

season of the year, and since the price is influenced by many factors other than those that operate on the side of supply, his calculations, however astute, may be upset, and he may secure no higher price than he would have obtained by an immediate sale.

(5) The special conditions of the grain trade in the Canadian Northwest involve further considerations. In order to procure rapid delivery of wheat for export, so that in transporting the crop full advantage may be taken of the relatively cheap water transit through the Great Lakes, the price of wheat is suddenly lowered towards the end of the season of water transportation, that is, in November. This drop in price is intended to offset the cost of storing the wheat at the ports or at interior points until the opening of the next season of navigation, or to make up the difference between the cost of moving the wheat wholly by rail and that of moving the wheat partly by water to the ocean port. The farmer must therefore consider the facts that in September he can get so much for his wheat, certainly; in November so much less, probably; and in May probably so much more, any profit realized in May being diminished by the cost of holding the grain throughout the winter. November and May sales are problematical as regards return. Nevertheless, considerable quantities of wheat in excess of those required for seed are customarily held over the winter by the Canadian farmers, either in the elevators or in their own barns. The mills in Winnipeg and the local mills are of course purchasers throughout the winter, unless they have fully stocked themselves before the winter sets in.

(6) A further consideration that influences sales of wheat is associated with the determination of quality. As a matter of experience the farmer is seldom satisfied with the grading of his wheat at the elevator. He customarily regards his grain as being all of "number one" quality. If it seems probable that it will not be so graded, he may decide to use it for feeding purposes for his animals, if he has any, rather than sell it for what he regards as too low a price.

Having considered the nature of the mechanism, we may now turn to the more important economic results of its operation.