

The Grain Growers' Guide

Winnipeg, Wednesday, March 29, 1916

FINANCING THE FARMER

The preliminary discussion which took place between the leaders of the organized farmers and the Bankers' Association in Winnipeg recently is undoubtedly the forerunner of more satisfactory relations between the banks and the farmers. A number of the leading bankers have stated that a high rate of interest is not nearly so desirable to the banks as absolutely sound security. This was illustrated in one instance by the case of the Livestock Association at Elfros, Sask., where the farmers have pooled their security and stand behind each other. The bank is loaning to the farmers in this case at seven per cent. This year a great deal of money has been loaned to farmers by the banks on the security of grain on their own farms. This provision was put into the Bank Act three years ago for the purpose of enabling the banks to loan more readily to farmers and take security which previously they had not been able to take. In accordance with another amendment made to the Bank Act a few weeks ago the banks are now permitted to loan on the security of a farmer's livestock and this provision should enable them to loan more freely. The season has now arrived when many farmers will want to borrow from the banks in order to carry them past the next harvest. A farmer may have a considerable investment in his farm, implements and livestock, and yet not have a great deal of ready money. He may wish to purchase some implements to add to his productive power, and he will also need to purchase a great many things from his local merchants and dealers before he gets returns from his next harvest. If he is able to go to his bank and borrow the money he requires for this purpose and to pay cash to the local dealers for what he buys he will be a great deal better off at the end of the season. If he buys on credit from the local dealer the local dealer must buy on credit from the wholesaler and the wholesaler must buy on credit from the manufacturer. In each case the credit price is higher than the cash price and there is a goodly rate of interest charged on the credit price in addition. There is no way of figuring exactly just what this credit system finally costs the farmer, but it is very, very expensive. If the farmer were able to go to his bank and borrow the money at seven or even eight per cent. and pay cash for everything that he bought from his local dealer a great saving could be made. If the entire business from the retailer back to the manufacturer were put on a cash basis the saving would be increased even more. A farmer who has to secure his credit for the summer by buying at credit prices from the local dealers to the extent of \$500 will in the long run no doubt be paying at least twenty-five per cent. more than he would if the whole business were placed on a cash basis. Whereas if he borrowed from the bank he would only be paying seven or eight per cent. interest. It is greatly to the advantage of the banks to have the farmers become prosperous and depositing money in their local branches at three per cent. interest so that it can be loaned out at seven or eight, in some cases ten per cent., and even occasionally at twelve per cent. If an arrangement can be made between the banks and the farmers by which a farmer's security can be put into first-class condition and the banks will finance him so that he can purchase his necessities for cash and get the benefit of the cash price, it will be going far in the right direction to build up a prosperous farming community.

We have no doubt whatever that Sir George Foster will enjoy much greater peace of mind since he has let up on the Grain Act

provisions which are vital to the welfare of the Western grain growers.

JUSTICE FOR OUR MOTHERS

This issue of The Guide is devoted in a large measure to the problems of special interest to mothers. The burdens which the mothers of our land have borne and are bearing and the sacrifices which they have made and are making are not realized as fully as they should be. By nature our mothers are not physically able to shoulder the rifle and take their place in the trenches in the great war. But the mother who sends her son (in some cases as many as six of her sons) to fight the country's battles, whose loving hands are constantly engaged in supplying them with comforts while at war, and whose prayers are always with her children, is a genuine heroine whose patriotism is worthy of the highest honor which the nation can bestow. The women of Western Canada have done nobly in the present war and tho their feats of heroism are not performed on the battlefield yet they merit the Victoria Cross none the less. The civilization of a country can be fairly well measured by the position which it gives its women and in this respect Western Canada stands well with other English-speaking countries. Henceforth Western women will enjoy the franchise, but still they do not by any means enjoy equality with the men. There are many, many laws on our statute books that unjustly discriminate against our women and these must be removed before our civilization will reach the high plane which we all desire. If there was doubt in any minds as to the wisdom of granting the women their full rights before the law, their action in the present war has shown them equal in every way to the men. We hope to give more attention in The Guide henceforth to the problems of our women on the farms in the West, and to assist them in bringing about better conditions for their sex as well as to improve economic and social conditions for the general welfare of the community.

