money to help the initial stages of promising promotions. In come cases the proposed company has been sufficiently attractive to induce British capital to buy outright.

No doubt is there that Canada as an investment field is one of the most attractive of the present times. It is a new country, with all before it. The personality of most who are guiding its destinies is marked with energy and confidence in their country's future. This spirit is the birthright of those whose cradles are rocked in Canada. It is a gift to others who have adopted Canada as foster mother. Progress has been enough in Canada to allow capital to feel comparatively safe here. Sufficient nation building has been accomplished to banish grave capital risks as exist in many other countries. The building which remains to be done will insure the obtention to capital of adequate return.

Vital Factor in Canadian Finance.

Canada has cultivated the investor abroad. To some extent, he has come to us of his own accord. Of recent years, our invitation has been more emphatic. Demonstration has backed it up. No longer should it be possible for the fakir to trade with spurious Canadian goods. When ignorance of Canadian conditions was common, the unscrupulous magnetized time and again British money into dangerous, unremunerative and fraudulent channels. The legitimate Canadian investment is being shown now in its true colors. The British investor should shortly be in a position to judge accurately of its value.

Lord Milner has pointed out that Canada is learning to realize that in future the markets all over the world will compete keenly for surplus capital. By virtue of our resources, the position of our country occupies at present and the place it will take, capital will naturally turn to us. It must be fairly magnetized by our Governments, by our financial and commercial interests, and by our municipal authorities. To invite it with soft tongue only to deal a hard body blow, is not a policy calculated to help build our country. The apparent omnipotence of Legislatures throughout the Dominion must be used in the right direction Otherwise, this country will witness needed capital being turned into all channels except the desired. The maintenance of Canada's excellent credit in London is one of the most vital factors in Canadian finance to-day.

Authority on the Outlook.

The financial and industrial outlook is excellent. Strong and conservative men appreciating sound finance, keen sighted captains of industry and enormous wealth in natural resources make a firm foundation for Canada's economic fabric. According to Sir Edgar Speyer, who recently addressed the Canadian Club at Toronto, the indications for 1910 are favorable to the investment of a large amount of capital by Great Britain abroad, mainly in Canada, in South Africa, in Australia, in India, and in South America. Much capital will also be sent to countries like the United States, which are in much need of it, and to Mexico. These large investments will probably tend to expansion in exports, both actually and in proportion to imports.

"Canada's great natural wealth," added Sir Edgar, "the practically unlimited supply of capital from the home country at preferential rates, the free markets and good prices for produce, the increasing supply of skilled farmers, and the free supply of labor, render Canada's future assured; and nobody, I need hardly say, will rejoice more in this than the Mother Country, which has given and will give to Canada all the financial and moral support which she can expect and which she fully deserves as long as her affairs are conducted in the spirit of to-day, by wise and far-seeing statesmen and business men who know how to appreciate the value of the trust and confidence Great Britain is showing in the Dominion of Canada."

Heavy Borrowing in London

That Canada has been a heavy borrower in the London market in the past half decade is seen in the carefully compiled statistics of The Monetary Times. The amount is no less than £98,983,917, an average of nearly nineteen and a half millions sterling per annum. One of the most interesting features of this record is that last year's figures as stated above represented more than half the total for the previous four years, as will be seen in the following table:—

1905	£13,530,287
1906	6,327,500
1907	11,203,711
1908	28,950,621
1909	38,971,798
Total	£98,983,917

Besides this amount a sum of £5,036,008 was raised for enterprises controlled or partly so by Canadian interests but whose properties were in other countries. These included the Mexican Consolidated Electric, Rio de Janerio Tramway, Light and Power, Monterey Railway, Light and Power Company, and the Mexico Tramways Company.

The following table shows the division of the large amount publicly loaned in London for Canadian development:—

Railroads	£47,853,484
Government	30,756,900
Municipal	6,536,863
Light and Power	4,046,522
Industrial	3,143,148
Mining	2,349,554
Miscellaneous	2,103,806
Land and Timber	1,651,140
Paper and Pulp	542,500
Total	£98,983,917

Fifty Millions Sterling for Railroads

That Canada owes a large debt for its growth in railroad facilities is seen in the fact that in five years it has obtained almost fifty millions sterling for that purpose. Government loans have been nearly as heavy, while municipal flotations come third. Industrial, mining, land and timber, paper and pulp, light and power, and miscellaneous classes, together aggregate less than half the sum represented by federal and provincial Government loans and only a little more than one-third of the railroad total. The greater part of the Dominion's railroad financing is done in Great Britain. In one case late in 1909 where Kansas City financiers were backing a new railroad for Alberta the flotation was market for Canadian railroad stock and bond issues.

One of the most striking factors in Canada's growth is its industrial progress. The small sum invested by Great Britain in this class is insignificant compared to the millions of dollars sent here for that purpose by the United States. Some impatience, to a large extent unreasonable, has been exhibited at the lack of monetary interest on the part of the British investor in Canada's industrial movement. The figures showing our heavy borrowings from Britain in five years for other than industrial purposes will tend to tone this somewhat unjust criticism. Great Britain is putting its hand in one pocket, the United States into another. Both lend handsomely to Canada and both receive good returns.

Must Cable, Not Write

A Western Canadian has given The Monetary Times some interesting opinions on this particular phase. The Americans, he says, immediately recognize the merits of a sterling proposition, and are alive to the fact that good things are quick things, that things which will wait indefinitely are sometimes not worth while. They do not ask for long term options on various propositions and expect to get such considerations free of charge. This particular Canadian, and many think similiarly, says that on the other hand the Britisher often writes a letter when he should cable and resents having to pay for an option. Desiring a free option, a charge for it he considers an imposition. "It is frequently cheaper, safer and more profitable to devote time to Americans with whom business is easy," continues our correspondent "This may be explained by the British attitude towards almost everything save bonds and other small earnings but gilt-edged certainties. A large English company desired an offering of a block of property. They wanted a long, free option. The option paper was to be signed, sealed and witnessed; attested before an attorney and vised by the British Consul in New York, through which city the offer was to be made, the matter being handled by a New York firm of brokers."

Roundabout Instead of Direct

Our correspondent suggests that this is a roundabout route in view of the fact that the Canadian chartered banks and other reputable agencies, several of which have branches in the Old Country, are willing to act in the matter of deals, options, etc. He refers more particularly to large investments in lands, timber limits, etc., and thinks that unnecessary obstacles are placed in the way of larger business. To some extent this is true, but Canada cannot afford to complain bitterly in view of the foregoing figures. On the other hand, a closer cultivation by Great Britain of American business methods relating to Canadian industries and commerce would probably induce them to invest further in these lines, with less delay in business transactions at the same time obtaining good security.

The following is a summarized statement of the Canadian public borrowings for the five years. As an appendix to this article a more detailed summary is given for those who have more intimate interest in the various flotations.

Railroads

Atlantic, Quebec & Western	£ 925,000
British Columbia Electric	1,285,000
Canada Atlantic	1,025,000
Canada Northern	9,840,687
Canadian Northern Ontario	1,593,560
Canadian Pacific	11,027,981
Central Ontario	200,000
Dawson, Grand Forks & Stewart River	125,000
Grand Trunk	2,598,400