

Optimistic Feeling in Hardware Circles

Demand Normal Notwithstanding High Prices.

The slackness that is always apparent during the holiday season is allowing hardware merchants leisure to draw their breath before entering upon the strenuous period facing them in the new year 1917, which promises to equal the 1916 struggle to keep pace with constantly advancing prices. Canadian dealers report a good demand for hardware of all kinds during the year just closed, notwithstanding the high prices ruling. In fact steadily rising prices have stimulated rather than checked the demand all over the country as many retailers have booked heavy orders on the advancing market, sufficient to supply them for very long periods.

How far this stocking up has accounted for the fact that last year's business was greater than the previous year's it is difficult to say. At any rate there is no doubt but that the repeated attempts of retailers to order goods that are now almost unobtainable had led to fictitious estimate of the present demand for hardware. For example enquiries for a line of goods formerly imported, may be received by half a dozen firms all of whom are unable to fill the order, and each one separately sets it down as possible business lost.

As in many cases manufacturers have been able to extend their lines so as to cover deficiencies in the range of imported goods, the lack of trade from overseas has added materially to the year's business. Generally speaking the hardware trade is as good as it was previous to the war, except for building hardware of the better grades, the demand for which has been greatly reduced in proportion to the decrease in the building taking place. This has been offset, however, by the large amount of rough hardware that is being used in the erection of munition factories and other industrial plants, so that the total business will be found to show very little change.

Marked Increases in Price.

Prices on all lines have risen steadily, the general range being from 25 to 50 per cent. Although speculation doubtless enters into this market as into all others, the strength in hardware prices is built on a more substantial basis than in the case of the raw material. Part of the advance has been brought about by an increased demand for goods and a natural feeling on the part of holders to conserve stocks as much as possible, in view of the shortage of goods that is becoming more and more apparent. A large proportion of the increase in values may be accounted for by the bull markets on the basic metals. Owing to the fact, however, that other costs have not gone up to anything like the same extent as metals, the cost of the finished article has in no case advanced at the same rate as the manufacturing materials.

The labour question is a primary factor in the situation, covering as it does the greater portion of the cost of the completed article. Wages have increased from 25 to 50 per cent, and with the higher scale of pay have come many serious difficulties for the manufacturer as well. The war has drained the country of skilled workers, leaving in their place women and old men who demand high wages although they are unable to produce the same results. Other items have also added their quota to the total increase. Car shortage and traffic congestion have caused delays and losses, and overhead expenses are on a materially higher basis.

Imports Greatly Reduced.

To realize conditions in the importing end of the hardware business it is only necessary to look

through the sample cases in any large importing house. The cards on which are displayed the small hardware are more than empty, and a number of them have been put away altogether for appearance sake. Many of the remaining samples only represent the tail end of the stocks of European goods carried before the war.

Hitherto we brought in large quantities of hardware from Germany, Austria and Belgium, all of which has been completely cut off by the war. The English trade has also been reduced to a minimum. Thus we find ourselves today in company with all other former customers of Europe, turning to the United States to supply us with such articles as we are unable to furnish at home. American makers, with a demand for hardware from all over the world, are, to say the least, not disposed to sacrifice their goods. The new trade has caused a heavy investment of capital, and with the coming of peace their market may or may not be permanent. As in the case of the domestic made goods, many factors such as the war tax, shortage of cars, and the higher cost of labour and raw materials, have increased prices of imported goods until the demand for some lines bids fair to be eliminated altogether. Take for example a charcoal iron that sells today at \$1.25 wholesale as compared with 45c before the war. The value is not there for the money in comparison with an electric iron. Prices of imported goods have risen anywhere from 50 to 200 per cent.

Firm Prices Throughout the List.

In sympathy with the strength in bar iron and steel, prices on galvanized sheets are firm, under a good demand. Pipe and pipe fittings show an improved demand. In shelf goods, retail dealers continued to buy right up to the turn of the year, instead of holding off for a few weeks in order to bring their buying into the new year as was their former custom. The demand for enamelware and tinware is not very great at present, but it will likely improve very much within the next month or six weeks, when dealers will order supplies for their spring requirements. The rise in the price of tinware is out of proportion to the change in enamelware, owing to the fact that the cost of tinned sheets has increased more than steel sheets. As the price of tinware approaches enamelware the demand for the former naturally falls away in favor of the higher class article.

The sale of carpenters' tools is not very brisk just now, but it is expected that this spring's business will show an improvement over last year's. Asbestos goods are scarce and the supplies are not equal to the demand. Prices on black and galvanized sheets are firm. Wire and wire nails are firmly maintained and supplies are somewhat scant. In poultry netting and wire nails it will be well for dealers to send in their orders for next season's needs as early as possible so as to make certain of securing delivery.

The outlook for spring business is very hopeful. It would appear as if prices would be well maintained through the apparent shortage in supplies, and that the demand in general would be greater than last year. Dealers are booking for spring delivery on all the leading lines.

AUTO ACCIDENTS.

