

## CAN THEY PREVENT SHORTAGE OF FOOD

Germans, cut off from outside assistance, confronted by serious problem

### SCIENTISTS ARE DUBIOUS

Held that it is by no means clear that their countrymen cannot be starved out, though newspapers protest against that view.

(Special Correspondence of The New York Annalist.)

Berlin, February 1.—Probably the most interesting economic problem in the world at this moment is whether England can succeed in starving out Germany. While the world at large is chiefly interested in the vast political issues involved, the question interests the Germans not only from that standpoint, but also—and how keenly!—from the mere bread-and-butter standpoint. For if Germany cannot feed its own population during the long war that its foes are predicting with so much assurance, her defeat is only a question of time.

#### Dangers Recognized.

That the German Government is keenly aware of the dangers of the situation is evident from the rigorous measures that it has taken to conserve and economize the food supply. After having fixed maximum prices for cereals soon after the war began, the Government last week decided to requisition and monopolize all the wheat and rye in the country, and allow the bakers to sell only a limited quantity of bread (22 pounds per capita a week) to each family. It had previously taken measures to restrict the consumption of cereals for other purposes than bread-making; the feeding of rye was prohibited and its use in producing alcohol was restricted by 40 per cent.; a percentage of potato flour was ordered added to rye flour, and of the latter to wheat flour in making bread. These are but a few of the economic measures adopted by the Government since the outbreak of the war.

The general opinion of the people in Germany is that the country cannot be starved out, and this opinion is asserted with a great deal of patriotic fervor, particularly by newspaper editors. The leading scientists of the country, moreover, have taken up the question in a thoroughgoing way and investigated it in all its bearings. A little book "Die Deutsche Volksernährung und der Englische Aushungerungsplan" has just been issued, giving the conclusions of sixteen specialists in various fields, which will be briefly summarized here. Economists, statisticians, physiologists, agricultural chemists, food specialists, and geologists have all taken part in producing a composite view of the whole subject; it is not a book of special contributions by individual specialists, but is written in one cast and represents the compared and boiled-down conclusions of the sixteen scholars.

#### A Grave Problem.

The authors by no means regard the problem of feeding Germany without foreign assistance as an easy and simple one; on the contrary, they say it is a serious one and calls for the supreme effort of the authorities and of every individual German; and only by energetic, systematic, and continued efforts of Government and people can they prevent a shortage of food from negating the success of German arms. Yet they feel bound to grapple the problem as one calling for solution by the German people alone, for very small imports of food products can be expected from the neutral countries of Europe, and none at all from the United States and other overseas countries, and the small quantities that do come in will hardly be more than enough to make food the drain upon Germany's own available stocks in helping to feed the people of Belgium and Poland.

The simplest statistical elements of the problem are the following: Germany, with a population of 68,000,000, was consuming food products, when the war broke out, equivalent to an aggregate of 30,420 billion calories, including 2,300,000 tons of albumen; whereas the amount now available, under unchanged methods of living and feeding, is equal to only 17,870 billion calories, with 1,540,000 tons of albumen. Thus, there will be an apparent deficit of 22,550 billion calories and 1,760,000 tons of albumen. On the other hand, the authors hold that the minimum physiological requirements are only 14,750 billion calories, containing 1,000,000 tons of albumen, which would give a large surplus of calories and a small deficit of albumen, but they make certain recommendations which, if carried into effect, would bring the available supply up to \$1,250 billion calories and 2,020,000 tons of albumen.

