

The Key to the Future of the American Wheat Grower Is Shown on This Map and in These Tables. Here Is the Proof for a Higher Tariff--The Figures Which Show the Need for Readjustment of Rates to the Sea

Easy Access of Canadian Wheat to the Milling Centers Shows Need for Tariff.

The largest market for Canadian wheat in the United States is in the flour milling centers, at Minneapolis and on the Great Lakes. It is not for the present, although inadequate, tariff Canadian wheat would be flooding these flour-milling centers. As it is something like 20,000,000 bushels of Canadian wheat was imported into the United States during the year 1923, or approximately one-seventh the entire American exportable surplus. Were it not for the present tariff on wheat of 30 cents a bushel Canadian wheat could be shipped as far south as Kansas City and other chief milling points.

The chief reason Canadian wheat continues to roll over the tariff barrier is the lower cost of production, due to lower land values in Canada and to the low export freight rate on wheat given by the Canadian railroads.

The tariff must be increased to 50 cents a bushel if this handicap is to be overcome. The figures in the table herewith, which are also shown on the accompanying map, tell their own story. The argument cannot be made more forcibly or the necessity more evident.

Large American Crops No Longer Necessary

A general examination of the wheat production of the United States is interesting as showing the problems of the wheat farmer. The Omaha Bee presents this examination in this special wheat farmer's edition as a guide in the general consideration of the question.

Under the stimulus of war prices and in response to the demand for large food supplies, the production of wheat was increased enormously during the years of the war. The initial rise in price following the declaration of war in 1914 encouraged the expansion of our wheat area. This large acreage, together with a favorable season, caused the wheat crop of 1915 to be the largest we ever harvested. Other countries also secured large crops that season, and as a result the price of wheat dropped to practically the pre-war level and remained low through the crop year 1915-16. A marked decline in wheat plantings followed and with the heavy abandonment in 1917 the acreage harvested that year fell to a point slightly below the pre-war average.

With the coming up of the Russian surplus the farmer had to depend upon overseas countries, especially North America, for their wheat. The price of wheat advanced sharply in the fall of 1916 and continued to rise through the forepart of 1917. After the United States entered the war, measures were taken to regulate the price of wheat, and minimum prices were fixed for the 1917, 1918 and 1919 crops. Under continuous appeals for production of food, the production of wheat rose from an average of 690,000,000 bushels in the period 1913 to 1915 to 1,319,000,000 in 1919, an increase of 46 per cent, and the wheat area expanded from an average of 47,000,000 acres to 75,000,000 in 1919.

Victims of Deflation. In order to provide land for wheat, rice, oats, rye, hay, and some other crops, of which there was an increase, the corn acreage was materially reduced, and a large amount of pasture and meadow land in the older regions and wild grass land in the newly settled regions was drawn into cultivation.

When general deflation of prices began in the summer of 1920, wheat prices broke sharply and have continued to decline into the present season. As a result substantial reductions have taken place in both acreage and production of wheat. Nevertheless, the crop for 1923 is 781,000,000 bushels or 13 per cent greater than the acreage before the war, and the acreage is about 24 per cent larger. The corn acreage which was replaced by

