

Purpose of Third Dominion Victory Loan

Necessity for Funds to Finance Present Needs—Where the Money Will Go.

Canadians are again called to come forward and place their money at the service of their country. The appeal on behalf of the Third Victory Loan is quite as urgent as any previously made. The war has been won, but the price in dollars and cents has not yet been fully paid. Our soldiers have done their part—50,000 of them lie on Flander's fields. It remains for others to do theirs. This may be done by subscribing as liberally as possible to the new loan. It must be done.

Canada owes a debt to her soldiers that money can never repay. To those who laid down their lives in her service she owes it to make ample provision for those who have been left behind. This must be done through pensions to widows and fatherless children of tender years, who must not be allowed to lack anything that is necessary to their proper care and up-bringing. Then there is the country's debt to her disabled veterans, those who through disability are handicapped in the battle of life—this too must be discharged.

The loan is a challenge to the national spirit. Having secured a recognized place at the Peace Conference and being one of the original members of the League of Nations, Canada has attained the status of nationhood, which is a great honor. But nationhood brings its responsibility, as well as its honors. One of these is that of assuming a nation's financial obligations. It is hoped that Canada, which sent 420,000 men overseas, of whom 50,000 laid down their lives, while 225,000 were wounded, will not hesitate to subscribe another \$500,000,000 in order to settle her war bills. Being in the highest sense a debt of honor, these must be paid and Canada must also give another demonstration that as a nation she is both willing and able to do so.

Canada responded enthusiastically to all former appeals, giving on several occasions double the amount asked—and she did this before the international recognition of her new status was accorded her. To date she has practically met, out of the funds provided by her own people, her total war expenditure. Through the five War Loans that have been issued the people of Canada have subscribed \$1,680,000,000. In doing so they have surprised both themselves and the world. They have established their financial independence, so that of the total net national debt of \$1,670,236,691, on July 31, all but \$437,000,000 is payable in Canada. Canadians must raise the remaining amount asked for through this new loan in order that they may be able to say that they provided for the total loan expenditure out of their own pockets, and in order that the Dominion's financial strength may again be demonstrated.

Notwithstanding their heavy purchase of war bonds the people of Canada are much better off today than ever before. For one thing they are drawing \$75,000,000 a year in interest on their own war bonds. They are keeping this money at home, circulating among themselves, rather than sending it abroad and thus presenting to other countries the first fruits of their own industry. So this extensive buying of war bonds has been good business. It has given Canadians confidence in their own country. It has also taught them to save and invest wisely, and in doing so they have become better citizens. All this must be kept up, and this can best be done by subscribing to the new loan.

The amount required can be raised, for Canadians are well able to do it. They have the money. The bank statements show this. On July 31, there were in the banks of this country deposits totalling \$1,759,268,918. Of this amount \$1,175,092,153 was in the form of savings. And these deposits are growing by leaps and bounds. In July, 1918, the savings deposits were \$992,015,137, or, in other words, there has been an increase of \$183,077,016 during

the year. Nor is this all. This increase was reported in spite of the fact that the people of Canada actually subscribed \$650,000,000 in new money for the Victory Loan of last fall. Canada has the money all right and it is rapidly increasing. A portion of it should be put to the best possible use, that of paying the price of victory.

The fighting is over but the bills still come in. In expenditure this is as much a war year as any. The war vote during the last parliamentary session was \$350,000,000, all of which, save possible \$50,000,000 for credits, being intended for the payment of expenditures arising out of the war.

Coming to particulars, there are war gratuities paid to members of the Canadian Expeditionary Force. These, as is well known, are a continuation of a soldier's pay during a period which, at the longest, is six months from the date of discharge. It is estimated these will call for \$120,000,000. Of this amount \$61,000,000 will come out of the proceeds of the loan.

The Soldier Settlement Scheme is the biggest undertaking of its kind launched by a Canadian Government. Its purpose is to settle returned soldiers on land and to advance them sums not to exceed in the aggregate \$7,500, with which to pay for either land, livestock, buildings, implements, or for the making of other improvements. While it was thought that quite a number of soldiers would take advantage of the opportunity to go on the land, still the actual number has so far exceeded expectations. Hon. Arthur Meighen, who is head of this department, said recently that the Government's committment on this scheme would probably equal that of war gratuities, or \$130,000,000. The vote on this account for the present year was \$25,000,000, but to date \$50,000,000 have been loaned. Over 30,000 applications have been received and the number is still growing. The money, of course, is only loaned; but it will have to be paid out and the present loan will help to provide it.

The work of the Soldiers' Civil Re-establishment Department, which has to do with the placing of the soldier back into civil life under conditions as good, if not better, than those which he left when he went to war, costs a lot of money. The appropriation for this year's work is \$32,368,000. A few weeks ago this department had 11,000 patients under treatment. It has given service to over 14,000 amputations and orthopaedic cases and supplied over 3,500 artificial limbs. Recently there were 11,500 men in training in the classes conducted by the department, and over 4,000 have graduated.

During the war period Canadian industries were stimulated to such a high degree that the sudden cessation of hostilities gave rise to fears that if these industries could not be kept going, business stagnation might result with disastrous consequences to the country. In order that foreign business might the more easily be secured the Government granted credits of \$25,000,000 each to Belgium, France, Greece and Roumania. Larger credits have been granted to the Imperial Government, including one of \$50,000,000 to finance Canadian timber purchases. Arrangements have also to be made to finance the sale of this year's wheat crop. The money for this will naturally come from the loan.

The war being over it was deemed wise to renew work on several public undertakings, which had been suspended while hostilities were in progress. Such action was also prompted by a desire to provide ample employment for the thousands of returning soldiers. As a result \$10,000,000 were voted for public works and canals chargeable to capital account. This money also will have to be obtained chiefly through the loan.

It may be asked, could not these expenditures generally be met out of general revenue? This is impossible, the revenue in sight being inadequate to meet them. In his