

The Grain Growers' Guide

Winnipeg, Wednesday, May 24th, 1911

A FAIR PROPOSITION

The proposition made by Dr. Schaffner on behalf of the Western Conservative members in the House of Commons on Friday that the Opposition would forego discussion on the Grain Bill and permit it to pass before the adjournment provided the minister of the interior would undertake that a sum would be placed in the estimates to permit the Grain Commission leasing or acquiring elevators at Fort William and Port Arthur, was a perfectly fair one and one which should have been accepted by the government.

Mr. Oliver intimated that if the bill was passed the government might provide the funds necessary for the leasing or acquisition of elevators, but said a minister could not pledge the government, and he could make no definite promise. The bill has now been before the government for four months, and the question as to whether or not they intend to make clause 16 effective by providing a sum of money must surely have been discussed and decided by the Privy Council. Apparently it has been decided not to take this step at the present time, otherwise Mr. Oliver would not have hesitated to accept Dr. Schaffner's challenge.

The farmers of the West, as Dr. Schaffner told the House on Friday, will not be satisfied with anything short of government ownership and operation of the terminal elevators, and in refusing to comply with this demand the government is not strengthening its position with the voters in the Prairie Provinces.

FREIGHT RATES AND PROTECTION

It is a notorious fact that the big Canadian railway companies are strong supporters of a protective tariff "to build up home industries." This laudable purpose for which the railways lend their support we are given to understand is purely from a patriotic motive. A study of facts, however, at once indicates why the railways that cross Canada favor protection by means of customs tariff. They take a share of the manufacturers' tariff tribute in the shape of exorbitant freight rates. Of course the manufacturers cannot very well complain when the railways exact higher freight charges on highly protected goods, because the entire illegitimate rakeoff comes out of the ultimate consumer. The manufacturers and the railways know better than to fall out with each other, because they both recognize that any serious quarrel between themselves would disclose the whole system of plunder in which they mutually participate—at the expense of the ultimate consumer. This is set forth very clearly in the attitude of the C.P.R. in dealing with the attempt of the producers and consumers of Alberta and British Columbia to work up a mutually profitable inter-provincial trade. The freight rates of the C.P.R. across the mountains are high beyond all reason. The company, however, played one party off against the other by saying that the freight rates did not matter in the case as the ultimate consumer had to pay and not the producer. If the customs tariff were made high enough on the produce of these two Western Provinces inter-provincial trade might become profitable, but not so long as the C.P.R. is allowed to step in and make the freight charges "all the traffic will bear." A splendid study in freight rates has recently been published by the Free Press. It shows how the C.P.R. (and the rates of the other lines are of course the same), plunders the farmers on agricul-

tural implement and vehicle freight rates. The C.P.R. owns and operates 4,563 miles of railways in the United States, of which the Soo Line is a part. The Soo Line runs through the Western States, so a comparison of its rates with the rates on the Western Canadian lines would be fair. The rates on the Soo Line are the same as on the other Western American lines. All the American lines allow implement dealers to ship out mixed carloads of agricultural implements and vehicles, and the same was permitted on Western Canadian lines until July 10, 1910, when the railways refused to carry anything but straight carloads. The American railways permit a dealer to ship mixed carloads and also for a fee of \$5 permit a car to be stopped in transit to its ultimate destination and partially unloaded. This stopping en route is not allowed in the Canadian West. If it is done the car must be rebilled for the second part of its journey. A comparison of sample shipments on the lines in Western States where the Interstate Commerce Commission exercises its power and on the C.P.R. in Western Canada shows a wonderful difference. In the following comparison a mixed carload is taken with a stoppage en route to unload part of the freight:

From	Miles	Rate
Winnipeg to Rathwell	70	\$24.00
Rathwell to Souris	81	34.00
	151	\$58.00
St. Paul to Eagle Bend, Minn.	155	\$35.40
Extra for stop in transit		5.00
	155	\$40.40
Canadian rates are 45 per cent. higher.		
Winnipeg to Killarney, Man.	302	\$62.00
Killarney to Cupar, Sask.	66	34.00
	368	\$96.00
St. Paul to Chatham	367	\$60.00
Extra for stop in transit		5.00
	367	\$65.00

The Canadian rate is 48 per cent. higher.

