

In the United States—where nothing more warlike disturbs than the fine art of protecting the sensitive factor of neutrality—banks, traders, governments and other units are planning for the peace period in a way which we might well emulate to at least some extent.

SIX PER CENTS

The popularity of the 6 per cent. treasury bonds issued by Great Britain is reflected in the fact that within a recent two weeks period about \$180,000,000 worth were sold. These bonds are being bought in Canada and substantial blocks have found their way to the United States. When the British chancellor was criticized last week in regard to the high rate of interest payable on the new bonds and the fact that it would lead to their being largely held abroad, he replied: "That is the very thing we desire." As Great Britain has to find \$10,000,000 a day for 6 days every week for the purchase of its large supplies in the United States, it is naturally hoped that many millions of dollars' worth of the new treasury bonds will be purchased on this continent.

The 6 per cent. rate has naturally excited attention. It proves that we cannot apply pre-war standards to current borrowing. Chancellor McKenna stated that money might be raised at 5 per cent. or less if the government wanted only a little, or even the equivalent of the greatest sum ever raised before the war, but "it should be remembered," he added, "we have to raise a maximum sum about once a month, and it is only possible to find out by the daily examination of the results of borrowings and payments, whether we are successful in meeting our obligations. In order to meet all expenses, and to keep our undertakings with our allies, I have to make sure of getting money." In other words, it is often worth an interest rate fractionally higher, to insure the success of an issue. This has been the experience of Canada as well as of other countries during the present war.

The British government would have issued a long-term loan but the moment of competition for money is deemed undesirable for that purpose. The government, however, will resort to such a loan when the treasury considers it advisable, and the government will not shrink from the fulfilment of its promise in regard to the conversion of previous loans.

WAR AND THRIFT

Bank deposits are accumulating rapidly but this is not due to national economy. Automobiles have been bought freely this year. The millinery trade has flourished. Fashion has not taken to sackcloth and ashes. Trade returns show imports of many things without which we could very well get along in war times. Bankers urge thrift; so do government authorities. But the people have not yet cultivated the habit. Skilled and unskilled help is scarce, because much of our peace time labor is at war. Labor left at home is getting almost whatever it demands. Wages are high. Folks spend freely and point with pride to the swelling bank deposits. Their share in the increase may be small, if any.

The prosperity of war is upon us. Trade has doubled. Mills and factories are working day and night.

The placing of about \$1,020,000,000 of war orders in Canada since August, 1914, has given a substantial impetus to industrial machinery. Corporations have paid their war taxes, paid their debts, paid their dividends, and put something away for a rainy day. Have we all thought of that rainy day?

Prosperity seldom encourages thrift. The natural thing is to spend when we have it and to save when it is hardest. To-day, the cost of living is high, usually a sign that money is being freely earned and freely spent. When peace comes, a little reserve cash will be handy. How many will be able to point to such a reserve after this period of war prosperity? Thrift is necessary to bring the war to a successful conclusion. It will be necessary after the war, too.

CHARTERED ACCOUNTANTS

As the value of proper organization is more fully recognized, the services of the chartered accountant come into greater requisition. The desire on the part of many municipalities in Saskatchewan, for instance, to have the auditing performed by the best officials available is shown in the fact that a great many have engaged as permanent auditors a reputable firm of chartered accountants.

Mr. J. N. Bayne, deputy minister of municipal affairs of Saskatchewan, in a recent report, states that the Institute of Chartered Accountants of that province "is performing a work among our municipalities which should be lasting. The efforts of its members in raising higher the standard of municipal auditing will have its effect on our municipal life for all time. In order to become a chartered accountant of Saskatchewan, it is necessary for the applicant to have had much experience in the keeping of books, and before he receives his degree each candidate must pass a rigid examination on general commercial and municipal accounting. Naturally each member of the institute is jealous of his reputation. He has often a greater incentive to perform work that is masterly in its thoroughness than a transient auditor who, although efficient, may have his attention diverted by other lines of work."

Mr. Bayne pays a tribute to the labor performed by many local auditors who are not chartered accountants. The value of a chartered accountant's work, however, stands alone. While his services have been utilized considerably in the past, the demand for his skilled labor during the next decade will be very pronounced.

The Grand Trunk Railway has arranged for the showing of moving pictures of life in Western Canada throughout the United States. The films will include a variety of pictures in the prairie harvest fields and through the Canadian Rockies, the arrival of a fishing-boat at Prince Rupert with 80,000 pounds of halibut on board, which enabled the photographer to secure a series of views showing the expeditious method of transferring the fish from the boat to the cars for eastern shipment.

Canadian wheat is worth about \$1.75 per bushel. In Russia it is worth about 50 cents a bushel. A large part of the difference in price can be credited directly to the fact that the world markets are kept open for Canadians and Americans alike by the absolute supremacy of the British navy. Even a partial success of the German navy and the breaking away into the Atlantic of half a dozen cruisers after the battle of Jutland might have largely paralyzed shipping on the Atlantic. Canada is recruiting her sons for naval service as well as for the military.