#### Former Imports.

Germany raises (average for 1912-13) about 4,500,000 tons of wheat and imports nearly 2,000,000 tons (about 73,000,000 bushels). On the other hand, it exports about 130,000 tons net of the 11,900,000 tons of rye produced. It imports nearly 3,000,000 tons of low-grade barley and about 1,000,000 tons of maize, both chiefly for feeding stock. Its net imports of grain and legumes are 6,170,000 tons. Of its fruit consumption, about 20 per cent. has been imported. While Germany has been producing nearly its entire meat supply at home, this has been accomplished only by the very extensive use of foreign feedstuffs. The authors of this work estimate that the imports of meats and animals, together with the product from domestic animals fed with foreign feedstuffs, amount to not less than 33 per cent. of the total consumption. They also hold that about 38 per cent. of the milk consumed in Germany represents imports and the product of cows fed with foreign feedstuffs. Nearly 40 per cent. of the egg consumption was hitherto imported. The consumption of fish has averaged 576,000 tons of which not less than 62 per cent. was imported; and the home fisheries are now confined, besides the internal waters, almost wholly to the Baltic Sea—which means the loss of the catch of 142,000 tons hitherto taken from the North Sea. Even the German's favorite beverage, beer, contains 13 per cent. of imported ingredients.

#### Conservation Measures.

The authors assume, as already intimated, that nearly all of these imports will be lost to Germany during the full duration of the war, and they take up, under this big limitation, the problem of showing how Germany can live upon its own resources and go on fighting till it wins. They undertake to show how savings can be made in the use of the supplies on hand, and also how production can be increased or changed so as to keep the country supplied with food products.

In the first place, they insist that the prohibition of the export of grain be made absolute; in other

words, the small exception made in favor of Switzerland, which has usually obtained most of its grain from Germany, must be cancelled. Savings in present supplies of grain and feedstuffs must be made by a considerable reduction in the live stock, inasmuch as the grain, potatoes, turnips, and other stuffs fed to animals will support a great many more men if consumed directly by them. From the stock of cattle the poorer milkers must be eliminated and converted into beef, 10 per cent. of the milch cows to be thus disposed of. Then swine, in particular, must be slaughtered down to 65 per cent. of the present number, they being great consumers of material suitable for human food. In Germany much skim milk and buttermilk is fed to swine; the authors demand that this partial waste of very valuable albumens be stopped. The potato crop—of which Germany produces about 50,000,000 tons a year, or much more than any other land—must be more extensively drawn upon than hitherto for feeding the people. To this end potato-drying establishments must be multiplied; these will turn out a rough product for feeding animals, and a better sort for table use. It may be added here that the Prussian Government last autumn decided to give financial aid to agricultural organizations for erecting drying plants; also, that the Imperial Government has decreed that potatoes up to a maximum of 30 per cent. may be used by the bakers in making bread—a measure which will undoubtedly make the grain supply suffice till the 1915 crop is harvested. It is further recommended that more vegetables be preserved, whether directly in cold storage or by canning or pickling. Moreover, the industrial use of fats suitable for human food (as in making soaps, lubricating oils, etc.) must be stopped, and people must eat less meat, less butter, and more vegetables. Grain must not be converted into starch. People must burn coke rather than coal for the cooking process yields the valuable by-product of sulphate of ammonia, one of the most valuable of fertilizers, and greatly needed by German farmers now owing to the stoppage of imports of nitrate of soda from Chile.

