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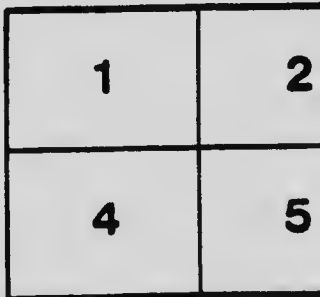
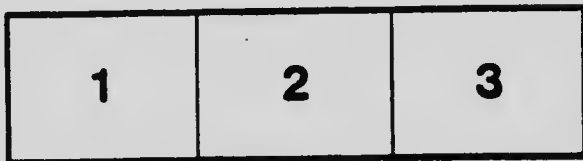
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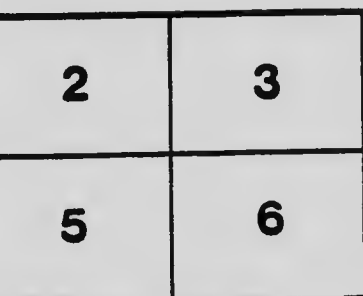
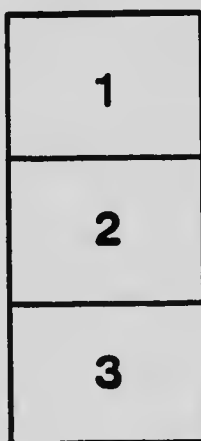
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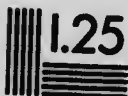
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**Effective Legislative Remedies  
of the Liberal Government  
of the Grain**



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**OF THE**

**TRADE**

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**Remedies Have Been Applied by  
Government to the Grievances  
of Grain Growers**



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## Regulation of the Grain Trade

The proper regulation of the handling and transportation of grain in Manitoba and the Northwest Territories has given rise to great difficulty during the last seven years. In the early history of the business, the Canadian Pacific Railway Company, foreseeing the large increase in grain production, endeavored to encourage the construction of standard elevators, and inaugurated a system which practically gave grain buyers and elevator owners an undue and injurious monopoly of the business. About 1898 serious trouble arose through the increase in the production of wheat. Bills were introduced in the House of Commons by Dr. J. M. for the purpose of dealing with the question. The proposition was, in the first place, simply to remove restrictions upon the construction of flat warehouses. Much discussion took place upon this proposition, and it was investigated to some extent by a special committee of the House of Commons. The result of the hearing before this committee was to show that the question was little understood, and great differences of opinion existed in regard to the facts. The Government, and particularly Mr. Sifton, were violently attacked for not immediately supporting this bill. The view entertained by Mr. Sifton was expressed by him at various discussions of the subject which took place at that time. His view was that the subject was not understood, and required to be thoroughly investigated before effective action could be taken. With a view to carrying out this idea a royal commission was appointed in 1899. The commission consisted of three practical farmers: Mr. W. F. Sirrett, of Neepawa; Mr. William Lothian, of Pipestone, and Mr. Charles Castle, of Foxton, with Judge Senkler, of St. Catherines, as chairman. The commission made a complete investigation of the whole subject and presented a report for the information of the Government and Parliament. Upon this report a bill was introduced and became law in the year 1900. The object of the bill was to provide for the complete regulation of the grain trade in Manitoba and the Northwest Territories. It provided a system of regulation under which all warehouses and elevators were required to take out licenses and to furnish exact returns, when required, to a commissioner appointed by the Government. Under the system adopted every precaution was taken against frauds being perpetrated against the producers of grain, and a special method was provided for investigating any complaints which might be made.



This act went into force in the year 1900, and during the succeeding two years received a fairly complete trial. It was found, however, that it was defective, in that it did not relieve the farmer from the monopoly which the grain dealers and elevator owners enjoyed, and which was due to the fact that they were able to command the supply of cars to the exclusion of the farmers.

