

CONTRACTION IN GOVERNMENT EXPENDITURES

The contraction in government expenditures from \$900,000,000 for the fiscal year ending 31st March last, to \$537,000,000 for the current year, will have far-reaching effects upon business. This reduction is due to the practical completion of demobilization, for which \$350,000,000 was provided last year, whereas for the present year \$38,000,000 only is required. Any supplementary provision for further expenditure is not likely to be on a generous scale, if the evident paring of ordinary appropriations may be taken as evidence of Parliament's determination to keep as far as possible within the limits of the revenue from taxation and other ordinary resources.

Further public borrowing for purposes that do not actually increase the nation's capacity for effective production will add to the burden of the annual tax-bill, which must be substantially increased if ordinary expenditure is to be met by current revenue. The estimated expenditures for the current year, amounting to \$537,000,000, include fixed charges of \$159,743,511, of which \$142,281,000 is required for charges on the public debt, as compared with \$14,000,000 for the fiscal year ending in 1914. Last year's borrowings added \$35,000,000 to fixed charges, in the form of interest. For government services \$281,000,000 is required and for capital expenditures \$97,000,000. Excluding capital expenditures, the sum of \$440,000,000 will be required, or \$82,000,000 more than the estimated revenue for the current year, and to meet capital expenditures the government will again have to resort to borrowing on a considerable scale.

During this year and next it is quite obvious that the distribution of government moneys within the Dominion will be on a rapidly diminishing scale. During the war and since its close, in order to meet the resulting obligations, it was necessary that the government should make large demands on the public in the form of loans and taxes, and the distribution of these moneys has created and sustained a phenomenal demand for goods, which cannot be expected to continue unless the resulting purchasing power is replaced by funds derived from trade and production. Perforce the large borrowings of the government had to be made in Canada and this is a fortunate circumstance, as the major portion of the present year's interest bill will be paid to Canadians, and this will add to the funds available for re-investment. The advancing rates of interest which capital now commands will not only encourage re-investment, but will tend to restrict borrowing to sound commercial purposes and to necessary public ones. This latter tendency

is now evident and provinces, municipalities and industries are all wholesomely cautious in entering upon capital expenditures.

RETIREMENT OF MR. ROGER OWEN

We are officially informed that Mr. E. Roger Owen, after a long business career, has expressed a desire to retire from the position of general manager of the Commercial Union Assurance Co., Ltd.

Mr. Owen will become a member of the board, and will act as chairman for the year commencing July 1 next.

He will be succeeded by Mr. T. M. E. Armstrong, now manager of the Ocean Accident and Guarantee Corporation, and Mr. Joseph Powell, now deputy-manager of the "Commercial Union," who will act jointly as general manager, with Mr. Henry Mann as deputy-general manager.

Mr. Dewhirst, now assistant secretary of the "Ocean," will be appointed in Mr. Mann's place as secretary.

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NATIONAL LIFE ASSURANCE CO.

Mr. A. J. Ralston Becomes President.

At a meeting of the Board of Directors held on the 6th inst., Mr. Albert J. Ralston was elected President of The National Life Assurance Company of Canada, succeeding the late President, Mr. Elias Rogers, whose death occurred recently.

Mr. Ralston assumed the office of General Manager of the Company sixteen years ago. Two years later he became Managing Director, and on the death of the Hon. J. J. Foy, who has then First Vice-President, Mr. Ralston still retains the Managing Directorship of the Company.

Mr. George W. Beardmore, who has been a Director of the Company since its inception and for the past few years Second Vice-President, has been elected First Vice-President, succeeding Mr. Ralston in that office.

Under Mr. Ralston's direction The National Life has grown to be one of the leading Canadian life insurance companies having at the present time nearly \$30,000,000.00 of insurance in force.

The vacancy on the Board of Directors of The National Life has been filled by the election of Mr. A. H. Beaton.

Mr. Frederick Sparling, who has been Secretary of the Company for the past twenty-two years has been appointed Assistant General Manager and Secretary, and Mr. Wm. C. Wait, for eighteen years, accountant of The National Life has been appointed Assistant Secretary.