

Chapter 6 -Economic Realities of Life in Theodore

World War I

War Time Prosperity

When the First World War broke out in 1914, the Canadian government encouraged prairie farmers to increase their production of wheat for the War effort¹ The harvest of 1915 was the largest Saskatchewan had ever produced and yields in some places were reported to be as high as 40 to 60 bushels per acre.² By 1916 65 percent of Saskatchewan's crop land was seeded to wheat with less than 30 percent seeded to oats, grown to feed the horses, and the rest to hay, barley, and flax.³

The second factor that led to the general prosperity of the items were the prices the farmers received. One of the first indications that the war time economy would be different from that of the previous years was an item in *The Yorkton Enterprise* in August 1914 under the heading "Food Prices go up because of War."⁴ For the farmer, scarcity and higher food prices at the retail level would soon translate into higher prices for farm produce at the farm gate.

The price of wheat, which sold for only 66 cents per bushel in 1913, showed a dramatic increase with the outbreak of the war.⁵ In October 1914 *The Yorkton Enterprise* announced that the price of wheat had reached \$1 per bushel and oats were selling at 43½ cents per bushel.⁶ By 1916 the price of wheat would reach a war time high of \$2.40 per bushel.⁷ According to the Bank of Canada's Inflation Calculator, the purchasing power of that \$2.40 bushel of wheat would be equal to \$44.90 in 2016.⁸

Other farm products also increased in price. By the spring of 1917, butter was selling at 40 cents per pound and eggs were 40 cents per dozen at Theodore.⁹ Again, using the Bank of Canada's Inflation Calculator, the value of those items would be \$6.39 a hundred years later.¹⁰

A third factor that had an effect on the economy during the First World War was the demand for horses for the war effort. An announcement was made early in the war that the Saskatchewan government was making a gift of 1,500 horses to the war effort.¹¹ On 10 October 1914, the Saskatchewan government spent \$6,600 to purchase forty head of first class cavalry and artillery horses from the Yorkton district.¹² Although poor roads made it difficult for some farmers to get their horses to Yorkton for the sale, those from communities around Yorkton, including Theodore, received prices ranging from \$140 to \$190.¹³

The war time prosperity had a direct effect on both the size of the farms and the price of farm land in Saskatchewan. Champ points out that between the years 1911 and 1921 not only were there more than 23,000 new farms in Saskatchewan, but the size of the farms had also grown.¹⁴

The average farm size in the province grew from 297 acres to 368 acres in the same ten-year period. Half-section farms became the norm, and three-quarter section farms were no longer unusual.¹⁵

The war time prosperity also had an effect on land prices at Theodore. In the spring of 1918, for example, it was reported that John Bilokreli of Theodore had paid \$35.00 an acre for a quarter section of land, and Nels Frederickson, another Theodore farmer, purchased land worth \$10,000 on land east of the Whitesand River.¹⁶ Further signs of prosperity occurred in the rural area around Theodore as farmers erected "good, substantial buildings" which added to the appearance and value of the farm.¹⁷

In Theodore, itself, the painting and maintenance of buildings enhanced the appearance of the village.¹⁸ Property values in the village also increased.

Mr. N. J. Bilokreli has purchased from J. S. Anderson the corner lot and store next to Wakers confectionary. The price paid for this property, including building, represents nearly \$20 per foot frontage, which surely speaks well for Theodore property.¹⁹

One of the problems that resulted from the war time prosperity was that land in both the village and in the rural area was not assessed properly. J. S. Anderson, Theodore's Correspondent to *The Yorkton Enterprise*, stated:

The village was assessed far too high in boom times – not to borrow money but for advertising purposes – and farm land has always been assessed far below its real value. The result is that Theodore village has been paying far more than its share of the expenses of the public school.²⁰

