

The Commercial

WINNIPEG, AUGUST 20, 1894.

UNITED STATES GRAIN CROPS.

The principal interest in the official crop report of the United States for August, is in the corn crop. The report shows a decline of 26 points in the condition of the crop, as compared with the July report. The average condition is placed at 69, while the condition on July 1 was 95. A year ago the August report placed the condition of corn at 87. This great falling off is attributed to drought, while hot winds have done great damage in Nebraska, Iowa and some other western sections. Nebraska makes a poor showing, the condition there being placed at only 33, though South Dakota, which of late years has made considerable advance in growing corn, is still lower, the condition being 29. Iowa stands at 45, Kansas 49, Missouri, 82, Illinois 75 and Indiana 83. The total area planted to corn in the United States is 76,701,000 acres. Of this Iowa has over 8,000,000 acres and Kansas and Nebraska over 7,000,000 acres each. Illinois and Missouri have over 6,000,000 acres each, Indiana and Texas have over 3,500,000 acres each, Tennessee and Georgia have 3,000,000 acres each and several other southern states have 1,000,000 to 2,000,000 acres each. South Dakota has about 1,000,000 acres in corn. The eastern, Pacific coast, northern and central southern states bordering on the mountains, do not grow corn to any extent.

Based on the government figures as to condition, the crop would be about 1,497,069,000 bushels for this year, as compared with the crop of 1,619,496,131 bushels last year. This does not show as great a shortage as some have been led to believe by the recent sharp advance in the price of corn, and the preponderance of crop destruction reports. The corn crop of the United States for a series of years as officially reported, is as follows:

YEAR.	BUSHEL.
1894	1,497,069,000
1893	1,619,496,000
1892	1,628,464,000
1891	2,060,154,000
1890	1,489,970,000
1889	2,112,892,000
1888	1,987,790,000
1887	1,456,161,000

The condition of corn is particularly interesting at the present time, in view of the influence which a short corn crop will have upon wheat. It will therefore be interesting to compare the figures given above. The crop of 1894 is not a final estimate of course, and may be changed by later reports. At the time the August report was compiled, it was thought that early rains would enable the crop to recover in some sections. Other sections are said to be past recovery. The failure of the ears to "set" on corn that otherwise looked fairly thrifty, is said to be due to hot weather stimulating the tassel so that it matured and blew away before the silk was sufficiently advanced to receive the pollen.

In regard to wheat, the United States official crop report for August reports a decline

of 1.3 points in spring wheat. Winter wheat is said to be turning out a good yield of excellent quality, as shown by reports of threshing. The leading spring wheat districts show as follows: Wisconsin 79, Minnesota 76, Iowa 82, Kansas 30, Nebraska 41. South Dakota 29, North Dakota 75, Washington 83, Oregon 55. Kansas, of course, grows a large area of winter, as well as spring wheat. Based on the official returns, the wheat crop of the United States for 1894 would total 391,528,000 bushels. Of this total, 283,753,000 is winter wheat and 107,770,000 bushels spring wheat. The acreage is 23,210,000 of winter, and 10,564,000 bushels of spring wheat. It may be noted here that the official report regarding wheat is generally believed to be far astray of the actual amount. Private and local state reports would indicate a crop perhaps 100,000,000 bushels in excess of the Washington estimate. This is a tremendous difference, and a belief that such a huge error has been made, renders the official report actually worse than useless. In regard to corn, however, the official report is believed to be approximately correct. Wheat crop estimates of the Washington department have been so far astray of recent years, always underestimating the crop, that there is good reason for refusing to accept the estimate for this year. The following shows the wheat crop of the United States for a series of years, the crop of 1894 being the advance estimate based on the August crop report, and liable to be considerably changed when later reports from threshers are in:

Years.	Bushels.
1894	391,528,000
1893	306,123,000
1892	513,949,000
1891	611,780,000
1890	399,262,000
1889	490,560,000
1888	416,868,000
1887	456,329,000

Notwithstanding the low official report for 1894, new wheat has been coming to market fast during recent weeks, and stocks of wheat at principal points of accumulation on this continent are the largest on record. The outlook for the export demand for American wheat of the present crop, is not particularly bright, owing to good crop prospects abroad, so that even should the crop turn out quite as small as is indicated by the official report, there is likely to be a large quantity of wheat carried over to another crop year. The only really strong factor in the situation is the reported shortage in corn, which it is hoped will lead to the consumption of a large quantity of wheat at home for feeding stock. With the finest wheat selling in Chicago at a lower price than corn and oats, pound for pound, it really does seem probable that it would be more profitable for the farmers to use the lower grades of wheat for feed. As regards the recent "boom" in corn, it is perhaps well to take a conservative view of the matter, as it is quite possible the bull movement has been carried too far, though late reports have indicated even a smaller crop than is shown by the official statement.

The Washington report places the condition of oats at 76.5, as compared with 78.3 a year ago. This does not show as low a condition of this crop as we have been led to expect, from

recent reports. If the grain crops generally do not turn out any better than is indicated by the official report, we should have firm markets for cereals during the crop year now entered upon, especially for feed grains.

WHEAT FREIGHT RATES.

As the time for moving the new grain crop draws near, the people most interested are anxiously enquiring as to the possibility of a reduction in the outbound rates on wheat. Notwithstanding the repeated declaration from the management of the Canadian Pacific Railway that there would be no change in rates, there has still remained a lingering hope that a reduction would be made in time to move the crop. The low price of wheat makes it imperative that the farmers should get the last cent possible for their wheat. When this low price is combined with a moderate crop, such as is being harvested this year, the situation is certainly not very encouraging for the farmers. Under these conditions, it is but natural that the farmers should be strongly imbued with the idea that it would be only fair for the railways to share with them in the low price of wheat, by making a reduction in freight rates.

This belief is not confined to Manitoba. The farmers in the states of Minnesota and North Dakota, just south of us, are demanding a reduction in freights on wheat. They claim this reduction on account of the low price of wheat, as well as on the ground that freight rates in their states are higher than in other parts of the country, south and east.

The Daily Market Record, of Minneapolis, voices the demand for lower freight rates on wheat, in a lengthy but moderate article in a recent issue. This journal points out that the cost of freight is the principal item between the producer and the consumer, and it is only through a reduction in freights that the proportionate price to the producer can be increased to any considerable extent. The Minneapolis paper quoted makes the declaration that wheat freight rates "from interior northwestern points to terminal markets, are much higher than in other sections of the country." The term "northwest" as used means the states of Minnesota and Dakota. For instance it is pointed out that the rate on wheat from Minneapolis to Chicago is 10 to 12½ cents per 100 pounds, while from northwest interior points, of about the same distance, the rate is 20 to 22 cents. The most of the wheat, the Minneapolis paper says, is carried to Chicago at a 10 cent rate. It therefore appears that the railways charge just double the rate from interior points that they obtain south and east of Minneapolis. The Minneapolis paper says there is no ground for this extra charge on account of light traffic, as the roads carry more wheat from the northwest interior to Duluth and Minneapolis than they carry south and east of these points. "If the rate to Chicago is a paying one," says the Market Record, "then it follows that all in excess of that, as charged from northwest interior points, is an overcharge."

The Great Northern is the principal wheat carrying road south of the boundary. President Hill of this road, in a speech at a banquet