

## CANADA IN GERMANY

## Native Reply to German Criticisms—Mortgages in Canada and Europe

Several unkind criticisms of Canadian matters have appeared in German newspapers. We notice that Dr. Hammann, the secretary of the German Canadian Economic Society, has issued a statement to the press in Germany, and this is quoted and commented upon in a recent issue of the *Hamburger Nachrichten*:—

"The phenomenal rise of Canada and the solid foundations upon which her progress rests has greatly impressed and interested German economists and business men," says this article, which continues: "That interest found practical expression in the formation two years ago of a German Canadian Economic Society in Berlin, and the educational work which the society has been carrying on in Germany since has been of a character by which Canada cannot fail to profit."

## What the Critics Say.

"During the last two weeks a good deal of adverse criticism of Canada has been appearing in the German press, much of it evidently inspired by stock exchange influences and by the chauvinist tendencies of a certain class of papers. Criticisms have been to the effect that Canada is a much over-rated country, that over-speculation and money stringency has brought the country into a critical position, and there also have been insinuations that the Canadian Government itself, and the prominent railway and other interests of the country, have been lending themselves to a propaganda of exaggeration."

"Accordingly the German-Canadian Economic Society has felt itself called upon to deal with these damaging rumours, and has issued in the press through the secretary, Dr. Hammann, a reasoned statement setting forth the true facts of the situation in Canada, which has been very widely reproduced. Dr. Hammann brushes aside as altogether puerile and self-destructive the insinuations levelled against the Canadian Government and the great interests of the country, of conspiring to mislead the public abroad. The mistake made has been to confuse activity in publicity of the progress made in Canada with exaggeration, and in refusing to recognize that the facts concerning the development of Canada quite legitimately call for publicity on an extended scale."

## Not a Financial Crisis.

"Dr. Hammann adds that to say that Canada is in the throes of a financial crisis is absolutely contrary to the facts. Money stringency may well exist there as in other countries, but the Canadian banks have acted in the most praiseworthy manner by curtailing credit to the most legitimate demands, and have thus been able to finance out of their own resources without any outside assistance the moving and the disposal of the very largest crops that Canada has ever had. That the demand for money in Canada should be great at present was not due to over-speculation, but to the very natural cause that the inflow of capital which a developing country requires had been suddenly brought to a full stop, owing to the unexpected political crisis which had arisen in Europe."

"As to the charge of over-speculation in land, Dr. Hammann gives it as his opinion that this is not at all true, so far as agricultural land is concerned; that the prices of farms and of land suitable for farming in Canada are not only well sustained, but are steadily rising; and in support of this view he refers to the measures that are being taken by the Governments of various States of the American Union to stop the emigration of prosperous farmers to Canada, but adding that these measures have been entirely unsuccessful, so great has been the determination of these experienced men to go over to Canada, where cheap and good land is to be obtained. He believes that it is only in connection with town lots in new centres that are arising in the West that the charge of over-speculation can be to some degree sustained, but that this undesirable practice the Canadian Government and public opinion generally have done their best to expose."

## Mortgages in Canada and Europe.

"At the same time, it is a fact that the most conservative financial institutions in Canada lend money on mortgages on city properties up to one-half their valuation at rates of interest varying from five to six per cent. in the East and seven to eight per cent. in the West. Millions of British capital are being invested in this way through old-established real estate firms. The difference between mortgages in Canada and in Europe is that the value of the property in the former country has a tendency to increase, so that in view of foreclosure a good profit is generally shown, whereas in Europe, under similar conditions, foreclosure of house property is generally attended with difficulties, if not with loss."

"Emigration to Canada over a series of years shows a large and continued increase, and the emigration from England to Australia, which has grown so much of late, is not going on at the expense of emigration to Canada, but is rather a direct result of Australia imitating the wise and effective advertising methods which Canada has adopted. The weakness of the argument which has been put forward that Canada depends largely upon the capital brought in by emigrants, which is alleged to be as high as \$5,000 per family, is easily exposed when one recalls that thousands and tens of thousands of persons belonging to the working classes, entirely without means, have entered, and are annually entering, the country, who, by industry and thrift, have already reached and are in course of reaching a competency, if not independence."

## Canada Has a Wonderful Future.

"Dr. Hammann concludes as follows: 'I have no intention whatever in my reply to advertise or write up Canada. Like every other country, it has its advantages and disadvantages, but, while I gladly endorse every well-founded warning that is being given against misleading and swindling exaggerations whenever they are made, it should not be lost sight of that Canada is a country with a great, and even marvellous, future, and German trade and industry will be committing a great mistake if they do not use every exertion to obtain a footing in this great coming country, which offers the very best possibilities for German capital and the import and export trade. Let us, therefore, keep these essential points well before our eyes, as the *Illustrierte Zeitung*, of Leipzig, urges us to do, and not be led astray by captious criticism, which only serves to obscure the great underlying facts of Canada's progress.'"

## CAPE BRETON'S FISHERIES.

The favorable situation of Arichat, Cape Breton, was recognized and taken advantage of by enterprising and energetic fish merchants from Jersey, away across the Atlantic, as long ago as 1765. The trading at the fishing depot or station, was conducted by a manager or agent, selected by the proprietors from their own men who were promoted for ability and service. His staff of clerks were recruited in Jersey, under the apprentice system. The strictest discipline enforced, loyalty to the company's interests encouraged, and, in consequence, a splendid body of capable, trained men were always available, whose home ties were at headquarters and who were kept keyed up thereby to accord with the instructions and orders of the board of directors.

In their dealings with the people, the rule was "goods in exchange for fish and labor." At the beginning of each season, a price for the fish to be caught was agreed upon among the traders, and the fishermen then notified. This price was unalterable, and was paid in goods from the company stores at the company price. If the fishermen made an extra good year's catch, no money was given. He was simply credited on the books with the difference between the supplies he and his family obtained and the worth of his fish.

This is compared with modern conditions in an interesting article by Mr. J. F. Blazdon, manager of the Royal Bank at Arichat, in the *Richmond County record*.

The twentieth century brought with it, the freedom of our men from the shackles in the old. The invention of "cold storage" gave to the struggling men a boon of incalculable value; for to its introduction into the fish trade of Nova Scotia, by the able and far-seeing merchants of Canso and Halifax is due our brighter future. Last year there were 404 fishing boats with 440 fishermen. Our men are rapidly adopting the "motor dory," at date there are 23, nearly all bought during the past eighteen months. We are great admirers of Lunenburg and buy our vessels there, and our motor boats from Shelburne. A motor dory complete with engine and sails costs \$210.

The indomitable Canso merchants were early in the new field and are to-day among our largest buyers. They shipped via Mulgrave, last year 8,472,000 pounds of fish, valued at \$317,850. They are fighting hard for rail connection in which it is to our interest to join. A railway at Canso brings it about seven miles from Arichat by water.

The fish caught and landed on Isle Madame last year, according to the report of Captain Boudrot, fishery officer, amounted to 4,405,000 pounds. The amount sold afloat and delivered on board buyer's steamers from the boats, which is not recorded here, but wherever landed, by the official of that district, is estimated as 3,500,000 pounds, making the total catch 7,905,000 pounds valued at \$185,000. The year of 1912 was a lean one. Dogfish were more than usually destructive and the fall fishing was shortened by severe storms. In 1909, the catch is given at 9,000,000 pounds, as compiled by Mr. D. H. Campbell, municipal clerk, and Mr. D. R. Boyle, retired fishery officer.