

\$20,000,000 to over \$113,000,000—a growth of \$93,000,000.

As has before been pointed out, this heaping up of funds was by no means entirely due to trade recession in Canada. The flotation of new Canadian securities abroad accounted largely, both for the reduction in current business loans at home and for the accumulating of ready resources. This is strikingly evidenced by the trend of various banking items during the recent months of gradual trade recovery. While current loans in Canada increased by over \$20,000,000 during the three months ending May 30, there was no cessation of the growth in funds held abroad.

And the monthly bank statements furnish other evidence that increased foreign assets have originated largely in resources obtained abroad. The growth is largely confined to institutions which play an important part in connection with Canadian borrowings abroad. And the increase in assets has accompanied a very considerable growth in foreign deposits. Indeed, while total assets abroad have grown by something under \$22,000,000 in the five months, liabilities of one sort and another have increased by almost \$13,500,000—making the gain in net assets abroad about \$8,500,000. Evidently, therefore, recent British and foreign capital obtained by Canadian municipalities and corporations has largely augmented the funds held by the banks abroad. Both for ordinary and for crop-moving requirements the Canadian banks would seem just now to be amply prepared. But harvest-time demands upon the banks are likely to be larger this year than ever before. And there are those who think that these, combined with increasing commercial requirements in the early autumn, will necessitate considerable recourse to special bank-note circulation privileges. Time will tell, when it knows.



THE IMPERIAL PRESS CONFERENCE.

Though the Imperial Press Conference may prove barren in tangible results, it will have justified its existence. Firstly, by the interest it has undoubtedly reawakened in Imperial questions generally, and secondly, by the fact that the delegates themselves, drawn from the furthest confines of the Empire, cannot fail to have been impressed with the reality, not only of the difficulty of England's present position in Europe, but also by the immensity of the increasing financial burden the upkeep of her navy necessitates.

The subject of the organization of the Empire's naval and military resources, the aid each colony shall give and the form it shall take is one bristling with difficulty. Presumably it will be thoroughly threshed out at the Imperial Defence

Conference, of which the Press Conference may be regarded as a sort of prelude. But the Naval Review at Portsmouth was something more than a picnic, and as the ships composing the fleet were passed in turn, the thoughtful onlooker could not but realize the magnitude of capital outlay involved and the necessity for assistance of a material kind, if the race for naval armaments continues at its present pace.

In fact the Imperial Government seems to have been at especial pains to demonstrate in as practical a fashion as possible the nature of the problems it is called upon to solve, and by this demonstration gain the sympathetic interest of its visitors. Opinions may differ as to the wisdom or efficacy of the domestic policy pursued by the present Government, but there is no doubt that such schemes as Old Age Pensions and other like measures constitute a serious annual charge and that taxation in consequence is going up by leaps and bounds. Add to the cost of these domestic experiments, a steadily increasing naval vote and it is obvious that the Chancellor of the Exchequer must be hard put to it to meet his financial obligations. That being so, and the safety of the Empire as a whole being admittedly dependant on the efficiency and strength of the Navy, then the object lesson at Portsmouth was possessed of a very real value, the results of which will undoubtedly become apparent after the return of the delegates.

It is to be regretted, however, that this awakening of interest in things Imperial should only come in waves and not be consistently maintained. This is possibly in part due to the natural tendency of a portion of the Press to devote little space to the chronicling of Imperial news. A proper understanding of the complex problems that go to mould the national policy pursued by the various Colonial Governments can only be gained by careful and intelligent study, and if the necessary information does not appear in the local Press, then the average man will remain in a state of ignorance and cannot be expected to evince any peculiar interest in the relations of the Mother Country with the rest of the Empire; he will in fact view affairs from a purely local standpoint. It must also be remembered, that in the Dominion there is an increasing population, alien by original nationality and speech, who, no matter how undoubted their loyalty to the British flag, must be forgiven if they lack enthusiasm when they find that their pockets may be touched for contributions towards an end, the full significance of which they are unable to comprehend.

Hence this Imperial spirit is one that must be carefully fostered, and generously, by the Press, if it is to be productive of permanent results and prove a lasting benefit. The importance of cheaper