

The Chronicle



Banking, Insurance and Finance

ESTABLISHED JANUARY, 1881

PUBLISHED EVERY FRIDAY

Vol. XXXVI. No. 17.

MONTREAL, APRIL 28, 1916.

Single Copy 10c.
Annual Subscription \$3.00

THE SPRING OUTLOOK.

With the opening of inland navigation and the beginning of active operations upon the land, the months of major activity throughout the Dominion have again been entered upon. At this time, it is almost trite to say that the eventual results of that activity depend in a great measure upon the war. But it is to be feared that in many quarters the temporary and passing character of the present spell of industrial prosperity is not sufficiently appreciated. Yet it is clear enough what a cessation of the war means in this connection—stoppages of war orders and consequent unemployment in the cities, a sharp fall in wheat prices, and consequently less prosperity for the farmers, reduced transportation earnings—in short a new crisis while the economic body is adjusting itself again to peace conditions. Possibilities of this kind cannot be kept too much to the front at the present time. No one with any reputation to maintain will now venture a prophecy as to the duration of the war. But uncertainty in this respect should constitute an additional reason for caution.

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Meantime, it seems likely that for several months at least, various departments in our industrial organisation will continue to work at high pressure on munitions and army supplies. The recent intimation that the establishment of the Banks' credit to the British Government of \$76 millions has been followed by new orders to an amount of \$80 millions is an indication that through the co-operation of Canadian finance and industry, the Dominion can take an increasingly important part in this indispensable work. Thus much new wealth is being brought to the Dominion. Stock Exchange quotations naturally tend to discount results to individual organisations, but undoubtedly a number of our industrial plants are now being placed in a financial position which under other circumstances they would probably only have achieved after the lapse of a comparatively long period of time. It is in the industrial sphere that the cessation of the war will probably have its most marked effect in Canada. But in one way and another efforts are being made to offset or at least minimise the inevitable disturbance, and economic circumstances

also present one or two cheering prospects in this way. At the annual meeting of the Steel Company of Canada, this week, for instance, it was mentioned that the railway companies were already placing their orders for 1917. Many projects also are being held up both on account of the scarcity of steel and of the shortage of labour, while the makers of agricultural implements are not able to keep up with their orders. The manufacturers' Export Association is also engaged on useful missionary work, and generally speaking the uncertainties of the inevitable period of change are being provided against as far as possible.

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With an enormous amount of last year's wheat crop tied up in elevators and other stores throughout the country and over 20 per cent. of it estimated as still in farmers' hands at March 31st last, the railways are promised an exceedingly busy time during the next few months in transferring a great bulk of grain to the various waterfronts. As a result of this heavy traffic added to the important munitions freights, probably very large increases in the earnings of the principal railways will be seen during the coming months. So far as this year's crops are concerned, most depends on Dame Nature. The western farmers have the best stimulant known—that of high prices—to urge them to put forth their best efforts in regard to cultivation. The scarcity and expensiveness of labour is however, complained of by the farmers' organisations, while owing to the enormous size of last year's crops, fall plowing was not up to the average. In these circumstances, with a spring that is a little late, as well as the necessity for summer fallowing, a reduced acreage under crop this year is indicated. Western reports suggest that the area under wheat is likely to be about 20 per cent. below last year's area. However production, rather than acreage, is the ideal to be aimed at, and it would be a pity if efforts to stimulate production merely led to the poor cultivation of a larger area of land than the good cultivation of a somewhat smaller area. Reports from the West draw attention to the large increase in other lines of production than wheat, particularly in live stock, which promises to become an increasingly important contributory to the farmers' prosperity.