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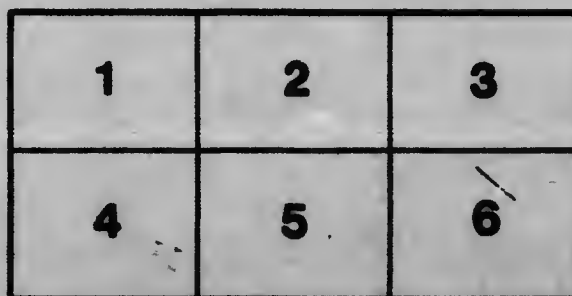
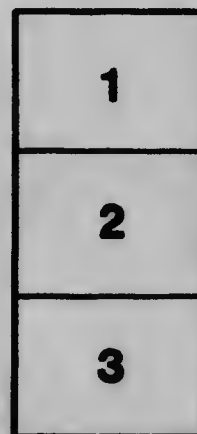
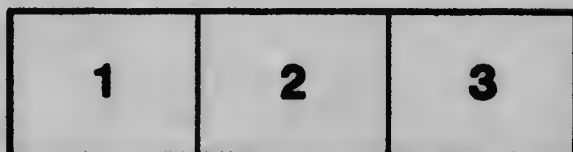
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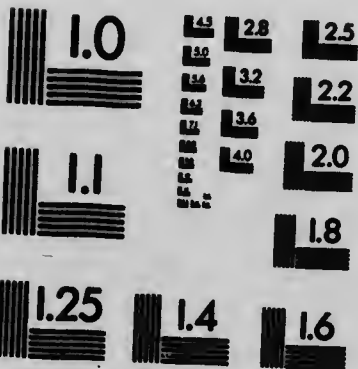
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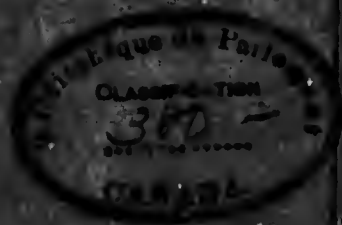


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# The Enlargement - of - Canadian Trade



Addressed  
to  
*The Hon. Sir George E. Foster*  
Minister of Trade and Commerce  
for Canada

At the  
Toronto Board of Trade, Ltd.  
No. 100, Bay Street, 1911

**THE ENLARGEMENT OF  
CANADIAN TRADE**

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**ADDRESS**

BY

**THE HON. SIR GEORGE E. FOSTER**

**B.A., LL.D., D.C.L., M.P.**

*Minister of Trade and Commerce for Canada*

AT THE

**Toronto Board of Trade Luncheon**

**7th October, 1914**

## The Enlargement of Canadian Trade.

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J. W. WOODS, Esq., First Vice-President of the Board of Trade, in the absence of President Gundy, in introducing Sir George Foster, said: I have great pleasure in introducing Sir George E. Foster, who as Minister of Trade and Commerce has visited various parts of the world and gathered information which, it is hoped, will be of great importance to us, and that will help to increase the exports of Canada. His efforts in this direction should have the cordial co-operation of every member of the Toronto Board of Trade, and of every business man in Canada. (Hear, hear.) Canada is in a peculiar position. Great Britain can continue year after year indefinitely importing far more than she exports, because she has dividends and interest coming in to offset the adverse trade balance. Canada, on the other hand, is a borrowing country; and how long we can continue importing more than we export, having to pay in gold the difference, is a matter which Sir George may be able to tell us. (Laughter.) I am sure that we will listen to his address with very great interest. (Applause.)

SIR GEORGE E. FOSTER was received with loud applause, and said: Mr. Chairman, I have to be frank at the outset and say to the Chairman that I will absolutely fight shy of the very interesting but very abstruse question which he has raised here at the outset. (Laughter.) What purpose under heaven he had in putting that question up before me I don't know. I will have to settle that question with him after we get through with this little séance of our own. I have my ideas about it, but the question is not quite in line with the modest endeavor I have in view this afternoon in the little time I have to speak to you.

In the first place, let me say that I always come before an audience like this, composed of the working, business and financial men of the City of Toronto, with a becoming sense of my own inefficiency. Your daily food, so to speak, is trade and commerce, and financial arrangements; you are in it from your youth up; every day you have its varied experiences; you work out the problems yourselves; you are each in his way a captain of practical industry, and there is a whole long list and line which only you yourselves are capable of solving, and with which I from my position can do very little indeed in the way of helping you.

