

CANADIAN EXPORTS AFTER WAR

Some Important Considerations—The Needs of Italy—
Adoption of Tariffs

The war is one not merely to secure the political independence and freedom of large and small states against German aggression, but to secure for them as well the right to pursue their economic development free from the menace and destructive attacks to which the German financial and industrial machine has exposed them in the past, was a remark of Mr. F. C. Armstrong, of the Export Association of Canada, on his return to London, from a tour of France and Italy. "Whilst the necessity for taking such action as will ensure this result is recognized in each of the allied countries, the magnitude and complexity of the problem will tax the wisdom of statesmen and practical men of affairs, particularly in countries like Italy and Russia, which are only beginning to realize the extent to which their industrial life has been penetrated and controlled, directly or indirectly, by German influence. In the case of the British Empire and France the problem is easier of solution, since they possess within themselves, and in the hands of their own people, the experience and bulk of the machinery of production and distribution required by the organized life of the nation. All that is needed in the case of the British Empire to render it secure against the attacks of militant German industrialism will be the abandonment of the old principle of laissez-faire, and the substitution for it of rational organization of the resources of the Empire for peace with the same thoroughness as they are now being organized for war.

Adoption of Tariffs.

"Amongst the essential steps to secure this end will be the adoption of a commonsense basis of preferential tariffs within the empire which will not, on the one hand, tend to the creation of great protective monopolies such as have developed in the United States, nor, on the other, allow the crushing out of essential industries by 'dumping' on the part of foreign competitors; the development of the necessary machinery to secure the co-operation, so greatly lacking in the past, of British finance and industry; the organization of the shipping of the empire so as to secure the most efficient possible exchange of the products of its component parts; and finally, the recognition of the importance of technical education and sound methods of organization as the foundation upon which our future economic development must be built up.

"The economic conference of parliamentarians, which was held in Paris, had a valuable effect in bringing forward into the light the nature and variety of the problems which will have to be solved before the necessary common action can be taken by the Allies which will secure the end in view, but the determination of representatives of the different nations was made very clear, that at whatever cost and trouble the German incubus must be removed. Great hopes are based upon the results of the economic conference of the allied governments which is to take place in Paris this month. It is considered that one of the most important matters to be dealt with will be the making of provisions against the dumping of German goods immediately after the end of the war. The French are very determined regarding the whole matter, and one gathered the impression that they feel a certain fear lest Great Britain's unwillingness to depart from traditional policies should delay action until it is too late to be effective.

Italy will Develop Industries.

"I was greatly struck with the earnest attention which is being given to this matter—l'altra guerra—the other war, as the Italians call it, and there was evidence that the British government was doing much more in the same direction than is generally known. In Milan I met Mr. Harben, of the board of trade, who has been unravelling the tangled skein of German financial and commercial penetration in Italy, and who has gathered together a mass of information which cannot fail to be of the highest value in the development of commercial relations between the two countries in the future. One thing, however, is very clear in so far as Italy is concerned, and the same thing is developing sharply in Russia; there is no intention of substituting for German financial and commercial domination in the future the domination of any other power. The feeling is that the present titanic war by machinery and chemicals has shown that the development of national industries—at any rate of those that are necessary for the production of war materials—is essential to the se-

curity of a modern state. In the case of Italy there is a strong desire that that very valuable commodity, Italian labor, which has helped to build up many of the new communities throughout the world, such as the Argentine, should be employed at home. It is considered that Italy, with her cheap and excellent labor, with abundance of hydro-electric power which can be developed at low cost, and with her favorable geographical position, has an important industrial future. Her greatest difficulty is her lack of essential raw materials—such as coal, wool, cotton, timber, wheat, copper and other minerals.

Where Canada's Opportunity Lies.

"It would appear that the greatest opportunity for permanent Canadian trade with Italy would lie in the supply of such materials, either in a raw or partly manufactured state, in the working out of arrangements for the interchange of products between the allied countries so as to exclude, as far as possible, the necessity of trade with the central powers after the war. The extent to which Canada can become the source of supply is one in which Italians are showing a keen interest, as also, naturally, the opportunities which Canada will offer as a market for the commodities they produce. Transportation, will, of course, be a factor of governing importance in the development of this trade.

"The Credito Italiano, which has associated with it a group of London banks—including Lloyds and the London County and Westminster—is actively engaged in the study of these vital matters, and it was suggested that it was not unlikely that one of their officials, who is thoroughly conversant with trade questions, would visit Canada in the near future, and probably other parts of the empire as well."

CROP ACREAGE IN THE WEST

The estimated acreage under crop in Manitoba, Saskatchewan and Alberta on June 7, as compiled by the Northwest Grain Dealers' Association, is as below:—

	1915.	1916.	
Wheat	12,540,000	10,597,000	15.5% decrease
Oats	6,621,000	6,919,000	4.5% increase
Barley	1,153,000	1,787,000	5.5% "
Flax	643,000	643,000	

The reports, Mr. F. O. Fowler, secretary of the association, tells *The Monetary Times*, indicate that seeding conditions were splendid but 10 days late, with good weather over practically the whole territory since seeding. With the exception of damage from windstorms in some districts, the crop looks good.

The grain situation on June 7th, was as follows,—

	Bushels.
Wheat inspected to date	278,240,000
In transit not inspected	5,420,000
In store at country points	24,870,000
Required for seed, feed and country mills	35,000,000
In farmers' hands to market	25,000,000
	368,530,000
Less dual inspection (estimated)	3,000,000
Total wheat crop	365,530,000
Last year	140,031,250
Oats inspected to date	80,780,000
Oats in transit not inspected	3,130,000
Oats in store at country points	4,700,000
Oats in farmers' hands to market	12,000,000
Barley inspected to date	10,105,000
Barley in transit not inspected	180,000
Barley in store at country points	1,070,000
Barley in farmers' hands to market	1,250,000
Flax inspected to date	3,725,000
Flax in transit not inspected	125,000
Flax in store at country points	350,000
Flax in farmers' hands to market	300,000

The National Trust Company of Toronto has declared a dividend at the rate of 10 per cent. per annum for the quarter ending June 30th.