

# The Commercial

WINNIPEG, NOVEMBER 7, 1887.

## A BARLEY MARKET.

The production of barley of a quality fit for malting purposes has been steadily on the increase in Manitoba during the past few years, and is now far beyond what the local demand calls for, and in making this statement we confine ourselves strictly to the better grades of that grain, and do not include the great quantity which is so carelessly handled by our farmers as to be fit for nothing but food for live stock. That the proportion of high grade barley here is so small compared with that of the lower grades is due mainly to the fact, that Manitoba is badly situated for an export market. To ship our barley all the way to the cities of Ontario and Quebec at the freight rates charged on the C. P. R. certainly leaves a rather small margin for our farmers, while the "choke off" combination of that road and the St. P. M. & M. makes shipping to the omniferous markets of Chicago and Milwaukee about as unremunerative, even when the item of United States tariff is left out. The average rate from points say in Southern Manitoba to either of these cities being forty-five cents per hundred pounds, or nearly twenty-two cents a bushel. In this one article therefore, there is a powerful argument against railway monopoly, which notwithstanding the block that now seems to have been reached in the construction of the Red River Valley railway has nearly run its course, and will be a thing of the past ere Manitoba has another crop ready for market.

But let us examine into the encouragement of barley raising when compelled to ship to an Eastern Canadian Market. First of all we pay to the C. P. R. Company from twenty to twenty-five cents a bushel for carrying our grain to this market, and then we only reach a point where the price of barley is ruled by the export demand from the United States, or in short we pay these exorbitant rates for the privilege of shipping to a second hand market, instead of being in a position to place the grain at reasonable rates direct in the market where it is required. But then this is only one of the eccentricities of the great national and political railway policy, and people in Canada are

often called upon to make heavy sacrifices for patriotic(?) heads, and must be prepared to be sneered at as disloyal annexationists, when they question the expense of such loyalty.

Under the circumstances above described it is not astonishing that our farmers make but little effort to produce high grades of barley. The watchful care and extra trouble necessary to secure a bright grain are but poorly repaid, when little else than a feed market is to be found for it, in which the poorer qualities that receive no care are almost equal in value, and all this to enrich a monopoly, that is crushing the life out of the whole Northwest.

But as already stated the days of this monopoly are numbered and very nearly counted out, and for the crop of 1888 it will be worth the trouble of our grain raisers to make a little effort to secure a better quality of barley. With reduced rates to Chicago, Milwaukee and other brewing points around Lake Michigan a practically unlimited consuming market will be opened up, where our products will bring their value first handed without being submitted to a toll charge to the middlemen of Eastern provinces.

But a word about the United States tariff on our barley exports will not be without interest, for even this obstruction can we think be overcome. The United States Customs and Inland Revenue Services are ever ready to facilitate any arrangement that will be an assistance to the manufacturing interest of that country. In flour milling, sugar refining and other branches they have a system of rebates on exports, amounting to, or nearly so, the import duty on the raw material used, which allows all the advantages of manufacturing in bond without the attendant inconveniences. There is no reason why this system cannot be applied to malting and brewing, and the obstacle of a tariff on barley practically removed. United States brewers make heavy exports of their manufactures to Canada and other countries, and year by year their demands for the barley produced in our northern latitudes are increasing. Here in the Northwest we have facilities for raising that grain which are possessed by few countries in the world, if our farmers can only get the encouragement which calls for effort at excellence, and it seems as if the day was close at hand when they will get that. Once let the brewing interest of the United States know that we have

have a mart where fine barley can be had in considerable quantities, and they have ingenuity enough to bridge over the tariff, and all other obstacles between them and the article they want. Our duty is comprised in two points, namely: break railroad monopoly, and, produce the article.

## TIGHTENING FINANCES.

There always is a crowd of alarmists, who see in every phase of the money market some sign of coming danger, and it is not to be wondered at, that the upward tendency of the eastern money market should bring from such people the excited cry of "breakers ahead," and that they should estimate coming trouble, if there is really any, at a far higher figure than there is any necessity for. That there is quite too much importance placed by many upon the tightening finances which has been at work in Canada for the last month or two, is certain, and still the tendency gives clear indications of relative money values in different portions of the Dominion undergoing a readjustment in the near future.

The mistake is too common for people to imagine that the monetary interest of this continent is a collection of separate, disjointed, independent and often discordant elements, instead of its being as it really is one fabric, linked with each section more or less dependant upon the others. Some financial localists have the fixed opinion, that even provincial geographical lines are barriers sufficient, to cause a monetary tendency in one direction in one province of the Dominion and in another direction in another province, although the system of banking we have in Canada requires only a casual study to show that under it no such financial cross currents can exist, or when they do exist, they are of very short duration, so sensitive are the connecting links of financial affairs, and so quickly do they adjust themselves to a general level. Even the more general belief, that our monetary system and that of the United States are independent of each other is a fallacy. The New York field alone is far too enticing for our Canadian bankers to pass unnoticed, and as they are often in a position to place huge piles of funds at the disposal of borrowers, they are as generally relied upon in Wall Street as any other financial source, and New York is not the only city of the United States, where Canadian banking resources are freely called upon.