However, there is one thing that possibly I may be able to do. I am said to be able to inspire hopefulness. (Hear, hear.) Sometimes men who are opposed to me in politics say that that is the chief defect of my advocacy—(laughter)—looked at from the human standpoint; and sometimes they wish that I had not as much of that power as they seem to credit me with. (Laughter.) However, we will not have any

criticism on that point to-day, because to-day we are neither Liberals nor Tories; we are business men and citizens of Canada—(applause); and if in what I say I am able to add something to the hopeful side of the situation as it appears to me to-day, I will have performed my mission.

First let me say, Mr. Chairman, that it is very gratifying to me, as one who has been engaged in public life for a great many years, and chiefly along the line of commerce and trade and finance, to see abroad in the country to-day a spirit which I do not think has ever been equalled in the history of Canada. (Hear, hear.) Now, that is saying a good deal; and it arises from two considerations. There has scarcely ever been a period in the history of Canada where the conditions were more confusing, more perplexing, and where, in our outlook towards the future, there was less light. In a situation like that, to have the people of Canada—its business men and thinkers from one end of it to the other—showing an increased interest and keenness of desire, and a growing hope and confidence, speaks well for the fibre of the men who make up our business circles, and who will carry us on to prosperity and progress in the future. (Applause.) That much I compliment you upon here in this city, as I would in gatherings similar to this in every part of the Dominion of Canada. For the situation is certainly a grave and troubled one. Never in the history of this Old World—and that is a long, long story—has there been a war such as this war is, both with regard to the important interests which are involved and with regard to the wide range of its effects. This is in every sense a world-war, and I cannot think of any contest that could take place which would be more of a world-war than this one which is upon us now. What is the situation? The whole world to-day is so different from the whole world at any preceding period in its history that that fact itself adds to the gravity of the situation. The whole world to-day is interwoven in all its parts. It is like an immense extended electrical machine connected up from the centre to every portion, and so sensitive that even a slight shock at any portion of it is felt through the whole. When you have a shock such as that which was precipitated on the 1st to the 4th of August, you send through that whole interwoven, interconnected machine—this great world of ours—a thrill, you produce a sensation, you cause a situation of dislocation and confusion which never could have been caused at any preceding period of the world's history. That is one of the factors in this case which makes the situation so grave and so important.

As the situation developed in those three or four swift days of August, it certainly gave to the pessimist a convivial field; it became in fact his paradise; you could not think of anything that would suit a pessimist better; nor could you in any case find less that you could criticize in the pessimistic feeling or utterance than in those first days of the war.

What happened? In the first place, the ocean channels were blocked, the ocean-borne commerce of the world came to an almost absolute standstill; lurking mines and scouting cruisers threatened everywhere, and there was no security on the ocean highways. Trans-



port felt itself obliged to keep within cover; freights and insurance became higher and higher; all those things together, and a multitude of others that could be noted, brought ocean-borne traffic almost to a stand-still. So much for that vast portion of the field of commerce.

But what happened on land? The mobilization of the forces in the warrior countries absolutely dislocated and interfered with all exchanges within those countries themselves; and as practically every nation in Europe had to mobilize, that same dislocation and confusion was felt throughout the whole area of Europe. Internal commerce was hampered, again, by the non-intercourse between great countries which formerly had been the sources of great exchanges. And so, between non-intercourse, the dislocation of mobilization, and the prohibition of exports of certain articles from various countries in Europe, the greatest possible confusion took place, and internal commerce felt it in all its branches.

Outside of that, production suffered from the multitude of men that were taken out of the field and the factory, out of the productive processes and activities which constitute the foundation of the commerce and interchanges of the world.

Then there was the absolute waste and destruction that took place all through these warring countries—a destruction and waste that it is impossible to tabulate, but which has to be added to the account as well. Over and above that, there was that which always follows war—the strain and the expenditure necessary to provide for the consequences of war—non-employment, destitution, and all the ghastly train of ills that follow in the wake of war and dog its footsteps and hang like a pall upon the population which is not engaged directly in actual warfare.

Then again, not less important, was the fact that on the stroke of war the whole mechanism of commerce throughout the world was dislocated and disarranged; the trading exchanges were shut up, the mechanism of world-wide exchange absolutely stopped for the time being; international currency, which now plays such a vast part in the trade and commerce of the world, became practically so much waste paper. Orders were cancelled from every part of the world, and in many ways, which business men like you know, this vast and absolutely essential mechanism of world-wide interchange of commerce was absolutely disorganized, dislocated and robbed of all efficient operation.

There you have the world situation, a very paradise for the pessimist; and I could not find it in my heart to say a word against my own brother if under those circumstances he moaned in heart and spirit and doubted if anything could be effective in bringing the world back to its right mind and proper conditions.

