

possible the establishment of a sample market which will largely correct the injustices incident to a grading system, when climatic conditions make it impossible for the grade description to classify grain according to its intrinsic value."

"For example, a slight bleaching suffered by a large percentage of the wheat the year before last condemned millions of bushels having the essential qualities of One Hard to be graded as Two Northern, making the price four cents per bushel less than it should have been and occasioning an enormous loss to the producers. Also this year, owing to a general frost the grading system operated to group types of wheat together in the same bin having in many cases a difference in value of twenty cents a bushel."

"(f) The having of storage facilities in the interior under Government supervision would make it possible to send samples to be displayed on the sample market in advance of shipment. This would permit the grain to be exhibited for a number of days without expense to the owner and also permit of the grain being sold for shipment either East or West of the point loaded."

"(g) With the building of the Hudson's Bay Railway will come a still greater advantage in interior storage as grain in the interior will have the choice of two routes and two markets, while grain sent to the terminals before being sold will have only one."

"(h) The presence of Government storage facilities that could be used by buyers who are not owners of elevators would place these buyers in a position to compete on even terms, thus preventing a monopoly of the market by elevator owners, and tending to keep street and track prices near together."

"(2.) Advantages with the co-operation of the Dominion Government:"

"The complete plan of the Grain Growers' contemplated the passing of an amendment to the Inspection and Sale Act that would permit the operator of a Provincial elevator to discharge the functions of a Dominion weighman and sampler, and the granting of weight and grade certificates, the grading to be done by the inspection staff at Winnipeg using the samples of the contents of the special bins forwarded by the elevator operators."

"Several members of the Dominion Government have given representatives of the Grain Growers an assurance that such legislation can be easily secured as soon as the request is made by a Provincial Government."

"The additional advantages under these circumstances would be that grain could be sold for future delivery to greater advantage since the grade would be known. Also advances on Warehouse Receipts could be secured as soon as delivery of a car lot was completed at the initial elevator, enabling a farmer to discharge his more pressing liabilities and market his grain in a leisurely manner, selling only when there was an active milling or export demand. The effect would be a generally higher level of prices for the farmer. Collections would be facilitated and transportation would not be demanded at any season of the year in excess of the power of reasonably equipped railways."

"The best of all reasons for creating the system is that the class who form the major part of the population demand it, and that it can be granted without placing a tax upon the remainder of the people."

The foregoing document was mailed to the Premiers, but for a long time nothing was done in the way of arranging a conference. Finally, on Nov. 4th, 1908, the Premiers and the members of the Interprovincial Council met in Regina.

Although a long time had intervened between the first presentation of the matter to the Premiers and this meeting, it was quite evident that they had not made a sufficiently close examination of the proposition submitted to them to be familiar with the simplest details.

All the farmers' representatives could do was to reiterate their demands, meet the objections of the Premiers with appropriate replies, and urge speedy and favorable action on the part of their several Governments.

The Premiers promised to consult their colleagues and to make reply within a reasonable time. Before dispersing the members of the Interprovincial Council arranged that petitions should be circulated praying the Dominion Government for Dominion ownership of terminals and transfer elevators, and other petitions be circulated praying the Provincial Governments to own and operate a system of interior elevators. The Premiers did not make reply until the end of January, 1909, when the following was received by the Secretary of the Interprovincial Council:

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Reply of the Premiers

"To the Secretary of Inter-provincial Council of Grain Growers:—"

"Dear Sir,—We have had under careful consideration the representations made by you to us in our recent conferences concerning the grain trade, and the necessity of certain remedial measures being adopted to remedy the grievances complained of. We readily assent to your position that anything affecting the agriculturist is of paramount importance and deserves the most mature consideration. We understand that you take the position that nothing further can be hoped for by amendments to existing legislation, in so far as internal elevators are concerned, and to obtain what your executive desires, you request that in so far as the three Western provinces are concerned, a system of government ownership and operation of grain elevators be inaugurated. In reply to this request we beg to say as follows:—"

"The several matters presented involve, in their institution, carrying out and performance, the consideration of unusually grave and complicated questions, constitutional, financial and legislative, which we will more fully hereinafter indicate."

"The three provinces are asked to wholly provide, operate and maintain on the public credit, the requisite quota of elevators for the storage of grain and to regulate generally the manner in which the shipment or transportation of grain should be conducted. This will necessarily involve, as you will recognize, a new constitutional principle not hitherto exercised, and also means the incurrence from time to time of heavy financial responsibilities on the part of the several provinces, and further, the putting in practical form by constructive, regulative and restrictive legislation, the right of absolute provincial government control and regulation of the matters involved."

"It is evident that to accomplish in its entirety the end lastly above mentioned sought by you, it would be necessary first, for our respective provinces to be given, or have delegated to them, the necessary legislative powers in the premises, by amendments, through the Imperial parliament, to the British North America Act; and, secondly, to have adequate provision made for the necessary self-protection and the consequent liability un-