

DOMINION CURRENCY.

EARLY in January, following the publication of the usual Government returns in the Canada Gazette, the charge was made by leading financial journals and other newspapers that there has been, since the outbreak of the war and since the special session of Parliament in August, an over-issue of some thirty-four million dollars beyond the amount authorized by parliament.

Among the measures adopted at the special session in August was one to add \$20,000,000 to the amount of Dominion notes which the Government were authorized to issue against a reserve of twenty-five per-cent of gold. The former limit of \$30,000,000 established some years ago was thus increased to \$50,000,000. This increase of twenty millions in the note circulation called for the placing of only five millions in the gold reserve, and thus gave the Government fifteen millions additional for their various purposes.

Financial statements of this nature are not easily understood and their real meaning is not readily to be grasped by the man in the street, but the charge is made that the Government statement and the last bank statement now show that the actual increase in note circulation aggregates some \$48,000,000.

On January 12, Hon. W. T. White, Minister of Finance, took cognizance of the criticism made and issued the following statement which was given out for general publication:

"Hon. Mr. White stated to-day that, apart from notes issued against securities, gold to the amount of sixty-two per cent. was held against the remaining outstanding circulation. It was not until 1902 that the percentage of gold so held rose to sixty per cent. Dominion notes aggregating about twenty-five million dollars have been issued since August, chiefly against the deposit of Dominion, Dominion-guaranteed, and municipal securities. Any necessary legislation confirmatory of the action of the Governor in Council in exceeding the legally authorized note issue will be obtained at the coming session of Parliament, as was done in 1908 following an authorization in 1907 of an excess issue of ten million dollars.

In Great Britain, said Mr. White, the Imperial Government has issued since the war broke out currency notes to an amount as high as \$270,000,000 while the United States, between August 1, and October 31, issued \$360,000,000 of "emergency currency." The Canadian situation is exceptionally strong, and there is no sign of redundancy of circulation, he said."

There is no comment to be made on this statement of the Minister of Finance beyond the fact that it gives no real explanation.

DIARY OF THE MONDAY.

1914.

December.

- 1 LUNENBURG (N. S.) CONSERVATIVES, in Convention at Bridgewater, endorse candidature of Dr. DUGALD STEWART, M. P.
- 2 MAJOR THOMAS BEATTIE, M. P., for London, Ont., died at London.
- ANNUAL MEETING of LIBERAL ASSOCIATION of HALIFAX (Nova Scotia).
- 3 CARLETON-VICTORIA (N. B.) CONSERVATIVES, in Convention at Woodstock, nominate HON. J. K. FLEMMING, former Premier of New Brunswick.
- 4 NEW BRUNSWICK PROVINCIAL LIBERAL ASSOCIATION, meeting at Fredericton, choose HON. C. W. ROBINSON as Provincial Leader.
FRANK BARNARD, Ex-M. P. for Victoria, B. C., appointed LIEUTENANT GOVERNOR of BRITISH COLUMBIA.
- 7 PROVINCIAL BY-ELECTION in DUNDAS, Ont., caused by death of Premier Whitney, results in election of Irwin Hilliard, (Con.) Conservative majority reduced from 673 in June 1914, to 76.
INVERNESS (N. S.) CONSERVATIVES, in Convention at Inverness, nominate Thomas Gallant.
- 8 NORTH HURON (Ont.) LIBERALS in convention at Wingham, nominate ARCH. HISLOP, former M.P.P.
- 10 CONSERVATIVE CONVENTION at Sydney, N. S., nominates JOHN C. DOUGLAS for CAPE BRETON SOUTH and ROBERT H. BUTTS for RICHMOND.
HON. J. K. FLEMMING formally resigns Premiership of New Brunswick and Lieut. Gov. Wood calls on Hon. GEO. J. CLARKE to form new Government.
KING'S COUNTY, (N. S.) LIBERALS, annual meeting, election of officers, etc., addressed by SIR FREDERICK BORDEN, Mr. E. M. MACDONALD and others.
- 11 QU'APPELLE (Sask.) LIBERALS in Convention at Wolseley, nominate LEVI THOMPSON of Wolseley.
- 12 MONTREAL REFORM CLUB addressed by SIR WILFRID LAURIER.
- 16 ALBERTA FEDERAL LIBERAL ASSOCIATION, in general meeting at Calgary, fixes dates for nomination conventions throughout Province of Alberta during month of January.
SENATOR ROBERT JAFFRAY died at Toronto.
- 16 LETHBRIDGE (Alta.) CONSERVATIVES, in convention at Lethbridge, nominate W. S. BALL.
- 17 HANTS COUNTY (N. S.) LIBERALS in Convention at Windsor, nominate L. H. MARTELL of Windsor,
- 17 GRENVILLE (Ont.) CONSERVATIVES in convention, addressed by Hon. Dr. REID.
KING'S COUNTY (P. E. I.) CONSERVATIVES in convention at Georgetown, nominate A. L. FRASER.
- 21 LAST MOUNTAIN (Sask.) LIBERALS, in convention at Nokomis, nominate J. FRED. JOHNSTON of Bladworth, Sask.
- 22 SENATOR J. N. KIRCHHOFFER (Brandon, Man.) died at Ottawa.
- 27 CARLETON COUNTY (N. B.) LIBERALS in convention at Woodstock, nominate ROBT. L. SIMS to contest provincial by-election caused by resignation of Hon. J. K. Flemming, former Premier.
- 29 LIBERAL CONVENTION at Sydney, N. S., nominates W. F. CARROLL, M. P., for CAPE BRETON SOUTH and G. W. KYTE, M.P. for RICHMOND.
ANNAPOLIS (N. S.) CONSERVATIVES, in convention at Bridgetown, elect officers and endorse A. L. DAVIDSON, M. P.

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