

The total wages bill has likewise increased from \$134,375,925 to \$227,508,800, or 69.31 per cent., and the salaries bill from \$30,724,086 to \$60,143,704, an increase of 95.75 per cent.

The value of products in 1915 was \$1,392,516,953, an increase of \$674,164,350 over 1905, or 93.85 per cent.

With regard to the number of employees, which is shown as 511,859 by the 1916 census, it should be pointed out that this figure is for the date December 15, 1915, when the number in certain classes of establishments is low, whereas the figure for 1906, namely, 392,530 is an average for the whole year. In the final publication of results the number of employees in each month of 1916 will be shown and an average computed, and the period of maximum and minimum employment in each class of industry indicated.

War Trade.

In order to measure the extent to which manufacturing Canada was affected by the war during 1915, each manufacturer was asked in making his return to separate

such products of his establishment as he had reason to believe were destined for war purposes, whether supplied directly or indirectly, from those entering into the general trade. It will be seen from the following table that the total value of goods manufactured for war purposes, actually completed and delivered during 1915, amounted to \$130,466,307, a total which it is expected will be increased by several millions in the final return.

War Trade in Manufactures, 1915.

Groups.	Value of war trade.
1. Food products	\$ 5,789,354
2. Textiles	23,319,659
3. Iron and steel products	34,094,867
4. Timber and lumber and their re-manufactures..	3,471,792
5. Leather and its finished products	13,159,261
6. Paper and printing	63,853
7. Liquors and beverages	19,358
8. Chemicals and allied products	8,519,735
9. Clay, glass and stone products	82,168
10. Metal and metal products other than iron & steel	9,837,013
11. Tobacco and its manufactures	127,686
12. Vehicles for land transportation	16,955,562
13. Vessels for water transportation	2,471,489
14. Miscellaneous industries	12,554,510
Total	\$130,466,307

BRITISH LOAN IN UNITED STATES

Convertible Feature is Attractive — Canadian Securities as Collateral

Great Britain's third loan in the United States is meeting with an excellent reception. As noted in *The Monetary Times* last week, the issue is one of \$250,000,000 secured convertible gold notes of the government of the United Kingdom of Great Britain and Ireland. The notes are dated February 1, 1917, and bear interest at the rate of 5½ per cent. per annum, payable semi-annually, and to mature \$100,000,000 February 1, 1918, and \$150,000,000 February 1, 1919. The one-year notes are offered at 99.52 and interest, and the two-year notes at 99.07 and interest, netting the investor about 6 per cent. in both cases. The loan of \$300,000,000 put out in October last netted the investor 5¾ per cent. for the three-year notes and 5.85 per cent. for the five-year obligations.

First Convertible Loan.

This is the first time that a secured foreign loan has been offered in the United States, which is also convertible into long-time obligations.

As an additional attraction to investors, it is provided that the notes may be converted at the option of the holder, at any time before maturity, or (if called for earlier redemption) at any time until and including the date of such redemption, into 20-year 5½ per cent. bonds of the United Kingdom of Great Britain and Ireland, payable February 1, 1937, and not subject to prior redemption. Both principal and interest of the notes, and of the bonds into which the notes may be converted, are to be payable without deduction for any British taxes, present or future, and are to be payable either in New York, in United States gold coin, or, at the option of the holder, in London, in sterling, at the fixed rate of exchange of \$4.86½ to the pound. Each maturity is to be subject to redemption in whole or in part, at the option of the government, upon 30 days' notice at a premium of 1 per cent. for each year (or any part) of unexpired life of such maturity, but, if so called for redemption, may be converted into the 20-year 5½ per cent. bonds, as stated above, at any time up to the date of redemption.

Division of Collateral.

The notes are to be secured ratably by the pledge with the Bankers Trust Company, New York, of certain bonds, stocks and other securities, pursuant to a pledge agreement to be executed and delivered by the government to the trust company. The pledged securities, which are to be approved by J. P. Morgan and Company, are to have a value of at least \$300,000,000, calculated on the basis of prevailing market prices, sterling securities being valued in dollars based on the prevailing rate of exchange. The pledged securities are to be as follows:—

Group I. Stocks, bonds and other securities of American municipalities and corporations (including, among the corporations, the Canadian Pacific Railway Company) and bonds and other obligations (either as maker or guarantor) of the government of the Dominion of Canada, the Colony of Newfoundland and provinces of the Dominion of Canada, and approved Canadian municipalities: aggregate value not less than \$150,000,000

(Of the foregoing there will be somewhat over \$100,000,000 in value in the securities of cities and corporations of the United States and of the Canadian Pacific Railway Company.)

Group II. Bonds and other obligations (either as maker or guarantor) of any or all of the several following governments; to wit: Argentina, Chile, Cuba, Commonwealth of Australia, Egypt, Japan, New Zealand and Union of South Africa, and bonds and other obligations of approved railways in Argentina and of the Grand Trunk Railway Company of Canada, and approximately \$25,000,000 value in bonds and other obligations of dividend-paying British railway companies: aggregate value not less than 150,000,000

Total \$300,000,000

Attractions of Issue.

This issue, as explained by Messrs. Kissel, Kinnicutt and Company, New York, in a circular, combines the advantages of a high-grade, high-yield, one or two-year investment, with the greater possibilities of profit of a long-time bond, carrying a high rate of interest, issued by a government, whose bonds have for 100 years been regarded as the premier investment security of the world. In addition, the issue is secured by collateral having a market value 20 per cent. in excess of the debt.

At the outbreak of the war British Consols were selling on a 3½ per cent. basis, and even to-day the price yields less than 4.70 per cent. Subscriptions to the "Loan of Victory" (5 per cent. issue at 95) are now being received in England, and the total, while not announced, is very large. A 5½ per cent. 20-year bond would be worth:—

106.275 on a 5 % basis	116.73 on a 4¼ % basis
109.61 on a 4¾ % basis	120.52 on a 4 % basis
113.10 on a 4½ % basis	128.60 on a 3½ % basis

As to the possibility of an advance in price of this kind, the record of French government 5 per cent. bonds is important. In 1870 France sold 5's at 82½, and in 1872 at 84½. These issues advanced in price as follows:—

1874 to 100	1878 to 116
1875 to 106	1880 to 120.85