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F. WILSON-SMITH,
Proprietor.ARTHUR H. ROWLAND,
Editor.

Office:

406-408 LAKE OF THE WOODS BUILDING,
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THE NEXT WAR LOAN.

Sir Thomas White is able to make his preparations for the second Canadian domestic war loan with considerably more confidence than he could have felt regarding the initial issue last fall. True, the Minister of Finance had reason in 1915 to hope for the success of the financing then undertaken. Public sentiment was ripe for the development and was capable of giving practical expression to its feelings in terms of hard cash. The issue however, was an experiment, and as such subject to the difficulties which beset all experiments. As events developed, it was seen that the willing support of the public to the loan exceeded all reasonable expectations. Undoubtedly, at the present time the Dominion as a whole is in an even better position than it was last November to make a great success of an issue of this kind. Large new funds have been brought into the country through our immensely increased exports, a thoroughly conservative course has been pursued by leaders in finance, capital expenditures upon objects other than the war have been kept down, bank deposits have shown magnificent increases, and although a good many thoughtless folk have continued to spend extravagantly and carelessly, on the other hand there has been a practical appreciation in some quarters of the necessity of increased thrift and production.

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It would be scarcely surprising if Sir Thomas White follows the precedent set last year in regard to the funds placed at his disposal through this flotation in using any surplus subscribed beyond the Dominion Government's requirements, for the purpose of a new credit to the British Government. While the Imperial authorities have apparently immense resources both of gold and securities at their disposal for use in meeting payments on this side the Atlantic, their liabilities are correspondingly large and probably until the end of the war, the London authorities will gladly welcome a continuance of that assistance which Canada has

already granted to the extent of \$151,000,000. Not only are these credits of present-day service to the Imperial Government and of great use in ensuring a continuance of industrial activity on war munitions in Canada, but in the future they are likely to prove of the utmost value as an offset to the loans made by the Imperial Government to the Canadian Government in the first year of war. These loans are reported as aggregating about \$135,000,000 and, if necessary, the Canadian Government can draw from the British Government this year another \$150,000,000, although it is the intention not to draw upon this unless circumstances absolutely compel it. In addition to these loans, there will be at the end of the war a settlement between the Imperial and the Canadian Government regarding the expenditures made by the former for Canadian troops while on the other side of the Atlantic. It is obvious that it will be a great advantage to Canada at the war's close, when our exports by which our interest due abroad is paid will naturally decline, that the interest due on the loans made by the British Government to the Canadian Government should be offset by that due on the British Exchequer bonds taken by the Canadian Government and the banks.

Whatever, however, may be settled in this connection, it is of vital importance that the utmost possible support, consistent with the resources of the Dominion should be given to all our war financing. Appreciation of this fact is at any rate sufficiently general to insure generous subscriptions to the new loan. Probably American subscriptions also will play a very considerable part

SEED LIENS AND MORTGAGE LOANS.

The action taken by the Dominion Government in connection with last year's seed grain legislation was severely criticised by Mr. W. Toole, president of the Alberta Mortgage Loans Association, at the recent annual meeting of that body. Mr. Toole remarked that it would take the country years to live down the unfavorable impression brought about by placing the seed grain liens ahead of mortgages and other vested interests. All classes were agreed that assistance was necessary, in fact a national requirement. But it was hardly fair that the individual mortgagees, who prior to the Government's granting of assistance had shown every leniency and consideration in the way of extensions of time, should practically lose their security by reason of the seed grain lien taking priority over mortgages. If it were felt that the Government should have security other than lien on the crop, then the registration should have taken its proper place as a charge against the title. In any event, said Mr. Toole, it would have been a simple matter to so administer the relief by naming a date after which liens, if filed, would have to take their rotation on the title, so that the mortgagee and those anxious to increase or make new loans to anyone in the province might rely on a search at the proper land titles office which would have much facilitated investment business.