the war, and in which the anxieties have been as great, except that sometimes they affected rather the mere happiness of the world than human life itself. War, however, still continues in many countries, and there and elsewhere many have died from lack of food. The war has been won by the most superb co-operation in the attainment of one ideal—the winning of the war. We may lose all that victory seemed to secure by indulgence in countless theories, many of them aiming at the disintegration of society, instead of again co-operating in one ideal— the restoration of order and the improvement of social conditions, so that the happiness of the greatest number may be secured. It is not by standing idle while we discuss methods that we can get out of our present troubles. If the call is to "man the life boat" we do not wait for academic discussion before the boat is launched on its life-saving mission, and too much argument between capital and labour, just now, is madness in view of what we seek to save. The rising curve of prices cannot be made to turn downward without an increase of production, nor can we face the heavy obligation left by the war except by greatly increasing production. The man who does not do his best at his particular job is not merely helping to barricade the only pathway that will lead us out of our troubles, but he is helping to raise, or to maintain, the cost of the necessities of life for his own family. I may be called a friend of capital for saying this, but I am on record elsewhere as an advocate of many changes in the present relations of the employee and employer, all of them in favour of the employee.

Insufficient Production.

While we and the rest of the world are failing to produce on a sufficient scale to provide for human comfort and to pay our debts, the price of everything has so increased that although all clearing-house and trade returns show higher figures in money, these generally represent transactions based on smaller quantities of merchandise, and because we think in terms of dollars and not of merchandise, we are living in a fool's paradise. The imperious demands of war rapidly raised all prices, and payment was only possible by inflating the currency; unfortunately inflated currency sustains and further increases prices. If with our own currency we bought only goods made in our own country, the minimum of harm would be done, but possessing more currency and fewer commodities than usual, we are acting like the drunken sailor newly come ashore, and buying everything that fancy suggests, whether necessary or not, without regard to whether it is made in Canada or abroad. For every purchase of goods made abroad, whether in Great Britain or China, or anywhere else, we settle through New York, and the rise or fall of the rate of exchange, about which we are so much concerned, is the expression of our failure, or the reverse, to pay cash or its equivalent. In this connection the speaker has for many years, at these annual meetings, presented the facts of our foreign trade, the peculiarities of our relations with the United States, the sale of our securities abroad to pay for the excess of our imports and the danger of mortgaging the future of our country, and has given frequent warnings as to the character of many of our imports.

Our Exports.

The excess of our exports over imports for year ending 31st March was $343,491,000, as compared with $623,647,000 for the previous year. Although so much smaller than for 1918, the excess was larger than in any previous year. The difference of $280,156,000 is more than accounted for by a falling off of $320,874,000 in our exports to Great Britain, and this again is due to a decrease of $297,893,000 in exports of agricultural products and of $87,318,000 in manufactured articles. For the six months ending in September the exports for the two half years are almost equal, while the imports were $33,571,000 less. It is gratifying to notice that, apart from the decrease in agricultural production, our figures have not been much altered by the cessation of the manufacture of munitions. Food is in greater demand than ever and our factories are behind in the production of almost every line of manufacture, while nearly every form of raw material is difficult to obtain. Our total foreign trade for the fiscal year was $2,176,378,000, as compared with $2,548,691,000 in 1918.

It is clear that, if our foreign trade were on a cash basis, we could pay the interest on our foreign debt and settle for our excess purchases from the United States without difficulty, but Europe cannot pay just now and we must therefore limit our purchases from the United States wherever that is possible. Doubtless the markets for our securities in the United States will gradually widen, and it will become easier to adjust our accounts, but this will be a poor remedy. We cannot afford to increase our debts to foreign investors in view of the taxation we shall have to bear.

Curtail Imports.

Let us consider a few items in our imports which at least suggest great possibilities of curtailment, if we are prepared to restrict our pleasures for the common good. Under the head of apparel we bought abroad to the extent of $8,500,000, including headgear alone for over $5,000,000; under fancy goods, $4,000,000; fruits and nuts, $25,000,000; furs, $4,500,000; gramophones, over $2,000,000; silk in various forms, $21,000,000; tobacco, nearly $12,000,000; in all, $77,000,-