have expired the farmer pays back the $300. He has, however, paid the interest on the entire $300 for the three months, while he has only had the use of $292.50. In other words, the bank has charged him 10 per cent. on the $300 and has not given him the full $300. By this means the bank not only earns the full 10 per cent. on the face value of the note, but an additional 10 per cent. for three months on the $7.50 discount, amounting to 19 cents. This is not a very big item, but where it is done every day and several times a day in hundreds of banks, the aggregate is a very considerable amount in a year.

This question was discussed at the banker-farmer conference, and the bankers said it was quite immaterial to them which way the note was drawn and that it was purely a matter of arrangement between the farmer and bank manager at the time of making the loan. When a farmer wants to borrow $300, the proper way is to make out the note for that amount and on it write "with interest at 10 per cent. (or as much less as possible) both before and after due until paid."

Unusual Investigation

While farmers in the Western provinces, thru their organization, have succeeded in getting a better deal from the middlemen and the consumer, farmers in the Eastern provinces who have tried organization have perhaps not been so successful.

In the Ottawa district there is a dairymen's organization known as the Milk Producers' Association, which met recently and decided to demand an increase of from 17 to 22 cents a gallon for their milk, most of which is being sold to the Ottawa Dairy Co. Instantly the city was thrown into an uproar. John Bingham, manager of the Ottawa Dairy, informed all and sundry that this would mean an increase of one cent per quart on the retail price of milk, boosting this product to nine cents per quart to the consumer. Newspapers took up the matter, the Journal and Citizen fighting the raise, apparently to the producers as well, while the Free Press maintained a sort of non-committal attitude, but cried out for more rigid inspection of the product if the price was to be raised.

Invoke Combines Act

The city council became interested and passed a motion demanding from the minister of labor an investigation into the demand for a raise in the price of milk, this investigation to be held under the Combines Act. A motion made at the same time to investigate also the increase in the price of other commodities was turned down, the city council by vote turning their attention to the formation of a municipal dairy and demanding an investigation into milk prices.

Altho the hay crop was the best in years, with the prospect of bran, gluten meal, oil cake and other foods being several dollars per ton higher than last year; the grain and corn crop is only about half of what it was last year; labor 20 per cent. higher; cows 20 per cent. higher, and the cost of living still on the increase, the farmers feel that they are entitled to higher prices for milk.

To pay 22 cents per gallon for the milk at the farm the dairies say they must increase the retail price to at least 9 cents per quart, and the public, apparently believing it will be more or less of a loser anyhow, expresses the general opinion that retail prices are already high enough even if the farmer is entitled to the advance, sits back awaiting action by the minister of labor.

If the milk producers stick together they will get an increase, even tho the city takes over the dairy business, or the Ottawa Journal, which has now some scheme on hand, enters the dairy business, but the supreme test now is whether the organization of the producers will survive the storm of so-called "indignant protest against the hold-up" and win out. The fight is being closely watched.

Dairy Company Offer to Sell

Later developments have brought many new things to light hitherto unknown to ordinary citizens. The city recently decided to investigate the possibilities of a municipal milk bureau, so the Ottawa Dairy Co. promptly offered to sell their plant, lock, stock and barrel, to the city at a price to be set by three arbitrators—one appointed by the company, the second

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