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The Manitoba Grain Act.

The agitation that has for years been waged against what was commonly known as the "Elevator Monopoly" resulted in the appointment by the Federal Government of a commission to investigate the whole situation respecting the grain trade of the West, and now as an outcome of the report of this Royal Commission, a Bill entitled the "Manitoba Grain Act" has been passed at Ottawa. The Act is a lengthy one, providing a great lot of machinery for the regulating of the grain trade, introducing many commendable features, but lacking in simplicity and directness the remedy so urgently desired by the producers, viz., absolute freedom to handle grain through elevator, flat warehouse, or direct from vehicle. Just whether the provisions of this Act will afford the desired relief from the restrictions which have gathered around the trade through the privileges granted to standard elevator owners by the railway companies time only can tell. The majority of the members at Ottawa cannot possibly have any very clear conception of the detail conditions that govern the grain trade of the West, and several amendments suggested by Western members, who should understand the conditions thoroughly, were voted down by overwhelming majorities in what appeared to be a desire to protect the interests of the railway companies rather than the producers. However, there is now upon the statutes an elaborate Act, that can be amended from time to time if it proves inadequate to give the producer a fair chance.

The elevator system is generally conceded to be the best possible system for handling grain, and the grain dealer is not grudging his legitimate profit on wisely-invested capital, but this country will not submit to unfair protection being given to any class or section of the people.

The Act in question provides for the appointment by the Government of a warehouse commissioner, whose duties are defined as follows:

- (a) To require all elevators, warehouses and mills to take out an annual license;
- (b) To fix the amount of bonds to be given by the different owners and operators of elevators, mills and flat warehouses;
- (c) To require the persons so licensed to keep books in forms approved of by the commissioner or by the Governor in Council;
- (d) To supervise the handling and storage of grain in and out of elevators, warehouses and cars;
- (e) To receive and investigate all complaints made in writing under oath, of undue dockage, improper weights or grading, refusal or neglect to furnish cars within a reasonable time, all complaints of fraud or oppression by any person, firm or corporation owning or operating any elevator, warehouse, mill or railroad, and to apply such remedy as may be in his power;
- (f) To enforce rules and regulations made under this Act, and to report to the Minister of Inland Revenue such changes therein as he deems advisable;
- (g) To institute prosecutions at the Government expense whenever he considers a case proper therefor.

For the appointment of a chief weighmaster and such assistants as are necessary, and defines the duties incumbent upon this office; defines and provides for the regulation of terminal elevators, country elevators, flat warehouses and loading platforms; licensing operators of same, etc., and much other detail, of which lack of space forbids mention.

Flat warehouses may be erected upon the request of 10 farmers living within 20 miles of the shipping point and on approval of the commissioner. The warehouse must contain bins of 1,000-bushel capacity, and these must be allotted to farmers in order of application, five days only being allowed for filling and loading on car, at the expiration of which time, providing a car is placed for loading,

whatever grain is in the bin must be shipped, whether a full car has been accumulated or not. The intention of this clause is evidently to prevent the bins being occupied by any persons to the exclusion of others. Clause 8 of the sub-section relating to flat warehouses reads: "No owner or operator of any such warehouse shall be allowed to store in or ship through grain purchased by or for himself."

Loading platforms are to be provided by the railway companies upon application of 10 farmers. Twenty-four hours is the time limit for loading cars from vehicles or flat warehouses.

The wire cloth used in testing sieves "shall have 10 meshes to the inch each way, and be of No. 28 standard gauge, hard-turned steel wire."

"Persons interested in the weighing of grain at country elevators or warehouses shall have free access to the scales while such grain is being weighed."

Regular forms for cash tickets, showing the gross weight, dockage, net weight, price per bushel and total cash payable, are also provided, as are forms for storage receipts, showing number of bushels and grade of grain taken in, charges for receiving, cleaning, insuring and stowing, the maximum charge to be fixed by statute, and providing that "Upon return of this receipt and tender or payment of above-named charges accruing up to the time of said return of this receipt, the above quantity, grade and kind of grain will be delivered within the time prescribed by law to the person above named or his order, either from this elevator or warehouse, or if either party desire, in quantities of not less than carload lots at any terminal elevator in the Manitoba Inspection District on same line of railway or any railway connecting therewith, subject to freight, weighing and inspection charges at such terminal point, the grade and weight of such grain to be delivered to be such as will conform to the grade and weight first above mentioned on Government inspection and weighing thereof at such terminal point"; also a form for storage receipt for special binned grain, with somewhat similar provisions to above.

Systems of Insurance.

