

# The Chronicle

## Banking, Insurance and Finance

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### THE GENERAL FINANCIAL SITUATION.

*(Continued from page 757)*

itself absolutely short out of the British markets this Fall and Winter as a result of American activities in getting rid of the government-guaranteed crop. If the British activities find that Canadian wheat can be got 40 or 50 cents cheaper than the price at which the American government is inclined to lease it, owing to the latter's obligation of a guaranteed price to the farmer, means will be found for its transport. That the Ottawa authorities have not over-looked this problem is shown by an announcement two or three weeks ago of the arrangement with the banks for a credit of \$200,000,000 for crop-moving purposes, and doubtless other necessary steps are also under consideration.

It is a curious fact that Sir George Paish, whose doleful interview regarding the outlook for world credit, was the occasion rather than the cause of a slump in the New York stock market this week, was well-known in the years before the war as the champion optimist among British financial writers. This seems to be a case of swinging from one extreme of the pendulum to the other. In connection with this intensive, it should be borne in mind that Sir George Paish's reputation as an economist on this side of the Atlantic stands at a considerably higher level than it does in his own country, and there is good reason to suppose that his ultra-pessimistic views do not entirely represent the opinion of the most influential and conservative financial element in the City of London. One curious feature of the interview is that Sir George attempts to revive in it the discredited scheme for a levy on capital. Judging from other trustworthy sources of information, British financiers are not disposed to undertake the serious character of the financial problems with which they are at present faced, but it seems likely, that the Paish interview, while making excellent newspaper "copy," paints the picture in altogether too gloomy colours.

That the housing problem in Montreal and other large cities is fast becoming a most serious one is

known, but that its real proportions are not yet generally appreciated is suggested by some facts which came to our knowledge this week. The management of an apartment house of the not altogether inexpensive variety informed us that he had a waiting list of no fewer than 82 prospective tenants. This is not unique, in fact, we believe from other inquiries made that this state of things is general throughout the city. Nor is the outlook for a rectification of this condition of affairs at an early date, very rosy. While some building is being done this year, its proportions are obviously hopelessly inadequate to the demand and it seems unlikely that anything really effective will be done until such time as there is less uncertainty regarding the prices of materials and the cost of labour. Builders can hardly be blamed if they refuse to take the risks involved in construction under present day conditions but meantime the whole community is suffering severely in inflated rents and general discomfort. Add to this the further information which come from prominent boot and shoe men this week that getting leather was "the very dickens," and that even the better grade of men's shoes may touch \$25 in the not too far distant future, and it will be appreciated that the economic outlook for the Peterfamilas in his domestic affairs is not altogether encouraging in some directions at least.

With regard to the rise in New York Funds this week to a record of prices of over 3½, it should be borne in mind that the holiday season is now in full swing, and that the American beach resorts famed by so many Canadians as recreation centres are not exactly inexpensive places. This spending of Canadian money in the United States by holiday-makers constitutes an "invisible" drain upon our resources that is not generally appreciated, though to some extent it is offset by the corresponding "invisible" import of funds from the United States by American citizens, who travel the St. Lawrence and find a playground in the British Columbia Rocky Mountains.

### THE DOMINION BANK.

Half-Yearly Statement, 30th June, 1919

Net Profits for the half-year—\$553,698.20—an increase of \$31,000 over the corresponding period of 1918.

Total Deposits, 30th June, 1919, were \$96,140,000 greater than on June 30th, 1918.

Cash Assets — \$27,697,000 — increased during the year by \$3,200,000.

Immediately available or Quick Assets — \$62,240,000, or \$8,400,000 greater than one year ago.

The Total Assets of the Bank on June 30th, 1919, were \$123,872,000—an increase of nearly \$18,000,000 over the June 30th, 1918, figures.