Canadian Rates, Lake and Rail, to the Milling Centers on the Lakes

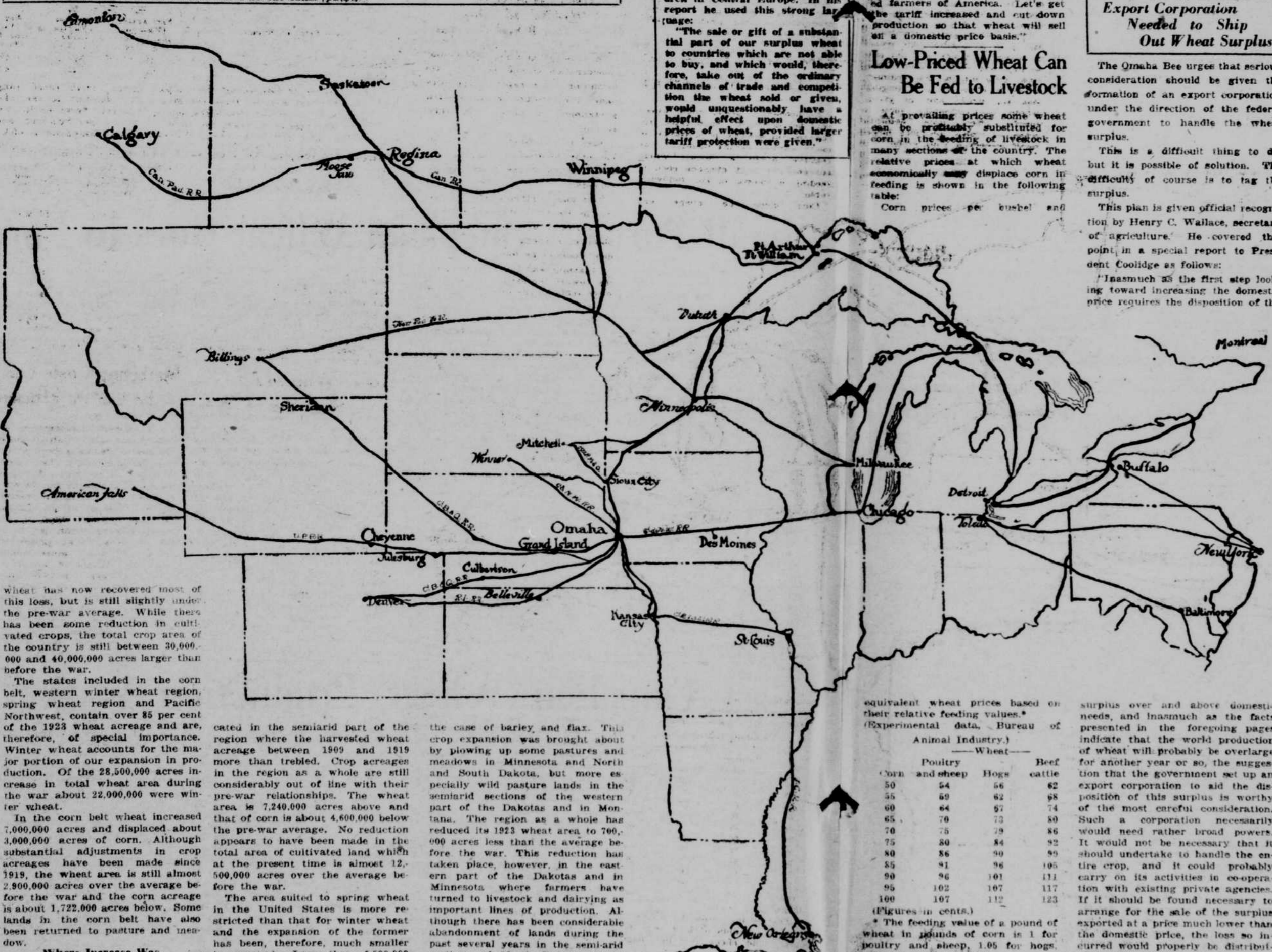
From Point of Shipment	To Port Arthur (Head of the Lakes) (Per Cwt.)	To Duluth (Via Water) (Per Cwt.)	To Milwaukee (Via Water) (Per Cwt.)	To Chicago (Via Water) (Per Cwt.)	To Toledo (Via Water) (Per Cwt.)	To Detroit (Via Water) (Per Cwt.)
Edmonton	26c	29 1/2c	30 1/2c	30 1/2c	31c	31c
Calgary	26c	29 1/2c	30 1/2c	30 1/2c	31c	31c

Edmonton wheat can reach Minneapolis for 41c per hundred and Calgary for 40c; points east of these stations can reach Minneapolis for even less--the Saskatoon section at 37 1/2c and wheat from Moose Jaw at 32c a hundred. The shipper from Billings, Mont., pays 39 1/2c per hundred to reach Minneapolis and Duluth.

