

WAR LOAN BULLETIN

OF THE

Monetary Times

Trade Review and Insurance Chronicle
of Canada

**If you can't fight,
Lend your Money!**

Do your bit to help the men in the trenches!

September 12th, 1916.

Issued from 62 Church St., Toronto.

LEND To Your Country

by investing in the Second Canadian War Loan announced to-day. It is your opportunity to help win the war. Those who cannot bear arms can enlist their financial support. It is a patriotic duty to assist to the full extent of your means. The security is absolute—a direct obligation of the Dominion of Canada. At the purchase price

the Income is 5.30% per Annum

Don't delay! Telephone or Telegraph us at our expense the amount of your subscription and we will place it promptly, or

Fill in this Form—Now—and Mail to Us

Dominion of Canada 5% War Loan	
Wood, Gundy & Company, Toronto	
I hereby request you to record my subscription for \$ _____ of the Second Dominion War Loan in accordance with the terms of the Official Prospectus, and I hereby engage to pay the instalments as they shall become due.	
Name _____ <small>(State whether Mr., Mrs. or Miss)</small>	
Address _____	

Investors subscribing through us have the advantage of our efficient distributing organization for resale of the bonds. In connection with the last loan we resold for clients at a profit an amount almost equal to the total subscriptions received by us. Your subscription, if entrusted to us, will receive all care without charge.

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Why We Should Buy War Bonds: Our Loan Requirements: The Spirit Unbroken

BUYING A WAR BOND

The new Canadian war bonds are now being offered to our citizens. They are available to the man with only \$100 for investment and to the big corporation with its million. The purchaser does not pay a commission to the bank or the bond house through which he purchases. The government is selling its bonds through these channels and direct to applicants for the loan.

There is peculiar gratification in holding Canadian war bonds. We are lending money to our own government to help finance Canada's share of the Great War. At the same time, we relieve to that extent the tremendous financial burden placed upon the Imperial government in financing its own war operations, those of some of the Allies, and of the business of certain neutrals. The first impulse to purchase is naturally a patriotic one. Money has been donated in millions of dollars for purposes connected with the conduct of this war. Now the Dominion government is asking for the loan, not the gift, of money for the continued prosecution of its share of the struggle. For that loan it is paying an attractive rate of interest.

The Canadian public is being asked to lend the Dominion government money, at a good interest rate, in order to equip and maintain Canada's army. That army is fighting for us. It is fighting to crush Kaiserism, to save the life of the British Empire, to uphold all the great ideals, traditions and practices which the life of our Empire embodies. Who can fail, therefore, to buy a Canadian war bond?

Great Britain has loaned us large sums for war purposes, recently. Canada feels competent again to relieve, to a small extent, the financial burdens of the Motherland. These are the principal reasons which will induce Canadians to unite in again over-subscribing their second war loan in a manner which will tell the world once more that the Dominion is in this war with the rest of the Empire and the Allies to fight to the last drop of blood and to the last cent if necessary. Those who cannot shoulder a rifle for the cause now have an opportunity of buying a war bond.

The silver bullet has a "ping" that counts too. Lend your money for your country's fight.

THE SPIRIT UNBROKEN

(Reprinted from *The Monetary Times* of two years ago.)

Once again British diplomacy has played fairly, satisfying the most delicate conscience. Once again it has maintained the British standard of honor, this time at the expense of valuable points in warfare, now gained by the enemy. Germany having pushed war, it has challenged a nation which has strained every diplomatic nerve and sinew to preserve peace. Flouting Britain's heroic determination to strangle war, now it must face

that determination in a grim shape. It is not war upon Great Britain alone. It is a challenge to the Empire, one which has done for civilization more than other Empires have even tried to dream. That challenge the Empire has answered. Canada, Australia, South Africa, every dominion overseas join with the Motherland in this international struggle, one into which that Motherland has done everything possible to prevent the Empire having to plunge. Victory on one side may mean a new map of Europe, the flowering of autocracy and the predominance of belligerence. Victory where the British Empire may place it, will mean the preservation of individual nationalities, the progress of democracy, always arbitration and perhaps lasting peace.

Seldom has England girded its loins in such a good cause, especially as the struggle has been forced upon it. Heaven knows of the prayers which have been offered and the statesmanlike efforts made for peace. War has come to bring it. Having entered the fight, the British Empire will proceed to the end. In this struggle it has the help of some and the sympathy of all, except perhaps two, of the civilized nations of the world. May Right ride as conqueror!

The purchase of a war bond will help to bring peace and victory to the British Empire.

OUR LOAN REQUIREMENTS

From April 1st, 1916, to March 31st, 1917, the Dominion government will raise by way of loans, from \$200,000,000 to \$225,000,000. The loan negotiated in New York in March accounted for \$75,000,000. Taking the maximum possible requirements of \$225,000,000, there is still to be raised during the present fiscal year \$150,000,000. Assurances were given by the federal government in connection with the \$75,000,000 New York loan that no further offering would be made in the United States during the current calendar year.

While Sir Thomas White has made an arrangement by which he can draw upon an authorized credit of \$150,000,000 established by the Imperial government, the Dominion government will endeavor to utilize this credit as little as possible, if at all. As we have voluntarily closed the United States money markets against our federal loans for the remainder of the year 1916, and as we are unlikely to draw upon the credit which the Imperial authorities have provided, there will be left to be raised by way of loans, in Canada during 1916, and in the United States during the first quarter of 1917, the sum of \$150,000,000.

As the present loan is for \$100,000,000 this leaves a sum of \$50,000,000 still to be raised in order to make up the total loan requirements for the current fiscal year. This loan will probably be raised in New York about March next.

SMALL INVESTORS AND WAR LOAN

How Employers Can Help Their Staffs Buy Bonds— Loans on War Bonds

Every responsible citizen of the Dominion should recognize it as his duty to contribute according to his means and ability towards the success of the present war loan. That statement, with which most will agree, is made in an article in the Montreal Journal of Commerce by Mr. H. M. P. Eckardt, a well-known contributor to the columns of *The Monetary Times*. Mr. Eckardt, discussing ways and means to interest the small investor in the war loan, continues:—

The ordinary individual should not allow himself or herself to become possessed of the idea that it is for the finance minister, the banks, the bond houses, or wealthy corporations to see the loan through to a happy termination—that responsibility should be accepted by all alike, and corporations and individuals, rich and poor should feel the necessity or duty of putting forth efforts. The best results, all round, are obtained when these efforts take the form of cutting out unnecessary expenditures so as to have more funds available for purchasing war loan bonds. In case of the rich or well-to-do these curtailments of outgo would most likely be in evidence in regard to trips, etc., undertaken purely for pleasure, purchase of new automobiles, or very expensive items of furniture, jewelry and the like, and in regard to elaborately expensive entertainments or social functions. By self-denial of this kind a well-to-do family might divert an additional \$1,000, \$2,000 or more into war loan bonds—thus benefitting themselves, the Dominion and the great cause of the Entente Allies.

As To Small Savings.