In order to better understand the effect that World War I prices had in the economy it may be useful to look at the rate of inflation during those years and compare the purchasing power of one dollar from 1914 to that of 1915, 1916, 1917, and 1918. According the "Inflation Calculator" provided by the Bank of Canada, a "basket" of goods and services that cost \$100.00 in 1914 would cost \$103.28 in 1915, \$118.03 in 1916, \$136.07 in 1917, and \$154.10 in 1918. If one were to purchase that same basket of goods one hundred years later it would cost would be \$2,040.98 in 2014, \$2,073.77 in 2015, and \$2,104.92 in 2016, and \$2,172.14 in 2017.²¹

The Post War Recession

Following the end of the First World War Canada experienced a period of recession, and farmers in western Canada were particularly hard hit. In early December 1921, *The Theodore Tattler* reported that up to November 11th of that year the farmers of Western Canada had shipped

23,000,000 more bushels of wheat than they had shipped the previous year, but had received \$107,000,000 less than the previous year.²² In early 1922 when an Eastern business firm thought that prairie farmers were on a “buyer’s strike,” *The Yorkton Enterprise* responded as follows:

The farmers of these provinces never were on a buyer’s strike, nor were farmers anywhere. The reason for the falling off of farm purchases is not due to the farmers not wanting to buy so much as his inability to buy. The value of the farm crops of this country was half a billion dollars less in 1921 than in 1920. The same situation prevails everywhere, in the United States and in all countries. Farm crop values have slumped more than other values; the farmer has less to spend. That is about all there is to the so called “buyer’s strike,” so far as the farmer is concerned. Here are some figures showing the slump in farm crop values in the United States in the same period; farmers are harder up there than here. The total value of the important farm crops of the United States in 1921 was \$5,675,877,000, as compared with \$8,000,000,000 (approximately) in 1920, a difference of almost 3.400,000,000. When that sum is added the half billion loss in Canadian crop values, you have the explanation of a situation in which for want of a better term some have been calling a farmer’s “buyer’s strike.”²³

At Theodore the prosperity that World War I brought to the village and district lasted through 1919 and into 1920. In the late winter of 1919 John Flock realized more than six thousand dollars from the sale of his farm, stock, and implements.²⁴ Several weeks later it was reported that William Waugh’s sale was well attended and prices realized were good.²⁵

By the end of July, 1920, however, Theodore was experiencing the full effect of the post war recession. In mid-August, for example it was reported that even though the market prices in Winnipeg were poor, a large number of cattle had been shipped from Theodore.²⁶ It is likely that because prices were low, at least some farmers were shipping more cattle simply to maintain a certain level of income. In early December, 1921 Anderson reported to his readers that, “

A local cattleman who consigned a shipment of cattle to the Winnipeg markets last week showed your correspondent his returns which netted him twelve dollars per head.”²⁷

The market for cattle remained depressed until the fall of 1922 when it was reported that:

Messrs. F. L. McFayden and R Thompson returned from Winnipeg Friday morning where they spent the week disposing of six car loads of fine cattle. They report the stock market demoralized and found great difficulty getting rid of their shipment.²⁸

In 1920 those farmers who had held grain from the 1919 crop in the hope of realizing a better price learned to their sorrow that the price they were offered for their grain was about half of what they would have gotten if they had sold it the previous November.²⁹ Although farmers continued to deliver their grain to the local elevators during the winter of 1920-1921, they were reluctant to actually sell it due to the prevailing low prices.³⁰ The following item illustrates the plight of many farmers:

Glowing reports of the western crop and the amount of money the farmer will have to spend appear every other day in Winnipeg and Eastern papers. Sure the farmer will have some money, but by the time he pays his threshing and twine account, there is precious little left to sift through to the pockets of the eastern manufacturer. A report has just reached your correspondent of an instance near Willowbrook where a farmer had to dig down into his pockets for \$16.00 to complete his threshing bill after applying all of his crop on the account. Oh yes let the newspapers keep the glowing accounts in circulation and thereby injure the price of the little our farmers have to market. The worst one can wish these optimists is that they had a farm, a crop, and a threshing bill – one can well imagine that the prospects would not look quite so rosy to them.³¹

