

SIX BILLIONS OF WAR LOANS

How Canada is Being Financed—Five Nations Have Increased Their Debts 25 Per Cent.

Government loans made since the beginning of the war, as far as they have been reported in the cable dispatches, have been \$6,724,000,000. Canada's war financing has been arranged with the Imperial authorities. Advances from September, 1914, until March 31st, 1915, will total £12,000,000. Up to February 11th, £8,000,000 had been received. Canada is paying interest on its borrowings from the British government at the same rate as is paid by the Imperial treasury upon its war loans, from the proceeds of which advances are made to Canada. A Canadian war loan or loans will be issued at a time to be agreed upon by chancellors Lloyd-George and W. T. White, and the borrowings from the Imperial government repaid.

Six Billions for War.

Deducting from the total, \$6,724,000,000, the non-war loans and those that have been made by the British and French governments to the smaller belligerents there is left a total of six billion actual borrowing for war purposes. This is in addition to special credits and other emergency measures taken to provide sinews of war.

Below is given a complete list, compiled by the Wall Street Journal, of government loans made since the war began, as far as they have been reported from the capitals of Europe, with allowance made in the total for duplications and non-war loans:—

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| Great Britain—3½s at 95, at 3.97% basis..... | \$1,750,000,000 |
| Treasury bills on 1½% to 3¾% basis..... | 550,000,000 |
| Germany—5s at 97½, on 5.32% basis..... | 1,000,000,000 |
| Treasury bills on 5% basis..... | 375,000,000 |
| Russia—5s at 94 on 5.35% basis..... | 250,000,000 |
| Treasury bills on 5% basis..... | 660,000,000 |
| Austria, 5½s at 97½, on 6.10% basis..... | 433,000,000 |
| Hungary, 6s at 97½, on 6.70% basis..... | 237,000,000 |
| France national defense treasury bonds..... | 613,000,000 |
| National defense stocks..... | 86,000,000 |
| Italy, 25-year 5½s..... | 200,000,000 |
| Holland, 5% loan..... | 110,000,000 |
| Australia (from British Government)..... | 100,000,000 |
| Belgium (from British and French Governments)..... | 100,000,000 |
| Canada (from British Government)..... | 40,000,000 |
| Union of South Africa (from British Government)..... | 35,000,000 |
| Egypt treasury bills (guaranteed by British Government)..... | 25,000,000 |
| Roumania treasury bills (from British Government)..... | 25,000,000 |
| Bulgaria (from German bankers)..... | 24,000,000 |
| Servia (from British and French Governments)..... | 22,000,000 |
| Switzerland 5% loans..... | 16,000,000 |
| Danish 4s and 5s..... | 16,000,000 |
| Argentine, 1, 2 and 3-year 6s..... | 15,000,000 |
| Norway 5% and 6% loans..... | 11,000,000 |
| India (from British Government)..... | 10,000,000 |
| Greece (from British Government)..... | 8,000,000 |
| China internal loan..... | 8,000,000 |
| Sweden 2-year 6s..... | 5,000,000 |
| Total..... | \$6,724,000,000 |
| Duplications and non-war loans..... | 746,000,000 |
| Total war loans to date..... | \$5,978,000,000 |

New Loans Being Raised.

Loans so far made by the warring nations cover their expenses but little, if any, into the future. Germany is now calling for subscriptions on a new \$300,000,000 5 per cent. loan at 98½, no report as to the amount of applications having yet been received. French Minister of Finance has asked for an increase in the limit of the national defense loan. England is selling more treasury bills than are required to meet the maturing issues. Petrograd dispatches mention two new \$250,000,000 issues of 5 per cent. treasury bills.

The interest rate they have to pay has declined for all the borrowers. Germany is asking a point more on its bonds; France has reduced the interest from 5 per cent. to 4 per cent. on new issues of its three months defense bonds, and

England was recently able to sell six-months and one year treasury bills on a 2¼ per cent. average discount basis as compared with a 3¾ per cent. basis earlier in the war.

The magnitude of the present war borrowing is appreciated when it is known that the five leading nations involved have increased their government debts by over 25 per cent., or from twenty-three billions to approximately twenty-nine billions since the war began.

CANADIANS GOING AFTER WAR CONTRACTS

While remarkable activity still continues in the provision of campaign supplies and equipment, general trade in England remains inactive except in food supplies and standard necessities, reports Mr. Harrison Watson, Canadian trade commissioner in London. He adds:—

"Latterly quite a number of Canadian manufacturers have despatched representatives to this side, partly with the object of endeavoring to secure orders for some of the large varieties of articles required by the Imperial government and the Allies for campaign purposes, and partly to investigate the possibilities of obtaining permanent trade in goods the former sources of supply of which have been dislocated.

"Several of these visitors confirm the absolute necessity of having some one on the spot, and in certain instances prospects have been sufficiently promising to determine them to make arrangements for permanent representation. It is certain that upon the conclusion of hostilities there will be an urgent demand, more particularly on the Continent, for vast quantities of constructional and building materials, many of which cannot be supplied from the countries themselves.

"The situation ought to create opportunities for certain Canadian products, but it is obvious that the intricate negotiations which must be associated with the securing of such orders require the personal presence of representatives or agents of the manufacturers and shippers who are thoroughly conversant with the circumstances of the interests for which they are acting. It is understood that some of these visitors are taking this situation into careful consideration in the arrangements which they are now making."

PACIFIC COAST FIRE INSURANCE COMPANY

Net earnings of the Pacific Coast Fire Insurance, Vancouver, for the past year, exceeded 9 per cent. on the paid-up capital. The directors paid a dividend of 6 per cent. on the paid-up capital of \$600,000 and owing to the continued money stringency the directors deemed it wise to conserve the cash resources of the company, so they carried forward to reserve the surplus over and above the amount necessary to pay the 6 per cent. dividend.

The investments of the company are largely in first mortgage loans, municipal and other debentures. These, we are told, have been carefully selected by the directors. The company hold as collateral security to their National Finance Company debentures, under a trust deed duly registered at Victoria, a number of inside revenue producing properties, which are valued at almost twice the amount of the debentures.

The twenty-fifth report shows assets totalling \$1,350,536, the principal items being stocks, bonds and debentures, \$465,879; mortgage loans and other securities, \$343,363; payments accruing on capital stock, \$213,979; real estate, \$163,061; premiums on stock sold payable in instalments, \$102,429. Liabilities include capital stock approximating \$813,000 and a conflagration reserve of \$100,000, the surplus being \$248,552.

The company's officers are Dr. David H. Wilson, president; Messrs. J. W. Horne and W. H. Malkin, vice-presidents; Mr. T. W. Greer, managing director; Mr. F. H. Godfrey, secretary.

The company's operations last year were successful, although owing to the general depression throughout Canada and particularly in the western provinces, the premium income did not show the increase the company anticipated at the beginning of the year, hence the results from that department were not so encouraging. Otherwise, matters have been satisfactory.