

FARMERS HOLDING WHEAT

Awaiting Higher Prices—Ideal Threshing Weather—An English Manufacturer's Views on Canada—The Wheat Markets.

Monetary Times Office,
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The movement of this year's crop is now the chief thing in Western Canada and the railroads are hard at it. Wheat trains of close upon a half a mile long are common. Many farmers, it is learned, are holding their wheat from the market. One of the line elevator companies states that at various points throughout the West, it is holding about 1,000,000 bushels of wheat for the farmers. It is being stored there, with no directions to sell, and the course of the market for the time being apparently has no interest for the owners.

The expectations among the farmers, is that higher prices are bound to prevail before the next crop comes, and they hope to realize handsomely. Many farmers adopted the same policy last season, and were sadly disappointed. The slump continued for many weeks, and the total decline was about 30 cents per bushel. This policy can only be adopted by the more wealthy farmers who are not in need of money, as the newer settlers have always to realize on their crop as early as possible.

The average wheat inspections for last week were 704 cars per day, as compared with 776 for the same week last year. The heavy offerings of grain are reflected in the increased supply of money at the country points. The funds advanced for the crop movement are coming back freely, and all classes of business are feeling the favorable influence.

Farmers Selling Stock.

Many Western farmers have been compelled, on account of shortage of crop, to sell their cattle, especially those in Southern Manitoba.

It is well known that many sections of the three Western provinces suffered from drought during the early part of the past summer, and the lack of rain was responsible for reducing the yield of grain as much as seventy-five per cent. The loss of the crop was not the only unfortunate consequence of the extreme dryness. The pastures were withered and hundreds of farmers who were attempting to raise herds of live stock found themselves facing a crisis. They were not able to provide summer feed for their cattle, and they saw no hope of securing a supply for the winter months.

Even the wells on their farms, and the streams nearby, on which they were accustomed to depend for water for the animals, failed, through the absence of rains, and the problem of obtaining water was not the least of their prospective troubles.

Under such circumstances it was not a matter of surprise that there was great activity in the sale of all kinds of live stock. The soaking rains which came in August and September could not be foreseen, and appearances clearly indicated the necessity of disposing of the herds. The apparent wisdom of this course was increased by the realization of the fact that fairly good prices for stock prevailed during the whole summer, and these were scarcely affected by the liberal offerings.

Needs of the West.

To the farmers who had little or no grain an opportunity was thereby presented of securing some revenue with which to carry himself along until the spring, when he could hope to have another chance of making a good return from the production of grain. The course of action plainly indicated for him was to sell his stock at the earliest possible moment, and use the proceeds for the maintenance of his family and the upkeep of his farm during the winter months.

Sir William Priestly, a large English manufacturer, was in Winnipeg last week, having just returned from a trip throughout the West. Interviewed as to his observations, he stated that he came to Canada with one object—to see how closely Canada and the Mother Country could work together for the common cause of the Empire. "I think I may say the vital difference between the countries is, that Great Britain has, as we might say, two commodities in abundance, money and population, while Canada has great acreage requiring both these commodities; and I hold that the way to cement the two countries together is for the Mother Country, with her dense population and cheap capital, to do all that she possibly can to exploit Canada with her vast acreage and sparse population."

Canada's Purchasing Power Not Great.

Sir William went on to explain at length, that Canada, if she wished to establish manufacturing establishments, should make it her business to manufacture her own raw material. It was useless for Canada, with her limited pur-

chasing power, to attempt to make a profit by manufacturing material which had to be imported.

"I have many times been asked if I would justify the establishment of manufactories in Canada; and I have always responded by asking: 'What do you mean by the word 'manufactory?' In Great Britain, it is understood the men who take hold of the raw material are making it into the finished article. In Canada it is spoken of as taking the finished article in bulk from Great Britain or the continental powers of Europe, and simply transforming it into a commodity for the individual. Therefore, when I am asked if I would advocate the establishment of manufactories in Canada, as I understand them in Great Britain, I certainly say 'No.' And why. Because the purchasing power of Canada to-day is not great enough to justify anyone connected with most of the industries to establish a concern where he has to take hold of the raw material and turn out the finished article, with only 7,000,000 of people—which is about the population to-day of the city of London, and not equal to Lancashire.

Building of Manufactories in Canada.

"For example, in British Columbia, I was asked why I, in the worsted trade, could not establish a concern in that province. I told them that their area was as great as France, Prussia and Bavaria together, but that their population, for purchasing power, was only a little greater than my city of Bradford in England. Therefore, I said, it would be foolish for me to think of establishing a manufacturing concern in British Columbia, or even for the consumers in British Columbia to think that such a concern could sell to them economically.

"The demand upon variety in Vancouver and Victoria is just as great with respect to men's wear and women's wear as it is in any great city in England; and no manufacturer of men's wear and women's wear could possibly live out of the consumption of the people of British Columbia, because the cost of production would be so tremendous, to meet all the varied demands. Besides, if politicians in Canada look into the question seriously of the upbuilding of manufactories, they will find there is some natural cause why certain industries have centred in certain districts and in certain countries; and before any English manufacturer in any branch of industry could say he could establish an industry in any part of Canada, he would have first to go very deeply into the natural conditions—water, humidity and many other qualities that are necessary to different industries."

BANK OF ENGLAND RATE RAISED.

The Bank of England minimum discount rate advanced on Thursday from 4 to 5 per cent., the higher rate being due to heavy Indian and Egyptian demand for gold. A year ago the rate was, on October 21st, advanced from 4 to 5 per cent. Previous to that, after remaining at 2½ per cent. for several months, the rate was advanced early in October to 3 per cent. and on October 14th to 4 per cent. Then 5 per cent. rate was retained until December 9th. The following are the changes made so far this year in the rate: January 1st, 4½ per cent.; January 6th, 4 per cent.; January 20th, 3½ per cent.; February 10th, 3 per cent.; March 17th, 4 per cent.; June 2nd, 3½ per cent.; June 9th, 3 per cent.; September 20th, 4 per cent.; October 20th, 5 per cent.

A paragraph in a Canadian paper of last week was devoted to disparaging the "night lettergrams" which are being made a feature by telegraph companies, and are, it appears, welcome to business men. It contained this sentence: "We are told that a telegraph official admitted, the other day, that there was nothing to prevent them from holding a lettergram two days if they wanted to." If a telegraph official said so he talked nonsense. Who would send night lettergrams if such a thing were either possible or likely? And as to the insinuation of the item that the companies propose to deliver night low rate telegrams "when they are good and ready," the only foundation for it that we can discover is that the companies promise only to deliver the message first thing next morning, reserving to themselves the right to put it over the wires in early evening or after midnight.

St. Catharines is determined to maintain the lowest possible fire insurance rate; therefore the city council will submit a by-law to the people in the January elections.

A number of prominent eastern capitalists are turning their attention to the possibilities of establishing an iron and steel industry on Vancouver Island. Mr. C. H. Cahan, president of the Western Canada Power Company, is acting in an advisory capacity to the interested parties.