But there is never a cloud nor a storm that has not somewhere a silver lining showing sooner or later. Two months have passed between that and this, and adjustment has already commenced; adjustment has already proceeded a long way. The mechanism of exchange and commerce is greatly bettered; credits have been improved; international paper is beginning to assume its valid position; and in all ways the

situation is greatly improved as regards the mechanism of trade and commerce.

One factor which we remember with pride—possibly the greatest factor in the rehabilitation of trade and commerce the whole world through—was the fact that there was one dominant influence which quickly cleared up the question of the insecurity of ocean-borne commerce. The British Fleet, the Navy of the Empire—(applause)—asserted its dominance—(loud applause)—in a way which can best be brought to your minds if you fancy for a moment what would have been the situation if that fleet had occupied an equivocal position, or if other fleets had assumed and maintained supremacy. If the world's condition was bad, as it was, what would have been the world's condition and the dislocation of its commerce if a different state of things with regard to the supremacy of the ocean had assumed place. (Applause.) We remember that, and we remember it with pride. So from that time to this the process of adjustment has gone on and conditions have improved until the pessimist has slunk somewhat into the shade, and the optimist has been able to lift up his head, and to preach hopeful things and stress happy confidence with reference to the future.

The optimist has another asset to-day in Canada. I will state my proposition first before I make my argument. I affirm that of all the countries in the world, Canada to-day occupies the best position. (Loud applause.) Why do I say that? I say it for several reasons, which I will briefly give you.

In the first place, we are contributing men and money to the war. God be thanked that we have money and men. (Hear, hear, and loud applause.) But though we are doing that, we are absolutely at peace within our own borders—(hear, hear)—and there is no wastage on the field, there is no wastage in the factory, there is no wastage anywhere which makes it necessary that one single stroke less of work in the Dominion of Canada shall be done from this time henceforth than has been done in Canada. (Applause.)

Canada is strong, too, because it is the country, the great country par excellence, where primary products and natural resources constitute the strength of her position and the great source of her wealth. (Hear, hear.) \$432,000,000 of products of Canada were exported last year. Think over what they were—I will not trouble you to name them particularly—of the field, of the forest, our agricultural products in the way of meats, dairy products, stock, everything of that kind; our mines, our timber, our fisheries—these are the great products that made up all but \$44,000,000 of the \$432,000,000 of exports. Don't you see the strength of Canada's position is that the vast proportion of what she has to sell is what she makes up on primary products and from her natural resources? (Hear, hear.) The roar of cannon and carnage of war may run riot in Old Europe, but in Canada not an echo of artillery, not a shadow or the darkness of war, makes it essential or necessary or probable that Canada's natural resources of primary products will thereby be diminished during the coming year and the next year. (Applause.) In fact, if it is possible at all to feel satisfaction that war is going on—or, to put it better, some satisfaction

whilst war is going on, and despite it—it is that Canada will be called upon to fill the vacuum and repair the damages made by the waste and destruction of war; and her primary products in nearly all particulars will be greater in demand and higher in price than they have been during the past year. (Hear, hear.) So I say that in this respect Canada occupies a favored position. In truth, to compare her with other countries, I come to the conclusion—and I believe it is a wise and proper conclusion—that to-day her position in this respect is better than that of any country outside of the region of war.

But at the same time, Mr. Chairman and Gentlemen, neither you nor I can be blind to the fact that the situation is not at all what we would like. We cannot blind ourselves to the fact that there are consequences and residues, so to speak, of this terrible conflict that we cannot rid ourselves of. They will come upon our shoulders; they will bear down upon our activities; and for a long time the world must face them, and Canada, as a part of the world, must face them as well. (Hear, hear.) Do I say this to discourage? No. It does not discourage the brave man, the strong man, when you tell him that there are difficulties in his way, and cause him to see them. He fights all the better, and he fights all the stronger, because he has the sense of it; and with all our confidence, and the keen spirit of which I spoke, let us have the confidence and exhibit that keen spirit in the light of this fact always kept with us—that there are trying times to be faced by the world, and by Canada as well. That nerves us to the endeavor necessary to face those trying times. It would be a real disaster if we had all the spirit and good-will and keen interest and optimism developed on the basis of a conviction that in three or four months the effects of a world-war would be already gone. The world-war will probably not be all over in three months' time, or in six months' time, or in many, many months' time. We hold our optimism and keep our confidence with the full sense that there is arduous and stern work ahead of the business men and producers of Canada; they will be all the better and stronger for knowing and facing the facts. (Applause.)

