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THE RE-MAKING OF CANADA

How We are Learning from a World-War That a Nation is Not Made by Dividends

BOUT fifteen years ago there was a preacher in a big downtown church in Toronto who, in giving a sermon to one of the garrison regiments, made a prediction:

That Canada never would be a nation without a

baptism of blood.

The statement was never quite explained. It was one of those vague utterances that once in a while get the character of inspiration. But it was not popular. Nobody at that time wanted to contemporate the sacrifice of thousands.

popular. Nobody at that time wanted to contemplate bloody conflicts and the sacrifice of thousands of lives. Canada was just at the dawn of the twentieth century, which was grandiloguently said to belong to Canada. We were just past the Boer War. Immigrants were beginning to come from Europe and the United States by hundreds of thousands in a year. A second transcontinental railway was beginning and a third was being put on the programme. The new West was opening up. Great water-powers were being developed. Immense new areas of raw materials—nickel, copper, iron ore, gold, silver, coal and other minerals were being exploited. The Klondike and the Soo were still in the imagination. Canada had a huge work to do; such a programme of national work to do; such a programme of national expansion as never before confronted a nation of small population and almost expansion as never before confronted a nation of small population and almost cosmic geography. There was room in this country for all the millions of producers that could be brought in from older countries. There was work for them all. And there was no time for war. War was over. The prosperity of Canada depended upon an The prosperity of Canada depended upon an

The prosperity of Canada depended upon an era of peace.

It would have needed a pretty gloomy Jeremiah to tell the people of Canada in those days that in fifteen years, just as Canada was coming to the end of the first great part of her new national programme, the railway epoch, the country would stop building new railways, stop bringing in immigrants from Europe and begin to send out armies, quit borrowing money in England, cease to enlarge factories and to build up big business, and put a large part of her mercantile marine at the disposal of the British Admiralty. Nobody wanted to imagine even a slight interruption to the glorious crescendo of prosperity built upon peace, which most people in this hemisphere imagined had come to stay. imagined had come to stay.

BLIND OPTIMISM.

THE blind optimist believed that so long as the country was building railways, enlarging factories, pumping in immigrants, expanding crop areas and flinging new towns on the map, there never could come an era of economic depression in his

grants, expanding crop areas and flinging new towns on the map, there never could come an era of economic depression in his lifetime at least. The crooked-eyed booster was ready to subdivide any part of Canada outside of the Arctic Circle at so much a foot. The smug club financier reconstructed our national finances over whiskies and sodas. The parish politician juggled with national issues as babies play with blocks. The tinpot martinet cut a fine figure at Sunday parades and talked about our local militia as though it were an army ready to take the field. And the national dreamer predicted that some day Canada would become the centre of Empire—by spending millions.

Most of these people are gone now. Some of them have gone to the front. The rest of them are being swung into the new Canada of world impulses, world economics and national self-help. The blind booster has become an enthusiast for a just war. In a little more than a year there has begun to come a bigger

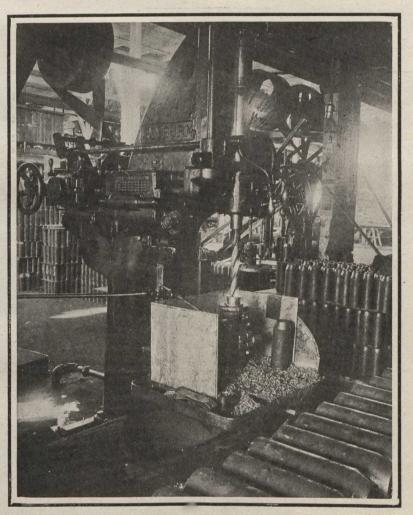
By AUGUSTUS BRIDLE

change in this country than anything that ever developed in the first ten years of "Canada's century."