American Rates, All Rail, to the Milling Centers on the Lakes

From Point of Shipment	To Duluth (Via Water) (Per Cwt.)	To Milwaukee (Via Water) (Per Cwt.)	To Chicago (Via Water) (Per Cwt.)	To Toledo (Via Water) (Per Cwt.)	To Detroit (Via Water) (Per Cwt.)
Billings, Mont.	39 1/2c	52 1/2c	52 1/2c	64c	64c
American Falls, Ida.	66 1/2c	63 1/2c	63 1/2c	75c	75c
Cheyenne, Wyo.	50 1/2c	50 1/2c	50 1/2c	62c	62c
Sheridan, Wyo.	53 1/2c	48 1/2c	48 1/2c	60c	60c
Denver, Colo.	50 1/2c	50 1/2c	50 1/2c	62c	62c
Julesburg, Colo.	41c	41c	41c	52 1/2c	52 1/2c
Grand Island, Neb.	37c	37c	37c	48 1/2c	48 1/2c
Culbertson, Neb.	39c	39c	39c	50 1/2c	50 1/2c
Belleville, Kan.	35c	35c	35c	46 1/2c	46 1/2c
Mitchell, S. D.	29c	32 1/2c	32 1/2c	44c	44c
Winner, S. D.	42c	42c	42c	53 1/2c	53 1/2c

Note: If lake transportation is used east of Chicago instead of all rail, the American shipper can reach Toledo and Detroit at a rate of approximately 3 1/2 cents per hundred over the rate to Chicago. These rates are considerably under the all rail rates to these points, but even on this basis are nearly twice the Canadian rail and water rates to the same points.



wheat has now recovered most of this loss, but is still slightly under the pre-war average. While there has been some reduction in cultivated crops, the total crop area of the country is still between 30,000,000 and 40,000,000 acres larger than before the war.

The states included in the corn belt, western winter wheat region, spring wheat region and Pacific Northwest, contain over 85 per cent of the 1923 wheat acreage and are, therefore, of special importance. Winter wheat accounts for the major portion of our expansion in production. Of the 28,500,000 acres increase in total wheat area during the war about 22,000,000 were winter wheat.

In the corn belt wheat increased 3,000,000 acres and displaced about 4,000,000 acres of corn. Although substantial adjustments in crop acreages have been made since 1919, the wheat area is still almost 2,900,000 acres over the average before the war and the corn acreage is about 1,722,000 acres below. Some lands in the corn belt have also been returned to pasture and meadow.

Where Increase Was. The largest addition to the winter wheat area was made in the great plains states of Nebraska, Kansas, Colorado, Oklahoma, and Texas. By 1919 the wheat acreages in these states had been expanded by over 13,450,000 acres. Corn was reduced 1923 is 781,000,000 bushels or 13 per cent greater than the acreage before the war, and the acreage is about 24 per cent larger. The corn acreage which was replaced by

in the semiarid part of the region where the harvested wheat acreage between 1909 and 1919 more than tripled. Crop acreages in the region as a whole are still considerably out of the line with their pre-war relationships. The wheat area is 7,240,000 acres above and that of corn is about 4,600,000 below the pre-war average. No reduction appears to have been made in the total area of cultivated land which at the present time is almost 12,500,000 acres over the average before the war.

The area suited to spring wheat in the United States is more restricted than that for winter wheat and the expansion of the former has been, therefore, much smaller in amount. Less than 4,500,000 acres were added to the spring wheat area during the war, and all of this increase has since been lost. The states of Minnesota, North Dakota, South Dakota, and Montana have taken place, however, in the eastern part of the Dakotas and in Minnesota where farmers have turned to livestock and dairying as important lines of production. Although there has been considerable abandonment of lands during the past several years in the semiarid sections of North Dakota, South Dakota and Montana, the harvested wheat acreage in these areas this season about 176 per cent greater than in 1909. For the region as a whole the area in cultivated crops has continued to expand since the beginning of the war.

The wheat area in the Pacific Northwest was enlarged to the extent of 1,250,000 acres, in considerable measure by decreasing the amount of summer fallow and by plowing up wild pasture lands, and only slightly through the replanting of other crops. Here again a substantial part of the additional acreage sown to wheat was semiarid land. Only slight reductions in the wheat acreage have been made since 1915.

"Good for The Bee; Go to It, I'm for It!"

—SENATOR KENDRICK

"Congratulations to The Omaha Bee for your special wheat growers' edition. I'm pleased to have had the opportunity of looking over your advance proofs." This was the message of United States Senator Kendrick of Wyoming, who was in Omaha attending the convention of the Livestock Growers' association on Tuesday, Wednesday and Thursday.