Now we will come to the industrial side of it. That presents more difficulties, but even the industrial situation is helped by this fact that we have not forgotten, or if we have we recall it now to our minds, that notwithstanding all I have said, there is a world yet left that has to be fed and warmed and clothed and catered to. There are 8,000,000 of people in Canada that have still to be fed and warmed and clothed and catered to. That of itself is a very good basis upon which the business men and producers of Canada can work. (Hear, hear.) These 8,000,000 people in Canada are generous spenders; they have money to spend; and they will not altogether stint themselves of some of the accessories of life beyond the mere necessities even if this war goes on. We are none of us to sit down and think, "Nobody in Canada will be able to buy anything now." People in Canada will be able to buy, and they will buy, and the business men of this country will cater to the wants of the people of Canada, and a fine market it is to cater to. (Hear, hear.)

There is something else besides that. We have not lost much as

regards the sale of industrial products in respect to countries to whom we exported. If you take those in the zone of the war, Austria-Hungary and Germany are cut off from our market, but we sent a comparatively small amount of manufactured goods to those markets. Belgium may be left out of account as an importer of our manufactured goods, at least for some time. A few millions would count them all in; but I believe that those few millions will be offset, and more than offset, by the added amounts which during this year and the next years we shall export to the other belligerent peoples—France and Great Britain, and to neutral countries in Europe. The one offsets the other, and, if anything, we stand to gain more than we lose.

But what have we gained? In the first place, we have gained an opportunity. That is all that it is. Germany has gone out of the markets of the world in exports to the amount of \$2,400,000,000. But it will not cause a single yard of cotton more to be made in your factory, nor a single article in any other factory to be made, if you simply sit down and wait for somebody to help you to fill in part the vacuum which has been created. All that it gives Canada is an opportunity; but what a splendid opportunity it is! (Hear, hear.) \$2,400,000,000, mainly of manufactured goods, are left out of the world's great basket of necessaries as supplied last year. That is a large section of that basket. There are the vacant shelves; premises there in fact "To Let"; and it is the opportunity created thereby which you people have offered you, and which it is your business to turn to real account to the producing industries of Canada in the coming years.

I need not go over the different items. Here is the mass of \$2,400,000,000 worth of products which this year and next year are abstracted from the world's great want-supply; and in so far as the vacuum is filled, it is to be filled by those outside of the continental war zone, and Canada is one amongst them. That opportunity is not only a great opportunity, but it is widely distributed.

One point I forgot to mention is that Canada has this in her favor as well, that she is on the safest and shortest line of ocean communication leading towards the great centre to which the world's supplies tend, and whence they are to go to any other country in the world. Our North Atlantic passage is the best protected and the best subserved. It is shorter than that of the United States; it is far shorter than that of South Africa or of Australia or of New Zealand. That is another one of the direct assets which Canada possesses over most of the other countries of the world in the way of assisting repairs so far as the European situation is concerned.

Again, this vacuum of so many billions of exports from Germany and Austria is distributed over nearly all the countries of the world—in Australia, in New Zealand, in South Africa, in all those outstanding portions of the Empire, and in Great Britain itself. For it is not impossible at all for the manufactures and industries of this country to find in Great Britain itself a very substantial market in replacement of those articles and products which were sent from Germany into that market to the extent of \$350,000,000 or something more than that last year. So that this is not only a vacuum which exists, but it is spread

over all those different countries favorable to us in many respects; spread over other neutral countries which are advantageously situated with reference to Canada so far as trade and commerce go. There, then, is the opportunity.

A question was put up to me by a financial paper in a letter, which I have not yet answered. This was the question:—"We are very much in sympathy with what you preach as to Canada taking advantage of this opportunity of extending her trade; but will you tell us how we are going to make the connections?" Well, that rather "posed" me. Wouldn't it pose you somewhat, Mr. Chairman? I have been cogitating over that query ever since I started the outline of a reply to this financial paper. It will get there some time, but I have not hurried it because I have found the question a very difficult one to answer. I am going to try to say a little about it here. How are we going to make the connection?

