

STEPS TAKEN TO MEET RESULTS OF MORATORIA

Efforts Put Forth in Various Countries To Overcome Difficulties of Situation

SOME CHAOTIC CONDITIONS

British Bankers Are Now Arranging a Plan Which May Obviate a Renewal of the Decree in Motherland After October 4th.

New York, September 11.—As over a month has elapsed since most of the countries first declared a moratorium, during which time some decrees have been modified and others extended, the status at the moment in each of the different countries that are known to have taken steps to fortify their financial position in view of the present crisis is of interest.

By reason of London's position in the money market the facts in regard to the British moratorium are of prime importance. In England a moratorium was declared for thirty days, beginning August 4, the suspension of payments applying only to long bills of exchange. On August 31 the Chancellor of the Exchequer extended the moratorium for another month, or until October 4. "It would be too risky," he said, "to bring it to an end at once."

The suspension, however, since the beginning of the moratorium has not been complete and the banks have been honoring some drafts upon them, depending upon the circumstances. As far as the Bank of England is concerned, the Bank Act was suspended. The bank has set aside £3,000,000 gold for the redemption of outstanding notes because of this, but whether this is the extent of the new unsecured circulation, does not appear. Bank of England notes have been issued in denominations of £1 and 10s. The bank rate has been reduced from the high of 10 per cent, which obtained from August 1 to August 5, to 5 per cent.

May Not Be Extended.

It is believed in banking circles that the British moratorium may not be extended after October 4. There seems to have been a disposition on the part of the English authorities to make the moratorium of as short a duration as possible, but nevertheless it was found inexpedient to withdraw the present protective measure within sixty days. That the Chancellor of the Exchequer has been working to renege conditions, is evident from a recent announcement of his looking to the alleviation of the present difficulties in foreign exchange. The statement is of very great importance under the circumstances, but its full significance appears to have been overlooked generally. It has a direct bearing upon the exchange difficulties that exist in this country, and if fully carried out will go a long way to straighten out the present tangle in our foreign exchange market.

In brief, the plan is as follows: The Bank of England will provide acceptors with the necessary funds to meet those bills at maturity which were contracted before the moratorium. The acceptor must collect from their clients money due them as soon as possible in order to pay off the advances made by the Bank of England, for which interest is charged at 2 per cent above the ruling bank rate. The Bank of England, however, will not claim repayment of any moneys not recovered by acceptors from their clients for a period of one year after the close of the war, the bank's claim until the end of this period ranking after claims in respect of post moratorium transactions.

Acceptance at Maturity.

But the most important step, and the one which will help our commerce and perhaps obviate large shipments of gold is the arrangement of the joint stock banks in co-operation with the Bank of England and the British Government, by which advances are to be made to clients of amounts necessary to pay their acceptances at maturity in the event of funds not having been provided in time by the clients of the acceptors. This means that credits can now be established in London that will accelerate the movement of grain, cotton and other commodities from here, thus establishing balances in London which will soon offset our maturing obligations abroad, probably making it unnecessary to export much gold from this side.

In France a moratorium has been declared; but owing to the removal of the government to Bordeaux and the dislocation of financial conditions in Paris on account of the war developments, it is impossible to state what is the true condition in France in this respect at the moment. Originally the moratorium expired on August 31, but it is known to have been extended. The decree was wider in its application than in England and included suspension of payments on sight drafts as well as long bills. The large banks in Paris made the most of the moratorium but for a while allowed depositors to withdraw 10 per cent of deposits. At first the Bank of France did not suspend discounting and was meeting promptly all drafts upon it. It was, however, fully exercising its powers of paying out in currency only. What its course of action is now, is not known. The Bank moved to Bordeaux along with the government, taking with it, it is said, all its specie, amounting to \$950,000,000 in gold and silver, and its securities. The bank rate, which went to 7 per cent, on August 1, was reduced to 6 per cent, on August 6, and is now down to 5 per cent.

Germany's Financial Status.

What the true financial status of Germany is also a problem, owing to the lack of communication with that country. It was at first stated that no moratorium existed there and that the banks were meeting all payments unreservedly, but according to a recent advice a three months' moratorium has been declared. The Reichsbank rate is given as 4 per cent, although it is quite possible that this is an error, and that a higher rate exists. The institution has resorted liberally to note issues, with complete suspension of the usual tax above a certain aggregate. According to the latest report to hand, the Reichsbank's note issue was 4,344,000,000 marks. Compared with the last official statement to hand, that of July 26, the Reichsbank has evidently increased its circulation in the meantime by 2,348,000,000 marks, or 446,000,000.

