

INFORMATION AND THE NATION

One of the most significant of many important statements in the recent address at Orillia, of Mr. S. R. Parsons, president of the Canadian Manufacturers' Association, and printed in *The Monetary Times* last week, was his reference to what he termed the "popular cry." He said: "Is it not possible that the government, in yielding to the popular cry for a curbing of the profits of manufacturing in one particular line, has been unfair and unwise in singling out any industry for its control?" Aside from the specific industry he cites and aside from industrial matters generally, there has been a danger—and it remains—that our government might be stampeded by that same "popular cry" whenever it is loud enough and is backed by a sufficiently large delegation. The popular impression and opinion of current matters of national importance, are frequently correct; sometimes they are quite wrong. The danger is the possibility of the adoption of policies merely because of popular impressions supported by an array of votes depending on the government's decision, and not as a result of an investigation of the facts.

There is little doubt that many government policies have been framed during the past two or three decades, without the possession of sufficient data upon which to base those policies. We will never have a tariff, for example, which will be fair to the manufacturer, to the farmer, to the general consumer, to the countries to which we extend preferences, and so on, until we have a complete analysis of our national position in industry, agriculture, finance, marketing, etc., made by experts, for the benefit of our legislators. It will be a large task to obtain that information but in the meantime we are legislating with the help, comparatively speaking, of scraps of information gathered here and there, with little effort to discover the relation of one scrap to the other. This is not a criticism of our government departments; it is a reminder of a vital weakness in our national conduct.

The business which is operated on such a plan is heading for disaster or at least for a poor position in relation to its competitors. A nation, to succeed in business and to harmonize as far as possible the interests of its people, must have and analyze all possible information as to the units which make up the nation. With that, we will know when the popular cry should be followed, when it should be answered negatively, and most important of all, when it should be anticipated.

VALUE OF STOCK EXCHANGE

The Montreal and Toronto stock exchanges are telling the people of Canada, in a series of public announcements, how they are able to serve investors, who are rapidly increasing in number. While only 40,800 subscribers purchased our third war loan a year ago, no less than 820,000 purchased Victory Bonds. This year, the Canadian people will be required not only to take up another substantial war loan but also to absorb most of the bonds issued in the Dominion. In addition, they will have to finance issues of approximately \$65,000,000 which will mature in the United States this year. The value of the Canadian bond houses and banks in our securities business, including war loans, is generally known. The value of the stock exchange, however, is not as widely known, chiefly because its functions are not properly appreciated. As Mr. G. Tower Fergusson pointed out in his interesting article in *The Monetary Times* of January 4th, the success of those at the helm of the world's stock exchanges in safely piloting them through the time of crisis at the outbreak of war, and on several occasions since, is an earnest that during the coming period of reorganization, they will be equally well handled and will prove a valuable factor in the financial upbuilding of the country during the development of the coming years.

The popular impression of the stock exchange is not always complimentary to the institution. The object of the publicity campaign of our stock exchanges is to give the people of this country a better idea of the functions and workings of the exchanges. The latest and most reliable quotations of both listed and unlisted securities can be secured from their members. Not only do the members of our stock exchanges handle stocks and bonds, but they will buy or sell any securities which their clients desire. By dealing with a member of the Canadian stock exchanges, the investor in any class of securities, is assured of proper treatment and good service. The name stock exchange has been misinterpreted by many to mean that the institutions trade only in stocks. This is incorrect, as they are in addition bond exchanges, dealing in government, municipal and corporation bonds as well as other securities. If the story of the Canadian stock exchanges, now being placed before the public, will dispel the unreasonable prejudice which has existed against the exchange as an institution, a valuable national service will have been performed.

MONTREAL CITY AND DISTRICT SAVINGS BANK

In Canadian banking spheres, the Montreal City and District Savings Bank ranks as one of the veterans, having served the public for seventy-one years. Its shareholders are largely residents of Montreal and Quebec cities. Hon. R. Dandurand is president and the head of an influential directorate, which is guiding the affairs of this substantial institution. Mr. Richard Bolton is vice-president, the other directors being such well-known men as Mr. G. N. Moncel, Hon. C. J. Doherty, Hon. Sir Lomer Gouin, Mr. Donald A. Hingston, Mr. Fred W. Molson, Mr. Clarence F. Smith, Hon. Sir Evariste LeBlanc and Mr. H. H. Judah. Mr. A. P. Lesperance is the capable manager of the bank, and he has had a most successful regime. The institution, which has a paid-up capital of \$1,200,000 and an exceptionally strong reserve fund of \$1,350,000, has its headquarters in Montreal, and serves that city with a large number of branches there. It is represented also in London, England, New York and Paris by responsible foreign agents.

In presenting the annual report of the bank's affairs at the recent annual meeting, Mr. Dandurand was able to report net profits of \$222,189. The balance brought forward from last year's profit and loss account was \$172,308, making a total of \$394,497 for distribution. From this amount were paid four quarterly dividends to the shareholders and \$15,000 was contributed to the Canadian Patriotic and Red Cross funds, leaving a good balance at the credit of profit and loss account of \$214,023 to be carried forward to next year.

An examination of the assets shows a large amount of cash on hand and in charge of banks, namely, \$5,614,346. The Montreal City and District Savings Bank also holds \$14,956,589 of city of Montreal and other municipal school bonds and debentures. It has a substantial holding of Dominion and provincial government bonds amounting to \$5,635,633. Its call and short loans secured by collaterals total \$7,776,754. The confidence reposed in the institution by clients in Quebec province is reflected in the large deposits of the bank, which at the end of the past year amounted to \$32,956,769.