These are just two samples out of hundreds that could be produced to show that the railways are putting the rates just as high as they dare to. It will also indicate to Western farmers what will happen to the price of farm implements when the customs tariff is eliminated and the railways are compelled to give reasonable rates. The C.P.R. makes money on its Soo Line in United States, and it must be making twice as much on its line in the Canadian West. Why? Simply because the Canadian parliament does not provide for proper regulation of freight rates. Remember that the gross revenue of the C.P.R. last year was \$94,989,490.33 and its net earnings were \$33,839,955.87. After all dividends that decency would permit to be made from these profits there was a surplus of \$13,896,615.80. The stock of the C.P.R. on January 26, 1911, was selling on the market at 209, and on May 2, 1911, it had jumped to 237½. Yet there is no reduction in freight rates, but rather an increase wherever it can be done without the public realizing it. It is also interesting to note that the above quotation of the selling price of C.P.R. stock is of the day on which the reciprocity agreement was announced. It does not look as though the shareholders of the C.P.R. regarded reciprocity as very dangerous to their invest-

ment. The C.P.R. has been given as a straight gift from the Canadian people sufficient to build their road from the Atlantic to the Pacific. Now, by looking at the immense profits, dividends and selling price of stock it can readily be seen that the Canadian people will soon have given that same railway company enough surpluses in exorbitant freight rates to pay for the whole system again. It is from these forced gifts that the company is enabled to go down into the United States and build up a system almost equal to their Canadian system. How long will the people permit this exaction to continue?

MR. BORDEN'S TOUR

As announced elsewhere in this issue, the executive of the Manitoba Grain Growers' Association is completing arrangements to meet Mr. R. L. Borden at the various points at which he will address meetings in Manitoba, and place before him the demands of the Grain Growers as outlined in the platform they laid down when they met the Dominion parliament on the 16th of December last. The Saskatchewan Grain Growers' Association and the United Farmers of Alberta are making similar arrangements, and it is likely that Mr. Borden will be met by a delegation of farmers at every point he visits. Less than a year ago Sir Wilfrid Laurier toured the West and was met by farmers at practically every point at which he stopped in the Prairie Provinces. The farmers of the West laid before him courteously, but very firmly, what their wishes were in respect to the important public questions agitating the public mind. There may be a disposition on the part of some to think that the necessity of meeting Mr. Borden on his visit is not so important, since he is only the leader of the Opposition, and as such is not directly charged with the responsibility of making our laws. Mr. Borden, however, is a prospective premier of the Dominion. In the course of a few months he will be asking the voters of the Dominion to entrust him with the duty of government, and as a candidate for this high office it is quite right and proper that he should be met by the Grain Growers' Associations and asked for a definite expression of what he would do in the event of his being placed in power. The questions of Reciprocity, the Tariff, the Hudson's Bay Railway, Terminal Elevators, development of the Chilled Meat industry and the necessity of securing co-operative legislation, are all questions on which the Western Grain Growers have declared themselves. The great majority of the voters, who have not inaptly been described as "the rank and file" of the electorate, will in this portion of the Dominion at least, on the occasion of Mr. Borden's visit, have an opportunity to make their views heard. They should not lose it. After all it is doubtful if anything beats the good old fashioned method of public meetings for bringing the voters into the proper relationship with their servants whom they send to parliament.

The Grain Growers' Associations adjoining all the points where Mr. Borden is to give addresses in the West should at once get preparations under way to meet him. They will no doubt be courteously received and should in their turn courteously, but unmistakably, as they did to Sir Wilfrid Laurier last year, ask Mr. Borden for a clear-cut definite statement as to where he stands on the important issues now before the country.