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FRED. W. FIELD, MANAGING EDITOR
A. E. JENNINGS, ADVERTISING MANAGER

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BONDSMEN IN FINANCE.

Mr. John Cooper, of Toronto, is anxious for Canada to throw off the shackles of the borrower. "Why should our prosperity depend upon the amount of money England sends us every year? Should Canada be a slave to a circumstance? If so," he adds, "we be bondsmen in finance, not free."

The rest of Mr. Cooper's complaint is as follows:—

"Much silly talk is indulged in with regard to our loans from England. The truth is that Canada must learn to depend upon herself for new capital. We will not be a great nation until we are financially independent. At present Canada is in the same class as the South America republics—a country doing business on borrowed capital. Unless our bankers arrange to free us from this bondage we shall be forced to organize a new banking system, with a new style of banker at the head of affairs. At present our banks are making a greater profit than any other line of business in Canada. They give their first attention to security and safety, which is right. But they might give even a second thought to the encouraging of savings, but they do not. That same old three per cent. tax stands even when the bankers are getting ten and twelve per cent. There is an old fable of an ostrich and some sand."

There are a few facts which tend to prove that we are bondsmen in finance, although no one seems less happy for that reason. Great Britain has already loaned Canada £400,000,000 and it is not suggested that the end of Canadian development has arrived or that the cultivation of new territory has ceased. Our population is approximately 8,000,000, who have about enough funds among them to make national pin money. It is some consolation to know that other countries are in Canada's

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position. According to Lord Milner, a dozen nations are scrambling in London for capital and only three—Great Britain, France and the United States—are in a position to throw funds among the scramblers. There is little likelihood that a new banking system will be organized to change Canada from a bondsman to a free man in finance—at least not until we have had a few more hundred millions sterling to build waterways, railroads, industries and the hundred and one other things which a new country must have and cannot finance.

SASKATCHEWAN'S CREDIT PROPOSALS

The suggestion of the Royal Commission on agricultural credit in Saskatchewan that the banks should pay higher rates of interest upon deposits and at the same time that they should lend more freely to the farmer at town rates, without extending the powers of the banks to take security from farmers, seems more quixotic than practical. The suggestion that the farmers should band together for the purpose of lending each other money upon individual securities, the whole guaranteed by the province, but the individuals being responsible for each other's borrowings, to a limited extent, would keep out of such an organization the very men whose securities would be of the greatest value. No well-to-do farmer surely would endorse the note of a comparatively poor farmer as a matter of business. The truth is as regards Saskatchewan, the borrowings of farmers from banks far exceed the amount of money they have on deposit in the banks. In fact, unless it is for the purpose of saving up with a view to paying off debts upon machinery and upon land, a farmer would be foolish to put away his money in a bank when it could be invested to so much better advantage in cattle, horses, additional land, etc.