

# The Chronicle

## Banking, Insurance and Finance

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**MONTREAL, FRIDAY, SEPTEMBER 20, 1918****AUSTRIAN PROPOSAL FOR PEACE.**

In a leading editorial The Journal of Commerce, New York, says:—

Nothing could be more amazing than for a leading American newspaper to favor the Austrian proposal for a conference of any kind on the possible terms of peace at this time. The promptness, directness and brevity of our Government in its response ought to put a stop to any controversy over the question, not only by the Allies on the other side, but by neutral nations, however closely affected by the present situation. It ought also to put a stop to any further plotting, by subtle propaganda or by outspoken pretensions on the subject, by the directing power of the enemy from which the Austrian suggestion must have come. Of the position of the people as well as the Government of this country there can be no shadow of doubt, and the voice of America is pretty sure to silence any further outcry of the kind, for that voice is to be the decisive factor in this war.

It may not be surprising if the Allies on the other side of the ocean, who have been in the conflict with all their might these four years, are war-weary and feeling the pangs of exhaustion; but our assistance with growing strength and encouragement will keep them up to the task of working out their salvation and establishing a peace for the world which will make the long future safe. France, which has had to bear the direct brunt of the conflict all this time, and has suffered so much, has not lost its spirit and determination, and is duly grateful for the rescue that America has brought. That rescue must be made complete and a barrier raised that will make it everlasting. England has suffered much, though it is not such a direct victim, and the sentiment of its people has been shaken and wavering in spots from time to time, but they too have much at stake. The interests of their nation the world over have been put in peril, and the future of its subjects at home has been put in the greatest danger. They may need encouragement, but they are getting it and the United States is becoming their friend as never before.

Why should any question be raised about it at this critical moment? The Teutonic power has left no doubt about its original purpose or about its persistent determination to accomplish as much of that purpose as may be possible. It has kept up its secret propaganda wherever it has

been possible, and it has practiced deception to the utmost in striving to make it effective. It has practiced so much of this deception and been so inconsistent in it, according to circumstances and what it regarded as possible results, that trusting any profession at a conference, or even holding a conference at all, would hardly be short of ridiculous at a time when there is every prospect of administering the punishment it deserves and compelling terms that would make the world safe.

**BANKING CONDITIONS IN THE UNITED STATES.**

Discussing financial conditions throughout the United States, the New York Journal of Commerce says:—

Banking conditions are generally very satisfactory with high rates for money. The disposition is growing more and more general to discriminate between the paper of essential and unessential industries and to discourage borrowers from making large applications for credit for the purpose of sustaining business that is not regarded as absolutely requisite under existing conditions. Liquid paper is being preferred more than ever before and both banks and large investors are reported as putting themselves into position so far as practicable to meet the requirements of the Fourth Liberty Loan. In the West the demand

*(Continued on page 983).***THE GENERAL FINANCIAL SITUATION.***(Continued from Front Page).*

the financial arrangements for taking delivery of all our wheat as it comes forward, the export bills should be a factor in the exchange market within another month.

With reference to the amount of grain available this year for export, it is to be noted that Miss E. Cora Hind, the expert of the Manitoba Free Press, states that owing to the extraordinary season it has been more than usually difficult to estimate the crop results, and that the final returns, when published, may be more favourable than now expected.

The report of Hudson's Bay Company land sales for the year ending last May shows a continuation of the marked improvement noted since 1915. Net land receipts in 1918 were £367,000, as against £140,000 in 1917 and £24,000 in 1916. These receipts in 1915, the first year of war, amounted to only £2,697. The progressive improvement during the past three years has been due in part to the high prices ruling for agricultural products.

Money rates here and in New York continue to rule at levels recently established. In London also there is practically no change. The New York clearing house banks in their Saturday statement reported a decrease of \$33,000,000 in excess reserves. Principal movements were: a decrease of \$31,000,000 in loans; decrease of \$38,000,000 in reserve in Federal Reserve Bank; decrease of \$48,000,000 in net demand and time deposits. The excess reserve therefore fell to \$24,900,000.