

KEEP YOUR EYE ON SEPTEMBER

An Interview with a Hard-Bitten Captain of Industry

By NORMAN PATTERSON

HE was not big physically, but he has had enough experience to justify asking him, "When will business revive?" So I asked him, and the gist of his reply was, "Keep your eye on September."

Incidentally, he did a bit of talking which indicated that he had been doing some deep thinking.

"Are you still cutting down expenses in your business?" was one of the first queries.

"Yes, I am," was his frank reply. "I have turned several of my best men into the selling department, because I needed more salesmen. It takes six men to get the same amount of business now as we could get with three men in 1913. Instead of hiring new men, I turned three of my best inside men into salesmen and they are doing well. They are bringing in the orders, and my salary list is no larger than it was. That is cutting expenses. And believe me, I have learned some lessons. When I was making \$30,000 a year profits, I thought it would go on forever. I figured even if hard times came on, that profit might be cut in half, and that would be the worst. But when the war struck us, that \$2,500 a month vanished so quickly that it took my breath away with it. Instead of a profit, I was showing a loss. It certainly made me turn things upside down."

"What did you do with that \$30,000 a year you were making before the war?" was my impudent question.

"Do? Why, I did just what everybody else did. I put it into new plant and a bigger building. Expansion was the cry with us all, and I expanded."

"Did you lay nothing away for contingencies?"

"Nobody did. As a matter of fact, most people have more actual cash to-day than they had in the boom days of 1910, 1911, 1912, and 1913. I know men who counted themselves worth a couple of hundred thousand at that time, who had not a hundred dollars in cash, and who were overdrawn at the bank. Now they count themselves worth about half that, but you will find they have a good cash surplus in the bank. Their capital account has suffered by depreciation, but at the same time their cash account has gone up."

"Do you think that people generally have greater cash reserves now than they had in 1913?" I asked.

"So far as business men are concerned, I believe that is true. Look at the Bank of Montreal's deposits—up twenty millions when you compare April, 1914, with April, 1915. Look at the April Bank Statement, showing an increase in deposits in all the banks of twenty-six millions more than last year. And that is not the whole story. I know men who have bought municipal and government bonds during the past six months who never had money to invest in that way before. Their savings are not in the banks, but in bonds, because they can get five and six per cent. instead of three."

"That means, then, that we have all been saving money in the last twelve months?"

"Certainly. The people of Canada have, if my observation is right, saved twice as much money in

the past twelve months as in any previous twelve months during the past ten years. The deposits in the banks and the investments in bonds show that. There has been little money spent on new machinery, less spent on sidewalks and sewers, very little in real estate, while stocks of merchandise have been reduced. All this means that Canadian business men, as I have pointed out, have lower assets and increased cash reserves."

"But all this saving means a stoppage of expansion, doesn't it?"

"True. But most of us expanded enough in the past five years to last us for some time to come. We would have stopped building additions to our factories whether the war had come or not. We were over-built."

"Can good times come again before we return to our next expansion period?"

"Any one who looks for the old boom days to return soon is foolish, to my way of thinking. All that I am looking for is a return of business which will enable me to get back to where I was in 1913. And believe me, when I get back there, I will not be in a hurry to buy new machinery and enlarge my output. No more expansion for me. My frenzy for expansion has given me enough sleepless hours and grey hairs to last me some years. Canada has enough factories, railways and tall buildings to supply all the country needs for five years to come."

"Aren't you a little pessimistic?"

"I don't think so. Indeed, I am an optimist from my point of view. I look for a rush of orders in the Autumn that will keep us working twenty-four hours a day and then we will be unable to fill them. But believe me, if that occurs, I will be a lender of money, not a borrower. Henceforth and forever, no bank over-drafts for me. My faith in Canada is as great as ever and I believe, with ordinary luck, we will produce more and export more in 1915 than in any year in our history. That is my optimism. But my optimism is not going to lead me to double the size of my plant. I'll leave the surplus orders for the other fellows."

"Has the war helped us or hindered us, as a nation?" I interrupted.

"Of course the war hurt us. It dislocated everything for a while, and people stopped breathing almost. But in the end it will probably do us good. So long as we could borrow a million dollars a day from Great Britain, we could forget the value of land cultivation, of fishing, of mining, and of all those industries which are the basis of national wealth. Everybody was trying to get rich quick out of speculation—not wealth-producing. Even the manufacturer was inclined to produce poor goods at a high price—safe behind the protective tariff. But believe me, that has been changed, and in so far as the war has brought us to our senses, sent the people back to the land, shown us the value of export trade, and so on, it has been a blessing."

"Then you look for a bright future for this much-maligned country?"

"Certainly, providing we learn the lessons. If our cultivated areas expand, if our pulp and paper industries increase, if the fishermen learn to fish again and miners learn to mine, then our future is assured. If these primary industries are prosperous, then the manufacturing which is not of a primary character, banks, brokers, railways, commercial lawyers, real estate dealers and all those who are engaged in secondary occupations will be prosperous also. Finance and manufacturing cannot succeed unless farming, mining, fishing and lumbering are developing and showing a profit. With wheat, oats, cheese and cattle at their present prices, Canada must be on the verge of normal conditions again. By August 1st the crop will be assured, and then watch for the fire-works to begin once more. As I said before, keep your eye on September, for then there will be no unemployed. The revival won't come in a day, but quietly and gradually. But by September, it should be well under way. Then the army of industrial workers will come out of their trenches and a real industrial advance will begin."

