

to estimate what it means for Canada to supply her own iron and steel manufactures. It means employment for thousands of men, and profit for manufacturers. And in this connection it is not out of place to point out that the Canadian West is within measurable distance of the establishment of an iron and steel industry within her own borders. Evidence that British Columbia contains all the necessary ingredients and enjoys the ideal geographical position for this purpose are accumulating daily, and when the possibilities of the Oriental as well as the home market are considered, it is certain that the project cannot be long delayed.

The lull in affairs towards the end of last year is, in the opinion of the best judges, a temporary matter. It was brought about by over-expansion and not by exhaustion. Reactions are inevitable in business as in all other affairs, the high pressure of the last year or two was bound to have a check, the duration of that check depends entirely upon the abatement of the conditions which imposed it. These were three, scarcity of currency, excessive wages and excessive cost of living. The scarcity of currency was due to the fact that in her period of unparalleled prosperity Canada's business had outgrown her capital. This condition was accentuated by the employment of a large amount of that capital abroad, when every dollar of it was required at home. Of the \$60,000,000 "on call" in Wall Street at least \$30,000,000 has already been withdrawn, and it is certain that in future Canadian currency will not be depleted to such an extent by outside investments, at any rate not until the country is much wealthier than at present. The stability of Canadian banking institutions has been demonstrated more conspicuously than in any previous crisis, with the result that American investors are now making large deposits on this side of the line, but beyond this, the undeveloped treasures of

the Canadian West, both in agricultural land, timber and minerals will for years to come prove to be the most attractive investment for American surplus capital, and the development of the West means larger and very larger markets for the East.

The other conditions which precipitated the crisis are rapidly passing and the natural process of readjustment is taking place. Workmen with an appreciation of the case which does them the highest credit have accepted a moderate reduction in wages, and the price of commodities, especially the necessaries of living, which were so unreasonably advanced in 1907 are already showing general reductions. Probably the Finance Minister of all men in Canada is in a position to give the most reliable opinion on the financial outlook, and certainly if in addition the opinion of the managers of Dominion banks be considered, as well as that of the Captains of Industry, no mistake should be made in venturing a prediction for 1908. They all agree that early in the New Year, there will be a general resumption of work upon as large a scale as before the November lull. At this time it behooves all men to practice economy and to exhibit courage. These are the two personal equations which will contribute most effectively to a restoration of the "status quo ante." Retrenchment must be the order of the day and faith in the future of our magnificent country will engender that courage which is the most valuable asset of any community and which more than any other has sustained Canada in many a reverse.

In view of these considerations Westward Ho! looks to the future in the most optimistic spirit, and every reader of Westward Ho! during 1908 may reasonably expect to find a monthly record of happiness and prosperity which will fully justify the anticipation.