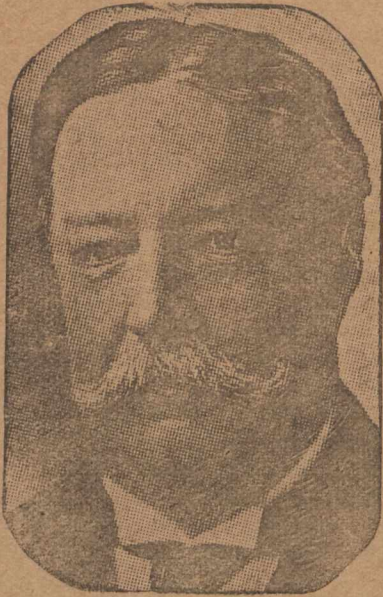


Mentioned in Despatches



WILLIAM HOWARD, TAFT, ex-President of the United States, who visited Canada last week, lecturing before the Empire Club, at Toronto, and other places.

HON. OCTAVIUS H. LAMBERT, a son of the eighth Earl of Cavan, and uncle of the present holder of the title, died in Ottawa on Saturday, in his 65th year. He came to Canada with his father in the seventies and settled in Ottawa. He married a daughter of the late Hiram E. Howard, of Buffalo, N.Y., who survives him.

THE HONORABLE GEO. BRYSON, President of the Bank of Ottawa, which has been taken over by the Bank of Nova Scotia is a well known figure in the lumbering industry. He was born at Fort Coulogne in 1852, educated at Toronto and then entered the lumber business. He is a member of the Legislative Council of the Province of Quebec.

MEDERIC MARTIN who has been mayor of Montreal for three terms and claims that he is going to make it a life job, has secured another prominent post. He is now the Honorable Mederic Martin, having been made a member of the Legislative Council of this province. The Honorable Mederic Martin is a native of this city and as a young man worked as cigar maker, and still boasts of his union card in the Cigar Makers' Union.

CAPTAIN "BOB" PEARSON, member of the Alberta Legislature, who passed through here on his way home a few days ago gave some further facts regarding the last days of Nurse Edith Cavell, is a Methodist minister. He was well known as a football player at the University of Toronto, then studied for the ministry and went West. At the outbreak of the war he joined as a combatant and was elected by the soldiers' vote as a member of the Alberta Legislature.

CHARLES R. BROWN, financial and news editor of the New York Journal of Commerce and Commercial Bulletin, died recently at his home in Tenafly, N.J.

Born 55 years ago in Warrington, England, Mr. Brown came to the United States in 1871. In 1885 he joined the staff of the New York Commercial Bulletin, later the Journal of Commerce and Commercial Bulletin. For the last 30 years he has been the New York correspondent of the London Financial News, and lately became a financial writer for the Commercial and Financial Chronicle, of New York.

D. M. FINNIE, General Manager of the Bank of Ottawa comes from the land of bankers, having been born in Scotland in 1849. After banking experience in the Old Country he came to Canada and was associated with the Bank of British North America, later he joined the Bank of Ottawa and worked his way up to the General Managership.

H. A. RICHARDSON, General Manager of the Bank of Nova Scotia has occupied that post for the past ten years. He is a careful conservative banker, being regarded as one of the ablest banking men in the Dominion. Although the head office of the Bank of Nova Scotia is nominally listed as Halifax, Mr. Richardson makes his headquarters in Toronto.

FREDERICK A. DUNEKA, vice-president and general manager of Harper and Brothers, publishers, of New York, died at his home in Summit, N.J., on Friday last. Before joining Harper and Brothers nearly twenty years ago, he was city editor of the New York World. The manuscripts of many noted literary men and women, including those of Mark Twain, passed through his hands.

CHARLES ARCHIBALD, president of the Bank of Nova Scotia was elected to that post a year ago, but had been Vice-President and Director for a great many years. He is President of the Camaquay Electric Traction Co., a director of the Demerara Electric Tramway Co., and of the Trinidad Electric Co., and also identified with a number of Maritime Province institutions. He was born in North Sydney in 1845.

