

Monetary Times

Trade Review and Insurance Chronicle
of Canada

Address: Corner Church and Court Streets, Toronto, Ontario, Canada.
Telephone: Main 7404, Branch Exchange connecting all departments.
Cable Address: "Montimes, Toronto."
Winnipeg Office: 1208 McArthur Building. Telephone Main 2663.
G. W. Goodall, Western Manager.

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FRAMING OUR POLICY

The need for an intelligent study of the national economic position is emphasized as the war proceeds and peace comes nearer. The measure of our productive power, of competition, of demand, in home and foreign markets should be analyzed, our tariff policy being based upon a proper foundation. There is much work ahead for a permanent tariff or industrial board, with a personnel fairly representing the leading interests of the country.

Writing of our national problems, a well-informed correspondent says: "We are at such a serious disadvantage by reason of the sparseness of our population and the physical character of our country that artificial disadvantages bear very heavily. After all, our population is strung along a line of 3,000 miles so that our distribution could not be more difficult. In this oblong we have a much more difficult problem than is the case with our competitor the United States, where business is done in a square. We shall not get this foreign market until these difficulties are confronted and it will take the best thought of Canada working all the time to solve them."

LOOKING AHEAD

That the value of the output from agricultural fields, live stock and other sources in Canada last year was between seven and eight hundred million dollars, was a fact mentioned by Mr. E. F. Hebden, general manager of the Merchant's Bank of Canada, at the bank's annual meeting last week. What this means in liquidation of indebtedness and creation of additional working capital to a country where chiefly capital is needed to develop vast natural resources, is easily understood. While the greatest efforts now are being put forth in the manufacture of munitions, the farmers are creating a position of strength and purchasing power that will give substance to the national position later. This position cannot surely allow

room for many doubters, said Mr. Hebden, but he very properly reminded us that we shall have many important problems to deal with after the war. These include the return of our army and the release of labor from the munition factories.

Discussing the position of the smaller munition factories, of which Mr. Hebden said there were over 400 in this country, he raised the question as to their position when, after the war, much munition machinery would have to be scrapped. He suggested that the establishment of a shipbuilding industry would afford a solution, in part at least, to that particular problem in its various phases—a suggestion worthy of serious consideration.

The keynote of his address was the imperative necessity for planning ahead, a plea which *The Monetary Times* has urged for some time past. "It is surely the part of sanity," he said, "to visualize our problems in advance." There are big tasks ahead and the preparations for shouldering them should be made now.

THE BOY

In the discussions of the industrial and commercial war to come after the Great War, we hear little of the value of the boys. The spoils of the economic war will go to those countries best equipped with health and physique, commonsense, good morals, energy, ability, and education. "Our energies," says Baden Powell, "should be concentrated on training the rising generation to the fullest possible extent in individual character, technical efficiency, physical health. With this foundation they will make efficient citizens and equally, if need be, the most efficient soldiers."

The Boy Scout movement is performing that service in a remarkably efficient way. The boy scout is taught to be a healthy man, a gentleman, and when right needs the assistance of might, the muscle is available, too. There is a need for all those young men, middle-aged, elderly and old men who are unable, for one good reason or another, to don his Majesty's uniform, to come forward with funds to help finance the movement, or by their mental, moral and personal support to prepare the boy to-day for the financial and commercial war to come. The Boy Scout movement, at whose head in this country is the governor-general, needs funds, it needs scoutmasters and it needs other active, willing supporters.

STOCK EXCHANGE BAROMETER

When war was declared, the stock markets collapsed. They ceased to do business, because the present was filled with dismay and the future did not encourage prediction. When the Germans last week sent abroad the false news of a German victory in the North Sea, and the heavy Canadian losses at Ypres were announced, and the loss of Kitchener was known, the world's stock markets scarcely tremored. The stock exchange is a world-wide institution and is one of the most exact barometers of international affairs. It did not even register "Change." Representing the financial world, the stock exchange knows what the result of this war will be. Britain's pound sterling in New York still stands at only a 2 per cent. discount, despite enormous purchases of supplies in the United States, while German marks wallow in the twenties and thirties of discount. Britain is supreme at sea while the Kiel Canal continues to shelter the German fleet. Britain and the Allies will win. That is what the stock exchange barometer knows and tells.