MANITOBA'S LEGISLATIVE PROGRAM

In this issue we give a brief review of some of the more important legislation enacted at the recent session of the Manitoba Legislature. The review necessarily does not pretend to cover all the large volume of legislation. It gives, however, an idea of the progressive character of the new laws. The Direct Legislation Act is not dealt with in this review but will be given more fully later. It is not generally known that the Direct Legislation Act is not really in force. Two days before the close of the session, the date bringing it into force was removed and it will now come into force by order-in-council, which means when the government sees fit. It appears that there is some doubt as to the constitutionality of the Act. Another Act which was passed and will be published later is the Co-operative Societies Act. This Act gives the people of the province power to organize into groups for the transaction of business the same as they are able to do in Saskatchewan and Alberta.

No announcement has yet been made as to what the government intends to do towards investigating rural credits. This is a subject on which the government can well afford to spend a reasonable sum in securing information on which to base legislation.

The war has developed the poetic instincts and desires of a large number of people. Rarely a day passes but we receive at least one poem in The Guide office and very frequently

we receive half-a-dozen. We always receive more as spring approaches. When the sun begins to shine and the snow begins to melt the muses become active.

MORE LIGHT NEEDED

According to the official reports there are now training in Canada approximately 130,000 soldiers and the cost of the work is \$12,000,000 every month. Lord Shaughnessy (which is the new title of the president of the C.P.R.) in speaking to the Board of Trade in Montreal a few days ago pointed out that there were still about 60,000 Canadian soldiers in camp in England in addition to those training in Canada. Some of those still training in England went over in the first contingent. He asked if it was not time to consider the matter more on a business basis and to fill up the battalions already started before starting new ones. In Winnipeg it is stated that there are seventeen battalions recruiting soldiers and that there are some battalions which have been in the city considerably more than a year. It would seem to the casual observer that there was a good deal of wisdom in Lord Shaughnessy's suggestion. He also pointed out that it would be a long time before the soldiers now in training could be removed to the Old Country. We have no explanation from the military authorities as to why soldiers are kept so long here after being supposedly thoroughly trained for fighting. There may be a reason for it, but if so the public should be informed. Soldiers who enlist to fight in Canada do so from a sense of duty and a desire to "do their bit." It takes a good deal of the enthusiasm out of them to be kept under arms in their own city for over a year when they are anxious to have a go at the enemy. These facts also are a serious handicap to recruiting. A great many people who would be willing to enlist if they felt they were needed have undoubtedly not done so because of this very situation we mention. It would seem that the time has come for a very frank explanation from the military authorities. The people are every one interested in this war and are determined to see it carried thru to a success. They are all paying for it and the enthusiasm would be much more apparent if they were better informed as to the reason why conditions are as they are.

GRAIN ACT IS SAFE

It was announced from Ottawa last week that in response to the numerous and vigorous protests from the organized Grain Growers of the West Sir George Foster had accepted a change in his proposed amendment to the Grain Act. The amendment now provides that the Board of Grain Commissioners shall have power to suspend the car order book only where grain is in danger of spoiling. The provision giving the Board power to suspend the car order book in case of "congestion" has been eliminated. Sir George in accepting the amendment said he was doing it for his peace of mind here and hereafter. It is difficult to understand why a man of Sir George Foster's ability should deliberately place himself in an antagonistic mood to the farmers of the West. He is one of the best intentioned men in the Cabinet and his influence is in favor of cleaner politics. If he really understood conditions in this country and the burdens which the farmers are carrying we believe his attitude of antagonism would change to one of sympathy.

"Better to wear out than rust out" is a wise saying which applies quite as well to men as to farm implements.