#### Obstacles to be Overcome.

In considering how the German people may keep up their production of food, the authors find that various factors will work against such a result. In the first place, there is a shortage of labor, nearly all the able-bodied young and middle-aged men in the farming districts being in the war. There is also a scarcity of horses, some 500,000 head having already been requisitioned for army use, and the imports of about 140,000 head (chiefly from Russia) have almost wholly ceased. The people must therefore resort more extensively to the use of motor plows, and the State Government must give financial assistance to insure this wherever necessary; and such plows on hand must be kept more steadily in use through company ownership or rental. It may be remarked here, again, that the Prussian Government is also assisting agricultural organizations to buy motor plows. The supply of fertilizers has just been cut down by the war. Nitrate has just been mentioned. The authors recommend that the Government solve this problem by having many of the existing electrical plants turn partly to recovering nitrogen from the atmosphere. This, they say, could be done without reducing the present production of electricity for ordinary purposes, since only 19 per cent. of the effective capacity of the 2,000,000 horse power producible by the electrical plants of Germany is actually used. The supply of phosphoric fertilizers is also endangered through the stoppage of imports of phosphate rock (nearly 1,000,000 tons a year) as well as the material from which to make sulphuric acid; also, through the reduction in the production of the iron furnaces of the country, from the slag of which over 2,000,000 tons of so-called Thomas phosphate flour was produced, will involve a big reduction in the make of that valuable fertilizer. Thus there is a lack of horses, of fertilizers, and of the guiding hand of man. This last, however, can be partly supplied by utilizing for farm work such of the prisoners of war as come from the farm. As Germany now holds considerably more than 600,000 prisoners, it can draw many farm laborers from among them. Prisoners are already used in large numbers in recovering moorlands for agricultural purposes.

This latter remark suggests one of the recommendations of the authors for increasing agricultural production—the increased recovery of moorlands. They show that Germany has at least 52,000 square miles (more than 33,000,000 acres) of moor convertible into good arable land, which, with proper fertilizing, can be made at once richly productive; they yield particularly large crops of grain and potatoes. Moreover, the State Governments must undertake the division of large landed estates among small proprietors wherever possible—and this is more possible just now than ever, owing to the fact that many large owners have been killed in battle. The reason for such a division is that the small holder gets more out of the acre than the large proprietor.

#### To Reduce Sugar Acreage.

As Germany makes a large surplus of sugar, the authors advise that the area planted in beets be reduced and the land thus liberated be planted in grain, potatoes, and turnips; as a matter of fact, it is reported that the Government is now considering the question of reducing the beetroot acreage by one-fourth. The authors also recommend that sugar be used to some extent in feeding stock, sweetening low-grade hay and roots with it to make them more palatable and nutritious. It is also regarded as profitable to leave 20 per cent. of sugar in the beets, so as to secure a more valuable feed product in the remnants. Still another agricultural change is to increase the crops of beans, peas, and lentils—vegetables which contain when dried as much nutrition as meat. Germany will need to increase its home production of these crops to replace the 200,000 tons of them hitherto imported.

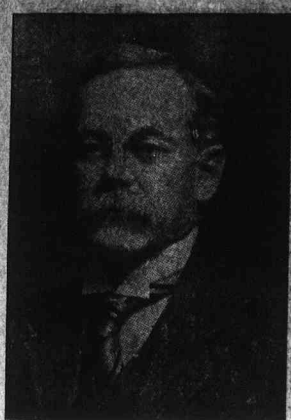
Such are the principal points covered by these experts. Their conclusion is that if their recommendations be carried out fully, and various economies be practised—they could not be touched on in the limits of this article—Germany can manage to feed its people. But they insist, in their earnest concluding words, that this can only be done by carrying out thoroughly all the methods of producing and saving food products advised by them. It is a serious problem, indeed, but one which, all Germany is convinced, can and will be solved.

#### PRESSED STEEL CAR COMPANY

##### MAY PASS DIVIDEND.

New York, March 4.—It is learned that the Pressed Steel Car Co. directors have practically decided to pass the preferred dividend of 15 per cent. at their next meeting. The company is earning little on the dividend, and in view of the fact that it is non-cumulative and that the company's resources have need of replenishment it is considered best to stop payment of the preferred dividend until the equipment business improves.

The company's depreciation charges have been small in the last four or five years; in fact, in the last four years only \$180,000 has been charged to this account. An average of \$45,000 per year. Normal depreciation should be at least \$150,000 per year.



MR. JOHN FIRSTBROOK, Vice-President of the Standard Reliance Mortgage Corporation.

## HEAVY FINE OR IMPRISONMENT FOR BREAKERS OF NEW DRUG LAW

Washington, D.C., March 4.—The act of Congress prohibiting all persons from selling or giving away habit-forming drugs without a physician's prescription, or under direct instruction of a physician, has gone into effect.

