the extent of any reduction in price. The same applies to flour, for Manitoba flour, with rare exceptions, brings a higher price on Mark Lane than any American brand. If Canadian wheat moved freely across the border, scarcely anyone could vouch for the genuineness of that brand. The poorer qualities on the south side of the line would be strengthened by the products of Canadian mills and the better qualities on the north side would be deteriorated by mixture from the south. That interchange would throw away the advantages Canada possesses from the great wheat belt of Manitoba and the West. It may be argued that these fears are groundless. For reply, one has only to refer to the utterances of prominent American authorities, whose statements express the hope for achievements which Canada may well regard with suspicion. The Honorable P. C. Knox, one of the American fathers of the agreement, says, for instance: "The free admission of grain from Canada meets the present situation and provides against future contingencies when the Canadian surplus becomes greater by replacing the control in the hands of our own grain growers." Again, the Northwestern Miller, the chief American grain organ, says:—

"The disposition of Canada's surplus is a question upon the answer to which depends the future not only of the milling interests of the (American) North-West, but, indeed, of the United States. Should this surplus be shipped abroad, it must inevitably mean the destruction of the American export trade, the shifting of the American milling centre, the gradual decline of the American milling interest to a comparatively unimportant part in the list of large American industries.

"The miller who is able to grind this enormous (Canadian) crop will be the miller of the future, and where he is, there will be the great mills of the world.

"The future of the American milling with free Canadian wheat secured is a grand one. With this enormous crop flowing into the mills and elevators of the States, a splendid tide of prosperity would follow in its wake. The mills of America would go forward on their developing course, new mills would be built, and capacities enlarged. New markets abroad would be conquered."

"There would be an increase in grain firms, in elevators, and in every branch of the grain handling and flour-making interests. This would be felt in the added value of real estate and in the solid and substantial development of every undertaking and enterprise that makes a community prosperous."

Further ground for the opinions expressed by the Bristol people is found in an article in the Moline (Ill.) Daily Despatch, which says:—

"Not only is it certain that free wheat will not cost our farmers a cent, but it will directly benefit them. It is notorious that we are not raising so much high-grade spring wheat as formerly. Our millers are having a hard time to get enough hard wheat to take care of the domestic trade, and have, on account of its scarcity and the competition of the Canadian mills with their abundance of hard wheat, practically lost their once enormous export trade. If our mills had more hard wheat available, they could regain their lost export trade, increase their output greatly, and thus create a strong demand for the softer wheats on this side of the line, needed for blending with hard wheat, with result that our lower grades and inferior qualities would be in keener demand and bring better prices than they do to-day. Then, again, when the United States has wheat to export, it competes with Canadian wheat in the world's markets. Liverpool plays one against the other to the injury of both. The tariff wall keeps the wheat of the two countries apart, and, you might say, hostile. Remove the duty on Canadian wheat and the whole crop of the two countries will become one. Europe will get our wheat—Canadian and American—when we are ready to sell; not as now, when the Canadian, forced by the exigencies of an imperfect marketing, storage and transportation system, has to sell. That will mean a better hold by the American wheat grower on the markets of the world than he now has. It means better prices in Liverpool, and that, of course, means better prices in Minneapolis and Chicago and on the farms."

Have the grain growers of Western Canada considered the position with all these facts, leading to the same ultimate result, in view?

EXPORTERS AND COMMISSION HOUSES.

Some conclusions of interest are submitted in a special report of the American Manufacturers' Exporters' Association on the relations with the export commission houses. Their general conclusion is favorable to close relations between the manufacturer and the commission house, and in addition the manufacturer comes in for some criticism. The report claims that, as a rule, manufacturers will best serve their interest, avoid responsibility and risk, and most satisfactorily handle their export trade by working through the commission house. If the manufacturers, however, decide to handle a portion of their business direct and the balance through the export houses, the report considers under no circumstances are they justified in granting the foreign buyer any advantage in price or financial terms, and should demand cash in New York from the foreign buyer the same as they do from the commission house. If a manufacturer's line of goods is such as to be best handled on an agency basis, even then it is claimed desirable to allow the business to be financed by a commission house, so that financial risk will be avoided.

The manufacturers are criticized for quoting in their price lists and export catalogues their bottom figures and sending such information broadcast to foreign markets. It is believed that this tends to curtail the interest of the foreign buyer in their goods. It is also thought that the present system of the various combinations of manufacturers, resulting in only selling the export house on the basis of cash on receipt of goods, is detrimental to the proper expansion of export trade.

Some important principles are enunciated as to the regulation of prices of goods sold abroad, and these are set forth elsewhere in this issue.

DEVELOPMENT COMMISSION FOR NORTHERN ONTARIO.

The plea of Mr. R. S. Gourlay, president of the Toronto Board of Trade, for a strenuous business policy in the development of Northern Ontario, will receive endorsement. He urged the formation of an energetic, non-political and businesslike policy, whereby its resources might be fully developed and made a source of great financial profit to the province. There are in Ontario's Northland 100,000,000 acres of good agricultural land still unoccupied, and in the hands of the Crown. Mr. Gourlay prophesies that the proper development of that area will double the present available home market. He suggests the appointment of a Commission to deal with the problems of development, a suggestion which is heard upon occasion in the Northland itself. "Let us deal with this great northern heritage," he said in an address at the Canadian National Exhibition, "as the Canadian Pacific Railway has done with its Western territories: develop it as much as possible before settling population thereon. Why not hand our Hinterland over to a commission—a commission of capable, business men, chosen independently of their politics? They could handle these millions of acres in a way that would make them bring in five dollars per acre then more easily than they bring in fifty cents now. This is not a political