

New Merchant Marine Bill of U.S.

Enforcement of new regulations will be entrusted to a board of six members with discretionary power — Canadian Vessels are not likely to have freight business hurt

The Merchant Marine Bill passed by the United States Congress in spite of the protests of the department of State that it would involve the country in disputes with other countries, is likely to be robbed of its sting by the good sense of the board appointed to administer it.

According to the bill, entry to American ports is denied foreign vessels which have entered into agreements to control freight and passenger rates. To offset subsidies granted by other countries it is proved that American railroads shall not grant export rates on any shipment unless it is to be carried on vessels of American registry. Export rates are ordinarily, about 25 per cent. lower than domestic rates.

The saving part of this discriminating law is that the Shipping Board, composed of six mem-

bers, is given the power to suspend the regulations providing there is no American vessel plying the route desired, or if they consider that the service furnished by American vessels is inadequate.

As far as Canadian vessels are concerned, it is believed that American business will still be offering as usual. American exporters favor very particularly the St. Lawrence Waterway route to Europe during the Summer months. To go against the consensus of opinion in shipping circles would be unwise on the part of the Shipping Board and it is generally conceded that American vessels plying through the St. Lawrence waterway cannot handle adequately all the freight offered. At any rate the Shipping Board of the United States has suspended the general enforcing of the new law until they have completed a study of the shipping situation.

General Rejoicing over Wheat Decontrol

The Government has finally decided that the wheat crop of 1920 will not be controlled. There will be no wheat board and the marketing of this year's crop will be carried out as in previous days. A note of warning was sounded by Sir George Foster, Minister of Trade and Commerce when he said that the Government would watch very closely in the public interest and should it be necessary will proclaim control again.

The United States has decontrolled their wheat market and this was very evidently the deciding factor for the Canadian action.

In the Winnipeg Grain Exchange the news was received with great rejoicing. They have repeatedly complained during the controlled years that their business had been taken entirely out of their hands.

The millers of Montreal are also glad to see the 1920 crop decontrolled. They claim that had this been done sooner flour prices might now be lower. The new crop and the foreign demand will tend to unsettle prices.

W. W. Wood, general manager of the Dominion Flour Mills, Ltd., says: "It is a step in the right direction. There are still difficulties ahead and we may look for restless and excited markets for some time, owing to abnormal conditions throughout the world in food supplies and the uncertainty of the new crop. We have been uncomfortable for the past six months under the board, having had no export orders, and mills have been idle on that account."

A. E. Labelle, vice-president and managing director of the St. Lawrence Flour Mills Company, Limited, considered it would help mills very much, and give them a broader market for their product. Whilst under control their purchases had been a gamble, but now they would be able to export any surplus. He felt that it was impossible to foretell the effect on prices, but expected a fall, as the effect of the Canadian Wheat Board had been to hold up prices. These, he claims, would have dropped some time ago if the control had been lifted, and mills would have been able to export, instead of which for the first six months, no export orders had been received. The board kept mills working all day and night last fall and put the flour into stock, selling off as they wished. In this way they had made enormous profits which had gone to farmers.

He considered that prices should fall and farm-

ers might not get so much for their crops but "they would get the profit that world conditions entitled them to, and should they get more than that?"

Get Into Foreign Market

An executive of another milling company said "I think the announcement of the decontrol of the new crop is just in time to allow importers to get into the foreign market in line with the United States, who have had decontrol since June 1. They stole a march on us, but since there is still the usual uncertainty as to the yield of the new crop it will not effect Canadians.

"The Government has acted very wisely in lifting control now. Another strong point is that decontrol will enable millers to return to pre-war grades of flour and thus furnish foreign buyers with their requirements of patent, second patent, and clears; exporters could not sell as freely as when they had only standard flour to dispose of. An aggressive organization of grainmen and millers can sell a great deal more than a Government department, and the decontrol will permit the return to pre-war initiative and resources. Prices will tend to drop, depending on the extent of the foreign demand."

British Prizes for Aeroplanes.

The progress of aircraft design and construction in Great Britain is being stimulated by the offer of valuable prizes by the Air Ministry. Three prizes will be given in each of the following classes:—Small-type aeroplanes for six passengers; large-type aeroplanes for seven or more; and amphibious seaplanes for two passengers. In all cases the accommodation is to be exclusive of the crew. The prizes for the large-type aeroplanes are £20,000, £8,000 and £4,000; and those for the small-type seaplanes and aeroplanes are £10,000, £4,000, and £2,000. The competition is open to British subjects for machines designed and manufactured anywhere within the British Empire. Each competing machine will be subjected to exhaustive tests drawn up in consultation with the Society of British Aircraft Constructors and designed to ensure all-round excellence in the successful machines. This competition is expected to have a very marked effect on the development of civil aviation in Great Britain.

Britain's Lead in Shipbuilding.

The returns issued by Lloyd's Register for the quarter ended March 31st, 1920 show that Great Britain has regained its lead as the world's shipbuilding nation. The tonnage under construction in Great Britain exceeds that of the United States by over 800,000 tons. New British vessels put in hand during the quarter numbered 229 and aggregated nearly 710,000 tons. There is a notable increase in the number of large ships building, there being 62 vessels of over 10,000 tons under construction, as compared with 55 at the end of 1919.

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