These drugs include opium, cocaine, leaves, or any compound, manufacture, salt derivative, or preparation made from such drugs.

Remedies that cannot be dispensed without a physician's order include those containing more than two grains of opium, or more than one-fourth of a grain of morphine, or one-eighth of heroin, or one grain of codeine.

Violators of the law are subject to a fine of not more than \$2,000 or imprisonment for five years, or both.

A tax of \$1 a year is fixed for all who sell such drugs.

Enforcement of the law is vested in the Commissioner of Internal Revenue, for which \$150,000 is provided.

Champions of the measure contend it will greatly benefit the country at large and the drug user in particular, while others predict that it will work unlimited harm to drug-habitues.

#### PROFIT FROM DOMINION NOTES.

Ottawa, March 4.—The Federal Government, out of its increased issue of Dominion notes to banks, has received \$150,000, while the expense has been only \$600.

The figure mentioned does not include the returns on note issues to the C. N. R. and G. T. P. which will contribute an even greater return to the government treasury.

## RHODESIAN GOLD OUTPUT

London, Eng., March 4.—The output of gold of the Rhodesian mines for the month of January showed a falling off, compared with the previous seven months. The returns of 70,082 fine ounces were the smallest since May, 1914, when the figures were 68,985 fine ounces. The following table shows the monthly output since January, 1912:

Month—	1912.	1913.	1914.
January .....	70,082	59,212	52,455
February .....	61,748	49,590	51,748
March .....	64,893	61,274	61,274
April .....	70,336	57,295	57,295
May .....	68,985	57,866	57,866
June .....	76,645	56,991	56,991
July .....	76,687	59,248	59,248
August .....	75,999	59,555	59,555
September .....	74,142	59,535	59,535
October .....	81,165	58,784	58,784
November .....	74,839	56,000	56,000
December .....	73,859	60,554	60,554
Total .....	70,082	588,538	659,103

#### CANADIAN GENERAL ELECTRIC.

The financial statement of the Canadian General Electric Company for the past three years compares as follows:

	1914.	1913.	1912.
Gross profit .....	\$1,452,727	\$2,028,898	\$2,011,719
Deprec. ....	470,934	456,358	456,358
Bal. ....	\$914,527	\$1,558,964	\$1,555,261
Interest .....	190,956	222,655	188,778
Net profit .....	\$723,551	\$1,336,309	\$1,366,483
Dividends .....	696,741	776,634	689,871
Bal. ....	\$26,810	\$559,675	\$706,611
Prev. bal. ....	913,392	682,390	675,779
Total P. & L. ....	\$940,762	\$1,913,332	\$1,682,390
Reserve .....	2,700,000	2,700,000	2,369,531
Surplus .....	\$3,640,762	\$4,613,332	\$4,051,921

#### BRAZILIAN PREFERENCE DIVIDEND.

The Brazilian Traction, Light and Power has declared the quarterly dividend of 14 per cent. on the cumulative preference stock of the company. The dividend is payable April 1.

## WOULD PROHIBIT ARBITRARY INCREASE IN BREAD PRICES

Albany, N.Y., March 4.—A bill designed to prevent bakers from arbitrarily increasing the price of bread has been introduced in the Legislature by Minority Leader Smith of the Assembly.

The measure would make it unlawful for any manufacturer of foodstuffs to refuse to sell his products to any retailer or to discriminate in price to different purchasers.

It would also prohibit any manufacturer granting a rebate or discount upon the condition that the retailer resell at a fixed price.

The bill, according to Mr. Smith, was intended to prevent a repetition of conditions exposed by the recent inquiry into the increased price of bread in New York city.

It was then testified by retailers that they had been told by drivers for a bakery that unless they increased the price of bread that they would be refused goods by the concern.

Violation of the law would be a misdemeanor.

