

\$50,000,000 from that source in the previous year, and with \$165,000,000 borrowed in London in the calendar year 1913.

Another interesting fact pointed out by Sir Frederick is that the balance of trade between Canada and the United States during the past year was \$113,000,000 in favor of the latter, to which must be added the year's interest of approximately \$32,000,000 on our previous borrowings in the United States, or a total of \$145,000,000. It will, therefore, be seen that the United States is acting in accordance with Sir Frederick's forecast of a year ago in providing us with funds by way of loans with which to purchase goods, wares and merchandise in that country.

Sir Frederick also stated—this had not been previously made public—that Canadian treasury bills aggregating no less than £10,000,000 were afloat in the London market at the outbreak of war and that these have now been reduced to the nominal sum of £325,000. That we were thus able to protect our maturing obligations redounded to the credit of the Dominion. No small share of the merit of this performance is due to the Bank of Montreal and its general manager, Sir Frederick Williams-Taylor, who, as an international banker of repute, has done much to build up one of the world's strongest financial institutions.

#### NEGLECT OF MINING

About three years ago, the Canadian Mining and Exploration Company was organized by prominent bankers and capitalists of New York and Canada. The directors have just approved its liquidation. Its object was to investigate and exploit mining and other proposed enterprises. When it was formed, great things were expected in Canada, but since its organization 1,500 mining propositions have been investigated without one being found the owners of which would sell on terms warranting financial promotion. A small participation in Alaska-Juneau underwriting was the extent of the company's mining activities.

The liquidation of this company is an important matter for the mining industry of Canada. Never before had such an influential organization been formed to take an interest in the industry. It would be a matter of interest to know why the company was unable to achieve greater results. Unofficially, it has been said that vendors of unproved claims had a very exaggerated idea of the values of their prospects. That is an old complaint and was heard in the big days of Cobalt and since in the Porcupine field.

There is a large spread in value between actual production and the undeveloped mineral resources of Canada. In 1913, we produced only \$145,000,000 of minerals and last year still less, \$128,000,000. Now that the campaign for greater agricultural production has brought results, attention might be given to greater mineral production. When Sir George Paish told us two years ago that, given certain conditions, the most optimistic Canadian would be surprised by the vastness of Canada's output in a few years, he particularly mentioned the development of the great mineral wealth of this country as one of the conditions. This development has not enjoyed the capital or the enterprise it has deserved. One reason is that the professional company promoter has had too much to say and to pocket, while the legitimate mining engineer has too frequently been ignored.

#### SOME STATISTICAL RECORDS

Those who revel in new Canadian records should feel in high fettle. In the past few weeks, some notable figures have been recorded. The first internal war loan of \$50,000,000 was oversubscribed by \$54,000,000. The bank savings deposits in October, at \$710,000,000, were the highest on record. The wheat crop of the Western provinces is estimated by the government at 304,000,000 bushels, as against the previous high record of 200,000,000 bushels. Canadian Pacific Railway net earnings in October were nearly \$1,000,000 greater than for any one month previously. November bank clearings of \$909,000,000 were better than those for any other November or, indeed, for any other month on record. Winnipeg's bank clearings of \$246,000,000 in November are \$32,000,000 more than Winnipeg's previous high record. The national revenue during November showed an increase of \$7,000,000 over that of November last year and was the largest revenue for any month in Canada's history. Canadian exports in October were \$84,000,000 or \$24,000,000 more than in any previous month on record. The trade balance is constantly improving in our favor.

While these figures are satisfactory, we must remember that many of the records are caused by the trend of events due to the war. Great Britain's daily war bill is \$25,000,000. We need therefore to make some pretty substantial records to help carry the Empire's financial burden.

#### GERMANY'S PEACE PROPOSALS

Germany's peace terms, according to a report from The Hague, will be an offer to evacuate the invaded departments of France and all of Belgium except Antwerp, and to negotiate with Great Britain regarding the possession of Antwerp. Poland will be declared autonomous, the invaded provinces of Russia will be restored, and Serbia's independence will be guaranteed.

On the other hand, the "freedom of the seas" is to be guaranteed, and special privileges are to be granted to German commerce. In case of a refusal of these terms, according to the report, Germany is determined upon a war of extermination.

This is in line with the rest of the ambitions, blundering diplomacy and impudence of Prussianism. In plain English, it means that Germany wishes to get its second wind for a final bout with Great Britain, holding Antwerp as an excellent club. Peace cannot be concluded while Germany prepares to sign a treaty with a mailed fist at one end of the quill. The Wall Street Journal, a neutral paper which has an exceedingly clear vision, is correct in its conclusion that the outside world, the American world, the Asiatic world, the African world, knows that Germany is beaten and will have to accept and not dictate terms of peace, and that the outside world knows that this struggle is over principles, and that Germany and her system cannot survive; that the world outside her trenches is growing stronger daily, than the world within her, and that the end is only a question of time.

The British mobilization of American securities is a military movement in finance which will duly count in the work of silver bullets.