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SOBER OPTIMISM.

The interview given out by Hon. W. T. White, minister of finance, on his return from England, is a notably sane and restrained expression of opinion on the present circumstances of world-finance and their action upon Canadian conditions. Mr. White shows himself in his interview as neither a booster nor a pessimist; he sees things clearly and whole. While, he says, the wild-cat real estate man and the company promoter with the fraudulent prospectus have done a certain amount of damage to Canadian credit in London, the English financiers fully recognising that in such a period of development as that which Canada is now experiencing, that sort of thing is inevitable to a certain extent, do not exaggerate the importance of these gentlemen's activities, and in the Minister's confident opinion, Canada will continue to find in London capital adequate for the requirements of legitimate enterprise and undertakings. This opinion is in line with the view which has been consistently maintained by more than one shrewd observer of financial developments and also in these columns. It has been too much the fashion in some quarters during recent months to mistake temporary for permanent circumstances and to take a vision not much beyond the length of one's nose. Nobody who has had any experience of the English investor in his own haunts was likely to take very seriously the columns of stuff which the cable correspondents have been sending across during recent months to inform us that the English investor had definitely got tired of Canada; that he was in mortal fear that an unholy smash of all things was coming in Canada at once; that owing to the action of the Senate over the naval bill, Canada stank in the patriotic Englishman's nostrils; that the said Englishman would henceforth show his displeasure by not lending us any more and leaving someone else to develop this new home of the brave and land of the free. And so on and so forth. John Bull with money to invest is not exactly built these ways. He may be a bit slow in waking up to opportunities (*vide* countless consular trade reports), but

when he does see a bargain he holds on to it like grim death. He knows too that in the Canadian investment market there are bargains and lots of them. And an occasional sour lemon, or the action of a Senate which represents nobody in particular except itself, is not going to put him off entirely the hunt for good ripe fruit.

Private advices we received a few days ago from a London correspondent, whose position in the English financial world entitles his opinion to respect, come to this in brief:—In London at the present time there is a great amount of accumulated capital; not all of it is ready for investment, but much of it is. Canadian flotations have every chance of success provided that they are handled rightly and issued at the right price. The right price, to which our correspondent refers, means the paying of a higher rate for funds than some of our borrowers were accustomed to pay two or three years ago, though probably enough not more than they can afford to pay. At the same time it would also seem that some of our financiers must be prepared to give considerably more information in their prospectuses issued in London, than they have been accustomed to publishing hitherto. A good many recent Canadian prospectuses have been much more conspicuous for what they do not say than for what they do say. It seems almost as if some of our people wanted to sell the English investor a pig in a poke, judging by the small amount of information they give about the securities they offer. It is not necessary to publish things like trade secrets broadcast in a prospectus, but it ought to be possible to give enough information to enable the prospective purchaser to judge of what he is buying. This particular point is a constant source of irritation to financial critics in London, and to remove the grounds for their criticism would undoubtedly do a great deal to further popularise Canadian investments there. We may very well be soberly optimistic about prospects for future borrowings in London, but that is no reason why reasonable precautions to ensure the success of our flotations should be neglected.