Better Business Ahead Says Beatty And Canada is Ready to Move Forward

Canadian Pacific President Issues His Annual Review of Economic Conditions and the Outlook for Future Development and Progress in this Country.

BETTER business this year, says E. W. Beatty, chairman and president of the Canadian Pacific Railway, in his annual review of Canadian business for 1931. A condensed report of the review is as follows:

Mr. E. W. Beatty, Chairman and President Canadian Pacific Ry.

"Seriously affected by world conditions as Canada may appear to be, there is no country of the same or any thing like the same comparative importance in world affairs that is less affected basically by the conditions that have brought financial disaster to the great nations of Europe and to the United States.

"Economic depression has reached its most pronounced stages in those countries more highly industrialized. Therein lies one of the reasons why Canada has experienced less dislocation than some others, and is in a better position to register a rapid return to normal conditions. Having its economic basis still very largely in the development of raw materials, Canada has less distance to travel along the road to re-establishment, and there are credible reasons for believing we have gone some distance in that direction. Thus we say that to Canada the year 1931 has been one of re-organization and reconstruction.

"The railway situation has moved into recognition as Canada's most imperative domestic problem. Its causes, complexities and possible solution are now being probed by a most competent tribunal the appointment of which at this time was an act of common sense and courage. The Canadian people will present to an interested world renewed evidence of those qualities if they give their confidence to that tribunal and meet its suggested solutions with considerations of economic value unbiased by political color or preconceived prejudice.

"The nation, its various communities, many of its business institutions and no small number of its individuals have in the past ordered their affairs as though the way to enduring prosperity lay through extravagant expenditure with little or no thought of stability of investment or profitable return there- as thus as a nation we are faced with debts that must be paid. I know of no way of meeting them other than by hard work and strict economy. Of wise expenditure leading to the opening up of undeveloped business or lowering of production costs there can be no just criticism at any time, nor should the railways be blamed too carelessly for having looked ahead and prepared their facilities so that future business reasonably assured might be adequately taken care of.

"The Canadian Pacific, for instance, has no apologies to offer for any of the more recent important additions and improvements it has made to its services. The "Empress of Britain", built largely to develop a new class of de luxe American trade for the Canadian route to Europe has justified our best expectations, and up to the end of the world-cruise in April next a reasonably good profit on her operations is assured. The Royal York Hotel at Toronto has also done very well considering existing conditions and the need for such a convenience for the traveling public in that city is just as great now as when the announcement of its building was so enthusiastically hailed. It is upon such forward moves as these that Canadian development must ever be predicated. If the original building of the Canadian Pacific had been held up until existing traffic justified its operation Canadian national development would now be decades behind its present position.

"Over the past year railways have been more adversely affected by the general trade contraction than has any other branch of industry. A 22.1 per cent decrease in Canadian Pacific gross revenue for the first ten months of the year is symptomatic of these conditions. The fact that we were able to effect a 19.1 per cent saving in operating costs over the same period is an evidence of the high standard of efficiency at which the property has been maintained. One direction in which we were not able to make reductions was in that of taxes which will run this year to $7,500,000. Since its incorporation the company has contributed over $121,000,000 to Canada's tax collections. Under adverse conditions of which an unreasonably forced standard of competition was not a small part, the company carried on its services in a manner calculated to retain the confidence of the Canadian people. This is shown by the fact that since September, 1930, the number of its Canadian shareholders has grown from 26,185 to 35,775, an increase of 9,590, bringing the Canadian holdings up to over 46 per cent. of the total number of shareholders.

"It was recently a most encouraging experience to me to go through Western Canada and witness the courageous manner in which westerners are facing the situation. Any idea that the West is giving itself up to self-pity on the score that its future as an agricultural country is doomed should be abandoned forthwith. As a whole that country is not doing too badly, and its people are firm in their well justified knowledge that they are going to do as well as ever in the not too distant future. The most seriously affected area comprises but 20 to 25 per cent. of the West, and over the remainder the conditions are at least fair to good. Great encouragement has resulted from recent advances in wheat prices, and since the statistical position of that grain in world markets is undoubtedly strong, higher prices and a reasonably good demand are not unlikely over the coming year. Intelligent interest in improved methods and lower cost of production as well as in the all-important matter of future diversification of farming is general. This and the fact that Western Canada has again shown that it can produce the world's best in both grain and live-stock is enough guarantee of that country's future. Eastern Canada has no less reason to view its agricultural destiny with confidence. Production and export of live-stock and dairy products have increased and the fruit crops of Ontario and Nova Scotia are meeting with excellent markets abroad.

