

The Commercial

WINNIPEG, JUNE 12, 1893.

STATE GRAIN HANDLING

Aided by that class of political schemers who delight to trade upon the credulity of the farmer, the legislatures of the States of Minnesota and Dakota have passed bills providing for the handling of grain by the state. No doubt many of the legislators who voted for these bills, were fully aware of their absurdity, but fear of offending some of their rural supporters would restrain them from exercising their common sense. The *Northwest Magazine* of St. Paul has the following sensible remarks regarding these State enterprises:—

"The legislatures of both Minnesota and North Dakota, at their recent sessions, made appropriations to build State elevators at the head of Lake Superior, acting on the notion very prevalent among farmers that the existing elevators charge too much for handling grain. In the case of North Dakota there was the additional incentive of unwillingness to submit to the Minnesota law concerning grades and inspections. The Minnesota lawmakers attempted to recoup the State for the proposed expenditure of \$200,000 in building the elevators by raising the inspection charge on grain from fifteen to fifty cents a car load, but they blundered in the wording of their statute and the Attorney-General, on examining it, finds that the increased rate can only be made to apply to grain shipped to the State elevator, so that the elevator companies are relieved from the payment of a tax levied for the purpose of setting the State up in business as a rival at their expense. The North Dakota act is likely to be a dead letter. It appropriates \$100,000 for a State elevator at the head of Lake Superior, but contains a provision requiring the State within whose territory it may be located to cede to North Dakota civil jurisdiction over the ground. This neither Wisconsin nor Minnesota is willing to do. The legislatures of these States showed a positive unwillingness to relieve from taxation and civil process an enterprise set up for the purpose of competing with their citizens in the grain business. They could not see why North Dakota should not be treated like any corporation putting up elevators, and they looked upon the request of their sister State as almost too absurd for consideration.

We assume that the Minnesota elevator will be built, but it is foredoomed to a failure as a business enterprise, and the Farmers' Alliance, which is mainly responsible for the passage of the bill for its construction, will be grievously disappointed in its results. In the first place it will not be able to handle one-tenth of the grain shipped from Minnesota wheat fields to the head of the lake, if run to its full capacity. Then it will have no organization of small elevators and grain buyers through the country to keep it supplied and must depend on grain loaded from farmers' wagons and small warehouses into the cars. The men who will run it will have no business interest in its success further than to hold their salaried positions. Finally, the experiment will demonstrate that the business of running the big elevators at Duluth and Superior is a close one, yielding no immoderate profits on the capital invested and successful at all only when managed by keen, practical business men. However, it may be worth a couple of hundred thousand dollars to relieve the farmers of Minnesota from one of their most deep seated delusions, namely, that the State can wisely go into competition in business with one class of its citizens for the benefit of another class.

THE RECIPROCITY CONVENTION.

The international convention held last week in the city of St. Paul, state of Minnesota, to discuss commercial questions of interest affecting the United States and Canada, was conducted on very similar lines to the first convention held last year at Grand Forks. The reduction of tariff restrictions to trade between the two countries, was the principal subject taken up. International waterways and transportation facilities also received considerable attention. Following is the substance of the resolutions adopted by the convention:—

