

WHAT OF THE MAN WHOSE VICTORIES HAVE GONE DOWN?

His Security Still the Same,
Income Not Impaired

Should Buy More — Working Man Who Bought Bonds Complains of Decline—Thinks They Should Remain Stationary.

(Financial Post.)

Below is printed a letter received from a reader of The Financial Post, and the reply sent to him:

Editor, The Financial Post:
During the war the Dominion asked us to be patriotic and invest our savings in Victory bonds. I bought \$1,000 worth for which I paid par. Some time ago they went down to 86¢—not less to me of 84¢—and now I see that they are down to 82¢—net loss of \$70. What is the matter and where is the gilt-edged security they bragged so much about? It seems to cost money to be a patriot. It seems to me that a country with such a potential wealth as Canada could uphold and honor her obligations a little better. I did not buy these bonds as a gambling security, but as a safe and stationary investment. Who wouldn't be a patriot—dole out \$1,000 and realize \$890, and I am not the only one who was stung.

WORKER.

When you purchased your Victory bonds no guarantee was given to you that they would not decline in market value to below par. Unquestioned security was given you that you would receive your interest payments as they fell due and that your bonds would be redeemed at par upon maturity. In this respect there is still no change in your position. Your interest payments are being met regularly and will continue to be met, and if you hold your bonds until maturity the government will fulfill its promise in regard to redeeming them.

Why Victory Bonds Declined.

Victory bonds have depreciated in market value owing to reasons over which the government of the Dominion of Canada has no control. In a sense Victory bonds have declined for the same reasons that the prices of commodities have risen. View money as a commodity, and its value as governed by the laws of supply and demand. If, for the financing of industrial developments, commercial enterprises, agricultural production, government business, etc., more money is required than is easily available in the market, those who desire to borrow must pay a higher rate of interest than they would be called upon to pay were there plenty of money

Canada Can

- Reduce Her Taxes
- Pay Her War Debts
- Keep Workers Busy
- Make Farmers Prosperous

By Selling Her Surplus

Grain, Fruits,
Dairy Produce,
Manufactures

To the Nations of
The British Empire

The Key to the market is

Ships—
Canadian
Ships

The Navy League of Canada

to be loaned and little call for it. Since your Victory bonds were issued money rates have been gradually rising. With the rise in money rates it has been possible for investors to purchase bonds and other securities yielding them higher rates of interest than Victory bonds would yield if purchased at par. Naturally their impulse has been to sell Victory bonds and purchase the securities offering them a higher income. And following economic laws, Victory bonds have declined in price until the yield they offer is more nearly in line with the yields on other securities.

Security Still Unquestioned.
Do not be afraid that Canada will not honor her securities as they are presented to her for payment. The fundamental safety of your Victory bonds is still unquestioned. You are merely feeling the effects of world economic conditions, but if you hold your bonds until world conditions are righted you need not suffer the loss of a single cent. And it may be some consolation to you to know that in the United States Liberty bonds issued at par during the war are selling

at around 85 for some of the issues; that in London, British war bonds, also issued at par, are selling at around 85; that in France, Germany, and practically every important country, government securities issued during the war have declined considerably in market value. And if you have any funds to invest at the present time, have you considered what an opportunity the decline in bond prices offers to you? If you buy another \$1,000 of 1934 Victory bonds and add them to your present holdings you will have a yield of 6.25 per cent on your new investment, or an average of about 5.80 per cent on your total holdings. The decline in Victory bond prices is an argument as much for the sale of your holdings as for the purchase of more bonds.

ENGLAND CUTTING MILITARY EXPENSE

Army and Navy Cost One-Fifth of That in 1918 — No New Naval Construction.

Great Britain has cut her army and navy estimates for the present financial year to less than one-fifth of the outlay of the last year of the war. In the financial year ending March 31, 1919, England spent 274,033,762 for her army, 235,445,084 for her air force—a grand total of 509,478,846. In the preceding fiscal year which closed on March 31, last, her expenditures for military and naval forces were reduced by 267,287,898, or almost one-half of what they were the year before.

The effort of the government, upon entering the present financial year, as indicated by the budget estimates, has been to return as nearly as possible to the old peace military and naval standing.

The army and navy estimates, according to information obtained by the Bankers' Trust Company from its London information service, are for expenditures of only 299,170,000. This is about one-third of last year's estimates and less than one-fifth of the last war year's military expenditures.

