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## RE-ADJUSTMENT.

An important, perhaps the most important, effect of the war upon Canada, will be the compulsory re-adjustment of our economic vision. During say the last ten years, the main point of that vision has been development and construction. The greater part of our immense borrowings abroad have been expended upon construction. Two new transcontinental lines, as well as a host of minor railways, have been pushed through to completion; millions have been spent upon harbour works and the provision of greater shipping facilities; all the necessities and some of the superfluities of the twentieth century have been provided for great new centres of population, developing in a few years from nothing, as well as for older centres, whose bounds and population have grown in an almost equally phenomenal manner. As a result of this tremendous activity in construction, we have at the present time a machine of transportation and distribution admittedly capable of handling a great deal more business than it has at present, while in some respects the equipment of our cities has reached a point which, judged by the average standards of other countries, even old and immensely wealthy countries, can only be termed extravagant.

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The period in which development and construction work were the main points of our vision has now been closed. Economic circumstances already indicated its end; the outbreak of war brought that end rather more quickly than had been anticipated. Henceforward, for a considerable period the point of Canadian economic vision will be development and production. Efforts will be directed not to building new railways, but to developing the traffics of those now existing to the limit of their carrying capacity; the lesson will be learnt that a wooden side-walk is good enough until a cement one can be afforded; there will be organized a "back to the land" movement—it says little for the wisdom of those in authority that at this stage of Canada's development such a movement should

be necessary; numbers of people who have during the "boom" period got a something more than comfortable living by their wits will find it necessary, if they are to continue to live, to do real work.

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That this re-adjustment will not be completed without difficulties, without a certain amount of distress and hardship to numerous individuals, goes without saying. Those are inevitable concomitants of any period of economic re-adjustment. On the other hand, the circumstances which have forced a more rapid re-adjustment than would otherwise have been necessary or desirable, have their redeeming features. The epigrammatic opinion recently expressed by Dr. Adam Shortt that from the war which has forced this re-adjustment upon the Dominion, Canada should suffer least, have a quicker recovery from its effects than any other country, and ultimately make more from it than any other country, is sound. While Canada is in the position of a belligerent country, its geographical position and the British fleet secure it from molestation or damage by the enemy; the sacrifices made to the war both in men and money, while offered willingly enough, are not so serious in proportion both to population and resources as have been demanded from other belligerents; its credit system is on sound foundations, a matter in which it occupies a favored position in comparison with neutral countries in the same stage of development as the Dominion—Brazil is in a state of financial chaos, and Argentina has a moratorium in force. Our exports are mainly necessities of life which must be secured, whatever their price, by the European countries, and immense new markets will be opened to us as a result of the war, which can be profitably occupied if the necessary time and trouble be given to the process.

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Thus the conditions under which our compulsory re-adjustment from a period of construction to one of production is taking place, are

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