municipalities and individuals to undertake various improvements. Once a plan is worked out for such connecting roads, with a standard of construction established it would be possible to give a definite direction to all work on roads. Each year the ideal might grow nearer in many districts, each year it might be reached in some. Each year, too, the development of a road system would result in the intensifying of agriculture and a growth of population in an increasingly larger district.

The truth is that we have our people in the prairie provinces spread out too thin. We shall do well to keep on, to a certain extent, the spreading process, opening up new districts with the aid of men who have the pioneer spirit. There are men whose minds react only to pioneer conditions, who will not enjoy the actual coming of the improved conditions they are trying so hard to create. With the assistance of such men let us continue to open up new districts, since we have both the men and the land on which to apply their energies. But in the older west, the parts now accessible by railways, we need to increase the agricultural population many times if we are to get from our soil a fraction of what it is capable of producing.

As a going concern a farm consists of the land, and of the capital invested on buildings, fencing, other improvements, machinery and stock. The land already taken up will, of course, carry a very much larger population than there is now on it, but in many cases this is impossible without a large increase in the capital investment. In other words, we must have more capital invested in our agriculture. This may come through the reinvestment of profits on farming, from the coming of new farmers with capital, from state aid to agriculture, or from money borrowed on mortgage. Perhaps of greater importance is the short term loan secured by a farmer to carry him through a crop season, or the money he would like to be able to borrow to finance an operation in live stock that may extend over several years.

Several provinces are now working on the subject of rural credits, and a scheme for the province to borrow money and to lend it to farmers on long-term mortgages at a slight advance in rate finds very general favor. Money now costs the western farmer too much, more than he can continue long to pay for it and still make a profit on the transaction. Eight or nine per cent. is too much to pay for money for more or less permanent investment. That much can be made, and more, on money intelligently applied to farming in western Canada, but it needs to be very intelligently applied, and the amount of money at that rate which should be applied to any given area is decidedly limited.

Now, whatever our private prejudices against banks and bankers, the comparative rates paid for money at any time are entirely a question of security, with the law of supply and demand lurking in the background. But there is no question of lack of supply in the case of farm mortgages. There is plenty of money to be loaned when security is satisfactory. If we increase the value of security in the farming business we shall decrease the rate that has to be paid for money. The importance of security has recently been discovered by the Province of Saskatchewan, which, for various purposes created a large number of liens on real property to the impairment of the right of a mortgage holder. Mortgage funds began to leave the province until the Government found it wise to bring in legislation to change conditions. Now, in the matter of security, roads are a prime consideration. The mortgage holder does not want to foreclose on property, but prefers as a rule to have the money loaned used for profitable development, so interest may be earned. If he does have to foreclose he wants to feel that there will be a ready sale for the property. Roads are a tremendous factor in either case.

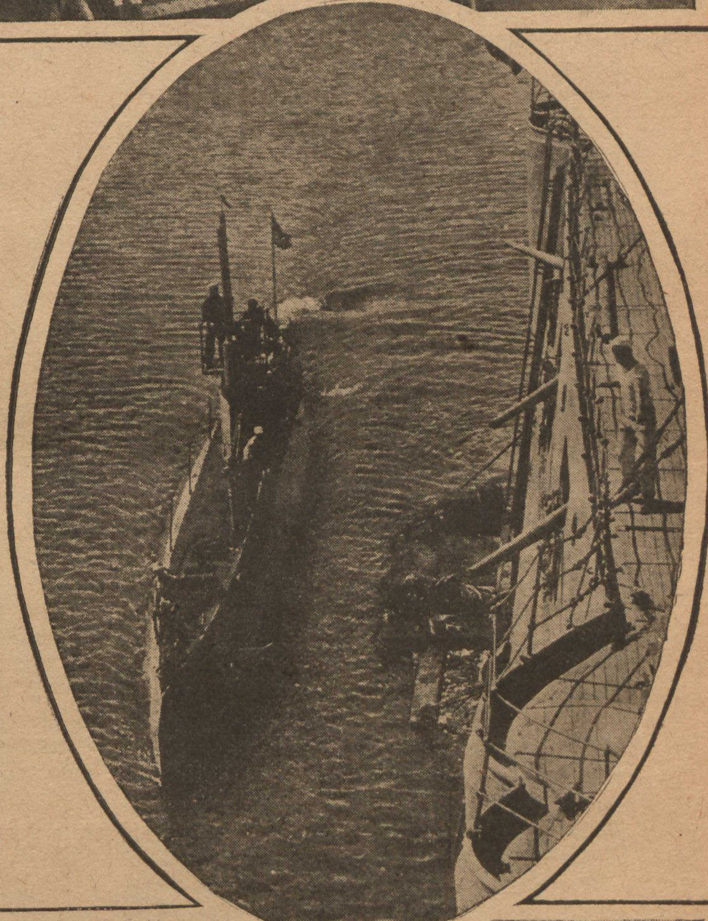
It has recently been announced that the Government of Manitoba, in establishing a rural credits scheme for that province will start out with a fund of ten million dollars. That means a permanent investment of that amount, for it will hardly be withdrawn from the loan scheme even when the first loans begin to be repaid. Suppose instead the Province of Manitoba should put that money into a scheme for National and Provincial Highways Which would benefit the farmer more? Loans can come without the intervention of the Government. roads cannot. I think if I were a Manitoba farmer I

(Concluded on page 22.)