The following table shows decreases in personnel of army, navy and staffs of departments whose duties are of a war character:

	1918	1920
(At Armistice) (June 1)		
Army	899,000	407,000
Navy	435,000	182,000
Air Force	293,000	26,000
War Office	18,324	6,764
Admiralty	20,467	12,827
Air Ministry	4,646	2,712
Munitions Mins.	65,142	9,873
Food Ministry	9,181	3,934

No New Naval Construction.
The naval forces have been reduced to 18,000 less than the 1914 strength. No new naval construction is planned and, since the armistice, England has cancelled the building of 600 war craft, including four battle cruisers.

A standing army of some 220,000 men, slightly larger than the pre-war army, is provided for by the estimates. The additional number included in the table comprises forces considered necessary at present for the restoration of peace conditions in Europe and the Near East.

In 1919 the government was spending £210,000,000 annually. In the year which closed on March 31 last, there was a deficit of £226,280,000. The gov-

ernment this year plans not only to avoid a deficit but to provide a balance of £234,198,000 for debt repayment. The expenditures for the present fiscal year are limited to £1,282,374,000.

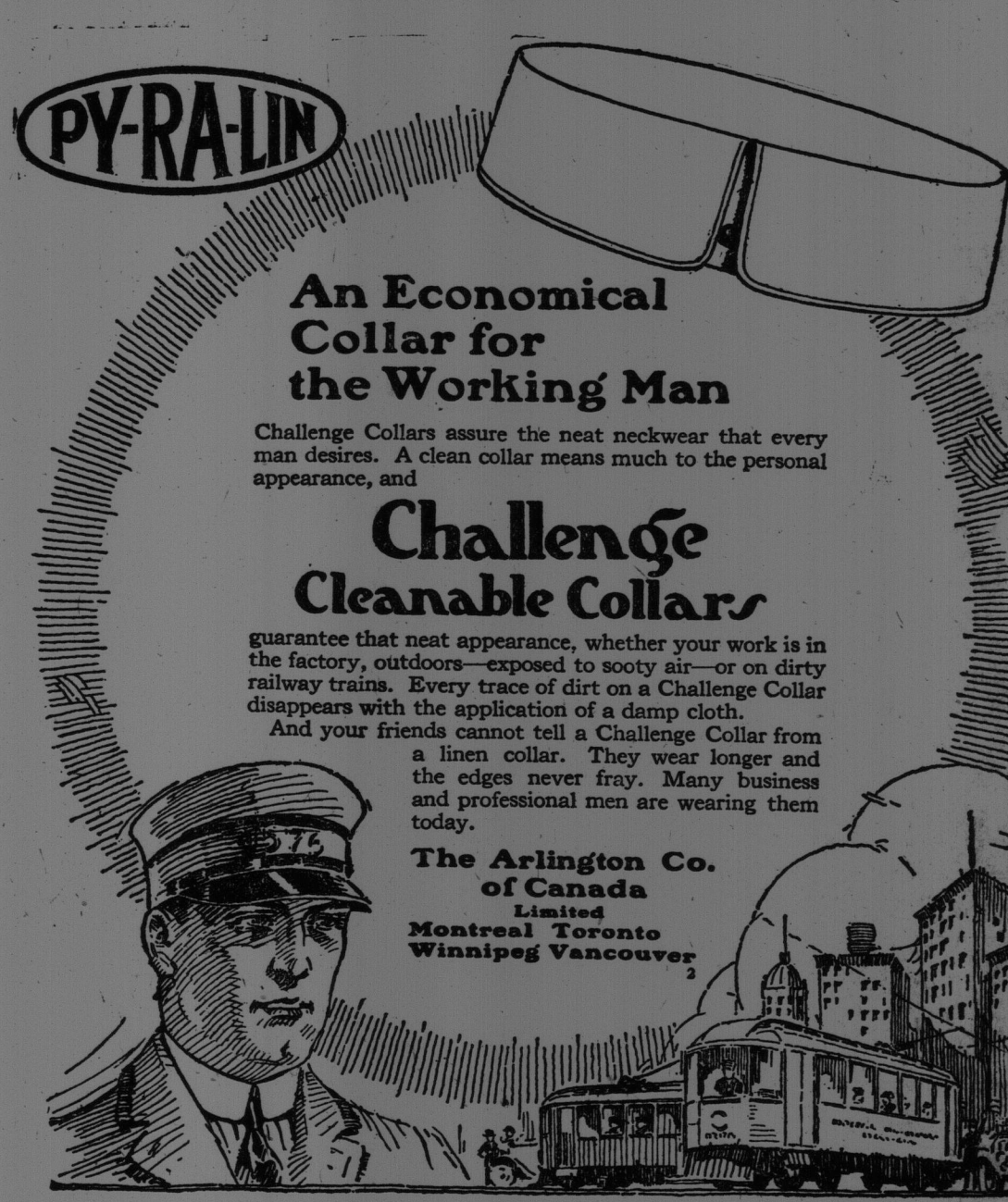
FACING BOTH WAYS.

