

Development of the Resources of the Canadian Middle West

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It is still very unlikely that Canada will be able to borrow money in Great Britain for some time to come. Private moneys may be sent here for investment in farm mortgages, but while the war lasts, and afterwards, all the money Great Britain can command will be needed for its own use. Money in need is in plenty there for the moment, but this comes from lack of a normal healthy trade demand. For some months Government has discouraged all public and municipal work; there not absolutely needed for the relief of unemployment; it has refused to sanction any unnecessary expenditure, recommending local authorities to spend nothing; and finally it has prohibited all new capital issues in Great Britain, so absolutely stopping any inflow of money into Canada from England for development purposes except where urgently necessary. Moreover, all resources of investors there may be required by the Government: even British investments abroad being held in view as a means of carrying the war to a successful end. This means that no public nor municipal works whatever, no railway construction nor private enterprise, can go on with British money in the West; and there will be no relief to unemployment in that way, but rather an increase except here and there in the supply of military equipment. There is likely therefore to be a great liquidation of businesses and town real estate holdings here, unless this can be averted or arrested by a great harvest this year; and as trade falls off, unemployment and distress will increase. Then, though the financing for our war expenditure is being assisted by the British Government, the obligations of the Dominion Government are so largely increased of late while the revenue has decreased, dutiable imports having fallen off by one-third, that a great increase of taxation has been found necessary.

After the war so vast a debt will have been incurred in Europe that must be provided for, and there will have been such widespread devastation—so much property destroyed in Belgium and France—such waste of means and resources every-