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CONTENTS

	Page		Page		Page
Hard Times not Yet.....	513	Wood Trade in Britain.....	518	Clearing House Figures.....	520
Poultry and Fruit Export.....	514	The Fire Insurance Situation....	518	Growth in the Far West.....	522
The Dry Goods Trade.....	514	Life and Accident Assurance....	519	Answers to Enquirers.....	522
Has Canada a Winter?.....	515	Fire Insurance Matters.....	519	Galt Board of Trade.....	526
York County Loan Company....	515	Trade Notes.....	520	Life Assurance Memoranda....	526
Counterfeit Life Assurance.....	516	Card System in Life Insurance		A Book About Automobiles....	537
The Molsons Bank.....	518 and 539	Offices.....	522	Boots and Shoes in Jamaica....	537

HARD TIMES NOT YET.

Some persons in our hearing have been so vehement during the past twelve months or so in the expression of the opinion that the United States was on the threshold of a period of depression, or even of panic, that one might almost have been led to the belief that the wish was father to the thought. It is true that past experience has shown that times of great activity are usually followed by the reverse, and it must be admitted that the period of four or five years which ended last year was remarkable for the prosperity enjoyed by most classes of the community, financial, industrial and commercial. It is true also that this time of almost unexampled progress and buoyancy seems to have come to an end. This truth, however, does not necessarily imply that the United States is now suffering, or is about to suffer, a complete stagnation of business. Yet this is what many of our own countrymen with a sense of misguided patriotism, or worse still, for political objects and in the desire to show what a marvellous Government we ourselves have at the helm of state, would have us believe.

We have always considered that a poor policy which, either for any particular object of such nature in view or merely from a human tendency to "croak," is always ready to cry Wolf! wolf! or tell us of the lugubrious times in store for us. And that is what hard times across the border almost surely mean for Canada in the long run, a similar period of depression here, though beginning, it may be, a little later. The man who, amidst an epidemic, cried aloud, "I will not fall sick," had a good deal to recommend his action.

To come more closely to our theme, the panic which was so sure to overtake our American cousins—and long before this, if our direful prophets were to be taken at their word—has not yet materialized. The activity, buoyancy—even call it inflation—of 1901-02 culminated and came to an end. But what has followed? Little more than a calm readjustment to less active conditions. Trade dwindled somewhat; the capitalization of huge corporations fell off to practically nothing; production in certain lines which had been overdoing the normal requirements was curtailed; foolish and dangerous stock speculation subsided. But there was no panic. The inner causes of this happy outcome of what no doubt was a situation of some risk we will not venture to try and lay bare; the safe transformation was certainly largely helped by a disposition to learn from past experience, and the fact that large conservative interests had taken hold and had a tight grip on the situation. Fairly good crops, too, at somewhat more than usually remunerative prices to the producers have vastly helped. Now, trade appears to be reviving, the accursed strikes having been largely relieved, bank clearings show material increases, and the danger, such as it was, seems to have been successfully surmounted. All this was by no means improbable from the very beginning. Why, therefore, bring the danger closer by exaggerating and, it would seem, setting out to welcome hard times with open arms? Even the fact that a presidential year is dawning has not had the deadening effect that was regarded as certain, and the business situation in the United States is distinctly better than it was six months ago. And as to Canada, we can see no immediate cause for a reversal of her prosperity, in spite of the often unreasonable