Well, let us take the line of least resistance first. For instance, instead of getting up on our toes and looking down into South America and saying, "There is a mighty fine market for the goods of Canada; see what Germany has lost there; see what we may gain"; instead of making a sudden dash for South America first, I would say that it would be a work of caution to choose the lines of least resistance and make our dash first along those lines. Where are those lines to be found? Close at your doors. (Hear, hear, and applause.) We don't need to send a representative to South America or distant China or far off Japan, just at first. You have here, right within the sound of your own factories, close by your own business houses, where you have been born and brought up, and the conditions of which you know; you have here in this Dominion of Canada a market which to-day is furnished to the extent of about \$600,000,000 by imports from other countries, and for a large portion of which you yourselves have a fine opportunity to fight. (Hear, hear, and applause.) Why not get busy and fight for it? (Renewed applause.) I have sent out some letters, and here is a typical reply that I got: Up in one of our lake towns on the Great Lakes, a merchant writes me that he went over his last year's stock of goods and found that 60 per cent. of that stock was imported from outside countries, mainly from Germany, Austria-Hungary and some other of the near European countries. Sixty per cent. of the merchant's stock! He named the articles, and there is scarcely one of them that could not be supplied by the industries of Canada if they would set themselves to work to do it. (Applause.) It is related of one of our large departmental stores in Ottawa that after this war broke out, and just before a very special sale that was to take place, the manager went through it and took off the tags which showed the origin of a great many of the goods on his shelves to be Germany, Austria, or some other country nearby. He feared to run counter to the sentiment which he felt might be developed when the ladies took possession of his store and sold goods for the space of one day for a very good object among our charities. Well, every importer will tell you that is the case to a larger or smaller extent, almost always to a larger extent, in his own business and on his own shelves.

Why could not the manufacturers and the importers of this country find out from each other, and do it speedily, just what business they have been doing apart, and what business it is possible for them to do together? With this spirit, the fine spirit in Canada, developed as it is strongly to-day, which will be developed still more strongly, I believe, there is a golden opportunity for the manufacturers of Canada to get close down to the importers and consumers, and through the various channels of trade, furnish very largely what Canada needs in Canada itself, and an equal chance for the importers to see what they can get in Canada before going abroad for foreign goods.

Now, I am not here as the advocate of the Manufacturers' Association. I am not. In one way I do not like them (laughter); in other ways I do like them; but I am willing to bear the onus of the criticism that I am speaking as an advance agent of the manufacturing industry of this country, and therefore not to be trusted. I look farther than that, and I have two points in view. I think that the consumer in this country has the biggest interest in where goods are made, of any other man in the country. (Hear, hear and applause.) The consumer of goods in this country is also the maker and seller of goods, or of activities, or of labor—one or the other—and his interest is bound up with the prosperity of the Dominion of Canada, and the more the laborer can earn to-day to make what the people of this country have to consume, the more wages will be paid, and the larger and greater will be the wealth and prosperity of the country. (Applause.) So I am pushing as far as I can an Apple campaign, a Trade campaign, any kind of a campaign that is possible on the lines of impressing upon the consumers of Canada this thought: Find out whether you cannot get what you want in Canada before you patronize foreign countries. (Hear, hear and loud applause.) If you cannot get it, there is a reason therefor in your mind. One is that you have a particular fancy for a foreign style or fashion. Chuck it! (Laughter and loud applause.)

I am dead sick of all this Kaiserism and foolish tyranny of fashion. (Laughter and applause.) There are men and women—yes, some of them right here at this table—(laughter)—who would rather buy something made outside the country than buy a thing that was made in Canada, even though the home-made article was much better than could be got outside. (Laughter and applause.) Be men enough and women enough to make fashions of your own—Canadian fashions, and stick to them. (Hear, hear and applause.) If, now, you have a preference for some particular pattern that comes from abroad, sit down and counsel whether, in the interests of this country and the interests of yourself and of those who belong to you, it is not better that you should buy some distinctively Canadian ware or thing which will suit your purpose just as well, of which you can proudly say, "Made by Canadian labor." (Hear, hear.) Let us be loyal to Canada and set the fashions ourselves. (Applause.)

Now I am not going to preach longer upon that theme, but I would like the plea to go as wide as it can, and with as much force as possible. To the manufacturer may I say this: this man does not buy from you, perhaps, because you charge him too much, or because you don't try

to adapt yourself to what he wants. It is a fair thing for the buyer to say, "If I want to buy a thing, I want a thing that suits me, and I would like you, Mr. Manufacturer, to cater a little to my wants and make the article to suit me; study it up a little; don't take the fashions you make from the man that preceded you in the business, your father, your elder brother, or someone else, and say, 'They made it on that line, and I will not vary it at all.'" That is said to be the fault of the Englishman; I hope it is not the fault of the Canadian manufacturer or producer; but if it is, chuck that as well! (Laughter.) Get alongside the man you are catering for, and if you can make the fashion, the style, anything that will suit him better, try to accommodate yourself to that, and then give it to him at a fair price. If you don't do that, you cannot expect the man to sacrifice too much in order to buy in Canada, provided he cannot buy at a fairly reasonable price. (Hear, hear.)

