

ANGLO-FRENCH FINANCIERS IN NEW YORK

Canadian Finance Minister is Meeting Them—Billion Dollar Loan May Be Made

The joint Anglo-French mission arrived in New York last week. The object of the visit is to consult with the American bankers and others as to the best means to be adopted for regulating the exchanges between New York, London and Paris, in order that the commerce and industry of the three countries may suffer as little as possible during the course of the war.

On Monday, Lord Reading, chairman of the commission, in an interview, said: "We are not in a position to make a statement at the present time, because we are studying the conditions in New York and elsewhere in relation to American exchange on London and Paris. We have received a very considerable number of persons, prominent bankers and other gentlemen, who are interested in the stability of exchange.

Want More Stable Conditions.

"The one thing that is very striking about it is that everybody is agreed, as one would expect, in the great importance to be attributed to regulating the exchange so as to provide more stable conditions than has been the case recently.

"The sudden and considerable drop in the exchange naturally disturbs, and must disturb, commercial relations between the countries—the United States and Great Britain and France—inasmuch as it makes it so difficult to see ahead what the rate of exchange will be; and, moreover, because naturally it makes such a material difference in the prices to be received by the American and the prices to be paid by the Englishman and Frenchman.

"There is a consensus of opinion that it is eminently desirable that some step be made by which stability of this exchange can be secured. You have here in the States very large surpluses of foodstuffs and other material which you want to export. We, on the other hand, want to import these goods, and to the commercial man nothing is more difficult than to arrange fixed prices when there is the instability such as we have had recently in exchange."

May Borrow a Billion.

According to New York despatches, the present plan of the joint Anglo-French financial commission is to borrow \$1,000,000,000 in the United States on straight British and French Government bonds without any collateral whatever. If this sum of money is obtained, it was said, it is to be spent, to the last penny, in the United States in payment of wheat, cotton, meat and other commodity shipments, including munitions of war. It will, therefore, in the opinion of financial authorities, be classified as a commercial loan.

Whether the neutrality of the United States would be questioned in case the bankers financing the mammoth loan should accept straight British and French Government notes as their security has been given serious consideration. It was said that the financiers familiar with the plan had every reason to believe that the Washington Administration would not interfere.

Loan Important for United States.

Mr. James J. Hill has been invited, with other prominent bankers and financiers, to meet the Anglo-French commissioners. In an interview Mr. Hill said that the successful arranging of a loan "is of far more importance to the United States than to Britain; it is not too much to say that on this the prosperity of the American farmer depends. It must be a national loan. It must appeal to bankers all over the country. Any loan that is arranged must cover not only credit for munitions of war, but provide funds for the payment of grain and other commodity exports. If the loan were intended to be used only for the payment of war munitions, it would not, in my opinion, meet with general response in the West and North-West. On the other hand, a credit loan intended for use in paying for all commodities shipped to the two countries would be popular in my section, and there is every indication that even the smallest Western banks would give it their heartiest support."

Hon. W. T. White, Canadian minister of finance, also met the commissioners in New York, as did also Sir Thomas Shaughnessy. As Canada is vitally interested in the matter

of sterling exchange (New York being our exchange centre), Mr. White has, on behalf of the Dominion Government, extended an invitation to the commission to visit Ottawa for the purpose of discussing with the Government and Canadian financiers the problem in so far as it relates to Canada. While he has not received a definite answer, the minister believes the commission will accept the invitation and visit Canada before it returns. Its immediate task lies in New York.

The chairman of the British commission is Baron Reading, Lord Chief Justice of England. The other British members are Sir Edward Hopkinson Holden, chairman of the London City and Midland Bank; Sir Edward Babington Smith, president of the National Bank of Turkey; and Basil P. Blackett, an expert from the British Treasury, who, it will be recalled, accompanied Sir George Paish to the United States soon after the opening of the war, and who is acting as secretary of the commission. The French commissioners include M. Ernest Mallett, Regent of the Bank of France, and M. Octave Homberg, who represents the French Foreign Office.

CANADIAN BOND AND MORTGAGE CORPORATION

A net profit for the year of \$20,870, or 7.12 per cent. on the average capital employed, was reported at the third annual meeting of the Canadian Bond and Mortgage Corporation, Winnipeg, at its annual meeting. The company's year ends on April 30th. At the beginning of the year the company had a short-term loan of \$100,000, which was to be repaid from instalments due on capital on July 1st, 1914, and in spite of the European war, the company retired the whole amount, and at the close of business the total amount of their short-term loans payable was \$15,000. Having to meet this obligation, very few loans were accepted during the year.

Three hundred and sixty-three shares of the capital stock were disposed of, all, however, without expense to the corporation, through the active support of the shareholders, but no active effort to dispose of stock was attempted since the declaration of war.

The total interest charges for the year amount to \$27,021, of which \$18,733, or 69 per cent., had been paid. A dividend at the rate of 5 per cent. per annum was declared, and the balance of \$25,395 was carried forward to the credit of profit and loss account.

The company has authorized capital of \$5,000,000, of which \$1,575,100 is subscribed. Mr. J. C. McGavin is president and Messrs. C. H. Enderton and A. R. Davidson, vice-presidents. Mr. R. F. McMillin is secretary of the company.

BANK CLEARING HOUSE RETURNS

The following are the bank clearing house returns for weeks ended September 9th, 1915, and September 10th, 1914, with changes:—

| | *Week ended Sept. 9, '15. | Week ended Sept. 10, '14. | Changes. |
|--------------------|------------------------------|------------------------------|----------------|
| Montreal | \$ 41,672,120 | \$ 39,645,639 | + \$ 2,026,481 |
| Toronto | 27,350,943 | 28,989,895 | — 1,638,952 |
| Winnipeg | 14,919,458 | 21,490,984 | — 6,571,526 |
| Vancouver | 4,777,416 | 6,745,184 | — 1,967,768 |
| Ottawa | 3,319,412 | 3,964,803 | — 645,391 |
| Calgary | 2,940,186 | 2,996,561 | — 56,375 |
| Quebec | 3,008,358 | 3,361,230 | — 352,872 |
| Edmonton | 1,514,112 | 2,207,546 | — 693,434 |
| Hamilton | 2,500,506 | 2,413,170 | + 87,336 |
| Victoria | 1,052,903 | 1,814,434 | — 761,531 |
| Halifax | 1,820,005 | 1,623,153 | + 196,852 |
| Regina | 1,348,197 | 1,711,925 | — 363,728 |
| London | 1,577,691 | 1,404,053 | + 173,638 |
| St. John | 1,250,295 | 1,301,364 | — 51,069 |
| Saskatoon | 669,548 | 899,440 | — 229,892 |
| Moose Jaw | 536,902 | 657,102 | — 120,200 |
| Fort William | 308,161 | 629,987 | — 321,826 |
| Brantford | 403,988 | 409,823 | — 5,835 |
| Brandon | 400,009 | 405,646 | — 5,637 |
| Lethbridge | 282,472 | 387,326 | — 104,854 |
| New Westminster .. | 241,212 | 310,087 | — 68,875 |
| Medicine Hat | 169,852 | 330,700 | — 160,848 |
| Peterboro | 307,089 | 338,816 | — 31,727 |
| Totals | \$112,370,835 | \$124,038,868 | — \$11,668,033 |

*Five days only.