

# How Food Economy Benefits the National Finances

Universal practice of economy in food consumption helps to keep the National finances from disaster

By H. M. P. ECKARDT.

At the present time individual Canadians are or should be subject to strong pressure, in various ways, to exercising the greatest economy and carefulness in connection with the consumption of food. One of the forces impelling us, is self-interest. With the principal food articles selling at such extremely high prices, buyers are usually disposed to see that they are not wasted. People of limited or moderate means, in many instances have been obliged to cut down their purchases materially—because this was the only way in which they could make ends meet. And in the case of others, the greatly increased money value of the commodities bought from day to day has made it appear to be a crime to waste them or consume them in unnecessarily large quantities. Consequently there has been an increased application of domestic science to the affairs of many households. More care is exercised in buying food. When people pay these prices they insist upon getting sound wholesome stuff. Those who are wise, are careful to select food that gives relatively large results in the way of nourishment and vigor; care is exercised to see that food does not spoil; and when it can be done without impairment of health or strength, consumption is cut down.

All wise or well-considered endeavor along this line benefits the individual's finances—its tendency is to enable him to preserve the equilibrium between income and outgo, or to continue making annual additions to his capital, in spite of the rise in prices.

With some natures this is a sufficient spur on incentive to make them put forth all endeavors; others require further pushing or leading before they will make the effort. It would seem that no one should be blind or deaf to the mute appeal of the brave men who have gone overseas, sacrificing comfort, safety, income, to fight for our protection. They are entitled to the fullest measure of support from the rest of us who stay at home, and it is well to point out and emphasize how food economy here helps and supports the Canadian expeditionary armies and the general cause of the Allies.

In the first place the cutting down of our food consumption acts immediately to produce a greater surplus of Canadian products for shipment overseas; and this means that the Allied armies on the vital fronts, and the people of Britain and France who are bearing the principal burden of the war, will be strengthened and sustained to that additional extent—thus bringing nearer the final victory over the Hun. Coming to our own national affairs, it is well to set out plainly the advantages or benefits to be derived by the Dominion from the general practice of food economy by Canadians. It has been mentioned that if we cut out unnecessary or wasteful consumption of food-products our surplus available for export will be increased. Canada now has urgent need of a great surplus of exports over imports. To maintain the national credit and keep up our financial strength, we must sell or export our goods and products to an extent sufficient to pay for all goods imported from abroad, settle all interest on our debt owed to outsiders, and to leave a balance available for lending to the United Kingdom in connection with the British purchases of Canadian munitions and supplies.

## ESSENTIAL.

All of these purposes are absolutely essential; and everybody who helps in this way to enlarge the Canadian export surplus performs a valuable public service. We must pay for our imports as the accounts or invoices fall due, otherwise our credit would be shattered. Similarly we must meet our interest promptly to the day—if we did not, there would be an end to our procuring capital abroad for development and other purposes.

To maintain our industrial activity and the prosperity of Canadian agriculture, which by the way are producing the great bulk of the exports, it is absolutely necessary to continue lending huge sums to the British Government. The mother country furnishes the market for most of our production, and owing to the exhaustion of financial power during three years of war, Britain is obliged to ask credit from the countries supplying war material and food. The United States are lending freely to the Allies, giving them liberal credit on all their purchases of American

goods; and we must do likewise, otherwise we lose a part of the market that is taking the output of our farms and factories.

## UNIVERSAL ECONOMY.

Universal practice of economy in food consumption, through increasing Canada's export surplus thus helps to keep the national finances from disaster. It does this in several ways. We have seen what is the collective effect, upon the foreign trade position of the country. Food saving also has its effect in increasing the money savings or capital accumulations of the people. For example, a workingman's family, with various members producing income, might conceivably save enough to buy one or two war savings certificates during the year; a family in moderate circumstances, through a more scientific regulation of the domestic economy, might conceivably cut down the food consumption by several dollars per week, thus adding to capital and making available for war loan subscription from \$100 to \$400 in the course of a year. The well-to-do and the rich might in some cases effect much larger savings. All this might be done perhaps, without impairment of health or loss of vitality and energy—in fact there would be numerous instances in which the parties practicing self-denial in connection with the table expenditure, would find their health improved, their energy increased by their virtuous action.