#### AMENDMENTS OF 1902.

Let it be noted that this fact which constituted the cause of the whole trouble had not been given any prominence whatever in the discussion prior to 1900. When it became evident that the Act was defective in this respect, it was decided to amend it, and an amendment was consequently passed in the year 1902, which provided for the distribution of cars so that every farmer desiring to ship his own grain was put in the same position as an elevator owner, or a grain buyer. The Act of 1902 having come into effect was acted upon during the last year, and the result was to show that the Act was effective in destroying the monopoly which had existed prior to that time; the farmers being able to procure cars upon the same terms as elevator owners and grain dealers, with the result that they were able to procure much better prices than they would have procured had they been compelled to ship through the elevators. That the Act of 1902 was very effective in removing the monopoly enjoyed by the grain dealers, is shown by the fact that in January, 1903, Mr. Sifton was asked to attend a meeting of the grain dealers at Winnipeg for the purpose of hearing their protest against the Act. They protested because the Act gave the farmer power to get cars which destroyed their monopoly. The position which Mr. Sifton took on behalf of the Government in regard to this question, can best be shown by the following quotation from the reply which he made to the complaints which were then addressed to him by the members of the Grain Exchange.

#### MR. SIFTON'S REPLY.

" Mr. Sifton, who was received with applause, stated that  
 " he was bound to say that this was a country of rapid transi-  
 " tions. He had been accustomed for the past four or five years  
 " to attend meetings of a somewhat different character to the one  
 " he was now addressing; and at these meetings he had frequently  
 " been accused of conspiring against the farmers for the benefit  
 " of the grain men. He supposed that at fully one-half of the  
 " public meetings at which he had spoken for the past four years  
 " that he had to defend himself against this accusation. In the

" discussion of this vexed question Mr. Sifton thought that a  
 " spirit of moderation and forbearance was very necessary.  
 " Speaking personally, he had tried during his public life to pro-  
 " mote such legislation as would solve the difficulty. He was  
 " certainly not disposed to do anything that would in any way  
 " tend to impair the efficiency of the elevator system. Because  
 " of that disposition he had been most violently attacked, as one  
 " desirous of starting in with monopolists who were said to be  
 " plundering the farmers. He had had no desire from the be-  
 " ginning of the discussion some years back, except that every-  
 " body concerned in the handling of grain, whether producer,  
 " buyer, or shipper, should get the fairest of fair play. The  
 " subject was one, however, fraught with difficulties which he  
 " had in the past, and would, in the future, do his best to remove.  
 " resulted in the passage of the Act in its present form. There  
 " In the past two years there had arisen a situation which had  
 " was no object to be gained, Mr. Sifton continued, in beating  
 " about the bush. The statement had been made that the farmer  
 " who shipped his own grain on cars, received from 6 to 7 cents  
 " per bushel more than the farmer who shipped his wheat through  
 " an elevator. I have due regard for the men engaged in the  
 " grain trade," went on the Minister; "many of my oldest and  
 " closest friends are engaged in the business, and I never shared  
 " any idea but that the grain men are an honest body of men  
 " engaged in a perfectly legitimate business. They are entitled to  
 " the same amount of consideration as farmers—as much and no  
 " more—and, on the other hand, the farmers are entitled to, and  
 " should receive as much consideration as the grain dealers. But  
 " when the grain producer comes to Parliament and says: 'I  
 " have produced a commodity which is in universal demand and  
 " I object to its going through the hands of middlemen who will  
 " take an undue toll on the product of my labor,' then I want to  
 " say plainly that this is a complaint and an objection that Par-  
 " liament is bound to recognize. And I tell you moreover, gentle-  
 " men, that no Parliament will ever be elected in Canada that can  
 " afford to disregard this protest "

" There may, of course," continued Mr. Sifton, "be some  
 " explanations and other circumstances of which the farmer is  
 " not cognizant. It may be said that the differences of from 6  
 " to 8 cents a bushel is not too much under the exceptional cir-  
 " cumstances this year, but it must be remembered that this dif-  
 " ference existed before this year—before last year. According  
 " to the statements of the most reputable men, there was this  
 " difference, and it was felt that it constituted more than a

“legitimate charge for the handling of the grain. If that were  
“the case, you will see that a position arose of which Parliament  
“was bound to take notice, for it was a condition that no farming  
“community in the world would stand.”

