

(March 3rd, 1913.)

The Cost of Living.

BY MR. C. C. JAMES, C.M.G., LL.D.*

AT a regular luncheon on the 3rd March, Mr. James said: *Mr. President and Gentlemen*,—We are told that Artemus Ward had a celebrated lecture with the simple title, "Milk." He was asked to go to a Western State to deliver his lecture, and agreed to do so. He sent on his subject, "Milk." They wrote back and said the subject would not do, though the lecture might be all right. He said, "Call it anything you like, but you will have the same lecture!" The position is a little different to-day. The subject has been assigned to me, and the officers have told me I can say anything I like about it.

If you touch the pockets of the people you will have them all interested. The pockets of the people of Canada have been and are being touched. (Laughter.) I think there is no subject more popular, more frequently discussed, more interesting, or one that has been settled more frequently, than the subject of the high cost of living. You will notice on the cards the subject is given, not as "the high cost of living," but as "the cost of living." I venture this remark, that at least one-half of you in this audience are better able to-day to pay the prices of food products than you were ten or fifteen years ago. (Hear, hear.) To you, then, it could not be a question of high cost of living, but of the cost of living. There is a class, however, who would prefer to take this as a question of the high cost of living. Men on fixed salaries, —clergymen, teachers, professors, members of the Civil Service—this will appeal to some who are at the head table at least,—clerks,—I think perhaps no body of men in Canada to-day are feeling the effects of the high cost of living more than those to whom I have referred. Others are able, more or less, to adjust themselves, and to them it is a question whether the high cost of living is a cause or an effect.

* Mr. C. C. James, C.M.G., LL.D., who for many years was Deputy Minister of Agriculture for Ontario, retired a year ago to become Special Agricultural Commissioner for the Dominion. With Hon. Martin Burrell he is working out the Minister's scheme for the expenditure of \$10,000,000 in the next ten years in promoting agricultural education and stimulating agricultural production throughout all the provinces. The result should be an increase of profits for the farmer and cheaper food for the consumer.

I presume I have been asked to speak on this question, not with the expectation that I shall settle it, or exhaust it, but that from the agricultural side I may say something of interest to you. It is a many-sided question. If your Club wished to discuss it fully, you would have to have a symposium, which would occupy a whole afternoon or evening. For instance, you would have a financial expert, who would tell you what has been the effect of the increased output of gold upon market prices. The Provincial Engineer of Good Roads would tell you what a very close connection good roads have with the question. Some man like Sir Horace Plunkett would tell of the benefit of co-operative marketing and co-operative purchasing. Dr. Adam Shortt would tell you of the good and bad sides of combines and mergers, and what their effect is for good or ill upon production and food prices. J. J. Hill would tell you that the high cost of living is due to the cost of high living; but you would not need Mr. Hill to come here from the Western States to tell you what you can prove out of your own experience, right in your own family. The Editor of *The Toronto World* would lay stress upon the high transportation rates on the railways. The Postmaster-General would explain how he would help to solve it with cheap parcels post. The Editor of *The Globe* would declaim upon the woeful waste of war and the economies of peace. (Laughter.) And if we dare venture upon political ground, some people not far away from us might venture some remarks upon the effects of low and high tariffs. It is a complicated question! I have given you nine or ten contributing causes, all of which play some important part.

Now I wish to add one important item, the question of supply and demand, that which I think the simplest, and which would give the most satisfactory explanation of the present situation, and which regulates prices the world over.

In the ten years from 1901 to 1911 the population of Canada increased very nearly two millions, the figures being 1,833,523. The city, or urban, population increased 1,258,645; leaving a rural increase of only 574,878. And that rural increase was more than made up by the rural increase west of the Lakes, for Canada east of the Lakes suffered to the extent of 47,253, while the rural population west of the Lakes increased by 622,131. Thus, while there has been an increase of over a million and a quarter in the towns and cities of Canada, there has been a decrease in the old agricultural provinces; but this has been more than made up for by the increase west of the Lakes.

