in the United States or in Europe, and may be shipped through either Canadian or United States channels. At the present time there are 11 of these terminal elevators (seven at Fort William and four at Port Arthur), and their total storage capacity is about 37,850,000 bushels, and 21 private terminal or hospital elevators with a capacity of 15,435,000 bushels (14 at Fort William and 7 at Port Arthur).

Grain Inspection and Grading.—All grain grown in Canada and shipped in car-load lots or cargoes from elevators is subject to government inspection and grading, and the grain is sold both at home and abroad on the inspection certificate entirely by grade and not by sample. As each car arrives at an inspection point it is sampled and graded by qualified samplers and inspectors appointed under the Act. When the grain arrives at the terminal elevators it is weighed, cleaned and binned according to grade under the direct supervision of the inspectors, and a warehouse receipt is issued by the elevator operator to the owner of the grain. When the grain is ordered out of the terminal elevator in car or cargo lots, it is again weighed and inspected, and it must be graded out as graded in; that is, if it was received into the terminal elevator as "No. 1," grain of equal quality must be shipped out. Thus the identity of grade of exported grain is carefully preserved through every stage of movement. The principal inspection point for western grain is at Winnipeg. work is done by inspectors who are qualified by an examination held by the Board of Grain Examiners appointed by the Board of Grain Commissioners. Rules and regulations governing the duties of the above Inspectors are approved by the Grain Commissioners and the inspection is performed in offices rented by the Government in the Grain Exchange Buildings at Winnipeg and Fort William.

Description of Grades.—Under the Act, Canadian grain is divided into five general classes, viz., "No grade," "Condemned," "Rejected," "Commercial grade" and "Statutory grade." "No grade" means all good grain that has an excessive moisture, being tough, damp or wet, or otherwise unfit for warehousing. "Condemned grain" means all grain that is in a heating condition or is badly bin-burnt, whatever grade it might otherwise be. "Rejected grain" means all grain that is unsound, musty, dirty, smutty or sprouted, or that contains a large admixture of other kinds of grain, seeds or wild oats, or that from any other cause is unfit to be classed under any of the recognized grades. "Commercial grade" means grain which, because of climatic or other conditions, cannot be included in the grades provided for in the Act. More particularly it means that the grain of one year may vary from that of the preceding year, and that a proportion of it therefore cannot be dealt with under the grades laid down in the Act, and must be provided for by grades defined by the Standards Board, appointed under sections 48 to 51 of the Act. "Statutory grades" means grain of the highest grades which are defined by Parliament, embodied in the Grain Act. There are four of these grades for Manitoba spring wheat, three each for Alberta Red and White winter wheat and two for Alberta Mixed winter