Monetary Times

Trade Review and Insurance Chronicle

of Canada

Address: Corner Church and Court Streets, Toronto, Ontario, Canada.
Telephone: Main 7404, Branch Exchange connecting all departments.
Cable Address: "Montimes, Toronto."
Winnipeg Office: 1208 McArthur Building. Telephone Main 2663.
G. W. Goodall, Western Manager.

SUBSCRIPTION RATES

One year	Six Months	Three Months	Single Copy
$3.00	$1.75	$1.00	10 Cents

ADVERTISING RATES UPON REQUEST.

The Monetary Times was established in 1867, the year of Confederation. It absorbed in 1869 The Intercolonial Journal of Commerce, of Montreal; in 1870, The Trade Review, of Montreal; and the Toronto Journal of Commerce.

The Monetary Times does not necessarily endorse the statements and opinions of its correspondents, nor does it hold itself responsible therefor.

The Monetary Times invites information from its readers to aid in excluding from its columns fraudulent and objectionable advertisements. All information will be treated confidentially.

SUBSCRIBERS PLEASE NOTE:

When changing your mailing instructions, be sure to state fully *both* your old and your new address.

All mailed papers are sent direct to Friday evening trains. Any subscriber who receives his paper late will confer a favor by complaining to the circulation department.

SHIPBUILDING IN CANADA

While a shipbuilding industry may prove an expensive enterprise for Canada, the extraordinary tonnage situation created by the war makes the subject one for serious consideration by the federal government. Colonel W. I. Gear, of Montreal, a practical shipping man, advanced strong reasons the other week against the institution of such an industry here. He pointed out that it was impossible for us to compete with British firms either in the cost of building or in the cost of operating ships. In the past, he added, British-built boats had been cheaper by 30 per cent. because the cost of material, of wages, of outfitting, and of the yard permitted the difference. At the same time, there are far more substantial reasons favoring the establishment now of a shipbuilding industry than there were for the construction of certain transcontinental railroads whose debt charges are constituting an acute problem.

Since the outbreak of war to the middle of October last, 1,500,000 ocean tonnage had been sunk. Such losses have continued and one of the matters giving greatest concern to-day, especially to the British authorities, is the increasing shortage of tonnage. It affects not only the conduct and the length of the war but it will prove an important factor in the commercial campaign to follow the war. To transact the large volume of business which we should when hostilities cease, the British Empire must have the maximum possible tonnage. The neutral nations which have managed to keep out of the war to date, and the largest of them which will probably be able to keep out of the struggle altogether, are amassing wealth as a result of the war. They will be outstanding rivals in the British Empire's campaign for business. To retain our markets and to obtain new business, we must have boats. From that angle alone, it would seem to be worth while for Canada to do its share in supplying tonnage. From the purely Canadian viewpoint, with our determination to increase production and exports, tonnage upon which we have first call is obviously an advantage and the sooner it is off the stocks, the greater the advantage.

Colonel Cantley's speech to the Canadian Manufacturers' Association at Montreal last week, and which is printed on another page of this issue, cited strong arguments for the institution of such an industry. Mr. W. G. Ross, chairman of the Montreal harbor commission, stated at the same meeting that the farmer is as much interested in ocean transport as is the manufacturer. The experience of the past few months has proved that. We can afford to shelve many ambitious construction schemes of which politics have been the parents and which have compelled the authorities at Ottawa to take notice. Shipbuilding may cost the country something to establish, but is it not worth while in view of the war conditions which beset us and in view of the commercial conditions to follow the war?

WORKMEN'S COMPENSATION

In most discussions regarding workmen's compensation insurance operated by the State, much is heard of the question of prompt payments. In Ontario, the government has refused to allow the accident insurance companies to compete with the State system. That plan is also proposed in British Columbia. When the companies had the business, there was real competition, so much so, indeed, that cut rates became almost a serious factor. The State in certain provinces now proposes to eliminate, or has done so already, all competition and to substitute a government monopoly of the business. That naturally tends to raise the cost of insurance and to delay the payment of claims. The companies have always charged reasonable rates and paid claims promptly. That is how they have built up good reputations. After the public have tried monopolistic State operation for a time they will probably hanker for competition in the business. It is good to know that the Nova Scotia government may allow the insurance companies to participate in workmen's compensation insurance in that province. The companies are willing to work under any reasonable act.

WAR, BONDS, NEIGHBORS

The strenuous days through which international finance has passed during the past two years should have hardened its character. But President Wilson's note to Germany last week gave Wall Street the tremors which even reached Canadian bond brokers, despite the fact that the United States, after all, is about as far from war as it was a year ago. Our bond houses figured that the United States being the only important market for Canadian bonds, close possibilities of a war declaration between that country and Germany, or the declaration itself would close the doors of the United States market to Canadian bonds.

That is looking a long way ahead. It is a pessimistic guess, too. Even with the United States actually at war, her bankers could well afford to finance the comparatively small requirements of this country, which would then be an ally of the United States in the Great War. Our bonds, popular there now, would have increased prestige. Domestic war loans of the United States would swallow up big sums of money but there would be ample left to let us have the $200,000,000 or so per annum in the aggregate which our governments, municipalities and corporations might seek in that market. The United States has no war debt; it has the smallest normal debt in comparison with the belligerents; it has loaned $830,000,000 to the warring countries; and with good crops this year, it will have a favorable trade balance estimated at from $2,000,000,000 to $2,500,000,000.