

# CUNARD ANCHOR ANCHOR-DONALDSON

## REGULAR SERVICES

<b>MONTREAL—GLASGOW</b>		
Aug. 21	Sept. 25	Oct. 30 . . . . . Saturnia
Sept. 11	Oct. 16	Nov. 20 . . . . . Cassandra
<b>N.Y.—GLASGOW (Via Moville)</b>		
Sept. 11	Oct. 9	Nov. 6 . . . . . Columbia
<b>NEW YORK—LIVERPOOL</b>		
Aug. 14	Sept. 11	Oct. 9 . . . . . *K. Aug. Vict.
Aug. 21	Sept. 18	Oct. 16 . . . . . Caronia
Sept. 25	Oct. 23	Nov. 20 . . . . . Carmania
<b>N.Y.—PLY. CHEER &amp; LONDON.</b>		
Oct. 25	Dec. 4	Jan. 8 . . . . . Caronia
<b>N.Y.—CHERBOURG, SOUTHAMPTON</b>		
Aug. 12	Sept. 9	Oct. 7 . . . . . Imperator
Aug. 28	Sept. 22	Oct. 13 . . . . . Aquitania
Sept. 2	Sept. 30	Oct. 18 . . . . . Mauretania
<b>N.Y.—NAPLES, DUBROVNIK AND TRIESTE</b>		
Aug. 28	Sept. 25	Oct. 22 . . . . . Pannonia
*Via Queenstown.		
<b>N.Y., HAMBURG &amp; VANZIG</b>		
Aug. 17	Sept. 14	Oct. 11 . . . . . Calabria

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### A Banker's Survey of Canadian Conditions

(Continued from page 10).

from 30 per cent to 20 per cent during the last four months.

So much for a brief stocktaking. It may perhaps be added that Mr. Edgar Crammond before the Institute of Bankers here, in an analysis of the war's actual cost, recently ventured the estimate that (largely as a result of the war's stimulating effect upon the economic inter-development of the Empire) the Empire's total wealth has risen from about 25,000 millions sterling to 44,000 millions sterling during the last ten years, but this comparison is admittedly confused by the alterations in the value of money.

Just one other important point occurs in a review of recent economic and financial tendencies. During the war and immediately following the conclusion of hostilities, opinion was being frequently canvassed, whether London or New York in the future would be the premier exchange centre. London now inclines to the belief that that question has been definitely answered in its own favor. This belief is based, not only upon a favorable geographical position and upon confidence in an intricate foreign exchange machine, built up by a century's world experience, but also upon definite rejection by the United States of the active roll in international politics, outlined by President Wilson. To a certain extent the assumption is probably sound that political interest and trade activity develop together. Out of this view is crystallizing another—that during the next decade or so, American trade will move mainly Southwards, while Great Britain, acting as focus of Imperial industrial and financial energies, will see its trade given an Eastern orientation over devastated Europe and beyond.

Looking forward and considering how we may best further achieve normality and exploit the many opportunities ahead, the question of deflation immediately looms largest of the immediate matters awaiting attention. A great deal depends upon the right solution of this problem. Given a healthy, energetic population and a growth of production, as war dislocations of labor cease to operate, there appears no good reason why the general economic status of the Empire should not rally, first, to the pre-war level, and then, beyond.

It is the obvious duty of governments and bankers to prevent the fruits of the world's new productive labor being ruined by confusions, arising from currency and credit adjustments. But deflation must be proceeded with. Just as during the war and immediately after it inflation resulted from the creation of currency and credit out of proportion to the amount of goods produced by the world, so now a process of deflation must be

effected, which will reduce the proportion of currency and credits to goods and services, and by re-establishing some sort of equipoise between the two, break the vicious circle of rising prices and wages.

London has already given a lot of attention to the matter. The government has been dealing with it by efforts to reduce the floating debt and by some preliminary cutting down of the paper currency expansion. Bankers, however, have come to realize that considerable danger may attend too vigorous an attack upon the problem from one direction alone. To reduce the disparity between goods and services, on the one hand, and credits and currency on the other, and bring about a healthy parity, may be realized in two ways. One avenue of action is a drastic scaling down of the volume of credit and currency by funding operations and still heavier taxation, and the other is a stimulation of production, until credit and currency superfluities have become absorbed by increased goods and services. Both lines of action may develop together, but emphasis is safer on the latter than on the former, because, whereas too ruthless an adoption of the first alternative might prejudice present revival and future prosperity, the latter partakes of the character of a natural process and does not inconveniently limit the means at our disposal for developing trade and creating the basis of fresh opportunities, which in a few years may yield results astonishing even to ourselves.

The extinguishing of credits and currency lies in many cases with the governments, and will continue to be undertaken with the greatest caution; but the utilization of existing credits to the greatest possible advantage in an Imperial sense provides bankers with their proper occasion, and that the occasion has not found them wanting in vision and resource may perhaps be deduced from the manner in which they have already handled it. Credit is being made available with wise prodigality, where it furthers production, and granted with niggard hands, where it would tend to keep back commodities from markets and the consumer. In a broad sense those are the lines, on which bankers will continue to deal with credits in the future.

### Bank of Montreal

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid-up Capital Stock of this Institution has been declared for the current quarter, payable on and after WEDNESDAY, the FIRST DAY of SEPTEMBER next, to shareholders of record of 31st July, 1920.

By order of the Board,

FREDERICK WILLIAMS-TAYLOR,  
General Manager.

Montreal, 20th July, 1920.

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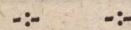
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