## SECOND ANNUAL REPORT

OF—

# STANDARD RELIANCE MORTGAGE CORPORATION

The Annual Meeting of the Shareholders of the Standard Reliance Mortgage Corporation was held at the Head Office, 14-18 King Street East, Toronto.

Among those present were: Mrs. Mary Madill, B. R. Strangways, A. B. Nishawander, W. H. Hariton, H. Way, Sir Mackenzie Bowell, K.C.M.G., J. T. Gilmour, E. Cockburn, W. J. Fawcett, F. B. Dalton, C. A. Annis, G. M. Wright, R. J. McLeod, R. H. Cossie, J. A. Howson, E. P. E. Johnston, K.C., John Laing, Amos Campbell, W. Cradock, David Hays, E. P. Beatty, John A. McEvoy, E. C. McNally, W. Vandusen, J. S. Ross, S. Wood, F. C. L. Jones, Fred Walden, H. W. Maw, E. Galley, W. Cowan, Chas. Bauckham, Hugh McNair, Chas. Calder, T. A. Pickard, Executor Thos. Pickard Estate; J. A. Jackson, Robert Moon, Rechab Tandy, E. Jessop, J. A. McGregor, W. S. Dinick, Wm. Booth, Chas. R. Hill, I. Beecroft, George W. James, Wm. George James, H. Waddington.

The following report was presented to the Shareholders:

#### ASSETS.

Mortgage Loans upon Real Estate: Balances owing on sale agreements purchased from and advances to The Drovers' Land, Building & Savings Company, Limited, and other Companies secured by charges upon lands and improved properties held by such companies for realization.....	\$6,514.61
Loans on Stocks, Bonds and Debentures.....	1,358.00
Stocks, Bonds and Debentures at cost, including Shares of subsidiary Company.....	24,545.00
Real Estate acquired under foreclosure proceedings.....	422,968.28
Sundry Assets.....	154,821.53
	15,981.87
Office Premises, Head Office and Branches.....	\$174,560.53
Expended during year.....	136,816.87
Office Furniture.....	6,514.61
Less 10% written off.....	661.46
Inspectors' Automobiles.....	4,065.00
Less 33 1/3% written off.....	1,355.00
Accrued Rentals.....	707.09
Agents' Balances and Deferred Commission.....	12,046.08
Municipal Debentures, at cost.....	33,576.14
Cash on Hand and in Bank.....	114,170.72
	\$5,965,300.10

#### LIABILITIES.

To the Public: Debentures with Accrued Interest.....	\$2,551,246.75
Deposits with Accrued Interest.....	524,522.30
Mortgages Assumed.....	990.83
Dividend payable 2nd January, 1915.....	93,296.77
	\$4,199.60
To the Shareholders: Capital Stock Subscribed.....	\$2,643,120.00
Less Unpaid thereon.....	79,456.73
Reserve Fund.....	\$620,000.00
Less transferred to Contingent Reserve.....	45,000.00
Contingent Reserve against depreciation in the value of assets.....	575,000.00
Balance at Credit Loss and Gain.....	5,337.21
	\$3,219,000.48
	\$6,444,642.22

#### LOSS AND GAIN ACCOUNT OF STANDARD RELIANCE MORTGAGE CORPORATION AND SUN AND HASTINGS SAVINGS AND LOAN COMPANY.

Interest on Debentures, Deposits, etc.....	\$150,488.12
Dividends.....	188,978.84
Transferred to Contingent Reserve.....	30,000.00
Balance carried forward 31st December, 1914.....	5,337.21
	\$374,788.99
Balances forward from 31st December, 1913.....	\$39,751.59
Net Earnings after deducting all expenses of management.....	335,037.30
	\$374,788.99

CHAS. BAUCKHAM, Secretary-Treasurer.

