

CANADIAN CREDIT AND ENTERPRISE

Lecture by B. E. Walker Before Halifax Canadian Club



NE of the best addresses which it has been the great good fortune of the Canadian Club of Halifax to hear was that on "Canadian Credit and Enterprise," delivered by Mr. B. E. Walker, President of the Canadian Bank of Commerce, says the Halifax Chronicle. The Assembly Hall of the School for the Blind was filled to the doors with an audience which was representative of the best in the life of the City. Mr. Walker, when he came upon the platform, was received with great applause which, when he rose to speak, was hearty and continued.

On the platform, besides President J. A. Chisholm, K.C., were Lieut.-Governor Fraser, Mr. Justice Longley, Mr. Justice Drysdale, Bishop Worrell, Hon. Wm. Ross, General Drury, Dr. Curry, Professor Jones, Geo. E. Faulkner, M.P.P., A. N. Whitman, E. L. Thorne, F. Roberts, Hon. G. J. Troop, R. T. Metzler, Geo. S. Campbell, W. Lawson, F. W. Doane, C. A. Evans, H. S. Poole, G. W. G. Bonner, D. MacGillivray, and many others.

In introducing Mr. Walker, President Chisholm referred to the increased membership of the Canadian Club, and to the fact that copies of the membership book and a statement of other matters of interest to the members were ready for distribution.

Mr. Walker spoke in part as follows:

My first pleasant duty, Mr. Chairman, is to thank you cordially for the honor you have done me in asking me to address the Canadian Club of Halifax. Our Canadian Clubs have now been so long established that it is not necessary to insist any longer upon their usefulness in building up national sentiment and, what is much more important, national character. These Clubs are open arenas where very varied opinions may be expressed, and indeed, I fancy their greatest usefulness may be in causing people to hear opinions which are opposed to those commonly held. The last occasion on which I addressed a Canadian Club was upon the shores of the Pacific instead of the Atlantic, and I must bear grateful testimony to the courteous attention I was granted when, in referring to the development of British Columbia, I ventured to express some views which are decidedly unpopular with a large part of the people of that province. I wish, with your permission, to speak tonight upon the subject of "Canadian Credit and Enterprise." It is not my purpose to join in the general song of praise because of the very high credit we enjoy in British and foreign markets. Too much self-congratulation at such a happy state of affairs is neither wise nor dignified. As I had occasion to say to a Canadian Club in Ontario, we did not create Canada. We are indeed mere stewards for Canada, and we shall have to answer as to whether we do well or ill by it. If its wonderful resources and the energy and character of its people entitle us to high credit, we shall have to answer if we do that which lessens in any manner our right to this lofty position.

Why Canada Needs Credit

Let us begin by considering the mere material credit we enjoy and why we need this credit. During the past six years the total imports of Canada have been \$1,633,571,000, while the total exports have been \$1,309,086,000, the difference against us has therefore been \$264,485,000. This difference is not, as in Great Britain's case, lessened by freight and insurance earned by us or by goods sent to us to pay the interest on debts due by the rest of the world to us. It is in our case lessened by the money and goods brought in by settlers, and much more by the very large investments made in Canada by manufacturers and by other industrial ventures, but apart from this it represents the extent to which we are borrowing money which must some time be repaid, or, in other words, the extent to which we are mortgaging our future. Now, fortunately Canada has not mortgaged its future largely as yet, and its powers of repayment are recognized in Europe as extraordinarily great when compared with many other new countries. As our West develops, however, we shall need to sell our securities abroad in increasing amounts, and it must be plain to every thinking man that we shall obtain money or fail to obtain it in proportion to the maintenance of our high credit.

How Lender is Influenced

It must also be plain that our credit as borrowers rests upon the opinion held regarding us by the lender and not upon the opinion we have of ourselves. And this lender or investor in our securities, is in the main advised by his banker, his broker, or his lawyer. All of these are greatly influenced by the press; indeed, it is largely through the press that opinions regarding foreign countries are formed by most people in Great Britain. Again, we must remember that our securities are offered in the markets of the world in competition with the securities of other countries, and that it is at all times a matter of selection by the lender as to who gets money readily and at the lowest current rates. If, then, any country is supposed to be filled with agitators who are opposed to capitalists and to corporations generally, and if the politicians in such a country are supposed to be listening to the ground swell from the newspapers and to the ground swell from the newspapers and

are ready to do what such newspapers recommend, whether the integrity of contract is violated or not, it is not likely that such a country will obtain capital as against those countries which maintain the sacredness of contract and which do not exhibit hatred of corporate wealth. I am not, of course, at the moment discussing the merits or demerits of corporate wealth. I am discussing the influence on foreign capital of maintaining the sacredness of contract and also the right of the lender to invest in whatever country or community he chooses to select.

