

The Commercial

WINNIPEG, JANUARY 14, 1895.

EXPORT VALUE OF WHEAT.

A couple of weeks ago The Commercial made a statement which showed that wheat bought at 40 cents per bushel in Manitoba would show an apparent profit of 1½ cents delivered in England. The figures showed, that on the basis of fall freight rates, wheat bought at 40 cents per bushel in Manitoba would cost about 71½ cents per bushel in London, and that actual sales of Manitoba No. 1 hard had been made in London at 72½ cents. The present prices being paid in Manitoba are, of course, far above export values, as we will now show, starting on the basis that the present average to farmers in Manitoba country markets is 50 cents per bushel of 60 pounds.

	Cents per bushel.
No. 1 hard, average price.....	40 00
Cost of buying, elevator expenses, etc. . .	4 00
Average freight to Fort William.....	11 50
Cost of carrying until spring.....	8 00
Lake freight, insurance to Buffalo.....	3 50
Buffalo handling charges.....	1 50
Canal freight, insurance to New York..	3 00
New York handling charges.....	1 50
Ocean freight to London.....	6 00
Loss in weight.....	.50
Cost c.i.f. in London.....	87 00

The last sales of No. 1 hard for London delivery, reported by mail, were made at 24s 9d per quarter, equal to 74½ cents per bushel. This would show present prices in Manitoba about 14 cents per bushel above export values, on the basis of holding the wheat until spring and then exporting by the lake route at the same rates as prevailed in the fall. Of course, no wheat is being bought in Manitoba for export at present comparatively high prices. It is expected that all wheat held at the close of navigation will be required for home consumption. As the remaining portion of the Manitoba crop (except what is held by farmers) is about all held by three concerns, and is in strong hands, it seems probable that the advance in prices will be maintained.

DULUTH AND MANITOBA WHEATS.

There seems to be something wrong somewhere about the prices of Manitoba and Duluth wheats, as quoted by the Liverpool Corn Trade News. The Liverpool journal has continued for a number of weeks to quote Duluth wheat at a higher price than similar Manitoba grades. But while actual sales of No. 1 hard Manitoba wheat are quoted every week at Liverpool, no sales of Duluth wheat have been quoted for a long time. It would therefore appear that the Duluth quotations are purely imaginary, or at least only ornamental. Of course a quotation or holding price may be reported at any figure, but it is the actual sales which show the market value. As Duluth wheat is not selling, while sales of Manitoba grades are of frequent occurrence, it can only be decided that either Duluth wheat is held at above its value or that the quotations given by the Corn Trade News are imaginary.

It is said that no sales of No. 1 hard Duluth were recorded during November. The Minnesota Railroad and Warehousing Commission reports a sale of No. 1 hard Duluth in Liverpool on December 8, at 24s 9d per quarter, and again on December 7 a parcel of No. 1 hard Duluth sold at the same price. On each of these days parcels of No. 1 hard Manitoba are reported to have sold in Liverpool at exactly the same price as sales of Duluth were reported at. All these sales were made for delivery at London, c.i.f. (cost including freight and insurance.) This would indicate that there should not be the difference in price between Manitoba and Duluth grades as would appear from the quotations of the Corn Trade News. The difference, however, is in Liverpool spot quotations, as reported by the Corn Trade News. Still there should not be such a wide variation. Manitoba wheat should be worth as much, spot transactions, in Liverpool, as for London delivery, compared with Duluth.

BINDER TWINE.

The duty on binder twine imported into Canada is now so small that prices here must bear a close relationship to prices current in the United States. It is therefore interesting to know the trend of values across the boundary.

A meeting of the independent binder twine manufacturers was held recently at the Grand Pacific hotel, Chicago, the object of which was to devise a plan of advancing prices, and forming a combination to purchase the bankers' twine now being sold by the Western Twine Company, of Chicago. Nine of the independent factories and large jobbers were represented, including the Columbian Cordage Company (D. M. Osborn & Co.), of Auburn, N. Y.; the Miamisburg Twine and Cordage Company, of Miamisburg, Ohio; the Akron Twine and Cordage Company, (Aultman, Miller & Co.) of Akron, Ohio; the Peoria Cordage Company, of Peoria, Ill.; the Northwestern Cordage Co., of St. Paul, Minn.; the McCormick Harvesting Machine Co., of Chicago; Kingman & Co., of Peoria, Ill.; Hoover & Allison Co., of Xenia, Ohio. But meagre details of the action taken could be learned. It is said that those present were disappointed at the slim attendance, for it was expected that a majority of the factories outside of the United States company (the combine company) would be represented. A committee was appointed to confer with eastern manufacturers, and another meeting will be held in a few weeks to further the ends of those interested.

BAD CREDIT SYSTEM THE CAUSE.

The evil effects of a general system of prolonged credit business has been abundantly demonstrated in the financial crisis in Newfoundland. The disaster is the most severe of the kind which has overtaken any English-speaking country during recent years. Traced back to its real source, an explanation of the disaster is found in a vicious credit system. The Newfoundland correspondent of the

Montreal Gazette, who is one of the best authorities on Newfoundland affairs, writes as follows:

Our condition is of the gravest description. The immediate cause of the collapse of the banks was the failure of a London firm—Prowse, Hall & Morris—through which the sale of seven-eighths of our exports was conducted. Their drafts were due here and could not be honored. The remote causes of the disaster, which have been maturing for years, were the vicious credit system on which the fisheries were carried on, and also beyond all doubt the unsafe principles and methods on which our banks were conducted. All this will come to light in due time. Through a vast amount of poverty and intense suffering our chronic evils will be put right, and business will proceed on sounder principles. The supplying system is doomed, and must come to an end. There was but one termination to it, and that has come unexpectedly and with the force of a tornado.

STEAMBOATING ON THE RED.

The building of railways has not entirely destroyed the steamboat interests on the Red river. It is stated that a boat is being built at Grand Forks, Dakota, which will be one of the largest ever floated on the river. In the old days, before the advent of railways, steamboating on the Red river was quite an important interest. Boats ran between Winnipeg and up river points, and in the seventies the traffic was quite heavy. Nearly all the freight for the settlement was brought down the river in those years. The building of the railways killed the river trade entirely so far as Winnipeg is concerned, and for some years back no steamers have run on the Red river between Winnipeg and points south. That portion of the Red river in the United States has been greatly improved by the United States government, and the river is still navigated to some extent there. The building of this steamer at Grand Forks would indicate that the steamboat interest on the river is reviving. With the improvement of that portion of the river lying in Canadian territory, especially, between Winnipeg and the lake of the same name, we will see an important revival of the shipping interest here. Some day Winnipeg will own a large fleet of steamers and barges.

EDITORIAL NOTES.

THE big fire in Toronto on Sunday completely destroyed the Globe building and plant, and the large new building occupied by S. F. McKinnon & Co., wholesalers. Robin Sadler & Howarth, leather, Miller & Richards, printing supplies, the Toronto Lithographing Co. and several smaller concerns were also burnt out. As usual the elevator shafts performed the service of conducting the fire quickly through the buildings. The fire, which in the absence of elevators would probably have been confined to a limited space of the Globe building, had spread by means of the elevators all through the large building before the fire apparatus was got into working condition. How to prevent the elevators from becoming fire conductors should be an important point in the construction of all large buildings.