

The Commercial

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AN ELEVATOR SYSTEM FOR WINNIPEG.

In a former article THE COMMERCIAL discussed the advantages of having an elevator system in Winnipeg, showing that by having grain stored in this city the prices would be under the influence of the American and Canadian markets instead of being regulated solely by those of Eastern Canada. It is our intention now to show that apart from being advantageous it is absolutely necessary to the well-being alike of the grower and vendor of grain that the grading and storing of grain be done in this city instead of in a hamlet in the province of Ontario and on the distant shore of Lake Superior. This year there has been great trouble about the grading of wheat, shippers in this market being left to the whim of inspectors of other markets. There has thus been no certainty whatever in sending grain south and east, whereas certainty could be assured were there an elevator system here and were grading done upon a recognized basis. The grading in the markets of Toronto and Montreal is too far from being regular to satisfy shippers in Winnipeg. Grading in Chicago is good, being perhaps the most regular on the continent. On the other hand grading in Minneapolis very elastic and bobs up and down like the mercury in October. In shipping to these markets it requires neither a prophet nor the son of a prophet to discover that shippers cannot know what the grading of their grain will be after it leaves here. The lack of an elevator system here, regular inspection and fixed grades also acts prejudicially against the grain trade, by preventing purchasers in distant markets from buying here, simply because they do not know what class of grain they may receive. Before distant purchasers can buy in this market, before indeed any one can buy except by private inspection or through responsible agents, there must be an official grading of all grain offered in open market. There must be a Winnipeg No. 1 or a Winnipeg No. 2, as well known, and upon which as much dependence may be placed as upon Chicago No. 2 or No. 3. Until then the grain trade of the North-west must be in a primitive and almost chaotic state. The farmer will certainly be under a feel-

ing that he is not having justice done to him, the purchaser must feel that in his dealings there is an unnecessary element of uncertainty and the exporter must conduct his operations upon a margin more speculative than is at all desirable in the best interests of all concerned. The attempt to do away with these drawbacks, the seriousness of which must increase with each year, by constructing an elevator system and grading grain in another province more than four hundred miles away from the commercial heart of the North-west, is so absurd as to resemble placing a poultice upon the big toe to cure toothache. It is impossible to discuss seriously such an egregious commercial blunder—and blunders of this sort are worse than crimes—as would be the location of the machinery of the grain trade of the North-west at Prince Arthur's Landing, with a waste of four hundred miles between the machinery and the motive power. But if the Canadian Pacific railway for the express purpose of securing the carrying control of all wheat grown in the North-west—a control that will turn the North-west into the hands of eastern millers—persist in locating the elevator system in Ontario, then private enterprise and capital must take hold and do what the public corporation for transparent reasons will not do if they can decently or unobtrusively avoid it. Depend upon it, the American tariff on Canadian grain for milling purposes will be abolished in a very few years, and then, will be seen what the location of the elevator system at Winnipeg means. Even now it is incomprehensible that any one can be so dull of apprehension as to fail to see the advantage of having two markets instead of one. The city council which wastes much time and energy in wrestling with matters that might be left to the discretion of officials, were they competent, has not yet taken up this subject, though the establishment of the elevator system here will add vastly to the assessment of the city. It is time too for the Board of Trade to be stirring and some assistance should be forthcoming from the daily press, now that politics have fizzled out. If they will conjointly put forth their efforts the grain trade of the North-west will be organized on a proper basis and be retained under local control. Otherwise it will remain in its present unsatisfactory state until control of it pass into ultra-provincial hands.

Whatever may be the commercial and industrial progress of the North-west, agriculture must be the backbone of its existence, and if Winnipeg is to be a capital in more than name it must hold a controlling power in agricultural affairs of the North-west.

THE TEST OF PROSPERITY.

From the report of the United States Bureau of Statistics it appears that for the eleven months ending November the United States exported 778,500,767 lbs. of provisions, valued at \$84,863,003 against 1,251,725,776 lbs. valued at \$120,345,092 in 1881. This remarkable falling off is accounted for by the great drought in 1881. Again in 1882 for ten months the imports of merchandise were \$637,980,193 and the exports \$504,037,206, in coin and bullion the imports were \$15,213,642 and the exports were \$53,022,060, showing an excess of imports over exports of \$6,134,569. In 1881 the conditions were the reverse the excess of exports over imports being \$85,409,803. In merchandise and provisions the declension in exports has been a sum of no less than \$172,000,000 which throws the balance of trade \$6,000,000 against the United States. The balance of trade is chronically against Great Britain, so the political economist stands face to face with the startling fact that two of the most powerful of the industrial nations, the two whose combined strength exceeds all the rest of the world have and maintain this strength in the face of the balance of trade being against them. It is evident that political economists will have to work up a new theory concerning the balance of trade and commercial prosperity. After two or three decades they will arrive at the conclusion long since apparent to the social economist that a nation's prosperity is to be gauged not by the values of the articles which she produces, but by her capacity for employing labor. Let the balance of trade be kicking the beam against a country, so long as that country can furnish room for those who are willing to work that country is prosperous. The element of permanent improvements is overlooked by all workers in the favorite puzzle of the balance of trade. Thus they are apt to bemoan such a circumstance as the adverse balance of six millions gained the United States, quite oblivious of the fact that the labor requisite to create a favorable balance may have taken a different channel and been expended upon