

## THE LONGER FUTURE OF VICTORY BONDS

The rapidly-moving events of the last few weeks bring into prominence a consideration regarding the longer future of Victory Bonds, which is of very considerable importance, but naturally tended to be overlooked, while there were no distinct signs of the approaching end of the world conflict. Whatever may be the course of financial events in the period immediately following the war, there can be no question that sooner or later, Canada will necessarily resume its former position as an extensively borrowing country. Enormous amounts of capital from abroad will be essential for the exploitation of our natural resources, the development of our industries, the improvement of our transportation facilities, and the provision of the thousand and one necessities for the health and comfort of expanding urban and rural communities. To what extent and through what agencies, that necessary capital will be procured remains to be seen. But it may be said in this connection that Canada, after the close of the war, will probably occupy a favoured position among the younger undeveloped borrowing nations.

However that may be, it is clear that through their large holdings of Government War Loans, Canadians are providing themselves with a means of securing capital from abroad after the war that is likely to be extremely useful. When the Government's series of domestic War Loans finally closes, probably about 1,500 million dollars, or slightly more, of those bonds will have been issued, 90 per cent., or an even larger proportion being actually held in Canada. These bonds will make the finest possible collateral for loans, they will be readily marketable among purchasers of high-grade securities abroad, and their market price will tend to move upwards as they become thoroughly "digested," and money rates begin to move downwards. It may therefore, be fairly anticipated that during the years following the war, these bonds will prove a most valuable aid to securing supplies of new capital from abroad for our industrial and commercial development, either through their use as collateral, or their sale outright at a price giving the Canadian holders a reasonable profit. Such use of these bonds is certainly likely in the case of corporations, which at present have a certain amount of funds available for investment in these bonds, but for one reason or another are precluded from undertaking extensions to their plant or organisation until after the war's close, and it may be expected that individual Canadians will not be less enterprising and aggressive. So that, in fact, the economic duty of subscription to Victory Loans has a two-fold aspect. It means not only a continuance of industrial and commercial activity while the war lasts, through Government purchases and the granting of credits to our Allies for purchases here, but it means also, the building-up of an invaluable reserve fund against the day when it will be possible, provided that the necessary capital is forthcoming, to resume the activities of peace, even more energetically, and perhaps more wisely, than in the days prior to 1914.

## A CRIMINAL OFFENCE

Life insurance agents in the west appear divided in their opinion as to the wisdom of the decision of the Superintendents of insurance for Ontario, Manitoba, Saskatchewan and Alberta, to make it a criminal offence for a life insurance agent to induce a policy-holder in one company to switch to another.

They are unanimous, however, in declaring against the practice. It has long been forbidden by the best insurance companies, and, as pointed out by Harry Ellis, vice-president of the Calgary underwriters, it is manifestly unfair to the person taking out the policy, as it means a loss to him of the money paid on the policy already in existence. Doubt is expressed as to the ability to enforce the law in this respect, and, in general, regret is expressed that it should be necessary to make it a criminal offence in order to stop the practice.

## CANADIAN FIRE RECORD.

**Fire at Halifax.**—By the fire which occurred on the 4th instant on the premises of F. Riordan & Co. (Paints, etc.) the following companies are interested. On stock loss total.

Northern .....	\$2,000	Phoenix, London .....	\$1,000
Continental .....	2,500	Canadian .....	800
Union of Canton .....	2,500	Phoenix, Hartford .....	2,000
Royal Exchange .....	3,200	Fid. Underwriters .....	1,000
Acadia .....	2,000	Com. Union .....	2,000
L'Union .....	1,000	Norwich .....	5,000
Canadian .....	2,000	L. & L. & Globe .....	3,000
t. Royal .....	2,000	Nth. Pittsburg .....	3,000
B. Can. Und .....	2,000	Union, Paris .....	4,000

On building owned by Hoaple (loss 90 p.c.), \$30,000 in Union of London, Great American and Globe & Rutgers.

**Fire at Woodstock, N.B.**—On the 13th instant a fire occurred on the premises of F. Jones' barber shop, Woodstock, N.B., spreading to adjoining property. Insurance, North America, loss \$3,150.

## CANADIAN LOSSES HEAVIEST IN THE WORLD.

Why is it that Canada, in this so-called enlightened age, produces the heaviest losses in the world? The answer can be found in the well chosen remarks of the Hon. Robert Stone, a member of the Kansas Legislature:

"We are a nation of money-makers, Europe is a people of money savers; we are a people of waste, they are a people of thrift. We figure that the most important thing is to make a dollar, and they that it is of equal importance to save one. This is evidenced in our hurried construction of inflammable buildings, and in their slow and solid masonry; in our willingness to pay a high rate of fire insurance with the attendant risk, and their insistence on a low rate and unceasing care; in our elaborate fixtures for the putting out of fires, and their precaution in preventing fires. We regard fire as a misfortune and sympathize with the man who has had one; they regard fire as a crime and investigate and punish the man who is guilty. Our temperament is also shown by the different view we take of an insurance policy. Here, if our property is insured and we have a fire, we do not count it as a loss—simply that we have transferred the loss to other and distant shoulders. There, the insurance is regarded as a tax, which is ultimately borne by the whole community. Here, we figure that the insurance company restores the loss; they, that it really indemnifies the owner for a loss that can never be restored. Here, we figure that a fire is an exchange of property for the ready money; there, they figure that fire is an absolute loss of toil and natural resources. We figure a fire is a misfortune, they figure a fire is a crime. We endeavour to extinguish the fire; they labour to prevent it."