

COMMERCIAL WAR

Sincere and widespread regret has been felt at the sudden death last week of Mr. Richard Grigg, chief Canadian commissioner of commerce, who was an enthusiast in his work and as an Ottawa writer says, "above all a zealous and faithful servant of the Empire." Since the outbreak of war, he had been thoroughly convinced that a strenuous commercial campaign is to be waged after the close of the war. A few days before his death he had recorded in the weekly report of the department of trade the fact that "the power of Germany is based upon her industry and export and the defence of civilization will be on industrial lines after the war is over." Mr. Grigg had assumed the role of warrior for his country in this commercial war and he has fallen doing that warrior's work.

GERMAN PAPER AND HOPES

As the annual number of *The Monetary Times* went to press, the chart showing the fluctuation of international exchange quotations had to be provided with a special well in order to show the latest drop in the value of the German mark. Last week, exchange on Germany in New York fell to 73, the lowest quotation since the outbreak of war and probably without parallel in the financial relations between New York and Berlin. This is equal to about 23 per cent. discount. The Austrian kroner is at a discount of more than 38 per cent. On the other hand, remittances to London have attained their highest rates in months, demand sterling being quoted at prices representing a depreciation of less than 2 per cent. from the rates of normal times.

The outside financial world values German financial paper at a discount of 23 per cent. The outside financial world, even at that, is generous to Germany's worthless paper, which is backed by vain hopes of the payment of large indemnities by Britain and the Allies after the war. Just as we have got the upper hand over our enemies in trade, finance, shipping and a dozen other important phases, so will we in due course have the military advantages. It may be a long fight and a hard one. Every citizen's contribution in muscle or money is needed, but the day of complete victory will come.

TASKS OF THE PRESENT

The most important national matter referred to by Sir Edmund Walker at the annual meeting of the Canadian Bank of Commerce this week, was the question of Canadian conditions after the war. This is a subject which, unfortunately, is not having the serious and practical attention it deserves. Sir Edmund pointed out that when peace is declared, we shall probably have been enriched in some respects by the war, and the demands upon our industries are likely to increase, although not to an extent which will absorb their full output for some time to come. In any event, we shall probably not be so much engaged in building for the future as endeavoring to turn out products which will justify what we have already done. We shall, therefore, hope that our soldiers and our immigrants will turn to the land far more generally than have the immigrants of the last ten years. As Canada is the last great area with unploughed land in the temperate zone and under a democratic government, and as the returning soldiers will, as a rule, wish for outdoor work, we may hope that they will very generally become farmers. If so, should we not, asked Sir Edmund, despite the over-

work incidental to the war, be preparing for a great settlement on the land? We should; and while the volume of immigration from Europe may possibly be restricted to some extent by new legislation abroad, the time to prepare the broad outlines of a land settlement scheme is now. The details can be arranged when we know the volume of new population to which we shall have to cater. The port is made ready for the liner, when she is still at sea; so should we make ready for our new population well ahead of time.

"To succeed in any such scheme," Sir Edmund pointed out, "we must organize so as to secure the land at fair prices; we must lend the necessary money on such terms that its return will be effected by a reasonable rent charge; we must continue to lend for later improvements in the same manner, and finally, so long as the soldier-farmer shows that he is making good, we must back him somewhat better than the man who has not fought for us. Only the government can do these things, but I am sure that it can be done so as to help merely those who deserve to be helped, so as to ensure success in the majority of cases, and so as to pay in some slight degree our debt to those without whose courage all that we and our forebears have done to make Canada a nation would be as naught."

And after all, Sir Edmund has referred to only one phase of Canadian preparation for the future which should be in active progress. For a young country of traditional energy and useful experience, we are moving far too slowly in this matter of preparation. Plans, such as suggested by Sir Edmund, have scarcely been discussed by the authorities who should have had by now such matters well advanced. In trade and commerce, we have formulated few, if any, definite plans or suggestions as to our share in the commercial war of the future. Only in finance and agriculture, apparently, has the Dominion government shown any great initiative in meeting the demands of these unusual times.

In Great Britain, every problem arising from the war is being handled with a long-range view of the possibilities and probabilities after peace. This has been the case in commerce, trade, shipping, insurance, finance, research, and in practically all branches of activity. The best men have been chosen, for their experience, and regardless of politics. Numerous committees have been appointed, with very practical results. As Mr. Runciman, president of the Imperial board of trade, recently said (and although speaking of his own department, his remarks apply to all British government departments): "We have selected teams of the best men we could find to inquire into these matters. We not only got assistance from outside, but when we asked for advice from men whom we trusted we took care to follow that advice, and that was about as much as a government department could do when we had to extemporize our organization." Not only were these specially difficult topics not the only ones on which they wanted the advice and counsel of business men, but when they had such complex questions to deal with as the trade relations between England and Sweden, for instance, it was not a Foreign Office deputation they sent out, it was not a selection of gentlemen from the civil service, but a team of business men who spent some five months in Sweden working for the government on these special topics, and what harmony now exists between Sweden and the British nation in industrial and commercial questions is largely due to the assistance they gave. The British government have not ignored the immense advantage which comes from business advice and business experience.

Is that true in Canada? To say the least, there is considerable room for improvement here in dealing with such vital matters.