

Dominion Counsel to advocate the boundary claimed by his predecessor. It must be borne in mind that the complaint against the Dominion Government throughout has been that it has not acted in good faith. Although we deem it expedient to postpone discussing with the *Gazette* what the Judicial Committee may have advised, we must join issue with him, and deny emphatically that the "boundary case is entirely a question of law determinable only by the courts." The *Gazette* also affirms that the award of the arbitrators "would have no legal effect, even if ratified." This does not appear to us like common sense." The award could have been ratified in precisely the same way as the advice of the Privy Council will have to be ratified. It is not unworthy of notice that two of the members of the judicial committee were not lawyers, and yet one of Sir John A. MacDonald's objections to the Canadian arbitrators was that two of them were not lawyers.

WHEAT.

Wheat is an article that is replete with interest to the world of commerce at all times, and under all circumstances, whether its worth be 80c, \$1.00 or \$2.00 per bushel, as there is no other commodity so universally dealt in either in a legitimate or a speculative sense; but, if there be a period when it commands more than ordinary attention it certainly is at the present juncture, when the bountiful crops of both hemispheres are being harvested under singularly auspicious skies. At the time of writing the weather in England is brilliant and in the Northwestern States it is clear. On this continent it is safe to say that most of the winter wheat has been harvested in good condition, and the greater portion of what has been threshed has turned out well, both as regards yield and quality. In some of the spring wheat sections of the Western States harvesting has commenced with generally favorable prospects, notwithstanding the heavy showers which have impeded it in a few districts. In Manitoba and the Northwest Territory the crop gives promise of splendid results, and most of the winter wheat in Ontario has been garnered in good shape. The estimates of the crop of the United States have not varied materially from that given by us two weeks ago, namely, about 500,000,000 bushels, which will afford a surplus for export of at least 150,000,000 bushels. This, however, will in all probability be much more than foreign countries will take judging by the exports

from the Atlantic ports during the past eleven months, which aggregated only 77,000,000 bushels, including flour as well as wheat; and if we take into consideration that about 40,000,000 bushels of old reserves are still in farmers' hands, there need be no apprehension regarding the inability of this continent meeting all foreign demands upon it for breadstuffs. There is, on the contrary, more fear that the export requirements of America will not be sufficient to relieve it of its big surplus. The important question which as yet remains unsolved is whether England and the Continent will order more wheat from the Atlantic seaboard during the next crop year commencing Sept 1st. than during the season now drawing to a close. The solution of this question must of course be deferred, but it will nevertheless be fraught with weighty consequences to the wheat trade of the United States and Canada. We observe the old argument again advanced that farmers will not deliver at present prices, but we very much question if they will continue hoarding their reserves as they have done within the past two or three years. It is now a well-established fact that the large quantity held over in first hands from the crop of 1882 was more than adequate to repair the shortage in the wheat crop of 1883, and hence the unprecedented shrinkage which has occurred in values within the past year. If farmers persist in holding their grain from one year to another there will come a crisis which will affect their interests far worse than present low prices, as they will some of these days discover enough heated or otherwise damaged grain in their granaries and barns to cause the markets to stink of it, when they may possibly awake to see the folly of speculating in wheat from one season into another. Several lots ranging from 500 to 2,000 bushels which have been held over from 1882 were recently marketed in Ontario, and we understand there is more of the same kind which will soon see daylight. As regards future prices, they will wholly depend upon what England and the Continent will require to import during the next twelve months, but, judging from the nature of their home crops, it certainly would appear that they will be less dependent upon foreign supplies than during the past season. The United Kingdom has on passage to its principal ports 14,600,000 bushels, while to continental destinations there is 3,920,000 bushels, which is larger than at this time last year. Then on this side we have an ample visible supply, which will no doubt show a rapid

increase from this out. There is therefore every inducement for English and continental buyers to order only what they require from hand to mouth, and play a strictly waiting game; and from the lesson taught them by last year's operations there is little fear of their being carried away by any excited trading among the futures, at least for a few weeks. Apart from speculation, the outlook certainly favors lower, rather than higher prices. It has been hinted of late that at present exceedingly low prices, some powerful syndicate may step in and endeavor to control the situation on this side. Possibly; but the task will be found too Herculean nevertheless.

SPECULATION PARALYZED.

The commandments of legitimate trade, namely, "Buy only what thou intendest to take delivery of" and, "Sell not what thou dost not possess" have been so universally broken, that it became necessary, in order to assert the majesty of the legitimate code, to inflict the severest chastisement upon the law-breakers. Consequently the centres of speculation have of late been the scenes of great financial convulsions, in which some colossal fortunes have been swept away and innumerable smaller ones irretrievably lost. During the past year speculation has turned out unusually bad for its votaries, very little money having been made on either the "bull" or the "bear" side, whilst a great deal has been lost. This may sound somewhat paradoxical, as it is well understood that what one side loses the other gains. In most of the speculative articles, however, the decline extended over such a long period that the "bears," thinking bottom prices had been touched, prematurely turned "bulls", and many lost more than they had previously won, partly recuperating the former heavy losses of the "bulls." The only real gainers have been the commission men, whose profits are always sure. As a rule, therefore, the margins of both parties to speculative deals have in a great measure been absorbed by commissions, etc. The principal of a certain grain commission firm in Chicago recently admitted to one of his fortunate customers that since January 1st of the present year his house had cleared over \$400,000, exclusively in commissions, and it is well known that the house referred to has been singularly unfortunate in making money for the majority of its customers, as the amounts made at one time were, as a rule, subsequently lost. From what we have been enabled to gather,