

3/5

For War Costs—

1/3

For Farm Products—

ALL

Spent in Canada

RELATING TO
VICTORY LOAN BUSINESS.



Issued by
Dominion Publicity Committee
Victory Loan, 1919

What Canada did with her Last Victory Loan

THE THING IN A NUTSHELL

	Amounts Expended	Percentage each item of total Proceeds of 1918 Victory Loan	
Paid for War and Demobilization Expenses in Canada.....	\$312,900,000	51.3%	} $\frac{3}{5}$ of the Loan
Paid for War-Service Gratuities.....	59,000,000	9.7%	
Advanced to Great Britain and our Allies for Purchase of Canadian Wheat and other Foodstuffs	207,750,000	34.0%	} $\frac{1}{3}$ of the Loan
Advanced to Great Britain for purchase in Canada of Salmon Pack.....	9,000,000	1.5%	
Advanced to Great Britain for Imperial ship- building and sundry accounts, and for interest on loans made Great Britain for munitions bought in Canada.....	8,400,000	1.4%	
Advanced to Allies for purchase of Canadian raw materials and manufactures.....	3,950,000	.6%	
Halifax Relief Fund.....	9,000,000	1.5%	
Total Proceeds of 1918 Loan.....	\$610,000,000	100.0%	

To put it another way, out of every \$100 of the Victory Loan, 1918, \$61 went for War and Demobilization Expenses and Gratuities; \$34 was advanced to Great Britain and our Allies to enable them to buy Canada's farm products of all kinds; \$1.50 was advanced to Great Britain, to buy Canadian fish; \$1.40 went in other advances to Great Britain; 60 cents went to our Allies for the purchase of Canadian raw materials and manufactured products; and \$1.50 went for the Halifax Relief Fund.

—And every dollar of it was spent in Canada.

Why the Victory Loan 1919 ?

WHEN actual hostilities ceased last November, the war did not end. Financially, the fight had yet to be finished.

When the Armistice was signed, 352,136 Canadians were in active service in half-a-dozen war areas.

They had to be transported home. They had to be paid and maintained until demobilized. The sick and disabled had to be cared for. And all of them had to be started into civil life with enough money and training to take up anew the ordinary duties of citizenship.

The military task was gigantic!

But—

In November last Canada also faced acute business uncertainty.

She had to maintain her Home and, particularly, her newly-won Export Trade in the products of her farms, forests, fisheries and factories.

To have stopped credits to Great Britain and her Allies would have paralyzed agricultural and industrial activity at the very moment when immediate employment had to be found for scores of thousands of munition workers and for scores of thousands more of returning soldiers.

The industrial task was no less urgent and difficult than the military.

Canada solved the double problem—Yes. But its solving entailed large expenditures.

By June, 1919, the proceeds of the Victory Loan, 1918, were expended.

By September 3rd, 1919, it had become necessary for Canada to make temporary borrowings for \$210,000,000 in anticipation of the Victory Loan, 1919, in order to “carry on” her demobilization tasks and to meet her war-created obligations.

Of this \$210,000,000 no less than 77.5% (\$162,750,000) went to meet absolutely necessary military expenditures; 18.6% (\$39,000,000) was used in credits to Great Britain and the Allies for the purchase in Canada of wheat, foodstuffs, timber and manufactured articles; 2.5% (\$5,250,000) was loaned to the Provinces for the housing program; the remaining 1.5% (\$3,000,000) was apportioned to the Halifax Relief Fund.

It is evident, therefore, that the Victory Loan, 1919, is absolutely necessary in the first place to enable Canada to repay promptly and fully \$210,000,000 of temporary, war-created loans incurred by her on behalf of her citizens.

The details of the \$210,000,000 expenditure are:

	Amounts Expended	Percentage of Total
War and Demobilization Expenses, including Transportation of Troops.....	\$94,750,000	(45.1%)
War Service Gratuities	31,000,000	(14.8%)
Soldiers Land Settlement.....	15,000,000	(7.2%)
Soldiers Civil Re-establishment.....	11,000,000	(5.2%)
Pensions.....	11,000,000	(5.2%)
Total Military Expenditure	\$162,750,000	(77.5%)
Advances to Great Britain and Allies to purchase wholly in Canada, Wheat, other Foodstuffs, Timber and Raw and Manufactured Materials.....	\$ 39,000,000	(18.6%)
Loans to Provinces for Housing Program...	5,250,000	(2.5%)
Halifax Relief Fund...	3,000,000	(1.5%)
Total Borrowed Temporarily in anticipation of the Victory Loan, 1919.....	\$210,000,000	(100%)

Why the Victory Loan 1919 ?

BUT the financial fight *is not yet finished.*

War is not waged on limited liability. Canada must see it through.

She must complete demobilization; she must keep on helping her soldier sons in taking the final step into civil life.

In addition to sums already spent, part of which have been temporarily borrowed, War and Demobilization Expenses in Canada will alone require another \$106,000,000; War-service Gratuities (already voted by Parliament) will require \$30,000,000 more; Soldiers Civil Re-establishment, \$22,000,000; and Soldiers' Land Settlement, \$9,000,000—a total requirement of \$167,000,000 for military purposes alone, over and above expenditures already made.

☪ Canada must also restore normal business activity—and to that end she must have National Working Capital.

To continue her present Prosperity and to assure her financial independence *Export Trade is vital—and Europe cannot pay cash for everything she buys.*

Great Britain and our Allies stand eager to buy heavily of Canadian wheat, food-stuffs, timber and manufactures—if Canada will but give them credit.

And if Canada does not, other nations will.

Canada purposes, therefore, to make further advances to Great Britain and our Allies to ensure the continued purchase *in Canada of Canadian products.*

☪ Then comes the Reconstructive work at home. Money must be forthcoming for it, too.

This includes National Investments in shipbuilding, railway replacements and the Provincial housing program.

☪ Canada, therefore, calls on her citizens to heavily oversubscribe the Victory Loan, 1919.

Whether she will have money in hand to repay promptly and fully her temporary indebtedness, to meet her war-incurred expenses, and in addition, to finance her Export Trade, her Home Reconstruction and her continued Prosperity depends entirely on the completeness of the answer of the Canadian people.

Canada called before—and the Nation sprang to arms.

Let us keep Patriotism mobilized for the Task of Peace.

Canadians will make the Victory Loan, 1919, the crowning success of Canada's war struggle.

For on it depends the establishment of National Prosperity upon secure foundations.

