

physical barrier which entails high freight and passenger rates, and business naturally seeks the line of the least resistance. Consequently there is a large trade in all necessities with the people south of the boundary, who are quick to seize every business opportunity. Moreover, the resources of British Columbia are similar to those of the Pacific Coast States, only richer. The men who know what has been found in Washington, Oregon, Idaho and Montana in the way of timber, minerals and land have become largely interested in British Columbia. If a mine begins to develop well, an offer is made at once by a United States syndicate, the members of which are willing to risk the prospect of values increasing. They also have prospectors throughout the country, and are among the first to locate good propositions. In timber, with money, the speculative instinct and manufacturing enterprise, they are to the fore.

In Regina and Saskatoon more especially the investment of United States firms is largely in the shape of distributing warehouses for agricultural implements. Nearly every important United States implement firm is represented in those cities by its agents. The International Harvester Company, for instance, is now erecting a \$75,000 building, while the John Deere Plow Company has completed arrangements for the construction of a similar warehouse. Among the implement firms located in Regina are Wisconsin, Indiana, Michigan, Minnesota, Ohio and Iowa houses. They do a large business in harvesting machinery, binder twine and threshing outfits.

Flour Milling Industry.

Flour milling concerns are beginning to scent possible profits in Canada. The Dominion's three large corporations, the Ogilvie, Western Canada, and Lake of the Woods, have made such remarkable progress that United States invasion of this field will be somewhat difficult. The Saskatchewan Flour Mills, located at Moose Jaw, is backed by United States capital, and it is interesting to note that the telephone system in the same city was purchased by a United States company, being sold later to the Saskatchewan Government.

There has been a tendency on the part of certain United States adventurers to exploit the privilege of many Canadian municipalities in bonusing new industries. Keen competition exists between the cities of Eastern and Western Canada, and again among the cities in those two sections in attracting new capital in the form of branch factories. The establishment of another industry creates new labor demand and at the same time extends local purchasing power. Towns and cities in Canada have offered free water, fixed assessment for a period of years, free sites, exemption from certain taxes, the guarantee of the bonds of the company proposing to erect a factory, and other inducements. On the whole, this principle has not worked successfully, and the disposition is to cease the offer of this dazzling array of industrial baits. Several municipalities have undergone unhappy experiences on account of their eagerness to attract new industries in this way. These experiences have often resulted in financial loss.

The American fire and life insurance companies have, according to the report of the Canadian Superintendent of Insurance for the year ended March 31st, 1911, total assets in Canada of \$55,456,527, the two principal items being:—

Bonds and debentures	\$43,293,221
Stocks	162,141

Unlike the British insurance companies doing business in Canada, the American companies have practically no real estate in the Dominion. On March 31st, 1910, the British companies' real estate holdings in the Dominion had a book value of \$2,832,147. One American company had real estate valued at \$58,520. The actual value is far greater than that of the book value.

The investment of American capital in Canada has excited considerable criticism in the United States, but

they have been well defended by Mr. A. Barton Hepburn, at one time Controller of Currency and president of the Chase National Bank, New York. He points out that the American investments were largely in farms and undeveloped farm lands. The Americans making such investments came largely from the middle West, and withdrew funds from local banks for the purpose, and in many cases no doubt borrowed additional funds to complete such purchases. The money went, he says, to make up an adverse balance of trade, and it made a considerable demand on the banking resources of the United States. "There is nothing wrong, nothing reckless or nothing to criticize in such investments in Canada," continues Mr. Hepburn. "The resulting demand for money has put the bankers of the whole country upon notice, and they are carefully planning to meet the increased demand for money which comes with every fall. The banks in New York have a large surplus reserve. The banks in New York will be in a position to furnish to the interior whatever money may be necessary in the fall. It probably will be at full rates of interest, but that will be no hardship. If money is needed from abroad we will be able to procure it. The great trouble with the American people at the present time is the extravagance in living which characterizes all classes. If conditions should become acute, our travellers abroad would return, our merchants would curtail importations, and a trade balance would pile up rapidly which would enable us to procure gold abroad."

While the figures of American investments in Canada given are only approximate, they are sufficiently well estimated to give a clear idea of the extent of the United States industrial invasion of the Dominion. Geographical position has been argued in favor of the United States. The time has come when geographical difficulties can be overcome largely by enterprise and early information of possibilities and opportunities.

CROPS AND LIVE STOCK.

Fall wheat, which is grown chiefly in Ontario and Alberta, showed an average condition of 82 per cent. at the end of April, being 89 per cent. in Alberta and 81 per cent. in Ontario. In Ontario the April frosts were destructive in some regions; and from 12 to 34 per cent. of the area sown has been reported as winter-killed. The central counties, north of Lake Ontario, suffered worst, the average loss as reported being 34 per cent. In the western counties 27 per cent. of the area in crop has been destroyed. In the southern counties, north of Lake Erie, the loss is 10 per cent; in the northern counties and districts 12.6 per cent; and in the eastern counties, between the St. Lawrence and Ottawa rivers, 15 per cent. For the whole of Canada the area winter-killed is reported to be 21 per cent., and the per cent. condition of the growing crop is 82.

About 12½ per cent. of the clover was heaved out by the spring frosts, and the average condition of hay and clover at the end of April was 89 per cent. Alberta shows better than any other part of Canada, its average being 94½ per cent. Nova Scotia comes next, with 93.75; and in Quebec, British Columbia and Saskatchewan the condition is over 90. In Ontario it is 86 and in Manitoba 85 per cent.

The percentage of total seeding completed at the end of April was 21.35 in Quebec, 44 in Ontario, 47 in Manitoba, 47.30 in Saskatchewan, 66.81 in Alberta and 76.90 in British Columbia. Manitoba and Saskatchewan had 70 per cent. of the proposed area of spring wheat sown at the end of April, and Alberta and British Columbia 80 per cent. The Maritime Provinces had scarcely made a beginning of seeding operations at the end of April, and in Quebec barely one-fourth of the spring wheat, oats and barley were sown. In Ontario 51 per cent. of the spring wheat was in the ground, 44 per cent. of the oats and 42½ per cent. of the barley.

The report on the condition of live stock is good for all the provinces—being 95 for horses, 92.43 for milch cows, 90.56 for other cattle, 93.32 for sheep and 94.51 for swine. Alberta is below 90 for horses, Manitoba, Saskatchewan and Alberta for milch cows, Manitoba, Saskatchewan, Alberta and British Columbia for other cattle, and Alberta and British Columbia for sheep; but generally the condition ranges about 90 per cent.