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A NATIONAL AUDIT.

A bulky report issued by the Canadian Northern Railway on the present industrial and commercial position in Canada contains many facts that are of interest, and allows the drawing of encouraging deductions in regard to the future. What the staff of the Canadian Northern have made is in effect a national audit of Canada's commercial accounts. It was conducted on the same lines that are followed when the Dominion census is taken decennially. The provinces through their respective departments supplied the latest information available regarding the prospective production for 1915 in agriculture, mining, fishing and lumbering. Additionally over 2,000 reports from representative towns and villages and the larger industrial centres have been received and recorded.

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In the briefest form, the purport of the information gathered in the report is that business conditions in Canada have passed the period of greatest depression and that some evidences of revival are already being shown. Less than ten per cent. of the 2,000 reports above referred to reflect a gloomy outlook, while 90 per cent. take a confident and even optimistic view of the future. Even when some allowance is made, as it must be by a careful observer, for the spirit of irrepressible optimism which is so marked a national characteristic in Canada, these facts are sufficiently striking. This year's harvests appear to be the main prop of this feeling of optimism among business men. If the harvest of the current year fills present expectations, the consensus of opinion apparently is that domestic trade will return to satisfactory levels.

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It would be interesting, to know however, what exactly those contributing to this symposium of opinion mean by satisfactory levels. In 1913, a good many people's idea of a satisfactory level was the condition of things in 1912, when money was being poured out like water on extravagances as well as on economically sound proposals and expenditures, and an obviously unsound position was being rapidly created. There is indeed reason to believe that the sequence of events since that time has had a chastening effect, and that the feverish activity of 1912 is now being seen in truer perspective than was the case immediately subsequent to its cessation. In any case

it seems necessary to emphasise that the conditions of business as they were in 1912, satisfactory as they may then have appeared to those participating in them, were not wholly satisfactory, and for the good of the Dominion as a whole it is desirable that they should not be repeated. The longer the war lasts, the more urgent becomes the necessity of national thrift, whether in private or in public affairs, to repair the waste of the war, to enable the burdens it imposes to be successfully carried and to provide the necessary capital for carrying forward further development. National thrift does not spell prosperity to commerce in so far as commerce is concerned with luxuries, though it is not antagonistic to commerce which deals with necessities. The point needs to be clearly borne in mind, particularly as it is by no means obvious that even supposing the Western crops this year produce very large returns, they will be more than sufficient or sufficient enough to enable the Western farming community to liquidate its indebtedness. That indebtedness, as a whole, is still a serious problem, and although the rise in grain values has eased it to some extent, it would be foolish to underrate it. On the whole, it would seem to be well to pitch present expectations of a satisfactory level of trade not too high—even if the Western crops do turn out trumps, a contingency it is by no means yet certain will be turned into fact.

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There is this week only space enough to refer to the reports made regarding agricultural production, and here they do give ground for encouragement. According to the various Departments of Agriculture, prospects of a good yield on a largely increased acreage are bright throughout the Dominion. With the incentive of prevailing high prices, farmers have devoted more time to cultivation. It seems to be safe to assume that if only an average crop per acre is harvested the total output will be larger than in any year since the growing of grain was commenced in the Western Provinces. The acreage in British Columbia is said to have been more than doubled; in the three Prairie Provinces the increase averages twenty-two per cent.; no percentages are supplied by the department in Ontario, but the acreage is reported to have been increased materially. A similar condition obtains in the Maritime Provinces. In Quebec the normal acreage is indicated.