

# The Commercial

WINNIPEG, OCTOBER 19, 1891.

## WHEAT EXPORTS,

The enormous stream of wheat which has been pouring upon Europe from the United States, has no doubt largely aided in bringing about the easy feeling which has ruled of late. Up to the time of writing there has been no indication of those big prices which have been so freely predicted all along, by enthusiastic bull writers. For the first fifteen weeks of the present crop year, wheat exports from the United States (including flour) have reached the enormous amount of 62,580,000 bushels. For the same portion of last crop year, the exports were 27,293,000 bushels. The comparison will show what a vast movement has been going on since the commencement of the present crop year. The same large movement can be kept up for some time, as deliveries from the great spring wheat states are only beginning to reach their height. The exports from the United States for the first fifteen weeks of the crop year, have been at the rate of over 300,000,000 bushels for the full year, though 200,000,000 is usually the estimate of the probable surplus.

This deluge of wheat upon Europe at a time when it is not urgently needed, would naturally create an easy feeling and lower prices, no matter how strong the future outlook might be. Europe has just gathered its own wheat crop, and notwithstanding that that crop is short, it is sufficient to supply all requirements of the old world for some time to come. There is in European countries, of course, considerable pressure at this time of year, to sell their own home-grown wheat, and large importations of foreign wheat are not necessary. If the American crop could be held until European countries had eaten up a considerable portion of their own crop, and were commencing to feel keenly the need of requirements from abroad, prices would no doubt look firmer.

But it is all nonsense to talk about holding the crop. With the enormous crop just gathered all over this continent, there must be an overflow. If it were held until urgently needed, the railways would not be able to move it. The farmers for various reasons cannot hold it. Nor is it quite certain that there would be any advantage to the growers in holding their wheat. The rush would have to come some time, and if it came at the end of the crop year instead of at the beginning, the same effect of comparatively as low prices might be caused. All around, it is probably better that a normal movement (normal in comparison with the size of the crop) should go on from the beginning of the crop year. Various causes might operate, before Europe would be absolutely in need of American wheat, to keep prices from going very high. A bright crop outlook for next year would be an important feature in causing a lower tendency in prices, and before Europe would absolutely require American wheat, the winter wheat crop of Europe and America would be considerably advanced. In

the meantime the new Indian crop, which is reaped in March, would come in as an important factor in the situation. On the other hand, a short crop outlook for next year, would be almost certain to make prices look up toward the close of the present crop year. Altogether, therefore, the question of the advisability of holding wheat, is one of great uncertainty, and it is hardly a course which can be recommended.

It must be borne in mind, that although Europe (including the United Kingdom) imports a large quantity of wheat, yet the actual imports are small in comparison with the production of wheat in those countries. The production of wheat in Europe this (a very light crop) year, is estimated at from 1,025,000,000 to 1,050,000,000 bushels, while the latest estimate of import requirements, over home production is 136,000,000 bushels. These figures will show that Europe can go on for a considerable time, before she will become dependent upon America, even without allowing for such imports as she can draw from India and other sources, while already she has received a large supplement to her own crop, in the exports which have gone forward from America, from this crop.

From a general view of the situation however, the outlook cannot be regarded otherwise than very strong. Present wheat values must be considered as moderate, and we cannot but believe that wheat is good value at prices which have ruled of late. Wheat has been going forward much faster than required, but it will all be wanted before the crop year is over. While the piling up of supplies has caused a temporarily easy situation, it should not be lost sight of, that there is not more wheat than will be wanted in due season. Enthusiasts have undoubtedly gone to extremes in predicting abnormally high prices. Without being carried away by these wild statements, we will at the same time expect firmer values for the future of wheat.

## A COMPARISON FOR PESSIMISTS.

The debt of the state of Kansas, secured by mortgage upon real estate, is said to be \$243,146,326. Judging from this enormous sum, Kansas must be about owned by the loan companies. Of this vast sum \$174,720,071 is represented in mortgages upon farms. The province of Ontario, with a population much larger than the state of Kansas, has only about three and a quarter million of dollars in mortgages held against its farms, according to a recent official return. The difference is very striking. This fact is worth while being pondered over by those pessimists, who are continually whining over our national affairs, and who can see nothing but ruin and decay on every side. All the states of the republic may not be as badly mortgaged as Kansas, but there are probably a large number of the central western states which are little if any better off, while it is a well known fact, that in many districts of the older states in the east, the agricultural population is actually declining, and large numbers of farms are being abandoned. We do not say this in disparagement of the United States. Our pessimist at home, who can see nothing but blue ruin around them, are wont to point to the

republic of the south as the land of perfection and plenty. They can find no such examples at home of agricultural depression, as that shown by the mortgage indebtedness of many of the states of the republic. In fact, it is not probable that any state in the Union can compare with our province of Ontario, in this matter of farm indebtedness, or for that matter, in the generally comfortable condition of its people. Though there are few very wealthy persons, there is also an absence of poverty. In the absence of illiteracy, and the generally comfortable condition of the people, the province of Ontario is unrivalled, if indeed equalled by any state in the Union.

Nor need the comparison be confined to the premier province. In Manitoba and the other newly settled portions of western Canada, the people are increasing their wealth and improving their circumstances, though most of them have been but a few years in the country, and came here with limited means. A comparison of the condition of the people of Manitoba with the more recently settled districts south of the boundary, say for instance the Dakotas, would be decidedly in favor of this province, though Manitoba has not been open for settlement nearly as long as these states.

It is a pity that our pessimists cannot see some of these features in favor of their own country. It is also a pity that we have so many pessimistically inclined individuals. Canada is overrun with pessimists. No country in the world, we believe, has so many persons who devote their time to preaching ruin, retrogression and decay, as this country. It seems strange that Canadian soil should be so productive of this whining class of individuals, who succeed in making themselves and others miserable by their constant lamentations. There is less poverty in Canada, than in any other country of the civilized world. Wealth is fairly distributed. The people enjoy abundance of the necessities, and many of the luxuries of life. In the education of the masses we stand very high. Then why all this pessimistic preaching? The answer is, that it has become a feature of our political life. The party out of power thinks it necessary to preach ruin, in order to make the people think a change of government is necessary. We have no hesitation in saying that this is a degrading policy. It is humiliating to our national life and national aspirations. It creates a false impression of the country abroad. It is unmanly, dishonorable and dishonest. The whining pessimist should be treated with contempt. The people should take a manly stand in this matter, and frown upon the political pessimist, until political pessimism should cease to be a feature of our national life.

## GOVERNMENT LAND GRANTS.

THE COMMERCIAL article upon the dissipation of our public domain, is still being discussed in the eastern press, and the line of argument followed by this journal, is generally commended. The party papers have not said much upon the subject, but the independent press has come out vigorously in support of THE COMMERCIAL, in this matter. The *Merchants' Magazine* and *Financial Review*, of Montreal, quotes THE