

Grain Act, and the regulating power vested on the Board of Railway Commissioners, amply protects you in carrying out our proposals.

4. "Generally all such powers and authority as to trade and commerce and the weighing and grading of grain as may be necessary to give the Provinces complete, inherent and extraterritorial jurisdiction in the premises in every respect; that is to say, full authority within the Provinces, and also outside where the grain may be handled at Terminal Points."

In reply to this clause it may be said that elevator companies, including those operating under Provincial charters, such as farmers' elevators, now enjoy all necessary privileges and powers for the carrying out of the business of receiving, warehousing, cleaning, shipping and transacting of business connected therewith, which is all that our proposals require of you.

The only power the Governments require respecting weights is that enjoyed by every elevator in operation in the Provinces.

The proposal does not involve the Provincial Government undertaking the grading of grain, everything being stored in special bins placed at the disposal of owners of grain, whether ownership was acquired by growing or purchasing. Nor do we think it necessary that, in order to carry out our proposition, you should have any further control over transportation companies.

We submit further, that legal monopoly is not necessary to safeguard the financial interests of the Provinces. Hence no constitutional difficulty presents itself in that regard, as the government system will have a virtual monopoly because of the impracticability of the present system (due to causes which we will show further on) remaining in the field in opposition to the Government. Nor do we consider that it would necessitate any heavy financial responsibility on the part of the several Provinces, as the full expense of the system will be chargeable to the grain passing through the elevators.

We ask you to provide only the necessary storage facilities at any given point. At many points there are more elevators than are required. We anticipate that storage equal to one-third of the amount of grain marketed at each shipping point will be sufficient. We absolutely DO NOT wish to interfere with the use of loading platforms.

The safeguarding from financial loss lies in the fact of the demand for these facilities, and the power possessed by the Provinces to limit the storage to the capacity that is found necessary to properly and reasonably meet the demands upon it.

It can easily be determined by inquiry to what extent the use of loading platforms at any point would be lessened by the opportunity to use storage facilities when the suspicion of improper practices is removed. Our investigations lead us to believe that a large percentage of those persons now using the platforms would gladly avail themselves of the opportunity of employing the Government system of storage and shipping facilities—the ability to clean before shipment being an especially valuable privilege.

Your memorandum states that for twelve months, ending 31st of August, 1908, 1,334 elevators, with a storage capacity of 39,724,000 bushels, within the three Provinces, shipped approximately 42,000,000 bushels of wheat, and that 12,500,000 bushels were shipped from loading platforms. That is to say that the 1,334 elevators received and shipped an average of 31,484 bushels. An elevator can, in a season, handle 150,000 bushels as easily and almost as cheaply as 30,000 bushels, therefore you can readily see the enormous drain the maintenance of so much unnecessary storage is on the resources of the Province.

To illustrate how it works out, Farmers' Elevator at Miami last season handled 130,000 bushels of grain, which gave them a revenue at 1½¢ per bushel of \$1,950.00. Three other elevators at the same point handled 67,000 bushels, or an average of 22,333 bushels. They would necessarily