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But if the machinery of the grain trade was created by commercial evolution in times of peace, it is a machinery capable of being thrown out of gear by such a war as that now being waged. For some time after the outbreak of war the effects upon this machinery were not very marked, but as the war proceeded one result after another followed, until the whole system of marketing grain upon this continent has been revolutionized to a degree which a couple of years ago would have been considered impossible and almost inconceivable.

### Effect Upon Exporting.

At an early date after the outbreak of the war the problems of ocean tonnage, marine insurance and ocean freight rates became acute, and also the problem of the international rate of exchange. Naturally the exporting of wheat under these conditions became a most difficult matter, and these were the first effects which the war had upon the grain trade of this continent.

The rising prices of bread in the United Kingdom, as in other European countries, soon forced the British government to consider ways and means of protecting the consumer, and the British government decided to create an agency upon this continent for the purchase of wheat. The result was that a company was named at Winnipeg and authorized to purchase wheat for the United Kingdom. At a later date this company was entrusted with the buying of all the wheat for the Allies in Europe, especially for Great Britain, France and Italy.

When this stage was reached, the exporters of wheat in Canada found themselves deprived for the time being of their business and an important section of the grain trade was thus made to feel the full consequences of the war.

### The War Corner.

The company that purchased for the European Allies made use of the machinery of the grain exchanges. It bought for future delivery in the ordinary commercial way, but representing as it did the treasuries of Great Britain, France and Italy, its operations were upon an enormous scale. During the times of peace in which the grain exchanges had been developed and had taken care of the wheat of the continent of North America no company had ever appeared which had behind it such enormous resources, which had furnished to it orders for such tremendous quantities of grain, and which consequently had such a predominating place in the exchange markets.

I am not at the present registering or reporting anything in the way of blame or censure either of the Allied Governments which adopted this method of buying their grain, or of the methods of the company which they authorized to purchase for them. My object is neither praise nor blame; it is simply