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Our Credits to Britain to be Increased

IMMEDIATE Future of Our Export Trade Depends on this Action, Says Finance Minister—War Loans Are an Important Factor—The Problem Can Be Solved If Canadians Will Save Their Money and Invest in Dominion War Bonds.

SIR THOMAS WHITE is taking active steps, say Ottawa dispatches, to increase the large credits which the Canadian finance department has already established for the Imperial Treasury to be availed of for the purchase of munitions, cheese, bacon and other Canadian food products. Exchange conditions between Great Britain and America are now such that Great Britain's capacity to purchase munitions and our manufactured food products is measured by the amount of money which can be loaned the Imperial Treasury by Canada for this purpose.

The question concerns not only the pressing need of Great Britain for these products, but the commercial and industrial welfare of Canada as well, as Britain has been the great export market for our cheese, bacon and other foodstuffs and the trade in these commodities has been built up only after years of untiring effort and the expenditure of much private and public money. The prosperity of our agricultural interests, particularly the live stock and dairying industries, is immediately involved, as our cheese and meat products have practically no export market save Great Britain. The fact that the Canadian farmer is able to sell his cheese to the Imperial cheese commission is due directly to the fact that the minister of finance in July last provided a credit of \$40,000,000 from which the purchases of this cheese are being made. Without this credit the Canadian farmer could not have found a market.

At present the Dominion Treasury is furnishing over \$25,000,000 per month to the Imperial Treasury to pay for munitions, ships, rolling stock and other material under order in Canada, and in addition will supply during July, August, September and October \$50,000,000 for the purchase of cheese and other products purchased for the War Office by the department of agriculture. The Dominion government will continue its advance of \$25,000,000 a month for the purchase of munitions.

It was to provide these needed credits to the Imperial Treasury and furnish money to purchase the cheese and other products that the minister of finance made the recent \$100,000,000 note issue in New York, on which a high rate of interest and commission had to be faced in order that Canada's products might find a market and British needs for shells, cheese and other products might be met.

Up to date the Dominion Treasury has since the outbreak of the war financed the Imperial Treasury in cash and securities to a total amount of \$450,000,000. On the other hand, the Imperial Treasury has financed Canada in connection with the maintenance of our forces in Great Britain and on the continent to a total of about \$320,000,000.

The question of establishing further credits to enable Great Britain to purchase more Canadian foodstuffs is now engaging the attention of the minister. It is undoubtedly one of the most important questions in Canada to-day. It can be successfully met if the people of Canada will save their money and invest in Dominion war loan issues. The minister is now about to organize for the next of the issues which is to be made in November. A nation-wide effort will be put forth to obtain 150,000 or more subscribers. The minister is asking a committee of the Canadian Press Association to co-operate with him in developing the publicity campaign. This will start next month. The success of the loan will ensure credits from which Canada's food products and munition output can be financed and the present prosperity of the Dominion maintained.

If Canada is to secure a reasonable share of the business that is offering, it is obvious that something approaching a parity with the credit facilities offered in the United States must be forthcoming. That in the final analysis depends on whether government bond offerings here can be supported relatively as well as in the United States. Hence the new effort that is to be made to bring about a national campaign which will impress upon Canadians that the success of the government's loans is essential not only to the carrying on of the war, but also to maintaining the export business on which the country's prosperity in the past two years was founded.

Canadian banking opinion, in the matter of new British credits, is understood to favor aggressive campaigns in the selling of Dominion war bonds as the best, virtually the only, means of meeting a situation that threatens a considerable curtailment of our export trade. Thus far credits have been provided in two ways, partly through direct advances out of the Dominion government's funds, and partly through the banks' purchase of British treasury bills.