In the case of people with smaller means, the savings would be measured perhaps in hundreds of dollars instead of thousands, but if the economies were generally or universally practised the cumulative effect might be even greater than in case of the savings of the wealthy. It would be within the power of employers in many instances to induce their employees to subscribe for suitable amounts of the loan and to meet their payments largely through cutting down useless or unnecessary expenses. A considerable number of the young men in offices have been accustomed to live right up to income. When the salary is raised the recipient may promptly increase his expenditure by a like amount—the extra amount being expended month by month in pleasure-seeking and on luxuries or non-essentials. By faithfully following out this process a man may attain to a fairly large salary without having accumulated any capital and unless change occurs in the habits there is no prospect of saving anything in the future. Surely the war loan ought to appeal to men of this class as an occasion for inaugurating a campaign of economy. If certain circumstances have prevented their joining the colors, or if they have not as yet felt it their duty to join, the least they can do is to deny themselves a few pleasures for the sake of lending money to their country and contributing something to the various patriotic funds.

Loans to Employees.

Where the circumstances are such as to permit it, employers can help the war loan along through a judicious system of loans to employees desirous of taking up the bonds. Of course, there is a theory that as the payments on the loan are spread over several months, there should not be any need for a salaried man to borrow—he should regulate his subscription so that his savings during the intervals between instalments would take care of each succeeding payment. There would not be much justification for loans of this nature to employees if the payments for the loan were spread over a period of a year; but in case of the last loan the interval between the announcement of the loan and the date set for the final payment was five months. Now an employee who accurately estimates that he can save \$25 per month could accumulate \$125 in five months; and if he does not borrow he is practically limited to a subscription of \$100; whereas, if he can arrange a suitable credit he could subscribe for \$300—three times as much—and at the end of the year he will own his war bond free of debt. Moreover, the existence of the loan or debt during the whole year operates to force a conscientious man to continue his economies and probably gets him in the habit of saving, which development opens the way to his becoming a capitalist eventually.

LIFE COMPANIES AND THE LOAN

They Will Subscribe Still More Heavily This Time— Over \$8,000,000 of Last Loan Taken by Them

Mr. J. F. Weston, managing director of the Imperial Life Assurance Company, Toronto, announced during the course of an address at the insurance agents' banquet at Hamilton recently, that the life insurance companies of Canada were preparing to subscribe a larger amount to the second war loan than they did to the first loan in November last. The amount subscribed last time by the life insurance companies was about \$8,000,000.

The following is a list of the subscriptions of Canadian life insurance companies and of British life insurance companies doing business in Canada, to the first war loan in November last:—

Companies.	Subscriptions.
Sun Life	\$2,000,000
Canada Life	1,500,000
Great-West Life	1,000,000
Confederation Life	500,000
Manufacturers Life	500,000
Mutual Life of Canada	500,000
North American Life	500,000
Imperial Life	350,000
London Life	250,000
Excelsior Life	150,000
National Life of Canada	150,000
Dominion Life	115,000
Northern Life	105,000
Continental Life	100,000
Crown Life	100,000
Sovereign Life	60,000
La Sauvegarde	50,000
Monarch Life	35,000
Capital Life	25,000
Ancient Order of Foresters	20,000
British Columbia Life	20,000
Royal Guardians	20,000
Travellers Life of Canada	15,000
Saskatchewan Life	5,000

The following is a list of subscriptions to the Canadian government war loan of November last by the British life offices doing business in Canada:—

Companies.	Subscriptions.
Standard Life	\$250,000
Commercial Union	150,000
London and Lancashire Life	100,000
Royal	50,000
North British and Mercantile	50,000
Gresham Life	30,000

It will be recalled that legislation was passed early this year whereby life insurance companies and associations carrying on business in Canada under Dominion license will be obliged to invest and keep invested a certain portion of their assets, during this and next year, in the currency bonds or debenture stock of the Dominion. Companies whose domicile is outside of Canada, but which are licensed to transact business in Canada are required to make the deposits which they are required to make in 1916 and 1917 as security for their policyholders in the Dominion in such securities; and Canadian companies for the same two years shall invest in such securities one-half of the increase in their net ledger assets during the years 1915 and 1916, after making provision for increase in foreign reserves and in policy loans.

Provision will be made to meet the case of foreign companies which have already made their deposits for the present year. The aggregate amount of such investments had reached a total of at least 15 million. "Having regard to the rate of interest which the Dominion is now paying upon its securities, there can be no hardship in such legislation, either to the insurance companies or their policyholders, who will obtain an investment of the highest character, yielding a most attractive interest return." The finance minister stated, when suggesting this legislation in the House at Ottawa, that he had less hesitation in proposing it because, unlike other financial companies, life insurance companies and associations have not been subjected to Dominion taxation. Their holdings of the Canadian war loan will be available pro tanto in discharge of their obligations under the act.

OUR GOVERNMENT LOANS IN NEW YORK

Since War They Have Totalled \$120,000,000 — All Canadian Loans There to Date, \$301,797,000

Since the outbreak of war, the Dominion government has borrowed \$120,000,000 in the United States by means of the following loans:—

1915.	Amount.	Securities.	Years.	Issue price.	Remarks.
July	\$ 25,000,000	5% notes	1	Par	Holder's may convert into 5% 20-year bonds.
July 1916.	20,000,000	5% notes	2	99½	Ditto.
March	25,000,000	5% bonds	5	99-56	Less 2½% commissions.
March	25,000,000	5% bonds	10	97.13	Ditto.
March	25,000,000	5% bonds	15	94.94	Ditto.

Total \$120,000,000

The loan of \$25,000,000 maturing in August in New York was duly paid.

When the Dominion government floated its loan of \$75,000,000 in the United States in March last, it was officially announced that no further borrowing would be undertaken by the government in that market until after the end of the present calendar year. A further loan, therefore, will not be made by the Federal government in the United States until early in 1917.

Since the British money markets were closed to Canada and other countries, for all except war issues, the United States has been acting as Canada's banker in chief. During the two years of war our borrowings in that market have totalled \$301,797,000.

According to *The Monetary Times'* records, the loans are divided as follows:—

Loans by United States to Canada.

	1914. (Aug. 4 to Dec. 31.)	1915. (Jan.-Dec.)	1916. (Jan. 1 to Aug. 1.)
Dominion government ..	\$ 45,000,000	\$ 75,000,000	
Provincial governments	\$ 1,000,000	35,877,000	18,450,000
Municipal	6,900,000	32,455,000	20,793,000
Corporation	18,690,000	30,640,000	17,022,000
	\$26,590,000	\$143,972,000	\$131,235,000

Foreign governments now owe the United States considerably over \$1,250,000,000 on their own securities taken in that country. Foreign loans and credits made there amount into \$1,206,459,000. In addition United States investors have gone to foreign markets to take advantage of war prices for old government issues. Extent of this buying is unknown, but it has certainly amounted to over \$45,000,000.

