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MARKETING THE CROPS.

The demand expressed at a Calgary meeting this week that the Canadian Government, acting in conjunction with the Imperial authorities or independently, should purchase the wheat crop of Canada in its entirety, looks like another naïf Western attempt to stir up local prosperity at the expense of the other fellow. The motive lying behind the meeting's demand was given away by one of the speakers in a remark that "of course, there is the important question of price, but I feel certain that the Imperial government would see that the farmer got a reasonable price." That is to say, the Imperial Government is expected to come across handsomely without being much concerned about what price it pays, just to oblige the West.

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The thing is so transparent that it is likely to deceive nobody. The Calgary speakers talked largely about prosperity and one of them rather pettishly asked, if the country was to lose its promised prosperity now when it seemed within grasp. The desire thus expressed, to take advantage of the mother country at this present time, does not suggest a very high standard of patriotism. In any case, nobody with any knowledge has ever told the westerners that the mere growing and selling of this year's wheat crop would bring back prosperity to Western Canada. Everybody who thinks at all must know that the West has got a long row to hoe, like the rest of us, before anything like old-time prosperity comes back. To expect that one year's crops grown under war conditions will do the trick is merely childish. The best that this year's crops will do is to enable the westerners to pay off some of their liabilities and accumulate reserves. Such a development will not mean a new boom but it will mean the substantial strengthening of western conditions.

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Probably within a short time of the arrival of Sir Robert Borden from England the result of his

consultations with the Imperial authorities regarding the handling and disposal of this year's crops will be made known. With the huge bulk of our exportable surplus that is promised coming forward, there would very probably be a distinct decline in prices. Whether tentative arrangements for the reservation of the Canadian crop for Imperial purposes has been made is not known. If such are made, however, it is to be hoped that the Canadian Government will do nothing on the question of price that would suggest a desire to take advantage of the mother country's need. Not only, as the *Financial Post* says, would such a procedure be ill-becoming, but it would undoubtedly be remembered against us and prejudice larger interests at a later date.

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In regard to the problem of transportation, there is good reason to believe that this is being quietly but effectively dealt with and that, when the time comes, ocean tonnage will not be lacking. Under present conditions, the depreciation in sterling exchange seriously affects the grain business. It may be presumed, however, the British authorities will not allow this matter to drift much longer but that arrangements will be made which will ensure fairly normal conditions before the real rush of grain business begins.

FURTHER SLUMP IN STERLING EXCHANGE.

Sterling exchange at New York moved sharply downward to new low record levels this week. The limit was reached on Wednesday when a low point of \$4.50 was recorded from which, however, there was a quick but irregular rally, the closing being at \$4.54. Yesterday, sterling further improved to \$4.62½. A certain amount of speculation seems to have been in evidence and possibly accounts for the wild moves. At all events leading banking interests are apparently not over-anxious in regard to developments, although some irritation is felt in New York, that British authorities have apparently delayed so long in taking in hand a situation the trend of which was obvious weeks ago. On the other hand, it is stated in London that steps are being quietly taken to cope with the situation in a way which will bring about a settlement satisfactory to both sides of the Atlantic. The whereabouts of the proposed British financial mission to New York has not yet been disclosed and it is not even known whether or not the members of it have yet left London.

As showing the trade movements which are the cause of the present depreciation in sterling and other European exchange, it is stated that exports of merchandise to the United Kingdom from New York during the month of July aggregated over \$407,000,000, compared with \$13,500,000 the same month last year. The July exports to France amounted to \$34,500,000, compared with \$3,900,000 a year ago. The exports to Italy increased from \$2,000,000 to over \$7,000,000, and those to Russia increased from about \$1,500,000 to over \$18,000,000. On the other hand, Europe's exports to the United States have greatly decreased.