

68. *Prime Minister to Acting High Commissioner
in United Kingdom*

TELEGRAM

Ottawa, August 31, 1914

Following from White. If we get war loan for thirty-five million dollars spread over next seven months can take care of Dominion Treasury Bills maturing in November and all our other requirements until end of fiscal year. Our Banks will be able to look after Provincial and municipal maturing Treasury Bills with such help as we can afford here by advances to them of Dominion notes under recent legislation. We must however get the war loan.

BORDEN

69. *Acting High Commissioner to Prime Minister*

TELEGRAM

London, September 2, 1914

With other High Commissioners had very satisfactory interview with Chancellor Exchequer and other high officials. Told them Canada would need one million pounds per month. Was asked if this all required for war purposes. Told them it would be and while you might use some temporarily at first for other purposes you had imposed twelve million dollars per annum new taxation and could take care of all maturing liabilities and ordinary expenses by your increased revenue and reduced expenditure so that five million dollars per month would represent eventually nothing but war expenditure. Did not confine my request to seven months only but simply one million pounds per month without specifying any limit. New Zealand and South Africa both need loans. Sir George Reid¹ was not present. Chancellor Exchequer very promptly and cheerfully agreed to see that we were furnished with this money but exact method was not decided. Personally am of opinion and expressed it strongly that best way would be for Imperial Government lend us money and include same in their own borrowings. Much prefer this to using Canadian securities guaranteed by Imperial Government as suggested in some quarters. Even such guaranteed securities really not saleable just now. Chancellor Exchequer will consider further exact method provide money and let us know later. Am sure it will be arranged but until finally settled please consider it confidential.

PERLEY

70. *Acting High Commissioner to Prime Minister*

TELEGRAM

London, September 7, 1914

CONFIDENTIAL. Advised Kitchener your cable August 29th about Commander contingent. Saw him Saturday, says approves Hughes' preference Alderson and will designate him for command Canadian division but will not

¹ High Commissioner of Australia in United Kingdom, 1910-1915.