Ont.

R. H. HARDING.

A stalk of corn measuring 13 feet 8 inches on August 31, was brought to the office of the "Farmer's Advocate" from the farm of Geo. Kilmore, South Dorchester Township, Ontario. Mr. Kilmore has five acres of this phenomenal growth and is expecting it to still grow two or three feet in height. The seed was purchased through an advertisement which appeared in "The Farmer's Advocate" last spring.

THE DAIRY.

Producers' and Consumers' Interests as They Affect Milk Prices.

By reason of fact that a milk commission has recently been appointed to investigate from time to time milk prices in the Province of Ontario, and because there is some possibility that the dairyman's winter price will begin September 1, thus giving an eight months' winter instead of seven as formerly, the following statement by G. P. Warber, Manager of the National Milk Producers' Federation of the United States, should prove interesting to all milk producers. Mr. Warber points to the milk business of the City of Philadelphia as one of the most successful examples of an amicable adjustment of milk prices secured by the co-operation of producers, dealers and consumers. The statement quotes an article by Dr. Clyde L. King, Milk Price Arbitrator for Pennsylvania. Mr. Warber's statement follows:

"In asking for certain information relative to public control over the market distribution of fluid milk, a manager of one of the prominent producers' milk marketing associations of the United States recently wrote in part as follows: 'Our constant trouble with the milk dealers on price adjustment convinces us that there should be some method by which prices and all other factors pertaining to the distribution of milk can be amicably adjusted from time to time by some impartial body with authority to enforce its regulations.'

"The present writer is aware of the fact that some of the largest milk producers' marketing associations are outspokenly opposed to any further extension of public control or regulation of the market milk business whether by municipal, state or federal Government boards or commissions. The majority of farmers of certain sections of the United States, in common with business men and property holders in other industries, seem opposed on general grounds to the extension of Governmental regulation of almost any kind of business. Governmental control and regulation of business is not in harmony with their theories or convictions in the realm of political science or practical politics. Besides such general considerations, however, the experience of many farmers with the activities of the United States Food Administration relative to milk prices during the war, caused them to form rather strong convictions regarding the efficacy and equitableness of Governmental supervision of that kind of business; and those convictions are generally rather hostile towards the idea of increased Governmental control in the market distribution of milk.

"But, as already indicated in the beginning paragraph this is by no means the unanimous opinion of organized milk producers in all sections of the United States. For a considerable length of time after the U. S. Food Administration ceased to function, various producers' associations, notably the New England Milk Producers' Association, the Inter-state Milk Producers' Association (supplying Philadelphia and several cities around it) and the Michigan Milk Producers' Association (supplying mainly the City of Detroit), voluntarily continued

to formulate schedules of seasonal prices of milk, in conference with representatives of the public; variously designated as milk commissions or milk administrators. The functionings of such commissions and administrators were probably all 'extra legal,' i.e. they were without the sanction of either state or federal laws. But it is important that for a considerable number of months after the Food Administration ceased to function both the producers' associations and the leading milk dealers in those markets continued to abide by the decisions of such administrators or commissions.

"One of the most successful examples of such regulation of the market milk business is that of Philadelphia. The following description of how the interests of the milk producers, the dealers, and the consumers were all recognized and protected by the amicable co-operation of the producers' association and the city milk dealers under the able leadership of Dr. Clyde L. King, "Milk Price Arbitrator for Pennsylvania," is taken from an article written by Dr. King and printed in the July issue of the Inter-state Milk Producers' Review, the official organ of the Inter-state Milk Producers' Association, Inc.

THE PUBLIC REPRESENTATIVES.

"It has been my duty to act as one of the public representatives in milk price matters in Philadelphia, first as chairman of the Governors' Tri State Milk Commission, then, under the Food Administration, as Milk Commissioner, and since the armistice as milk price arbitrator for Pennsylvania, appointed by the Governor. What part, if any, public representatives have played during this period it is for others to evaluate. In this work the following principles among others have guided public officials during this period.

1. Full and complete information has been insisted on as a basis for judgments. To this end the milk distributors in the city have filed and continue to file monthly financial statements. These and other records of these companies have been and are being examined by an accountant paid by the public, working at present under the supervision of and responsible to the milk arbitrator.

