

firm friends of his, or he would never have had such a report to make on the war loans as that made in the house of commons a few days ago as follows:

(Special to the Star from our own Correspondent.)

Ottawa, June 29.—The cost of floating the war loans in Canada, and the amount received in connection with them, are detailed in a statement by the minister of finance produced at the request of E. B. Devlin, M.P.

There have been three bond issues as war loans. The five per cent. 1915-1925 war loan, \$100,000,000 at 97½; five per cent. 1916-31 war loan, \$100,000,000 at 97½, and the five per cent. 1917-37 war loan, \$150,000,000 at 96.

The actual amounts received by the government were: From the first loan, \$97,003,600.27; from the second, \$97,789,580.17, and from the third to date \$139,832,508.04 (incomplete).

The amount paid for clerical assistance in placing the loans was \$60,876.98, and for advertising \$110,027.72.

For selling the bonds of the first two loans, brokers get a commission of one-quarter of one per cent. and for the last loan three-eighths of one per cent. On the first loan the banks received a commission of one-quarter of one percent.; on the second one-half of one per cent. and on the third nine-twentieths of one per cent.

The banks agreed, in consideration of these commissions, to take subscriptions and receive payments, deliver provisional receipts, interim certificates and bonds keep necessary accounts and cash coupons of issues free of exchange. They also agreed, if necessary, to take \$50,000,000 of the second loan, and \$60,000,000 of the third loan.

From this it will be seen that Canada as a result of the clever financing of our hon. minister received \$334,625,688.14 and for same will have to pay:

1st loan.....	\$100,000,000.00
Interest at 5% for 10 years.....	50,000,000.00
2nd loan.....	100,000,000.00
Interest at 5% for 15 years.....	75,000,000.00
3rd loan.....	150,000,000.00
Interest at 5% for 20 years.....	150,000,000.00

Total— \$625,000,000.00

Thus we have to pay \$290,374,311.52 for the use of \$334,625,688.14.

We are all patriotic enough to believe that Canada is in no way inferior to the United States and yet when they want money for war purposes they get it by selling 3½ per cent Liberty Loan bonds at par and in such a way that every \$100.00 bond nets the state \$100.00 in cash as is shown by the letter I received, a copy of which is as follows:

Treasury Department, Washington, June 26, 1917.

Dear Mr. Travers:—By direction of the secretary and in reply to your letter of the 18th inst. addressed to the secretary of state and by him referred to this department, you are advised that no fees or commissions of any sort were allowed or paid any one on account of subscriptions to the LIBERTY LOAN.

The Act of April 24, 1917, under which the Liberty Loan was issued specifically prohibits any commissions. Advertising and the services of the banks were wholly voluntary and extended to the government as a patriotic service.

Sincerely yours,

OSCAR T. CROSBY,

Assistant Secretary.

Mr. F. J. Travers, Travers and Co.
347 Sparks Street, Ottawa.

It will be seen then that corresponding amounts obtained by the United States cost

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that are only to be found in perfect tea, fresh from the mountain gardens of Ceylon.

them as follows:

10 year loan.....	\$100,000,000.00
3½% for 10 years.....	35,000,000.00
15 year loan.....	100,000,000.00
3½% for 15 years.....	52,500,000.00
20 year loan.....	150,000,000.00
3½% for 20 years.....	105,000,000.00

Total— \$542,500,000.00

Total amount of loan..... \$350,000,000.00

Cost of loan..... \$192,500,000.00

Thus it will be seen that Canada paid \$290,374,311.52 for the use of \$334,625,688.14 while the United States pay \$192,500,000.00 for the use of \$350,000,000.00 for the same period

This looks like economy in high places or is it an effort on the part of the finance minister to look after his friends? However that may be, the result is, that Canada, while her politicians are talking economy and patriotism has been loaded with an unnecessary debt of nearly \$100,000,000.00 more than United States are paying for the same service.

A little less of such patriotism and economy and more practice of real economy and business talents will be more acceptable to this already heavily burdened country.—F. J. Travers.

With the appointment of an ex-Conservative member of Parliament, Mr. C. A. Magrath, as Fuel Controller, an ex-Conservative Cabinet Minister, Hon. W. J. Hanna, as Food Controller, and a son of Sir John Willison, one of the strongest Tories in Toronto, as Chief Executive Officer of the Food Controller, the Borden Government are dealing with the Food and Fuel questions in such a manner as to at least inspire the confidence of their party friends.