### OF ENORMOUS BENEFIT.

The enormous crop of 1902 and the inadequacy of the supply of rolling stock resulted in a serious grain blockade. The Act of 1902 was put into force at a time when no law could have a fair chance to be tested; nevertheless it is safe to say that the Act was of enormous benefit to the farming community, and thousands of farmers were thus enabled to ship their own grain, and avoid losses of from 5 to 10 cents per bushel upon their wheat. For some time the railway companies attempted to disregard the plain provisions of the Act, but this was brought to an end by the prosecution of a railway agent at Sintaluta, Assa. The meaning of the Act was made clear and unquestionable by the Supreme Court of the Northwest Territories.

### FURTHER AMENDMENTS.

Last session the grain growers' association, composed of practical farmers having had the experience of the season of 1902-03 to guide them, sent delegates to Ottawa to confer with the members of Parliament representing Manitoba, and the Northwest Territories, for the purpose of framing further amendments to the Act. Consultations were held, and the whole subject was thoroughly gone into, after which an Act was drafted which contained substantially every remedial provision asked for by the grain growers. Mr. Sifton introduced this bill on the 24th July, and it has now become law. It deals with the various difficulties which have arisen in the operations of the previous Acts, and removed those difficulties in so far as it was believed that they could be removed by legislation.

Provision was made under this act for any person applying to the commissioner for leave to erect a flat warehouse; the commissioner has authority to order any number of these warehouses that may appear to be advantageous, the railway company being required to give locations.

Loading platforms are to be erected upon the application of 10 farmers resident within 20 miles of the location of the proposed platform. The act contains detailed provisions in regard to the construction of such platforms.

Grain commission merchants are required within 24 hours to render a statement to persons who have given them grain to sell. Proper means are provided for the purpose of carrying out these various sections.

A complete set of provisions are contained in the act for the distribution of cars, so that every farmer who desires to ship grain himself, has the right to go to the railway agent, and enter his order for a car. The cars on being furnished are required to be given to the applicant in order of time, as they have been ordered. If there is a shortage of cars, each applicant gets one car first, and then each applicant gets another, and so on, so that there can be no discrimination. A farmer may order his car to a siding, a loading platform or an elevator as he may see fit.

#### FULLY DEALT WITH.

It will be seen upon an examination of the Act, as it has now been amended, that the whole subject of the transportation of grain is fully dealt with, in so far as it can be done by legislation.

In the first place the elevators are required to be under Government licenses; to do their business under Government supervision, and to make proper returns showing exactly what business they have done. These returns are of such a character that it is entirely impossible for any dishonesty to be practised in the management of the elevator as against a farmer who sells his grain through such elevator.

In the next place provision is made for proper returns by grain commission merchants, and it therefore becomes next to impossible that such losses as have taken place in the past, by reason of commission merchants failing to pay for the grain which they had received, should be repeated in the future.

In the third place, all privileges of grain dealers and elevator owners, as against the rest of the community, are entirely abolished, and the most careful and elaborate provisions are made in the law in order to protect the farmer in his right to procure a car and ship his own grain when he sees fit to do so.

It is difficult to suggest any further provision that can be made in the law for the purpose of protecting the farmer in his rights, but if experience in the future shows that such provision can be made, the willingness which has been manifested by the Government to remedy the grievances in connection with this subject is a sufficient guarantee that any further provisions which experience may suggest as desirable will be promptly made.

#### AN IMPRACTICABLE PROPOSITION.

Reference may be made in conclusion to one point upon which some discussion has taken place, but in regard to which it has not been found possible to take any action. The suggestion was made that the grain commissioner should be required by the Act to telegraph out from Winnipeg to the various shipping points every morning, the price at which grain was selling afloat at Fort William. A careful investigation of this proposition was made, and it was found to be thoroughly impracticable. There is now no official price for grain at Fort William, or any other point in the Canadian West. The prices are simply the prices which private dealers are paying from time to time, and the commissioner could only state a price by enquiring what dealers are paying on any particular morning. This price constantly varies and instead of being beneficial it is probable that the result of the commissioner telegraphing out to country points the price supposed to be ruling each morning, would be to mislead the farmers and often cause them loss. Inquiry in the great wheat growing states south of the boundary line, showed that no system of sending out the prices by government commissioners was in operation there, and that such a system was believed to be impracticable. No provision upon this point was therefore inserted in the Act.

#### CREDITABLE TO LIBERALS.

It is submitted that the history of the question from first to last redounds to the credit of the Liberal party, and establi .s.

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