Italy declared a moratorium for 3 months from August 4. Subsequently the Italian government extended for forty days the moratorium on all bills due before September 30 at the option of the drawers provided not less than 15 per cent of the amount of the bill and 5 per cent interest for the period of prolongation were paid. The moratorium is not applicable to bills created after August 4. The discount rate of the Bank of Italy is 4 per cent.

Russia declared a moratorium for two months from July 15.

Latvia declared a thirty-day moratorium which

POSITION OF THE LEADING BRITISH JOINT STOCK BANKS

Ratio of Cash to Deposits Show Decline—Total of Bills Discounted and Loans is Higher.

The positions of the leading joint stock banks in Great Britain at the end of July are shown in the appended table, the figures being taken from the recently published returns.

In the aggregate the ratio of cash to deposits shows a decline of 0.4 per cent, to 15.3 per cent, as compared with the June figures, deposits having increased by £17,803,000 and cash in hand and at the Bank of England by £331,000.

The total of bills discounted and loans is higher by £21,991,000, but cash at call and short notice is down by £2,988,000.

With regard to individual banks, the only large increase in the ratio is shown by Williams Deacons, where an advance of 1.9 per cent, to 17.5 per cent, is due to an increase of £10,000 in deposits and of £235,000 in cash in hand.

The principal decline in the ratio, of 1.6 per cent, to 15.3 per cent, is shown by Lloyds, where deposits have increased by £2,406,000 and cash has decreased by £1,362,000.

(000s omitted.)

| Name of Bank. | Deposits & current accts. | Loans & discounts. | Cash in hand. | Cash at call. | % Cash re. |
|--------------------------|---------------------------|--------------------|---------------|---------------|------------|
| Capital and Counties | 41,274 | 24,635 | 6,583 | 6,307 | 15.3 |
| Lloyds | 109,727 | 71,996 | 16,829 | 10,506 | 15.3 |
| London City & Midland | 108,181 | 72,625 | 17,564 | 13,221 | 16.2 |
| London County & West. | 87,696 | 61,334 | 11,998 | 10,709 | 13.4 |
| London Joint Stock | 36,320 | 21,170 | 5,321 | 5,418 | 14.5 |
| London and South-Western | 22,272 | 14,370 | 3,704 | 3,355 | 16.5 |
| National | 14,470 | 11,336 | 2,101 | 2,677 | 14.5 |
| Nat. Provincial | 71,327 | 48,458 | 10,345 | 11,167 | 14.1 |
| Parry's | 48,576 | 27,379 | 7,453 | 8,005 | 15.1 |
| Union & Smiths | 41,894 | 24,450 | 6,813 | 6,636 | 16.3 |
| Williams Deacons | 16,198 | 16,620 | 2,842 | 1,673 | 17.5 |
| Totals | 597,845 | 398,373 | 91,563 | 74,941 | 15.3 |

*Figures at last July.

MARITIME PROVINCE SECURITIES

(Quotations furnished by J. C. Mackintosh & Co. Members Montreal Stock Exchange, Exchange Building, Halifax.)

| Miscellaneous: | Asked. | Bid. |
|---|---------|------|
| Acadia Sugar, Pref. | 100 | 95 |
| Do, ordinary | 65 | 60 |
| Brandram-Henderson, Com. | 30 | 25 |
| East. Can. Sav. and Loan | 145 | 140 |
| East. Trust Co. | 163 | 158 |
| Mar. Natl. Pref. with 4 p.c. Com. stock | 100 | 98 |
| Mar. Tel. and Tel. Pref. | 102 1/2 | 100 |
| N. S. Underwear, Pref. | 98 | 95 |
| Do, Com. | 35 | 30 |
| Stanfield's Ltd. Pref. | 95 | 90 |
| Trinidad Electric | 73 | 70 |
| Bonds: | | |
| Brandram-Henderson, 6 p.c. | 97 1/2 | 92 |
| Eastern Car, 6 p.c. | 100 | 95 |
| Mar. Natl. 6 p.c. | 100 | 98 |
| N. S. S. and C. 6 p.c. Debenture Stock | 98 | 95 |
| Porto Rico Tel. 7 p.c. | 105 | 100 |
| Stanfield's Ltd. 6 p.c. | 95 | 90 |

MANHATTAN SHIRT CO.

