

THE ROYAL BANK OF CANADA—Continued.

stead of to the United States. In 1915, 44,975 head were shipped South; in 1916 only 21,124. In 1915 there were shipped from the Winnipeg Stock Yards to the prairies 9,380, and in 1916, 29,246. Likewise the Minister of Trade and Commerce will receive the hearty support of the banks in his campaign to develop our foreign trade in preparation for after-war competition. It will be seen that the Canadian Bankers' Association is endeavoring to further the interests of the community by every means in its power, and I am pleased to say that at no time in its history has there been greater unanimity among the members.

Compared with the marvellous crop of 1915, the harvest of last year was very disappointing in volume, but in value

it approached the previous year, owing to the abnormal prices which prevailed. A small crop with high values is not so beneficial on the whole as a large crop with lower values, as the proceeds of the larger crop are more widely disseminated. The farmer received unusual returns last year, and no one will begrudge the wealth which has come to him. High prices for all grains prevailed from the beginning of the harvest. Usually prices rule lowest during the harvest.

CANADA'S PROGRESS DURING PAST YEAR.

Canada's wonderful progress during the year is summarized in the following comparative statistics:

	1915.	1916.		
Value of Field Crops (Dec. 31)	\$ 797,669,000	\$ 729,346,000	Dec.	\$ 68,323,000
Railroad Earnings (June 30), 12 months	210,000,000	258,000,000	Inc.	48,000,000
Bank Clearings (Dec. 31)	7,796,781,000	10,557,188,000	Inc.	2,760,407,000
Note Circulation (Nov. 30)	124,153,000	148,198,000	Inc.	24,045,000
Chartered Banks—Deposits (Nov. 30)	1,288,985,000	1,521,349,000	Inc.	232,364,000
Chartered Banks—Current Loans (Nov. 30)	881,101,000	927,399,000	Inc.	46,298,000
Exports—Merchandise (Nov. 30), 12 months	598,742,000	1,073,509,000	Inc.	474,767,000
Imports—Merchandise (Nov. 30), 12 months	435,342,000	744,403,000	Inc.	309,061,000
Customs Receipts	87,618,000	136,160,000	Inc.	48,542,000

Our foreign trade last year, you will observe, exceeded \$1,800,000,000, being nearly double the amount for the previous year, and nearly two and a half times as great as in 1914. These abnormal figures are due to enormous munition orders and high prices for commodities. All our energies should be directed to counterbalancing the loss of these orders on the return of peace as far as possible by supplementary exports. In addition to revealing to us our economic power, the war has created a great opportunity in the field of foreign trade. The primary essentials to success in this direction are immigration, which should be stimulated to a sufficient extent to provide for a large development of our natural resources, and encouragement by the Government in some form to industrial interests, without which, as a young manufacturing country, it would be difficult to take full advantage of the coming opportunity to enter competitive markets.

We believe the present prosperity will probably continue while the war lasts, to be followed by an inevitable reaction during the readjustment period. But with the triumph of the Allies—a foregone conclusion—a new era of prosperity will eventually come to us. We should have less to fear from the readjustment if the people of this country would curb their propensity to reckless speculation and extravagance in this time of plenty.

PROVINCIAL AND GENERAL REPORTS. BRITISH COLUMBIA.

Commercial conditions in the past year showed marked improvement over 1915. Real estate, however, continued dull. Economy practised in public and private life is having a beneficial effect.

The year was fairly good for agriculture, and would have been more successful but for the shortage of competent labor. Fruit crops and the yield of vegetables were larger than in the previous year, and brought better prices.

The salmon pack was disappointing. The Fraser River catch of sockeyes was not over 50 per cent. of the lowest previous record. Prices ruled high, with a very active demand.

The halibut fisheries enjoyed a good season, with considerably enhanced prices. Whaling figures are not yet available, but are reported to be the best for several years past.

The state of the lumber industry has been healthier and more active than for years past. The cut for the current year is estimated at 1,250,000,000 feet, compared with 1,017,000,000 feet in 1915. A brisk demand developed in the Prairie Provinces during the spring and summer, bringing an advance in prices. Lumbering operations, however, were seriously hampered by a shortage of labor and high wages. It will be difficult to get out sufficient logs during the present winter to meet the demands expected next

spring. The export trade was small owing to scarcity of tonnage. On account of the continued demand for pulp and paper at profitable prices, several new plants will commence operations during the coming year.

Another important industrial development is the establishment of shipbuilding yards on the Pacific Coast.

MIDDLE WEST PROVINCES.

The grain crop in the Middle West promised to be even larger than the record crop of 1915, but during the last week of July, owing to damp, hot weather, an epidemic of rust set in throughout southern and south-western Manitoba and parts of Saskatchewan. Crops in the affected districts were practically ruined, the return being only from 3 to 10 bushels an acre. Hail storms, also, have been more numerous, more severe and more widespread than for many years past. In southern Alberta, and in southern Saskatchewan, from Weyburn west, excellent crops were harvested.

The following estimate of the 1916 crop, as compared with 1915, is furnished by the "Grain Growers' Guide."

	1915.	1916.
	Bushels.	Bushels.
Wheat	341,500,000	168,605,000
Oats	330,100,000	270,477,000
Barley	62,700,000	48,515,000
Flax	7,700,000	6,570,000
	742,000,000	494,167,000

Farmers have increased their holdings of cattle and sheep, and dairying has received more attention than formerly.

Business conditions throughout the West are good. Wholesale houses report an increase in business, and collections satisfactory on the whole. Retailers are buying carefully, showing no disposition to over-stock.

ONTARIO.

The past year was a favorable one in the Province of Ontario, except for agriculture and lumbering and the building trade. Agriculture has hitherto been the basis of Ontario's prosperity, with lumbering next, but last year they were both eclipsed by manufactures. Plants were worked to the fullest capacity that labor conditions would permit, while agricultural conditions were very unfavorable, in marked contrast to 1915. The only good crop was hay, which yielded 7,200,000 tons, or 2.07 tons per acre, as compared with 4,253,000 tons in 1915, or 1.32 tons per

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