

ONE THOUSAND MILLION POUNDS

That Amount Will Be Invested Here Within Fifteen Years, When Our Population Will Have Doubled

In an address to the political science students of the University of Toronto last week, Sir George Paish stated that one-quarter of the wealth of England lies in all the great cities and countries of the world, but mainly it lies in Canada. Britain has £500,000,000 invested in this Dominion, which gives to her in turn an income of £20,000,000. But Britain must increase her income in order to allow the maintenance of her increasing population. "England," declared Sir George, "is not a rich country. Then how can she supply all this capital if she is poor, it may be asked. It is due to the fact that we are normal human beings. We in England, looking to the future, set aside a certain portion of our possessions and earnings. This invested capital does not come from accumulated wealth. Out of an income of £2,400,000,000, there is a saving of £400,000,000."

Should Help to Increase Capital.

One-third of the population of the British Isles does not receive an income sufficient to keep it in bare necessities. This condition must be improved upon in the next generation; every man in the country should be doing something and having something to increase the capital of the country.

The speaker then turned to Canada's duties to the motherland. Out of the British Isles has come the capital for the great Canadian railroads, and in the current year the amount will be in excess of all previous investments, totalling nearly £60,000,000. Canada, besides owing £100,000,000 to the United States, owes £500,000,000 to Britain—in all \$3,000,000,000. Now Canada must begin to pay interest on this sum. With increased agricultural products the Dominion will be able to justify the faith which England has shown in thus financing her.

Must Pay Interest.

"We have trusted Canadians," said Sir George. "We realized that they are our kinsmen and have a national sense of honor; and so we lent on practically a 4 per cent. basis. Had Canada been outside the empire this would not have been done. Over 5 per cent. is charged on the very considerable sums invested in the Argentine Republic and elsewhere. If we have trusted you, you must keep your trust. If we have openly speculated we should have no right to demand this; but this is gilt-edged money, and you must justify the character which has been ascribed to you."

Looking to the Future.

In answer to a doubt expressed by Professor Lloyd, of the political science department of the university, that a country which lends may be poorer than a country which borrows, Sir George showed how the income of Great Britain, an essentially lending country, is £7,000,000,000, divided amongst 46 millions of people, while that of the United States, a borrowing country, is only £2,400,000,000 divided amongst 96 millions.

Sir George completed his speech with the remark that in 15 years over 1,000 million pounds will be invested in Canada, and that the population of the country will in that time be doubled.

DEBENTURES AWARDED

- Dryden, Ont.**—\$5,000 15 years, to Messrs. G. A. Stimson & Company, Toronto.
- Yorkton, Sask.**—\$16,000 7 per cent., to Messrs. Wood, Gundy & Company, Toronto.
- Prince Albert S.D.**—\$26,000 6 per cent. 30 years, to Messrs. Morton, Bartling & Company, Prince Albert.
- Port Stanley, Ont.**—\$10,000 30 years, \$3,449 5 years debentures, to Messrs. W. L. McKinnon & Company, Toronto.
- Saltfleet, Sask.**—\$1,400 8 per cent. 10 years, to Messrs. H. O'Hara & Company, Toronto.
- Elkwood, Man.**—\$1,500 6 per cent. 10 years, to Messrs. H. O'Hara & Company, Toronto.
- Pittville, Sask.**—\$1,900 8 per cent. 10 years, to Messrs. H. O'Hara & Company, Toronto.
- Bickleigh, Sask.**—\$1,800 8 per cent. 10 years, to Messrs. H. O'Hara & Company, Toronto.
- Cornwall, Ont.**—\$32,476 6 per cent. 30 years, to Messrs. A. E. Ames & Company, Toronto.
- Solsgirth S.D., Man.**—\$5,000 6 per cent. 20 years, to Messrs. H. O'Hara & Company, Toronto.
- Duck Lake, Sask.**—\$11,000 6 per cent. 20 years, to Messrs. H. O'Hara & Company, Toronto.
- Perth County, Ont.**—\$51,000 5 per cent. 10 years, to Messrs. H. O'Hara & Company, Toronto.
- Bruce County, Ont.**—\$20,000 5 per cent. 20 years, to Messrs. Browse, Mitchell & Company, Toronto.

BUSINESS MEN MUST BE CAUTIOUS

So Advises a Leading Authority in Canada—Productive Power

To the Canadian Club at Toronto last week, Sir George Paish reminded his audience that with the completion of the lines now under construction, Canada would have by 1915, 35,000 miles of railway, a vast machine which would enable the people to increase their production and help them to pay the interest on their indebtedness. The farming, mining and other industries should then make very great progress. The burden of interest would become light until the country would be justified in going ahead again with railway construction and importing still more capital.

"With regard to the situation, I have feelings of great confidence," continued Sir George. There was only one matter about which he was in any way disturbed, and that was the coming of the time when there was a serious diminution in the influx of capital. He hoped that Canadian business men would use caution. A nation in a period when it was borrowing less than it was accustomed to borrow usually drew upon its gold supply and exported because its traders went on buying without thinking that the capital from which to pay had been reduced.

Must Act With Caution.

"I advise Canadian traders to act with caution," said Sir George. "If stocks are not allowed to increase there will not be any serious monetary stringency. It will be merely a marking time until you can go ahead again. I hope you will act as if you were ship captains and take in a little sail when a little extra breeze is coming. I think the period of reaction will be short, because I cannot think that people will sit down on their capital and keep it at home when they can send it to Canada at attractive rates."

Sir George said that if gold was imported into Britain and the new gold was placed on the market, banking money would soon become so easy that the spirit of enterprise would be awakened again. So in a very short time trade would once more take an upward course.

To the Canadian Club at Montreal, Sir George stated that he attached a great deal of importance to exports, because it is by this means "you are going to pay us our interest."

"I hope," he continued, "you are going to develop your minerals faster than in the past. The development has not been as fast as the agriculture. The increase in mineral production, nevertheless, in a short time—1901-12, has been from \$65,000,000 to \$133,000,000—a very large and satisfactory growth."

Productive Power of Canada.

"Granting all these increases. What of the future? Well, in my judgment, the productive power of Canada in the next decade will be even more remarkable than it has been in the past ten years. In recent years Canada has been laying the foundations for a great business. She has borrowed vast sums of money, and has spent this money in preparing for a great expansion in her productive power.

"In the last ten years an unusual large proportion of population has been engaged in constructive work. In the next decade a greater part of our population will be engaged in productive work. In other words, you will bring into operation the great quantity of machinery that you have produced and constructed. Your railways, etc., are the machinery I refer to."

BOND TENDERS INVITED

Monetary Times' Weekly Register of Information for Bond Dealers and Municipal Officials

Windsor, Ont.—Up to December 22 for \$32,000 6 per cent. 20-year separate school debentures. D. Gourd, secretary-treasurer. (Official advertisement appears on another page.)

Vancouver, B.C.—By-laws totalling \$264,000 will be submitted to the electors at the municipal elections.

Minnedosa, Man.—Up to December 29th for \$10,000 5 per cent., 1941 debentures. G. T. Turley, town clerk.

Port Arthur, Ont.—Ten by-laws totalling \$630,000 are to be submitted to the electors at the municipal elections.

It is understood that the Canadian Northern Railway the other day sold a large sized block of five per cent. equipment trust notes to Wm. A. Read & Company, of New York. The issue amounted to several million dollars and is now being successfully placed in the United States. Philadelphia took about \$750,000 of the issue.