

The Grain Growers' Guide

Winnipeg, Wednesday, February 14th, 1912

MORE INFORMATION NEEDED

We have received the following letter from the Cockshutt Plow company which we gladly give publicity herewith:

Winnipeg, Man., Feb. 10, 1912.
Editor, Grain Growers' Guide,
Winnipeg.

Dear Sir:

Referring to your editorial comment, as contained in issue of The Grain Growers' Guide under date of February 7th, and headed "Further Cockshutt Figures," we beg to submit the following information:—

The difference in the equipment on the 8-furrow plow you quoted at Minneapolis and on the 8-furrow gang quoted by you at Winnipeg amounts to \$40.00, and the Winnipeg price includes that much extra value. We pointed this out clearly in our letter contained in your issue of December 13th.

The Winnipeg price used in the comparison made by you is subject to a discount of 5 per cent. for cash with order, and this was also stated in our letter to you of that date.

Then, again, there is the considerable difference in the cost for freight, as pointed out by you.

When the above items are considered, and the extra freight cost is also taken into consideration, the net price at Winnipeg on an 8-furrow Cockshutt engine gang, when sold under identically the same terms and conditions as mentioned, is actually less than the net f.o.b. Minneapolis price quoted by you.

In regard to the tariff penalty which you place at \$60.00 on plows entering the United States, you should be aware of the fact that a large portion of such duty is overcome by the drawback of the actual duty paid on the raw material used in the construction of plows shipped into that country.

You assure us that you are not animated by a spirit of antagonism toward our company, and we therefore presume that you do not wish to make unfair comparisons, so take the liberty of requesting you to publish this letter.

Yours respectfully,
COCKSHUTT PLOW CO., LTD.
E. A. Mott,
Western General Manager.

We must confess that the information at our command does not warrant us in accepting the statement in the above letter that the Winnipeg price is in reality lower than that of Minneapolis. Just for the sake of argument, we will take the figures given by the Cockshutt Company in this letter and in their letter published in The Guide on December 13. The Minneapolis price of \$502 was quoted on the basis of Peoria, and the freight from Brantford to Minneapolis via Peoria, placing the weight at 5,800 pounds, would be \$23.89. The freight to Winnipeg is \$37.12. This is a difference in favor of Minneapolis of \$13.23. Allowing that the five per cent. discount is given on the wholesale cash price, this means \$29 reduction; but we have no evidence to show that the same discount is not allowed in Minneapolis. The \$40 difference in equipment at retail becomes thirty per cent., less, or \$28, at wholesale. These three items upon which the Cockshutt Company lays stress, aggregate \$70.23. But the Minneapolis wholesale price of the eight-furrow Cockshutt engine gang plow is \$502, and the corresponding Winnipeg price is \$580. The visible difference is \$78. These three items of difference pointed out by the company total only \$70.23. This does not even account for all the \$78 visible difference in price. For this reason we cannot admit the contention of the company that their Winnipeg price is lower than their Minneapolis price. And there is still the duty of \$60 to be explained away. The company, it is true, point out that the Dominion government has a happy fashion of giving back the duty in the form of a "drawback." We must confess that we should like a little more light on this "drawback" system. As we see it, the Canadian manufacturer, when selling his goods in Canada, adds the tariff tax to the selling price, but when exporting

he is subsidized by the government with the peoples' money to the extent of the duty he pays to enter that foreign country. This is a situation where the people get it coming and going. But, nevertheless, if the \$60 duty is refunded to the Cockshutt Company in the way of a "drawback," it is easy to understand how they can enter the United States market. But we consider it is the duty of the company in justice to the Western farmers to give full information on this "drawback" system. It is a method of tariff-making that is not in the statutes. The Cockshutt Plow company, by showing how it can get \$60 in "drawbacks" out of the public treasury, will have a pretty good case. We wait for this explanation.

