

The importance of this to the Canadian consumer is apparent. It is scarcely less important to the producer. Cheese is so valuable and so popular a food that a very little permanent cheapening of it would greatly increase the nearby demand and thus give the farmer a bigger and a better market.

Dealing with eggs, it was shown that the consumer in the Canadian city is paying anything from 50 to 100 per cent. more for his eggs than the farmer in the country receives. Mr. Coats traced the handling of eggs from the farmer to the consumer and reminded us that to the farmer an egg is an egg, large or small, dirty or clean, sound or cracked, old or new. So, likewise to the country storekeeper and the owner of the country egg wagon, one egg is very like his brother. Only when the large dealer is reached does the instinct of discrimination awake. Here the eggs are candled, and divided into grades—"strictly fresh," "fresh," "new-laid," and "eggs." The fact is the large dealer has got to exercise discrimination, for it is he who first comes into distant sight of the consumer with whom in the final analysis it is difficult to practice concealment if the egg is bad.

That the large dealers meet weekly in our cities and agree upon the price of eggs and other things, this being broken only under unusual circumstances, is not the fact Mr. Coats would adduce as cause for the spread between producer and consumer, though it may look suggestive. The incontestably bad feature in the case is the practice of not buying from the outset on a quality basis. It makes a gamble of what should be a perfectly four-square transaction. It encourages carelessness and inefficiency both in producer and middleman. What incentive has the farmer to prompt gathering and marketing, or to care in securing against fertilization, and what incentive has the country storekeeper to place the eggs where they will be cool and safe against the day of shipment?

Mr. Coats dealt with the production and marketing of fruits, vegetables, milk, butter, cheese, meats, cereals, flour, bread and several other commodities. In almost all cases, he revealed a serious looseness in marketing methods as they extend from the producer to the consumer. In some instances, the grower may get the better of the system; in others, the middleman; in others, another handling factor, but seldom the ultimate purchaser. Mr. Coats suggests an inquiry into the subject, an excellent idea, and thinks that this ought not to proceed so much by branches of trade as by the steps of the distribution process.

Discussing the transportation phase, he asks whether the public is benefiting as it should from the wonderful advantages in railroading efficiency of the past few years, during which the capacity of a box car has increased by a half and the length of trains by two or three times, to say nothing of refrigeration. Mr. Coats concluded his paper with a reiteration of the plea for more facts and of the suggestion that the Political Science Association encourage in any way it can the gathering of them. Probably 40 or 50 per cent. of the income of the average city is spent for food. In the average city there is only an individual here and there now who knows anything in a general way of whence and how the food supply is collected. A bill passed the United States Senate some time ago to provide for a Bureau of Markets. Its purpose was to save the billion or so dollars' worth of farm stuff that is estimated to go to waste annually in the United States from bad marketing methods. Whether such a Bureau, had it ever been formed, might not have been crushed at birth by the mere contemplation of its opportunity, the fact remains that our handling of the distribution problem is a touchstone of our efficiency as a nation.

Much has been done in Canada to show the farmer how to raise and increase his crops and products. Little is being done to help him to market them advantageously. Therein is excellent scope for a government inquiry and the construction of a proper marketing system.

AUDITORS FOR THE BANKS

The panel of accountants elected by the bank managers and approved by the finance minister, from whom bank shareholders may select an auditor, has aroused considerable discussion among accountants. *The Monetary Times* has received several communications on the matter. It is pointed out that in the Dominion Chartered Accountants' Association there are over 350 members and that one-third of the panel from which the shareholders may choose are to represent foreign firms and of over 350 names, the banks may choose from less than forty, allowing for the names of those who are not chartered accountants. However that may be, there seems to be considerable justice in the argument of several accountants that in the panel, individual firms should rank as only one name, and not eleven firms as forty-one names.

BANKING AND FARMING

The banks have refused the detailed information, as to their loans and deposits in Saskatchewan, requested by the Royal Commission on agricultural credits appointed by the Saskatchewan government. This province is taking considerable interest in the subject. It had two representatives on the American commission which recently toured Europe as did also Alberta and Ontario. The Saskatchewan commission is now gathering information within the boundaries of the province. The banks are not required by law to give the information requested by them, which is as follows:—

The aggregate amount of deposits in current accounts month by month since September 1, 1911, in the branches of each bank in Saskatchewan.

The aggregate amount of loans month by month since September 1, 1911, made by each bank in Saskatchewan.

The amount of farmers' deposits in current accounts month by month during the same period, and in the same territory.

The amount on loan to farmers month by month during the same period.

The amount on deposit in the savings department of each bank month by month during the same period, for all Canada.

The amount on deposit in the savings department of each bank month by month during the same period for Saskatchewan.

Several of the banks have decided not to give these details to the Commission, although they will probably afford information as to the proportion of loans to deposits in the province, which is really the essential information. The loans of one bank in Saskatchewan, it is said, were \$1,452,000 in excess of deposits. There are twelve branches of this bank in the province, and of these, the manager stated, five were operating at a loss. The bank was considering closing two of them, because there was not sufficient business for them. Another bank stated that its loans in Saskatchewan were 100 per cent. in excess of deposits.

At the end of 1912, there were 325 bank branches in Saskatchewan. The bank clearings for the province in 1910 were \$59,000,000; in 1911, \$176,000,000, and in 1912, \$294,000,000. Probably the Saskatchewan Commission will find that Western Canada is a heavy borrowing country and that the major part of the chartered banks' business in the west, especially in Saskatchewan, a great province in the making, is lending money and not receiving deposits. The frequent talk of draining the