But then I come to the other side, and I say, as a buyer I would rather give a little bit more and have the satisfaction of knowing that the percentage of what is contributed to that product by labor—and it is a large percentage—is kept in our own country and paid for in our own country. I would rather pay a little more to have that done, because that all adds to the general prosperity, and it helps me when the prosperity is greatest in this country, when men are most employed and are doing their best and are at their best. (Hear, hear.) Now, I think I must be pretty nearly through with the time that is at my disposal, but I have at least a word more to say. ("Go on!")

First, the line of least resistance; conquer the Canadian market; that is part of it; then, the next line of least resistance, cultivate the British Empire market. (Hear, hear and applause.) In Great Britain the void left by the prohibition of goods from Germany and Austria is over \$350,000,000. Canada can have a share in this if she goes for it. In every one of the overseas dominions, with the exception of Australia, which I hope will not be an exception for much longer, you have a preferential entrance, and you give them a preferential entrance. The vacuum created by Germany is \$35,000,000 in the markets of the three principal overseas dominions. That is a good thing in itself. I have travelled through most of them, and I have seen the wonderful ingenuity and organization and patience with which the German merchant has put his wares into those countries. I look at them; they differ in some respects from ours, in some respects they do not; but they get into those markets, and to the extent of \$35,000,000 they possessed those markets last year. This year they will not be there, and Canada can go into those markets, and if she works properly can take from one-half to three-quarters of that trade. So I would take the second line of least resistance, and I would put my wares and my propositions before the people of the outside dominions, in every one of which but one we have a preference, and in Great Britain, where we have a sympathetic opportunity.

Then there is South America. South America is a great country now and a greater coming country. But the man who proposes to do trade with South America to-day must be cautious and look before he leaps, because Brazil and Argentina and most of the South American

countries have been more dislocated and disarranged and harmed by the war conditions than we in Canada have any knowledge or experience of. But that does not prevent trade from taking place. Now is the time of opportunity, when the producers of Canada should be looking over the ground in South America and making themselves ready to do the trade just as soon as the necessary adjustments are brought about in the world processes, as they must and can only be brought about in the general line of adjustment that will come to the whole world. There is a splendid market for your industries, and there is a place where I think the greatest study, the most careful and personal study would well repay the producers and merchants of Canada if they would devote themselves to an examination of conditions and possibilities. Other countries come in under similar considerations.

And here let me compliment the Board of Trade upon the very excellent pamphlet which it has just issued and which I have seen for the first time to-day. That pamphlet gives cause for thought and study, it opens up the mind as you study it, and if you have not enough figures in that, just apply to me in Ottawa and I will shower figures down on you in copious abundance, all that you find necessary and all that you can digest. (Laughter.) But there will not be a figure that will come from my Department in Ottawa that is not worth study by you people, who are the merchants and the producers of the Dominion of Canada. You have the data at your hands that requires study, and that study I know you will give them.

Now, a word at the end, as to what we need. What we need is what I think we have plenty of—we need courage, and a will based on courage; courage which has brought Canada to a position which is one of the most creditable things in Canadian progress and Canadian history. The time was when we had a very small industrial development. I have been astonished, and every year I am more astonished, when I visit your exhibitions and go into your establishments to find the varied line of goods on which splendid productive work is being carried out by the manufactures and industries of this country. They compare favorably with many of the countries that are much older and have longer years of skill and of experience.

First, then, let us put on courage and confidence which are well based, and set ourselves to work to face the position and conquer it. A splendid victory lies in the future, but we must trench to get it; we must burrow, make our advances, then conceal ourselves to make another rush forward, and then gain another advanced line. It is war in commerce, much the same as it is on the field of battle. Organization, courage, persistence, the gaining of every step that you can, and the keeping of every step that you gain—that is what makes for the ultimate victory in commercial affairs and in productive affairs, as on the field of battle. Without courage, anything will fail you.

The organization; one word with reference to that. Whatever you may say of the German, he is par excellence the man for organizing and for adjusting in order to gain a place in any market that he attacks. (Hear, hear.) His persistence is almost impossible to be weighed or measured; he never let a market go until he got his foot in



it. In Australia I had the story detailed again and again, how they worked around with brilliant cavalry charges in one way; how they mined and trenched in another way, but always succeeded more or less in getting ahead of the British man of trade and the British producer in the Australian market, in little or in more; he persistently organized, persistently represented, persistently adapted himself to the whims as well as the necessities, until he got into the market, and when he got there it was almost impossible to dislodge him. There are some traits about the Germans that we may very well study and copy in our own commercial and other lines of life. I do not need to press the necessity for organization upon you practical business men; you know it better than I.