Main Source of Credit

Why do we in Canada enjoy high credit? In the first place, it is admitted that we have enormous natural resources, and this is the main source of our credit. As to how we shall conserve these resources is most important, but we cannot enter on that large subject tonight. The second source of our credit is the agricultural and pastoral basis of our industrial life, and the fact that such communities as a rule live simply, hate public and private debt, and are not easily moved by social vagaries. Thirdly, this is eminently a country loving law and order, and we have shown that in the rudest frontier life, whether of farming, of cattle ranching, or of mining, we have the instinct of social organization, and we can successfully police vast areas where the inhabitants are not enough in number to ensure to our splendid riders of the plains an occasional meal or a bed for the night.

For a long time our cities were only large market towns, or centres for distributing goods mostly made abroad. We only possessed the classes of manufacturers which come early in a country of well-to-do farmers. We frankly wanted more important manufactures, more railroads, more public franchises granted, whether worked by the municipalities or by private individuals and generally everybody desired that capital should come in indefinitely large quantity to Canada. With such natural resources, such respect for law and order, such economy and such intelligent energy, our credit slowly rose to the highest point enjoyed by any part of the Empire, except Great Britain.

We Need More Money

The wealth coming from our energy, applied to our natural resources, and the accompanying economy, made many new things possible.

Our cities are growing rapidly; we are building thousands of miles of new railroads; and we need more money than ever from abroad. But many have become rich in a marked degree; many of our corporations earn dividends not much smaller than similar corporations in Great Britain; many of our people have become extravagant, and almost all desire at least to spend money freely in comparison with the past. As our expansion has been coincident with a great rise in prices everywhere, the man who works for a stated sum, whether a daily wage for a yearly salary, too often finds himself no better off when the wage or salary is increased and worse off when it is not. These things have brought us labor troubles and some of that bitterness towards all success which, when encouraged by the press, leads towards the most violent aspects of democracy. If the press attacks franchise-holding companies for violating the conditions of their franchises; or wealthy men for wrong doing; or wealth generally for being blind to its duties; or rich people for the vulgar display sometimes made of their suddenly-acquired social position, we cannot blame our journalists; indeed if they do it fairly and temperately they deserve every good man's praise.

Reckless Press

But if we desire to maintain the splendid credit we now enjoy, and if we reflect on the quantity of new capital we shall require year after year as we build up our country, then it behooves every good citizen to see that this incipient hatred of success which is being encouraged every day by hundreds of inexperienced writers in our daily press be stopped, otherwise we certainly must suffer severely in credit. I hope that in Halifax you have seen very little of this, but elsewhere the tone of certain papers has been so full of violence in advocating what would practically be confiscation, so full of levity regarding the binding nature of contracts, and so utterly regardless of truth in making statements of what purport to be facts, that it is indeed fortunate that our politicians do not often yield to the temptation to do wrong. I am not here to defend the sins of franchise-owning corporations or of men owning great wealth, who make a bad use of it, or who exercise too great a power because of it. If we have granted franchises, out of which large profits can be made, let us remember:

1st, that capital will go to the countries which are fairly liberal to franchise-holding companies;

2nd, that the remedy of public ownership by expropriation is open if we pay the full value of the thing expropriated;

3rd, that there are two tests in public ownership—one, is to how far lenders, after past experiences, will invest in such securities, and, two, as to whether we can, with our political conditions, manage public trading concerns successfully.

My personal opinion has not changed in the last twenty years. I believe in the municipal sharing when the franchise is very profitable, and using the profits to reduce the general rates or to reduce the charge made by the franchise owners, as may seem best. It will be found that most franchises must run for some years without much, if any profit to divide, but, again, others in large cities make a profit very soon. I believe better results as a whole will be obtained by any municipality if a franchise is managed by private effort on a fair basis of sharing profits than by municipal working direct.

