

The Chronicle

Banking, Insurance and Finance

ESTABLISHED 1881. PUBLISHED EVERY FRIDAY
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10 ST. JOHN STREET, MONTREAL.

Annual Subscription, \$3.00 Single Copy, 10 cents.

MONTREAL, FRIDAY, JANUARY 2nd, 1920

1919-1920

(Continued from front page)

of the increased size of the National Debt. It is possible that the enlarged burden of taxation upon the individual taxpayer will be compensated for to some extent by a gradual decrease in the price of commodities. But it is not to be expected that declines in this respect can be other than very gradual, and the increased financial burden, which may have to be borne by the individual needs to be carried in mind.

This question is related to that of domestic and particularly retail trade. There is no doubt that much of the purchasing of commodities by all kinds of people, which has marked the last twelve months, is due largely to the dissipation of war profits or earnings and of War gratuities. What has been happening in Canada in that respect appears to be by all accounts, a mild imitation of the orgy of spending which has been going on in the United States and in Great Britain and France. Readers of Thackeray's immortal pages in "Vanity Fair," will be aware that an orgy of spending in the early days of peace is no new thing—but on this occasion it is on a very much larger scale than anything previously known in history. For how long this "blowing-in" process will continue remains to be seen. But it is certain that it will slow down sooner or later, and that, though possibly not during 1920, there will be a considerable falling off in demand of high priced commodities and luxuries, unless in the meantime there is an accumulation of new means to purchase them. This matter is related to that of wage adjustment—a thorny problem that is likely to demand all the attention that can be given it before the year 1920 is out.

These are some of the unpleasant features of the outlook into 1920 for Canadians; but it may be said that they are balanced, and possibly more than balanced by the favourable features of the outlook. Canada, although hampered with a proportionately heavy National Debt, is probably in a more favorable position than any other of the belligerent countries, except possibly the United States. The products of which it has the most ample supplies are those most in

demand by a hungry world. Its pulp and paper industry is flourishing to an extent which would have been inconceivable a few years ago, and has apparently, at least, several years of remarkable prosperity before it. While exchange continues in its present abnormal conditions, it will no doubt constitute a heavy handicap to the development of an export trade in manufactured products. But with so urgent a need of foodstuffs and raw materials of various kinds which we can supply in ample measure, it may be anticipated with some confidence that exchange is not likely to stand in the way of the export of these. Construction of various kinds, held in suspense during the War, is being got under way again, and if supplies in many directions are still exceedingly short, further production and the increased supply of shipping movements, should serve gradually to ameliorate this condition.

On the whole then, we may look forward to the New Year with confidence. There are difficulties ahead, but not of such a character that brains and industry cannot overcome them. In this spirit "The Chronicle" wishes its readers in all sincerity, "A Prosperous New Year."

TRAFFIC RETURNS.

Canadian Pacific Railway

Year to date	1917	1918	1919	Increase
Nov. 30....	\$136,010,000	\$138,420,000	\$158,390,000	\$17,970,000
Week ending	1917	1918	1919	Increase
Dec. 7....	3,289,000	3,480,000	3,797,000	317,000
" 14....	2,908,000	3,780,000	3,935,000	155,000
" 21....	3,731,000	3,715,000	Dec. 16,000

Grand Trunk Railway.

Year to date	1917	1918	1919	Increase
Nov. 30....	\$53,960,414	\$53,272,039	\$61,546,135	\$8,274,096
Week ending	1917	1918	1919	Increase
Dec. 7....	831,442

Canadian National Railways.

Year to date	1917	1918	1919	Increase
Nov. 30....	\$72,809,715	\$82,698,389	9,888,674
Week ending	1917	1918	1919	Increase
Dec. 7....	1,714,173	2,070,372	356,199
" 14....	1,800,902	1,918,932	118,030
" 21....	2,095,401	2,002,317	Dec. 91,084

THE FIRE INSURANCE ASSOCIATION OF MONTREAL

Mr. F. J. Laverty, K.C., will address the members of the Fire Insurance Association of Montreal on the 7th instant at 5.30 p.m. in the C.F.U.A. Board Room Coristine Building. Mr. Laverty has chosen for the subject of his address "Law of Fire Insurance," on which he is a recognized authority in Canada. The Fire Insurance Association of Montreal, is associated with the "Ancient and Honourable Order of the Blue Goose," and has for its object the promotion of knowledge of fire insurance. A very interesting syllabus has been arranged for 1920.