In many of the great agricultural States, the insurance business has been pushed to its farthest limit, every imaginable kind of fake scheme to catch the almighty dollar from the unwary has had its innings. As population increases on our own broad prairies, the possibilities improve for carrying on profitable insurance business, and in order to avoid being caught by fraudulent or questionable schemes, a knowledge of the principals of insurance in general will be helpful. From the *Wallace Farmer*, published in Iowa, where great opportunities have been afforded for studying the effects of the various plans of insurance, we reproduce the following article:

"There has been in recent years, in the Middle West, a very broad and general application of the principle of mutuality in many directions, in insurance in its various forms of farmers' county mutuals insuring against fire and lightning, insurance against hail, tornadoes and windstorms, insurance of live stock against death or accident, and various forms of life or a combination life insurance with endowments or investments. The principle of mutuality has also been extended to merchandise in the various forms of human endeavor. In its broadest sense it is applied Christianity, and yet there are limitations to its application, and greater or less dangers connected therewith.

"We have long been a firm believer and advocate of farmers' mutuals covering the county and occasionally two counties or parts of two, where farmers generally know each other, know the officers, can attend the annual meetings, and keep an eye on the neighbors in a casual way, and see that the contract of insurance is complied with. This is the cheapest and best form of insurance for scattered risks uniform in character, and where the moral risk, or the risk of intentional fires, is reduced to the minimum.

"There are certain forms of mutual insurance which are practical only over large areas; for example, hail insurance, tornado, and windstorms. The destructive element here takes a narrow path, the loss is generally total, and it is not safe for insurance companies covering a small territory to engage in that kind of insurance. They should be State wide.

"We have always been very doubtful as to the wisdom of applying mutual principles to life insurance. The conditions here are widely different from any other form of insurance mentioned. In the cases previously mentioned, the insurance is against a contingency, a possibility, a "may happen," but in life it is against a dead certainty. It is proposed to indemnify against a loss that is absolutely certain, the time only being contingent and in doubt. Hence, the amount of premium must be sufficient, when, less expenses, it is put at interest, to fulfill the obligations of the company when death occurs. The time of death of one man is always a matter of great uncertainty, but the rate of death per thousand of men of any age can be calculated to a mere fraction. It is always uncertain when one man will die, but the ratio of deaths per thousand per annum is a mere matter of mathematical calculation.

"The mutual principle can be applied to life insurance, provided the rate charged is large enough, and provided the members take an active part in the management of the association. Otherwise it is very safe to let mutual life insurance companies alone.

"During the last week we have had an opportunity of examining into the inside workings of mutual associations. We were requested by some of our readers to attend the meeting of a mutual insurance company that had been in existence for about twenty years. This association had been practically left to the management of its officers all these years. The members, in their blind faith, had given proxies without limit, with the result that the expenses of officers had been increased from year to year, and the last two years practically doubled. For the policy holders took an active part and were amazed to discover that the president was getting a salary of \$700 per month, when \$250 would have been amply sufficient for a man of his ability. They discovered, furthermore, that there was a plan to sell out a large and apparently prosperous business to a small company of the same character and directed by the same officers, in another State, rather than comply with the laws enacted by the Iowa Legislature at its last meeting, for the protection of the policy holders. Whether it can comply or not is a question which can be determined only after a thorough examination has been made and the amount of funds which have, under one form or another, passed into the pockets of the officers, has been determined. Had the policy holders begun ten years ago as they have now to attend meetings, the association would have been in excellent shape to-day.

"Mutual associations are supposed to be governed by the members. As a rule, however, they are controlled by the officers who, by securing proxies, which policy holders foolishly give, and usually at the time the policy is taken, place the whole power in the hands of the officers, who use it, not for the benefit of the association, but for their own.

"We have reasons to believe that a good many mutual associations are in precisely this shape, and unless policy holders, whether the insurance be life, hail, or tornado, take measures to be present at annual meetings, appoint the directors, and look after the management of the association, there will be grief in the future. The proper way to do is for the policy holders in any town or country to meet once a year and appoint a representative, give him their proxies, and thus take an active part in the management of the association. This is the safe way, and the only safe way. If it is not followed, the officers will absorb an increasing amount every year in salaries, the assets of the association will in time become impaired, and the auditors of the department and the attorney-general will be compelled to make arrangements for a funeral. Unless the policy holders control a mutual insurance of any kind, there will be, first, absorption of the assets of the association by salaries and expenses, and, second, the insolvency of the association. No set of men are good enough to do business for other people without the other people watching them. This is human nature."

[EDITORIAL NOTE.—With the foregoing article we agree in the general positions taken. The writer, referring to life insurance, wisely says: "The amount of premiums must be sufficient, when,