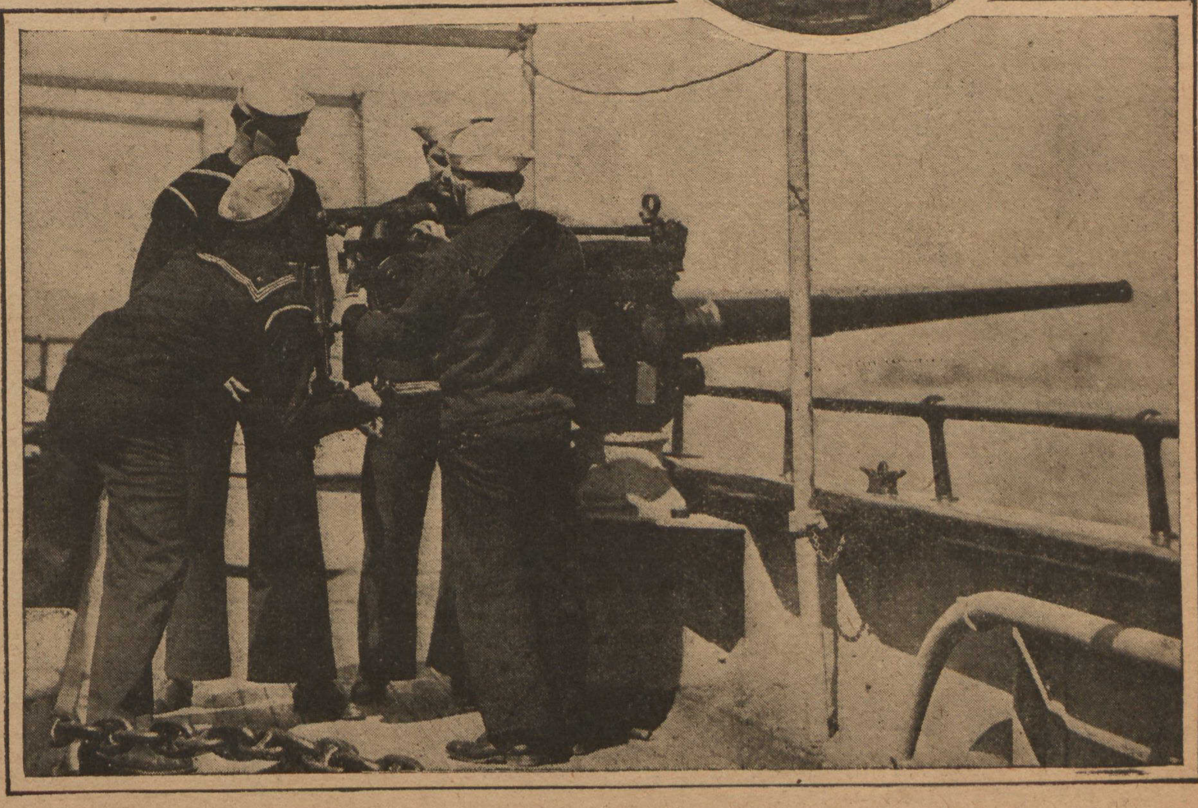
UNCLE SAM'S NAVY

Most of the oil for the big navies comes from the Mexican oil-fields, where German plotters have lately been trying to blow up the British and American controlled properties. This is a picture of a blown-up oil well at Tampico.

ALL Uncle Sam has ready to make any immediate move on Germany is the navy. And it is the naval issue that has provoked the "state of war." The submarine, Germany's deadliest weapon, will be her boomerang. To curb the submarine is President Wilson's first business. Otherwise there is no cause for war between the United States and Germany. There can be no invasion of the United States except by submarine and airship, so long as the great navy of England bottles up the German fleet. The navy of Uncle Sam will immediately get busy. It is not a great navy. But it is high among the second-ups. Thanks to Josephus Daniels, the Bryanized Secretary of the Navy from North Carolina, the Navy has been a neglected institution. Daniels aimed to make it a floating univer-



The U. S. Submarine C4 arriving alongside the Cruiser Charleston, in Gateno Lake, Panama region. Uncle Sam is a "holy terror" at building submarines. It was a Yankee who invented the submarine.



Recruits of the Naval Militia getting instructions in shoo ting on The Wasp, New York City.