

ferences and a desire to co-operate for the best possible and mutually beneficial results. A recommendation was made for the establishment of a government system of land mortgages and a conference will be held shortly between the organized farmers and the Western section of the Canadian Bankers' Association. This is an excellent beginning and is good for the nation's business.

BREAKFAST FOODS

Wheat costing \$1.80 per bushel represents in the form of certain breakfast foods a selling price of \$27. Thus do we pay in full for the satisfaction of a luxurious palate. This calculation is based upon the results of work done at the North Dakota agricultural experiment station. In recording the figures, Dr. A. McGill, our chief analyst at Ottawa, says it must be left to the purchaser to judge "whether he is prepared to pay so considerable an increase in price for the slight and sometimes equivocal increase in food value represented." The changes brought about by the treatment of cereals by heat, moisture, the addition of malt, sugar, etc., are, says Dr. McGill, generally very slight if we regard the nutritive value merely. A somewhat readier digestibility may be claimed for these prepared foods and certain of them possess characteristic and well-defined and pleasing flavors. "But," our chief analyst says, "there can be no doubt that oatmeal, preferably flaked or finely ground, and well-cooked by boiling, shows a food value which places it quite at the head of the list." All of which again proves that we live in an age of fads and luxuries; also that we pay for them.

DOMINION LOANS

From April 1st ~~next~~ until March 31st, 1917, the Dominion government will have to raise by way of loans from \$200,000,000 to \$225,000,000. The loan now being negotiated in New York will account for \$75,000,000. Taking the maximum possible requirements of \$225,000,000, there will still have to be raised during the coming fiscal year \$150,000,000. It is generally understood that assurances will be given by the federal government in connection with the present \$75,000,000 loan that no further offering will be made in the United States during the current calendar year. This will have the effect of popularizing the new securities. While Sir Thomas White has made an arrangement by which he can draw upon an authorized credit of \$150,000,000 established by the Imperial government, the Dominion government will endeavor to utilize this credit as little as possible, if at all. Supposing, then, we voluntarily close the United States money markets against our federal loans after the flotation of the present \$75,000,000 issue for the rest of the year 1916, and supposing we do not draw upon the credit which the Imperial authorities have provided, there will be left to be raised by way of loans, in Canada during 1916, and in the United States during the first quarter of 1917, \$150,000,000.

Naturally, Sir Thomas has not told of his plans for future financing, but he did say this much: "In my view, we shall require at a later date, many months from now—possibly towards the end of the year—to borrow further amounts, possibly in Canada." In view of this statement and of the fact that the Canadian bankers have just advanced \$75,000,000 as a credit here on behalf of the British authorities for munition purchases, there is not likely to be a Dominion loan until next fall. The loan then may

be one of from \$50,000,000 to \$75,000,000. That would leave a loan of from \$100,000,000 to \$75,000,000 still to be raised in order to make up the total loan requirements for the fiscal year. This loan might be raised in New York about a year hence.

In the meantime we may expect to hear something of the government's proposed issues of debenture stock in small denominations. These are to be made between public offerings. It might be a good plan to time the first of these issues for June, when holders of the Dominion war loan could, if desired, invest in the debenture stock all or part of their first interest receipts on account of the war loan.

INSURANCE AND FEDERAL CONTROL

One day we may become blessed with uniform company laws. In the meantime, privy council decisions are piling up, and while they undoubtedly give a full measure of law, they apparently have also the earmarks of Japanese diplomacy. The federal government some time ago submitted questions intended to elicit a declaration of the extent of federal control over foreign companies operating in Canada. The judicial committee of the privy council has handed down its decision. Lord Haldane, speaking for the committee, said that where a company was incorporated to carry on the business of insurance throughout Canada and desired to possess rights and powers to that effect operative apart from farther authority, the Dominion could incorporate it with such rights and powers. If a company sought only provincial rights and powers and was content to trust for the extension of these powers in other provinces to the governments of the provinces concerned, it could derive authority to accept such rights and powers from the province which gave it its corporate capacity. In other words, except for complying with provincial laws that may at times be clumsily framed, a provincial charter may be as useful in practice as one from federal authority. In the matter of the requirement under federal law that a foreign insurance company, even if it desired to carry on business in but one province, should have a federal license, the opinion was expressed that parliament had it in its power to pass a law making such license necessary. The federal license, apparently, is required as a means to regulation, and not to provide a revenue. Provincial taxes are usually levied for revenue. This decision seems to mean that we may continue in the old paths.

If the provinces were to sacrifice their dignity and revenue in the matter of company law, making up revenue in other ways, and federal company laws were made operative throughout the country, business would be saved a vast amount of trouble and expense.

THE FINANCE MINISTER

With his budget, his New York loan, the business tax measure, the financing of the war, the bankers' credit for munitions, and a score of other important matters, Sir Thomas White has been one of the busiest cabinet ministers. His addresses in the House have been very informative and show that he has a full grasp of his subjects and of the important position he holds. Sir Thomas combines as finance minister the valuable qualities of caution and courage. The opinion of the country is that he has made good.