

given by the C. P. R. in insisting upon 25,000 bushels capacity for a standard elevator, was that the elevator owners should be in a position (having this amount of capacity) to provide space for other buyers, so that, even where there was only one elevator at a point, there would still be competition. Another point insisted upon was that efficient cleaning machinery should be provided in every elevator, the contention of the railroad company being that the grain should go out of the country in as clean a state as possible, and reflect credit, and not discredit on Manitoba and the Territories. The saving of freight on the dirt, by having the wheat cleaned in the elevators is very considerable, running from about 1-2 a cent per bushel to over 2 cents in cases where the wheat is very dirty. In shipping through flat warehouses or direct on cars there are no facilities for cleaning the wheat, and the consequent loss to the farmer in freight on dirt, is in many cases equivalent to the total elevator charges, as it is well known that very few farmers clean their wheat before bringing it to market.

Dr. Douglas goes on to say:

"Two years ago the owners of flat warehouses and men who had smaller buildings were notified that they could not do business longer through that medium, and that they must ship their grain through the standard elevator system."

This, again, is entirely misleading. For the last thirteen years, at any rate, anyone putting up a flat warehouse at any point on the C. P. R. was perfectly aware of the conditions under which said flat warehouse was erected, viz: that such building could be used so long as no one erected an elevator of standard size at that point. Any owner of a flat warehouse had the option at any time that the market at that point would warrant it, of putting up a standard elevator, or of changing his flat warehouse in such a way as to make it of standard capacity and requirements. When any person built an elevator at such point, the owner of flat warehouses (if any) were notified that they must either erect an elevator in place of their flat warehouse, or remove said building. The impression conveyed by Dr. Douglas is, that it is only small dealers who own flat warehouses. This is not the case. Nearly all the elevator companies are also owners of flat warehouses, erected at small points where the supply of wheat will not warrant the erection of a standard elevator. When the bulk of wheat becomes larger, elevators take the place of flat warehouses, said flat warehouses generally being utilized in some way in connection with the new building. The railway regulations in this matter do not apply to any particular set of men, but are applicable to all alike. Dr. Douglas goes on further to say:

"We can very easily show that the men doing business in these smaller buildings had given great satisfaction to the public generally, and when this matter was before the house last session, the honorable gentlemen will remember that we showed upon sworn testimony that the men engaged in this line of business were able to pay prices ranging from 3 to 15 cents per bushel more than had been paid by the men interested in the larger elevators."

It is quite true that there have been cases of this sort, but "one swallow does not make a summer." Dr. Douglas can, no doubt, give an instance that occurred in his own constitu-

ency, of a small dealer who paid at a certain point ten cents per bushel more than the elevator companies could sell the wheat for. At the end of the season said small dealer owed the farmers between four and five thousand dollars, and I understand that he complacently continues to owe it. We know of tickets issued for wheat purchases in Southern Manitoba which have been out for four or five years, and which are not worth one cent on the dollar. It is very easy to offer large prices for wheat if you do not intend to redeem your wheat tickets.

Dr. Douglas takes great credit to himself for having arranged with the C. P. R. that farmers should be allowed to load direct on cars. It might perhaps surprise the doctor to learn that it was the elevator companies who brought about this change by asking the C. P. R. to grant this privilege.

Dr. Douglas claimed that the farmers wanted a safety valve, and the elevator owners were only too glad that they should have one. The result has quite justified the anticipations of the elevator owners, their only regret being that the farmers did not more freely take advantage of this privilege. It would have been a big saving in grades and weights to the elevator owners. Dr. Douglas further claims as follows.

"Then there are objections to the use of the elevator system exclusively. One of these is that grain for use for seedling purposes in the other provinces, cannot be shipped through the elevator system. There are not a sufficient number of compartments to keep such grain separate and unaltered, so that it is impossible to-day to tranship such grain through these elevators to Ontario, Quebec and the provinces by the sea."