Reconstruction in Britain

(Concluded from page 4).

not be wise to build. We must direct our efforts to that end. Instead of blindly multiplying credit, with the result that prices rise, speculation becomes rampant, and "profiteering" is encouraged, to be followed by an inevitable reaction, our object should be to direct the use of capital into those channels in which it can best be used to the national advantage. It is for this reason that I personally would deprecate the provision of credit facilities by the State. A Government Department is not a body which is fitted for lending money. It would not have, and, without long apprenticeship, could not acquire the necessary experience. To give every holder of War Loan or War Bonds the opportunity of obtaining credit from a Government Department would be to encourage speculation and further inflation. The provision of credit should be left to the banks, who are in the position to judge of the requirements of their customers, and who are fitted by long training to sift the applications with which they will have to deal."

Since these words were written, the Interim Report of the Committee on Currency and Foreign Exchanges after the War has been published. This Committee consisted, as you know, of a number of our leading bankers and merchants with the Cambridge Professor of Political Economy and the Secretary to the Treasury, sitting under the Chairmanship of Lord Cunliffe, and its report is unanimous. It is, therefore, a document which cannot but carry great weight, and I think there are few bankers who will not whole-heartedly agree with its main theses.

"If a sound monetary position is to be re-established," says this report, "and the gold standard to be effectively maintained, it is in our judgment essential that Government borrowings should cease at the earliest possible moment after the war. A large part of the credit expansion arises, as we have shown, from the fact that the expenditure of the Government during the war has exceeded the amounts which they have been able to raise by taxation or by loans from the actual savings of the people. They have been obliged, therefore, to obtain money through the creation of credits by the Bank of England and by the Joint Stock Banks, with the result that the growth of purchasing power has exceeded that of purchasable goods and services. As we have already shown, the continuous issue of uncovered currency notes is inevitable in such circumstances. This credit expansion (which is necessarily accompanied by an ever-growing foreign indebtedness), cannot continue after the war without seriously threatening our gold reserves and, indeed, our national solvency.

"A primary condition of the restoration of a sound credit position is the repayment of a large portion of the enormous amount of Government securities now held by the banks. It is essential that as soon as possible the State should not only live within

its income, but should begin to reduce its indebtedness. We accordingly recommend that at the earliest possible moment an adequate sinking fund should be provided out of revenue, so that there may be a regular annual reduction of capital liabilities, more especially those which constitute the floating debt. We should remark that it is of the utmost importance that such repayment of debt should not be offset by fresh borrowings for capital expenditure. We are aware that immediately after the war there will be strong pressure for capital expenditure by the State in many forms for reconstruction purposes. But it is essential to the restoration of an effective gold standard that the money for such expenditure should not be provided by the creation of new credit, and that in so far as such expenditure is undertaken at all, it should be undertaken with great caution. The necessity of providing for our indispensable supplies of food and raw materials from abroad and for arrears of repairs to manufacturing plant and the transport system at home will limit the savings available for new capital expenditure for a considerable period. This caution is particularly applicable to far-reaching programmes of housing and other development schemes.

"The shortage of real capital must be made good by genuine savings. It cannot be met by the creation of fresh purchasing power in the form of bank advances to the Government or to manufacturers under Government guarantee or otherwise, and any resort to such expedients can only aggravate the evil and retard, possibly for generations, the recovery of the country from the losses sustained during the war."

I commend these words to your earnest consideration. There is no royal road back to prosperity. As a nation we have perforce been living the life of the spendthrift during the past four years and more. To get back the old prosperity we must produce more and save more. Work and thrift must be our watchword.

And we must not be content with aspiring to get back to the position as it was before the war. We must start with new aspirations and fresh hopes. Let me quote from the recent report of the Master of Balliol's Committee on Industrial and Social Conditions in relation to Adult Education: "No one can doubt that we are at a turning point in our national history. A new era has come upon us. We cannot stand still. We cannot return to the old ways, the old abuses, the old stupidities. As with our international relations, so with the relations of classes and individuals inside our own nation, if they do not henceforth get better they must get worse, and that means moving towards an abyss. It is in our power to make the new era one of such progress as to repay us even for the immeasurable cost, the price in lives lost, in manhood crippled, and in homes desolated."