"You can say for me," continued

Sell or Give Away Surplus to Starving European Peoples
Secretary Wallace of the Department of Agriculture in a special report to President Coolidge urges the disposal of surplus wheat by sale or gift to undernourished women and children in Central Europe. In his report he used this strong language: "The sale or gift of a substantial part of our surplus wheat to countries which are not able to buy, and which would, therefore, take out of the ordinary channels of trade and competition the wheat sold or given, would unquestionably have a helpful effect upon domestic prices of wheat, provided larger tariff protection were given."

the senator, "that if the increase in the tariff on wheat from 30 cents a bushel to 50 cents a bushel comes before the United States senate, I will vote for it.

"There are some fellows down here who say an increased tariff will not help. I say, let's try it."

"Wheat production must come down—a bushel of wheat shipped from Canada is a bushel more added to the supply—let's keep it from coming in."

"I'm also in favor of the inquiry now being made by the tariff commission as to the direction of the president. That inquiry should be pushed and a report made as soon as possible. "If the president increases the tariff on wheat on the basis of the tariff commission's report, I will be on the front seat of those who will join in the applause. "The organization of the farmers to cut production is necessary, too. It is a big job, surely it is, but we are accomplishing miracles every day. "It is as easy to organize states now as it used to be to organize countries. Just because it is a big job is no obstacle to the red-blooded farmers of America. Let's get the tariff increased and cut down production so that wheat will sell at a domestic price basis."

Low-Priced Wheat Can Be Fed to Livestock

At prevailing prices some wheat can be profitably substituted for corn in the feeding of livestock in many sections of the country. The relative prices at which wheat economically can displace corn in feeding is shown in the following table:

Animal Industry	Wheat	Beef
Corn and Hops	54	62
55	60	62
60	64	74
65	70	80
70	75	79
75	80	84
80	85	89
85	91	96
90	96	101
95	102	107
100	107	112

*The feeding value of a pound of wheat in pounds of corn is 1 for poultry and sheep, 1.95 for hogs, and 1.15 for beef cattle. According to these ratios, when corn is 80 cents a bushel on the farm, for example, 86-cent wheat can be fed profitably to all animals, including poultry; 90-cent wheat can be fed to cattle and hogs but not sheep and poultry; while 95-cent wheat is profitable for beef cattle only. These ratios do not take into account the cost of grinding the wheat, a necessary expense in feeding it.

Canadian Rates, Lake and Rail, to the Sea at New York and Baltimore

From Point of Origin	Port Arthur (Head of the Lakes) (Per Cwt.)	Miles	From Head of Lakes to Buffalo (Water haul) (Per Cwt.)	Total Rate to New York (Rail from Buffalo) (Per Cwt.)	Miles	Total Rate to Baltimore (Rail from Buffalo) (Per Cwt.)	Miles
Edmonton	26c	1,214	6c	47.17c	2,575	46.67c	2,414
Calgary	26c	1,244	6c	47.17c	2,605	46.67c	2,494

Points east of Edmonton and Calgary enjoy lower rates, ranging downward from these points. The rate to Port Arthur, Can., from the Moose Jaw section to the lake is 20c a hundred. Canadian wheat can reach the sea at Montreal from as far west as Edmonton at a total rate, all rail, from the station nearest the farm, of 60 1/2 cents per hundred, and less from points east. By rail to Port Arthur and lake to Montreal the rate from Edmonton is 40 1/2 cents per hundred.

American Rates, Lake and Rail, to the Sea at New York and Baltimore

From Point of Origin	To Omaha (Per Cwt.)	To Chicago (Per Cwt.)	To Buffalo, via Lake (Per Cwt.)	To New York, via Rail (Per Cwt.)	Miles	To Baltimore, via Rail (Per Cwt.)	Total Miles
Billings, Mont.	39.5c	52.5c	57c	72.17c	2,250	71.67c	2,139
American Falls, Ida.	53c	63.5c	68c	83.17c	2,478	82.67c	2,368
Cheyenne, Wyo.	33c	50.5c	55c	70.17c	1,908	69.67c	1,792
Sheridan, Wyo.	36c	48.5c	53c	68.17c	2,145	67.67c	2,034
Denver, Colo.	33c	50.5c	55c	70.17c	1,956	69.67c	1,845
Julesburg, Colo.	23.5c	41c	45.5c	60.67c	1,759	60.17c	1,648
Grand Island, Neb.	19.5c	37c	41.5c	56.67c	1,541	56.17c	1,430
Culbertson, Neb.	21.5c	39c	43.5c	58.67c	1,601	58.17c	1,490
Belleville, Kan.	17.5c	35c	39.5c	54.67c	1,546	54.17c	1,435
Mitchell, S. D.	20.5c	32.5c	37c	52.17c	1,529	51.67c	1,418
Winner, S. D.	24.5c	42c	46.5c	61.67c	1,662	61.17c	1,551