This again is entirely incorrect. The standard elevator contains generally 12 or 14 bins (the larger buildings containing many more, running all the way up to 46 bins), and has proved itself in practice fully equal to handling all the grades marketed at any one point and of keeping separate any shipments for seedling purposes that have been required. In the whole experience of the elevator companies, we do not know of one complaint on this score. We have ourselves shipped considerable quantities of seed wheat this season, quite in the ordinary way of business, and had no difficulty whatever in the matter. Dr. Douglas makes the following astounding statement:

"It is perfectly safe for me to say that the town of Moosomin, which is in the centre of a large grain growing country, did not this season receive 10 per cent. of the amount of grain that was grown in the district."

The returns for Moosomin show that over 200,000 bushels of wheat were marketed there last year. According to Dr. Douglas the wheat tributary to Moosomin must have been over 2,000,000 bushels, which, of course, is perfectly absurd. This is only one instance out of many of the rashness with which statements are made in this matter. By far the largest market in the Territories is Indian Head, and even that market has never produced one million bushels, let alone two. The only case which Dr. Douglas urges, to try and prove that the elevator people are taking excessive profits out of the farmers is the case of Mr. Plinn, of Moosomin. Mr. Plinn had 2,000 bushels of one hard wheat at Fort William. On November 23rd he sold it for 71-1-2 cents at Fort William, netting him 57-1-2 cents at Moosomin, "on the same day the wheat at Moosomin was worth

only 50 cents, according to buyers on the market. This case has been perfectly established and verified, and here were 7-1-2 cents gain on every bushel."

I have no doubt that this is perfectly correct and the explanation is so simple that if Dr. Douglas had known anything about the wheat business it would have occurred to him at once. Wheat bought at Moosomin on the 23rd November, '98, could not be got out before the close of navigation. It therefore had to be bought on an all rail basis. The difference between all rail and lake rates at that time was 9 cents per bushel, so that 50 cents at Moosomin on that date was 11-2 cents per bushel more than the wheat was worth, according to Mr. Plinn's sale at 71-1-2 cents at Fort William.

At that very time we were buying wheat at Fort William at 71-1-2c because we could get it out by lake. Immediately navigation closed, the Fort William price dropped to 62-1-2c.

Probably the most amusing feature of Dr. Douglas' speech was that referring to grain chutes. He says, "This grain chute is supposed to contain from 700 to 1,400 bushels, not less and not more, and it is so constructed that by the force of gravity of the machinery, the farmer can run his grain directly into the car and so escape the expense of three cents per bushel for shipment charged by the elevator company."

This is about the greatest farrago of nonsense we have ever had the fortune to come across. In the first place nobody in the grain business has ever heard of such a thing as a grain chute. Dr. Douglas has asserted that they were in use in the States. Inquiries were instituted, and it was discovered that there was one place in the States where there was a grain chute. This was at a particular point where the line ran through a cutting, and there was a long gradual ascent to the bank above the cutting. On the top of this bank a little warehouse was built. The farmer could haul his load up the bank and from that position could shoot his grain into the car. How it is possible in our flat prairie country to have grain chutes at all is a mystery. Just as mysterious as that "force of gravity of the machinery." We were not hitherto aware that machinery had any force of gravity, but there is something fascinating in the idea of grain helping itself to get into a car. In this statement Dr. Douglas asserts that three cents per bushel for shipment are charged by the elevator companies.

Is it possible that any one who has studied this matter for two years is unaware of the fact that elevator charges for receiving, cleaning and loading grain (including ten days storage) is 11-2 cents per bushel; or including insurance, 13-4 cents per bushel? This is the standard charge without exception throughout the country. I do not for a moment think that Dr. Douglas would make any assertion that he knew to be untrue, and so am compelled to take the only other alternative, and conclude that it is pure ignorance; but fancy a man posing before the house of commons as an authority on the grain trade and not being aware of such an elementary fact as this. It is like a man posing as an authority on literature without knowing his alphabet.

It is time that these baseless assertions and scurrilous charges against the elevator owners should cease. Last year when the matter was up before