(New York Evening Post.)
The genius for co-operation which Mr. Hughes discovered in Senator Harding some weeks ago continues to make itself more manifest with every day that passes. Hiram Johnson, who rejoices in the fact that Harding has scrapped the League, follows the same leader as William H. Taft, who has always been willing to take the League, even without reservations. The San Francisco Chronicle, which sees Europe as a nasty mess out of which we must keep, follows the same leader as the Los Angeles Times, which asserts that any League is better than none at all. George Sylvester Viereck, who needs no further definition, rallies to the same candidate as James M. Beck, who in the first days of the war arraigned Germany before the bar of world opinion. Republican progressives are in co-operation with Republican stand-patters. One thing only has brought them together—Wilson. Divided on essentials, they stand firm on the platform of hatred for the man in the White House.

If Harding is elected the country faces a struggle for the soul and body of Harding between the friends of the Peace and the League and the wreckers of the Peace and the League, with the majority of Americans not thinking of the Peace at all, but of prices and wages and income. And of the two beligerent camps it is the enemies of peace who have hitherto shown themselves to be the more determined, the more resourceful, and the unscrupulous fighters. At best we must expect the long postponement of a great hope. And the worst is not impossible; a total frustration of that hope.

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is Fragrant and
Very Healthful

Sole, Oldest, Talcum, St. John, N.B., and all other cities.
Can. Depot: Lyman, Montreal, St. Paul, N. B., Montreal.



PY-RALIN

An Economical Collar for the Working Man

Challenge Collars assure the neat neckwear that every man desires. A clean collar means much to the personal appearance, and

Challenge Cleanable Collars

guarantee that neat appearance, whether your work is in the factory, outdoors—exposed to sooty air—or on dirty railway trains. Every trace of dirt on a Challenge Collar disappears with the application of a damp cloth. And your friends cannot tell a Challenge Collar from a linen collar. They wear longer and the edges never fray. Many business and professional men are wearing them today.

The Arlington Co. of Canada Limited
Montreal Toronto
Winnipeg Vancouver



SHIRTS

\$1.98

Regular Price \$3.00

300 Men's Fine Negligee Shirts, all new, fresh, crisp stock just received.

These shirts should have been delivered to us away last March but were delayed simply because the maker did not receive his shirting materials until quite recently.

Our shirt stock being up to normal we accepted these only at radical price concessions, so that we can now offer you a real shirt bargain of \$3.00 shirts at \$1.98 each.

Only 300 so you'd better come at once, as undoubtedly many men will snap these up in fours and fives.