Export Corporation Needed to Ship Out Wheat Surplus

The Omaha Bee urges that serious consideration should be given the formation of an export corporation under the direction of the federal government to handle the wheat surplus.

This is a difficult thing to do, but it is possible of solution. The difficulty of course is to tag the surplus.

This plan is given official recognition by Henry C. Wallace, secretary of agriculture. He covered this point in a special report to President Coolidge as follows: "Inasmuch as the first step looking toward increasing the domestic price requires the disposition of the

To Meet Low Canadian Export Rates Must Be Cut.

The wheat surplus must get to the sea. The cost of getting it to the sea comes out of the selling price in the world markets. If that cost is high the return to the farmer is affected accordingly. If the wheat farmer in other countries pay less for this service, they have an advantage over the American farmer.

Canadian rates to the sea are materially less than American rates. This inequality should be remedied at once. A readjustment in export rates to meet Canadian competition is for the reason the second plank in the wheat growers platform of The Omaha Bee.

The first plank is an adequate tariff to keep out the other fellow's surplus, and an export rate to

From Point of Shipment	To Port Arthur (Head of the Lakes) (Per Cwt.)	To Buffalo (Via Rail) (Per Cwt.)	To New York (Via Rail from Buffalo) (Per Cwt.)	Miles	To Baltimore (Via Rail from Buffalo) (Per Cwt.)	Miles
Edmonton	26c	32c	47.17c	2575	46.67c	2414
Calgary	26c	32c	47.17c	2605	46.67c	2494

Points east of Edmonton and Calgary enjoy lower rates, ranging downward from these points. The rate to Port Arthur from the Moose Jaw section to the lake is 20c a hundred. Canadian wheat can reach the sea at Montreal from as far west as Edmonton at a total rate, all rail, from the station nearest the farm, of 60 1/2 cents per hundred, and less from points east. By rail to Port Arthur and lake to Montreal the rate from Edmonton is 40 1/2 cents per hundred.

American Rates, All Rail and Barge Line, to the Sea at New Orleans

From Point of Shipment	To Omaha (Via Rail) (Per Cwt.)	To St. Louis (Via Rail) (Per Cwt.)	To New Orleans (Via Rail from St. L.) (Per Cwt.)	Miles	To New Orleans (Via Barge from St. L.) (Per Cwt.)	Miles
Billings, Mont.	39 1/2c	52 1/2c	70 1/2c	64c	2190	
American Falls, Ida.	53c	63 1/2c	78c	71 1/2c	2428	
Cheyenne, Wyo.	33c	46 1/2c	63 1/2c	58c	1858	
Sheridan, Wyo.	36c	46c	64c	57 1/2c	2194	
Denver, Colo.	33c	46 1/2c	65 1/2c	58c	1905	
Julesburg, Colo.	23 1/2c	37c	55c	48 1/2c	1705	
Grand Island, Neb.	19 1/2c	33c	51c	44 1/2c	1490	
Culbertson, Neb.	21 1/2c	35c	53c	46 1/2c	1640	
Belleville, Kan.	17 1/2c	31c	49c	42 1/2c	1495	
Mitchell, S. D.	20 1/2c	33c	51c	45 1/2c	1687	
Winner, S. D.	24 1/2c	38c	56c	49 1/2c	1835	

*Note: Lower Denver rate to New Orleans is to equalize rate to Galveston.