COST OF WAR TO CANADA

Raising, Equipment and Maintenance of Each Soldier Costs \$1,000 Per Annum

Canada's war expenditures at home are about \$700,000 a day. In Canada and in Great Britain, they total approximately \$1,000,000 daily. The present war loan is issued to help with this heavy financing. The war expenditure of the Dominion government now exceeds \$20,000,000 a month. The largest item in this expenditure is for pay and allowances, subsistence and assigned pay and separation allowances of the troops. This item is running at the rate of about \$12,000,000 a month. This is much more than is paid to the troops at present in Canada who number less than half the total Canadian forces recruited for the war, over 200,000 having gone overseas.

Pay of Overseas Forces.

The pay of the overseas forces assigned to their families and dependants here, and their separation allowances, also paid here, constitute a large portion of the monthly war expenditure. The sterling exchange situation has had much to do with bringing about the payment in Canada of so large a portion of the pay of the overseas forces. As nearly as can be estimated, Canada's present war expenditure in Canada and in Britain, including the maintenance of troops actually at the front, is at the rate of about \$30,000,000 a month, or \$350,000,000 a year!

This averages about \$1,000,000 a day, and is equivalent to about \$1,000 per annum per head, as the total enlistment is about 350,000 men. Of these there are now in Canada about 140,000.

Out of the revenues of the government for the year it now seems probable that a large amount of the principal of the war expenditure will be paid, as the budgets of 1915 and 1916 are both working satisfactorily. The balance of Canada's war expenditure this year will be defrayed partly from the funds of the domestic war loan issued in November last and from those of the present war loan.

DOMINION GOVERNMENT BONDS AND STOCK NOW OUTSTANDING

(Compiled for *The Monetary Times* by R. D. Bell, Montreal.)

The following table shows the Dominion government bonds and stock now outstanding, when and how issued. The equivalent price for a 10-year 5 per cent. bond and for a 15-year 5 per cent. bond is also given.

Approximate amount.	Dated.	Due.	Interest rate.	Approx. yield at issue price.	Equivalent price for a 10-yr. 5% bond.	Equivalent price for a 15-yr. 5% bond.
\$25,000,000	1884	1909 to '34	3½%	4.07%	107.5	109.71
20,000,000	1888	1938	3%	3.20%	115.3	121.31
11,250,000	1892	1938	3%	3.32%	114	119.33
11,250,000	1894	1938	3%	3.11%	116	122.65
10,000,000	1897	1947	2½%	2.82%	118.7	126.79
15,000,000	1908	1930 to '50	3½%	3½%	112.5	117.38
25,000,000	1908	1930 to '50	3½%	3½%	112.5	117.38
30,000,000	1909	1914 to '19	3¾%	3.88%	109.1	113.01
32,500,000	1909	1930 to '50	3½%	3.60%	111.6	116.11
20,000,000	1910	1930 to '50	3½%	3.56%	112	116.75
25,000,000	1910	1930 to '50	3½%	3.52%	112.2	117.38
25,000,000	1912	1930 to '50	3½%	3.65%	111.2	115.48
15,000,000	1913	1940 to '60	4%	4.06%	107.6	110.60
20,000,000	1913	1940 to '60	4%	4.18%	106.6	108.83
25,000,000	1914	1940 to '60	4%	4.06%	107.6	110.60
25,000,000	1914	1940 to '60	4%	4.12%	107	109.71
25,000,000	1915	1920 to '25	4½%	4.61%	103	104.29
25,000,000	1915	1916	5%	5%	100	100.00
20,000,000	1915	1917	5%	5¼%	98	97.42
100,000,000	1915	1925	5%	5.48%	96.86	94.93
25,000,000	1916	1921	5%	5.10%	99.22	98.96
25,000,000	1916	1926	5%	5¾%	97.13	96.17
25,000,000	1916	1931	5%	5½%	94.94	94.94

CANADIAN WEALTH AND CREDIT

What is Back of Our War Loan—Bondholders Cannot Lose

There is substantial wealth and excellent credit behind the Canadian government's war loan. The value of the production in Canada last year from field crops, forests, mines and fisheries was approximately \$1,123,169,535, as compared with \$975,380,006 in 1914. The details for the two years are as follow, the figures for 1915 being an estimate of *The Monetary Times*, but well within the mark:—

	1914.	1915.
Field crops	\$638,580,300	\$ 788,919,535
Forests	176,672,000	175,000,000
Mines	128,863,075	128,000,000
Fisheries	31,264,631	31,250,000
	\$975,380,006	\$1,123,169,535

The value of production (field crops, mines, fisheries and forest products) each year since 1908, has been as follows:—

	Total.
1908	\$ 703,590,000
1909	816,274,000
1910	701,085,000
1911	901,700,000
1912	909,358,000
1913	907,311,000
1914	975,380,006
1915	1,123,169,535

Exports of Canadian produce for the twelve months ended May, 1915, were valued at \$820,000,000, compared with \$432,000,000 in the previous year. Our total exports for the same periods, exclusive of coin and bullion, were \$866,000,000 and \$484,000,000 respectively.

The Dominion war bonds, as Mr. R. D. Bell, of Montreal, has written, have behind them the entire wealth of this great Dominion, and nothing conceivable can happen to this country that could impair the government's ability to pay interest and principal. Do not make the mistake of the man who asked: What if the war should go against the allies? I would lose my money. Ten wars could go against the allies without loss to Dominion government bondholders. Austria, for instance, has been well-nigh crushed several times ere this, yet even Austria still pays bond interest. In the first three-quarters of the last century France went through revolution and crushing defeat, and yet another revolution, and still French Rentes continued to pay interest through it all, and at the worst gave little higher return than this loan offers the Canadian investor to-day. It is not believed that this war is going against the allies, but for those who prefer to look at the worst it may be said that history teaches that this does not matter.

CANADA'S WAR FINANCE POLICY

Posterity Must Bear Big Share of Burden—The Reasons Why

In discussing in his budget speech in February last, the proper financial policy of a nation in time of war, Sir Thomas White, finance minister, said:—"Some have strongly favored the policy of large borrowing; others have insisted that the cost of a war be defrayed by a nation at the time it is being waged. Obviously, in a war such as this the latter course would be impossible. The truth seems to be that it is not practicable for all nations to adopt the same policy or for any nation the same policy at all times. The circumstances and conditions of individual nations must be taken into consideration. If a country has much accumulated wealth, a policy of drastic taxation would appear to be advisable. With a country such as ours, rich in potential resources, certain of future development and great expansion of production and population, but without at present large accumulations of wealth, it would appear that the placing upon posterity the greater portion of the financial burden of this war is justifiable, waged as it is in the interests of human freedom, and for their benefit in equal if not in greater degree than for our own. Canada in future years of peace, with the prosperity

which will be her heritage from the development of unbounded resources, will be well able to meet the interest and sinking fund charges upon such debt as we shall be obliged to incur in defence of our country and its liberties.

Utilize Only Necessary Taxation.

