

The Commercial

WINNIPEG, NOVEMBER 27, 1883.

GRAIN HANDLING.

During the past few weeks there have been a great many complaints made against the managers of the C.P.R. on the subject of grain handling at different towns on their main lines and branches, some of which have their origin in a real inconvenience, if not a grievance to shippers and grain raisers. As yet the elevator facilities throughout the Northwest are far short of the demands of the grain trade of the country, which is only what would be expected after the rapid work of railway construction which has been carried forward during the past two years, and under such circumstances it is clearly the duty of the managers of the C.P.R. and other railways to meet, even if by special arrangements the peculiar demands of the country.

The complaint most heard of late is to the effect that the conditions upon which the C.P.R. managers will allow of the construction of elevators at their different stations are such as to shut out men of limited means, and have a tendency under present circumstances of throwing the grain trade into the hands of a powerful monopoly to the injury of the agricultural interests. The danger pointed out and the inconvenience complained of, while magnified beyond what the facts of the case will warrant, is not without foundation. The C.P.R. managers insist that elevators on their track must have a storage capacity of 25,000 bushels, which storage they edge with certain conditions which make it a kind of *pro bono publico* arrangement, which must at times prove an annoyance to a regular grain shipper who constructs and operates one. In an interview with a delegation of citizens who waited upon him regarding Winnipeg elevator arrangements, General Manager Van Horne explained very lucidly the Company's reasons for fixing this 25,000 bushel capacity, and to any person acquainted with the grain trade they are not without weight. It has been a notorious fact throughout the Western States that where no such capacity qualification existed, any man who possessed enough money to erect a box of a shed and have \$500 left to trade upon, was in a position to engage in grain shipping, and such

men proved as a rule very pliant tools in the hands of great grain operators at Chicago and other grain centres. Their impetuosity kept them always in a position to be squeezed at will, and ready to clutch at what seemed a chance of making a large profit. In scores of towns the number of grain buyers was too great for all to make a living out of the available trade, and work upon a moderate margin, and in most of such instances a pool or combination was eventually reached by which the producer and seller was sure to be the sufferer. It was to avoid such a state of affairs that the C.P.R. managers instituted the 25,000 bushel capacity, and it must be acknowledged that their aim was a commendable one when the best interests of the grain producers are considered.

In endeavoring to reach desirable results well inclined people often adopt an extreme course which frustrates the very effort made, and we fear the C.P.R. managers have fallen into this error. Their own activity in the work of railway construction has caused an extraordinary demand for grain handling facilities while they have placed the supplying of these at a figure which places them within the reach of only a few, too few by far for the wants of the country. It does seem a piece of extreme action in a country least able of all on this continent to grapple with its grain handling, to place the opportunity of engaging in that work higher than on any other railway in existence. There is not, so far as we are aware, another railway on this continent which places the minimum capacity of its elevators at 25,000 and, without looking for a precedent, we know of no reason for the C.P.R. adopting such a lofty limit, nor can we even imagine one which would justify the same. A capacity of 10,000 bushels would have been enough for the country elevator requirements of our North-west, and a figure difficult of attainment by a young country so thinly populated as yet. But the 25,000 limit placed by the C.P.R. we have no hesitation in ranking as a burdensome and unnecessary load placed upon a pioneer population. It is not to be wondered at that the people of the Canadian North-west should have fears of a great grain monopoly. Railway management in Northern Dakota and Northern Minnesota has placed the grain trade of these districts in the hands of the Millers' Association of Minneapolis, a powerful

and unassailable monopoly, to which every independent buyer must toady and doctor his prices or go into insolvency. We cannot believe that the C.P.R. managers wish to reduce the Canadian Northwest to such a state of dependency upon any monopoly, but assuredly such arrangements as the 25,000 bushels minimum for country elevators tend very much in that direction. That company has conferred on them, by the power of the present Dominion Government, certain privileges that at least can only be rated as justifiable monopolies, and it is their interest to be doubly guarded against the introduction of anything that could be called an unjustifiable monopoly.

THE OCTOBER BANK STATEMENT.

The statement of Canadian Banks for October is as satisfactory as could be expected under the circumstances. There has been an increase of circulation from September 1st, the time at which the harvest began to find its way to market of \$3,440,000. This is considerably less expansion than took place during the fall months of the two years previous, the figures for those being in 1881, \$7,500,000, and in 1882 about \$6,500,000. This reduction in expansion is accounted for by the fact that the crops were very late in coming to maturity, and as a consequent result so large a proportion of the crop as usual has not yet been converted into cash. There has also been a reduction in the yield, especially in Ontario, which has had not a little to do with the contraction in circulation. But the total circulation nevertheless is greater than it was in previous years. It was in at the end of October fully half a million larger than it was on the same date in 1881, notwithstanding the fact that seven millions and a half had just been put into circulation. This evidences the large increase in the amount of money required to conduct the ordinary business of the country from what it was a year or two ago. The internal trade of Canada five years ago required \$25,000,000 of bank circulation to carry it on. Now over \$35,000,000 are required for that purpose, being an increase of 40 per cent. in the regular business of the country. Government deposits are lower, the Dominion being \$378,860 and the Provincial \$364,100 less. A gratifying feature of the statement is the steady increase in the savings of the people. Two years ago the