

BUSINESS ONLY 20 PER CENT. DOWN**Careful Survey By Canadian Northern Railway Gives That Result—Two Thousand Correspondents Report on Conditions**

Business in the Dominion as a whole is from only 15 to 20 per cent. below that of a year ago. This is one of many satisfactory features revealed by a very thorough investigation by the Canadian Northern Railway of present conditions in Canada. A carefully prepared set of questions was issued to nearly 2,000 correspondents by the railway company and *The Monetary Times* this week had an opportunity of examining the bulky summaries of the replies received. Less than 10 per cent. of the correspondents were gloomy as to the outlook. More than 90 per cent. cited strong facts and reasons for optimism as to the immediate future. A number of replies stated that if the coming harvest is anywhere near expectations, business will be satisfactory in all provinces. Two-thirds of the informants report a volume of trade as good, or better, than it was last autumn, while 12.03 per cent. state they cannot compare business at present with business last autumn, because trade is always brisker with them at one season than during the other. Apparently trade in the maritime provinces has been affected least. In the prairie provinces it is not nearly as brisk as it was last year, but optimism is reviving under the influence of excellent crop prospects. Business in Quebec is slow, but improving and in Ontario it is gradually returning to normal condition.

Business Normal Here.

Broadly considered, the reports show that business in the towns and villages located in well-settled, fertile agricultural districts is practically normal. Dealers in all lines report that collections in such centres are generally normal, and that activities have not been curtailed to any extent. The chief decline has been in the large industrial centres. When reductions in staff were made by manufacturers and by business houses last autumn, retailers were forced to curtail credits to customers thrown out of work and in turn wholesalers were obliged to scrutinize carefully all credits extended to retailers. The people generally continued to purchase necessary lines of food-stuffs and essentials in other branches of trade as well, but dealers discovered that goods not falling within that classification were in danger of becoming dead-stock upon their shelves. However, as Canadians arrived at a better understanding of actual conditions, a certain amount of confidence returned, and retail sales were gradually extended to take in the usual lines of goods. The distribution of orders for war materials also exerted a favorable influence where it brought about a renewal of employment in several of the industries in the large cities, and trade credits relaxed to a proportionate extent. Collections, despite the altered conditions, appear to have continued fairly good in the large centres, and seem to be steadily improving.

Farmers Buying Regularly.

The strong position in which the farmers of the Dominion were placed, with the exception of those in the drought-stricken areas in the southern portions of the prairie provinces, as a result of the marketing at excellent prices of their farm produce—particularly grain and cheese—has worked out apparently to the advantage of the groups of manufacturers whose products are distributed, wholly or in part, in the agricultural districts. It is clearly shown that purchases by the farmers have contributed largely to the maintenance of output in many lines. They have continued buying their regular supplies and necessary farm implements; and they have also been devoting a portion of their surplus fund to the improvement of their farm properties. When the call came to extend, wherever possible, the acreage of important cereals, they, apparently, exhibited no hesitation in making the necessary outlays for additional facilities. Meanwhile, they seem to have proceeded with building plans and makers of, and dealers in, cement, paints, varnishes and building materials of various descriptions, do not hesitate to pay tribute to the manner in which the farmer has stimulated their marketings and helped to take up the shrinkage in business. The farmer seems to have been in the market for automobiles of a popular price on a scale greater than ever before.

The reports indicate a keener perception by all classes of the importance of the position which agriculture occupies in the business life of Canada. There is evidence of a disposition to lean upon the crops of 1915, and to qualify expressions of optimism regarding the future with the remark that "the crop is the determining factor." According to the special reports sent in by the various departments of agriculture, prospects of a good yield on a largely increased acreage are bright throughout the Dominion. With the incentive of prevailing high prices, farmers have devoted more time and care to cultivation, and generally appear to have used this year, seed of higher germinating quality than ever before; it seems to be safe to assume that if only an average crop per acre is harvested, the total output will be larger than in any year since the growing of grain was commenced in the western provinces. The acreage in British Columbia is said to have been more than doubled in the three prairie provinces—it averages 22 per cent.; no percentages are supplied by the department in Ontario, but the acreage is reported to have been increased materially. A similar condition obtains in the maritime provinces. In Quebec the normal acreage is indicated.

Building Trades and Lumber.

The collapse of the building trades is shown to have been the cause of a substantial reduction in the column of sales of Canadian lumber and throughout the reports there is abundant expression to the belief that the domestic market cannot permanently improve until construction becomes general again in the principal centres. The export trade, however, appears to be standing the strain splendidly and the chief worry seems to be in connection with the availability of ships to carry the forest products of British Columbia, the maritime provinces and Quebec, abroad. Ontario exports chiefly to the United States. There appears to be an excellent demand in Great Britain for Canadian deals, due in part to the closing of the Baltic ports, and the Canadian eastern provinces are expected to be benefited accordingly. Where British Columbia exporters of lumber formerly depended to a certain extent upon the Antipodean market, they are now attempting to develop markets in the Old Country and in the West Indies and American Atlantic Coast via the Panama Canal, and reports indicate that success is attending their efforts.

Practically all of the wood-working plants which are large users of lumber in Canada are operating at reduced speed. Furniture and piano manufacturers report a trade as below normal, although it seems to be improving. Makers of woodenware are in much the same position. Sash and door firms, and manufacture of building material confess to a depressed state of trade in accordance with the districts in which they are placed. Business with these is away off where dependence is largely upon building operations in the large centres; in the country conditions are much better. The shipping of munitions of war manufactured in this country is stimulating the business of makers of packing cases. On the whole, however, there appears to be scant hope of a revival in the woodworking industry until after the crop is harvested and a revival in earnest until the war is over. When that time comes all the woodworking plants expect to regain quickly their former position of activity.

A steamship service has been proposed between Vancouver and Victoria and France by the Transports Maritimes Company. Count Guy de Foyolle, the manager, is on the Pacific coast making arrangements. It is planned to operate steamers monthly from Marseilles, calling at Mexican ports, San Francisco, Seattle and Vancouver.

In view of the fact that last year's experiment in co-operative wool marketing in Saskatchewan resulted in the sheep owners who participated receiving from 6¼ to 8 cents per pound advance on the price of the year before, it is quite natural that the offer of the provincial government department to again act as selling agent should be much more widely accepted than it was last year. Mr. W. W. Thompson, director of co-operative organizations, in response to the circulars which were sent out to 965 sheep-owners has received assurances that 15,500 fleeces will be shipped this way, as against 10,000 last year, and from present indications a price of 20 cents per pound is possible.