What have these people been doing who have gone on to the farms of the three Western Provinces? Raising wheat, oats, flax and barley. They have not yet become mixed farmers; they have been producing from their fields articles which have in the main been exported. There is a marked contrast between the wheat and flax-growing farmer in the West and the farmer in Old Ontario, producing a great variety of food out of his soil and stock. In the early days of this country, in addition to food products the farmer was producing articles of clothing, and a great deal of material for furnishing of his house. These he now gets from the towns and cities. What does it mean? You cannot draw a line between producer and consumer simply by consulting the tables of the Dominion Census. While we have added a million and a quarter to our towns and cities in ten years, all consumers of course, we have also added six hundred thousand people to the rural population of the West, who in one sense are producers, but who are also consumers on a larger scale. If you examine the situation from this standpoint you will at once see that the consumers of Canada have been increasing much more rapidly than the producers. In that way you can settle why we are still moving up in the prices of our products.

Just two examples, one from the extreme west, the other from the extreme east. The Province of British Columbia imports no less than fifteen or sixteen million dollars' worth of table products every year; and New Brunswick, generally looked upon as agricultural, is compelled to import no less than four million dollars' worth of food products every year!

Had we time we might take up one by one some of the suggestions I have made: the gold production, the question of the extension of good roads, marketing, co-operation, and so on. All of them are important and worthy of separate consideration. But we must confine ourselves to the consideration of the question from the standpoint of supply and demand. If the demand is increasing so rapidly, it is a matter of prime importance to the people of this country that something shall be done to increase the products of the farms. (Applause.) And that instruction should be given to show the farmer how he can produce more, to perfect him in that production, and show him how he can produce more economically. That is the basis of the Burrell Bill recently introduced into the Dominion House of Commons, to set apart \$10,000,000 to be spent on instruction in agriculture during the next ten years. If you will allow me I will tell you something of how this money is proposed to be spent.

Some people said this Bill was designed to rectify all the ills arising from the high cost of living; but when you understand that there are at least nine or ten elements entering into that question, you see that any man would be foolish who made any such claim as that by giving instruction to the farmer you were going to solve the whole question. This Bill aims to give instruction to the farmer, so that he can raise more products, better products, and do so more economically. It proposes to do this along three different lines.

It first proposes to place at the disposal of the Provincial Departments of Agriculture sums of money whereby they can send to practically every farmer and every farmer's family upon the home farms the best instruction in farm methods. There was a time when instruction was limited to the four walls of a building, the schoolhouse and the college. In the training for the professions where expert instructors are engaged and laboratories are well equipped students will of their own accord come seeking instruction. But in the case of agricultural work, more is necessary: you must send the instructors out to meet the farmer and give him instruction upon his own land.

The second line of operation is this: money is placed at the disposal of the various Departments of Education to help them to introduce agricultural instruction in connection with the public schools. (Hear, hear.) These two lines, I think, commend themselves to any intelligent man who is interested in the rural community, and also in the community at large.

The Bill up to this point involves instructors, teachers, agents, experts,—whatever you may call them,—and therefore it is laid down specifically, or we are trying to lay it down specifically, that the third great object shall be to enlarge and increase the efficiency of the schools of learning, or agricultural colleges, out of which must come the instructors.

Now let us see, for a moment or two, how this is working out in the various Provinces of Canada. We have already made a start, and if the agricultural industry and agricultural interest continues to grow in the next ten years along the lines initiated in the past six months, I think we shall have gone a long way in helping to so solve the question before us to-day.

We start at the little Island of Prince Edward, where the people have for so many years been quietly working and living contentedly, losing their population in a steady stream to the eastern cities of the United States, and also to the great

West, plodding along in the old way, apparently satisfied: but they have at last shaken themselves free of that, and are looking on agriculture as their great provincial work; and it will not be very long before Prince Edward Island will be standing out as one of the most progressive Provinces in the whole of Canada. They started out on new lines this last year. They had little with which to work. They first procured an agricultural hall; they had to have some place in which to hold meetings. And they have just closed the first of a series of short courses, with a registration just a few short of five hundred! (Hear, hear.)

