

Montreal, but as affecting the business interests of all Canada. to the higher cost of transportation in winter.

Let us consider the question first of all as it affects the interests of the farmers and especially the grain growers of the West. Much useful information upon this subject is contained in the report of the Georgian Bay Canal Commission. As the report says: "Presumably wheat will not be grown and therefore will not be shipped, unless the price is reasonably satisfactory to the producers. What has been the relationship between Canadian wheat quantities and prices and what tendencies, if any, have developed in connection with Canadian methods of marketing? The primary markets of the world are those most directly in touch with and therefore of most immediate importance to the world's producers and it is by the selling pressure in primary markets exerted against the buying pressure from ultimate consumers that the course of prices is chiefly determined, although this course may be modified by many intermediate agencies.

Canada's great primary market for wheat is the terminal elevators at Fort William and Port Arthur. It is there Canadian wheat is offered to exporters and to the Eastern Canadian trade. Prices quoted on the Winnipeg Grain Exchange are prices "in store Fort William—Port Arthur." Western Canada's method of marketing the greater part of its surplus immediately after the harvest, reserving something for a second thrust about the following May. The holding over of the wheat is partly attributed

The report points out that Western Canada sometimes puts upon the market in one month much more hard wheat than the United Kingdom, the only important consumer of its surplus, will purchase of all kinds of wheat and flour from all the world. With the exception of one year the price which during five years ending 1913 met the Canadian peak of supply was the lowest of the year. No other country has marketed so large a proportion of its crops when prices are low as has Canada. This system of marketing not only involves lower prices for wheat but higher cost for transportation, through railway rolling stock not being used for a great part of the year to anything like its capacity.

#### The Routing of the Wheat.

Two-thirds of the Canadian export wheat in the year 1913 was shipped through United States ports. Diversion to American ports may have been caused says the report by the physical inability of Canadian routes to handle more traffic with the superior speed or certainty of other routes; relative freight rates; financial or other private business considerations, or personal preferences on the part of the shippers; or conditions of ocean transportation.

In September, October, and November, vessels arriving at Montreal are offered more cheese, apples and higher class goods than in the earlier months, and these goods carry higher freights than wheat.