The cumulative effect of a host of people putting these methods and economies more energetically into practice, not only in connection with food outlay but also in connection with other expenses, would be to place in the hands of the Finance Department many additional millions of dollars which would be available for financing the Dominion's war outlay and the loans to Britain. It should be remembered that the loans to Britain, above referred to, are not really loans, in the usually accepted sense, to the extent indicated by the figures. The British Government has a contra account which will probably cover a considerable part of our advances. All the outlay on our overseas armies, are met by the British exchequer, and the payments are charged to Canada in open account. We settled for the balance due against us some months ago by giving Britain our long term bonds, which bonds the Imperial Government was able to negotiate in New York as collateral to an American loan. It might conceivably be the case that future settlements of our open account debt to England will have to be made through cancelling a like amount of British debt held by us. In that event these so-called loans to Britain would not be loans at all—that is to say they could not be considered by us as investments, or capital assets. If they are taken in this sense, the loans to the mother country would simply represent a part of our war expense. Thus when we lend \$100,000,000 to the Munitions Board, it may really represent an expense item of that amount. On looking at the matter in this way, one sees more clearly the necessity of economizing where possible or practicable in the food consumption and in other personal expenditure.

With reference to the food economy, a point to be remembered is that judicious self denial in the matter of consumption of imported items reacts especially to the advantage of the Dominion under present conditions. Besides the saving of the individual's capital, it also cuts down the balance of imports which our exports have to cover, and thus a less amount of our products shipped abroad will give us the required surplus of exports.

## SUNSHINE MAGAZINE.

"Sunshine", the bright and entertaining little publication which for a long time has been issued by The Sun Life Assurance Company of Canada, has taken on a new and more attractive form. Numbers one and two of the new issue are before us and more attractive specimens of magazine literature would be hard to find. While as a matter of course the desire of the Sun to shine particularly for the benefit of its policy holders is kept in mind the magazine offers its readers much in the way of fact and fiction, that is instructive and entertaining, and all presented in the highest form of the publisher's art.

## U. S. PER CAPITA DEBT.

Interest-bearing public debt of United States at the present time is \$4,902,346,015. This includes receipts from the first Liberty Loan to date and outstanding treasury certificates of indebtedness, issued in anticipation of the second Liberty Loan.

Notwithstanding the huge debt augmentation that has taken place since our entrance into the war, per capita distribution of public debt, at \$40.21, is considerably below what it was for a long period subsequent to the Civil War. As late as 1874 per capita debt exceeded present figure. On June 30, 1866, interest-bearing debt stood at \$2,332,331,208, with per capita at \$65.82. At that time population of the United States was about one-third what it is now.

Last year the per capita debt was \$9.55. It had been in close proximity to \$10 for a number of years previous, while interest-bearing debt had remained well under a billion dollars since 1901.

In the matter of national wealth, figures also bear interesting comparison with former times. It is estimated that national wealth of the country to-day is \$250,000,000,000. Therefore, every man, woman and child has a potential wealth of \$2,392. Before the Civil War the per capita wealth of the country was only a little over \$500.

In 1870, after the country had been through the throes of the Civil War, per capita debt was about 7 per cent of per capita wealth of the country. Today, in spite of the huge indebtedness already incurred, per capita debt is only 1.6 per cent. of per capita national wealth.—Boston Bureau.

## LOOK TO NORTH AMERICA.

Following are extracts from a statement made recently by Lord Rhondda, the British Food Controller:—

The information I have is that during the forthcoming twelve months our minimum requirements in foodstuffs from the United States and Canada will amount to over ten million tons, and will represent an expenditure, without freight charges, exceeding £250,000,000, or, roughly speaking, between three and four million dollars a day. Most of this will be for the purchase of cereals, hog-products, sugar and meat."

"Reports have been spread that I had placed an embargo on further imports of bacon from Canada, with an implication that I was favoring the United States exporter. The suggestion is too childish to need denial, in view of the fact that the Allies in Europe will obviously require a considerable proportion of the estimated exportable surplus of the primary foodstuffs of both the United States and Canada. I am hoping that the exportable surplus may considerably exceed the estimates as a result of the food economy and food production propaganda which is being conducted both in Canada and the United States."

"The danger of the food situation lies not so much in the submarine peril as in the world shortage of cereals, meats and fats. . . . The tightening of the blockade is a two-edged sword. Imports of bacon and other products into the United Kingdom from Denmark are thereby bound to be seriously reduced. This throws us more than ever upon the North American continent for our supplies. What we ask from the United States and Canada we cannot procure elsewhere. Unless the Allies in Europe are able to import the supplies necessary for feeding their armies and their civil populations, victory may slip from our united grasp."

## INTANGIBLE ASSETS.

(Wall Street Journal.)

If your margin has "run out," and, unable to supply the sufficient funds, you are sold out, and have no other monetary possession in the world, be of good cheer, because you still have a small fortune in your body to begin anew.

It has been intimated that the materials in the average person's body are valued at \$18,500. There is enough phosphorus in one individual to poison 500 people, or to tip 820,000 matches; enough gas to fill a balloon, with a lifting power of 200 pounds; enough illuminating gas to light a street a quarter of a mile long for five years; and enough graphite to make 720 pencils.

The Minister of Finance has named Mr. M. J. Haney, President of the Home Bank, as member of the Honorary War Loan Committee in Toronto, of which Sir Edmund Osler is the Chairman.