

money at six and a half or seven per cent. is not sufficient to afford any real solution of the problem.

Toronto's housing commission, composed of some of the most reputable men in the city, reported some weeks ago against action of this kind. In spite of this fact, however, the city government has appointed a commission to proceed with operations. Municipalities throughout Canada should think seriously before taking such risks as are involved in the scheme, for extensive contingent liabilities, even if they do not result in loss, cannot fail to detract from municipal credit.

MORATORIA LEGISLATION

Some difficulty has been caused by the fact that most moratorium acts were to remain in force until a fixed period after the duration of the war because of the uncertainty as to whether this means the termination of hostilities or the conclusion of peace terms. With a view to removing this difficulty the British Columbia Government will, according to the address in reply to the speech from the throne, introduce new legislation. Mr. F. W. Anderson, the member for Kamloops, in moving the address said:—

"In connection with the present War Relief Act, the Moratorium Act and other acts extending relief to debtors generally, the date on which such laws will cease to become operative is very indefinite. The usual phrase which designates the time is 'during the continuance of the present war and for a period of six months thereafter.' In order not to cause confusion and financial obligations and burdens maturing suddenly without any notice, as would be the case were the Powers in conference to define, for instance, the date of signing of the armistice as the termination of the war, I wish to inform the House that it is the intention of this government to advance at the present session legislation through which to make a definite pronouncement that general moratorium relief, as at present existing, will be extended to a definite date which will permit the next session of the legislature to deal with this subject should such action be imperative."

In commenting upon this speech the British Columbia Financial Times points to the fact that undoubted hardships will be worked in certain cases no matter how soon or how long this class of legislation may be permitted to remain in force. It is extremely desirable that the relief statutes be repealed as speedily as possible now that the actual conditions of war are practically over as far as Canada is concerned.

FRANCE'S FINANCIAL POSITION

The enormous financial strain under which the French nation has been placed is shown in recent figures summarizing the present position. France's war expenses are expected to reach a total of 182,000,000,000 francs, with resources to meet it of 158,000,000,000 francs, showing a deficit of 24,000,000,000 francs. These resources comprises 18,000,000,000 francs from taxation, 54,000,000,000 from four war loans 20,000,000,000 francs advanced by the Bank of France, the product of short time treasury bonds together with advances made by the Allies and credits opened in foreign countries.

In addition to the 24,000,000,000 deficit there are exceptional expenses, compensation to civilians for war damage, which is placed in moderate estimates at 10,000,000,000 francs; the cost of exchanging the German mark currency of Alsace-Lorraine, 2,500,000,000 francs, the repayment of bonds issued in liberated regions, 1,500,000,000 francs; demobilization bonuses estimated at between 2,000,000,000 and 6,000,000,000 francs, together with other exceptional expenses which will bring the estimated total to 26,000,000,000 francs and make the total deficit 50,000,000,000 francs.

It is reckoned that the expenses for 1920 will be 18,500,000,000 francs, of which the existing budget can supply only 8,000,000,000.

CANADIAN SECURITIES IN THE UNITED KINGDOM

The recent cable to the effect that the British treasury has announced that the additional tax on interest and dividends from securities outside the United Kingdom, would lapse on April 5th has an important bearing upon the investment relations between Canada and the United Kingdom. This will mean that Canadian securities will again be placed upon a competitive basis with those of Great Britain and will not be subject to the special levy of two shillings in the pound as has been the case for some time past.

FOREIGN TRADE AND THE NATIONAL DEBT

That England's external indebtedness could be reduced only by profitable sales in foreign markets was the statement of Mr. F. C. Goodenough, chairman of Barclay's Bank, London, England, at the annual meeting of that institution recently. If this is true of England, which has long standing external investments to offset the credits which she has been forced to raise through war conditions, it is much more the case with Canada which has always been a debtor nation and the external obligations of which have increased substantially through borrowings for war purposes. What was more significant, however, was his reference to the fact that the foreign business itself will not redeem foreign obligations unless that business is profitable.

"We must as a nation," he said "have such profits that, besides buying what we require, we may have a margin for ourselves; and profits will provide, through taxation, the interest and sinking fund on our national debt."

"The wage-earner should realize the fundamental fact that as a nation we can only consume to the value of what we produce, and if production falls away, then there will be less to go round, with the consequence that each individual will not only live on a lower scale, but he will have to pay more for the things that he does obtain."

"Profits are, therefore, essential for they afford the basis of direct taxation, and it is only by maintaining profits at a reasonable level that the wage-earner can be largely exempt."

PROGRESS WITH LABOR EXCHANGES

The Dominion Government's system of labor exchanges throughout Canada has now extended to practically all provinces. In the case of the Maritime provinces the expense is borne by the Dominion Government because of the inability of the Maritime provinces to maintain the expense. Some of the provinces appear to be so confident of the success of the new organization that legislation is being considered to abolish private labor agencies. It has already been announced that the Ontario government will legislate to this effect at the present session. Nevertheless in spite of the fact that the government service is free of charge and has been extensively advertised, both in the news and in the advertising columns of the press, the private agencies are still effectively competing. It may be that this competition is only temporary until such time as the new organization becomes more thoroughly known. It would seem desirable, however, that the system should justify itself by competition without resorting to legislation of this kind. Considering the fact that it is financed entirely by the government and renders its service free of charge it should have no difficulty in superseding the older agencies.

Municipal shops are to be operated in Paris, France, for the sale of food stuffs by the city. The prices are to be fixed by the food minister. France has made many attempts at public operation of industry the vast majority of which have been unsuccessful.