

Contract Farming Top Subject During Soil and Crop Meeting

One of the most controversial topics at farm meetings in recent months has been that of Vertical Integration, or as it is commonly called, Contract Farming. The panel discussion at the recent annual meeting of the Halton Soil and Crop Improvement Association was no exception.

The topic under discussion was "The Status of the Family Farm in 1959" but once the panel members and the audience got their teeth into the subject of Vertical Integration, it was with difficulty that the panel moderator, J. E. White, steered the discussion to other factors which have a bearing on the status of the family farm ten years hence.

Not Something New
Contract farming, as pointed out by Dr. Harvey Caldwell of the Department of Farm Economics at the Ontario Agricultural College, is not something which is new. It has been going on for a long time — canning crop contracts, sugar beet contracts, steer feeding contracts and as a matter of fact, milk marketing agreements around our large urban centres, and even the negotiating type of marketing plans or schemes under the Ontario Farm Products Marketing Act, all come under the term of Contract Farming.

Vertical Integration is a bit different from those mentioned, in that it links together all the various interlocking steps from production to processing and marketing.

Broiler Industry
It was pointed out in the panel discussion that the broiler industry is one of the best illustrations of Vertical Integration, in that here, normally, the hatcheryman, the feed dealer, the broiler producer, the processor and frequently the chain store operator, are all linked or integrated together in the one operation.

Some folk look on this type of operation as a policy which threatens to destroy the foundations of our Agricultural economy and rural society. To others, it is a logical fulfillment of the industrial revolution in agriculture which commenced when machines first replaced muscle on the farm.

Much to Comment
The panel members agreed that Vertical Integration has much to commend it—in short, it does enable the producer with limited capital and credit and in particular the "beginning farmer", to secure the necessary credit to operate a business with some volume and thereby make a living.

It also enables the producer to be sure of a market for his produce, which in the case of broilers, is practically a must for the new operator. Along with this, it enables the producer to know in advance the price he will receive—in some cases it enables the operator to secure better technical advice on control of disease, on feeding and general management—it also frequently brings with it a bookkeeping service, which in this day and age, is so essential.

Share Risk
Further, the other links in the integration share the risk with the primary producer. From the standpoint of other links in the chain, Vertical Integration in connection with broiler production enables the hatcheryman and the

feed dealer to plan their production with more assurance—the processor too, can be assured of an adequate supply to keep his assembly line operated at close to capacity at all times.

Last but by no means least, Vertical Integration along with better nutrition, antibiotics and better feed conversion, has materially reduced costs of production.

Some Disadvantages
On the other hand, the discussion revealed that the producer did forfeit some freedom when he entered into Vertical Integration, that while it gave more security, that while it secured a smaller profit, and further, that while it did provide credit, it normally was an expensive form of credit.

Panel member Reford Gardhouse, while admitting that in a county like Halton it was difficult for a young or beginning farmer to secure enough capital or credit to set himself up in a sound farming business, nevertheless, as he was concerned, he didn't like Vertical Integration and wanted nothing to do with it. Incidentally, this statement appeared to meet with general approval from the audience.

Control of Loss
Charles Munro of Embro, along with Roy Coulter, stressed the danger of farm operators losing control of their product unless Vertical Integration is practiced co-operatively.

The panel members agreed that it would be disastrous for agriculture should other links in the integration get control away from the primary producer.

We were interested to learn from one practicing integrator following the meeting that he blames certain chain stores for the present depressed price of broiler chickens. As we interpreted his statement, it was a situation which had reacted to the detriment of the producer, the processor and also the hatcheryman.

Open Market
It was pointed out by Dr. Caldwell that as long as the present Hog Marketing Plan remains in effect, all hogs must be marketed on the open market and consequently no processor can get control of the product.

W. E. Breckon prophesied that the next few years would see all milk in the province marketed under a pooling system. In short, as we interpreted Mr. Breckon's remarks, the milk producer, irrespective of his location and where his product now goes, would be paid for a percentage of his production at Butter Fat price, a percentage perhaps at Cheese or Milk Powder price, and a percentage of fluid milk price.

Equal Quality
Naturally this could only apply where and when all milk is of equal quality. Such a policy would not be popular to those who now enjoy a fluid milk market for their product, and admittedly it costs more to produce milk for the urban centres than it does in the case of those who ship their product to a creamery, cheese factory or condensory.

On the other hand, one has to admit that it does seem a bit unfair on the face of it, that one operator should have the advantage of a fluid milk market, while his

neighbor across the road who recently started farming for himself, must be content to ship his product to a creamery.

There are a lot of "kinks" to be worked out but we are inclined to agree with Mr. Breckon that whether we live in this area like it or not, a pooling system for milk will eventually be inevitable.

Summary
In the final analysis, it was the opinion of the panel members that in 1959, Ontario would still be a province of family farms and perhaps Vertical Integration would help in retaining the family farm unit.

It was also their opinion that farm units would continue to increase in size—to some extent in acreage but particularly in size or volume of business.

And finally, that in practicing Vertical Integration, the producer should study carefully the various contracts offered to make sure he is not going to lose control of his product.

In writing this article, we trust we have not misquoted any of the panel members nor misinterpreted their statements. In an article of this length, it is impossible to do justice to the comments and statements of the five panel members, W. E. Breckon, A. R. Coulter, Reford Gardhouse, Dr. H. Caldwell and Charles G. Munro—but perhaps we have written sufficient to indicate why the Halton Soil and Crop Annual continues to be one of the most popular farm meetings held annually in this county.

