

the acute depression which affected the rest of Canada in 1907. Speculation became general, and real estate values were carried to unreasonable heights, but the money stringency of 1913 caused a reaction, followed by a general depression, which has since been intensified by the war.

Crops in general were good last year and prices satisfactory, but the fruit crop, although unprecedentedly heavy, brought disappointing returns.

The lumber business has been in an unsatisfactory condition for some years on account of overproduction, keen American competition and restriction in building operations in British Columbia and the Middle-West Provinces. Building permits issued during 1914 in Vancouver, Victoria and New Westminster show decreases of 57, 49 and 72 per cent. respectively, as compared with 1913. A preferential tariff with Australia, which is now being discussed, would be of great benefit to the lumber industry of the province, whose exports of lumber now amount to only 7 per cent. of total lumber exports from the Pacific seaboard of North America.

The mineral output for 1914 is estimated to be 80 per cent. of the output of the previous year, or about \$25,000,000 in value, against \$30,000,000 in 1913. This decrease is caused by the inactivity of the smelters on account of market conditions, and by labor troubles among the coal miners.

The salmon run was an average one, and the total pack somewhat smaller than last year. Prices were satisfactory.

The opening up of large areas of undeveloped agricultural lands by the Grand Trunk Pacific and the Canadian Northern Railways, and the development of mineral properties adjacent thereto, will prove in time of great profit to the province.

MIDDLE WEST PROVINCES.

The retrenchment and curtailment necessitated in the Middle West Provinces by the world wide monetary stringency of last year was accentuated, of course, by the war and the reduction in crops. It is still early to judge the full effect of conditions prevailing during the past twelve months but indications are that these provinces will pass through the critical period more successfully and with much less strain than could have been hoped for a year or two ago.

The dry summer caused considerable loss of crops in certain districts, the yield of wheat, oats, barley and flax being only 289,000,000 bushels, as compared with 405,000,000 bushels in 1913. Prices, however, have been such that the value of the four crops mentioned is estimated to be \$222,000,000—only \$10,000,000 less than the amount realized from the heavy crop of the previous year.

General trade has fallen off appreciably, largely owing to the absence of outside capital. Real estate speculation has completely died out, and a readjustment of values has occurred. It is gratifying to note that both farmers and business men in these provinces are making every effort to liquidate their liabilities, and it may safely be said that individual indebtedness is less to-day than for some years past.

ONTARIO.

Crops in Ontario last year were good on the whole. Fall wheat, the principal grain crop of the province, yielded 14,333,000 bushels, or an average of 20.9 to the acre, against 15,945,000 bushels, or an average of 24.7 in 1913. Spring wheat, barley, oats, rye, and buckwheat yielded 130,400,000 bushels against 124,700,000 in 1913, but the hay and alfalfa crop was 82,000 tons less. The area of tobacco under cultivation was only one-half of that in the previous year, and the production decreased accordingly.

The fruit crop was unfortunately unproductive. Apples, though abundant, made but small returns to growers, prices being so low that in many districts the fruit was left ungathered. It is of interest to observe that Ontario's twelve and one-quarter million fruit trees produce 75 per cent. of all fruits grown in Canada.

The dairying industry experienced a most satisfactory year.

Prices of agricultural products of all kinds have been good. Sales of cattle were somewhat greater than in 1913, but sales of horses, sheep and swine were less. In the case of sheep and swine, increased prices offset the limited sales. Manufacturing suffered from the general depression, with the exception, as in other provinces, of certain industries turning out military equipment and supplies.

The value of the mineral production during the nine months ended September 30, 1914, was \$27,019,000—an increase of \$766,778 over the same period in 1913. Silver produced shows a decrease of \$2,885,000; and gold, pig iron and cobalt oxides, small increases. The prospects of gold mining appear to be good. Production has increased from \$32,000 in 1909, to \$4,558,000 in 1913.

The lumber cut during the past year was about 75 per

cent. of the average and operations in the woods this winter have been reduced about 50 per cent. Wages are much lower than usual, and operators should be able to produce profitably.

QUEBEC.

The dairying industry experienced a satisfactory year. Cheese prices ruled high on account of large War Office orders, and prices for butter were maintained at the level of 1913. Exports of cheese from the Port of Montreal were 1,483,000 boxes, as compared with 1,571,000 in 1913, and of butter 7,228 packages against 1,728 for the previous season.

Crops were average with the exception of hay, which suffered from the drought of early spring.

Manufacturing industries were adversely affected by the war—foundries, rolling mills, etc., operating with largely reduced staffs on account of lack of orders for cars, steel rails, construction steel, etc. Efforts are being made to secure orders in Europe for railroad equipment. Such industries as clothing, boots and shoes, woollen mills, saddlery and saddlery hardware, and factories furnishing supplies for military purposes, have been busy latterly with Government orders.

There was a sharp decline in Montreal in the value of new buildings, but a substantial increase in the City of Quebec. The figures for 1913 and 1914 are as follows:

	Permits.	Value.
Montreal—		
1913.....	3,794	\$27,032,000
1914.....	3,629	17,638,000
Quebec—		
1913.....	340	1,940,000
1914.....	571	2,759,000

The lumber trade was quiet on account of the comparatively small demand for building purposes, but prices were fairly well maintained, those of the British market showing improvement. The present winter's cut will be smaller than last year's. There was a good demand from the United States for pulpwood and paper.

The steamship business in Montreal and Quebec was seriously disorganized by the war, many of the largest and most modern steamers having been requisitioned for the transport of troops and supplies, or as merchant-cruisers. Up to the outbreak of war, eastbound passenger traffic was normal, but westbound traffic had fallen off considerably. Westbound freight decreased 50 per cent. as compared with last year, while eastbound freight was tied up by the lack of steamers and the high rates asked for the limited tonnage available.

MARITIME PROVINCES.

Business throughout the Maritime Provinces continued about normal except in the steel and coal industries, in which operations were necessarily curtailed on the outbreak of the war. Latterly, however, the British Government has placed orders for steel products which will have a stimulating effect upon business in general.

Lumber brought better prices in the British market during the year, but poorer in the United States, South America and the West Indies. On the whole, the outlook for the coming season is bright, provided sufficient shipping facilities are available.

With respect to fisheries, the catch is reported to be smaller than for several years. Prices declined severely on the declaration of war owing to the difficulty of financing shipments to South America, which was at that time the only market available outside of the West Indies. The small catch should be offset by present high prices. The lobster season, which promised to be particularly satisfactory, has suffered through the closing of continental markets, much of the output being still held in storage.

Grain, hay and root crops were larger than for some years past, and good prices have been obtained. The apple crop was fairly large. Prices at the beginning of the season were lower than in previous years, but are now improving.

Results have been generally unsatisfactory in the black fox industry, in which considerable capital has been invested.

Only one province in Canada shows a decrease in the number of cases of insolvency during the year, viz., Nova Scotia. Prince Edward Island shows the same results in this respect as in 1913, while increases are reported for all the other provinces. Newfoundland holds the same enviable record as Nova Scotia.

NEWFOUNDLAND.

Reports from Newfoundland indicate favorable conditions in that colony. Although the fish catch was small, and the war has interfered with the exporting of lobsters (Germany previously affording the principal market), the total exports