INTERESTING INFORMATION
FOR
Earners, Savers and Investors

Industry, Thrift, Banking, Insurance, Investments

THRIFT

BY R. C. MacKNIGHT.

Since the beginning of the war we have heard and read a great deal about Thrift. What a giant it is when nation-wide, and what a heavenly blessing to the individual, and there is no doubt that if this war teaches Canada Thrift our future as a nation is made. Many think Thrift is meanness, miserliness, hoarding, that Thrift may give a man savings certificates of various kinds, but he will lose his friends. The miser loses the love of his children and dies bemoaning the parting from his hoard, but he is not thrifty—by no means. Thrift does not sacrifice the person to possession, the life to livelihood, the national loss of many to the gain of the few.

Family thrift and resulting savings, is a great blessing, but it is not thrift if done at the expense of the mother's health or the children's physical or educational development. Savings at the expense of a group is thriftless, but it is thrifty to respect the human rights of the individual members. Forethought is necessary, and its exercise is a privilege which will pay dividends.

The Thrift instinct is heaven-born, and strange though it is, the creatures we call inferior have this in generous measure. If the instinct was not powerful, the wild things in our country would be destroyed by the elements in a short time. Think of the squirrel—doesn't this thrifty little fellow suggest something to you? The thrifty man lays aside a store against the day of adversity or declining years, and when the time comes, he has his own resources to rely upon. Think of the improvident man and his wasted opportunities. But Thrift also means more than the conservation of dollars and cents. It means the proper development of manhood and womanhood to the fullest usefulness and realization of responsibility to himself and the state. Thrift will help a man realize the importance of an independent spirit personally and economically for the stability of our state.

The United States has been termed a Nation of Wasters and Spenders. Are Canadians any better? Do the 2,000,000 people of Western Ontario realize that a saving of ten cents a day, exclusive of Sundays, for each person would amount without interest to $62,600,000 in a year? The people of Western Ontario can by Thrift, help very materially to win the war. There is no doubt of this, and furthermore by the cultivation of this great social asset, the people will carry, without hardship, the taxes that are not mentioned or thought much of now, but will be the cause for much public discussion in years to come.

The immediate consideration is, however, to win the war. Thrift is essential to success. The finance minister is reported to have said that if Canada can furnish the credits, we will get five hundred million dollars' worth of munition orders from the United Kingdom. In addition to this he mentioned our own large war expenditure, and emphasized clearly the fact that only by increased production and economy in expenditures could we obtain the necessary money. "The policy I recommend, therefore, is one of national saving and investment of these savings in national securities."

Western Ontario is, in our estimation, able to invest annually, a sum that will be astonishing. The purchasing power of this choice section of Canada which has been accumulating surplus assets for years, is enormous. By application and the cultivation of Thrift, large sums can be annually conserved. Waste of any kind is criminal in these times. Furthermore, from coast to coast a large percentage of our people have been living beyond their means continually, and the day is at hand when great effort should be made to have an anchor to the windward. This means more work, more production of essentials only, more economy in living, and the saving of a substantial surplus.

Thrift in the individual is important, but when this develops gradually into Thrift for the nation, the results become amazing, magnificent. Thrift and savings by the people will mean increasing amounts which our banks can lend the Imperial Government for munition purchases, so that our manufacturers may get cash payment, which is in turn distributed through the workers to all lines of business, and only by thrift and forethought will it be conserved for future credits through the banks. Thrift will mean increasing purchases in Canada of our annual issue of municipal bonds, and in this way minimize the annual addition to our debt to foreign countries, and prevent to larger and larger extent the annual drain of interest payments which is already very large. When we consider our foreign indebtedness which has been estimated as $4,000,000,000 to Great Britain, and about $1,000,000,000 to the United States, we are forced to the conclusion that our population of 9,000,000 odd is too small. We must have immigration, and at least 1,000,000 a year, otherwise how are we to liquidate our debts and pay our large war expenses, our new loans, our pensions, after the war? Our taxes will be enormous because of our debts. The enormous demands for our foodstuffs and munitions will cease after the war. We must have tens of thousands more workers to attack our immense resources and produce wealth to carry our taxes. Extravagance among our people now is suicidal, and not patriotic. Let every man who has the interest of Canada at heart, live and preach Thrift. It is a national duty.