New York, September 11.—The Manhattan Shirt Company declares its regular quarterly dividend of 1 1/2 per cent, on preferred stock, payable October 1 to stock of record September 21.

has been extended to September 30, with a suspension of judicial proceedings in recovering payments.

Moratorium in Austria.

Austria—It is probable that a moratorium has been declared in Austria, but so far nothing is known in regard thereto. The only financial item that seems to have reached here out of Austria since the outbreak of hostilities is the effect that "bettement day" on the Vienna Bourse passed without a single failure being announced.

Norway declared a moratorium for one month, but a subsequent proclamation of the government terminated the moratorium relative to internal payments as from date of September 6. The moratorium relative to foreign payments is being partly continued.

Turkey announced a moratorium of one month on all obligations except coupons.

Brazil declared a moratorium of four months. A bank holiday was declared from August 4 to 15. The government issued a decree sanctioning the emission of paper money.

Canada—The Canadian Parliament passed an act authorizing the government to declare a moratorium at any time while the war lasts, but so far it has not been exercised.

Denmark—The Danish Parliament voted a three-month moratorium covering all debts except civil law debts and coupons until October 10. No suit is possible for a debt contracted after August 1, abroad or toward a foreigner.

Other Minor Moratoria.

Bulgaria declared a three months' moratorium. Algeria—The French moratorium is effective there. Egypt—Moratorium until September 15.

Argentina declared a thirty-day moratorium on 30 per cent, of expired credits and those about to expire and for a suspension during the same period of gold withdrawals.

Uruguay provided for an increase of paper currency and a suspension of the conversion of notes of the Bank of the Republic for thirty days, with a general moratorium for fifteen days.

Ecuador—Moratorium for thirty days.

Chile—No moratorium has been declared up to date. The situation as to paper currency has been rather critical. The manufacturers were closing down everywhere because money was lacking and it was impossible to pay off their employees. In order to relieve the situation, the Chilean government loaned £1,000,000 to the banks of the country against collateral. The chief export of the country, nitrate of soda, has fallen off 40 per cent.

Peru declared a moratorium and on September 5 the Peruvian Congress authorized the prolongation of the moratorium for a period of 30 days with obligatory payments of 10 per cent.

China is said to have declared a moratorium, although to what extent, is not known.

BUSINESS MEN AT THE FRONT



COL. F. O. W. LOOMIS.

in command of the 8th Royal Highlanders, Colonel Loomis is a member of the contracting firm of D. G. Loomis & Sons.

ANOTHER TEAM CAPTAIN

There Are Now Twenty-three Who Will Be at the Head of the Collectors Who Start Next Week.

Another team captain has been added to the list of those who will campaign next week for the million dollars aimed at by the Montreal Branch of the Canadian Patriotic Fund, namely, Mr. Papineau Mathieu, K.C. This makes twenty-three team captains in all, so that there will be over two hundred collectors knocking at the doors of the citizens of Montreal. It has been decided by the organizing committee that each collector will carry an identification card signed either by Mr. W. M. Birks, vice-chairman of the Finance Committee Executive, or by Mr. A. R. Doble, the honorary secretary. This will prevent the possibility of any intervention of unauthorized collectors.

At the campaign luncheon, Mr. H. S. Holt will be supported on Wednesday by Dr. Barclay, Mr. Mortimer Davis will have the Rev. Nathan Gordon to give the invocation on Thursday, while Dr. C. A. Williams will support Mr. H. B. Ames, M.P., at Friday's luncheon.

The coal merchants of Montreal have offered to the Relief Committee four hundred tons of coal which they will deliver in quarter ton lots to families being relieved by the Patriotic Fund in any quarter of the city. As many generous offers of gifts in kind are being made, the captains of the teams who will collect next week will be instructed to form an honor list of those whom they find are making or prepared to make such gifts in lieu of direct cash contributions.

EUROPEAN WAR MEANS PAPER FAMINE

It Will Not Be Long Before Recourse Will Be Had To Reserve Supply

NEW YORK CITY'S HUNGER

American Metropolis Eats Up More News Print in a Day Than Eight Countries of Europe and Asia—World's Supply and Consumption.

New York, September 11.—That the continuation of the European war will result in a paper famine throughout the world is the opinion of A. E. Wright, of the International Paper Company. Mr. Wright says that the paper manufacturers in this country are already feeling the great demand for print paper, and it is generally feared that it will be necessary to cut into the reserve supply now held at the mills.

