

The three now built have a total capacity of 3,000,000 bushels.

The Canadian Pacific Railway Company, the proprietors of the system, contemplate building an additional one of about 1,250,000 bushels capacity, the material being already on the ground ; and they likewise propose increasing the capacity as rapidly as circumstances and the necessities of the case demand.

It is therefore safe to say that all Manitoba wheat not required for local consumption in the Provinces of Ontario and Quebec will in future be stored here pending the opening of navigation, and that the expensive experiment of hauling grain an additional one thousand miles all rail for want of storage is a thing of the past, as it should be. From present indications the elevators will hardly be full by the opening of navigation.

### LAKE BUSINESS.

The season of 1888 was in more ways than one remarkable in the lake carrying trade following as it did the abnormally successful year of 1887.

It was not expected that the net results would be extremely gratifying to ship owners. On the American side of the lakes the fears were that the immense number of new boats built would swamp the market and that the bottom would be completely out of freights.

While iron ore rates were fully thirty per cent. lower than the previous year, the increased size of the new steamers, coupled with the greater economy of the engines used to propel them, made it possible to still carry at a large profit, even with the reduced rates ; while the increased output of iron ore from Lake Superior mines furnished all the cargoes that vessels could be found for, even considering the unprecedented fact that navigation between Chicago and Buffalo was continued far into the month of December.

Canadian vessels, however, were not so fortunate. We have no iron ore trade, at least nothing to speak of, and although an unprecedentedly large quantity of wheat was shipped from Port Arthur to Montreal via Kingston, American shipments by this route were very light. This was caused principally by the high speculative prices at which wheat and corn were held at the American grain centres, hence the competition amongst Canadians for the limited business offering was very keen ; so much so, in fact, that rates dropped to a figure heretofore unknown, wheat in some instances having been carried from Port Arthur and Duluth to Kingston for  $3\frac{1}{2}$  cents per bushel ; or, in other words, the vessel received net  $2\frac{1}{2}$  cents per bushel for carrying grain one thousand miles ; or supposing it were loaded in cars for a distance which equalled from here to Montreal, for a carload of 600 bushels, a railway would receive \$15.00 for its transport.

It is hardly necessary to further show the advantages which water possesses over rail as an economical method of transporting what is known as coarse freight.

The railway tariff on a car of wheat for the same distance would be 22 cents per 100 bushels or \$79.20.

To the question of low lake freights must be added the serious loss which the breaking of the Cornwall Canal entailed on all Canadian vessels, including the River barge lines.

As you will have observed by the press accounts of the annual meeting of the Canadian Marine Association, held in Toronto, the question of the rate