

bushels per day, so that Fort William, Port Arthur and Duluth plants worked to their fullest capacity, and under the most favorable conditions, would take care of less than 2,000,000 bushels per month of western "out of condition grain," or six million bushels in three months.

#### Ontario and Tough Wheat.

The memorandum continues: "What is to become of the rest? Ontario mills could mill considerable tough wheat. Ontario feeders could feed a quantity of feed grain to advantage, but neither millers nor feeders can secure a supply for lack of efficient transportation."

Referring to the railway situation the report says:

"It takes care and motive power to move crops. Between 1907 and 1909 two roads increased their efficiency for moving western grain 93 per cent. and three roads only 19 per cent., as between 1909 and 1911. The three roads now delivering North-West grain to Fort William and Port Arthur are incapable of preventing congestion in the fall months west of the lakes. With only single track outward to the east nothing but calamitous congestion can result. There seems no relief in sight for the immediate future excepting the completion of the Transcontinental Railway eastward in time to move part of the crop of 1912. This should be insisted on by the government, even if the contractors were bonused to a large extent to enable them to do so. There is no hope of relief from the Hudson Bay Railway for moving the crop of 1913 or even 1914. The only adequate relief that can be figured for the marketing of the 1912 or 1913 crop is access to the markets to the south of us.

#### Want More Equipment.

"In the matter of providing storage and handling facilities at the lake front, immediate steps should be taken to provide more equipment and terminal facilities for unloading cars and storing of grain. The elevator facilities in Montreal, the distribution equipment at all export points, should be modernized. This is especially true of St. John, which practically is the winter outlet for all North-West grain, and now contains only two elevators, that of the Canadian Pacific Railway and Intercolonial, both wooden structures. It is something alarming to contemplate what would happen in the event of these facilities being burned during the winter season."

#### What the Railways Have Done.

Mr. Bury, vice-president of the Canadian Pacific Railway, has issued a statement in regard to this matter, so important that we reprint the greater part:

"The handling of the grain crop of 1911," he says, "has been widely discussed, and before attempting to fix the responsibility, I presume the public desires to hear from those charged with the operation of the railways. The questions which naturally would be asked are: What have you done? Could you have done better? What are the prospects?"

"What has been done: Up to February 2, 1912, 94,577 cars of grain of the 1911 crop have passed inspection. On February 2, 1911, 61,105 cars of the 1910 crop had passed inspection. That is to say, of the 1911 crop the railway handled, from harvesting up to February 2, 54 per cent. more cars than were handled up to the same time last year.

"It is natural for a man who cannot get his grain shipped at once, or who finds his car making slow time in transit, to assume that there is a shortage of cars or locomotives. As far as the Canadian Pacific is concerned, we have had at all times during the corn movement of the past season all the cars and locomotives we had trackage to accommodate. Any congestion which has occurred has been due to lack of terminal room and of second tracks.

#### As to Improved Facilities.

"It may be asked why the terminal space and the second tracks were not available. Speaking of the Canadian Pacific, I would say that during the past eight years we have had every year more money allotted for improvements than we could expend. The men and the material were not available to complete them, although the work was prosecuted with the utmost vigor. During the last eight years we have enlarged and remodelled every terminal on our line from Fort William to Vancouver.

"If we are perfectly frank with each other we will have to admit that the development of the country has carried everybody off his feet. The rush of immigration, and the introduction of the gasoline tractor (which enables the farmer to break thirty acres a day), has brought the land under cultivation at a rate unprecedented in the history of the world. Since 1907, the acreage of grain under cultivation has increased 98 per cent.

"Owing, it is said, to uncertainty as to the extension of the principle of government ownership, the interior elevator accommodation has not been increased to meet the increased crop.

"I do not believe that any of our problems will be solved by fault finding. As the acreage under wheat increases, no amount of trackage or equipment will enable the railways to haul out the crop in twelve weeks. Even if the railroad could move the grain in that period of time, the markets of the world could not absorb it suddenly without a serious readjustment of prices.

"A corrugated steel granary building holding a thousand bushels can now be bought for \$65 at Winnipeg, and with a large demand the cost of manufacture and the price should fall. A farmer with a full quarter section under cultivation might expect to reap 3,200 bushels of wheat. In that case would it be too much to expect him to provide two granaries at a cost of \$130 to protect it.

"If insured, banks will advance him money on wheat in granaries, and in most cases he could more than pay the insurance and interest from the increased price obtained by marketing at the most favorable moment.

"The adoption of mixed farming in large portions of the West seems to me the easiest, in fact the only solution of our troubles."

#### Question of Mixed Farming.

Sir William Whyte, in the columns of *The Monetary Times*, has frequently emphasized the importance of mixed farming in Western Canada. "If the farmers," he said in these columns recently, "had had cattle or pigs to which to feed this low-grade wheat, their profits would have been much larger—greater, I believe, than if the crop had been high grade and based upon its value for milling purposes. The large cattle ranches will soon be a thing of the past, owing to the land over which the cattle range having become valuable for the growing of winter wheat, alfalfa, etc., so that, instead of Western Canada exporting cattle in large numbers, the time will come before many years when the West will not have sufficient to supply local demand unless the farmer goes more into mixed farming.

"The objection that the farmers have to mixed farming is the difficulty experienced in securing the right class of labor, but with the movement from the agricultural districts in Great Britain to the Canadian West that is taking place, and which, I believe, will continue, that drawback may be overcome, or at all events minimized."

While mixed farming may help to solve the problem of the remarkable expansion in the productive capacity of Western Canada, it is impossible to transform wheat growers into mixed farmers in a few years. The practical solution appears to be the concentration of effort on the part of the Dominion and provincial governments, and the railroad companies, to extend existing transportation facilities and to open every new avenue of transportation, water or rail, which will relieve the situation.

#### LLOYDS' BANK, LIMITED.

The fifty-fourth annual statement of Lloyds' Bank, Limited, is an interesting document, and an evidence of the prosperity which that well-known banking institution has enjoyed during the past year.

The available profit, including the amount brought forward, after payment of salaries, pensions, other charges and expenses, and the annual contribution to the provident and insurance fund, and making full provision for rebate, bad debts and contingencies, is £1,011,437 6s. 6d. Out of this an interim dividend of 14s. 6d. per share, being at the rate of 18½ per cent. per annum, and amounting, less income tax, to £357,749 8s. 2d., was paid for the half-year ended June 30th last, £60,000 has been written off the bank premises account, £107,500 has been appropriated in writing down the bank's investments, and £48,888 12s. 1d. has been set aside for income tax.

From the balance remaining, £437,299 6s. 3d., it is recommended that a dividend at the same rate, amounting, less income tax, to £359,161 18s. 7d., be declared, and that the balance, £78,137 7s. 8d., be carried forward to the profit and loss account of the present year. In addition to the allocation from profit, £100,000 has been transferred from the reserve fund to complete the writing down of the investments to market value or below.

The word "Manitoba," which throughout the markets of the world has been employed to designate the superior grade of wheat grown in the Northwest of Canada, and which has always been associated with the hardest class of wheat on the market, may be changed to that of "Canada." Intimation of this change has been given by Hon. George E. Foster, Minister of Trade and Commerce, in the further discussion of the new grain act. Mr. Foster suggested that Manitoba in the early days, when she was the pioneer grain-growing Province of the West, had a right to the appellation, but that since Saskatchewan and Alberta had been increasing so rapidly in their grain production a wider term should be used.