

the liberal support of the farmers in their consignments of grain, and to the loyal and friendly attitude of the Manager of the Home Bank, whose consideration of the interests of Western Farmers has thus been shown to be such as should secure for him the hearty appreciation of the Grain Growers of the West.

The profits earned, over the cent a bushel commission, were all legitimate and proper, and occasioned no loss whatever to any shipper. As an instance, a large profit was made on grain exported to the British market, and on sales made in Ontario, the grain for these purposes being bought largely on the Grain Exchange. While not exporting extensively, as might be desirable, if sufficient capital were available, yet some very satisfactory shipments have been made to Great Britain.

The work of the office during the past year was greatly increased on account of the wide diversity of grades, these ranging from "tough two feed" to "one Northern", there being very widespread disappointment as to grades. The changes in, and additions to the grades also tended to complicate the situation, and increase office work. While the officers in charge faithfully endeavor to secure the proper grades, and generally the most favorable conditions for the patrons of the Company, yet it must be borne in mind that when these officers have used their best endeavors on behalf of the Farmer, they have done all that can be done, as the Officers of the Company have no voice whatever in fixing the grade, weight, dockage, etc., of any grain.

Though many of the chief difficulties of the preceding year were not in evidence during the year just closed, yet difficulties arose during the year which interfered with the prompt handling of grain. As a case in point, by a new regulation grain was not available for sale until the Shipping Bills had been surrendered and replaced by Warehouse Receipts after the grain reached Fort William or Port Arthur. This caused much delay in sales and settlements.

Shipments of low grade grain to Ontario were hampered by the difficulty in securing cars at lake points to carry grain East.

Wide fluctuation in prices throughout the season was also an element of uncertainty. The high prices early in the season encouraged farmers to hold their grain in the hope of a renewal of such prices; too often to be disappointed.

Bulkheaded cars were also a feature of the last season's shipment. Many cars contained two or three, and some even four compartments, differing in grade, or in ownership, or both, and in which frequently the ownership of the grain in each compartment was not clearly defined. This greatly increased the work of the office and the liability to error. An examination shows that out of 698 cars of grain received over the C. P. R. between Jan. 1st and March 31st, 77 cars contained bulkheads, or over 11 per cent, and that out of 483 cars received over the C. N. R. during the same period 135 bulkheads, or over 27 per cent.

The blockade in Port Arthur yards last spring before the opening of navigation caused farmers' settlements to be greatly delayed, often from four to six weeks.

In addition to the ordinary business of handling grain, and the special work already referred to as included under "Educational Campaign" and "Organization Expenses," our Company has taken up several lines of work, which, though requiring considerable expenditure of time and money, are clearly in the interest of the Western Farmer.

For instance, it has given substantial aid to the establishment of "The Grain Growers' Guide," published under the auspices of the Manitoba Grain Growers' Association. It is a periodical devoted to farmers' interests, owned and edited by Farmers, and expressing Farmers' views from a Farmer's standpoint. Its function will be to unite Farmers for their mutual protection and

benefit; set forth prevailing conditions and seek to improve them; keep its readers accurately informed on all matters and movements of importance to them as Farmers; furnish a real medium of communication for the exchange of ideas and information between Farmers, and build up so far as may be an enlightened public opinion on economic and social questions. The needs and interests of the Farmer are of such magnitude as to demand a paper, the policy of which shall be directed by Farmers. The "Guide" seeks to supply this demand and under the guidance of Farmers so well informed as to present conditions as are Messrs. R. McKenzie, Secretary of the Manitoba Grain Growers' Association, and E. A. Partridge, the first President of the Grain Growers' Grain Co., "The Grain Growers' Guide" should receive the hearty support of every Farmer in the West.

Your Board of Control has devoted much energy and thought with a view of securing ample and permanent Banking facilities commensurate with the ever growing business of the Company. In securing the exclusive privilege of placing a large block of Home Bank Stock amongst the Farmers of the West, it would seem that they have succeeded in bringing before the Farmers themselves the opportunity of securing for our Company such Banking facilities as are necessary to insure the permanence of the Company. If the Farmers of the West will, during the next few months take up the stock of the Home Bank now offered them, in such amounts as they may, they will not only secure a good investment for themselves, but will also place our Company in such financial standing as to be able to cope with all opposing influences. The Bank is now friendly, and as Stock is taken up by the Farmers the interests of the Bank will become more and more closely interlinked with the interests of the Farmer.

Recently your officers have been giving special attention on behalf of its Patrons to the matter of claims, for shortages and over-charges, against the Railway Companies. About seventy of such claims have been handled. Forty-two of these have been paid, ten were found to be without proper evidence to support them, and the remainder are still pending. This, while entailing much additional work and though bringing no immediate money return to the Company, is of decided benefit to the Farmer, and eventually will be of much value to the Company, both as an evidence of its liberal attitude towards its Patrons, and in spurring the Railway Companies to greater carefulness in entering charges, etc., upon carloads of Farmers' grain.

In addition to claims for shortages and overcharges referred to, this office has also collected about forty claims for car-doors furnished by Farmers themselves when loading their grain.

Adjustment of tariffs at certain points where these were not consistent with regular rates; pressure on Railway Companies to retain Agents at points where they were about to be withdrawn, or to place them at points where none had been placed previously; inducing the C. N. R., to adopt an improved form of Shipping Bill, and keeping closely in touch with the British market by cable, are also among the many matters of interest to which the officers of our Company have given their careful attention, and with considerable success.

An extension of our Company's operations requires a larger Working Capital, and in closing this report I can do no better service than to draw the attention of our Shareholders, and indeed of Farmers generally, to this important matter.

Respectfully submitted,

W. H. BEWELL,

Rosser, Aug. 1st, 1908.

Shareholders' Auditor.

After certain details arising out of Mr. Bewell's report had been answered to the satisfaction of the quer-