

APPENDIX No. 1

pool market than wheat from the American side?—A. The mixing is not permitted at Fort William and Port Arthur by law, and it is in Duluth, so that they can do it to greater perfection at Duluth than here. If it was not mixed its reputation would be better. I have given you authorities. There is Mr. Proctor of Liverpool, one of the large importers of wheat.

By the Hon. Mr. Lougheed:

Q. If the grain dealers in Ontario doing business such as your company, the Grain Growers' company can make 33½ per cent per annum on their capital, when all those difficulties exist, how do you account for such profits?—A. We are handling the grain of our own shareholders, and all we get out of it is one per cent commission.

Q. You said your profits were 33½ per cent on the capital invested, and it appears to me you would not be labouring under the adverse conditions which you depict so graphically?—A. I am not talking for the grain company. I am talking for the average grain dealer who is not connected with the combine. We are not dealing with the interior. All we do is the handling of cars of grain that are shipped direct to us, at no expense whatever. It is altogether different attempting to run elevators in the interior, and storing in the interior. They do not crowd us very badly.

By the Hon. Mr. Power:

Q. I suppose if the competition of the Minnesota elevator man was shut out you would have still larger dividends?—A. I do not think so. There is nothing in Canada that has contributed so much to the success of the Grain Grower's association as the malpractice of the elevator system.

Q. You should wish that that would continue?—A. I am not talking for the Grain Grower's association, I am talking for the public of Canada.

By the Hon. Mr. McHugh:

Q. You made the statement that they were allowed the privilege of mixing grain at Duluth?—A. Yes.

Q. Are they allowed to mix any grain, except at the request of the owner?—A. My understanding is that those private owners of terminal elevators at Duluth can do anything they like with the grain that comes into their terminals.

Q. Can they mix the grain of one owner with that of another?—A. Yes.

Mr. WELLS.—No, sir, they cannot.

Mr. MACKENZIE.—It is stored in separate bins.

Q. By the laws of Minnesota they are not allowed to touch the grain except at the request of the owner?—(No answer.)

By the Hon. Mr. Davis:

Q. Have you any knowledge of the prosecution that have taken place over there on account of the manipulation of grain?—A. Nothing, except hearsay.

Q. One gentleman is doing three years. He could not have been sent there for building churches?—A. The law of Minnesota provide for the mixing of grain in the elevators.

By the Hon. Mr. McHugh:

Q. The elevator men have no right to do anything in that line except at the request of the owner?—A. I did not know as to that.

The committee adjourned until to-morrow at 12 o'clock.

SENATE, March 30, 1911.

The Grain Committee met at 6.15 p.m.

Present: Hon. Senators Jones (Chairman), Lougheed, Power, Beique, Edwards, Young, and Campbell.

The CHAIRMAN.—I went to see Mr. Cassels this afternoon, and saw his medical