We cross over to Nova Scotia; what have they been doing? They have the only Agricultural College in the Maritime Provinces, at Truro. Knowing the great need of men, they have resolved to extend and enlarge that institution, and have taken the first year's appropriation to add to the buildings and equipment of their Agricultural College. Their plans for this year call for extension of work in dairying, live stock, poultry and horticulture—carrying instruction in these lines to the farmers.

Next comes New Brunswick. From this appropriation they are able to put out special instructors in horticulture, dairying, and also domestic science; they are starting Women's Institutes; they are erecting two agricultural schools, one at Woodstock, and the other in the town of Sussex; and they are about to appoint an Agricultural Instructor or Director for their schools.

In Quebec, they are using a demonstration train, to enable the people to realize the benefits that can come from instruction along right lines, simply a stimulus. They have been increasing the equipment of their French agricultural schools, and extending the work of Macdonald College, using this money to extend its influence among the English-speaking people of the Province.

We come to Ontario. Here this appropriation is being used along every line to stimulate and extend the work, providing more instructors in many different lines, extensions you could not have had otherwise, enlarging the many phases of the work with which you are more or less familiar. A field experimental building is being erected at the Agricultural College. The staff of permanent county teachers is being increased. The horticultural work is being extended. Field work is being undertaken in the poultry industry. Pure-bred stock is being sent into Northern Ontario. And provision is being made for instruction of women on the farm.

Manitoba sent out no less than two demonstration trains through the Province to stimulate the farmers. The authorities are now planning to have a corps of instructors go out and visit the new settlers as they come in and direct them along lines of work which the older farmers of Manitoba have found successful. They are planning extensive demonstration farm work to encourage mixed farming.

In Saskatchewan the operations are limited only by lack of men. They are extending various lines of instruction, and have written to us, "We need men!"

In Alberta three agricultural schools will be completed in another month or two, costing \$30,000 each, to be centres of instruction in rural districts. Each will be in charge of an instructor of agriculture who with his staff, will direct, supervise, and encourage agriculture in the surrounding country. Seven schools ultimately are planned, but three are now being erected.

In British Columbia again the cry is for men. They have great agricultural problems, which they are trying to solve as best they can. As I pointed out, that Province imports annually \$15,000,000 worth of food products. They feel the necessity of development, but they want men to act as instructors. They are making plans for a large agricultural college, and for instructors to take charge of districts.

So you see, through having money, it is possible to accomplish, from the extreme east to the extreme west, a great deal for instruction which could not otherwise be attempted.

What about Toronto, and the cost of living here? This is something that comes right home to everyone of us. We have a city here, ambitious, progressive, coming soon to the half million mark. You know what are the local conditions here in Toronto as to roads, markets and market gardens. But suppose we had a city with a perfect system of radial electric roads, running from the heart of the city out to the producing sections of the surrounding country; and supposing we had in all the suburbs around Toronto a host of market gardeners, producing the things we need upon our tables; and suppose we had first-class roads, highways, coming into the city; and suppose we had public markets in various parts of the city, where the house-wife could go with her basket and buy vegetables and garden products direct from the producer's wagon; would not that have some effect in lowering the cost of living in the city of Toronto? (Applause.)

Then why haven't we got these now? Why is it, that when you go to Europe, and see a city of half a million, you make a comparison between your home city and that one, and say, "How is this? The people of these old countries of Europe have these facilities, in which we are utterly lacking at home?" Why have we not got these things? Is it possible to get them? And if we did get them, would it not have a very material effect in reducing the cost of living? In those Old World cities, there is another thing I would refer to. You find in many of them what are known as Colony Gardens. I don't know of any in America, such as are to be found at Copenhagen, Denmark, for instance. As you come to the suburbs you find a tract of fifteen or twenty acres all cut up into small plots, and on each is a little house; the land is cultivated; in each house is living a family. How is this brought about? The city leases or buys a large block of land, cuts it up into little lots, and says to any of its citizens: "At a minimum rate, as long as you remain a citizen, you can have use of this to grow vegetables and help to keep down the cost of living."

