

## PROBABLE PRICE OF PRODUCE.

NOW that there is a certainty of a large crop of every description of produce, the next best thing to consider is the price which it is likely to realize. The success of the farmer is the foundation of our prosperity; but however large his crops may be, his success can only be partial unless he gets a remunerative rate. Providence has blessed us with a bountiful harvest; let us trust that Providence will equally bless us with a good price. Although we cannot be too grateful for an abundant crop, our gratitude will be greatly augmented if we can realize a satisfactory figure for what the country has to spare.

The opinion is generally prevalent that Great Britain is more or less dependent on this continent for its supplies of Breadstuffs, when its own crop is not sufficient for its consumption. It is certain that America with its great productive power relies upon Great Britain as a market for its surplus. It would, therefore, seem but natural that anything which would interfere with the extent of supply, would necessitate a rise in price. Yet we find, that within the last two or three years such has not been the result. The exports from the United States and Canada, in 1863 and 1864, show a very great falling off as compared with previous years, notwithstanding which, prices have continued to rule at remarkably low figures. In the cereal year just closing, the rates in London and Liverpool have rarely showed the slightest margin of profit. There is no doubt that the crops in Britain, indeed all over Europe, during the last two years, have been of a very extraordinary character; seldom, if ever before, in the histories of these countries, have they drawn less from outside sources. The statistics, however, of the English Produce markets indicate that other countries contribute to its supply as well as America. Russia is a large shipper of grain, and her Danubian Principalities are constantly producing far more than they consume. Ports on the Mediterranean are noted for the extent of their products; and from Spain and Germany the receipts are usually large. France seldom produces more than she consumes, though occasionally, as in last year, she contributes not a little to supply the English markets. Other years, however, she is deficient, and American grain not unfrequently has found an excellent market at Havre, and other French ports. It is impossible, with any degree of accuracy, to obtain information as to the probable amount these countries will contribute to the great consumptive markets of the world. The fact that they are very distant, are of a foreign nationality, regarding the interior of which but little information can be had, makes it still more difficult to estimate the extent of supply. Even respecting this continent there is the greatest diversity of opinion, and within the past two weeks the fluctuations in prices in Chicago, the greatest produce point in the world, have been of a very violent character.

In England a similar condition of uncertainty seems at present to exist. Each steamer brings a different report to the previous one. Last week we were advised of a very serious damage to the crops by bad weather, and a material advance in prices, and the prospect of a scarcity even affected the rate of interest. The following steamer, however, dissipates the fear. The weather is reported as brilliant; the previous advance in prices had not been sustained; and an average crop is anticipated. It is thus impossible, with any degree of certainty whatever, to attempt prophecies as to future prices.

Notwithstanding all this uncertainty, however, there seems to be a very general impression that crops everywhere this season will be good. Certainly in Canada this is now beyond a doubt. In the United States the increased area under cultivation, and the good weather which they have had recently, is likely to result in a very considerable surplus; and in England, notwithstanding the fears of the alarmists, the better informed journals concur in anticipating very nearly an average crop. From the Continent of Europe reports of the same tenor have been received. Certainly there is nothing which indicates serious loss anywhere. Admitting that this is about the condition of things generally, over the world, it follows that if prices were low last year, with a partial failure in this country, prices cannot be very high this year, with a surplus. We do not, therefore, anticipate that rates will exceed those current at present. Indeed we can hardly hope that these figures will be maintained, especially in this Province. The higher prices which have been realized during the Spring were mainly the result of scarcity in certain localities; and the local

consumptive demand of the Eastern section of the Province more than absorbed all that the Western district had to spare. Prices were, therefore, much higher than under ordinary circumstances.

But, beyond the effect even of supply and demand, another cause will operate against extravagant rates. Hitherto the ease with which the Banks have afforded facilities for operations of a speculative character has induced an amount of competition in this country which has seriously inflated prices, resulting almost universally in loss to the operators. This year, however, a different policy is being pursued; the Banks advance rarely, except upon security of the property bought, which necessitates an early realization, and induces an amount of caution which precludes the possibility of extravagant rates. Again, the generally unfortunate result of speculation in produce will induce more than usual care this year: first, the men left in the business have little money to lose; next, the uncertainty which prevails as to the future, and above all the large quantity of stuff which there is to handle. All these considerations ought to effect a great change in the mode of moving the crop. Hitherto prices have been outrageously high, which is the true explanation of the lack of success. Buyers have seldom purchased on the basis of realizing the rates then current, but have bought in the hope of an advance. This, we trust, will be reversed, not because we do not wish the farmer to get a good price for his grain, but because it is fatal to the health and success of the trade, if this good price is got at the expense of the trader.

In view of all these considerations, we think the farmers must make up their minds to accept reasonable rates for their wheat. They will do well to bear in mind the fact that they are not likely to improve the price by withholding their supplies from the market. The necessities of the country and the chances of a still further decline make it imperative that they should realize at the earliest moment. Nothing is to be gained by the opposite course, but very serious risk of loss incurred.

