

550,000 tons of meats, fats, sugar, feed grain and breadstuffs. This is nearly 6,000,000 tons more than was shipped in the year ending July 1, 1918, and this does not take into account the requirements of the starving populations of the central powers. It is estimated that nearly five million people have died of starvation or malnutrition during the war. It is unnecessary to emphasize the desolation, famine and anarchy rampant in Europe. The need for production and conservation is even greater to-day than ever, and this does not apply to wheat alone.

#### Appalling Shortage of Livestock

According to Mr. Hoover, livestock has been slaughtered wholesale in Europe to supply even the regulated demand, resulting in a decrease of

Cattle	28,080,000
Sheep	54,500,000
Swine	32,425,000
Total	115,005,000

and he goes on to say "We can contemplate a high range of prices for meat and for animal products for many years to come."

It has now become a war between food and famine, and the food very largely will have to be shipped by the North American continent.

It is easily understandable how this situation has been brought about,—the overrunning of Belgium, northern France, Roumania, western Russia, Asia Minor—practically the whole of Europe.

Next to the American continent Russia was the greatest producer of foodstuffs, and yet it is estimated that it will be impossible to prevent the starvation of ten million people in Russia alone, during the present winter. Mr. Hoover estimates that the shortage in pork products, dairy products, vegetable oils, etc., is about three billion pounds; that there is a shortage of about three million tons of feedstuffs for dairy animals, and that the exports from the United States for the coming year will be three times as great as in pre-war times, but that with all their supplies the world will be far deficient in its normal supplies for two or three years at least.

#### Commercial Readjustment

From the foregoing it will be seen that so far as the agricultural industry of Canada is concerned the period ahead of us is of the brightest, and if agriculture is prosperous, does it not spell prosperity for the other interests of Canada? There never was a time when the commercial classes were more alive to the necessity of grasping an opportunity; this, of course, applies to all other nations, and we must be ready to meet world competition. Labor must be satisfied and capital must receive its due reward. The overseas trade that we have established during the past four and one-half years must in some measure be continued and the commission at present in Europe is there for that purpose. The purchasing power of the people of Canada itself was never greater. It is estimated that the fall crops alone for 1918 will total the enormous sum of \$1,235,000,000, which is \$410,000,000 greater than 1915—Canada's biggest crop year. The exportation of agricultural machinery alone to Europe per annum previous to the war was \$141,000,000; no doubt, these shipments will recommence. The automobile industry, which has been curtailed and with the exception of war necessities was to have been eliminated altogether on the 1st of January, will recommence in full force. It is predicted that no drop in prices will take place for two years; in fact, some automobile dealers predict an increase in prices because of the scramble for steel by car manufacturers. Building (of which there has practically been none for the last five years) is bound to receive a tremendous impetus. The trade mission mentioned above will take up the question of the reconstruction in France, Belgium and other devastated countries, of the towns, cities and hamlets that have been wiped out of existence, and for this purpose large credits will have to be given to these other countries until payment can be obtained. Stocks of goods are low in all factories. New industries have sprung up and will be continued. It has been necessary for Canada to develop supplies of raw material for the production of paints that will give her a great advantage in export. The furniture trade, which has been stagnant since 1912, will again commence to come into its own. The packing business is assured owing to the tremendous amount that will have to be exported in order to keep Europe from starving. The textile industry, viewing the empty shelves and counters

that will require to be replenished, are not anticipating the future with any alarm, feeling that they will be able to sell every dollar's worth that they can produce; here, again, the war has benefited Canada to the extent that exports have largely increased and apparently will continue.

#### Building and Allied Trades

The restrictions placed by Ottawa upon the issue of provincial and municipal securities have been rescinded and a keen demand for money is expected to be made by the thousand and one municipalities throughout Canada which have remained quiescent so far as public works are concerned during the past five years. It is estimated that the west will seek one hundred millions alone. The Federal government has appropriated twenty-five million dollars to be divided amongst the various provinces for the construction of workmen's dwellings, and this money will be available at the low rate of five per cent. interest.

The activity outlined will necessarily mean increased activity for transportation companies, both on land and on the sea.

#### Shipbuilding and Railways

The Hon. C. C. Ballantyne, minister of marine and fisheries, says that to carry out the programme of shipbuilding outlined by the government, at least thirty to forty thousand additional men will be required.

Last month one of the largest transactions ever made in ocean-going wooden vessels on the Pacific coast was completed by the purchase for French interests of six wooden motor ships, the consideration being three million dollars. Another contract secured last month was one for the building of twenty-one wooden ships—seven for Portugal, twelve for France, and two for Italy. These must all be delivered in 1919. These contracts total sixteen million two hundred and fifty thousand dollars. The large shipbuilders on the Atlantic coast are preparing for great activity. The Imperial Munitions Board placed contracts with Canadian shipyards for forty-four steel and forty-six wooden vessels, of a total value of sixty-six million dollars. These contracts have largely been completed. The Dominion government has newly awarded contracts for twenty-four ships, valued at twenty-six million five hundred thousand dollars, and has authorized the building, but has not yet let the contracts, for six more, valued at fifteen million dollars. It is estimated that Italy will have to place orders abroad for lumber, amounting to not less than two hundred million dollars.

The shortage of world tonnage cannot fail to have a stimulating effect in Canada. The impetus that this will give to the lumbering and steel trades will be without parallel.

The railways during the past four years have not expended a tithe of what they ordinarily expend in normal times. No new branches have been built. Owing to the scarcity of labor and the scarcity of materials, upkeep has been kept down to the minimum. The government is at present figuring upon placing orders for steel rails and other equipment for the national railways. It is anticipated that the other railways will follow suit.

#### Bank Expansion

And what of the banks? A general plan of expansion seems to be the order of the day. Branches are being opened in the prairie provinces at a rate unprecedented, and when one finds the big financial institutions of Canada preparing for what is to come, by opening up increased facilities for doing business, it can be taken as an omen that good times are in store for Canada.

#### Capital and Labor Co-operating

The only feature that might create uneasiness is the labor situation. Are capital and labor going to work hand in hand? Lloyd George, in dealing with this question, said in a speech on the 6th of December: "All classes must give confidence to those who have brains, those who have capital, to those with hearts and hands to work. I say to labor: 'You shall have justice. You shall have fair treatment and a fair share of the amenities of life. Your children shall have equal opportunities with the children of the rich.' To capital, I say: 'You shall not be plundered and penalized. Do your duty by those who work for you and your future is free for all the enterprise or audacity you can give us. But there must be equal justice and labor must have happiness in its heart. We will tolerate no sweating and labor must have its just reward.'" On the 4th of December organized labor and