A Brave Mohawk

He Gives His Life in British Service

By MAX McD.

ONE hundred years ago a great Chief and Indian statesman gave his life defending Canada from Southern Invaders. Tecumseh, the "Crouching Panther," the "Shooting Star," fighting with his teeth clenched and dressed



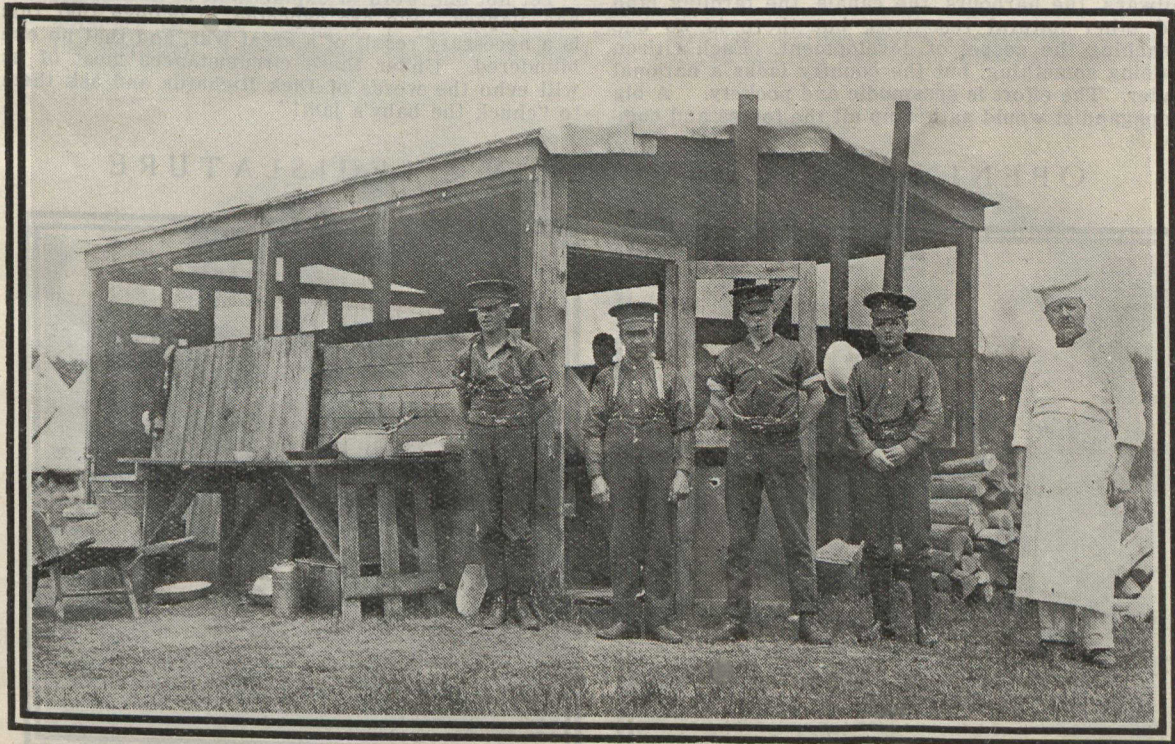
Lt. Cameron D. Brant, great grandson of the celebrated Chief Joseph Brant, after whom Brantford, Ontario, is named, and a direct descendant of Tecumseh, killed in action at Langemarck.

in his native war garb with a green ostrich feather in his hair, was felled to the ground by the axe of Colonel Johnson, the commander of the American riflemen.

This was at Moraviantown, where in the war of the American Revolution, Proctor turned to await the enemy. On the left was the river; on the right a cedar swamp, in which Tecumseh's warriors, the Six Nations Indians, lay hidden, leaving a front of only three hundred yards which might have been made impregnable. Neglecting all precautions to strengthen his position, Proctor was forced to fall back before the first attack of the enemy. The gallant Tecumseh refused to retire, and fell fighting upon the field which his commander had disgraced by his flight.

One hundred years have passed and again the "Great Father" across the big wafer has called upon his Indian allies for assistance to fight the battles of the Empire. The Red Men have heard the call and responded with both money and men. None were more willing to lend their help than the Six Nations of the Grand River. Many Indian sons have been born and raised on the banks of that river, but none more worthy of note than Lieutenant Cameron D. Brant, the gallant leader of a squadron of the 4th Battalion, recruited at Cayuga, Ontario. The young Lieutenant is a great grandson of the original Chief Joseph Brant, and lived in Hamilton, Ontario. In the battle of Langemarck, where so many brave Canadians were called upon to give their lives for their country, the young Indian Chief Brant, following the example of his worthy ancestor, died while leading his men against the entrenched enemies of his country; the patriotism of a great Empire.

THE HYGIENIC ARMY COOK-HOUSE



Only recently was it thought necessary to make cook-houses at military camps fly-proof. This picture shows a new cook-house at Niagara Camp, with mosquito-netting on all sides. In it is cooked the food for doctors and their patients.