Binding Nature of Contracts

But whatever any of us believe, the main point is that we shall have much money to raise in order that many franchises may be worked, and in the long run we must satisfy the lender or we shall not get the money. We cannot satisfy him by cultivating a hatred of all corporate wealth, or by making him think that at a certain stage of irritation with the terms we have ourselves granted to a franchise owner we may use our sovereign power to undo our own contract. The fact that we know that such wrong doing is practically impossible and that such views do not represent the people at all, but are the vicious mouthings of that part of our community which represents Therites in his envy of Achilles, will not always avail. English opinion is proverbially slow to change. It took a long time for them to conclude that we would succeed, and they will not now listen to Therites too much, but if we ever justify by our acts what certain newspapers have urged, and England, as a result, suspects our good faith, it will be a sorry day for Canada.

I, of course, do not believe that we shall do anything which will materially injure our credit at home or abroad. I only urge that we

remember the dangers of democracy, and that we take lessons by what extreme democracy has done elsewhere. Let us take pride, not in our exultant youth and our confidence in a great future, but in our northern reserve and caution, our inherited instinct towards honor and high ideals. Let men say that we are provincial, rather than that they shall say we are corrupt. We shall surely need to possess strong national virtues in the great task which lies before us of developing the West. We cannot make a great country out of great material resources alone—greatness must be inherent in the people themselves. Your fathers were slow to believe the immortal Joseph Howe, when in 1851 he set forth the future of British North America and told the people of the Maritime Provinces that they were the Atlantic frontage of a vast region which must be organized and improved, and which reached to the beautiful islands of the Pacific, and was entitled to share in the commerce of the great ocean beyond. Now, we know not only how true was his prophecy, but how great is the burden entailed upon us if we are to do our duty by that West which is now an integral part of the united and enlarged British North America which we call Canada.

Must Mortgage the Future

We are only about six million people, and we have half a continent as our burden of development. In 1830, up to which time there had been practically no immigration to America since the original settlements in the 17th century, the United States had thirteen million people. By the time that immigration began to be pressing enough to create problems the United States had thirty million people. We have only about six millions, and we have built canals and railroads out of all proportion to what had been done at a corresponding time in the United States. But we have a constantly increasing quantity of public and private improvements to accomplish if we are to keep pace with the future, which is plainly marked out for us. What we have done, great as it is, is but an earnest of the future. We in the East might like to rest on our oars a bit, but we cannot without national shame do so. We must pledge our credit—mortgage our future—in order that this great Northern outpost of the Empire may fulfil its manifest destiny. The power to accomplish these material things rests upon the national wisdom and honor we display. For this reason we must never forget that the intellectual and moral problems are greater than the material. The educational problems created by the West are all but appallingly difficult. Schools, colleges, even universities, they will have, but we must largely supply the teachers. Later the more ambitious, or those who are more able for other reasons, will flock to our Eastern schools and colleges, and especially to our universities, and woe betide us if we do not send them home with higher ideals than mere money-making.

May we hope, gentlemen, that Canadians will gravely realize their responsibility for our national enterprise, and holding fast to every good thing which will build up our national character, that we shall not fail to openly reprehend those things even if they be but straws in the wind, which must tend to lessen our national self-respect and therefore to diminish our credit in other countries (Applause.)

Governor Fraser, in moving the vote of thanks, said that if the Canadian Club of Halifax had no better excuse for its existence than the able and instructive address to which they had just listened, it was quite sufficient. Referring to the magnificent new building of the Bank of Commerce, the Governor said that it was an ornament to the city, in which respect it was like its manager, Mr. MacGillivray, and he hoped that the other banks would imitate the example of the Canadian Bank of Commerce in enterprise. The banks in Nova Scotia do all they can to assist people when they try to assist themselves. He wished to tell Mr. Walker that, notwithstanding all the talk about Nova Scotia during Confederation, that Nova Scotia was just as loyal to Canada and its interests as any province in the Dominion. Referring to the Quebec battlefields he believed that the descendants of both the conquerors and the conquered were equally interested in the attempt to perpetuate the national monuments of the country, common to both, and he considered this one of the most inspiring sentiments imaginable. "We, in Nova Scotia," said his honor, "are not narrow-minded, and are ready to take our place and do our duty to our country, in every aspect in which it might be presented to us, and I have no fears for the future of Canada."

