

stuffs, and other dead stock, has always been a success. But this is a very small part of the general subject. It involves no liability on the part of the farmer beyond a small subscription to the particular association with which he associates himself. By such membership he is able to go to a merchant or a manufacturer and to say, "I am a member of such and such a society, and I want such and such an article." The manufacturer is only too pleased to sell it to him, and at the lowest price, because, if he refused the farmer, the other associated members would take their custom elsewhere.

When we advance to co-operation for the sale of the produce of the farm, then we have a difficulty to tackle. The farmers, in starting an association with this object, must spend their capital. They must, for example, open shops or stores in the towns where their commodities can be seen and purchased by the townsman. They must employ a manager or managers to work up a connection, and to supervise the staff required for serving customers and for delivering the goods to their doors, etc., etc. After all this has been done, they must individually do their best to meet the manager's demands on them for goods, and then, perhaps, give longer credit than if they had sold their goods outright to the middleman. Of course, the great object is to secure for themselves the profits which the middleman now retains mostly for himself.

Now, to advance capital in a risky way (and co-operation of the latter sort is, the agriculturist maintains, quite risky until success has been achieved or is assured) is not to the liking of our farming people. That is the point that it is hoped to overcome. There are, nevertheless, always a few in any sphere of life more advanced than others; and amongst our agriculturists there are some—a few—whose names carry weight, and who, I am happy to think, will be able ere long to make (as they are trying to do) such an impression as to bring about a satisfactory trial to the system of co-operation for the sale of farm produce. I shall watch the movement with great eagerness, as it must, if successful, have an effect—though small—on our import trade, whether from Canada, our other colonies, or from foreign nations. I purposely say nothing just now about the co-operative movement in Ireland, associated with the name of the Right Honorable Horace Plunkett, M.P., as the conditions in Ireland are somewhat different from those in England. Mr. Plunkett, however, has during the past three years or so organized a system there which is fast spreading its wings over the land, and bids fair to bring that success for which the Irish farmer pines, and which no Home Rule Bill could bring him. He is on the right track, and he has as supporters men of all politics and all religions. That is as it should be.

Excessive Freight Rates.

The more the question of railway freight rates is looked into the more does it seem as if the Canadian producer, whether he be a farmer or a manufacturer, is not being justly treated by the railways of this country. The disadvantage in which the Canadian producer is placed regarding freight rates is more clearly seen, perhaps, when a comparison of the rates in the United States and Canada is made. In the former country the shipper has an immense advantage over the Canadian shipper in the way of cheap freight rates. So long as these cheap rates are confined to the railways in American territory, the competition is not felt so much on this side excepting when an export business is being done. But, when the United States shipper has the advantage not only of cheaper rates in his own country, but of cheaper rates on Canadian railways as well, the injustice to the Canadian producer becomes more flagrant.

The following letter, sent by The W. A. Freeman Co., Limited, Hamilton, Ont., to the District Freight Agent of the G.T.R. at Hamilton, has a direct bearing on this whole question, and shows the great disadvantage in which the Canadian shipper is placed as compared with the American

shipper on railways running through Canadian territory:

DEAR SIR:

The manufacturers in the United States have a great advantage over the manufacturers in our country in regard to freight rates. For example, the rate of freight from Hamilton to Windsor in less than carload lots is twenty-five and a quarter cents per hundred pounds including cartage at this end. The rate from New York to Windsor is twenty-four cents per hundred pounds. Now we have to freight all our chemicals from New York and they are shipped again. To freight our materials from New York "under the commodity rate in full carloads" to our factory and complete the fertilizer and ship to London, Chatham or Windsor, it will cost us about \$2.50 to \$3 per ton more than if the American manufacturers shipped these same goods from New York to Windsor in small lots. You asked us twenty-five cents per hundred pounds freight rate on fertilizing materials from New York to Hamilton and the American dealers can ship from New York to Windsor the same kind of goods at twenty-four cents per hundred pounds and have some two hundred miles more to haul it.

There is a very wide difference between your carload rates and less than carload rates. For instance, from Hamilton to Windsor in full carload lots is thirteen cents per hundred pounds and in less than carload lots you add a fraction over eighty-five per cent. extra. The American roads charge eighteen cents per hundred pounds from New York to Windsor in full carload lots, and in less than carload lots they add only thirty three per cent. extra. You might say that your haul is much shorter which accounts for greater per cent. of cost in small lots. But from Hamilton to Montreal you add seventy-nine per cent to your carload rates for less than carload rates. From the goods which the American dealers ship into Canada you are willing to take your proportion of the earnings. Why are you not willing to take the same from your own people? The freight rate on poultry grit from Concord, New Hampshire, to Toronto is eighteen cents per hundred pounds by the carload and in less than carload lots twenty cents per hundred pounds. This freight rate is given for Toronto, also Hamilton, and, if we should want to ship any grit from Hamilton to Toronto, you would tax us fourteen cents per hundred pounds. That leaves only six cents freight from Concord, New Hampshire, to Hamilton.