CLEO'S MINE
An emerald mine that belonged to Cleopatra is still in existence near the shore of the Red Sea in upper Egypt. No emeralds are found there now, however.

W.A. Lasby, Mrs. I. Leaman Are Mourned in Community

(Intended for last week)
The sympathy of this community is extended to the Lasby family in the death of their father, and grandfather, Mr. W. A. Lasby, after an illness which confined him to his bed for five years. His wife, the former Jessie Anderson, predeceased him six years ago.

He leaves to mourn him two sons, Charles on the home place; Joseph of Toronto; also two grandsons and three great grandchildren. The funeral, which was held from the Rumley-Shomaker funeral home in Acton on Saturday, was largely attended and was conducted by Rev. A. McKenzie and Mr. J. Birch.

Funeralbearers were neighbors G. McAlpine, S. Fallon, G. Blacklock, C. Brinklow, W. Lowrie and V. Watson. Floral tributes were numerous and beautiful, showing the esteem in which the late Mr. Lasby was held.

The funeral of the late Mrs. Isabel Leaman (nee Wright) of Toronto was held to Eden Mills cemetery on Friday. Mrs. Leaman was an aunt of the Gilbertson family; also Robert Wright of this place.

Bill Somerville Now Manager of Co-Op

Bill Somerville has been promoted to manager of the Georgetown branch of the Halton Co-Operative Supplies, replacing Harold Doda, who has joined the farm broadcast department of the Canadian Broadcasting Commission.

Mr. Somerville, who has been with the local office for a year, lives near Acton with his wife and son. He is a district native, son of Mrs. George Somerville and the late Mr. Somerville. He previously spent five years in Guelph with the United Co-Op feed department.

Halton Co-Op Supplies have branches at Georgetown and Milton.

Mystery Alarm Calls Georgetown Firemen

(Intended for last week)
The fire brigade from Georgetown paid a surprise visit to the village on New Year's eve. There was no fire, and it remains a mystery here who had sent in the call.

Peter Glynn spent holidays with his grandparents, Mr. and Mrs. Dalziel, and the Agnew's at Woodbridge.

Shoo's Fox
About 6 a.m. one morning recently Ted Brown was lucky to shoot a fox which had attacked and severely torn a pet cat close to the house door. It was believed to be rabid.

Injured Eyes
Mr. Ralph Turner had a painful accident at work at Malton last week, when he was struck on the eyeball by a flying rivet. Fortunately his sight was not injured.

Miss Dorothy Kirkpatrick spent Sunday with the Calvin McDonald's at Elmwood.

Mr. and Mrs. A. C. Patterson and Mrs. S. Smith visited at Orillia on Sunday with Mr. and Mrs. Turner and Mrs. A. E. Wiley.

Recent Visitors
Mr. and Mrs. Buckle of Hamilton with the John Nobles.
Mr. and Mrs. Kerr of Toronto with Miss Clarkson.
Mr. and Mrs. Wilfred Greenlees and Lois, and Mr. J. Woods of Campbellville and Miss Glenda Quinton of Menford with the A. W. Bentons.
The Jas. Bloor's of Malton with the Ted Brown's on Sunday.
Over 20 members of the Brown-

Man never gets so rich that he can afford to lose a friend.

Rev. H. Kroeze Is Counsellor

Rev. Henry W. Kroeze of Clarkson will be counsellor for the Acton congregation of the Christian Reformed church. The minister, Rev. Ruelof Groenboer, has moved to British Columbia and assumed new duties with a church there.

Mr. Kroeze will be taking some of the services. He will teach the three catechism classes on Monday evenings.

The congregation is hoping to have its own minister again soon.

Brampton Reception Follows Jennings-McLaughlin Wedding

The groom was attended by Jack Burke.
The reception was held at the Yellow Briar Inn, Brampton, where the bride's mother received for her daughter wearing a navy blue dress, matching hat and a corsage of pink roses.

The groom's mother assisted wearing a green dress with matching feather hat. Her corsage was of pink roses.

Guests were present from Palermo, Oakville, Freeton, Acton, Georgetown, Toronto, Guelph and Brampton.

A telegram was received from the bride's aunt and uncle from Boston, Mass., who were unable to be present. The couple are living in their new home at R. R. 1, Limehouse.

Living today is a game of robbing Peter to pay Paul in order to make it possible to stand pat.

Father Morgan officiated at the marriage of Bridget Ann, daughter of Mr. and Mrs. John McLaughlin, to George Allan Jennings, son of Mrs. George Jennings and the late Mr. Jennings.

The bride wore a white brocade, waist length dress with white satin hat trimmed with sequins. She carried a nosegay of white baby mums and red sweetheart roses.

Her attendant was her cousin, Mrs. Jack Burke from Toronto, who wore a red velvet dress and white velvet hat and carried a nosegay of white baby mums.

ridge families held their New Year's get-together at the home of Mr. and Mrs. F. J. C. Brown.

Dr. and Mrs. S. Magwood and family of Sussex, N.B. visited the F. J. Brown families on Sunday.

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the safe, clean, modern way

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Household Hints by Anne Allan:

To freshen a refrigerator which has not been used for some time, wash out with baking soda in warm water.