

wards the unfriendly and arbitrary policy of the Dominion, and that proposals of retaliation have been made. It was stated before the interstate commerce commission at Washington recently, that the Canadian Pacific had diverted traffic to the amount of \$400,000 from the Northern Pacific. The exclusive railway policy of the Dominion in the West has also received attention at Washington, and in the present state of affairs it would not be a matter of surprise should some measure of retaliation against Canadian railways be brought forth. Already it has been proposed that the United States should block out Canadian roads by refusing to allow bonding facilities for the transport of goods from one point in the country, through Canada, and back again into the country. It was pointed out that the United States has the power to bankrupt the leading Canadian roads by the adoption of a general policy similar in principle to that enforced by Canada at Emerson as to shipments via the Northern Pacific. Should a measure of retaliation against Canadian railroads be resorted to by the United States, it would therefore be directly traceable to the unjust treatment of United States railways desiring to do business in Western Canada, in the furtherance of a policy which is not only endangering international relationship, but at the same time bringing rapid ruin upon this portion of the Canadian Dominion.

THAT LETTER.

It was at once evident to all who cared to understand the real state of affairs, that the statement prepared by the C. P. R. general superintendent, regarding the grain blockade, was very misleading. Mr. Whyte's letter was prepared as a refutation of the charges of incompetence, made against the company in handling the Manitoba grain crop, and, as we pointed out last week, was made up from the statements of the paid agents of the company at the various points through the Province, which was in itself sufficient cause to doubt its reliability. Since the publication of Mr. Whyte's letter of defence, data has been pouring in from every quarter, giving the most reliable evidence to prove the falseness of many of the statements made by the C. P. R. officials, but it goes to prove in every particular the substance of the report made by the committee of the Winnipeg board

of trade, regarding the car shortage and traffic blockade.

Additional evidence goes to show that with very few exceptions, the grain storage capacity at the various points is filled to its utmost capacity, and that grain arriving has to be piled up outside in bags, where it is liable to destruction from atmospheric changes, at many points from 1,000 to 15,000 bushels being thus exposed; that farmers in many districts are not marketing their grain in anything like the quantities they otherwise would do, owing to the lack of shipping facilities, which in some instances has caused a reduction in price, and in other instances has made a ready sale of the grain impossible; that trade is almost at a standstill and business all but paralyzed; that the trouble has existed since the very commencement of the grain movement last fall, and long before there were any storms to interfere with the railways; that unless the grain is moved out quickly, there will be an enormous loss to the Province as soon as soft weather sets in, owing to the fact that very few farmers have granaries or facilities to protect their grain from the rains; that it is impossible to collect accounts, owing to the quantity of grain locked up, to the very great loss to the business interests of the country, and on which account there would have been many failures in trade, but for the general forbearance shown all around; that grain dealers have been unable to take orders from the east, on account of the impossibility of filling them in time. These and many other calamities, it is clearly shown, have been brought about by the inability of the C. P. R. Company to move the grain crop of the country in anything like reasonable time.

Not only have the statements of the C. P. R. officials been disproved by abundance of evidence spontaneously sent in from all parts of the country, since the publication of Mr. Whyte's letter and the report of the board of trade, but it has been shown that the defence of the company was a "cooked" document, and that the reports sent in by the company's agents were garbled, before being published. Evidence has come to light in at least one instance to the effect that the statement of a C. P. R. agent was very materially altered before published; and if done in one case, why not in others?

In Mr. Whyte's report in defence of the company, the following is stated to

be the situation at La Riviere station:—

Four thousand bushels of wheat on hand. Only one warehouse here and that very small. Prices have dropped on account of lack of accommodation. Car supply short. No storage room.

A meeting of grain dealers, merchants and farmers was held at La Riviere, at which Mr. Whyte's statement was read and condemned. The local O. P. R. agent at that place, who was present, stated that the report published was not such as he had sent in, and he read the following as a correct copy of the report he had sent Mr. Whyte:—

Grain in and around warehouses as follows: Wheat for Eastern Ontario, 4,000 bushels. Wheat for Port Arthur, 6,000 bushels. Oats for Ontario, 3,530 bushels. About twenty cars. The farmers have not been able to market their grain for the last two months on account of no room in warehouses, and scarcity of cars. Prices have been lower on account of a shortage of cars.

It was stated at the meeting that there are five grain warehouses instead of one, as claimed by Mr. Whyte, and that fully 8,000 bushels of wheat were lying exposed to the weather in sacks.

So the General Superintendent has been convicted of misrepresenting even the reports of the company's agents, in order to make out a favorable case for the monopoly, and deceive the people of Eastern Canada, for he knows well that his letter could have no influence here where the true state of affairs is understood.

The effects of the grain blockade is now commencing to be felt in Eastern Canada. A Montreal commercial journal recently reported, that owing to the inability to obtain supplies of oats from Manitoba, prices for that cereal materially advanced. Now it is stated that owing to the light wheat crop in the East, and the blockade which prevents the receipt of Manitoba wheat, stocks of wheat in Ontario are all but exhausted, and as a consequence the mills are obliged to close down. Millers have been making great efforts to get wheat through from Manitoba, but to little purpose. Eastern wholesalers doing business in the West will also feel the effects of the blockade in the reduction in payments, though in a less degree than local wholesale dealers, on account of the practice of retailers here of giving the preference to eastern houses in making their first payments. In view of the appeal of the Winnipeg board of trade to the East, the time is opportune for eastern people to get a taste of monopoly, which, it is hoped, will spur them up to give this country some assistance in its struggle for relief.