As we said before, you are willing to share up the freight rate with the people on the other side. Why should you not share up with the people on this side? It leaves us in a very awkward position to ship goods around through Canada on account of our railroad system. The Americans have the advantage over us every time in this respect. Is there not some way for our railroad people to adjust these matters?

We would suggest that, if you cannot afford to lower your freight rates to the manufacturers and shippers that live in the same country with you, you should increase the freight charges on goods shipped from the United States for destination in Canada, in order to equalize the difference between the freight rate that is made on the other side and the freight rate that our own railways make to the shippers of Canada. We don't ask any advantage, only we want to be put on a level with our friends on the other side. We do feel that it is a hardship for us to be treated in this way and would be pleased to hear your view of the matter.

Yours truly,

W. A. FREEMAN Co., Limited.

Hamilton, Jan. 31st, 1898.

In reply to this letter the district agent referred to, Mr. J. Pullen, stated that, at their general traffic meetings where freight rates are arranged, the other railways interested would not concur with the Grand Trunk in modifying these wrongs. If the Canadian shipper is being unjustly treated, and if there is a grievous wrong, as Mr. Pullen in his reply seems to admit, there surely must be some way of remedying the wrong independent of the great railway magnates of this continent. Why should corporations who have no particular interest in Canada be allowed to dictate what the freight rates should be from one point to another point in Canada on a railway over which they have no control? Are the great producing classes of this country to have imposed upon them excessive freight rates from local points to the larger centres because a foreign tribunal is not willing to agree to a change? If so, it is time that some higher power took a hand in the game, and would see to it that every corporation receiving a charter from the people shall deal equally and fairly by every class in the community.

But aside from the question of excessive local freights, the fact that a shipper can send goods from New York to Windsor at a cheaper rate than from Hamilton to Windsor is of more importance, perhaps, from a national point of view, as it places the Canadian manufacturer at a great disadvantage as compared with his American competitor. There is no reason whatever for granting a cheaper rate to the American shipper.

The distance from New York to Windsor is about four times greater than from Hamilton to Windsor, and we would naturally expect to get a very much lower rate between the two latter points. But it would seem that the longer the distance the lower the rate. There is only the one loading and unloading to be done in each case, and, if the actual outlay in transporting a car of merchandise over the two distances were considered in estimating the freight charges, the rate for the shorter distance should be less than one-half of what it is over the longer distance.

From all this it would seem as if the ground on which freight rates are based is entirely wrong and unjust. The question of distance does not appear to come into the calculation at all. The distance travelled is, however, the only fair basis for establishing freight rates, everything else considered. Of course, it is reasonable to expect a higher rate per mile for a shorter distance, because of the trouble and delay in loading and unloading. But aside from this, and the nature and amount of goods shipped, a uniform freight rate per mile is the only fair way. Until the rate war began the passenger rate on all Canadian railways was uniformly three cents per mile, no matter how great the distance. Railway freight rates should be arranged upon the same basis, and aside from the cost of loading and unloading, the same rate per mile, the nature and amount of the goods being considered, should be charged from Hamilton to Toronto as from Hamilton to Montreal. Until some plan of this kind is put in force the producing classes of this country will never get fair dealing in railway freight rates.

Should Wheat Speculation be Allowed.

Now that the big Leiter wheat corner has collapsed it may be well to consider to what extent the recent "boom" has helped the producer. Some weeks ago a Chicago paper attempted to prove that the farmers of the United States had made \$150,000,000 on their wheat as a result of Leiter's manipulation of the markets and that to this extent he was the farmers' benefactor. But such a contention is utterly fallacious. It is very doubtful if the farmers of the United States and Canada combined made a hundredth part of that amount as a result of Leiter's campaign. In the first place when Leiter's operations began to affect prices, the bulk of the wheat had left the farmers' granaries, and was in the hands of the middlemen. This latter class has been the chief gainer on account of the boom. True, there are many farmers here and there who had a supply of wheat on hand, and were in a position to profit by the high prices, but the rank and file of the farming class were not in a position to derive any benefit from it.

But, in connection with a speculative boom, the after-effects must be considered when estimating the real effect such a scheme as this has upon any class or section of the community. In the present instance, the after-effects have been disastrous, and will be felt more by the farmer than any one else perhaps when this season's crop is ready for market. If the "boom" had continued till after this season's crop was harvested, then we might estimate the value of the boom to the farmer by hundreds of millions of dollars. The life of the Leiter campaign was only a few months, and at a time when the bulk of last season's crop was out of the farmers' hands; and it died a sudden death only a few weeks before the present season's crop was due. And is this not always the case? Speculation in food products, as a rule, never helps the producer. It usually occurs when the product is held in large quantities by those who are making a living out of the margins to be secured by manipulating the product on its transit from the producer to the consumer; and so it will ever be. The "bulls" will begin to operate, if they can, when the bulk of the product is out of the producers' hands, and, as soon as another crop is near at hand, the "bears" take a hand and endeavor to get prices down to as low an ebb as possible in order to secure the new crop or what-