2. Policies that increase the loads on and shorten the hauls for retail wagons have been encouraged. In many cities during the war period all sorts of plans were evolved to save milk distributing costs. These plans took the milk off the retail wagon and hence increased per quart the cost of delivering milk. Philadelphia milk has been delivered and bottled, at below the cash and carry plan for loose dipped milk in New York City, in most, if not in all of the months of the past two years; and below any cash and carry plan for bottled or loose milk adopted anywhere.

3. Every effort has been made to keep the market wholesome. Formulas that arrive at artificial prices to producers have not been used in this district as they have in others. But the need for advancing prices to producers has been squarely met as the best guarantee to consumers of an adequate supply of milk.

4. No attempts have been made to 'fix' prices by Government agents. Price conferences have been and are attended by the representatives of the public as well as by representatives of milk producers and milk buyers. In these conferences the interests of all parties including the consumer, are considered, and all agencies, whether they be those of the public, or of producers, or of dealers have been summoned to correct evils and to keep a wholesome price situation.

PRODUCERS' MILK PRICES.

"The milk producer selling on the Philadelphia market has fared better than have producers in flats, meats and live stock throughout the United States. In 1913 and 1914, the normal seasonal variation in price to milk producers was above and below the current price level. In 1916 the price to producers in the season of greatest production fell as low as the price for milk in previous seasons, while the prices of all other commodities tended upward. In the years 1915, 1916 and 1917 the price of milk did not increase as rapidly as

did the price level, and it was not until the early part of 1918 that the milk producer in this district received a seasonal increase above as well as below the price level of other commodities and an annual average price equal to the price of other commodities. By the year 1918 the milk producer in this district was getting a price for his product fully equal to the price increase in all other commodities. The producer in 1919 received an annual average of $3\frac{1}{2}$ per cent. more than he received in 1918, as compared with an increase of about 15 per cent. in the general price level. In this district, therefore, while the prices to milk producers lagged in 1915, 1916 and 1917, they fairly caught up with the current price level in 1918, but lagged in 1919.

"The farmer worked during the war period. He was not a profiteer. His output equalled or exceeded that of previous years. But the prices for his conditions did not rise so rapidly as did those in other industries. Whether the money price for the products of the American farm goes up or down, the relative price for what our farmers receive must increase in future months or consumers will wake up short of food. To put it another way, it was the middle class farmers and their salaried city cousins on whom the real brunt of the war fell. Unless we want to see further exodus from the farm to the city, the war debt to producers must be repaid in relative, if not actual, higher prices in the future. The milk producer on selling in the Philadelphia market has received as high a net annual price as any milk producer in the country and he fared better than did producers of milk, meats and fats generally.

THE MILK DEALER'S PART.

"The farmers selling on the Philadelphia milk market have helped to stabilize prices to consumers. But it cannot be said that the favorable retail price in Philadelphia has been at the expense of producers in other districts, or for the year 1918, as compared with the price level of other commodities.

During the year of 1919 the consumer in Philadelphia paid an average of one and one-half cents per quart for each month below the average price paid by consumers in New York City, Pittsburgh and Chicago for pasteurized milk delivered, while the milk dealer in Philadelphia paid as much to the farmer for his milk as did the dealers in these other cities. In other words, Philadelphia milk dealers have received, cooled, pasteurized, bottled and delivered milk at one and one-half cents per quart below the average spread taken for these services, including profits, by the milk dealers in these other cities.