It sometimes happens that when the price the farmers' receive for their grain is low, the lack of income is off-set by an increase in the price of live stock, or at least, a steady and stable market. Such was not the case following World War I. The post war recession also had a negative effect on many other farm products. For example, wool which had sold for 46 cents per pound in 1919 was worth only 15 cents per pound just a year later, a drop of about sixty-six percent.³² Animal hides which were "eagerly snapped up" at 23 cents per pound in 1919 were "going begging" at 10 cents per pound in 1920.³³

The recession also have a negative effect on land prices around Theodore. The following stories indicate that not only did the price of farm land fall dramatically, but the number of farm sales diminished as well.

Many farmers and others, who a couple of years ago, were counting their fortunes in thousands (on paper) as the result of speculating in farm lands are now anxious to turn some of this paper into real Canadian dollars, and in order to do so are very willing to sacrifice a large share of their profits. On Saturday a farmer sold his \$900 equity in land bought and sold a year ago, for the sum of \$100.³⁴

The lull in real estate sales is something of a contrast to a year ago, when each passing day saw something added to the list of sales, and every man who owned a quarter of scrub, stone, or stumps could find somebody ready to take it off his hands. We have evidence to show that at least a number of deals in which unjustifiably high prices were paid are still likely to fall through. There are some who find it to their advantage to sacrifice payments already made, rather than go any deeper in the hole. In many cases they are unable to raise a dollar with which to make further payments.³⁵

As so often happens when farm income declines that farmer's costs either remain the same or actually increase. In 1920 Anderson described the situation in the following terms"

The farmer gets an offer of 25 cents for beef on the foot, buyers telling him that the market for live stock is all shot to pieces, while we who have to purchase the beef, would require a magnifying glass to distinguish any shrinkage in prices of beef products.³⁶

Then in 1922 Anderson told his readers of a farmer who shipped some chicken to the Winnipeg market, a twelve-hour trip, and when calculating his return figured that the cost of shipping the chickens was about 25% of the value of the total shipment³⁷ Additionally, the loan companies who had advanced money to farmers to buy equipment during the boom times became very active in their attempts to collect outstanding balances from farmers.³⁸ They issued scores of distress warrants and stop pay notices were handed to elevator operators.³⁹ This left the local farmers very little or nothing, and the local merchants, who had extended them credit, went unpaid.

It has often been said that when Saskatchewan's farmers don't have money, nobody in the community has money. This certainly seemed to have been the case in Theodore during the early years of the 1920's. In early December 1920 Anderson noted that there was little if anything in the way of Christmas merchandise being displayed in Theodore's retail stores.⁴⁰ He also noted that:

Three of the Jewish stores in town are conducting clearance sales and seeking to attract the buying public by various means of advertising. One store displays on its window number of hand written ads neatly done on black and red ink assuring the public that "Here is the big sale," and that "Our prices are lower than the lowest." Over the doorway to the adjoining store appears in large coloured letters the assurance that the big Sale is on." While up the street, the eye rests on a bill announcing "A real sale," whether this is intended to cast aspersions on the former announcements, can be figured out by the purchaser, as best suits him. One wonders how long Eaton's would last under these conditions.⁴¹

Pre-Christmas business was also very dull in 1921. It was claimed at the time that it was one of the quietest Christmas seasons sine 1907, when crops had been destroyed by frost.⁴²

An indication of just how desperately hard up some people were by the end of 1920 can be determined that in two cases of theft the thieves took flour, a basic staple in almost every home at the time. Twenty sacks of flour were stolen from the local flour mill one night, and a couple of nights previously a sack of flour was removed from the doorway of one of the stores, where it had been placed for a customer to pick up.⁴³

In January 1921 a number of the retail merchants in Theodore, who had been extending credit to local farmers for years and were now having difficulty getting paid, met in the town hall to discuss the use and abuse of credit. As is usual in such a meeting many views, opinions and alternatives were offered and some seemed to favor abolishing the extension of credit and putting business in Theodore on a cash basis.⁴⁴

In 1921 a local farmer shipped some cattle to market in Winnipeg and netted only twelve

dollars per head.⁴⁵ Much to the disgust of many, implement manufactures resorted to seizing the grain farmers delivered to the local elevators, prompting the following comment.