"Assuming that Canada's indebtedness on account of this war will reach \$500,000,000, at 5 per cent. the annual interest will amount to \$25,000,000. This sum, with a substantial amount added yearly for a sinking fund, could be met, provided strict economy be practised by governments, from the future revenue of the Dominion. In national finance, if debts can be funded, the practical question is that of payment of annual interest. But while this is so, the fact must not be overlooked that debt is debt, a financial obligation and burden upon the body politic, whether owed to investors at home or abroad.

To Encourage Agriculture.

"It is Canada's clear national duty and supremely in the interest of our credit to provide what we reasonably by taxation can without impairing our economic strength. To attempt more would mean too drastic taxation upon a community whose trade and commerce have been seriously interrupted and affected by war conditions and unduly heavy burdens upon a people already contributing generously of their substance to funds and organizations whose patriotic object is the comfort and well-being of our soldiers and the dependants they have left behind. In connection with taxation, there is another feature which we must also bear in mind—namely, that Canada is a country inviting immigration, and we must be careful not to create the impression that it is likely to become a country of heavy individual taxation. In this connection, it is opportune to state on behalf of the government and as enunciating its settled policy, that, in providing Canada's war expenditure, resort will not be had to taxation upon the farms, personal effects, or income of those engaged in our great basic industry of agriculture."

WHO ARE SUBSCRIBING?

Those companies and individuals who desire their subscriptions to appear in *The Monetary Times* list of war loan subscriptions should send the particulars without delay to the editorial department, *The Monetary Times*, 62 Church Street, Toronto. The details required are name of subscriber, city or town, amount of subscription.

CANADA'S FINANCE MINISTER

Sir Thomas White, Canada's finance minister, has little doubt of the success of the present war loan. As in the case of the first loan in November last, he has not spared himself to make the loan satisfactory and successful in every way. Since he became minister of finance in 1911, he has had the handling of a more difficult financial portfolio than that of any of his predecessors. Important financial transactions have followed rapidly, and it is to the credit of Sir Thomas White that they have all been negotiated with excellent judgment and in the best interests of the nation.

Sir Thomas was born near Bronte, in Halton county, in 1866, and attended the Bronte public school and the Brampton high school before entering the University of Toronto as a student in classics and political science. He remained for two years at the university and then joined the staff of a Toronto evening newspaper as a reporter. He resumed his studies and then dropped them again to accept a position in the city assessment department. Finally, he completed his university course, winning a gold medal at graduation. He then entered the law school, and in 1899 was graduated with a second gold medal. In August of that year the directors of the National Trust Company, then in course of organization, were seeking a manager. They selected Mr. White, and he accepted the appointment. He rose first to the position of general manager and later to that of vice-president of that corporation.

Sir Thomas is one of the comparatively few ministers of the present Dominion cabinet who has risen to the tasks and responsibilities which the war has placed upon the government.

SUBSCRIPTIONS TO THE
CANADIAN WAR LOAN

May be placed through our office, and we shall look after all details in connection with applications without charge. A copy of the official prospectus will be forwarded upon request.

AEMILIUS JARVIS & CO.

(ESTABLISHED 1891)

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Dominion of Canada
War Loan

These bonds combine the highest class of security, ready marketability and **high interest return**, and commend themselves to the most discriminating investor.

If you intend to subscribe for the new loan, we offer our services and assistance, and, in the event of your desiring at a future time to dispose of your holdings, we can place at your disposal a ready market for your securities.

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Dominion Government Loan

subscriptions sent to this Company will receive careful and prompt attention, without any additional charge to the subscriber.

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WAR LOAN

DOMINION OF CANADA

Issue of \$100,000,000 5% Bonds Maturing 1st October, 1931

PAYABLE AT PAR AT
OTTAWA, HALIFAX, ST. JOHN, CHARLOTTETOWN, MONTREAL, TORONTO, WINNIPEG, REGINA,
CALGARY, VICTORIA.

INTEREST PAYABLE HALF-YEARLY, 1st APRIL, 1st OCTOBER.
PRINCIPAL AND INTEREST PAYABLE IN GOLD.

ISSUE PRICE 97½

A FULL HALF-YEAR'S INTEREST WILL BE PAID ON 1st APRIL, 1917.
THE PROCEEDS OF THE LOAN WILL BE USED FOR WAR PURPOSES ONLY.

THE MINISTER OF FINANCE offers herewith, on behalf of the Government, the above-named Bonds for subscription at 97½, payable as follows:—

10 per cent.	on application;
30 "	" 16th October, 1916;
30 "	" 15th November, 1916;
27½ "	" 15th December, 1916.

The total allotment of bonds of this issue will be limited to one hundred million dollars, exclusive of the amount (if any) paid for by the surrender of bonds as the equivalent of cash under the terms of the War Loan prospectus of 22nd November, 1915.

The instalments may be paid in full on the 16th day of October, 1916, or on any instalment due date thereafter, under discount at the rate of four per cent. per annum. All payments are to be made to a chartered bank for the credit of the Minister of Finance. Failure to pay any instalment when due will render previous payments liable to forfeiture and the allotment to cancellation.

Subscriptions, accompanied by a deposit of ten per cent. of the amount subscribed, must be forwarded through the medium of a chartered bank. Any branch in Canada of any chartered bank will receive subscriptions and issue provisional receipts.

This loan is authorized under Act of the Parliament of Canada, and both principal and interest will be a charge upon the Consolidated Revenue Fund.

Forms of application may be obtained from any branch in Canada of any chartered bank and at the office of any Assistant Receiver-General in Canada.

Subscriptions must be for even hundreds of dollars.

In case of partial allotments the surplus deposit will be applied towards payment of the amount due on the October instalment.

Scrip certificates, non-negotiable or payable to bearer in accordance with the choice of the applicant for registered or bearer bonds, will be issued after allotment, in exchange for the provisional receipts.

When the scrip certificates have been paid in full and payment endorsed thereon by the bank receiving the money, they may be exchanged for bonds, when prepared, with coupons attached, payable to bearer or

registered as to principal, or for fully registered bonds, when prepared, without coupons, in accordance with the application.

Delivery of scrip certificates and of bonds will be made through the chartered banks.

The issue will be exempt from taxes—including any income tax—imposed in pursuance of legislation enacted by the Parliament of Canada.

The bonds with coupons will be issued in denominations of \$100, \$500, \$1,000. Fully registered bonds without coupons will be issued in denominations of \$1,000, \$5,000 or any authorized multiple of \$5,000.

The bonds will be paid at maturity at par at the office of the Minister of Finance and Receiver General at Ottawa, or at the office of the Assistant Receiver General at Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, Regina, Calgary, or Victoria.

The interest on the fully registered bonds will be paid by cheque, which will be remitted by post. Interest on bonds with coupons will be paid on surrender of coupons. Both cheques and coupons will be payable free of exchange at any branch in Canada of any chartered bank.

Subject to the payment of twenty-five cents for each new bond issued, holders of fully registered bonds without coupons will have the right to convert into bonds of the denomination of \$1,000 with coupons, and holders of bonds with coupons will have the right to convert into fully registered bonds of authorized denominations without coupons at any time on application to the Minister of Finance.