Canada's Place

Mr. George S. Campbell, in seconding the vote of thanks, said that Mr. Walker had given us a very high idea of the prospects of the future of Canada not leaving out our possible prospective failures and future responsibilities. We were growing rapidly and were becoming sensitive of our future relations with the Motherland. He did not wholly agree with the last lecturer, Mr. Ewart, that the future of Canada was one of independence, but rather that it lies within the boundaries of the Empire and hoped that Canada would never forget the debt she owes to the Mother Country, and never attempt to cut adrift from that connection, even if her association should entail some sacrifices. He had very great pleasure in seconding the vote of thanks moved by Governor Fraser to Mr. Walker for one of the best addresses, to which it had been the good fortune of the members of the Canadian Club to listen.

Wanted—A Prose Conscience



EXCEPT in the eighteenth century the prose conscience has been wanting or uncertain in many of our greatest writers, nor has it been encouraged, as in France, by the public taste, which is impatient of unemotional poetry but not of irrational prose," says a reviewer in the Times Literary Supplement. "Nowadays we seem to be less aware than ever that prose has its own beauties different from those of poetry, and that they are produced only through obedience to its laws. It may seem mere pedantry to demand that obedience, if other and more exciting beauties can be got without it; but experience shows that prose which is too poetic wears almost as badly as poetry which is too prosaic. The ornaments which seem so splendid while they are new look mere excrescences when they grow old. When the prose of the sixteenth and seventeenth centuries seem childish and irrelevant to us it is almost always because of its ornaments, sometimes poetical, sometimes of mere ingenuity; and of our older prose writers those are the most read who, like Izaak Walton were most obedient to the laws of prose. It is not merely indolence or the love of novelty or the want of historic imagination that hinders us from reading the others. There is often something irrational in the very process of their thought which prevents us from taking it quite seriously."

"Even Milton, who speaks like a God in verse, can talk like a child in prose, distracting himself from his main theme with toys of imagery, playing with words when he should be laboring with arguments. The aim of a controversialist should be to convince his readers even against their will. He must not assume that they are with him and that he can move them, like a poet, with mere appeals to emotions that are the same as his own. If he does this, he will only exasperate those who disagree with him at the start into a stronger disagreement at the finish; and to an indifferent posterity he will seem a mere partisan absorbed in matters that have lost their importance."

"But the controversialist who appeals to reason makes an everlasting appeal. His cause may be lost or forgotten, but his process will still delight the minds of men. How much more eloquent and splendid is the prose of Milton than the prose of Swift; but Milton delights us only with those passages in which, like the poet, he appeals to universal emotions. Swift delights us with the very process of his reasoning; he moves us because he convinces us, with naked statement and naked argument. His passion is always subjected to his intellect before it is allowed to speak, and it always speaks in terms dictated by his intellect."

"It is strange that so few of our great modern prose writers should have learnt the laws of prose from Swift and the masters of the eighteenth century. Those laws were still

observed by Cobbett, by Hazlitt, with all his wilfulness, and by Lamb with all his whims. They were constantly disobeyed by De Quincey and Ruskin, and often by Carlyle. De Quincey already is suffering for his disobedience, and who can tell how much the other two, for all their genius, will suffer? Even now the authority of Ruskin is undermined by his perversity. The eloquent reasoning of one-half of "Unto this Last," and of the great chapter on the nature of Gothic in the Stones of Venice, is forgotten before we have done with the irrational eloquence of the rest; and if we, who are almost his contemporaries, are impatient of it, what patience can be expected of a posterity troubled with different problems and accustomed to different methods of address?"

"The poet appeals to emotions that are constant in the mind of man. Even when he tells a story about particular people his main purpose is to appeal to those emotions; and his process eliminates all facts which do not assist in that appeal. It is the habit of Ruskin, as of Milton in his prose works, to appeal to the emotions as if he were a poet and as if such an appeal were his main purpose."

"The case of Carlyle differs from the case of Ruskin because he was on his guard against diffuse eloquence and appeals to sentiment. But he, too, was not content to write mere prose, although contemptuous of poetry. With all his professional worship of facts he was impatient of stating them. He would not trust to the true prose writer's art of logical arrangement or leave the facts, even when they were most eloquent to speak for themselves. He was always aiming at the concentration of poetry and in the process losing the continuity of prose. In his histories, like Mr. George Meredith in his novels, he tries like a poet to force his narrative into lyrical moments; and, not being a poet, at such moments he is apt to become almost inarticulate."

