The question of the ability of Vancouver to compete with Edmonton on the score of direct rail transportation, as opposed to the former of part boat and part rail is debatable. Undoubtedly the price of goods at Edmonton as compared with Vancouver as a seaport is in most lines of goods in favor of Vancouver. Many of the larger Vancouver houses have either branches or agents in Prince Rupert and therefore are in a strong position to compete for some of the interior trade in the western extremity. Only an expert of the transportation problem can definitely assign an area or point on the line of the Grand Trunk Pacific where competition would about meet equal terms from east and west, namely Vancouver and Edmonton. On the other hand the personnel of the competition is a strong element in garnering this trade and the question of how hard it is gone after and what profits are expected to be reaped are determining factors. Edmonton is a live enterprising city, and its tradesmen are seeking to keep the largest portion possible of the territory of the Dominion tributary to its location and its enterprise. Western Peace River district is already dominated by its enterprise, and the Eastern section of that district is regarded by Edmonton as peculiarly its own. Vancouver houses cannot hope to get much of that trade as yet. But along the Grand Trunk Pacific from Prince Rupert east the wholesaler and jobber must use unusual efforts to entrench themselves, foregoing for the time being the large profits which pioneer business usually brings.

The solution of the question is the Pacific and Great Eastern. The completion of this route will change the entire trade channels of the province with regard to the interior. If Vancouver business houses cannot capture most of this trade then there will be something lacking in their enterprise and initiative. Edmonton will give up the struggle only after the most strenuous resistance. If there is anything in strategic position Vancouver should after the completion of this railway be able to handle tonnage direct to Edmonton itself. Competition with Edmonton for the trade of the Peace should be to the tdvantage of Vancouver, while the entire trade of Central British Columbia should ultimately fall into the lap of Vancouver. The efforts of the Provincial Government to spare no expense of time or money in the prosecution of this design is manifest. It would be stupid and gross neglect if it displayed less energy.

Effect of Rate Decision

Speculation as to the effect of the reduction in freight rates ordered by the Board of Railroad Commissioners is still going on apace. The reductions range between 5 per cent. as a minimum and 30 per cent. as maximum and affect commodity tariffs west of Winnipeg and Port Arthur. The Canadian Pacific say that they can stand the reductions. Both the Grand Trunk Pacific and the Canadian Northern have not as yet expressed an opinion. The chief beneficiaries are those doing business west of Winnipeg as far as the Lake Districts of British Columbia.

The Commission's order, which becomes effective September 1st next, outlines a comprehensive basis of tolls and a complete rate structure for all the roads in Western Canada. It divides that territory into three sections: the Prairie, the Pacific, and the British Columbia lakes section. A standard maximum scale of rates is fixed for each section. The lowest scale in the West, now known as the Manitoba standard, has been amplified to show rates up to 2,100 miles, and will apply throughout the entire prairie section and on the British Columbia lakes section, abolishing the higher scale now charged in Saskatchewan and Alberta. What will be known as the Pacific scale is on a somewhat higher basis and will govern in the Pacific territory. These changes will result in substantial reductions from the present standard maximum scales in the three Provinces named.

Westbound rates on flour and other grain products are reduced. Other reductions are made on sugar, butter, cheese and eggs, fruit, vegetables, cement and lumber. Evidently the Board of Commissioners in its deliberations took importantly into consideration the cost-of-living problem.

Farm products, under the new arrangement, will be transported from the interior Provinces to points in British Columbia and along the Pacific Coast at a lower cost, thus affording some relief to the people of Vancouver and other cities, who have found cause to complain about the high prices for food products. On the other hand, the people of the interior and producing sections will derive benefit from lower rates on building materials and household necessities, which in a new country always command relatively higher prices than in more settled communities.