The books of the loan will be kept at the Department of Finance, Ottawa.

Application will be made in due course for the listing of the issue on the Montreal and Toronto Stock Exchanges.

Recognized bond and stock brokers will be allowed a commission of one-quarter of one per cent. on allotments made in respect of applications bearing their stamp, provided, however, that no commission will be allowed in respect of the amount of any allotment paid for by the surrender of bonds issued under the War Loan prospectus of 22nd November, 1915. No commission will be allowed in respect of applications on forms which have not been printed by the King's Printer.

Subscription Lists will close on or before 23rd September, 1916.

Department of Finance, Ottawa, September 12th, 1916.

Subscriptions for

YIELDING PRACTICALLY

5.35%

WAR LOAN

DOMINION OF CANADA

As with the previous Loan, we predict a great success for this issue. During this period of stress our Government needs our help and counts upon our patriotism. But a chance is given investors of placing their money in securities of the highest grade, upon terms the liberality of which will, perhaps, not be fully realized until the return of normal times.

If this Loan were issued to yield 4½%, instead of about 5.35%, the price would be 105.41, instead of 97.50. A 4% yield (the basis on which Dominion Government bonds sold so recently as 1914) would mean a price of 111 for the present issue.

We will forward your application, procure your allotment and render other services free of charge to you.

To ensure allotment application should be made at once.

*Investment
Bankers*

A. E. AMES & CO.
53 KING STREET WEST
Toronto, Canada

*Established
1889*

PRICES OF OLD WAR BONDS

Shortly after the issue of the first war loan in November, there was an apparent decline below the issue price. The securities were offered to the public at 97½, payable in instalments and with the first half-yearly coupon payable in full. To holders who paid in full on January 3rd, under the prescribed rate of discount, the actual cost of the bonds was a little over 96¾. The real cash issue price was about 96¾, the issue yielding at this price a rate of interest approximating 5½ per cent.

On January 3rd, 1916, subscribers to the loan had the option of paying their subscriptions in full and taking advantage of the discount allowed. This privilege was extensively used, \$75,000,000 of the loan being paid under this option, and four months in advance of maturity.

The highest price of the old war loan to August 26th, on the Montreal stock exchange, was 99½ and the lowest 97.

WAR LOAN POSTPONES DEBENTURE STOCK ISSUES

The issue of the second war loan recalls a statement made by Sir Thomas White in February, that the government had determined to authorize a sale of 5-year debenture stock from time to time in principal sums of \$100 and multiples thereof. No issues of this stock have yet been made and in view of the present offering of war bonds it seems unlikely that the debenture stock will be in the market for some time to come.

The stock will be repayable in 5 years from date of issue, and will bear interest payable half-yearly by cheque negotiable without discount at any branch of any chartered bank in Canada. The government will reserve to itself the right to limit the amount of individual sales, and generally to deal with the issue as may be deemed advisable having regard to the national credit and requirements. The object of this innovation is "to promote saving among the public and afford a ready means of remunerative investment in Dominion securities for funds seeking investment during the intervals between public offerings."

TO HELP SELL THE BONDS

Copies of this war loan bulletin of *The Monetary Times*, in large or small quantities, can be obtained by bond houses and others. Apply for information as to price to the business department, *The Monetary Times*, 62 Church Street, Toronto.

PATRONIZE HOME SECURITIES

Money and labor continue to be expended on non-essentials in Canada. This statement was made in a recent monthly letter of the Canadian Bank of Commerce. The chancellor of the exchequer, Right Hon. R. McKenna, in a letter to the secretary of the British National Economy Exhibition, says:—

"It is often necessary in dealing with problems of war expenditure to speak in terms of money, but thinking of these problems exclusively in terms of money often leads people very much astray. For example, I have heard it said that the more money that is spent on home products the better, because the more money is circulated the greater the prosperity. This is a profound error. What the nation needs is goods, labor and services for the successful prosecution of the war. Everyone's work is wanted either directly or indirectly for this purpose, whether for supplying our fighting forces or for making goods for export with which to pay for necessary imports. Expenditure on non-essentials, whether produced at home or abroad, diverts capital and labor that can ill be spared to purposes which do not help us in winning the war."

Because of the persistent offering of foreign securities in Canada and the extent to which they are being purchased, Sir Thomas White, finance minister, has publicly asked that investors reserve their funds for the service of the nation, and he points out that by so doing, no injury is done to our Allies, as other markets are open to their securities. Under the war measures act the government has power to prohibit the offering of foreign securities in Canada, but up to the present has preferred not to resort to prohibitive measures.

STATISTICS OF CANADA'S NATIONAL
AND WAR FINANCE

National Finances For Fiscal Year Ended March 31, 1916.

	Amount.
Revenue estimated at	\$170,000,000
Ordinary expenditure	125,000,000
Surplus, being devoted to payment of principal of war expenditure	\$ 45,000,000

Estimated National Revenue.

February, 1915, estimate of revenues for fiscal year ended March 31, 1916	\$150,000,000
Present estimate of revenues	170,000,000
Former estimate therefore exceeded by	20,000,000
Estimated revenue from taxation of business profits, per annum	25,000,000
Estimated revenue from tariff changes	500,000

Estimated Expenditure During Next Fiscal Year, 1916-17.

	*1916-17.	1915-16.
Ordinary expenditure	\$135,000,000	\$125,000,000
Capital expenditure	25,000,000	40,000,000
Total civil expenditure	†\$160,000,000	\$165,000,000

*Estimated.

†Includes \$36,000,000 interest on public debt, of which \$20,000,000 is due to war loans; and includes \$2,000,000 war pensions.

Trade Position.

Fiscal year.	Adverse trade balance of	Favorable trade balance of
1912-13	\$300,000,000
1913-14	180,000,000
1914-15	36,000,000
1915-16	*\$200,000,000
Total trade, fiscal year, 1915-16	\$1,200,000,000
Showing a slight decrease in imports and an increase in exports of	200,000,000

*Estimated.

National Debt.

Estimated, March 31, 1916	\$580,000,000
March 31, 1915	440,000,000
Increase during fiscal year, 1915-16	\$131,000,000
To be raised for war purposes, 1916-17	\$215,000,000
Add proposed borrowing for capital expenditures, 1916-17	35,000,000
Total estimated increase to public debt during coming fiscal year	\$250,000,000

War Financing.

Appropriated at session,	Amount.
August, 1914	\$ 50,000,000
February, 1915	100,000,000
February, 1916	250,000,000
British loans to Canada for war purposes, to date. Arrangement made last fall for further British loans, if needed, of	\$135,000,000
Canada's share of war cost, August, 1914, to January, 1916	150,000,000
Estimated interest payable during fiscal year, 1916-17, on war loans	158,000,000
War pensions, 1916-17	20,000,000
Canadian indebtedness on account of war may reach ultimately	2,000,000
With annual interest charges of	500,000,000
.....	25,000,000
War appropriation, 1916-17	\$250,000,000
On basis of present revenue, during 1916-17, there should be, for application upon war expenditures, a surplus of	\$ 35,000,000
Leaving to be raised for war purposes	215,000,000
.....	250,000,000

FIFTH DOMINION LOAN DURING WAR

Only the Two Domestic Loans Were Specifically for War Purposes

Since the outbreak of war the Dominion government has successfully floated four loans, one in London, two in New York, and one in Canada. The present is the fifth government loan since war commenced. The loans are as follow:—

London; March, 1915; \$25,000,000 4½ per cent. bonds at 99½; redeemable in five or ten years.

