

RICHER CANADA MORE PREPARED AS SUPPLY UNIT

Stronger Than in 1914,
Nation Begins War as
Arsenal of the Empire

PROBLEM REALIZED

(Since the last war there has been more rapid development of resources in Canada than in any other belligerent country. In the following article, the first of a series, Canada's contribution behind the front lines is discussed.)

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(Staff Writer, The Globe and Mail.)

Along a greatly extended economic front Canada is moving into action much faster than in 1914.

Twenty-five years ago there was no realization of the long pull ahead. Now it is fully realized that this is a war of a whole people in which every industry and every individual will be engaged.

Then there was a rush to make profits; now there is a public opinion that will not tolerate profiteering and a sober realization that the economic burden of the conflict must be met as far as possible during wartime.

Twenty-five years ago, aside from direct military participation, Britain looked to Canada for bread, but before the end of the conflict this agricultural Dominion had provided over a billion dollars' worth of munitions. This time Canada's role starts as the arsenal of the Empire.

Since 1914 our economic stature has at least doubled and in important fields it has grown many times.

Production of copper is six times greater than in 1914; nickel has grown four times; lead has multiplied twelve times. Gold production, of greater importance now than at any time in our history, has grown from \$16 millions to \$166 millions.

Iron and steel mills, even before the pressure of munition making has started, are equipped to turn out three times the quantities of 1914.

Mining Output Quadrupled.

The mining industry as a whole has quadrupled its production in twenty-five years; Canadian factories show an increase of over 300 per cent; Canadian agriculture, hardest hit of all by the depression of the last ten years, is nevertheless 43 per cent ahead of 1914 levels. Foreign trade has so expanded that our exports have jumped from \$431 millions to \$1,070 millions.

These figures give some idea of the expansion that has taken place along the economic front even after the greatest depression the country has ever known. That depression conditioned industry for the shock of war. It has taken out the flabbiness of boom times and created a more solid base for the wartime regimentation of industry just commencing.

Already industry is employing more than at any time in history before factories have been mobilized for service. But despite this record of industrial development there is still, according to the composite index of the Canadian Bank of Commerce, 21 per cent of current industrial capacity not being used, and in such vital fields as automotive factories only 56 per cent of current capacity was utilized at the end of September.

Industry is already in a position to be of greater service to the allied cause than it was at the end of the last struggle, even though the changeover to munition making is just starting.

Manufacturing of Age.

Since 1914 manufacturing in Canada has come of age. Dwarfed by United States comparisons, we have seldom stopped to realize the importance of Canadian industry on a world basis. Our industrial progress has far outstripped the increase in population from under 8,000,000 to over 11,000,000 in the peace period.

The huge increase in mineral production, so important in war, tells only part of the story. Electric power capacity is another indicator. It has grown from under two million to over eight million horsepower. There was no chemical industry in Canada in 1914. The chemical plants are now working at 90 per cent of current capacity, and are due for rapid enlargement. Electricity is the essential element in modern chemical production.

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Prepared by Riches.

In the depressed economy of the last decade, we have cast only gloomy glances at our abundance. Our very riches have brought our troubles. It is these very riches now which constitute a unique preparation for war.

While industry is swinging into wartime production, these commodity surpluses will be Canada's great contribution to the allied cause.

The great stocks available are at once an assurance of plenty in the midst of war and something equally important, a guarantee there will be no precipitous rise in basic products, and the inevitable wartime rise in the cost of living will be an orderly movement creating the minimum of hardship.

This is the general situation along Canada's economic front as viewed by leading industrialists, financial men and farmers interviewed in the last week. In later articles specific problems of various industries will be discussed. The next article will survey the wheat situation as Canada enters the conflict with bursting granaries.

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