

# CANADA'S VICTORY LOAN, 1917

## WHY DOES GREAT BRITAIN FIND IT NECESSARY TO BORROW MONEY IN CANADA?

For almost three years, she bore the heaviest part of the financial burden of the war, for herself, for the Allies and for the Dominions.

She borrowed enormous sums from her own people to help finance the war.

British corporations were asked to release their foreign securities in exchange for British securities. These were sold and converted into cash.

Britain next asked private holders of foreign securities to loan them to her. These were used as collateral for British loans in the United States, when in 1916 the financial burden became so heavy that it was necessary to arrange with the United States for large loans to meet commitments in that country.

The United States has since agreed to loan to Britain and its Allies overseas, \$3,000,000,000, but it has stipulated that the money must be spent by those countries in the United States. In other words, the vast sum of three billions of dollars will be expended by the Allies to keep American factories and farms, steel plants and shipbuilding yards, and the nation generally, busy with war orders.

Our war loan to-day is for a similar purpose. It will be used to advance credits to Britain for purchases here of farm products, munitions, ships, etc. It will maintain our present high standard of agricultural and industrial production and general prosperity.

Britain has a very heavy trade balance against her in the United States because of her large war pur-

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*(The proceeds of Canada's Victory Loan, 1917, will be used for war purposes only and will be spent wholly in Canada.)*