Statistics covering the United States registration area show that fatal automobile accidents have been steadily increasing from 6.5 per million of population in 1907 to 23.9 in 1911 and 59.3 in 1915. At the rate of 60 fatalities from this cause per million of population for 1916, the approximate number of deaths caused by automobiles during the year would be 5,200, or 100 a week. In addition to fatal cases, there are, of course, a great number of disabling injuries as the result of automobile accidents.

THE LATE T. CHASE CASGRAIN.

Honorable T. Chase Casgrain whose death occurred a few days ago has been Postmaster General of the Board and Council for the past year and a half. In the years immediately preceding that he practised his law in Montreal, the late Mr. Casgrain was an American by birth having been born in Detroit in 1852. He was educated in this Province and lived probably his entire life in Quebec and Montreal. For many years he sat in the Quebec Legislature and for some 5 years was Attorney General for the Province. From 1892 to 1896 he was a member of the House of Commons and returned to that field a year and a half ago when he was made Postmaster General. The late minister was a Conservative of the old school. He was broad-minded and tolerant and keenly interested in many worthy objects outside of his law practices and parliamentary duties. One of the movements he was most keenly interested in was temperance reform.

THE UNION BANK OF CANADA.

The Union Bank of Canada reports that after all deductions, the bank carried forward \$93,160 against \$103,019 the previous year. The net profits of \$651,183 for the year 30th last, against \$659,688 in 1915, the decrease being explained as due to the slower recovery in western business, as compared with eastern business.

The balance sheet shows among liabilities an increase in circulation of \$1,142,000. Deposits without interest expanded \$7,200,000, and interest bearing deposits \$9,500,000.

On the assets side coin increased from \$1,481,000 to \$1,139,492, while Dominion notes decreased \$810,000; deposits with the Central Gold Reserve increased from \$2,800,000 to \$4,700,000, while Dominion and Provincial Government investments, grew from \$685,707 to \$2,100,547, and Canadian Municipal and British Foreign and Colonial Public Securities grew from \$395,349 to \$14,445,701.

Call loans in Canada decreased \$125,000, while those outside increased by \$4,301,000. Current loans in Canada increased \$232,000 to \$49,173,367.

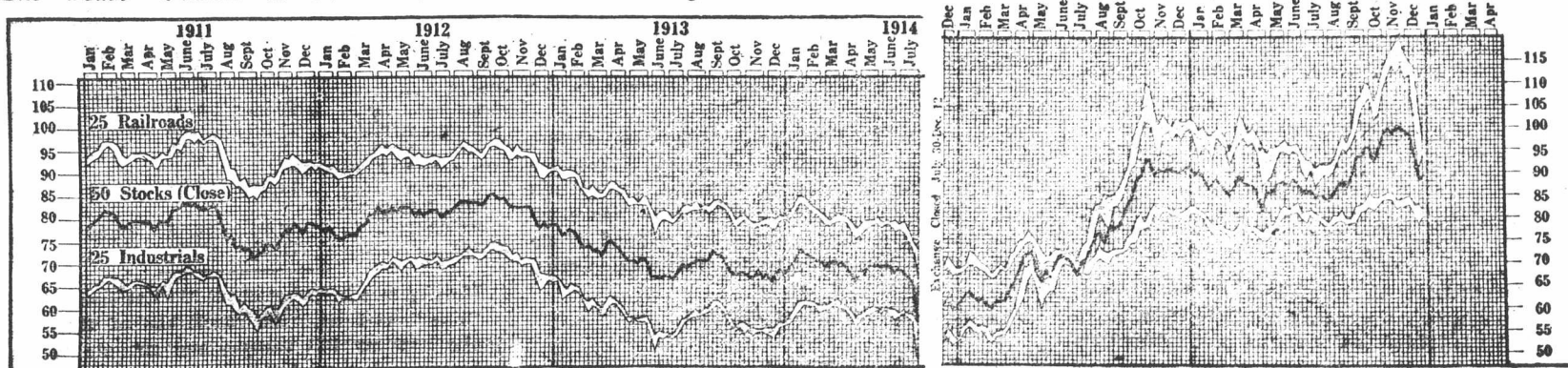
TRADE AT ST. JOHN, N. B.

The year that has just closed has been most satisfactory from a trade standpoint for St. John N.B. Almost all industries have been working up to full capacity, and with the port trade exceptionally brisk the industrial classes have been well supplied with spending money. The farmers have realized good prices on all their products. The potato crop was about 20 per cent. short of the previous year, but the enhanced price more than compensated for the loss in this direction. Hay, oats, and turnips were a good crop.

A new record for bank clearings was made the past year in this city, the total for the twelve months being \$90,586,132, as against \$77,018,854 in 1915, an increase for 1916 of \$13,567,268. The biggest year in the past was 1912, when the clearings amounted to \$88,967,218. The auditor-general, in his statement of provincial finances, reports a surplus in ordinary revenue account the past year of \$12,077.

Certain amendments to the regulations governing the cutting of timber and pulpwood on Dominion lands have been made. The order-in-council provides that all such wood cut on Dominion lands under permit must be manufactured in Canada.

Six Years' Profile of Prices on the Stock Exchange



New York Stock Exchange Fluctuations as compiled by the Annalist.