The usual heavy crop of seizures are posted in the grain elevators here, perhaps the crop is a little heavier than usual, at least it looks as though the hungry creditors has whetted his appetite for his annual gorge.⁴⁶

Lack of money in the farmers' pockets meant a lack of money in everybody's pockets, and that in turn had a negative effect on the finances of the rural municipalities, the schools, and the village. According to an item in *The Theodore Tattler*, Theodore's newspaper, \$5,700 of the village taxes were unpaid at the beginning of December 1921, and of that amount \$3,100 was owing to the School District which was required to pay the debentures on the new school building and the teachers' salaries.⁴⁷

Muskrats to the Rescue

For many years the Theodore district had provided such a lucrative income for anyone who wanted to trap muskrats that they had become quite scarce in the district. In the early 1920's, however, muskrats could be seen in large numbers on just about every little pond in the area and twenty were counted in one slough alone.⁴⁸

In the spring of 1922 it was reported that Theodore's muskrat hunters were having a successful year. Large quantities of furs had been delivered to the local buyer by the end of April and prices were good.⁴⁹ One trapper estimated that he had realized nearly \$12 er day for the time spent on this work.⁵⁰

By the fall of 1922 muskrats were plentiful enough that anyone who had the time could become a trapper.⁵¹ One trapper reported that he had obtained a hundred pelts in one week.⁵² By

early December it was estimated that between \$5,000 and \$6,000 worth of muskrat pelts sold by local trappers in the previous month.⁵³

Although excessively deep snow, hampered many trappers the 1922-1923 season was profitable, and two trappers in the Beaver Hills were said to have cleared nearly \$1,000.00 catching muskrats.^{54 55} Two other local trappers were reported to have sold 1,000 pelts one Saturday and realized about \$800 for their month's work

According to the local correspondent to *The Yorkton Enterprise*, muskrats, were especially sought after during those hard times.⁵⁶ He also stated that trade in Theodore was stimulated by the circulation of the extra money that muskrat pelts provided⁵⁷

This brief revival of the trade in Muskrat pelts soon came to an end. By November 1923 muskrats, while still plentiful were not as numerous as in the previous year, and by November 1924, they were very scarce in the Theodore area.^{58 59} In January 1925 G. Farbacher, a fur buyer from Springside, was only able to purchase 600 muskrat skins from local merchants.⁶⁰

By the spring on 1923 there were signs that the postwar recession was coming to an end. However, recovery was slow and in the fall of that year prices were still low and several farmers at Theodore sold out.

As a result of the low price of farm products, a few of our farmers would appear to have become discouraged, and one man at best is offering his goods and chattels at a price that would indicate that he is not joking when he states his intention of leaving the country, a quarter section of land, 30 acres of crop, 5 horses, and line of machinery, hay feed, and etc., for \$2000, with a cash payment of \$1000 is what your correspondent noticed today on the advertising blackboard in the window of our leading real estate gent. Five years ago

this property would have sold for upwards of \$5,000.00.

Return to Prosperity

One of the first indications that the postwar recession was coming to an end appeared in the Theodore news column in the spring of 1923 when it was announced that:

Business is improving, slowly but surely. The good old times are returning, and though at present our currency in circulation consists chiefly of silver and one dollar bills, the later folded and creased together that they require ironing out in order to distinguish their denomination, still there is a promise of better things just around the corner.⁶¹

By the fall of 1923 it could be reported that auction sales were drawing large crowds and that the prices were good.⁶² The economic situation in Theodore during the mid and late 1920's appears to have been quite good as the following news item illustrates.

