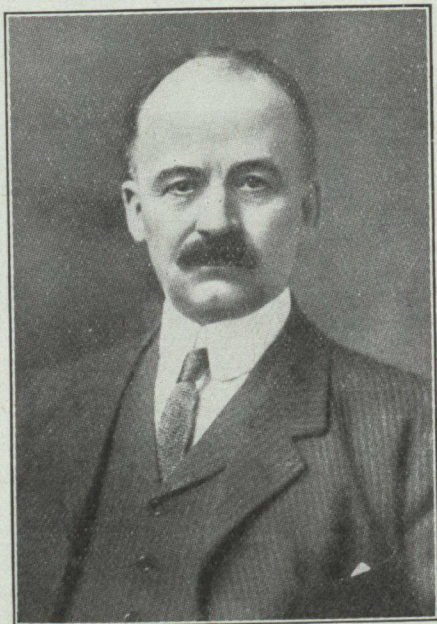


BRITISH COLUMBIA'S NEW FINANCE MINISTER

Mr. A. C. Flumerfelt, who has become minister of finance in the new British Columbia cabinet under premier Bowser, has an excellent financial and business reputation throughout the province. He is interested in many enterprises in his province especially mining and lumbering, and is a director of the Canadian Bank of Commerce, one of the most important directorships in Canada.

Mr. Flumerfelt is an Ontario man, having been born in Markham in 1856. He went west many years ago, and became manager of the Manitoba branch of the Ames Holden-McCready Company, of Montreal, and later of the company's British Columbia branch. Since 1900, he has been engaged in mining and other enterprises, acting as assistant general manager and director of the Granby Consolidated Mining, Smelting and Power Company. Other important offices held by him include the following: President of the International Coal and Coke Company, Pacific Marine Insurance Company, Western Mortgage Corporation, Hastings Shingle Company,



A. C. Flumerfelt.

and British American Trust Company, a director of Ames Holden and Company; Miner Rubber Company, Trusts and Guarantee Company, Eastern Townships Bank, Redmond and Company, Hutchison Company, Patterson Shoe Company, Canadian Consolidated Rubber Company, Empire Trust Company and Great-West Life Assurance Company; also president of the Victoria Board of Trade, 1893; formerly vice-president Royal Jubilee Hospital, Victoria Union Club and Protestant Orphans' Home. He is treasurer, too, of McGill College of British Columbia.

Mr. Flumerfelt has taken an active interest in the conservation of resources, particularly forest resources. In 1909 he was appointed a member of the Royal Commission on timber and forestry in British Columbia. He is an energetic and progressive citizen, well informed and alert. He has always taken a great interest in the economic development of Canada. A few years ago he donated \$500 towards the endowment of a chair of civil engineers, to be replaced by a permanent endowment of \$10,000 at McGill College of British Columbia. Mr. Flumerfelt assumes the finance portfolio of the British Columbia cabinet with excellent qualifications and a splendid record.

Mr. G. H. Allen, city manager of the Toronto agency of the North American Life Assurance Company, has already qualified for membership of the Nalco Club of 1916-17. The company's bulletin says: "That G. H. Allen, manager for Toronto, is in first-class fighting trim is evidenced by the fact that once again he is the leader in Class A, and if his great enthusiasm for the company he represents, combined with earnest work, will accomplish results, then I prophesy it will be mighty hard to oust him from the leading position this month."

CANADIAN ADVANCES TO ALLIES

Finance Minister White Suggests That Firms Filling War Orders Take Bonds As Part Payment

That the Dominion government is taking into serious consideration the financing of purchases in Canada, by Great Britain and her Allies, was stated by Hon. W. T. White, finance minister, in an address to the Toronto board of trade yesterday. Mr. White suggested, and asked for opinions of his suggestion, that companies in Canada filling orders placed here by Britain and the Allies, should take a certain percentage of their payments for these orders in British exchequer bonds. These bonds would finance to that extent, so far as Great Britain is concerned, her purchases in the Dominion and would overcome the difficulties of the international exchange position. The finance minister added that he spoke unofficially and wished to know what business men thought of the suggestion. Supposing that \$50,000,000 credits were arranged in this way, the establishment of these substantial credits might result (although he had no official information) in additional British orders of say, from \$100,000,000 to \$200,000,000 being placed here. The bonds would be dated sufficiently far into the future to clear the period of the war. The position of Canadian companies participating in such a plan would be that at the end of the war they would have conserved their resources and would be in a strong financial position.

Dominion Notes and Gold.

There were other ways which credits could be established and, Mr. White pointed out, that from a patriotic point of view, alone, we should do everything possible to assist Great Britain and the Allies in financing its purchases in order to carry on the war and bring it to a speedy and successful conclusion. One method considered by the government was the issue of Dominion notes against gold in London. This was sound finance but by ear-marking a certain amount of British gold the solidarity of the basis of Britain's financial structure would be lessened to that extent.

Another plan he suggested was the establishment of dollar credits, such as had been adopted in the United States in regard to British and Allied purchases. This plan is worked through bills of exchange, a group of British banks co-operating with a group of United States banks. Mr. White thought that a similar scheme was practicable here, acceptances being drawn by a group of English banks upon a group of Canadian banks. All these methods were sound finance.

Another suggestion had been made—namely, the issue of currency notes against securities, but Mr. White stated emphatically that this was unsound or "printing press" finance. Such a procedure would lead to currency inflation and that always brought innumerable evils. British and Canadian finance particularly had always been sound and it was intended that this should continue. German and Austrian finance, on the other hand, was illegitimate and Mr. White predicted that it would take those countries longer to recover from the effects of their unsound financial methods than from any other result of the war.

In order to help finance British and Allied purchases, it was necessary to produce greater production in Canada and to exercise considerable thrift. These factors combined might easily bring war orders to Canada to the extent of \$500,000,000 to \$700,000,000 per annum. The Dominion could not finance all purchases made here but it could finance a fair share of them.

Advances to Britain.

Mr. White stated also that the Dominion government had advanced \$63,000,000 to the Imperial authorities on account of shell purchases here. These advances are being repaid from time to time. Fifteen million dollars had been repaid in gold and Canada to-day had greater gold holdings than at the outbreak of war. Britain had also repaid some of Canadian advances by exchange operations to the extent of \$20,000,000. In concluding, the minister predicted a very close commercial and financial organization of the entire British Empire after the war.

Mr. H. A. Somerville, of Messrs. W. L. McKinnon and Company, Toronto, has obtained a provisional lieutenantancy in the Canadian Expeditionary Force.