

... THE ...

# Molsons BANK

Paid-up Capital . . . \$4,000,000  
Reserve Fund . . . \$4,800,000

HEAD OFFICE : MONTREAL

## COLLECTIONS

Collections may be made through this Bank in all parts of the Dominion, and in every part of the Civilized World through our Agents and Correspondents, and returns promptly remitted at lowest rates of exchange.

COMMERCIAL LETTERS OF CREDIT AND TRAVELLERS' CIRCULAR LETTERS issued, available in all parts of the World.

Edward C. Pratt, General Manager.

THE

## Royal Bank of Canada

Incorporated 1869

Capital Authorized - - - \$25,000,000  
Capital Paid up - - - \$11,820,000  
Reserve Funds - - - \$13,236,000  
Total Assets - - - \$236,000,000

HEAD OFFICE: MONTREAL

SIR HERBERT S. HOLT, President  
F. I. PEASE, Vice-President and Managing Director  
C. E. NEILL, General Manager

320 Branches in CANADA and NEWFOUNDLAND; 44 Branches CUBA, PORTO RICO, DOMINICAN REPUBLIC COSTA RICA and BRITISH WEST INDIES

LONDON, Eng. NEW YORK  
Princes Street, E. C. Cor. William and Cedar Street

SAVINGS DEPARTMENTS at all Branches

## NEW WAR CREDIT ANNOUNCED.

Further munition orders for Canada are forecasted by the announcement that a further war credit of \$50,000,000 has been established in Canada for the purpose of financing purchases by the Imperial Government of munitions and supplies in Canada. This brings the total of such credits up to \$200,000,000, the first fifty millions having been set aside from the proceeds of the first domestic war loan.

The new credit was decided upon, last week, at a meeting of the Minister of Finance and representatives of the chartered banks. The Minister also discussed with the bankers the importance of encouraging thrift throughout the Dominion, and their co-operation was enlisted towards that end. At Sir Thomas White's request, a committee of the Bankers' Association will be appointed to discuss with him a new security which can be taken up by people of slender means. It is evident that there is a great desire among Canadians to invest their funds for war purposes and a means will be provided whereby savings in small amounts may be placed at the disposal of the Government for war purposes.

## Correspondence

### SAVINGS BANK DEPOSITS AND WAR LOANS

To the Editor, JOURNAL OF COMMERCE:

The article in your issue of 19th September, under the caption "Savings Bank Deposits," discussing the war loan presently under issue, prompts me to ask a few questions. I was present at the opening of tenders for a block of \$400,000 City of Quebec 5% bonds this spring, when over twenty tenders were received, among them seven or eight from American financial houses and bids ranged from 98.40 to 99.20. Unless I have been badly informed the Province of Quebec received par for a 5% issue about 15 months ago, and several Canadian cities secured funds in the United States since the outbreak of the war on equally advantageous terms. It would be interesting to at least one of your readers if you would print in tabulated form the figures of the bond sales of the Provinces, more particularly Quebec, Manitoba, and Ontario, and the cities, such as Montreal, Quebec, Ottawa, Toronto, Winnipeg and Vancouver during this period. Will you then kindly tell whether my impression that our Canadian National loans have cost more than Provincial and Municipal loans over the same period is correct, and if so, why?

Why should it be necessary to urge the Canadian people to find funds for war loans, when by an act of Parliament two per cent debentures or bonds could be made "legal tender" at par, printed on good strong paper in compact form, with coupons attached, of say \$100 denomination, and paid out by the Ottawa administration in settlement of war supplies, and could have passed from holder to holder as ordinary bank notes do? Such debentures with a ten years maturity would be as different from ordinary bank notes in the character of obligation as demand and time notes issued by private individuals or corporations. One can, of course, understand that the power of Parliament could make such notes "legal tender" only within the confines of the Dominion, and for the purpose of balancing exchange on the excess imports from the United States it would be necessary to sell issues there in the ordinary way, and obtain the cash at competitive prices. Such "internal" debentures as I suggest would not affect the obligation totals, and cannot be objected to from that standpoint. Surely it will not be contended that such a procedure will affect our international credit, because our outside creditors can only be concerned with the amount of our obligations, and not with the rate of interest or the manner in which internal credit is obtained. What could be the objection? It would take care of the abnormal requirements produced by the war, and leave the resources of the Canadian chartered banks free for the handling of the ordinary business of the country. Would it not be an advantage to the common people to have a larger medium of exchange?—Simple Simon.

