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CANADIAN TRADE.

Any nervousness generated by the comparatively unfavorable trade returns for the month of April, should be dissipated by the satisfactory character of the May returns, which figures are of a nature to confirm confidence in the Dominion's ability to maintain the outward flow of commodities in volume sufficient both to pay for our imports and to take care of our interest obligations. As was suggested at the time, the April trade results of an excess of imports over exports, appear as an incident resulting from shipping difficulties. With the re-opening of inland navigation, there was a tremendous forward movement of food-stuffs, which with the continued sending forward of munitions resulted in the total exports of domestic produce during May attaining the highest figures at which they have ever been reported. Their aggregate was \$149,057,236 compared with \$94,653,000 in May, 1916. Of this aggregate, the exports of agricultural produce account for no less than \$71,793,023 against \$47,433,750 in the corresponding month of last year. How much of this rise is due to a real increase in quantities exported and how much to increase in values, is a matter for argument. The probabilities are that a considerable proportion of it is due to rise in values. Exports of manufactures, which include munitions, also show very high figures for May, their total of \$52,949,625 comparing with \$27,734,477 in May, 1916. Exports of animal products were \$11,376,808 against \$6,287,620, exports under other headings showing comparatively little change from the figures of last year.

Imports during the month were \$107,596,379, the May balance of exports over imports being accordingly \$41,460,857. For the five months of the current year to the end of May, exports reached \$503,948,640, against \$379,821,000 in the corresponding five months of 1916, and imports, \$437,093,617 against \$283,705,000, the balance of exports over imports for the five months being accordingly \$66,855,023. The balance for the corresponding five months of 1916 was \$96,116,000, the poor showings made in February and April of this year having served to keep down considerably the 1917 balance so far of Canada's exports over imports.

The importance of an excess of Canadian exports over imports at this time develops from financial conditions, as a result of which not only is it impossible for Canada to borrow in the British or American money markets, but the banks are obliged to carry very large amounts of British Treasury

bills for a protracted period. Moreover, the period during which this war financing will have to be continued is still of an indefinite length.

GETTING TOGETHER IN THE WEST.

An interesting reference in the presidential address to the Alberta Mortgage Loans' Association, by Mr. William Toole, of the Canada Life, in regard to the work accomplished, through the Joint Committee of Commerce and Agriculture, in bringing together the Western farmer in close association with commercial and financial interests, calls attention to a phase of Western development which is distinctly hopeful. The change in tendency during recent months, in provincial legislation affecting the mortgage companies and other financial institutions is undoubtedly a reflection of the better spirit of co-operation which has been quietly engendered in conference. Mr. Toole claims with justice that the reputable lending institutions have at times suffered in reputation on account of the actions of individual mortgagees who insist on usurious rates and are not backward in taking advantage of mortgagors' misfortunes. Cases of this kind, fortunately few in number, have, of course, been given great publicity but the publicity has not been shared by the cases of leniency and consideration, "which form part of the daily routine of every large lending office in the country." Speaking from an experience of twenty-eight years, Mr. Toole testified that the absolute confidence of the large lending institutions in the future of Western Canada and their knowledge of the ability and integrity of the farmers to "make good" enabled the extension of credit which has been one of the greatest factors in the development of the country—credit which in the form of mortgage loans outstanding in the three prairie provinces now aggregates over \$300,000,000. Obviously, any further marked development of the West depends upon the further willing co-operation of lenders, and given reasonable legislation, that co-operation will undoubtedly be extended. In the best interests of the prairie provinces, it is to be hoped that the period of class legislation antagonistic to lenders of funds has come to a final close, through realization of its unfairness, as well as experience of its untoward results in checking the continued distribution of capital to farmers who are in need of it.

NEW DIRECTORS OF THE BANK OF MONTREAL

Mr. G. B. Fraser, head of the firm of Greenshields Limited, wholesale dry goods, and Mr. H. W. Beauchler, a director of Peter Lyall & Sons Construction Company, Limited, etc., and a son-in-law of Lord Shaughnessy, have been elected directors of the Bank of Montreal, in succession to the late Mr. E. B. Greenshields and Sir William Macdonald.

PROBLEMS OF THE WAR FINANCE.

(Continued from front page.)

can be getting sufficiently back to the stage of production to affect their economic position, and especially their position in the matter of international trade balances. There is a good deal of difference between this serious suggestion and the haphazard, individualistic scramble for capital of pre-war times.