MARKETING CANADA'S GRAIN

III.

ELEVATORS AND TRANSPORTATION

Success of Experiment in Co-operation—Eastern Inspection Suggested

There were operating last year 2,225 public country elevators with a capacity of 67,000,000 bushels. The licensed eastern elevators that handle western grain have a total capacity of 23,020,900 bushels; of these the state operates four, with a capacity of 5,620,900 bushels; railway companies operate four, with capacity of 7,400,000 bushels; private companies operate twelve, with capacity of 10,000,000 bushels.

The storing of grain at interior points has given rise to much heartburning in western Canada. To remedy the grievances complained of much legislation has been enacted, many administrative officials appointed, loading platforms were erected, and bold schemes have been proposed and some have been tried.

In the State of Minnesota growers of grain built elevators for themselves. In the year 1911 out of a total of 1,114 local elevators, there were 249 owned by farmers. In Canada a few farmers' elevators have been built, but their career was a troubled one. Within the past two years, however, the Canadian grain growers have taken up the matter in a very different way. The earlier farmers' elevators were independent and isolated, and poor management, keen competition and inadequate support made failure in many cases inevitable.

Points to Success.

There are still in existence 46 farmers' elevators, each independent of the other—but the new factor lies outside them. The Saskatchewan Co-operative Elevator Company is now operating a line of 139 elevators in Saskatchewan, and the Grain Growers' Grain Company is operating a line of 146 in Manitoba. Should these co-operative companies succeed, and at the present moment there appears to be no reason to anticipate their failure, the storing of grain at initial points has entered upon a new and probably final phase. The grain commissioners are following with keen interest and sympathy the progress of the greatest experiment in co-operation ever attempted in Canada, and probably in North America.

The following is a comparative statement of shipments ex. elevators at Fort William and Port Arthur, September, October and November, 1911 and 1912:

1911.	Wheat.	Oats.	Barley.	Flax.	Total.
September	3,402,216	870,157	107,219	....	4,379,592
October	13,369,059	1,217,730	249,373	41,302	14,877,464
November	16,437,502	4,014,097	676,940	181,159	21,309,698
Total	33,208,777	6,101,984	1,033,532	222,461	40,566,754
Shipped to Buffalo					22,620,174
Shipped to Canadian ports					17,946,580

1912.	Wheat.	Oats.	Barley.	Flax.	Total.
September	2,884,483	1,561,403	407,214	333,840	5,186,840
October	17,959,850	1,844,819	936,127	601,702	21,342,398
November	26,171,803	7,274,625	1,860,218	2,368,998	37,675,644
Total	47,416,136	10,680,847	3,203,559	3,304,540	64,205,082
Shipped to Buffalo					22,334,487
Shipped to Canadian ports					41,870,595
Shipped 3 months, 1911					40,566,754
" " 1912					64,205,082
Increase for 1912					23,638,328

After Leaving Terminal Elevators.

In both cases the grain after it leaves the terminal elevator passes through:—

1. Lake steamers, marine legs, pipes, barges, floating elevators and cars.
2. Eastern elevators, either Canadian or American, the majority of which are operated neither by the state nor by railway companies but by companies or parties interested in grain.

There is no state supervision over either of these sets of channels through which western Canadian grain must pass on its way to Europe, and connected with these channels are possible causes of damage to the grain.

The dust and dirt in holds, bins and cars, loading or unloading during rain or snow, shipping water during the voyage because of storms or accidents—these are only a few of the major possible causes of damage to grain in transit, out of which arise claims for short weights and for grain going out of condition. If the damaged grain is not removed it may work serious mischief. In the elevators again in which the grain is stored for shorter or longer periods there is at least the possibility of accidental or intentional mixing. The elevators, Canadian and American, are not, except in a few cases, operated by either the state or by men who have no interest in grain, and they are in no case supervised by Canadian officials.

The grain goes through the elevators to the orders of dealers. There is no inspection and no supervision. There is no machinery for safeguarding either its grade or its condition, and it carries with it the original western certificate.

To Sample Cargoes in the East.

It is hardly enough to say that marine insurance protects against storm and sea, or that the bonding privilege maintains intact through United States channels the grain as it was inspected, or that Canadian transfer houses have no interest in the grain. It is difficult to see why suspicion should be a proper attitude towards terminal elevators where there are both inspection and supervision and confidence a proper attitude towards transfer elevators also operated by grain men, when there is neither inspection nor supervision, and towards American elevators where there can be neither inspection nor supervision by Canadian officials.

Various suggestions have been made on this matter. The most important are as follows:—

1. To sample all cargoes from the terminal elevators when they are being unloaded at Canadian lake ports and again when being loaded into the Atlantic steamers at Montreal and St. John. Some add that samples should also be taken of all cargoes of Canadian grain when they are being unloaded at the British ports.
2. To inspect all boats, barges and cars in which the grain is carried, and to insist that they shall be clean and fit to carry grain; to supervise the loading and unloading, protecting the grain against rain and snow; to remove all damaged grain; and in general to guard the grain while in the hands of the carriers.
3. To supervise the binning in all the eastern transfer houses by a method similar to that now in operation in the lake terminals.
4. To establish in Montreal and St. John some way of supervising the grain as to condition only, not as to grade.
5. To establish in Montreal an inspection of western grain, but allowing no change of grade except in cases of deterioration only.
6. To establish in Montreal a full inspection of western grain, permitting cleaning, drying and improving the grain, and also change of grade according to the judgment of the inspector, but in keeping with the grades of western grain.
7. To take all transfer elevators now operated by parties interested in grain out of their hands and to have them operated either by the railway companies or by the state.

In Opposition to Canada Grain Act.

Some of these suggestions are in direct opposition to the Canada Grain Act, and any one of them would add a large amount to the annual expenditure already too large for the revenue. All of them presuppose that so long as the western certificate follows the grain, the state should see that both certificate and grain are kept in conformity.

The New York Produce Exchange has lately made certain rules regulating transactions in bonded wheat for future delivery. This wheat is to be of the "Dominion of Canada official inspection as to grades." One rule is as follows: "It shall be the duty of the inspector-in-chief or his deputies to inspect as to condition and supervise the weight of all bonded wheat going into store or afloat in the port of New York. They shall inspect as to condition and supervise the weights of all bonded wheat delivered from shore, elevator or a float, and furnish a certificate as to condition of such grain." (As per form prescribed).

This is a new factor and will be considered by the board of grain commissioners who were not prepared at the time of reporting to make recommendations on the question.

KINGSTON HAD NO HEAVY FIRE LOSS

Last week, Kingston, Ont., was reported to have had a $30,000 fire loss in a business block. Mr. James Armstrong, fire chief at Kingston, informs *The Monetary Times* that no such loss occurred there, and that the total loss in 85 alarms received by his department since January 1st, 1913, does not exceed $20,000. That is an excellent record.