### THE SEED GRAIN INCUBUS.

Ottawa is at last beginning to sit up and take notice in the middle brought about by a mishandling of needed seed grain and relief distribution in 1914-15, and by its non-collection, says the "Grain-Trade News and Live Stock Journal" of Winnipeg. Out of well on to \$14,000,000 advanced to farmers of Saskatchewan and Alberta \$2,500,000, or less has been repaid — and nearly an additional \$1,000,000 has been accumulated by way of interest. Meantime prior liens taken by the government are interfering with the security of thousands of first mortgages.

Recently a conference was called by the Calgary board of trade, at which were present accredited representatives of farming, municipal, commercial, railway and loaning interests, as well as Dominion government officials. A unanimous resolution was passed, urging that western farmers who had not discharged their seed grain indebtedness should be given until June 30, 1917, to pay up, and that after that date the holder of the mortgages on their property might pay off the lien which the government now has against the land and add the amount to the mortgage at the named amount of interest. It was emphasized by President Wood, of the United Farmers of Alberta, that neglect to repay their indebtedness was injurious to the credit of the farmers generally.

The issue of the town of Grand-Mere, Que., for \$100,000, 5½ per cent, thirty-year bonds, has been sold to Rene Leclerc, Montreal.

THE

## BANK OF BRITISH NORTH AMERICA

Established in 1836  
Incorporated by Royal Charter in 1840.

Paid up Capital . . . \$4,866,666.66  
Reserve Fund . . . \$3,017,333.33

Head Office: 5 Gracechurch Street, London  
Head Office in Canada: St. James St.  
Montreal

H. B. MACKENZIE, General Manager

Advisory Committee in Montreal:

SIR HERBERT B. AMES, M. P.

W. R. MILLER, Esq. W. R. MACINNES, Esq.

This Bank has Branches in all the principal Cities of Canada, including Dawson City (Y.T.), and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.

Agents for the Colonial Bank, West Indies. Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

SAVINGS DEPARTMENT AT ALL BRANCHES

G. B. GERRARD, Manager, Montreal Branch

### A FAMOUS VICTORY.

It was a summer evening,  
Old Bethmann's beer was done,  
And he, before the sandy shore,  
Was sitting in the sun,  
Instructing—for the hundredth time—  
His grandson, Fritz von Hoggenheim.

"Twas where the German ocean rears  
Its crests of snowy foam,  
We met and beat the British Fleet,  
And then retreated home,  
We bolted like the deuce," says he,  
"After that famous victory."

"When things were looking very blue  
A shoreward course we shaped;  
We lost about a score of ships,  
But all the rest escaped,  
And, in unconquerable pride,  
Made for a port in which to hide.

"A world of human pity filled  
Our noble Admiral's mind,  
And so he broke the action off  
And left the foe behind.  
We always act like that," said he,  
"After that famous victory."

"In our communiques we made  
No indiscreet remark,  
For we had cautiously resolved  
To keep our losses dark;  
A course invariably applied  
By people on the winning side.

"And, after that, the beaten foe  
Blockaded all our ports,  
And ran us short of meat and bread,  
And goods of various sorts.  
Such things as this must always be  
After a famous victory."

"But why did we allow them to?"  
The artless Fritz inquired.  
"Because they had so strong a fleet  
They did as they desired.  
Such cruel things must always be  
While brutal Britain rules the sea."

"But, Grandpapa," said little Fritz,  
"If we had really won,  
Why did not Prussia rule the sea,  
As Britain once had done?"  
"Oh, shut your silly mouth!" said he,  
"It was a famous victory."  
—Horace Wyatt in the London Chronicle.

### \$1,000,000 TO PATRIOTIC FUND.

One million dollars, or about one-half the amount raised by the Province of Ontario through the extra tax of one mill on the dollar, has been granted to the Patriotic Fund. This is about one-sixth the estimated need of the Province for 1917.

Imp

Capital  
Reserve

P

E

Hea

A Ban

i

Drafts,

of C

th

Savings

119 Bran

THE

HEA

SIR ED

W. MA

C. A.

The

THE

7

Conducts

change B

handling

Canada.

BAN

He

CAPITA  
CAPITA  
SURPLU

THE

OF

Branch

Chief Of

Bonaven

Hochelag

Mont Ro

The Sul

Commerce