

With a lap heaped with riches only awaiting development, it would be a sheer disgrace if considerable progress had not been made. Resources may indeed be rather a reproach than a source of pride; it is what is done with them that counts. We are apt to look with a feeling of over-weening superiority at many a country which, considering its circumstances and drawbacks, has done enormously more for itself than has Canada. And there are countries which to-day are making such determined, persistent efforts towards perfection in their chief exports that they will leave this country hopelessly in the rear, even in its own pet products, unless Canada wakes up and learns that a step accomplished is only one step leading to many others.

CANADA'S FOREST WEALTH.

Two facts were emphasized during the convention last week of the Canadian Forestry Association at Vancouver,—firstly, that the demand for timber is constant and increasing; secondly, that the world's supply of timber is fast diminishing. Canada has a priceless asset in her forests, and it remains for this generation to see that such a source of wealth is properly conserved. Other countries have possessed an almost equal dowry in the shape of rich timber assets, but through a sad lack of foresight and a hereditary spirit of wantonness, these valuable gifts have been hacked away often by those who would in the future need them most.

In the past, lands have been hastily denuded of woods, by men possessing only a vague idea of what was to be done with the property thus vandalised. It is easy to cut down, hard to build up. The passer-by looked on in amazement and chagrin. Perhaps he inquired of the feller of trees why this havoc had been wrought, and in many cases, the shade of Washington replied, "I cannot tell a lie; I did it with my little axe. But now it is done, I don't know why I did it."

Lord Grey struck a timely warning note at the convention when he urged those interested in forestry not only to see that their industry was developed and protected, but to manage so as to build up continuous and increasing revenue without destroying their capital. The timber wealth of British Columbia is phenomenal. In no other part of the world is there such combined quantity and quality. It can at once be seen what a large responsibility rests upon the shoulders of the people of that Province. Their first duty, a duty at the same time imperative and profitable, is to guard these valuable assets and operate them in an economic and scientific manner. It is not implied that they in particular are blind to their own good fortune, but it must be remembered that the province has a land area of 370,191 square miles, and a population of 178,657. This disparity between area and population can only be bridged by scientific handling of the former by the latter. The situation is one of world-wide importance. There was a time when American timber resources appeared to be illimitable, but now there has arisen an undeniable shortage, and American lumbermen are already compelled to appeal to Canada. Scandinavia and Russia are rich in forest, but they are far away, an advantage to Canada when freight bills are reckoned up and settled. In spite of the world's progress in steel, brick and stone construction, the demand for timber is constantly increasing. In 1882, for instance, the population of the British Isles was thirty-five and a half millions, and the timber imports were £18,300,000; in 1903 the population was forty-two and a quarter millions, and wood and timber to the value of £29,300,000 was imported, an increase of over 50 per cent. in the total value of the imports as compared with an increase of only 19 per cent. in the total population.

Fire is the great enemy to the forester and his possessions, it has caused enormous destruction in wooded Western lands. Railroad construction work and new settlers have in a large measure been responsible. A few years ago a fire patrol system was established in British Columbia, and has greatly aided in checking devastation. But the present preventive measures are inadequate. One is told in an offhanded manner that flames have been seen leaping up the mountain sides in this or that district, yet few take the trouble to consider what these conflagrations really mean—that the fire king is being fed with timber wealth to the tune of hundreds of thousands of dollars, depleting valuable land of its most valuable possession. Mr. E. Stewart, Dominion Superintendent of Forestry, pertinently remarked that it took Nature hundreds of years to create a forest; while man allows it to be destroyed in a day, thus impoverishing posterity for a century to come.

Pecuniary waste is not the whole story; preservation of the watershed, fertility of soil, uniformity of climate are all questions pertaining to forest preservation. Canada as a business nation will have to attend more closely to business than it has in the past.

ABOUT MUNICIPAL BONDS.

The weakness of the market for municipal bonds and debentures brings to the fore several questions as to the status of this form of security. Only the other day the great and metropolitan city of Winnipeg received a bid of 96 for local improvement debentures, offered then because a few months previously it had to reject for the same a bid of 98 which was considered absurdly low. Montreal and St. John recently were in a similar position; to say nothing of several smaller municipalities. Even New York met with the same experience.

This one fact removes from the cases given any explanation on the score of discreditable local conditions. Some generic, not special cause is at the bottom of the failure. The question occurs: what is it?

One cause is the scarcity of money owing to the need for the removing of crops; another, the industrial prosperity which draws to itself all the ready funds which investors are usually willing to put into Governmental and municipal bonds. The great investing corporations have had little inducement to go into 4 per cent. municipal undertakings when they could get so much more for their money in other lines.

In addition, and this is the most serious side of the problem, for the other is probably to some extent ephemeral, municipalities in some countries have shown such a strong and growing tendency to increase their bonded indebtedness that they have overloaded themselves with responsibilities and surfeited the market for this class of securities. Canada is by no means alone in this respect; in fact, Canada has as yet but few examples of what is meant, but the complaint is heard in the United States and in England, where public ownership has been a strong factor in the growth of municipal liabilities. To such an extent indeed that a loud cry is heard against the financially double-faced policy of paying dear to get cheap. In England, where banks have been in the habit of accepting municipal bonds as good collateral, they are beginning to become unresponsive, owing to this overloading with liabilities.

But in a new country like Canada, particularly in the rapidly developing sections of the West, the existing dullness of the municipal bond market is apt to work with special hardship. It means that the cost of securing the wherewithal to make necessary improvements upon which the attractiveness of a new town is based becomes constantly heavier and more

difficult to incur. Ultimately the cry will reach a standstill, though reached by the enterprising Canada a change in the situation may occur.

TROUBLES OF

Most of the problems which are problems of prosperity. In years the ever present question of transportation companies to settle the struggle for the immense crop part settlement of that question of miles of new track, new locomotives, thousands have been built by the dozen, for kind. Yet the cry still is "no" there was a serious congestion and the lake ports; the railways proved matters. Last year, and the cry again went meantime the transportation efforts to get into shape to reason. Yet even now the exigencies of a country grow beyond all precedent. We are paralleled prosperity.

But a much darker prosperity is presented by the any price to which it seems which at least is coincident, mon history shows the average measure ways and means for himself. The main purpose any cost. If one could take thoughts and ideas underlying finance which have recently finance, it is probable that would be divulged. And comparisons are largely cumulative bold exploit in financial business still more inexcusable. The bled with the same spirit of the spirit of old-time business work of disintegration goes petus with every fresh fort. It is one of the problems of keep the present extraordinary within the bounds necessitated rights of society as a whole.

Another of the problems get men enough to take capital labor; for men to gather the trains, men to work in the factories orders issuing from a prospective to turn the wheels of industry from England and elsewhere for more. And meantime turned are still; for the situation that there is too much prosperity never offered better prizes, now. Unemployment in Canada are higher than ever before those wages come not; and as the cause of these conditions eventually will lead to disaster.

The high cost of commodities problem which takes a large receipt of fixed incomes. We say, 30 per cent., prices for things gone up just about as much largely as before. Latest has been a slight reaction in the the past few months, but for comparison holds good. Labor