Then, as to co-operation; I have spoken about that. I think we all should co-operate—labor, capital, the maker and the consumer as well.

There is no need of my speaking further on the matter of business patriotism. You are conducting that campaign to-day. You who produce are conducting it. The only thing you have to guard against is the suspicion that you are interested parties and looking after your own advantage in advocating the "Made in Canada" doctrine. You will dissipate that in proportion as you give consumers the kind of things they want and make them know and feel that you are satisfied with simply a fair profit and that you want no more than a fair profit upon the money which you have in your industry.

Every time I go into a store, from this time out, I am going to make sure that what I buy is, if it is possible to be got, an article which is made in Canada. (Applause.) If I cannot get one such, I will get one that is made in the British Empire—(hear, hear); and if I cannot get that, then I think I will invent a Canadian fashion of my own, do without the imported article, or get someone to manufacture me something that I want which will be just as good. (Hear, hear and applause.)

Do you need more preaching? (Voices—"Yes," and "Go on!") There are just one or two things that I jotted down here that I would like to say, and I think I will say them, though I know they won't go down well. (Laughter.) There are some things that you ought to stop, that Canada ought to stop, that Governments ought to stop, that Oppositions ought to stop. One thing amongst others, is waste. (Hear, hear and applause.) I have come to the conclusion that there is enough wasted in Canada, absolutely wasted every year, to make a mighty decent profit on the whole out-turn of Canada. (Hear, hear.) The German was a pastmaster in that respect; nothing was wasted. By his chemical processes, his investigations, his adaptations of science to his practical output, everything was utilized from the top to the bottom, and there was no waste. On the farms of this country, what waste! In the houses of this country, what waste! In the shops of this country, what waste! In the manufactures of this country, what waste! I need not labor that; it is a text that we might preach upon for days, and we would not get to the end of it.

The next thing that we ought to stop is extravagance. I feel indeed, that this is even more important. We have been an extravagant

country. Canada has been extravagant. It has had its years of fatness and plenty, and it had grown absolutely extravagant in those years; and I do not mind saying that I think one thing that will come from this war and its burden, and our sacrifice to uphold that burden, is that it will chasten and simplify the people of Canada—(hear, hear); and I think it will not harm the people of Canada at all to be chastened in that way. (Hear, hear.) Extravagance is next door to criminality, and extravagance has certainly been a curse in this country. To-day in the presence of that awful contest which is being waged on those two great war lines, each hundreds of miles in extent, in the face of the forces which are pitted against each other and the struggle which promises to be terribly expensive and costly in human life as well as in human products—in the face of all that, what man in Canada dares waste anything—(hear, hear)—dares indulge in useless extravagance on living or personal pleasure? Nay; not until this war is over and this situation is settled, not until then let us allow ourselves in the least possible degree to gratify our desire for extravagance and for show. (Hear, hear.)

Then, though I speak with bated breath and somewhat with the feeling that it is not necessary to say much about it now, let us stop trying to get rich by speculation. (Hear, hear.) Perhaps it is not necessary to belabor that—(laughter)—because I think the circumstances of the case, the necessities of the position, and those awful banks—(laughter)—have rendered it unnecessary for me to expatiate very much more on that. (Laughter and applause.)

Then my last word is, stop grouching. (Laughter and applause.) In this audience there is no necessity for this admonition, but outside there may be little lingerings of that spirit. Stamp on it. Put it down. Keep each countenance bright, even though affliction is over us and the shadow hangs about us. Let us show that here in Canada our men and our women are of such a fibre that the light of hope shall never fade from their countenances, and that confidence shall never be displaced from their hearts. Let us stop all grouching. Call even your opponent a good fellow if he is at work with his coat off, and help him to do his work. In this way we will cultivate that spirit of hope, of confidence, of optimism, which is, after all, the mainspring of every great endeavor and the base of every sustaining movement in this or any other country.