But at least a year before the war the reaction Subdivisionism and populationwas under way. padding were becoming as dangerous as bombs. Banks were putting on the brakes. Factory-owners ceased to enlarge their plants and wondered how they should keep the plants they had busy on orders. Merchants began to reduce their selling and buying

INDUSTRY-FROM PEACE TO WAR

staffs—because their customers no longer bought without regard to the aggregate cost. Consumers



This is a picture of a Canadian-bullt machine, in a Canadian factory, boring out shell billets made from Canadian Iron by Canadian workmen; where Berlin, Ont., is as much a part of the munitions machine as Birmingham.

generally began to go slow. People who used to occupy ten-roomed houses at forty dollars a month discretely pulled out and took flats at a lower rent. People who had bought houses on the instalment plan began to dicker how to pay interest without touching the principal. Speculators who were fed up on land, either occupied or vacant, found themselves unable to unload and began to scrimp in order selves unable to unload and began to scrimp in order to pay taxes. There is a land-owner in Toronto, for instance, who paid this year \$25,000 in taxes on property two-thirds of which is entirely unproductive. And the name of that man is—Legion.

Pages might be filled with signs of the times to show how the eight millions of people scattered over a vast empire of land more or less gridironed with new railways, began long before the war to adjust

themselves to a new order of things which they felt sure was coming; in fact, had already come. And it was the basic fact that in the last analysis even the bugaboo of prosperity can't fool all the people all the time, that made it possible for this country to gather itself together during the past twelve months and grapple with a new set of conditions.

When the war broke out, almost overnight, we had to scramble into war togs and start to think and act war. In twenty-four hours our banking machinery went out of gear. War had chucked a monkey-wrench into the works. The banks must adjust themselves. International credits were knocked on the head. Trade routes were jeopardized. Immigration was suddenly cut off. Foreign borrowings for the creation of

Foreign borrowings for the creation of off. Foreign borrowings for the creation of more railways ceased automatically. Municipal bonds had to go begging elsewhere than in London for sale. Municipal works were interrupted. Government works, except those of the most immediately necessary character, were stopped. Most of our railway army of navvies struck camp and took to the cities. Our centres of population began to glut with unemployed men. Real estate experts, who before the war still hung grimly on in a last hope, pulled down the blinds. Land quit changing hands. Rents went down. Taxes went up. Some prices began to rise. Factories ran undertime or closed for a period. Staffs in offices, stores and shops were cut down; some wages and salaries were reduced; men did more work for less pay; luxuries were curtailed; simple living began to be a habit. In a few months we had executed almost a military right turn in our economy.

PAYING OUT AN ARMY.

FTER our garrison regiments had responded to the first call, we were con-fronted with the problem of recruiting. It began to dawn upon us that the war which had throttled Europe, was also getting as near as possible a stranglehold on the world and was already gripping the world and was already gripping the economic system as well as the patriotic sentiment of Canada. In the South African War we had sent a few thousand men entirely at the expense of England for the sake of a vague Imperial sentiment. But the army we began to arrange from our the army we began to organize from our civilian population in 1914 was to be an army organized, equipped and sent abroad at our own expense. How big an army it would ultimately become none of us knew; we do not know yet. When Sir John French and Sir Ian Hamilton at different times inspected our overseas forces, we were given to understand that in any war which might

to understand that in any war which might canadian factory, boring y Canadian workmen; where itions machine as Birmingham.

People who used to 33,000 in camp and as far as possible in khaki and rty dollars a month under arms at Valcartier. ats at a lower rent. What would this initial army of 33,000 men cost? What on the instalment what would 100,000 men under arms cost? What What would 100,000 men under arms cost? What would our army cost if it got to 200,000—which of course it never could, for the war would be over be-

course it never could, for the war would be over before the need from Canada went so high? We did not know. We are now beginning to know what an army of 200,000 will cost this country, for we already have that much of an army enlisted at home, in England and on the continent of Europe. That is, within fifteen months of the outbreak of war Canada has put out of its civilian population, and as far as possible into the field, as many men as the entire British Army in South Africa at the time of the Boer War.

This, we may be pardoned for believing, is re-

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