

## SOME DEVELOPMENTS OF THE YEAR THAT IS NUMBERED WITH THE PAST.

### Effect of World-Wide Conditions upon Canadian Business and Finance.

In its columns of a week ago THE CHRONICLE reviewed the general effects of monetary and trade conditions upon Canadian security markets and commercial business. In its preview in January last, it had pointed out that happily during the year 1908 there was reason to hope for a continuance of the gradual improvement which the closing weeks of 1907 brought to the American and international situation, so far as related to acute monetary needs. It was emphasized, however, that recovery would not come so quickly in the wider channels of general trade and commerce; and that there was little doubt that trade recession would continue for some time to come, in the United States especially. The year has borne out the prediction, but as an English economist remarked of the neighbouring republic in post-panic days a half-century ago, "no people ever possessed in a higher degree the means of national prosperity." And just as recovery from the panic of 1857 was succeeded by industrial advancement, so in due time will economic progress follow upon present days of trade quiet.

### Signs of Recuperation.

Already, material signs of gradual recuperation have been evident—though the post-election boom so loudly heralded across the border has rather "petered out." Canada's outlook has in it naught but encouragement. No boom is in sight or looked for; but gradual business recovery is to be expected from now on. It seems indeed, already well under way. Given another bountiful harvest in 1909—acreage and all initial auspices, at any rate, are favourable—the Dominion can scarcely fail to experience marked business activity. True, immigration fell off about 50 per cent. during 1908—but newcomers with capital enough to take up and properly cultivate land are more rather than less numerous than ever before. And reports of the past season's harvest results are already having their effect in further attracting large parties of skilled farmers from the Western States. Throughout both East and West there are prospects of increased immigration of another sort—the incoming of branch manufactories of British and United States firms.

### Canada's Harvest Wealth.

As has been already noted, the total value of the grain crop of Western Canada for 1908 is estimated by the Canadian Pacific Railway as \$126,168,047—an increase of about \$30,000,000 over the figures of 1907. To the total grain value, wheat contributed \$87,268,040 during 1908, as seen from the following summary:

#### WESTERN GRAIN CROP, 1908.

Wheat.....	106,853,252 bu.-h	\$87,268,040
Oats.....	92,626,054 "	27,787,816
Barley.....	22,276,752 "	8,910,700
Flax.....	2,001,491 "	2,201,491
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		\$126,168,047

The Dominion Census & Statistics office estimates that, for the Dominion as a whole, field crops from 27,505,663 acres totalled \$432,533,000 in value. No exact comparison with 1907 is pos-

sible, last year being the first in which comprehensive and detailed compilations were made at Ottawa. That the estimate errs on the side of conservatism seems likely from the fact that wheat for the whole country is estimated by the Government at 112,000,000 bushels with a value of something over \$91,200,000. The C.P.R. credits the West alone with nearly 107,000,000 bushels and a value of over \$87,000,000; while even the Northwest Grain Dealers' Association (which is not given to exaggerating quantities) estimates the western wheat yield at nearly 100,000,000 bushels. When it is noted that Ontario, of the other Provinces, raised 18,500,000 bushels of wheat, the conservatism of the Dominion Government estimate is apparent.

### Preparation for Future Development.

In railway earnings, clearing house returns and value of domestic exports the effect of general harvest bounty was quickly felt. Also—though to a much lesser extent—in autumn imports. A continuance of economy in buying from abroad has been an encouraging sign—affording no unsatisfactory basis for steady business improvement during future months. To be sure, lessened imports have meant reduced Government revenues.

Revenue decreases have been harped upon by some as reason why the Dominion should drastically curtail all national undertakings and the borrowings they involve. So far as such criticism makes for a more rigid guarding against public waste, and for all rational economy, it is well advised. But it must not be overlooked that alike in fat years or in lean, the country must neglect no needed preparation for its future development. And capital from abroad is not going to be deterred merely by the sight of revenue decreases during months of world-wide business recession. Particularly as such decreases are largely an indication of present economy on the part of the people of the county as a whole—a husbanding of resources that makes for stability and future economic advance. The fact that out of \$500,000,000 of British capital invested during 1908 in all foreign and colonial security flotations, some \$200,000,000 (including some refundings) came to Canada, is ample evidence of maintained confidence. And as we go to press, word comes from London that the New Year has opened with a hearty welcome to \$2,000,000 of Montreal, 4 per cent. registered stock.

INSURANCE JOURNALS in the United States are just now devoting considerable attention to the affairs of the not over-successful Mutual Savings Life. This company, formerly known as the Fellowship of Solidarity, was founded by Mr. Miles Menander Dawson, with the aim of proving to the insurance world and general public that a life company could flourish like a green bay tree, without the field husbandry of agents. That the organization had failed to make good became abundantly clear from the efforts of its founder to affect reinsurance of its business. The final resignation of Dr. Fricke, who was persuaded by Mr. Dawson to become president of the concern, was accompanied by a statement which shows how seriously "some one has blundered." The placing of the responsibility will doubtless be determined by the departmental investigation now in process.