

MONEY FOR THE FARMERS

United States Congress Will Consider Legislation on Rural Credits

Considerable attention is being devoted both in Canada and in the United States to the question of agricultural credits. The Saskatchewan government is considering the matter and will present a report shortly.

President Wilson has just issued a statement urging action by congress in respect to rural credits. He says:—"Again and again during the discussion of the currency bill, it has been urged that special provision should be made in it for the facilitating of such credits of the farmers of the country who stand in need of agricultural credit as distinguished from ordinary commercial and industrial credits. Such proposals were not adopted because such credits could be only imperfectly provided for in such a measure. The scope and character of the bill, its immediate and chief purpose, could not be made to reach as far as the special interests of the farmer require.

Special Machinery for Rural Credits.

"Special machinery of a distinct system of banking must be provided for if rural credits are to be successfully and adequately supplied. A government commission is now in Europe studying the interesting and highly successful methods which have been completed in several countries of the Old World, and its report will be made to Congress at its regular session next winter. It is confidently to be expected that the Congress will at that session act upon the recommendations of that report and establish a complete and adequate system of rural credits.

"There is no subject more important to the welfare and industrial development of the United States; there is no reform in which I would myself feel a greater honor or privilege to take part because I should feel that it was a service to the whole country of the first magnitude and significance. It should have accompanied and gone hand in hand with reform of our banking and currency system, if we had been ready to act wisely and with full knowledge of what we were about.

Adjustment of Farmers' Needs.

"There has been too little Federal legislation framed to serve the farmer directly and with a deliberate adjustment to his real needs. We long ago fell into the habit of assuming that the farmer of America enjoyed such an immense natural advantage over the farmers of the rest of the world, were so intelligent and enterprising and so at ease upon the incomparable soil of our great continent that they could feel the world and prosper no matter what handicap they carried, no matter what disadvantage, whether of the law or of natural circumstances they labored under. We have not exaggerated their capacity or opportunity, but we have neglected to analyse the burdensome disadvantages from which they were suffering, and have too often failed to remove them when we did see what they were. One of the chief and most serious of these disadvantages has been that he has not been able to secure the extended bank accommodations he every year stands in need of, without paying the most burdensome rates of interest and saddling himself with mortgages and obligations of every kind which he fairly staggered under, if he could carry them at all. In other countries, systems of rural credit have been put into operation which have not only relieved the farmer but have put his enterprises upon a footing of easy accomplishment.

"The countries in which agriculture was steadily languishing because wholly unprofitable have seen their farming lands blossom again and their people turn once more hopefully to the soil for a living. Our farmers must have similar means afforded them of handling their financial needs easily and inexpensively. They should be furnished these facilities before their enterprises languish, not afterwards.

Problem of Credits.

"And they will be. This is our next task and duty. Not only is a government commission about to report which is charged with advising the Congress of the best methods yet employed in this matter, but the Department of Agriculture has undertaken a series of systematic studies of the whole problem of rural credits. The Congress and the executive working together will certainly afford the needed machinery of relief and prosperity to the people of the countryside and that very soon."

The first shipment of 1913 wheat has been received at Winnipeg, and was consigned to the Ogilvie Flour Mills Company.

MARKETING CANADA'S GRAIN

IV.

WHAT TRANSPORTATION PROBLEMS SUGGEST

Present System of Handling Needs Enlarging and Modifying

The Board of Grain Commissioners realized the strong demand for interior terminal elevators, and in endeavoring to formulate their policy for terminal elevators, it devoted much attention to this demand. The grounds for the demand arise from the general conditions of the present grain situation.

The grain fields are rapidly increasing in area, and are rapidly extending farther west and north. The western development is most marked up to date in Alberta, but the construction of the Grand Trunk Pacific will bring about a similar development in British Columbia. The increase in acreage, the western and northern extensions of the grain fields, and the increase in the total volume of grain produced, have put a severe strain upon the existing grain moving system; upon the supply of rolling stock cars and locomotives; upon the railway yards at Winnipeg and Fort William; upon the amount of storage at both interior, terminal and eastern points; upon the inspection department; and upon the available tonnage at Canadian ports both on the great lakes and on the Atlantic ocean. The strain is felt by every part of the system, and no part at the present can be said to be adequate to the work ahead of it, if the production of the grain continues to increase.

Great Efforts Are Being Made.

It is often said that too little is being done in the way of increasing transportation and storage facilities; the fact is that great efforts are being made to keep up with the increase in production. The railway companies have been making serious efforts to keep up with the situation. At Fort William and Port Arthur over 11,000,000 bushels of extra storage capacity are being built. Montreal has been increasing its storage and developing its harbor. The inspection department is being strengthened, and all engaged in moving Canadian grain are doing their best along the lines of the present system. Notwithstanding these efforts the situation is not satisfactory.

Further, apart from such emergencies as congestion due to export conditions, or to unfavorable climatic conditions, a large increase in the production of grain may cause a congestion far beyond the existing transportation and storage capacity. The construction of the Canadian Northern Railway and Grand Trunk Pacific Railway east will undoubtedly do much to improve matters. But even then production might easily pass the handling capacity. Lastly, apart from all such emergencies the ever occurring car shortage, the heart burnings among growers of grain caused thereby, the delay in getting inspection returns from Winnipeg, the delay in getting outturns from the terminal elevators, the difficulties in borrowing money due to such delay, and the widening spread between street and track prices as the close of navigation approaches, indicate that the time to consider whether there should not be a special effort made, not merely to enlarge, but to modify the present system of handling grain, has come.

Distance Between Fields Terminal Points.

The distance from Fort William to Winnipeg, 426 miles; Regina, 783 miles; Moose Jaw, 819 miles; Lethbridge, 1,188 miles; Calgary, 1,267 miles; Saskatoon, 932 miles; Prince Albert, 986 miles; Edmonton, 1,253 miles.

At present there is not much storage capacity provided on the farm. Terminal elevator storage capacity is all at Fort William and Port Arthur. Inspection is done at Winnipeg and the terminal elevators alone. Under these conditions shippers of grain, say at Lethbridge, are subject not only to car shortage and high freights, but also to delayed inspection returns and delayed terminal outturns. They cannot finance on their grain on as good terms as if they knew sooner the grade, weight and dockage of their grain, and the greater the distance from the shipping point to the terminal the sooner does the spread between street and track prices tend to appear. It is not unnatural that grain growers in the more western sections of the grain area ask that inspection be brought nearer them.

Okanagan Valley growers will ship 1,000 cars of British Columbia fruit this season.