As an argument to oppose the oft repeated assertion that farming does not pay under present conditions we would quote the following facts, which can be vouched for; Two years ago a local farming enthusiast who does not really farm himself, purchased a quarter section near Theodore for sixteen hundred dollars cash at a mortgage auction sale. This land had a few acres under cultivation, and the balance being mostly scrub and bush land of excellent quality. Hiring labor to clear and break up half of the farm and summer fallow and clean the area under cultivation, the owner this year sowed 77 acres to wheat, which has just been threshed and marketed, netting a profit of two thousand dollars, after all expenses were paid, on an original investment of sixteen hundred and it should be borne in mind that only half of the land was under cultivation. All the work done on the land was done by day labour or contract.⁶³

Economic conditions at Theodore continued to improve during the late 1920's. In January 1927, retiring Overseer, Louis Kelson reported to the community the progress made in the previous two years. Among the achievements he listed were the following items: The payment in full of debentures totaling \$6,300; A lower per capita tax levy than many other villages in the province; Theodore had never been forced to buy even one dollars' worth of tax sale lands; The

village was debt free and had a balance in the local bank; The percentage of taxes collected at Sheho, 79: at Springside, 73:at Theodore. 83½. Kelson concluded his report by urging the village to continue in its present good financial condition and avoid unnecessary expenditures.⁶⁴

By the end of November 1928, Theodore's population was the highest it had been for more than twenty years and every habitable house or shack was occupied, and there were strong indications that more accommodation being required.⁶⁵ Economic condition continued to appear good until the late summer of 1929 when it was announced that wheat prices had jumped twenty cents in one week, and into the early winter when a farm sale was reported to be a great success and good prices being realized for almost everything offered.

Notes:

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3. Champ, Joan. "The Impact of the First World War on Saskatchewan's Farm Families," *Western Development Museum*. 2002.
4. "Food Prices go up Because of War," *The Yorkton Enterprise* on 13 August, 1914.
5. "Waiser, Bill, "The day Sask. kids waged war on gophers," *Saskatoon Star-Phoenix*. 31 March, 2015.
6. "Grain Prices Continue to Soar." *The Yorkton Enterprise*. 22 October 1914.
7. "Waiser, Bill, "The day Sask. kids waged war on gophers," *Saskatoon Star-Phoenix*. 31 March, 2015.
8. "Inflation Calculator," *Bank of Canada*. Retrieved 21 November, 1917 from <https://www.bankofcanada.ca/rates/related/inflation-calculator>
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12. "\$6,600 Disburse in Purchase of Military Horses," *The Yorkton Enterprise*. 15 October, 1914.
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17. "Theodore," *The Yorkton Enterprise* 26 July, 1917.
18. "Theodore," *The Yorkton Enterprise* 14 June, 1917.
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22. "Notes," *The Theodore Tattler*. 10 December, 1921.
23. "Why Farmers Are Hard Up," *The Theodore Tattler*. 28 January, 1922.
24. "Theodore," *The Yorkton Enterprise*, 27 February, 1919.
25. "Theodore," *The Yorkton Enterprise*, 13 March, 1919.
26. "Theodore," *The Yorkton Enterprise*. 19 August, 1920.
27. "Theodore," *The Yorkton Enterprise*. 1 December, 1921.
28. "Theodore," *The Yorkton Enterprise*. 31 October, 1922.
29. "Theodore," *The Yorkton Enterprise*. 28 July, 1921.
30. "Theodore," *The Yorkton Enterprise*. 24 February 1921.
31. "Theodore," *The Yorkton Enterprise*. 27 October, 1921.
32. "Theodore," *The Yorkton Enterprise*. 19 August, 1920.
33. "Theodore," *The Yorkton Enterprise*. 19 August, 1920.
34. - "Theodore," *The Yorkton Enterprise*. 17 March, 1921.
35. "Theodore," *The Yorkton Enterprise*. 20 January, 1921.
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