New York; July, 1915; \$45,000,000 5 per cent. 1 and 2-year notes with option to convert into 5 per cent. twenty-year bonds. One-year notes issued at par; two-year notes issued at 99½.

Canada; November, 1915; \$100,000,000 5 per cent. bonds at 97½, redeemable in ten years.

New York; March, 1916; \$75,000,000 5, 10 and 15-year 5 per cent. bonds, sold at 99.56, 97.13 and 94.94 respectively, less 2½ commissions.

Canada; September, 1916; \$100,000,000 5 per cent. 15-year bonds, issued at 97½.

Fifth Public Issue.

The present war loan is the fifth public issue made by the federal government since the outbreak of war in August, 1914. The two internal war loans, that of November last and the current one are the only public issues made specifically in connection with the war.

The Dominion government has not raised a loan in London since March, 1915, and is not likely to make a public offering there until some time after the close of the war. The Dominion government's public flotation in that market in recent years, have been as follow:—

Government Flotations in London.

Year.	Dominion government loans.	Securities.
1907	£1,500,000	4 % debentures
1908	3,000,000	3½ % redeemable stock
.....	5,000,000	3¾ % stock
.....	5,000,000	3¾ % redeemable stock
1909	6,000,000	3¾ % bonds
.....	6,500,000	3¾ % stock
1910	4,000,000	3¾ % stock
.....	5,000,000	3¾ % stock
1912	5,000,000	3¾ % stock
1913	3,000,000	4 % stock
.....	4,000,000	4 % stock
1914	5,000,000	4 % debenture stock
.....	5,000,000	4 % stock
1915	5,000,000	4½ % bonds

WHAT THE LOAN YIELDS TO INVESTORS

Suppose the investor buys a Canadian war bond of \$1,000, bearing 5 per cent., payable April 1st and October 1st, and maturing October 1st, 1931. This bond is to be paid for as follows: \$100 on application, \$300 on October 16th, 1916; \$300 on November 15th, 1916; and \$275 on December 15th, 1916. The total cost of the bond to the investor is, therefore, \$975. The first coupon, due on April 1st, 1917, amounts to \$25, and includes interest from October 1st, 1916, to April 1st, 1917. The value of this bond, exclusive of accrued interest, as on October 1st, 1916, and figured on a 5.30 per cent. basis is \$974.64, as pointed out in an interesting circular of W. L. McKinnon and Company, bond house, Toronto.

The actual cost of each \$1,000 bond is \$975, which is 36 cents more than \$974.64. If the finance minister had reduced the subscription price 36 cents on each \$1,000 bond, the yield rate would have been exactly 5.30 per cent.

The investor who pays each instalment exactly on each payment date mentioned above, really reduces the price as at October 1st, 1916, to 97.04 and accrued interest to yield almost 5.30 per cent. (The exact yield rate is 5.29 per cent.)

The investor who discounts his instalments and makes all his outstanding payments on October 16th will have to pay \$872.22 balance on that date for each \$1,000 bond. The exact yield rate in this case will be 5.26 per cent.

W. L. McKINNON

DEAN H. PETTES

Government and Municipal Debentures

BOUGHT AND SOLD

W. L. McKINNON & CO.

McKinnon Building,
TORONTO

Branch Office,
REGINA, SASK.

DOMINION OF CANADA

Loan

5%^s due 1st October, 1931,
Price 97½.

We are authorized to receive applications
for this Loan.

You may send applications to us by
telegraph or telephone at our expense.

By placing subscription through us you
receive, without expense to you,
special attention to all details such as
payment of instalments, delivery of
interim certificate and definitive Bonds.

C. H. BURGESS & CO.

TRADERS BANK BUILDING
TORONTO, CANADA

Telephone Main 5938

H.O'Hara & Co.

Members

Toronto Stock Exchange

It is the plain duty of every Canadian
Citizen to subscribe to the new Dominion
War Loan. Applications through us
will receive our careful attention, and
all details arranged without trouble or
expense to the subscriber.

OFFICIAL APPLICATION FORMS ON REQUEST.

**ROYAL BANK BUILDING
TORONTO**

FINANCES OF THE NATION

Canada is Paying Interest and Part of War Principal,
Out of Revenue.

Canada is paying, out of its revenue, the interest on money borrowed for the war and also a part of the cost of the war. Although the situation may change before the close of the fiscal year, that fact is indicated in the statement of national revenue and expenditure for the first four months, April to July, of the current fiscal year.

During that period, there was an increase in revenue and a reduction in the expenditure on ordinary accounts, including capital outlays, of about \$3,730,068. But the war expenditure charges during the current year of \$51,324,460, more than consumed the apparent surplus of \$32,000,000. Thus arises, partly, the need of a new war loan. Put in tabular form, the position is this:—

Revenue	\$67,638,935
Ordinary expenditure	\$28,212,341
Capital account expenditure	6,674,579
	34,886,920
Surplus	\$32,752,015
War expenditure	51,324,460
Deficit, on account of war	\$18,572,445

The following table compares national expenditures for the period, April-July, of the present and preceding fiscal years:—

	1915.	1916.
Ordinary services	\$20,376,327	\$28,212,341
Public works, etc.	8,883,364	6,489,281
Railway subsidies	357,297	185,298
	\$38,616,988	\$34,886,920

The revenue for similar periods was as follows:—

	1915.	1916.
Customs	\$27,467,544	\$43,369,485
Excise	6,612,316	7,624,235
Post office	4,700,000	5,550,000
Works and railways	4,550,546	8,376,811
Miscellaneous	2,517,944	2,718,402
Total	\$45,848,352	\$67,638,935

The increase of national revenue during the current year over the figures of 1915 was \$21,790,000. The chief gain was in customs taxes, amounting to nearly \$16,000,000, but all the items show improving results.