"An important increase in gold production, some improvement in the demand for lumber, an increase over the year in the volume of tourist traffic, a more satisfactory balance of foreign trade, and latterly a noticeable betterment in many lines of retail business are most encouraging factors in the general situation.

"He would be a bold man who would make any prophesy as to what is going to happen during the coming year. And yet I think it requires neither boldness nor second sight to justify the assumption that 1932 will, as it progresses, show marked improvement upon its predecessor.

"It is an old saying, of recent years brought much into mind, that one thing greatly to be desired is more business in government and less government in business. The period of economic stress has done more to prove the truth of that statement than anything else could have done, and I find that a large and growing number of the Canadian people are accepting that fact as being abundantly established by the course of economic events through which we are passing. Under stress of war necessities it became the government's job to supervise practically everything economic that was carried on. In many cases supervision became actual operation. The natural result was that people and institutions began to look to government for the inspiration and direction which they themselves could have given much better had they carried forward their enterprises on business principles the efficiency of which have been proven through ages of stress and strain.

"The success which attended the flotation of the National Service Loan should be as reassuring to Canadians of the sound basis upon which their economic affairs stand as it has been to the world at large. Readiness with which our people were able to absorb the new bond issue established the fact that a surprisingly large amount of Canada's wealth was in liquid form and that the Canadian people had no hesitation in placing it at the country's service. The Canadian dollar has gone considerably below par in most of the world's money markets, an effect of world conditions which carries its own remedy in that it is calculated to encourage a more favorable balance of foreign trade. It has also contributed as an inducement to manufacturers from other countries to establish factories within our borders. Since August, 1930, approximately 125 new industries from Great Britain and the United States have been organized or are now in the process of organization.

"Ultimate results following upon the recent British elections are likely to be far-reaching in their relation to Canadian economic affairs. Important extension of our trade with Great Britain seems assured, and it may be expected that the holding of the forthcoming Imperial Conference in this country will profoundly influence the course of Canadian economics over the next few years. The Empire will be brought to a new realization of what Canada has to offer in the way of natural resources and opportunity for profitable investment, and the country will step once again into the forefront as a land towards which the most desirable class of immigration and settlement should properly flow."

HOW DID YOU DIE

What is a knock-down? A count of ten,
Which a man may take for a rest.
It will give him a chance to come up again
And do his particular best.
And when you get up call in and win
Show the world how the fur can fly—
It isn't the fact that your fighting that counts—
It's the principle—always high.
You're beaten to earth? Well, well, what's that?
Come up with a smiling face.
It's nothing against you to fall down flat,
But to lie there that's disgrace.
The harder you're thrown, why, the higher you bounce;
Be proud of your blackened eye.
It isn't the fact that you're licked that counts,
It's how did you fight, and why?
And though you be done to death, what then?
If you battled the best you could
If you've played your part in the world of men,
Why, the critic will call it good.
Death comes with a crawl, or comes with a pounce,
And whether he's slow or spry,
It isn't the fact that your dead that counts,
But only, How did you die?

WORLD'S LONGEST FENCE

Australia has the longest fence in the world. It is 1,139 miles in length, and is known as the No. 1 Rabbit Fence of Western Australia. Altogether, the rabbit fences of Western Australia alone extend 2,023 miles and cost over $1,750,000 to erect. They are constantly patrolled by boundary riders.

There is another great fence separating New South Wales from South Australia. It sometimes happens that great rains fall on the side of the fence where there are no rabbits, while a great drought exists on the other side. Then a vast migration begins.

A vast host, hundreds upon hundreds of thousands of rabbits, are on the move. And that is where the six-foot fence, topped with barbed wire, comes in. Along one side of the fence the ground is alive with racing rodents seeking a way through into the country where not as rabbit is to be seen.

