

The Commercial

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THE BUTTER GLUT.

Some time ago we had occasion to draw attention to the surplus of butter in the Winnipeg market, and since then there has been a steady increase in the quantity on hand, until now there is a perfect glut of the market. This glut is not now the result of importations as no supplies have been drawn from eastern sources for several weeks, and very little since the middle of May last. It is the steady increase in the quantity of the home product that is adding to the surplus stock, and the worst feature about the matter is that a very large proportion of the butter from local sources does not reach the city in a state fit for keeping over until colder weather brings a decrease in supply. The farming community of the Northwest will require to be older, wealthier and possessed of more improvements on their farms before good butter will be a general product. Yet the bulk of the butter reaching this city, if received in a comparatively fresh state by an experienced grader and packer, could be carefully repacked and kept in good condition until a winter market brought a fair price for it. That butter grading and packing has not become an industry this summer may seem strange to many. But when careful inquiry is made its absence is by no means astonishing. It seems that it is impossible to convince both farmers, and country merchants who purchase their butter, or take it in trade, of the unusually low price of the product this season. At present the finest qualities of dairy butter can be purchased in eastern markets, and, with the low rates of summer freights, laid down in car lots in Winnipeg at from 15 to 16c a pound. Such butter is well-packed and ready for sale on arrival here, while the best lots of local require more or less handling or fixing, and afterwards are, as a rule, inferior to the best eastern brands. Our local butter is, therefore, not worth more to the man who undertakes to grade and repack it, than from three to four cents less than the best eastern, even when the quality is unquestionable. A momentary comparison of these figures with those of a year ago will show how hard it must be for local butter producers to realise the drop

which has taken place. Some, who are butter producers now had to purchase butter for their own use a year or so ago, and pay from 35 to 40c a pound for it, and now that they are producers, to accept 10 to 12c for their surplus product and believe that they are getting its full market value, is a difficult dose to swallow. Yet such is the case, and the drop in price has been general all over this continent. In the city of Chicago, within a year or so, creamery butter of the finest quality has sold as high as 35c a pound, and now choice to fancy creamery ranges between 15 and 16c. While there has been a heavy decline in the price of almost every agricultural product during the past year, that in butter has been exceptionally heavy.

If the older markets of this continent have experienced such a heavy decline in prices, there are reasons why it should be more marked in Winnipeg. This is the first year in which Manitoba has been able to supply her home demand from local sources, and the province is steadily making its way towards exporting butter to markets from which it has hitherto drawn supplies. Under such circumstances the decline in prices must of necessity be rapid and heavy. We had a similar and even severer experience in oats. The country advanced from the position of an importer to an exporter of this grain within one year, and the consequence was a drop in price in the city of Winnipeg within a little over a year from 75 to 16c a bushel. It should be steadily held in view, that upon the exportation of farm products the growth in wealth of this province depends, and all such commodities must eventually reach a price at which they can be exported at a profit to eastern markets. It is very unfortunate that just as Manitoba has advanced far enough to come in competition with the east, that prices there are lower than they have been for a number of years.

It is at all times folly to attempt to stem the tide of the law of supply and demand, and this is exactly what Northwestern dairy farmers and country merchants have been trying to do of late. They have just succeeded in holding butter at such a price that it would not pay any man to go into the grading and repacking of butter, and the consequence is that at least half a dozen car loads of the product are now scattered over the country, the bulk of which will be held until

it is simply grease, whereas, if disposed of before now, at lower figures, it would have been packed and stored in condition to make it available for winter supply. Strange it would be, yet it is quite possible that importations from the east will be again necessary during the coming winter, after thousands of pounds of local supply have been allowed to go to waste.

RED RIVER IMPROVEMENT.

The question of the deepening and otherwise improving the Red and Assiniboine Rivers, so as to make them valuable arteries of commerce, is a fitting work for a body like the Winnipeg Board of Trade to interest itself in, and it is to be hoped that their efforts to interest Sir Hector Langevin, and the Government he is connected with in the undertaking, will not be without their good effect.

In endeavoring to secure the support of Sir John A. MacDonald's Government in this work of improving our Northwestern water stretches, there are other difficulties besides these which face us in any attempt to loosen the Dominion purse strings in favor of this country. The first and greatest of these difficulties is that the policy of the Mackenzie Government in the Northwest included not only the improvement of these water stretches, but also their being utilized as links of the great trans-continental highway, the securing of which has been the aim of so many Canadian statesmen. It must be admitted, that while the Mackenzie policy would have accomplished much in this way, which would have been useful in years to come, it lacked that boldness which has characterized the policy of the present Government, and some of its details had not a little of the appearance of an acknowledgement of the inability of the Dominion to construct the great railway from Atlantic to Pacific. In short, the Mackenzie Government lacked the confidence and earnestness in the great project which their successors have so steadily maintained. Whether they were wise in this lack of confidence and boldness it is needless now to discuss; a few years will settle the question beyond a doubt. Sufficient to say that their amphibious scheme of crossing the continent has been spurned by their successors, and the much greater undertaking of an all rail route steadily adhered to. Now it is only natural for a Government as well as an individual in rejecting a project or an