The Monetary Times

Absorbed the INTERCOLONIAL JOURNAL OF COMMERCE, 1869; the TRADE REVIEW, Montreal, 1870; and the JOURNAL OF COMMERCE, Toronto.

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The Monetary Times

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The next issue of The Monetary Times will be of especial interest to readers in the Maritime Provinces. Orders for extra copies may be sent either to the head office or to any of the branch offices of this journal.

MONETARY REFLECTIONS.

Be a city scourge-stricken, one citizen could not be reasonably labelled responsible for the devastation. If the world is suffering from a lack of capital, one section cannot reasonably be cited as the cause. Many fail to grasp the fact that industrial enterprise is calling for capital the world over.

When a Minister of the Crown speaks, a few wise words occasionally fall from his lips. So far as the Honorable Robert Rogers, Minister of Public Works of Manitoba is concerned, the aphorism holds good that "He who expects little, generally gets it." Text books on banking subjects should be included in the library of Ministers of the Crown who seek to throw light on the monetary situation. "It is almost impossible to procure sufficient money with which to handle the crop grown this year." That is one of the honorable gentleman's many mis-statements at a Brandon meeting. "If the present Government had a sense of responsibility they could remedy this condition of affairs." This invests the Dominion Government with the power to dispel the inconveniencies of a world-wide financial stringency.

"Let any business man in Brandon go to the head office or any branch of one of the largest banks in Canada and ask for a loan on the best security on earth, and he will be instantly refused. Let a Canadian go to one of these banks with a certificate of Canadian Pacific stock, which is worth about $16,000, and ask for a loan of $5,000, and he will be refused." Another mis-statement, too absurd for contradiction.

The simplicity of the honorable gentleman's remedy is equalled only by its ingenuity. "All that is required to be done," he says, "is to insist upon the banks keeping Canadian deposits for the use of the Canadian people, and, instead of the Government itself using the savings deposits and borrowing money from Canadian banks, go to the money markets of the world and borrow what is required for the purpose of government." The Dominion Government as a suppliant in the world's money markets would be an inspiriting sight these days.

When a Minister of the Crown talks twaddle, he does so for one of two reasons—in ignorance, or for political ends. We refuse to believe in the ignorance of a Crown Minister. Such a speech as quoted, and many other phases, are signs of disapproval of the policy of the Canadian banks in the Canadian West. So long as talkers keep their heads, no harm can result from a free discussion of the merits or demerits of a banking system, one which has won the admiration of more than one nation. The man it is, knowing nothing of banking principles, and who jumps up on any and every occasion to enlighten some section of the public on the matter, that does the greatest harm. Anyone can chatter glibly about call loans—for political purposes.

Private concerns must have a certain amount of freedom in the choosing of a policy. The Government does not dictate to a storekeeper in what place he shall do business, where he shall make his profits, or where he shall keep his reserve for times of emergency. The same applies in the banking business. From the prevailing heated and generally shallow discussions concerning the Canadian banking policy, it might appear that the loans the banks have made outside Canada constitute a bone of contention. But this is not so, for, as soon as the object of such loans is explained, the severe critic becomes less severe and reasonable. The money placed in New York is easily available, it is making money—two strong reasons for there placing a certain amount of the banks' assets.

The real cause of the complaint in the West is the restriction which has been placed upon development. The Western country admits it was running wild with speculation. The action of the banks in tightening their purse-strings stifled this unwholesome outbreak. Had