

The London paper, *Public Opinion*, just to hand, has something to say about loans by English banks on margin:

"Ever since the war broke out it has been recognized that the chief obstacle to the reopening of the stock exchanges lies in the fact that the bankers have made considerable advances on the security of stocks, the margins of which have run off and left unsecured indebtedness," says *The Manchester Guardian*.

"It has been estimated that the total of these loans is round about £100,000,000 sterling, but we have reason for thinking that the actual figure is considerably larger than this. The importance of the matter lies in the possibility that on a resumption of business on the stock exchange, the banks would call in the loans, and in default of repayment sell the securities.

"The new Courts (Emergency Powers) Act, however will make this less easy than it would otherwise have been.

"Owing to the wording of the Act a question arose whether bankers holding securities against advances were not in the position of mortgagees in possession, which would enable them to realize the securities. This point has been taken up by Mr. Henry Glibbery, who had an interview with the Treasury officials, and as a result was promised a statement in writing, of which the following is a copy:

"Treasury Chambers, Sept. 18, 1914.

"Dear Sir:—A banker with whom securities are deposited by way of security for a loan is not a mortgagee but a pledgee in possession, and the words 'except by way of sale by a mortgagee in possession' do not therefore apply to the case of a person depositing securities with his banker in order to obtain a loan."

Port Arthur News:—The Government has taken good care of the banks, both by legislation a year ago, and again by late legislation, making their notes legal tender and allowing for rediscount facilities which have not been taken advantage of.

There may be some argument in favor of the attitude of the banks to be cautious in advancing money in times of international difficulties, if basic supplies have to be obtained abroad, but under existing conditions, legal and otherwise, if any Canadian manufacturer or merchant whose goods are produced or purchased in this country, has to curtail his business because of lack of accommodation from the banks, the matter should be thoroughly investigated and a remedy