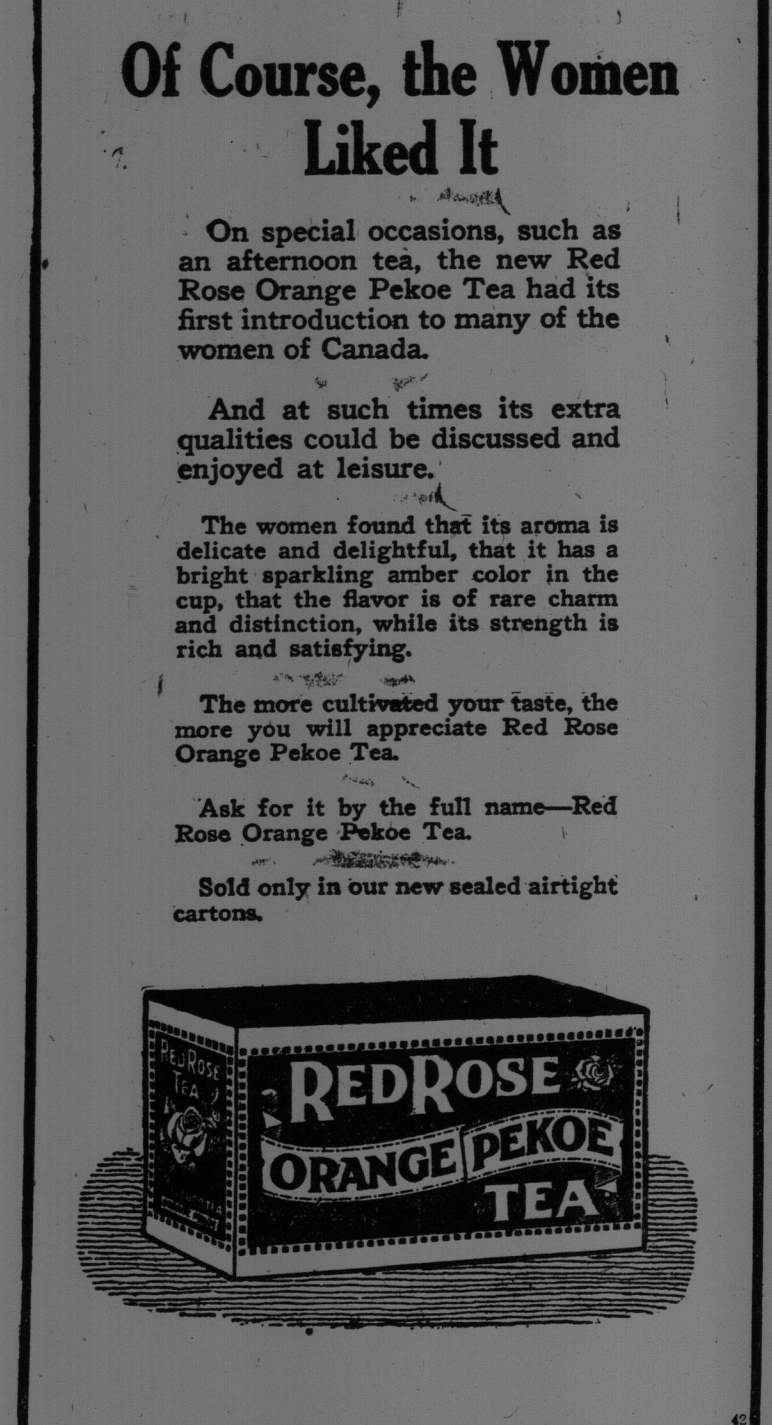
5 Big Hosiery Specials For Men

Today - Friday - Saturday

Five Specials in Men's Seasonable Hosiery at such stupendous reductions that men will be quick to lay in their season's supply.

69 cts Marked Down From \$1.00 Cashmere socks with seamless foot and triple reinforced toe and heel. You should stock up well at this reduced price.	84 cts Marked Down From \$1.25 Extra fine imported English all-wool cashmere socks, medium and heavy weights, seamless foot.
89 cts Marked Down From \$1.25 White all-wool cashmere socks with spliced toe and heel, a bargain at this price.	\$1.59 Marked Down From \$2.00 Interwoven cashmere socks in heather shades, the best wearing sock on the market and at this price, too!
98 cts Marked Down From \$1.35 Silk and wool 'fine grey' socks, imported from England.	

OAK HALL - SCOVIL BROS., Ltd.
King St. Germain St.



Of Course, the Women Liked It

On special occasions, such as an afternoon tea, the new Red Rose Orange Pekoe Tea had its first introduction to many of the women of Canada.

And at such times its extra qualities could be discussed and enjoyed at leisure.

The women found that its aroma is delicate and delightful, that it has a bright sparkling amber color in the cup, that the flavor is of rare charm and distinction, while its strength is rich and satisfying.

The more cultivated your taste, the more you will appreciate Red Rose Orange Pekoe Tea.

Ask for it by the full name—Red Rose Orange Pekoe Tea.

Sold only in our new sealed airtight cartons.



No Worry With "Diamond Dyes"

Don't Spoil or Streak Material in a Poor Dye

Each package of "Diamond Dyes" contains directions so simple that any woman can diamond-dye a new, rich, fadeless color into worn, shabby garments, draperies, coverings, everything, whether wool, silk, linen, cotton or mixed goods. Buy "Diamond Dyes"—no other kind—then perfect results are guaranteed even if you never dyed before. Drugist has "Diamond Dyes Color Card" showing 16 rich colors.



CP to LOS EUROPE

QUEBEC TO LIVERPOOL
Oct. 6/Nov. 8 ... Emp. of France
Oct. 13/Nov. 10 ... Emp. of Britain
Oct. 20/Nov. 17 ... Victorian

FROM MONTREAL TO
Oct. 2/Melita ... Liverpool
Oct. 9/Scandinavia ... Antwerp
Oct. 16/Stellen ... Glasgow
Oct. 23/Scandinavia ... Antwerp
Oct. 30/Melita ... Liverpool
Nov. 6/Melita ... Glasgow
Nov. 13/Melita ... Liverpool
Nov. 20/Melita ... Glasgow
Nov. 27/Melita ... Liverpool
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Dec 24/Melita ... Liverpool
Dec 31/Melita ... Glasgow

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