With respect to coarse grains, there is a certainty of a good demand for Barley during the next few months. The bad weather throughout the Western States has had a very damaging effect on this grain in that section, and it is said to be seriously injured for malting purposes. Samples of Western Barley already in market bring 25c per bushel less than the crop of last year. Canadian farmers have had a very large yield of this cereal this year. The success of the crop during the last four or five years has stimulated increased productions; indeed it has been one of the most profitable products of the farm, and this year is not likely to prove an exception. In view of the possible repeal of the Reciprocity Treaty, there is likely to be an active demand throughout the autumn, and prices will, probably, rule at satisfactory rates. Of course it will be utter folly on the part of farmers to hold over this grain until Spring, or even till late in Autumn. Large stocks at Albany and other points may check prices in October and November, while high profits and the crowding of the usual channels of transportation may seriously affect the condition of the market. It will, therefore, be the greatest wisdom on the part of our farmers to commence delivering this description of produce early, and realize thereon as fast as possible. The condition of the grain is said to be excellent. It is now being harvested throughout Western Canada, under most favourable auspices.

With regard to Oats, the product of this year is immense both in Upper and Lower Canada, as well as in the United States, and prices are certain to rule at a very low figure. Fodder of all kinds is very plentiful; the necessities of the army not being nearly so large this year, will lessen the demand for Oats, while the possibility of a close of the American markets, cannot fail to influence both the present and prospective rates. The earliest price, therefore will, we think, be the best. The hay crop exceeds all previous experience in this country, and we will, unquestionably, have a large surplus. Under proper management a good market could be found for our hay in New York and elsewhere, if the rendering of the Reciprocity Treaty by the United States authorities could be made at all fair or equitable. It is perfectly outrageous that hay in bulk or loose should be admitted free under this Treaty, while in some ports the collectors insist upon levying a duty of 20 per cent, if pressed in bundles. Cannot our Government, during the few months that remain of the Treaty, endeavour to obtain from the Secretary of the Treasury a modification of this extreme view of the law?

## GOOD SIGNS.

THE tariff of the United States, and the existing condition of the finances of that country, are, in one respect at least, doing Canada no harm. All along the frontier there is the greatest activity in general business. The Americans at various lake and river towns are buying more in Canada of what they consume and wear than they are in their own country. At Windsor, Sarnia, St. Catharines, and other towns on the Welland Canal, at Niagara, Kingston, Prescott, and Brockville, the trade for some months has been exceedingly active, and the amount of greenbacks which are being remitted to this city indicates the extent which the trade has reached. The demand is not confined to any particular class, but there is an increased animation in boots, shoes, groceries, clothing and dry goods at the points above mentioned. We do not believe that our own people are doing much in the smuggling line, the Americans themselves being the purchasers in almost all cases; and we see nothing to prevent a continuance of this class of trade, which cannot but materially increase the profits of our importers and dealers. But in a larger sense are we being benefitted by the condition of things in the United States. There is just now a healthy and increasing demand for groceries at wholesale from various points in the East and West. It is not exaggerating the fact to say that within the last three months Montreal merchants have sold in the United States a million of dollars worth of tea alone; and within the present month there have been large transactions in a variety of other articles, such as rice, sugar, spices, &c. Some of these orders were from Detroit, Chicago and Cincinnati; and hardly a day passes without some new connection being opened up in these cities. We must rejoice at these indications of an enlarged commerce on the part of our importers; and we trust it will be fostered and conducted on liberal principles and with every success. Even in Canadian manufactures there are indications of a trade. In Canadian tweeds the transactions have been important. A leading Montreal house has sold to A. T. Stewart & Co., of New York, large parcels of this description of goods at remunerative rates, and we believe other transactions of a similar character have taken place. The reputation which this class of goods has now achieved ought to beget for them a demand even from our neighbours. We can sell a class of goods to them better suited to their wants and at cheaper rates than they can be had from England. We know this is saying a good deal, but we think it may be demonstrated, and we shall shortly attempt to do so.

We have indications, too, of an enlarged trade with our sister Provinces, satisfactory orders for leather, boots and shoes having been received and executed. Some tweeds have been shipped, and an occasional transaction in furs. There is no question whatever that, with an assimilation of the tariffs, there are a great many articles, as we showed last week, in which a profitable exchange could be made. There has also been very considerable shipments of leather to England, and an attempt is being made to introduce Canadian boots and shoes, which we earnestly trust will be successful. We are also happy to announce the success of a considerable shipment of furniture of Canadian manufacture, to the English market, from two of the largest manufacturers in Western Canada; and orders are now in the country for as much as can be manufactured of certain classes of goods, on which there is a good profit.

We purpose going more extensively into this subject at a future day, but in the meantime the country may be congratulated upon the inception of an enlarged foreign commerce.

## Was it ever tried?

Mr. Galt in his speech on Reciprocity in Parliament last week, stated, in extenuation of the delay which had taken place, that "it was not known that the other party (the American Government), without whose concurrence nothing could be done, was willing to enter into negotiations." Was it ever tried? How could it be known, if no attempt was ever made to ascertain? If the American Government refused positively to treat on the subject, it was an answer sufficiently final. This is not however the case; and if the Treaty is lost or allowed to lapse in consequence of delay, it will be poor satisfaction to make such paltry excuses as this.