It is understood that because of the shortage of paper in France, the French government will decide soon to lift the prohibitive tariff on print paper to permit the importing of American stock. It is believed that England, if the shortage continues, will demand that Canada send all of its surplus stock to the mother country.

In this event it would be necessary for the American manufacturers to confine more of their shipments to the United States, as at the present time Canada supplies the United States with 1,000 tons of print paper daily, and the loss of this would mean a further demand on the American mills.

"England is using daily, with its extra additions of newspapers, approximately 1,500 tons of paper," said Mr. Wright. "This amount is fast eating into the reserve stock, and they are calling on the United States and Canada for tremendous shipments."

Of the 5,000 tons of print paper used daily in this country, New York City consumes about 850 tons, or more than the total amount used by Russia, Norway, Sweden, Japan, China, Australia, Belgium and Holland.

Imports of wood pulp into the United States have been as follows, in pounds:

| | 11 Mos. End. | May, 1914. | May, 1914. | 1913. | 1912. |
|-------------|--------------|-------------|---------------|---------------|-------|
| Germany | 16,396,163 | 12,743,028 | 161,481,023 | 147,030,609 | |
| Norway | 14,641,237 | 16,471,015 | 184,951,459 | 166,097,531 | |
| Sweden | 12,611,044 | 23,887,532 | 233,918,347 | 238,618,758 | |
| Canada | 43,224,037 | 47,481,515 | 467,444,800 | 458,870,801 | |
| Other coun. | 2,441,614 | 7,120,107 | 37,298,337 | 49,005,759 | |
| Total | 821,415,181 | 135,087,135 | 1,300,220,725 | 1,369,618,465 | |

The exports of newsprint from the United States have been as follows (in pounds):

| | 11 Mos. End. | May, 1914. | May, 1914. | June, 1913. | June, 1912. |
|----------------|--------------|------------|------------|-------------|-------------|
| United Kingdom | 312,845 | 355,921 | 6,670,017 | 11,915,248 | |
| Canada | 710,058 | 735,459 | 8,165,877 | 9,374,444 | |
| Mexico | 189,594 | 400,442 | 1,140,578 | 1,915,481 | |
| Cuba | 1,011,511 | 1,040,722 | 8,868,164 | 7,132,476 | |
| Argentina | 1,564,679 | 1,654,339 | 28,617,918 | 29,465,074 | |
| Chile | 104,309 | 1,459,010 | 3,091,416 | 3,657,213 | |

MAY CLOSE NORTH SEA

Possibility That British Fleet May Take Drastic Action in Order to Avoid Danger Through Mines.

London, September 11.—There is a general discussion in London of the possibility that England may close the North Sea, blockading it completely, if the trouble with floating mines continues.

The Government's position is that the shipping of neutral nations is in great danger because of German mines. England has repeatedly stated that she will not resort to the use of mines. After the mine sweepers free the North Sea of the obstructions, however, naval strategists advise the exclusion of vessels which might plant more mines. Such action would limit the commerce of Holland, Denmark, Norway and Sweden cutting off Germany's source of food supply.

The British officials say there is abundant evidence that mine layers have operated under neutral flags, and that it is the intention to keep the strictest watch over all craft in the North Sea.

MAY BE CHANGE IN MANAGEMENT.

New York, September 11.—Annual meeting of American Locomotive Company will be held in October, and reports are current that new interests will enter directorate. It is also stated that there will be some important changes in management.

100 PER CENT INCREASE.

New York, September 11.—Sales in United States of the Melachro Company, subsidiary of Tobacco Products Corporation increased 100 per cent in first ten days of September, as compared with last year.

CHICAGO MARKET 12.45.

Chicago—Wheat—September wheat 111, off 1/4; Dec. 114, off 1/4; May 121 1/2, off 1/4; Oct. 72 1/2, off 1/4; Corn—September 76 1/2, off 1/4; Dec. 72 1/2, off 1/4; May 75, off 1/4; Oats—September 46 1/2, off 1/4; Dec. 50 1/2, unchanged; May 53 1/2, unchanged.