Let me make brief reference to the question of co-operation. This includes production, marketing, and buying. We have heard more of co-operative production than of co-operative consumption. We are trying out on a limited scale the principle of co-operation in connection with production, but hardly have reached the starting point in the matter of buying. We can hardly expect to import the methods of Denmark and Belgium and Germany, and apply them to the people in this country, because we are not Danes or Belgians or Germans; we have been living along different lines; and any methods introduced will have to be adapted to our people and our conditions to be successful.

Have we any co-operation in the city of Toronto in buying? At first, perhaps, we would say "No." And yet the water in that glass, if it came from the water tap, is the result of the biggest scheme of co-operative buying to be found anywhere in the world! Why have we a municipal system of waterworks? Simply because it is cheaper and better for all the people to co-operate in the purchase of water than to leave it to the individuals. The individual well and the town pump have given place to the co-operative water system.

We have just taken the next step, in the co-operative supplying of light. And just as soon as the inventors can solve the problems connected with it, we shall add the co-operative

supplying of heat, and it will not be long before we have water, light, and heat supplied to our homes by co-operative effort, a co-operation embracing all the consumers of the city.

Why stop there? Why should we not go a step or two farther, and see our homes supplied co-operatively with the half-dozen things necessary for sustaining life? For instance, why not have our milk supplied that way, and cut off all this overlapping? We say the municipality shall be responsible for the quality and care of the milk brought to us; why not go the whole length, and put down at our homes the bottle of milk with the co-operative municipal tag on it?

I suppose if I mentioned other things, I should be called a Socialist! I would be quite willing to be put in the class of Socialists, if in some way it could be arranged that the half-dozen necessities of life could be supplied to all our citizens at cost, or a small figure above cost! (Applause.)

We do things in this new world, and then sit down and are surprised at some of the results. We put many millions of dollars into a railway to open up the cheap lands of the West, and then wonder why the people are leaving the land here. We keep on doing it, opening up new areas every year, and our people follow in the great rush to add to the acreage of wheat and oats and flax, and we wonder why the price of living in the city keeps up! As a people we should just sit down and do some thinking. Instead of spending twenty-five or thirty million dollars opening up land in some remote section, which is not yet required for use, would it not be better to build good roads in the settled sections? We could increase the population living in the country and assist in making the people living in the country happier, and would go a long way towards solving some of these questions now perplexing us, by cheapening the cost of production and of marketing. (Hear, hear.) I can remember, when a boy, going every Saturday to the market, where the farmers' wagons were backed up against the walk; the farmer and the farmer's wife were there; I was able to carry away the things I bought in the basket, or if they were too large, the farmer was asked to deliver them; the consumer was buying from the producer. Now when you want a bag of potatoes, you go to the telephone—that is the first charge!—and you call up your butcher; he probably supplies you with potatoes bought from the commission merchant on Front Street; where did he get them? From an exporter in New Brunswick who got them from a local agent, who went through Carleton County, and took them up from the farmer, who got

30 to 40 cents a bag for his potatoes. There is a big question there, not only for you in Ontario, but for the people of the West, how to get rid of the middleman! We have no right to call him names: he is earning an honest living: it isn't the fault of the middleman, it is the system that is expensive, and if we can change it we are able to add not only to our comfort but to the farmer's. The farmer is not getting a cent too much, when he is getting four cents for his milk, but you are paying too much when you are paying nine and ten cents for it! (Applause.) The question is, what are we going to do about it?

I have not time to refer to the question of cheap money. I would like you to read the speech of Mr. Arthur Meighen, M.P., delivered in the House of Commons on the 12th of February, appealing for the farmers of the West, asking that the Government provide agricultural credit in order to make it possible for them to borrow cheap money to enable them more rapidly to introduce mixed farming. The Government of Saskatchewan has recently published an instructive pamphlet dealing with this matter.

I trust, Mr. President, that in the presentation of this question, while I did not aim at solving it, I may have said or suggested something to help us to clear thinking, because if we do not think right, we are not likely to act along effective lines." (Applause.)
