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STEPS FORWARD.

An acute observer remarked the other day upon the similarity of developments under war conditions in both England and Canada. Industrial and economic phenomena which have made their appearance in England as a result of the war, have later developed in Canada in strikingly similar form. Initial periods of industrial depression followed by great activity in consequence of the demands for munitions and supplies, the first rush of enthusiastic volunteers to the Colours and the subsequent necessity for more systematic methods of recruiting, shortage of necessary labor and an enormous rise in the cost of living are cases in point of war developments common to the mother country and Canada. The parallel now appears to be in a fair way to continuance, through the adoption in Canada of means of mobilising small savings to meet war expenditures and possibly, the employment of women in various tasks similar to those which the women of England have taken up in order that more men may be released for active service. It is not clear that the parallel will be further continued by the eventual adoption in Canada of some form of conscription. Even the most earnest advocates of this measure must realise the difficulties inherent in the application of it—and not in one province only—owing to the cosmopolitan character of our population—difficulties from which Great Britain, Australia and New Zealand, with populations more homogenous in type, are free.

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At all events we are getting on. The progress in the marshalling of all our resources for the prosecution of the war, may appear slow enough to some of the enthusiasts, but it is in the right direction. The announcement made the other day by the Minister of Finance that active steps are to be taken to catch hold of small savings for war purposes and also to arrange for issues of Dominion Treasury debenture stock somewhat similar in form to the British Exchequer Bonds, indicates that two significant moves forward in our war financing are in process of arrangement. Both these measures are important, the one as tapping resources for war purposes which have hitherto not been touched, except indirectly; the other as conserving

resources for the Dominion Government's use which are otherwise apt to drift into investments beyond Canada's bounds. That small savings can be successfully tapped for war purposes is shown by Great Britain's experience. There more than \$420 millions had been raised from small savings for war purposes up to September 1st last. There is no reason why proportionately Canada should not do as well as this, provided that the thing is gone about in the right way. It will be of little use to authorise investments of small sums in war securities and then expect the scheme to work itself. A persevering campaign of education will be necessary. The war savings campaigns which have been carried on in Great Britain are the subject of considerable caustic comment from time to time, but the fact remains that they have been the means of raising directly and indirectly very large amounts of funds for the carrying on of the war, a fair proportion of which, it is safe to state, would have been otherwise wasted in some form or other of undesirable expenditure. The same activity will be necessary in the Dominion if any pronounced success is to attend the step now announced. Thousands of folk have got to be educated up to the point of seeing that they can perform a patriotic duty and incidentally do themselves much good by carefully saving as much as they are able and by lending it to the Dominion Government for the prosecution of Canada's share in the war. Such an educative campaign calls for the whole-hearted co-operation of many sections of the community in order to bring it to a successful issue.

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The new Dominion Treasury debenture stock, the terms of which are likely to be announced in a few days, should find a ready sale among the insurance companies and other large investors who will be glad to utilise available funds at an attractive rate of interest. This debenture stock, it is stated, is likely to take the form of a 5 per cent. 3-year security issued at par. It is possible also that these issues will attract a fair amount of American capital. The two new steps announced by the Minister of Finance are to be heartily welcomed as tending to the more effective mobilisation of Canadian resources for war purposes.