Use of Wheat Less Than Before War

The surplus of wheat production is greater than actual increase in production. The consumption of wheat is materially lower in all countries, including the United States. In Europe this is due to the continuance of war regulations, in this country to the effects of war habits and to the practice of changing for bread with meals. The standard of living in some European countries has been lowered and cheaper foods substituted for wheat. Wheat has been conserved by "long milling," mixing, and by feeding less to livestock. The per capita consumption of wheat in the United Kingdom has remained remarkably constant during the last 14 years, but declined slightly during the war. In France per capita wheat consumption, including seed, was reduced from an average of 6.3 bushels during the period 1908-1913 to an average of 7.4 bushels during the war period 1914-1918. Since then the average has increased to 7.7 bushels. Milling restrictions are still in force, requiring the mixing of from 8 to 10 per cent of substitutes with wheat flour.

Decrease in consumption of wheat flour in this country has contributed to the large exports of the war and postwar periods. The war appeal to save bread, aided by high prices, formed food habits which have remained with us. The prewar custom of feeding bread from every a la carte order in restaurants, hotels and dining cars was abandoned during the war period and has not been generally revived. "Free bread" is undoubtedly consumed more liberally than bread at the rate of two slices with a nickel order of bread and butter. At the rate of a cent and a half per slice, the cafeteria patron pays between 25 and 30 cents for a pound loaf of bread. In hotels, restaurants and dining cars, where the charge for an order of bread and butter may be as high as 20 cents, the consumption of bread has been materially reduced.

Marketing Costs Can Be Cut by Efficiency

Information in possession of the Department of Agriculture suggests the need of reducing both local and terminal margins in the marketing of wheat. A reduction of the country elevator margin can be effected in considerable measure by increasing the volume of grain handled by each elevator. This would necessitate a reduction in the number of elevators at points where there are two or more competing elevators. It should not be overlooked, however, that in the case of privately operated elevators the increased volume thus obtained might to some extent at least be offset by lower prices resulting from decreased competition.

Such investigations as have been made indicate that the co-operative farmers' elevator efficiently operated is an effective factor in reducing local buying margins. It is not so important to have competition in the case of patronage elevator elevators, since all profits over and above operating expenses are ultimately returned to the patron. Since 1904 the organization of co-operative elevators has proceeded rapidly. Between 1914 and 1921 the number of such organizations in 12 central states increased from 1,942 to 4,442.

During the last two years an effort has been made to reduce the margins at terminal markets and bring about a better seasonal marketing of wheat through the operations of grain market associations. Fourteen state associations of this kind have been formed and last August nine of them were affiliated in a national sales agency.

Thus the wheat grower can get at a glance the disability under which he works, when his surplus is to be shipped to the sea, whether he ships by way of the Atlantic or by way of the gulf.

Canadian Growers in Far North Get Reduced Rates

During the course of preparation of this special wheat growers' edition, news dispatches from Calgary, Alberta, announced the reduction of Canadian rail rates to Port Arthur from the Peace River district of British Columbia and northern Alberta. These rate reductions are from 5 cents to 8 cents. The Peace River is not now a wheat raising section. The rates were reduced not to meet a present demand, but to aid in building up the country. The American railroads might well take notice of this need rate-making policy.

equal basis with the other fellow as a necessary second.

The map reproduced on this page which shows more definitely than would a long array of figures the urgent necessity for the readjustment in export rates for which the Omaha Bee contends. This map is commended to the attention of the congress of the United States and of the interstate commerce commission, also to the wheat carrying railroads.

In order that the map may be reinforced, The Omaha Bee also directs attention to the tables of comparison.

The American wheat grower has a better freight rate from the middle west and from the foothills of the Rocky mountains if he ships his surplus by way of New Orleans than he has if he ships by way of New York or Baltimore. With these better rates, however, he is at a disadvantage in competition with the wheat growers of Canada. And these American shippers even as far west as Billings, Mont., have a shorter mileage than the Canadian growers. Even after they have reached the gulf, however, ocean rates to Liverpool are 2 cents per bushel higher than from New York or Baltimore.

By comparing the tables the Canadian rates to the Atlantic seaboard have been repeated.

Thus the wheat grower can get at a glance the disability under which he works, when his surplus is to be shipped to the sea, whether he ships by way of the Atlantic or by way of the gulf.

Bulletin

As this special edition is being prepared for the press, word comes from Chicago that it is estimated by a close observer that 12,000,000 bushels of Canadian wheat have been imported into the United States and tariff paid since September 1.