The situation cannot be better summed up than the following from the monthly letter of the Canadian Bank of Commerce under the caption of National Finance: "The estimated expenditure upon war account for the fiscal year ending March 31st, 1918, is $433,274,000, as compared with an expenditure of $216,901,822 up to January 20 of the current fiscal year. This sum has been provided by loans, and by the very substantial credit balance on Consolidated Revenue account. The Minister of Finance has obtained the sanction of Parliament to borrow $100,000,000 for further requirements, and has intimated that it will be necessary to borrow for war purposes during the coming year $250,000,000 apart from the sums required to establish imperial credits in Canada. Up to the present time $116,000,000 has been advanced through the Imperial Munitions Board, and $34,000,000 will shortly be advanced for this purpose, or $150,000,000 in all.

During January, the minister arranged to offer to the public War Savings Certificates in denominations of $25, $50 and $100, maturing in three years, and issued at $21.50, $43 and $86, respectively. Up to the end of January 5,000 applications have been received, totaling $400,000. To the first war loan 25,000 individual subscriptions were received, to the second 30,000, and it is hoped that the interest aroused by the issue of these certificates will lead to a more general participation in national loans. The great possibilities in this direction are evidenced by the lavishness so obvious in domestic and personal expenditures. It is of great importance that the war debt should be assumed to as large an extent as possible by the people of the Dominion itself, that no apology is needed reiterating the necessity of real personal sacrifice to attain this end. The Premier of Great Britain in speaking upon this question on January 18th, said:

"Men and women—the first charge—the first charge—upon all surplus money over your needs for yourselves and your children, should be to help those gallant young men of ours who have tendered their lives for the cause of humanity. (Cheers.) The more we get, the surer of victory. The more we get, the shorter the war. The more we get, the less it will cost in treasure, and the greatest treasure of all, brave blood. The more we give, the more the nation will gain. You will enrich it by your contributions—by your sacrifices. Extravagance—I want to bring this home to every man and woman—extravagance during the war costs blood—costs blood. And what blood? Valiant blood—the blood of heroes. It would be worth millions to save one of them. (Cheers.) A big loan will save myriads of them; help them not merely to win; help them to come home to shout for the victory which they have won. (Cheers.) It means better equipment for our troops. It means better equipment for the Allies as well, and this—and I say it now for the fiftieth, if not the hundredth time—is a war of equipment. That is why we are appealing for your subscriptions. But what we can do, it is our duty, it is our pride to do."

The Du Pont Powder Company, Wilmington, Del., earned $82,000,000 net for the year 1916.

The prices of American securities seem to be well within the safety level, and, according to Bache's Review, there are many remarkable opportunities for investors of courage.

One-hundred-dollar bonds are becoming very popular and are meeting with wide distribution. In many instances $1,000 bonds have dropped in price, while orders could not be filled for $100 bonds at near the $1,000-bond price.

On December 30, 1916, our twenty-two Canadian banks held Canadian municipal securities, and British, foreign and colonial public securities other than Canadian, in the amount of $167,578,788. Railway and other bonds, debentures and stocks, $64,107,540.

AN IMPORTANT NEW INDUSTRY.

The "British Cattle Supply Company, Limited," with head office in Toronto, has been incorporated under Dominion charter with a capital stock of $2,500,000 dollars. The business of the company will be to carry on by wholesale or otherwise purchasing, shipping, producers of, and dealers in, livestock of every kind, and livestock products.

WEIGHTY QUALIFICATIONS FOR A YOUNG MAN SEEKING A POSITION.

A few days since, upon walking into the office of one of our principal merchants, I found him looking with a puzzled expression over a number of letters and papers.

"These are answers to an advertisement for a reliable young man," he explained. "Here is one that is peculiar. It may interest you. This applicant states that he has saved enough money since leaving college to buy a $500 bond, and also carries an insurance policy for $5,000. Why do you suppose he mentions these facts?"

"It is the best recommendation that he could possibly give you," I said.

"Why?"

"For many reasons, some of which are the following: First, that he is industrious and frugal, and has learned to save his money; secondly, before he could secure a policy with a first-class insurance company it was necessary for him to be physically sound, which is evidence that to a certain extent he is also morally sound. He must be free from hereditary diseases and injurious habits. His ancestors must have attained at least an average longevity—the best evidence of vital force in him. Moreover, from a social standpoint, it is an indication of unselfishness, economy, caution and foresight. It shows confidence in his ability to earn more than is necessary merely for his support. What better recommendation could you desire? All these other testimonials are open to the suspicion, at least, of partiality or personal motives."

"Well," said he, "this is to me a new way to look at an insurance policy, but I believe it is the correct view to take of it."