And let us boast. What? Production. We have been boasting construction too long. It is sufficiently boosted. You have been boasting construction. You wanted an armoury, you must have it. You wanted a new post-office, but didn't get it—(laughter); but you say you must have it. You have been wanting this thing and that thing in the way of construction, and in that furore for constructing channels of business and lines of transport and all the things else which are good as media, we have gone a long way towards forgetting that these constructions are only temples in which the gods are to live—(hear, hear)—and that the temple is no good of itself unless the god is within it; and however much it rears its beauties and its magnificence in every city and port of our dominions, and through and through from coast

to coast, it is no good unless the life-blood is there to flow through it—and the life-blood can come only from production. Let us boost production, whilst we console ourselves that at this particular time we have in fair abundance the mechanism of trade and commerce; that very little, if any, money needs to be borrowed to build factories, railways, or ports. Our ports, our transport systems, our factories are well equipped, widely built and efficient; all we have to do now is to keep them going, and from the sources of production fill in the life-blood which will flood their veins and invigorate and make vital the whole country. Production, production, production everywhere; let us boost production till we come up to the measure and capacity of the mechanism already erected in this country for carrying the results of production.

And now, Mr. Chairman and good friends, one sitting in my eye, figuratively speaking, recalls to me a query put to me to-day—What about the bankers? What are they doing? Well, I invite the co-operation of the bankers. I am not going to say that in the Dominion of Canada for the last twenty-five or thirty years the banking institutions of this country have not been well managed and a credit to the country. (Hear, hear.) I believe they have. (Hear, hear.) I believe this country owes more than it knows to the men—for after all, that is the main thing—who were the soul of the banking business and interests of this country. You may have the best laws, you may have the finest banks, but it is the men within the banks who give them life and vitality, build up the system, and do what is necessary to be done. I believe that the bankers have fulfilled their task in a manner which is a great credit to themselves and to Canada. Unfortunately, or fortunately, I am not in a position to ask a banker for a single dollar of advance, hence I have no interest in this matter for myself, and I have no idea what they would do if I asked them, though I could make a shrewd guess, but what I would urge upon the banking interest is this: "Go as far as you possibly can to help continue every well-based, decent industry that we have in this country. (Loud applause.) If men come to you for speculative schemes, if they want you to get behind them to make goods which may be of value some two or three years from now and carry them in the meantime, I do not think anybody will criticize you if you look at such with a shy eye and turn them down. But just now in the strain and stress in this country for the employment of our working men, for the sake of employment generally, for the sake of those productive interests of which I have been speaking, it is imperative that not a single discouragement be placed by the banks in the way of retaining and maintaining the activities we have at the present time; and I do not believe that the banks will put themselves in any other position than that.

I think I have praised and blamed about all that is necessary to-day, and if you will allow me I will stop right here. (Loud and continued applause.)

J. F. ELLIS, Esq., said: I have a great deal of pleasure in moving a vote of thanks to Sir George for his very optimistic speech this after-

noon. I am sure it is a very difficult matter for any of us, after reading the morning papers, to be optimists; anything that can be said, or any advice that can be given, to make us feel that way we ought to be grateful for. Sir George has given us very good advice, and I am sure we will not forget it. In his remarks he told us not to be wasteful. Now, gentlemen, in one respect Canada is the most wasteful country in the world. The fire loss in Canada is over \$4.00 a year for each man, woman and child; in Austria it is about 40 cents; Four dollars a year saved per capita would be equivalent to \$30,000,000. Gentlemen, don't be wasteful.

I have very great pleasure in moving this vote of thanks to Sir George for this very interesting address. (Applause.)

HUGH BLAIN, Esq.: I very sincerely second the motion of thanks to Sir George, and I would simply say this, that I do not know whether I should congratulate Sir George on his field of effort, or whether I should rather congratulate the people of this country that Sir George occupies the position he does at the present time. (Loud applause.) The man and the conditions are both perfect. (Loud applause.)

The motion was carried amid applause, and

THE CHAIRMAN, addressing Sir George, said: You see the attention with which your address was listened to, you have seen the reception the motion got; I would only add that the Toronto Board of Trade feels deeply indebted to you for your kindness, your goodness in coming up to-day. Your address has been an inspiration. I would like to say that I know personally that the manufacturers of Canada are getting in Canada business that formerly went to Europe—(hear, hear)—and I believe that the business they are now getting they will hold. I liked what you said about the lines of least resistance, because we can do more in our own country than we can abroad. Our customers are nearer, we have a measure of protection, and better than all else, we do know the conditions and requirements of our own country. I was glad to hear what you said about the other parts of the Empire, the dominions where we have a preference; but when we get out into the open and have to fight on even terms with other nations that have lower overhead expenses, that market for the manufacturer is a very difficult one to get. So far as I know the feelings of the Board of Trade, I do not know anything in your address which they would not endorse and with which they do not sympathize. Your address was an inspiration, and we were very fortunate in having you deliver it to us. (Loud applause.)