DON'T RELAX VIGILANCE

We have been deluged with letters and resolutions dealing with the attempt of the elevator interests, with the assistance of the Credit Men's association, to break down the car distribution clauses of the Grain Act. We haven't room to publish a fraction of them. But all our readers are aware of the danger, so the letters and resolutions should also be sent to other journals. But the enemy is still active and vigilance must not be relaxed for an instant. Letters and resolutions should still be sent to Premier Borden or Mr. Foster and the local member. The members from the West are in the House of Commons to protect their constituents, and "letters from home" will help them amazingly. If the assault on the car distribution clauses is successful, it means that civilization will be moved backward by ten years to the days when the farmer lived largely for the benefit of the elevator combine. The car distribution clause should remain as it is except for necessary provisions for handling out-of-condition and seed grain promptly. The car distribution system is all right. The government should now take over all the terminal elevators and then there would be some chance for a square deal. The elevator interests are fighting to keep the government from taking over all the terminals. Personal letters and resolutions on the terminal question sent to Mr. Foster or Mr. Borden and the local member will convince them that the Western people want all the terminals taken out of private hands. The battle will not be won till the bill is signed. We must be active lest the enemy outwit us.

C.P.R. EXPLANATION

Vice-president Bury, of the Canadian Pacific railway, issued to the public press on February 7 a lengthy statement upon the subject of car shortage. He dealt extensively with the extraordinary conditions surrounding the coal miners' strike, the exceptional weather in the fall and the very low temperature around New Years, showing that each of these were factors in interfering with transportation. He also pointed out that up to February 2, 1912, 94,577 cars of grain of the 1911 crop had passed inspection, as compared with 61,105 cars of the 1910 crop on the same date last year, showing that the increase this year had been fifty-four per cent. The very cold weather, Mr. Bury explains, means that a locomotive can handle not more than from one-third to one-half of the number of cars that it could in ordinary weather. He states definitely that there is not a shortage of cars and locomotives, as his company has all the cars and locomotives that they have trackage to accommodate. He further states that for the past eight years the company has not

been able to secure sufficient men and material to expend the money which was voted for improvements and extensions, but he states that this year the Canadian Pacific will carry through a great program of terminal and double track construction even if other work has to take second place. Mr. Bury frankly admits that the development of the West has carried everybody off their feet, and with the present development it is impossible for the railways to handle the traffic. As a partial remedy, Mr. Bury suggests that farmers should have their own granaries on their farms in which to store their grain, and that when it is insured the banks will advance money upon it. His conclusive remedy, however, is the old one of mixed farming. He feels that no benefit can come from fault finding. But if Mr. Bury reads the article which we publish this week on page 7 he will see that the public have a perfect right to find fault with the C.P.R. if it does not give satisfaction. We do not believe that the Canadian Pacific railway would find any difficulty in securing all the men needed if it paid those men as high in proportion as it charges the people of the West on freight shipments. If the Canadian Pacific railway knows, as Mr. Bury points out, that it will be impossible for the Western Canadian railways to handle the wheat at the present rate of development, why did the railways use all the power at their command to defeat the reciprocity agreement? Why did the C.P.R. adopt the "dog-in-the-manger" policy? If there was more traffic than the Canadian roads could handle, why not allow the American roads to come in and secure a share, and by so doing help the farmers of the West? There is no doubt whatever that conditions this year have been exceptional, but even if conditions are ordinary for the next two years a similar blockade is bound to occur. The suggestion in regard to mixed farming is a good one, and is being followed more and more each year. Every expenditure that will tend to educate farmers to the value of mixed farming will be well applied. The profits which the C.P.R. has made out of Western Canada are sufficient that that company could afford to devote a great deal of money to educating the farmers along this line. At the same time the C.P.R. might educate the banking institutions of Canada to assist the farmers more than they are doing now. It is not so easy to raise money through the bank on grain in the farmer's own granary as Mr. Bury points out, as many farmers can testify. And when the money is raised, it is too frequently at nine and ten per cent. when it should be at six per cent. at the most, and if conditions were right, at five per cent. At any rate, what right has the C.P.R. to dictate to the people of Western Canada when and how they shall ship their wheat? The people of Canada have given the C.P.R. as a free gift practically as much as it cost to build the whole system for the sole purpose of securing satisfactory transportation, and if that service is not forthcoming the people have a perfect right to protest. If the directors of the C.P.R. were as solicitous of the welfare of the people of Western Canada as they are over the returns which they receive upon their watered stock, conditions would rapidly improve. The financial history of the C.P.R. published in this issue might well be studied along with Mr. Bury's report. No one wants to be unfair to any of the railway companies, but after their recent attitude upon the reciprocity question they will find it difficult to arouse very much sympathy in the breasts of the farmers of Western Canada. Public control of the railways of Canada cannot come too soon. And