

June 21st., 1910.

My dear Father,

I was very glad to receive yours of the twentieth ultimo and should have replied sooner but I wanted to send you the result of the Great Northern operation for eleven months. The Company has, after paying taxes, rentals, interest for eleven months and four quarterly dividends, a balance of about \$6,700,000. The interest, taxes, etc., for the twelfth month will be about \$750,000 and the revenue from earnings may be estimated at \$1,500,000. This does not include outside incomes which are declared after the year's operations are finished. The Company has cash in treasury of over \$12,000,000, so that, on the whole, the Great Northern is in very good condition. The high prices of last year's grain crop has lead the farmers of the Northwest to plant an increased acreage in grains of different kinds, mostly wheat. Judging from present indications the grain crop of the whole country will be large and present prices point to lower markets than last year. However, future demand from Europe, etc., may later on lead to higher prices. The growing season has been cold

with abundant rains, and some frost in the Canadian Northwest and along the northern boundary of the United States. If nothing unforeseen occurs to reduce the yield in the Northwest the crop should produce from 15% to 20% more grain than last year.

I have watched the war conditions on the Continent with deep and increasing interest. How many lessons it is giving to all the nations of the earth. The stupendous magnitude of the war leaves no room for comparison even in the modern era. The power for attack and defense, all being summed up in the power to destroy human life and the very foundations of human effort as measured by national existence. It seems as if the nations which conduct their governments with parliamentary or other popular representation will be much less able to meet the enormous demands created by modern methods of warfare than the more autocratic forms of government.

Three months ago I thought the immense number of men in the field and the great cost of supplying them with everything required to keep them there would force either financial or physical exhaustion, but the present outlook is hardly such as to justify any such conclusion. Still if the Allies can equip their men and furnish the necessary supplies of arms and ammunition, would the loss of life in

decisive battles and an earlier ending of the war be as great as the mortality from exposure in the trenches and the long drawn out method of trench fighting? However, this is for those in active command to determine. The question of credits for payment of war supplies and food purchased in this country and Canada is growing to very large sums. Will it not be difficult to send much more gold to America without creating more or less uneasiness at home? I have thought that with sterling exchange at present rates England would find an advantage in buying American bonds abroad, paying for them in some government interest bearing paper and sending them to America for sale. At present good bonds bring fair prices with a fairly ready demand.

I am going to start for the salmon fishing tomorrow and will miss seeing you at Grand Metis. We are all deeply interested in this cruel war. The feeling in favor of the Allies is very general throughout this country excepting, of course, among the Germans or those of German descent.

Kindly remember me to Lord Mount Stephen and, believe me,

Yours faithfully,

Gaspard Ferrer, Esquire,

8 Bishopsgate-within,

London, England.