The following is a statement of Canada's public debt as on July 31, 1915 and 1916:—

Funded Debt—

	Liabilities.		1915.	1916.
Payable in New York				\$ 75,000,000.00
Payable in Canada			\$ 761,260.94	97,357,459.19
Payable in London			362,703,312.40	362,703,312.40
Temporary loans			100,673,684.22	226,340,350.85
Bank circulation redemption fund			5,794,534.31	5,842,191.20
Dominion notes			152,043,872.41	174,929,782.54
Savings Banks—				
Post office savings banks	1915.	1916.		
Dominion government savings banks	\$38,990,909.83	\$40,317,746.16		
	14,050,052.97	13,572,378.33		
Trust funds			53,040,962.80	53,890,124.49
Province accounts			10,251,061.77	9,981,412.02
Miscellaneous and banking accounts			11,920,481.20	11,920,481.20
			37,467,374.30	32,789,077.52
Total gross debt			\$734,656,544.35	\$1,050,754,191.41
	Assets.			
Investments—				
Sinking funds			\$ 10,790,806.51	\$ 12,595,291.10
Other investments			106,965,309.43	129,157,596.06
Province accounts			2,296,327.90	2,296,327.90
Miscellaneous and banking accounts			150,859,007.06	271,501,062.55
Total assets			\$270,911,451.80	\$ 415,550,277.61
Total net debt 31st July			\$463,745,092.55	\$ 635,203,913.80
Total net debt to 30th June			450,287,721.39	503,910,637.80
Increase of debt			\$ 13,457,371.16	\$ 41,293,276.00

In a statement issued on September 6th, the minister of finance said that the revenue of the Dominion had so far during the present fiscal year exceeded his budget expectations. For the five months ended August 31st, 1916, the total receipts aggregated \$84,000,000, as compared with \$60,000,000 for the corresponding period last year. On the other hand, the policy of not proceeding with new works unless indispensably necessary is giving good results. Ordinary public works account shows for the period in question a reduction of \$2,000,000, while public works capital expenditure has declined \$500,000. Capital expenditure on railways and canals, which is the largest item of Dominion expenditure, shows a reduction of \$3,000,000.

The result of these and other economies is that the increase in interest charges upon the national debt due to the war and pension charges are being completely offset by reduced ordinary and capital expenditures.

If the revenues continue on the same satisfactory basis until the end of the year, it is probable that after paying all ordinary and capital expenditures the government will be able to show that from the receipts of customs, excise, special taxation and other sources of income, the principal of war expenditure has been met to the amount of \$40,000,000 or \$50,000,000. The balance of war expenditure will be provided by borrowing.

WHEN BRITAIN MADE GOOD OUR DEFICITS

The floating of the second Canadian war loan within Canada is an event of considerable historical importance. In the early days, when Canada was a Crown Colony, the Imperial government made good the deficits between revenue and expenditure. At a later date when we had begun to borrow in England, they frequently guaranteed our bonds. For a long time money cost Canada 6 per cent. even with a guarantee behind our securities. It was not until 1876 that the Dominion was able to borrow in London at 4 per cent. on its own unaided credit. In 1894, during a period of depression, the rate we paid for a large loan was only 3%. Since then it has varied

The city of Winnipeg has sold its Anglo-French war loan bonds and will invest the money in the present Dominion war loan.

The directors of the Dominion Bridge Company have made arrangements whereby employees, and those of the Montreal Ammunition Company and Copper Products, Limited, may purchase Dominion of Canada war loan bonds issued in December, 1915. These securities are offered at the issue price of 97½, on a generous instalment plan, with interest on payments at the rate of 5 per cent.

*Our services are cheerfully placed at your disposal, without charge,
in connection with*

The New Dominion of Canada Loan

The consensus of opinion is that this loan will be
substantially over-subscribed.

It is the duty of every Canadian to see that this is so.

Prospectus and Application Blank on request.

The Canada Securities Corporation

Limited

McKinnon Building
TORONTO

Dominion Express Building
MONTREAL

Eastern Securities Company, Limited

GOVERNMENT, MUNICIPAL AND CORPORATION BONDS.

Information in regard to New Dominion War Loan or other Securities gladly furnished on request.
Correspondence Invited.

ST. JOHN, N.B.
92 Prince William Street.

HALIFAX, N.S.
193 Hollis Street.

Invest Your Savings in the DOMINION GOVERNMENT WAR LOAN

Yield 5.30%. Full particulars on request.
Applications may be made through me free of charge.

L. C. OWEN

GOVERNMENT AND MUNICIPAL DEBENTURES.

Standard Bank Building,

TORONTO, ONTARIO

Phone Main 6620.

The New War Loan On Easy Payments

¶ You can secure through us the New War Loan for an initial payment of \$10 per \$100 bond and regular monthly payments of \$5, or more, per \$100 bond.

¶ We helped hundreds to secure the first loan in this way who otherwise might not have been able to participate. We would like to assist thousands to secure the new issue.

¶ The services of this organization are also at the disposal of all other investors who desire to secure the safety and high return offered by the Dominion Government Bonds.

¶ Telegraph or telephone at our expense: we will provide you with full official particulars and look after all the details for you without charge.

Address us today: War Loan Department

Greenshields & Co.

Members Montreal Stock Exchange

Dealers in Canadian Bond Issues

17 St. John St., Montreal.

BANKS WILL SUBSCRIBE TO LOAN

Their Short Term Financing Recently was in Anticipation of Present Issue

The chartered banks of Canada will be substantial participants in the present war loan but this fact should not prevent small investors from placing their surplus funds with the government to help finance Canada's share of the war. The Dominion government issued in August \$30,000,000 three-months bills. These were taken by the banks in anticipation of the present loan. A payment of 70 per cent. on account of these bills was made on August 1st and the balance was paid on September 1st. As this loan is repayable on November 1st, the loaning banks will not be inconvenienced through a diminution of crop moving funds.

The banks are in a good position to participate in the present loan. The standing of their principal accounts for the latest date available appears in the statistical record of *The Monetary Times* in the current issue. Demand and notice deposits in the banks at the end of July totalled \$1,221,000,000.

To First War Loan.

The following is an official list of the contributions of the various banks to the first war loan of the Dominion government issued in November last:—

Bank.	Amount of allotment.
Bank of Montreal	\$ 3,134,300
Quebec Bank	514,500
Bank of Nova Scotia	1,286,600
Bank of British North America	953,600
Bank of Toronto	979,700
The Molsons Bank	784,900
La Banque Nationale	300,000
Merchants Bank of Canada	1,372,400
La Banque Provinciale du Canada	195,900
Union Bank of Canada	986,400
Canadian Bank of Commerce	2,938,700
Royal Bank of Canada	2,273,100
Dominion Bank	1,200,900
Bank of Hamilton	587,600
Standard Bank of Canada	857,800
La Banque d'Hochelaga	350,000
Bank of Ottawa	857,800
Imperial Bank of Canada	1,372,400
Home Bank of Canada	260,000
Northern Crown Bank	300,000
Sterling Bank of Canada	165,000
Weyburn Security Bank	70,000
Total	\$21,741,600

Allotment was Cut.

The original amount subscribed by the banks was \$25,000,000, but owing to the success of the loan the amount was reduced to the above total.

The amount subscribed by each bank to the British war loan was a matter for each bank to decide, and some of the banks have not given particulars. Fifteen of the twenty-two banks in Canada reported a total amount subscribed of £857,000. That all of the chartered banks subscribed well over £1,000,000 is regarded as a safe estimate.

The banks have also arranged with the Canadian finance minister for several advances to the Imperial authorities for the purchase of war munitions and supplies here. These advances total to date \$100,000,000.