Up and down they rush till the sun kills them. They die in hundreds every minute. Emaciated by a hundred-mile trek, famished for water, the fence balks and the sun kills them. They die at the foot of the fence.

Still others arrive in battalions, in divisions, in army corps, as though there was no end to the stream. They die on the top of their dead comrades until there is a swathe of dead rabbits two feet deep and a yard wide, stretching perhaps for fifty miles.

Yet in spite of this terrific death rate, the rabbit population of Australia remains a menace, for every doe gives birth to from four to seven rabbits every nine weeks, and her daughters when they are nine weeks old begin to breed with like regularity. Drought and the great fences keep them from over-running the whole continent.

A KNIGHTLESS CANADA

With the death of Sir George Foster, the band of Canadian knights is growing less. There was a time when there was a long array of titled gentlemen on the front benches of the House of Commons, and the Senate had a fair sprinkling. With the death of Sir George Sir Alan Aylesworth is the only survivor of the days of knighthood in the Senate, and in the House of Commons there is left but Sir George Perley and Sir Eugene Fiset, former deputy minister of militia. Of Canadian politicians no longer in Parliament those bearing titles are Sir William Mulock, Sir Robert Borden, Sir Thomas White, Sir Henry Drayton and Sir Charles Fitzpatrick. Outside of soldiers, headed by Sir Arthur Currie, who number a half dozen, there are only a few titled Canadians left, including Sir Robert Falconer and Sir Joseph Flavelle. There are also a few barons, the chief being Lord Atholstan and Lord Shaughnessey, who inherited the title from his distinguished father.

It will not be so many years until democratic Canada will be knightless. Occasionally there is a movement to restore titles to Canada, but the likelihood is that the King's New Year's honor list will continue to be without the names of Canadian citizens. The Free Press is in agreement with the general principle that Canada is not a soil to produce titles. However, it does seem right that men who have done something worth while for their country, either in public life, science, education, literature or what not, should be suitably recognized and honored. Why not a sort of Legion of Honor, such as France possesses, but which does not carry with it a title?—London Free Press.

PAT KNEW THE ANSWER

An Irishman was newly employed at a lumber office. The proprietors of the company were young men and decided to have some fun with the new Irish hand. Patrick was duly left in charge of the office with instructions to take all orders which might come in during the absence. Going to a near-by drug store they proceeded to call up the lumber company's office and the following conversation ensued:

"Hello—is this the East Side Lumber Company?"

"Yes, sir. And what would ye be havin'?"

"Take an order, will you?"

"Sure. That's what I'm here fore."

"Please send up a thousand knot holes."

"One thousand knot holes.'

"What's that?"

"Well, now, an' ain't that a bloomin' shame. I'm sorry, but we are just out of them."

"How's that?"

"Just sold them to the new brewery."

"To the brewery? What do they want with them?"

"By golly, an' they use them for bungholes in barrels."

A bob-haired, spanking clad flapper was making her application at the pearly gates, and St. Peter was questioning her.

"What was your occupation?" he inquired.

"Men called me a golddigger" she tittered.

"I'm sorry, but on account of the paving, we can't let you in here."

Hydro Electric System

BEST LIGHT BULBS OF ALL SIZES (Guaranteed)

Orders taken for Ranges

—AND—

Appliances of all Kinds

Office - Town Hall

Progressive Business Men Advertise

New Issue

$25,000,000

Province of Ontario

5½% and 6% Debentures

(Non-callable)

$ 5,000,000 6% Issue, dated February 1, 1932 Due February 1, 1935
$20,000,000 5½% Issue, dated February 1, 1932 Due February 1, 1947

Principal and half-yearly interest (February 1 and August 1) payable in lawful money of Canada, at the office of the Provincial Treasurer in the City of Toronto, or in the Cities of Montreal, Ottawa, Winnipeg, Vancouver, Halifax or Saint John, N.B., at the holder's option. Debentures of the 1935 maturity will be payable at the principal office of The Bank of Nova Scotia in each of the above-mentioned cities and will be issued in the denomination of $1,000; and Debentures of the 1947 maturity will be payable at the principal office of The Bank of Montreal in the above-mentioned cities and will be issued in denominations of $1,000 and $500 Provision will be made for registration as to principal.

