

during the past year, although the profits in both cases have naturally been affected by the prolonged coal strike, which began in July and lasted several months. The Steel Company is making extensions and improvements to its plant, which must largely increase its output, and apparently the demand for its product is such that the enlarged production can be readily sold. The Coal Company, as a result of the strike, reduced its output about one-quarter—say, from 3,300,000 tons to about 2,500,000. It has now nearly a full complement of men. The output of coal for the whole province of Nova Scotia available for sale, which was about \$5,500,000 long tons in 1908, decreased over \$1,000,000 tons in 1909.

ONTARIO AND QUEBEC.

The year has been a prosperous one for the farmers of Ontario and Quebec. Despite much unfavourable weather, the crops were, as a whole, above the average and brought excellent prices. The agricultural areas, the weather conditions and the nature of the crops vary so much in these provinces that the yield has ranged from scanty to abundant, but there seems to be no district in which general prosperity among the farmers is not admitted, and in which this is not shown by their power to buy and to pay debts. The value of the field crops of Ontario and Quebec for 1909 as given by the Census Department was \$290,469,000. In some districts steady improvement in farming is clearly evident. More attention is paid to tilling, draining, the destruction of weeds, rotation of crops, good seed and manuring than ever before, and where the farming is at its best, the yield per acre of grain is not only increasing but puts to shame most other parts of North America. In other districts, however, the profits of farming are not what they should be, and it is hard to keep the young men from going to the West. Notwithstanding the world's high prices for wheat and the large yield per acre in these provinces, the quantity of wheat grown in them will, doubtless, lessen in proportion to other products, and even now there is very little to sell. The farmer finds his profit more and more in dairying, the raising of cattle, horses, hogs, fruit, vegetables for canning, poultry, etc. We do some things, however, badly. We could supply the world with the finest apples, and well-ordered orchards pay an unusually handsome return, but as a rule everything in the apple business, from the care of the trees to the landing of the fruit in Europe, is done in a more or less shiftless manner. On the other hand there are districts where direct attention is given to fruit growing, and in these there is a marked improvement and the great value of these products is being realized. We have in our West and elsewhere great markets for horses, but we do not try very hard to improve the breeding, although we know that everything in the end depends on that. And as to breeding, the same may be said of those who rear cattle.

Because of the great increase in Western and other home consumption of articles produced on Eastern farms, our exports of certain articles—noticeably dairy products—are falling off. This falling off is much to be regretted, as greater energy would apparently have enabled us to supply both markets more completely. It seems, indeed, true that in very many parts of Eastern Canada, while the money result makes the farmer comfortable, the land is not being worked to the best advantage, and the product must be less in quantity than in the past. Where the farming represents the high intelligence of our agricultural colleges, conditions are better than ever before and the outlook is excellent; but where intelligence is not so great, and especially where the land does not respond readily to cultivation, conditions are not improving, and we fear this statement applies to a larger area in Eastern Canada than does the more favourable one. From the less prosperous districts, men are still going to the West, and in all parts of Eastern Canada an ever-present trouble is the lack of sufficient farm labour. This causes many kinds of difficulties, besides the obvious effect on the volume and cost of production. Indeed, we cannot have the best possible farming even where intelligence is at its highest, because every farmer finds himself forced to adjust his scheme of farming to the labour he can secure. Intensive farming would be best for the country as a whole, because by it the largest gross value per acre would be produced, and the farmer would thus have more to spend on labour and supplies; but scarcity of labour makes him turn grazier, so that he may get a satisfactory net profit with the least

outlay possible for labour and supplies. On the other hand it has brought about an extraordinary advance in labour-saving farm machinery.

Partial drought and high prices have apparently lessened the number of animals on Ontario farms. As compared with 1908 the Government returns to 1st July show diminished numbers in milch cows and other cattle, sheep, swine and poultry, and only in horses is the number larger. The shipments of apples from Montreal were 581,000 barrels, the average for ten years being 445,000. The export of butter has nearly ceased, the shipments from the same port being 39,000 packages, against 573,000 in 1905, the collapse in 1907 being clearly maintained. A very largely increased home demand will hardly explain this. In cheese the shipments were 1,827,000 boxes, worth \$17,225,000, the average for five years being 1,996,000 boxes, worth \$18,417,000. We used to explain the fall from the high figures of 1903 by the development of the production of butter, but now we must admit that we have less dairy products to export than formerly, whatever be the cause. At the same time, Great Britain does not need our dairy products as much as formerly. New Zealand, which five years ago supplied only 4 per cent. of the cheese imported from the colonies, now supplies 20 per cent. Notwithstanding improved facilities, grain exports are smaller than in 1907 and 1908, being over 27,959,000 bushels, against an average for five years of 28,143,000 bushels. In flour, however, there is a large increase, the shipments being 1,713,000 sacks and 210,000 barrels, against 1,128,000 sacks and 167,000 barrels in 1908. Live stock shipments are smaller than in any recent year, but for several reasons the figures do not illustrate the trade as a whole. The Harbour Commissioners are steadily improving the facilities of the port of Montreal, with the hope of making it the foremost port on this continent. The volume of shipments from Montreal and of inland shipments through the Lachine Canal both show a gratifying increase over 1908.

In manufacturing the conditions are very satisfactory, having regard to the recent check. As the year advanced, there was a steady increase in orders, with an improvement in prices. Not many new factories were built, but additions to existing plants were quite numerous. There are, of course, exceptions, but at the close of the year the majority of the factories in Ontario and Quebec were working at full time, many had increased their output over all past records, and nearly all have the promise of a larger volume of business in 1910 than ever before, orders from the West being unprecedentedly large in many lines. There has been great expansion in the volume of trade in steel, iron and metal goods of all kinds with a considerable increase in prices. Flour milling has been abnormally profitable. In lumber the cut of pine for this year has apparently been completely sold, and higher grades of lumber sell readily, but in box lumber and in lower grades the market still needs some improvement. The outlook as a whole is very good. The new cut of logs will be dearer than that of the previous year, because of a recovery in the wages of the men. The most important event of the year in connection with our forests was the action of the Government of the Province of Quebec in connection with the export of pulp wood with a view to the preservation of the great forest areas of that province. Much activity in building is general throughout the greater part of Canada, and in the smaller cities as well as the larger ones business properties are being sold at prices which would have been very surprising a few years ago. To a satisfactory extent these sales represent investments of capital unaccompanied by mortgages for part of the purchase money.

The mining business of Ontario centres at Cobalt, and here the production is the largest on record. The growth of this mining camp is sufficiently remarkable to make the figures for the last six years interesting. The value of the production has been as follows:

1904	\$ 136,217
1905	1,485,570
1906	3,573,908
1907	6,155,391
1908	9,133,378
1909 (estimated)	12,000,000
	\$32,484,464

Taking into consideration the ore reserves in sight and without reference to the effect of the price of silver, the