Australia 1,708,706 31,570,248 31,852,186 31,983,138
Oth. coun. 782,722 8,072,107 12,023,458 8,343,234
Total 2,491,428 39,642,355 43,875,644 40,326,372
The following table gives the world's daily output and consumption of print paper:

| | Output. | Consumption. |
|--------------------------|---------|--------------|
| | tons. | tons. |
| United States | 1,000 | 500 |
| Canada | 150 | 100 |
| Germany | 110 | 40 |
| England | 80 | 110 |
| France | 70 | 70 |
| Sweden | 30 | 20 |
| Norway | 30 | 20 |
| Russia | 15 | 15 |
| Japan | 10 | 10 |
| China | 25 | 25 |
| Australia | 75 | 75 |
| Belgium and Holland | 50 | 50 |
| Balkan States and Turkey | 25 | 25 |
| Total | 2,975 | 1,300 |

South America, Africa and other countries not mentioned are supplied chiefly by the United States, Canada and Germany.

Left Behind!

DESTITUTE FAMILIES OF HEROES AT THE FRONT



CANADIAN PATRIOTIC FUND

President - H. R. H. The Duke of Connaught, K.G.

SPECIAL CAMPAIGN WEEK

Commencing in Montreal Next Monday

In many a Montreal home, families have lost their means of support by giving up sons, brothers, husbands and fathers for our protection.

Already there are nearly two thousand of these families requiring assistance. Can we stand idly by and see them face a winter of want and privation?

Monday, September 14th, will begin a special campaign week for the Canadian Patriotic Fund, organized for the purpose of aiding the needy families of those who have gone to the front. Collectors will be sent throughout the city. When they call on you, give all you can.

Don't let yourself be missed. If no collector comes, send your contribution to

CANADIAN PATRIOTIC FUND

J. W. ROSS, Honorary Treasurer.

Montreal Headquarters: 112 ST. JAMES ST.

TEXTILE PURCHASES REFLECT ECONO

Further Declines in Purchases of Goods and Brown Sheetings Recorded in Week

BUYING POWER NOT LARG

Worsted Yarns Are Firmer and Are Tending to Advance—Dress Goods Weavers Buying More—Underwear for Fall at Low Prices—Markets Quiet.

Exclusive Leased Wire to The Journal of Commerce.

New York, September 11.—The present season's dry goods business promises to extend beyond the time, owing to the unalterable determination of the buyers to buy goods only to cover the immediate needs. The jobbers themselves are not adverse to policy and they have clearly intimated to customers that it would be the part of wisdom to purchase goods only in such quantities as to preclude the risk of having to carry them beyond a reasonable period. Reports from the more important buying centres throughout the country indicate, gradually improving trade, except in the south, where business conditions have been adversely affected by the severe slump in the value of the season's crop. The purchases will show a marked increase in present circumstances, and the dry goods section will experience the effects of this to a considerable degree. The cotton goods trade continues unsettled. Further declines in the prices of goods and brown sheetings suitable for covering manufacturing trades have been recorded in course of the week.

Will Accept Contracts.

A number of southern mills, it is stated, are unwilling to accept contracts for goods at the present season's 8 cent cotton. Most of the houses carrying their stocks of colored cottons and naming on most of these goods are holding firm. Quiries are understood to have been received from Europe for blanket and uniform cloths, and speculators have been seeking these lines against placing of foreign contracts. The scarcity of wool and uniform material, both cotton and wool, is, however, not a very serious obstacle to acceptance.

Worsted yarns are firmer and are tending to advance. Dress goods weavers are buying them more freely. There is a good call for wool yarns for hand-knitting in some places and for the better grades of worsteds for home use. Cotton yarns are still irregular and very much unsettled. Some spinners are seeking late contracts on a basis of net cotton or slightly higher.

Some importations of embroideries have arrived the past few days. News from St. Gall state the mills there are closed and that where attempts being made to run them only a third of the plant of operatives is available.

Underwear Prices Low.

Fall underwear is being offered at lower prices than delivery from some mills. It is fully expected that within a week or two an active demand will develop, as jobbers have not purchased their full supplies and retailers are not covered for a trade.

Burlap markets are quiet for the moment. Shipments reported in from Manila, contained no burlap and shipments from Calcutta are still held up. There is a scarcity of burlaps inevitable, and it is to be seen at what time users of these goods come in again for the cotton fabrics they can be sold at a profit for late delivery will probably induce burlap users to change over for a full season as is little likelihood of cheap burlaps coming, markets for a couple of months or more under most favorable conditions. This is the view expressed by burlap handlers and it has added in now to those who are counting on a light trade in sheetings and other heavy cottons.

The world's production of cotton last year was 253,000 bales.

The Textile Ma

Canada

Each Issue Contains Many Valuable Technical and Practical Articles on the Manufacture of Textile Fabrics

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