Legal Opinion: E. G. Long, K.C., Toronto.

These Debentures are direct obligations of the Province of Ontario, and are payable, principal and interest, out of the Consolidated Revenue Fund of the Province. The proceeds of this issue will be applied in the funding of temporary borrowings for Hydro-Electric Power development and transmission, highways construction and other purposes.

The Province of Ontario is the wealthiest and most populous Province in the Dominion of Canada. Abundance of water powers, excellent railroad and highway transportation facilities and a plentiful supply of raw materials have fostered a steady expansion both industrially and commercially. Ontario leads in mineral production, and in the volume of manufactured products; it ranks first in value of field crops and second in the value of forest products.

We offer these Debentures, if, as and when issued and accepted by us, and subject to approval of Counsel.

It is expected that Debentures in Interim form will be ready for delivery about February 1, 1932.

PRICE: { For the 1935 Maturity 100 and accrued interest, to yield 6.00%.
For the 1947 Maturity 96 and accrued interest, to yield 5.90%.

Bank of Montreal	A. E. Ames & Co. Limited	Wood, Gundy & Company, Limited
The Bank of Nova Scotia	Dominion Securities Corporation, Limited	McLeod, Young, Weir & Co. Limited
The Canadian Bank of Commerce	Fry, Mills, Spence & Co. Limited	Bell, Gouinlock & Co. Limited
The Royal Bank of Canada	Royal Securities Corporation Limited	R. A. Daly & Co. Limited
Imperial Bank of Canada	Harris, Forbes & Company Limited	The National City Company Limited
The Bank of Toronto	Matthews & Company	F. W. Kerr & Co.
The Dominion Bank	Drury & Co	Nesbitt, Thomson & Company, Limited
Hanson Bros. Incorporated	W. C. Pitfield & Company	Dyment, Anderson & Company
Cochran, Murray & Co. Limited	C. H. Burgess & Co. Limited	Flemming, Denton & Co.
Gairdner & Company, Limited	W. L. McKinnon & Co.	J. L. Graham & Company
Midland Securities Corporation Limited	Aird, MacLeod & Company	W. A. Mackenzie & Co. Limited
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This announcement has been compiled by us as matter but are in no event to be construed as representation by us

January 27, 1932.

How Many SALES TRANSACTIONS Do You Need?

An Advertisement addressed to our Local Retailers

It is possible for a retailer to calculate the number of sales transactions required by his business each day, week, month, year. Here's how the calculation can be made:

1. Sum up the estimated operating expenses for the year — the amounts required for rent, wages, delivery, supplies of various sorts, insurance, repairs, losses. Add, also, the net profit which one should have to reward his capital and enterprise.
2. Divide this total by the number of working days in the year—say 306 in order to get the average daily cost of operating one's business.
3. Ascertain the amount of the average sales transactions. (The daily records of individual sales, over a period of a month or so, will enable one to make this calculation).
4. Reckon the amount of gross profit earned on an average sales transaction—30—25—20 per cent.
5. Divide the total average daily expenses by the profit on an average sales transaction.

Thus one gets the number of sales transactions required daily to recover the costs of doing business.

ILLUSTRATION

Suppose that you find that your annual expenses, including a desired net profit, total $4,000, or, say, $13.11 per day; that your average sales transaction is 50 cents, on which the average gross profit, at 25 per cent. would be 14 cents. Then your required number of sales transactions per day would be $13.11 divided by 14, or 94.

Now, to assure an average of 94 sales transactions per day, rain or shine, will require you to be extraordinarily diligent in the matter of attracting customers. Your windows should be made alluring. Your service should be courteous, prompt and pleasing, so as to make customers willing "repeaters." Your range of merchandise should be good, and your prices should be competitive.

But these alone won't suffice to assure 94 sales transactions every day, on an average. You'll have to do a whole lot of inviting. Week by week your invitations to buyers ought to be published in this paper.

If you fail to issue cordial invitations, week by week, then your business is in a state of peril.

N. B.

The accompanying illustrative example makes it clear that a retailer can check up his progress daily. Without a daily measuring of achievement against requirement no business management can be called safe.

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