

**NEW YEAR'S MESSAGE OF FINANCE MINISTER.**

Sir Thomas White, the Minister of Finance, has issued the following New Year's message:

"Upon the eve of the New Year I feel that I should say a word to the people of Canada as to certain of the war problems which confront us and the policy which the nation should adopt with a view to meeting them. In the first place, it is clear that all unnecessary expenditure, whether public or private, should be eliminated, and that rigid personal and national economy should be the order of the day for the duration of the war. Luxurious consumption of all kinds, and particularly of imported articles which take money out of the country, should be curtailed as much as possible. Every effort should be made to increase the production of food and products essential to the activity of the war. On the other hand no industries of a non-essential character should be allowed to absorb new capital or additional man-power, both of which will be increasingly required for the continued prosecution of the war.

"The financial responsibilities which we must continue to face during the remainder of the war will be very great. They can be met if the people of Canada will economize and save. Owing to the international financial conditions our output of munitions, foodstuffs and other supplies, upon the sale of which the prosperity of the country depends, can be bought by Great Britain only if Canada can find the money for the purpose. The Victory Loan proceeds will keep us financed for this purpose for many months. In the meantime the people should be diligent in saving in order that the immense sum now being disbursed in Canada for our own military expenditure and by the Imperial Government in the purchase of our products may be conserved as a national working capital for a future issue made for the same purpose.

"Money requiring immediate investment may be used to purchase Victory Loan Bonds in our own market, thus helping to keep firm the price of these securities. Speaking generally, money should not be sent out of Canada to purchase securities held or listed abroad, as this diminishes the amount of Canadian investment money and helps to create an adverse exchange situation. In fact, no money should leave Canada during the war, save to pay for necessary commodities.

"Many million dollars of Canadian loans which have been made heretofore in foreign markets will mature during the coming year. It is quite probable that market conditions will in many cases prevent their renewal abroad, and money will have to be found in Canada to take them up as they become due. This will, of course, make further demands upon the Canadian financial market. If the Canadian people will resolutely determine to cut down waste, eliminate luxuries and save their money, the nation will be abundantly able to finance the war, establish needed credit for the Mother Country and even buy back a large portion of Canadian issues which will mature abroad and may have to be taken up with Canadian funds.

"As for Governments, whether Dominion, Provincial or municipal, no expenditures should be made upon public works or undertakings which can be deferred until after the war. It is unwise at this time to lock up liquid capital in these enterprises or employ upon them labor which is so greatly needed in essential production. Apart from these considerations, it is advisable that construction of such works should, if possible, be postponed until after the war in order to furnish employment which may be needed then and is not needed now.

"I am certain that with our great natural resources in industry and the enterprise of the Canadian people, and with the prices which prevail for products which we have to sell and which the world must buy, Canadians, by observance of strict economy and the elimination of wasteful and luxurious expenditures, by national saving and the preservation of liquid capital for essential industries and commercial needs, may with hope and confidence face the financial responsibilities and burdens of the New Year."

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### BASIS AND PRACTICE OF SCHEDULE RATING.

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where they do not or have been safeguarded. Further than that, every insurance agent becomes an active agent for improvement of risk and fire prevention. It is not necessary to have an expert rating officer of the Board, but this schedule is not so intricate that it cannot be readily understood, and if an insured complains of his rate to an agent, he can point out to a half dozen things around the store by which the insured can obtain a reduction in rate, and thus there is the possibility of better business. He will reduce the risk and we will reduce the rate. The Fire Insurance Companies are vitally interested in the reduction of hazards and so are the insured. If it were not that these reductions in hazards were constantly being made, I doubt very much whether the Companies would be able to carry the ever increasing liability in congested centres, it would be insured at very much higher rates than those charged today.

In further argument it might be said in regard to the adoption of this schedule that it has been tested and applied in Toronto, Hamilton, London, Montreal, Quebec, Winnipeg, Calgary, Edmonton, Regina, Saskatoon and the other cities and towns of Canada, east of the Rockies. The same principle applies in regard to this as in the individual risk. If a man feels he is being rated on the same basis as his competitors in other cities, he will say "that is as much as I can expect."