DOMESTIC LOANS OF LONG AGO

The present is the second domestic loan made in Canada in recent times, the first having been issued in November, 1915. Several domestic loans however, were made by this country, in early years. The first was issued by the newly created Dominion of Canada after Confederation. It drew interest at 6 per cent. and attained at one time a maximum currency of over \$4,500,000. In 1872 a 5 per cent. stock was issued, of which the public took over \$9,500,000. In 1884 a 4 per cent. stock was sold to the extent of \$5,000,000, and in 1891 a 3½ per cent. stock was sold to the extent of about \$3,000,000.

GOVERNMENT BONDS.
MUNICIPAL & SCHOOL DEBENTURES
 OF THE PROVINCE OF QUEBEC

Yielding from 5% to 6% Interest. Denominations of \$100, \$500 and \$1,000

ST.-CYR, GONTHIER & FRIGON
 103 ST. FRANCOIS XAVIER STREET MONTREAL

Subscriptions Received
for

**Dominion of Canada
War Loan**

The new War Loan is by far the most attractive investment that can be obtained in Canada to-day. The yield at the issue price is

5.30%

We urge you to subscribe for as much of the Loan as you can afford, and as it is our aim to provide a ready market for any securities purchased through us, we have pleasure in offering our facilities in that connection.

Please send your application by telegram at our expense.

R. A. DALY & Co.
 GOVERNMENT, MUNICIPAL AND
 CORPORATION BONDS

BANK OF NOVA SCOTIA BUILDING
 38 MELINDA STREET
TORONTO

PATRIOTISM & PROFIT

No better investment available to the Canadian investing public than

DOMINION OF CANADA WAR LOAN
BONDS

We will attend to all details in connection with applications to new issue without charge.

FERGUSON, SANSON & GRAHAM,
 Toronto General Trusts Building,
TORONTO.

New Canadian War Loan

We Will Apply For This Without Any Charge—Send For Details

RUSSIAN LOAN

\$1,000 invested in these bonds will be repaid on maturity by the Russian Government with what will produce in Canadian money approximately \$1,650, and a good half-yearly interest in the meantime. Both Bonds and Coupons can be cashed in Toronto. This is the safest and most legitimate of all the great war profits, and occurs through the technical condition of Russian exchange produced by this war. Write or telephone for circular fully explaining.

EDWARD CRONYN & CO., Cronyn Building, Toronto, Telephone M. 1111

NEW DOMINION WAR LOAN

\$100,000,000.00

5% due 1st October, 1931

Interest payable in gold half-yearly in October and April at par at Ottawa, Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, Regina, Calgary and Victoria.

The issue will be exempt from taxes, including income tax—imposed in pursuance of legislation enacted by the parliament of Canada.

Price 97½ Yielding the Investor about 5.30%. Subscribe to-day on the following form :

Dominion of Canada 5% Loan.

Messrs. G. A. Stimson & Company, Toronto.

I hereby request you to accept my subscription for \$.....of the Dominion War Loan in accordance with the terms of the official prospectus, and I hereby agree to pay the instalments as they shall become due.

Name.....
(Mr., Mrs. or Miss)

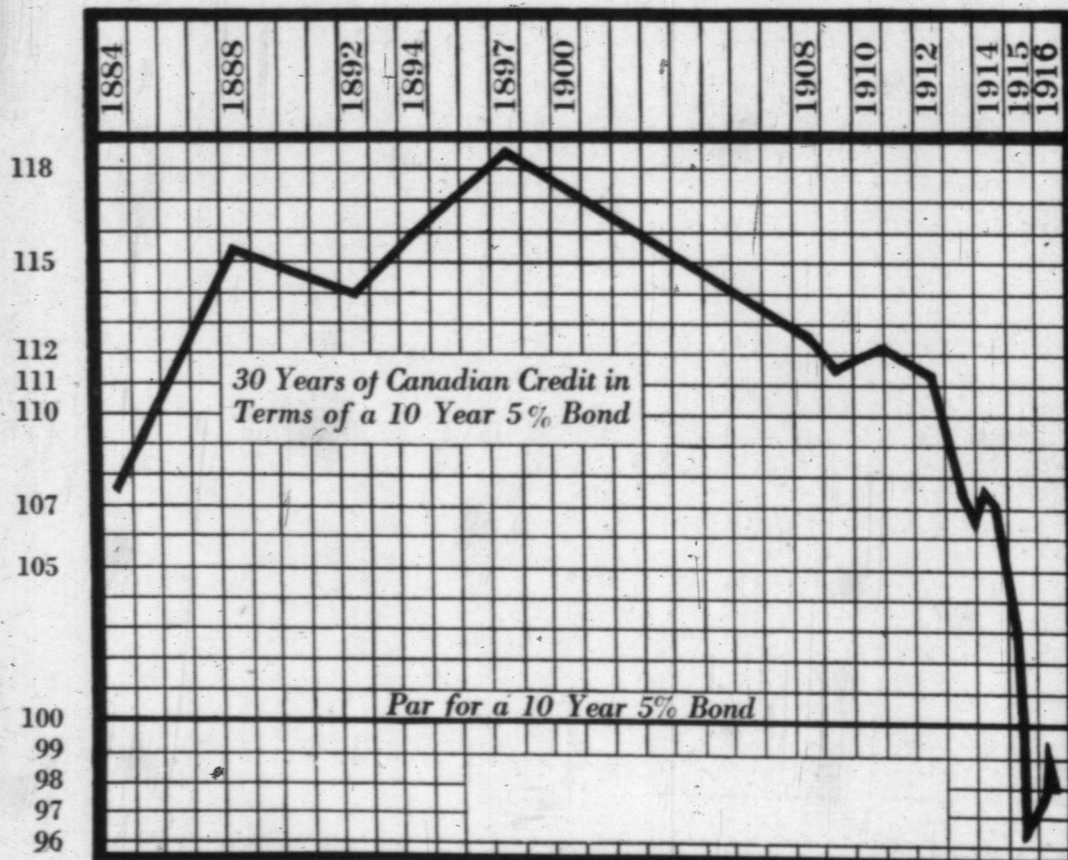
Address.....

G. A. STIMSON & COMPANY
Union Bank Building, - - TORONTO

SCOPE FOR APPRECIATION OF DOMINION GOVERNMENT BONDS

The accompanying chart, drawn for *The Monetary Times* by Greenshields & Company, investment brokers, Montreal,

indicates the fluctuations in the investment market for Dominion of Canada government bonds during the last thirty years. As the element of safety in our present war loan is taken rightly for granted, the diagram is published to emphasize the other element which may help to move the shrewd investor to extend his subscription, i.e., the element of comparative cheapness and possibility of appreciation.



118
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The chart shows the price at which a 5 per cent. Dominion government bond with ten years to run would sell to give the same yield as other issues of Dominion government bonds have yielded in the last thirty years. It shows the comparative cheapness of government issues made at present levels and the possibilities of appreciation in value when the world's investment markets become normal again.

The city of Fort William, Ont., will invest \$250,000 of its sinking fund in the war loan.