

Besides, the farming and manufacturing industries of Canada, the development of her vast natural resources, the completion of her transportation facilities, will demand, for many years to come, an enormous importation of capital. There is not an industry in Canada which is not directly or indirectly indebted to foreign investors. For years, those investments were practically confined to British capital. For various causes, which need not be indicated or analysed here, British money lenders are getting to be rather close fistcd; but foreign capital is pouring in, from the United States especially, also from France, Belgium, and even Germany. Canadian borrowers are fully aware — and they feel it keenly at this very moment — that, in time of war, or during periods when war is simply apprehended, money is more difficult to obtain, a higher interest or discount rate has to be paid, loans on short call are withdrawn; so that, if the period of strain lasts, the financial status of the borrowing country, though at peace, is disturbed nearly as much as that of the country at war.

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Apart from those purely economical causes, Canada has, in her political conditions, in her ethnical composition and historical traditions, numerous and powerful motives to stand by the cause of peace and arbitration.

Although British by her political allegiance and constitution, largely English-speaking — though more so in appearance than in fact — and protestant in majority, Canada is in reality a conglomeration of white men from various European countries, and will likely preserve that composite character.

First among the non-British elements come the French Canadians, the pioneers of the country. By a curious train of circumstances, they have been the most constant and faithful upholders of British institutions; they have resisted all plans and tendencies favorable to the annexation of the country to the United States; while preserving jealousy their racial characteristics, they have put no obstacle in the development of a broad and thoroughly Canadian nationality, of which they are, in fact, the real founders.

In the field of international affairs, they are sure to be found on the side of peace and arbitration. They are, at the present time, the staunchest opponents of the movement on foot to drag Canada in the vortex of European quarrels and rivalries. Although they have renounced long ago all ideas of a political connexion with France, they have kept for that country, whence they draw the food for their intellectual nourishment, a sentimental attachment which makes them view with favour all tendencies to maintain a good entente between Great Britain and France. This implies in their mind no spirit of animosity against Germany, because the actual causes of bitterness and rancour between modern France and the new Teutonic Empire are all posterior, by many years, to their complete secession from the country of their origin.

Of course, in spite of their steady progress in number, education and wealth, the relative importance of the French, as a national factor, decreases gradually with the growing invasion of foreign elements, coming either from English-speaking countries or from Germany Scandinavia and Slavonic Europe.

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Immigration is likely to be the problem of Canada. Various causes, which need not be analysed here, tend to make the assimilation of foreigners slower in Canada than it has been in the United States. This is not the occasion to dwell on the advantages or inconveniences which may result to Canada, as a nation, from the resistance of those new cosmopolitan strata to the pressure of assimilation. But as a factor in the framing of a public