"That in the opinion of this convention the policy unanimously approved by the first international reciprocity convention at Grand Forks, and now reaffirmed, of removing the tariff restrictions upon our international trade so far as can be done consistently with a due regard to the revenue requirements and other interests of the two nations, may be most advantageously carried into effect by a treaty providing for the interchange of those classes of the products, both natural and industrial, of each one that are most generally in demand, or usually find the readiest sale in the markets of the other. Such a policy, in the circumstances of the United States and Canada, is capable of being applied to many classes of industrial products as well as the natural products generally. It would result in giving to Canada a market now denied it for much of its produce with a compensating advantage to the United States, and that without affecting a large part of their respective customs revenues; that cheaper transportation is a matter of prime importance to the interests of the Northwest, Canadian as well as American, and favoring the improvement of existing waterways and the construction of additional channels of communication between the great lakes and the ocean of sufficient capacity to allow a free passage of ocean vessels, and which should be free of all tolls; that any reciprocity treaty between the United States and Canada should provide for the free and common use by the people of both countries of all canals now built, or hereafter to be built, to facilitate commerce between the great lakes and the ocean, and should also provide for free and open competition between the railway systems of the two countries in order to reduce the cost of transportation from the interior to the seaboard to the lowest figures consistent with the efficiency and reasonable prospect of the roads. That to secure the desired results sought to be obtained by this convention a joint committee shall be appointed by the permanent chairman of the convention consisting of ten members, five of them to be selected from the Dominion of Canada and five of them from the United States; that it shall be the duty of this committee to take charge and prosecute this work after adjournment of this convention by using such means as they deem proper to bring the matter before the Dominion parliament and the Canadian authorities, and before the congress of the United States and the American authorities, and before the people of the two countries.

A PROSPEROUS COMPANY.

The annual report of the Confederation Life Association shows that this sterling company continues to make solid progress. The last yearly report was presented at the annual meeting held in Toronto on May 9, and is a most satisfactory one. The new business done the last year is in excess of any previous year, 2,258 new policies having been approved of, amounting to over three and a half millions of dollars. The total insurance in force is shown to be \$22,565,752. The financial statement of the Confederation Life is also satisfactory, as

usual. The financial statement is indeed one of the pleasing features of this company. The Confederation Life, it should be noted, confines its business to Canada. The directors have considered the question of undertaking business in other countries, but so far this has been decided in the negative. This is a double assurance to those holding policies in the company, as the policy holders are not paying for risks taken in countries having a higher rate of mortality than our own. The company has had a career of twenty years, and it has apparently been steadily gaining strength. Though its business does not show the vast amount of some of the mammoth British and United States companies, yet the Confederation Life offers an unquestionably safe investment, and that in a home company, while its rates are lower than the overgrown foreign companies.

The company's operations in Western Canada are managed by D. McDonald, whose authority extends to the Pacific coast, the Winnipeg office in charge of C. E. Kerr, receiving returns from all the agencies in Manitoba, the Territories and British Columbia. The general agents for the Province are J. M. Mussen and P. D. McKinnon, of Winnipeg, and E. F. Lang, of Brandon. A. W. R. Markley, of Calgary, works the Territories, and J. B. Breeze, of Vancouver, and E. N. Dundasdale, of Victoria, the province of British Columbia.

LOW WHEAT PRICES.

Wheat prices touched the lowest point on record at Chicago, during the month of May last, the lowest quotation being 68½ cents per bushel for spot No. 2 regular. This is a grade if anything better than Minneapolis No. 1 northern. The full range of prices at Chicago, during May, for spot No. 2 regular was from 68½ to 75½ cents per bushel. This compares with recent previous years as follows:—

Range during May, 1893....	\$.68½ to .75½
" " " 1892....	.80½ to .84½
" " " 1891....	.98½ to 1.07½
" " " 1890....	.89½ to .99
" " " 1889....	.77½ to .84½
" " " 1888....	.82 to .90½

The range of prices during May of the present year breaks the record not only of recent years, but of all previous years. It is not very often that wheat has sold under 70 cents per bushel at Chicago, and never before during the month of May, with the winter carrying charges added to the cost of the commodity. In August of 1887, wheat sold in Chicago at 66½ cents, but during May the price ranged about 90 cents. In October of 1888, wheat also touched 69½ cents, which were the lowest points during those two years of low prices. In December of 1884 wheat also declined to ½ cent below 70 cents per bushel. To find another instance of prices having dropped below 70 cents, we have to go back as far as 1862, in January of which year prices touched 65 cents per bushel. In August of the same year, however, the price was up to 92½ cents. For getting low and keeping low, the present crop is the most remarkable.

The Lake Winnipeg fishing companies are starting operations for the season.