

The Commercial

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A COMPARISON

One thing which will strike the observer of current events is the comparative depths of popular feeling in Great Britain, stirred up by President Cleveland's Venezuelan message, and Emperor William's action in the South African trouble. Judged superficially the president's message appeared to be a more insulting and warlike document than the German Emperor's action in the South African affair, yet the latter provoked a much more intense feeling of resentment throughout Great Britain. Germany's action set the British people at home almost furious, and led to immediate preparations for war on an active scale. Defiance was thrown out to Germany from every quarter, and as a unit the people appeared anxious to avenge the insult.

On the other hand, the bellicose blast from Washington, though a most unexpected and aggravating assault, was hardly a nine days' wonder to the people. The press and people appeared to quickly recover from the first feeling of resentment caused by the president's ill-mannered message, and the matter has been treated with great moderation and coolness. The president's message created a far more hostile feeling in the United States than it did in Great Britain, though naturally the greatest resentment would have been expected from the latter quarter, the United States having been the aggressor and the insult having come from the latter country.

The reason for the apparent apathy of the British people to resent an insult from the United States is perhaps two-fold. In the first place they are familiar with that performance (very undignified to the actors in it) known as twisting the lion's tail. Threats coming from the United States against Great Britain are usually supposed to be made for the base purpose of influencing the Fenian vote in the republic. The British people have submitted quietly to indignities of this nature, under the impression that it was more discreditable to the insulter than injurious to the insulted. Secondly, the British people have refused to believe (and are apparently still of the same opinion) that the feeling in the United States is as hostile to them as sometimes appears on the surface. The anti-British demonstrations in the United States have simply been regarded as coming from the rabble, led by scheming politicians, and not from the people as a whole. On this account they have been treated to a great extent with silent contempt. One thing is certain, that if the British people had as vigorously resented these anti-British demonstrations in the United States as they have shown in the case of Germany, there would have been war between the two nations long ago.

Notwithstanding the occasional threats from Washington and the rabid utterances of a large section of the United States press, John Bull refuses to get deeply annoyed with Jonathan. It certainly is not fear of the latter country. This is shown in the case of

Germany. The latter country, as a military power, is vastly superior to the United States, yet John Bull did not hesitate for a moment to make it as plain as possible that he would not be trifled with from that source, even though Germany might be backed by all the great powers of Europe. The British people at home have undoubtedly a respect for their kinsmen of America which makes them slow to anger and willing to overlook serious provocation, rather than resent it in a manner which would lead to further strife between the two countries. In time it is hoped this feeling will be reciprocated in the United States.

APPARENT DUTY DISCRIMINATIONS.

An article in The Commercial last week on the trade returns for the last fiscal year, showed, in addition to other things, that the duty collected on imports of British goods was higher than on imports from other countries. The average duty collected on British goods was 22 per cent., while the average duty on imports from all countries was 16.1 per cent. This shows that British goods paid about 6 per cent. more duty than the average from all countries. This average duty includes all goods, both dutiable and free. Again, the average duty collected on imports from the United States was only 12½ per cent., as compared with the duty on British goods. Thus while British goods paid 6 per cent. more than the average duty collected on importation from all countries, goods from the United States actually paid 4 per cent. less than the average duty on imports from all countries. Superficially this looks like a great discrimination against British goods but in reality it may not mean anything of the kind. To arrive at a correct idea of the case, the class of commodities imported from the different countries must be taken into account. The class of goods imported from the United States is of course quite different from the general class of goods coming from Great Britain. From the latter country we receive manufactured products almost exclusively, while from the republic we get largely raw materials or partly manufactured lines which, under a protective policy such as prevails in Canada, would naturally be subject to a minimum rate of taxation, if taxed at all.

TRANSPORTATION THE PROBLEM.

Mr. Crowe, retiring president of the Winnipeg Grain Exchange, in his address at the recent annual meeting of the exchange, made reference to the efforts of that body to secure reductions in freight rates upon grain exports. The most important words in the entire address were probably those contained in the following quotation. Closing his remarks on freight rates Mr. Crowe said:

"The committee further pressed for a reduction of freight on coarse grains to Eastern Canada. Up to the present time no reduction has been made, but it is most earnestly hoped that the railway companies will recognize the necessity of such action, which is rendered doubly urgent on account of the extremely low price of these grains, and the necessity of securing a market for the exportable surplus."

The Commercial would call special attention to the last sentence in the paragraph

quoted above. In an article some time ago The Commercial made use of the expression, "transportation is the problem for Canada." It certainly is the problem for Manitoba and the territories.

Returning to the question of freight rates as affecting the present crop, it is certainly most "earnestly to be hoped" as Mr. Crowe said, that something can be done to permit of the export of coarse grains and low grade wheat. It is true that a reduction of five cents per 100 pounds was made in freight rates this year by the Canadian Pacific railway company, from Manitoba to the seaboard, but owing to the very low price of all grains, even this reduction will hardly permit of the export of wheat, much less of coarse grains. Take for instance the following example:

The latest price list from New York which we have at hand quotes oats there at about 23½ to 26 cents per bushel, in elevators. The freight rate from Brandon to New York is 49 cents per 100 pounds, and the actual handling expenses would amount to 3 to 4 cents per bushel, allowing nothing for dealers' profits, commission, etc. This it will be seen by the following analyses will not permit of exporting at all:

Freight to New York, per bush. .16 cents
Elevating charges, New York. 1½ "
" and cost buying, Manitoba 2½ "

Total. 19½ cents
Average value in New York ... 25 cents
Value to Manitoba farmers.... 5½ cents

These New York prices represent export values at New York, thus we see that to export oats, the value to farmers in Manitoba would be under 6 cents per bushel of 32 pounds, New York weight, and to allow the dealers a profit a further reduction would have to be made. The exportation of oats is therefore out of the question on the present basis of low prices abroad.

In Eastern Canada prices are considerably above export values, and a few cars of Manitoba oats have been shipped there, but the market is limited and only a small portion of the Manitoba surplus can find a market there. Manitoba should have over 12,000,000 bushels of oats for export this year. Last year we had a surplus from a total crop of under 12,000,000. This year the crop is estimated at 22,555,000 bushels. Last year we had no low grade wheat. This year we have a considerable quantity of low grade wheat, only suitable for feed, which will, if fed at home, reduce the home requirements of oats. We have also almost double the quantity of barley this year, as compared with last year, and barley is in about the same position as oats, as regards exporting.

There is therefore an enormous quantity of feed grain in this country which would be simply thrown away to sell on an export basis. We do not know what profit the railways have on the present rate to the seaboard. It would take an enormous cut on all rail rates, however, to admit of the export of oats on a basis to allow even 10 cents per bushel to the farmers. We could hardly expect the railways to make such a cut. If the railways, however, could agree to a sharp cut in rates to Lake Superior ports it might be possible to