

ADVICE FROM CALGARY BANKER

Put Home Interests First—Money for Commercial Needs and Crop Transportation

"Canadian banks are doing business as usual," stated Mr. C. G. K. Nourse, manager of the Bank of Commerce, at Calgary, "and I firmly believe that every legitimate demand for carrying on commercial transactions in Calgary will be properly cared for."

There is no doubt whatever that the banks will scrutinize more carefully all requests for accommodation, and it may be taken for granted that all loans which are required for real estate, oil or other speculative purposes will be turned down.

While the European situation is bad, Mr. Nourse does not think there is any need for pessimism, since the Canadian banks are in a strong position, enabling them to meet conditions. The government have strengthened their position by making all Canadian bank bills legal tender. Consequently there is money to be had for all bona fide business concerns.

Supply of Money for Crops.

Mr. Nourse said, for moving the crop, the banks were prepared to loan as liberally as in any previous year. For this purpose, so important to the country, there would be a supply of money.

When presiding at a meeting of retail merchants, Mr. Nourse remarked:—"The bankers should use their best efforts to keep interest rates down. No Canadian bank has yet attempted to take advantage of the situation and to raise its rates. Then they should see that lenient measures are taken toward obligants. There are lots of good men who are willing to pay but who cannot pay. Not only bankers, but wholesalers as well, might well refrain from issuing writs, except in exceptional cases. It is a difficult and delicate matter, but we might all get together and declare a voluntary moratorium for the man who is willing to pay but can't. It would assist matters in Calgary."

Calgary First.

"Another important thing is that of encouraging buying at home, of patronizing Calgary industries, Calgary factories, Calgary stores. It is an old, old campaign, but it was never more important than it is now, this campaign for Calgary first. It should readily be accepted by the people at the present time."

GOLD RESERVES OF BANKS

In reply to a question in the British house of commons as to what were the estimated amounts, stated in pounds sterling, of the gold reserves held by the Bank of England, the Bank of France, the Imperial Bank of St. Petersburg and the Reichsbank of Germany, respectively, at the beginning of January and the beginning of July of each of the years 1911, 1912, 1913 and 1914, Mr. Lloyd George replied that he had no official information in regard to the gold reserves of the foreign banks referred to in the question. The figures (compiled as regards these banks from general sources of information) are:—

	Bank of England.	Bank of France.	Bank of Russia.	Reichs- bank.
	£	£	£	£
Jan., 1911...	31,048,000	130,149,000	121,893,000	33,052,000
July, 1911...	38,729,000	127,843,000	126,889,000	42,141,000
Jan., 1912...	33,635,000	127,156,000	124,647,000	36,388,000
July, 1912...	38,924,000	130,366,000	130,228,000	45,175,000
Jan., 1913...	30,377,000	127,639,000	131,681,000	38,833,000
July, 1913...	35,452,000	132,618,000	141,870,000	54,975,000
Jan., 1914...	36,019,000	140,307,000	151,468,000	58,498,000
July, 1914...	38,476,000	162,307,000	159,748,000	66,555,000

The figures for the Bank of England exclude gold coin in the banking department (which is not shown separately in the returns) and those for the Bank of Russia exclude balances held abroad by that bank. In any comparison of the figures it is, of course, necessary to bear in mind the great differences between the banking and currency systems of the respective countries.

FINANCING TORONTO HARBOR IMPROVEMENT

Revenue Shows Increase—Bond Issue Sold in States—Anticipated Heavy Expenditures

Toronto's harbor commissioners net revenue for the year 1913, exclusive of receipts from the sale of debentures, insurance payments and other items balanced by contra accounts, amounted to \$68,679, of which sum \$56,384 was received in rentals, \$8,593 in harbor dues, \$2,513 from the public dock, \$615 bank interest and \$572 being interest on debentures on deposit with the Bank of Toronto. This revenue shows an increase of \$12,222 over the revenue of 1912, the greater portion of this amounting to \$8,763, being an increase in rentals received.

The expenditures on revenue account during the year amounted to \$27,264, leaving a balance of \$40,819.

Revenue will be Small.

During the years 1912 and 1913 various expenditures on capital account were made out of revenue as no provision has been made for finances to meet the capital expenditures. A careful account was kept of all such expenditures, and upon the sale of the first issue of bonds the amount of \$70,847 was transferred from capital to revenue account to repair the deficiency thus created. It was necessary that the revenue account should be carefully safeguarded as of necessity during the first two or three years of operation heavy capital expenditures will have to be met before any large revenue can be looked for, and the interest of the bonds issued for the purpose of meeting these capital expenditures will have to be met out of the revenue account.

The expenditure on capital account during the year 1913 amounted to \$149,821.

Debentures and Investment.

A debenture issue of \$1,500,000 was sold to Messrs. Wm. A. Read and Company, of New York City, the price realized being 89½ with accrued interest, the sale netting the commissioners \$1,342,500, and the accrued interest up to the date of the delivery of the last block of bonds amounted to \$18,214. As the largest portion of this money would not be needed until the work was well under way arrangements were made with the Toronto General Trusts Corporation and the National Trust Company, under which almost the entire amount received from the sale of bonds was placed with these companies for investment on their guaranteed plan. Under this plan the companies used the money for investment only in certain prescribed securities paying interest to the commissioners for the use of it at 5 per cent. per annum, and guaranteeing the return of the principal by a certain date. In this way the commissioners were assured of sufficient capital to commence operations, and at the same time were at but little loss by reason of having the money lying idle in the bank.

Contracts were Let.

Such substantial progress was made during 1913 in the preparation of detail working plans and the completion of arrangements for the letting of contracts and starting the actual work, states Mr. A. C. Lewis, secretary to the commissioners, in his report, that a contract was made for the dredging operations under the commissioners' jurisdiction which provides for the filling of the industrial district and reclamation of other lands at a minimum cost of \$3,950,000, and an option to increase the amount of dredging at the same unit price per cubic yard, at the will of the commissioners, up to an amount not to exceed a total cost of \$6,320,000. At the same time the government let a contract for the construction of a breakwater extending from Woodbine Avenue to the eastern channel on the eastern lake front, the construction of a breakwater extending from the western channel to the Humber River on the western lake front, and the construction and dredging of the ship channel in the industrial district, the total contract calling for an expenditure of \$5,371,372.

The government has also undertaken the construction of lift bridges across the eastern and western entrances to the harbor, and across the ship channel in the industrial district.

It is our fault if we do not try to do business. The British navy is doing its part to help us.