"Newman had the perfect prose temper, and it is expressed in the perfection of his method. He does not strive or cry or put on any airs of inspiration. He addresses his audience as if he expected them to make no allowances for him, as if he were one of themselves and not a seer just descended from Sinai or Parnassus. He is more anxious to make his meaning clear, and to say exactly what he means, than to astonish or delight. Truth is his first object, and even beauty only a secondary consideration. But since the pursuit of truth fills him with a noble ardor, that ardor expresses itself, as it always must, in terms of beauty that delight us the more because they seem to come unsought."

"There are many writers who labor after truth, but few who when they think they have found it are content to present it without ornament and without crying up their own achievement. Only the great prose writer does this, the man who can lose himself in his prose as

the great poet loses himself in his poetry. We have many poets who lose themselves in their poetry, but fewer prose writers who lose themselves in their prose; and our contemporary prose writers, though they cannot be overawed by the poetry of the present, do not seem anxious to learn the true art of prose. The aim of much elaborate contemporary prose is not so much to be poetical as to be pictorial, and it tries to be pictorial particularly in its epithets. Perhaps it was Stevenson who first made popular the unexpected epithet, which seems to be there for its own sake and calls away the reader's attention from the drift of the whole sentence to its own individual meaning. But in his later writings he was sparing of it, and if he could have known how it would be abused he would surely never have used it at all."

"The purpose of the unexpected epithet, when it is not a mere trick, is usually pictorial; and though it cannot be laid down that prose should never try to make pictures for us, yet it is certain that violently pictorial epithets are out of place in all prose that is not purely descriptive, while even in descriptive prose they impress details rather than the general effect upon our minds. In other kinds of prose they arrest that movement of the reader's thought which should accompany the succession of words; and when these arrests are frequent the reader is likely to cease from thinking altogether, and, if he reads on, to read for the sake of the epithets and the violent, but disconnected, impressions which they convey to his mind. In that case he would be better employed looking at a cinematograph. Now that there is so much hasty writing, with all the faults into which hasty writers must fall, there is more need than ever that we should understand the laws of prose and cultivate a conscience that will delight in obeying them."

Andrew Carnegie is fond of quoting the witty remarks made by an old friend of his in Pittsburgh, who for some time held the record for fast horses, but was one day beaten in a brush by a young man. The old gentleman disappeared for some time. He had gone to Kentucky to get a horse that would re-establish his supremacy.

He was being shown over a stud, and had already gone past a long string of horses with their records on the stall and the victories they had won. Then he was taken through a long line of young horses with their pedigrees, from which the dealer was proving what they were going to do when they got on the track. The old gentleman, wiping his forehead—for it was a hot day—suddenly turned to the dealer, and said:

"Look here, stranger—you've shown me 'have beens,' and you've let me see your 'going-to-be's,' but what I am here for is an 'is'er.'"



the Plains are not, nor even the pride to the French. In les British, French part in four sides were decisive and never disgraced, ways composed the triumph and accompanied W. helped Carleton while French army won the day in calm at Montmo Foy.

There is no legend in traditional feats of arms, by fleets and peoples, with such honor in scene. And so commemorative, authenticated in all in all, the quite unique in.

And is not tunity to take priceless ground common things, French heirloom appeal to history to any year w Hundred Years tending powers, pire, and the U far the best year the 300th birthd become the senior eruing dominion what king could imperishable ent

The secret France in 1759 Montcalm: La Montcalm, " to keep a footh counts upon you Montcalm repel everything to sa die." And he ke done splendid stemming the en perate rear-guard years. Now he s

The country was tendant and his on all that was l had numbers en dian gallantry to added spiteful in tractions of a d that brought the eight months: were completely leagues of hostile stricting grasp Q In June, And Lawrence the gre world. Saunders even among the With him were, the future Capta British chart of who rose to high priced a quarter and, with its co every kind. Spl many seamen as the river eastward the other, it made force.

Wolfe, worn o pulsed, at last s acting entirely on ed three days of on land and water by the consumm the first of all t the Plains of Abra moment. And v battlefield knows like this one on t ber?

"All nature co mighty deeds the theatre in the mid ing to play the promontory made army now stood. New France and West. Immediate battlefield; beyon lay the northern widening, through until the far-ran view with their ra eighty miles. T theatre, where lea horizon, whose v to overlap its nor vast mountain-rin west, across the a contend for the p