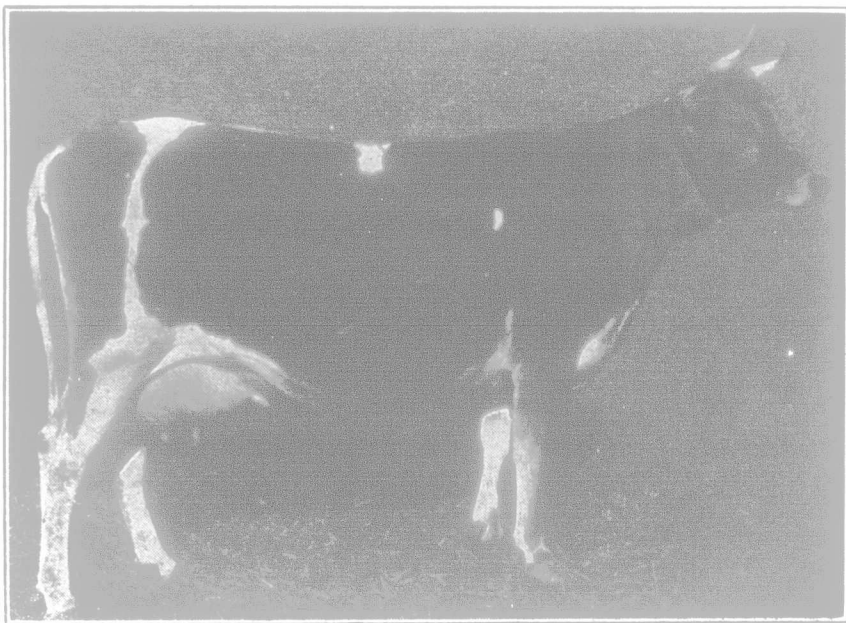
In the period before the war, when milk was selling at eight cents per quart, about four cents per quart of the annual average went to the producer and four cents to the distributor. This was the situation in 1914. By 1919 the farmer was receiving nine cents per quart and the distributor five cents per quart for his services. The price to the producer, that is, had increased 125 per cent. while the share taken by the distributor had increased 25 per cent. In other words, out of six cents increase in the price of milk to the consumer in Philadelphia during the war period five cents went to the farmer and one cent to the milk distributor. Can anyone point to any group of business men, other than Philadelphia milk dealers, who are to-day performing the same or better service at but 25 per cent. increase over the prices charged for those services in 1914. There may be such, but every consumer knows how scarce they are.

By what principles and methods have the dealers in Philadelphia accomplished this result? The following are among the principles and methods responsible.

1. The Philadelphia dealers co-operated with public representatives to keep costs low.

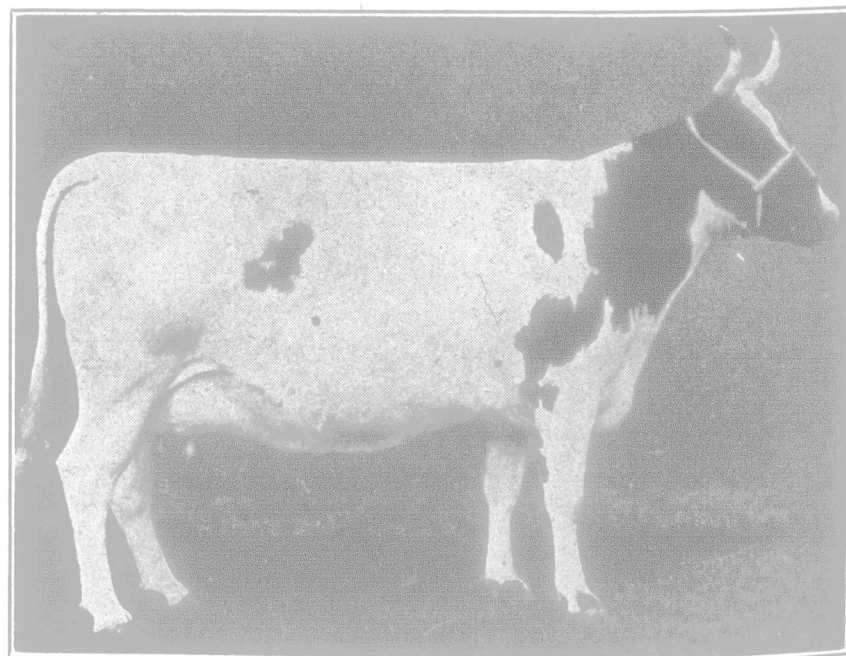
2. Milk in Philadelphia is sold from the retail wagon. Over 90 per cent. of the milk consumed in Philadelphia, probably 95 per cent., is sold from the retail wagon. The larger the load on the retail wagon and the shorter the haul the lower the delivery cost per quart.

3. Wages to milk drivers have been in large part



Oak Park Venus.

Recently finished as four-year-old R. O. P. test of 630 lbs. butter-fat from 12,579 lbs. milk. Owned by the University of British Columbia.



Bruchag Pearl 2nd.

First-prize Ayrshire cow at the Glasgow show. Owned by Mrs. MacKay.