abroad, she holds in securities of the various Americas about $20,000,000,000 value, and there are in addition approximately $30,000,000,000 securities within Great Britain—$50,000,000,000 as evidence of continuous energy and success. That ought to justify a loan of $1,000,000,000 for temporary purposes—even unsecured.

The increment before the war from investments in England was about $360,000,000 per annum—that is the surplus which remained after all British business was taken care of—and which consequently found its way into other parts of the world. Again, Britain digs more than $300,000,000 of gold annually from the bowels of the earth. And perhaps it would not be unfair after the test to which British self-governing dominions all over the world have been put in blood, to take for granted that their physical assets will be available in case of need.

But what of her ability to produce in the future? It ought to be at least as good as it is now, when 5,000,000 men are fighting. The fact is that there are more workers in Britain to-day than before the war started. Where did they come from? They came from the leisure classes, both at the top and at the bottom, from the aristocracy, the gentry, the retired business and professional men (early retirement has always been the practice), from the ranks of those who were involuntarily unemployed, and the youth who might otherwise be still dependent upon parents—and last and most important, from the women. Production is being kept up, exports go over the seas as before, and what we have to worry about is not the inability of England to keep on producing when the war ends and her men come back to work, but the competition that will be ours.

Moreover, Britain began the war with the methodical idea that she was going to pay as she went. She did not begin by hanging her hopes upon indemnities which she might or might not collect by force of arms. Still she is on a gold basis. She has not yet borrowed a single pound without first providing by taxation for interest and a liberal sinking fund. Government revenues for 1916 will be over $2,500,000,000. That is to say, England has borrowed from the United States to date less than five months' income. Money compounded at 5 per cent. will double in about thirteen years. Supposing the chancellor of the exchequer should propose to devote the amount of surplus of $300,000,000, or one-third of that, say, $100,000,000, to a sinking fund, some mathematician will inform us that the whole British war debt would be taken care of in a comparatively few years.

More loans will be sought. It will be bad business to refuse them. The unsecured notes of Britain and France are as good as the secured ones. The probability is that exchequer notes will be issued, which, being an external credit and subject to the entire taxing power of the country, must, in any circumstances be good, whether the war is won or lost. These notes will probably carry a very attractive rate for thirty, sixty or ninety-day paper, and would be protected by an abundant supply of gold to be held in Ottawa. It has even been hinted that if collateral were demanded, it would be agreeable to the allied governments that gold in an unprecedented and extraordinary amount might be sent to this country. This would be anything but an unmixed blessing. These foreign loans are not a matter of interest only to the eastern states. Practically all the food products and the majority of exports of every other nature (excepting munitions) of this country come from the great central, southern and far western sections. Pasadena, for example, has profited by the sale of our own commodities to foreign governments. It becomes, therefore, a matter of even local patriotism to encourage this legitimate business.

Exchequer notes bear the same relation to the present British loans as commercial paper does to collateral loans. If the unsecured loans are not good, the collateral is not either. For even United States corporations are largely financed by foreign capital. We are like a man with an enormous income who spends it all every year and saves nothing. It is the savings of France and England that are financing the war. What we waste would be used by Germany to keep a first-class fleet in being. We would never miss the money. If it is thinkable that all the civilized nations of Europe should go bankrupt, then it won't matter much what kind of securities we hold. But they will not. My impression is that a lot of this money that is presently ours will slide back into the pockets of the nations that know how to save.

SASKATCHEWAN SELLS BONDS

For an issue of $500,000 5 per cent. 15-year bonds of the province of Saskatchewan, 12 bids were received and Messrs. Harris, Forbes and Company, Incorporated, Montreal, received the award. The bids were:—

Messrs. Harris, Forbes and Company, Montreal	96.31
Mr. W. Jennings O'Neill, Winnipeg	96.18
Wood, Gundy and Company, Toronto	95.68
Spitzer, Rorick and Company, Toledo	95.30
Canada Bond Corporation, Toronto	95.22
W. A. Mackenzie and Company, Toronto	94.87
A. H. Martens and Company, Toronto	94.77
Nesbitt, Thompson and Company, Toronto	94.70
Macneill and Young, Toronto	94.50
Æmilius Jarvis and Company, Toronto	94.42
C. H. Burgess and Company, Toronto	94.30
Mr. Carmichael	94.12

Mr. D. J. Dyson has been elected mayor of Winnipeg.

Fifty salesmen of the New York bond house of Messrs. Harris, Forbes & Company, ten of them from Chicago, twenty from Boston and twenty from New York, visited Montreal on Saturday last. They were met by the Montreal manager of Harris, Forbes & Company, Incorporated, Mr. R. A. Stephenson, and under his guidance visited the principal institutions.