increases had occurred they had been offset by certain savings. The second campaign occurred in May and June, 1916. It was then emphatically impressed upon the mills that in their cost statements all materials used should, regardless of actual costs, be figured as though bought in the current open market, when such was not the case.

Do not Bid Against Each Other.

(b) Substantially all paper sold to publishers is sold on the condition that it be used only by the purchaser. This practice results in closer control of the supply of paper and prevents any accumulation of stocks which might be offered in competition with the supply from the mills.

(c) Some mills, which buy pulp wood, have made and generally respect a division of territory and do not bid against each other in the purchase of such wood.

(d) The business of most of the smaller publishers is now divided among jobbers and distributing agencies. Indications are that in certain states or sections the smaller publishers are unable to obtain quotations except from the specific jobbers to whom their district is apparently assigned. The fact that, as a rule, mills will not quote to these smaller publishers also indicates close relationship between mills and distributing agencies in such division of territory.

The Federal Trade Commission of the United States has decided to recommend as a war emergency measure that Congress by appropriate legislation, provide:—

Recommendations of Commission.

(1) That all mills producing and all agencies distributing print paper and mechanical and chemical pulp in the United States be operated on government account; that these products be pooled in the hands of a government agency and equitably distributed at a price based upon the cost of production and distribution, plus a fair profit per ton.

(2) That pursuant thereto some Federal agency be empowered and directed to assume the supervision and control thereof during the pendency of the war.

(3) That, by reason of the fact that approximately 75 per cent. of the production of newsprint paper in Canada comes into the United States, proper action be taken to secure the co-operation of the Canadian government in the creation of a similar governmental agency for the same function, which shall be clothed with power and authority to act jointly with the governmental agency of the United States for the protection of the consumers and manufacturers of print paper and the public of the United States and Canada.

(4) That in case the Canadian government shall not join in such a co-operative enterprise, then importation of paper and mechanical and chemical pulp into the United States shall be made only on government account to or through the Federal agency charged with such supervision and distribution.

FREIGHT CARS ORDERED

An order for 1,000 freight cars has been placed by the Canadian government railways with the National Steel Car Company at Hamilton, Ont. These cars will be used chiefly to haul the grain crop.

MONEY MARKETS

Messrs. Glazebrook and Cronyn, Toronto, exchange and bond brokers, report the following exchange rates to *The Monetary Times*:—

	Buyers.	Sellers.	Counter.
N.Y. funds	5-16 pm	¼ pm	⅜ to ½
Mont. funds	par	10c. pm	⅛ to ¼
Sterling—			
Demand	$4.76.60	$4.76.85	$4.79
Cable transfers	$4.77.50	$4.77.75	$4.80

Rates in New York, sterling demand, $4.75.55.
Bank of England rate, 5 per cent.

The directors of the Teck-Hughes Gold Mines, Limited, are offering the company's shareholders $100,000 five-year 7 per cent. gold bonds in denominations of $1,000 each at 85 and accured interest, from April 1st, 1917. Interest is payable half-yearly.

COPY OF MONETARY TIMES WANTED

Any reader, not filing copies of *The Monetary Times* for binding, who will send in the issue dated June 22nd to the head office, 62 Church Street, Toronto, will be granted a month's extension of subscription.

WAR ORDERS FROM UNITED STATES

Orders for $1,000,000 worth of blankets have been placed among Canadian manufacturers by the United States government for army purposes, according to the head of one of the largest industrial corporations in Canada. Orders have been distributed with Penmans, Limited, Toronto Carpet Company, and the Smart-Woods Company has been awarded a large contract for tents. The specifications were submitted to Canadian mills with prices fixed by the United States authorities.

FARM LOANS IN DEMAND

Although the Saskatchewan Farm Loans Board has only been in operation for the receiving of applications for loans for a week, thirty applications have already been received from farmers varying in amounts from $600 to $5,000.

Colin Fraser, chairman of the board, states that the larger amounts are for the most part asked in cases where purchase money is still due. The terms of the act do not allow the board to take any second mortgages, so that all previous loans have to be paid off before money can be secured from the board.

"SCOTIA'S" FIRST STEEL SHIP LAUNCHED

The S.S. War Wasp, the first steel ocean-going steamer built in Nova Scotia, was successfully launched on Monday by the Nova Scotia Steel Company. Work on this vessel was commenced in October last. The boat has a carrying capacity of about 2,000 tons, a displacement when loaded of 2,870 tons and a speed of eleven knots per hour. The dimensions are as follows: Length, between perpendiculars, 220 feet; moulded depth, 20 feet, and beam, 35 feet.

The War Wasp has been sold to the British government. A second vessel, about 25 per cent. larger, is under construction, and a third vessel will occupy the berth vacated by the War Wasp.

ROYAL BANK'S NEW YORK INTERESTS.

Stockholders of the Merchants' National Bank met in New York yesterday, when new directors were elected, several of whom represent the interests connected with the Royal Bank of Canada, who recently secured control of the stock of the United States bank. Mr. R. E. Jones, who has been one of the agents of the Royal Bank in New York city, is now a director of the Merchants National Bank.

In this connection it is stated that the syndicate which recently acquired the majority interest in the stock, or 20,001 out of a total of 40,000 shares outstanding, has started to distribute its holdings.

Thus far, it is stated 5,000 shares have been apportioned to Montreal interests, who paid $725,000, or $145 a share. Interests identified with the Royal Bank have taken 8,000 shares, while the balance of 7,001 shares is understood to be still in the hands of the syndicate, says a Montreal despatch.

It is expected that the new Canadian interests will be represented by at least ten out of fifteen directors of the institution. The control of the bank will give the Royal an advantage in New York, owing to the fact that the foreign corporations are not permitted to accept deposits. The Merchants' National will be able to accept the accounts of the Canadian institutions which do business in New York.

The following companies have increased the number of their directors: Chambers, McQuigge and McCaffrey and Company, Limited, from five to seven; Port Arthur Construction Company, Limited, from three to seven; Dominion Foundries and Steel, Limited, from six to ten.