H. WADDINGTON, Managing Director.

#### AUDITORS' CERTIFICATE.

We have audited the accounts of the Standard Reliance Mortgage Corporation for the year ending 31st December, 1914, checked the cash on hand and verified the securities on that date, and we certify the above Balance Sheet to be in accordance with the books of the Corporation.

The values of the Corporation's Assets are those shown by its books as cost and confirmed by the Inspection Committee of the Board of Directors, whose certificate is attached hereto.

Toronto, 12th February, 1915.

G. T. CLARKSON, F.C.A.,

A. C. NEFF, F.C.A.,

Chartered Accountants.

#### CERTIFICATE OF INSPECTION COMMITTEE.

Your Committee on Inspection report that they have examined all the Loans and Investments set out in the ledgers of the Corporation. We find them in good order; any in arrears are receiving special attention by the Collection Department, and it is our purpose to follow them up as a Committee.

In arriving at valuations of properties upon which the larger advances have been made, we have been assisted by disinterested Real Estate experts, and find there is a very large margin of security over and above the amounts advanced.

Toronto, February 13th, 1915.

The President, in moving the adoption of the report, made a lengthy address on the operations of the Corporation for the year 1914. Addresses were also made by the Vice-Presidents, Messrs. Dinick and Firstbrook, and by the Chairman of the Board, Mr. E. P. E. Johnston, K.C., and the Manager, Mr. H. Waddington.

By-law No. 24, bringing into force some amendments to the By-laws, was passed. The following were elected as Directors for the ensuing year:—W. S. Dinick, Toronto; Herbert Waddington, Toronto; E. P. E. Johnston, K.C., Toronto; John Firstbrook, Toronto; Nathan H. Stevens, Chatham; E. Jessop, M.D., St. Catharines; J. A. McEvoy, Toronto; David Ratz, New Hamburg; James Gunn, Toronto; David Kemp, Toronto; E. C. McNally, Niagara Falls; W. L. Horton, Goderich; Rev. G. I. Taylor, M.A., Toronto; R. H. Greene, Toronto; Earl of Clarendon, London, England; Sir Mackenzie Bowell, K.C.M.G., Belleville; Rev. Amos Campbell, Belleville; W. J. Fawcett, Esq., Toronto, and Dr. J. T. Gilmour.

At a subsequent meeting of the Board the following officers were elected:—Honorary President, Sir Mackenzie Bowell, K.C.M.G.; President, Nathan H. Stevens; Vice-Presidents, W. S. Dinick and John Firstbrook; Chairman of the Board of Directors, E. P. E. Johnston, K.C.; Managing Director, Herbert Waddington; Assistant General Manager, Charles R. Hill; Secretary-Treasurer, Charles Bauckham.

## INTERNATIONAL HARVESTER FINDS COLLECTIONS ABROAD SATISFACTORY

Chicago, Ill., March 4.—In a circular to stockholders of the International Harvester corporation, President Cyrus H. McCormick says it is impossible at this time to make an accurate statement relative to the ultimate effect of the European war on the corporation's business in Europe. He adds:

"At the present time no report of war damage to the plant or warehouse properties has been received. The French works at Croix, near Lille, are closed; the works in Germany and Russia are operating with reduced forces and under handicaps in securing material for manufacture. The works in Sweden are operating to capacity."

"Collections in all of the belligerent countries are satisfactory, but serious difficulties are encountered in transferring funds from some of the belligerent countries to the United States. Substantial losses would be quoted if exchange were effected at the existing quotations."

"The company is not now, and is not likely to be, under any financial embarrassment by reason of the situation outlined above. Our European exports from America for 1915 will be greatly curtailed owing to difficulties growing out of the war."

"No accurate statement of the corporation's financial condition can be made at this date, but there is no reason at the present time to apprehend that any losses that are likely to befall the corporation, either to its foreign plants or receivables, will do more than diminish the accumulated surplus, which on Dec. 31, 1914, was \$18,848,524. Under existing conditions the necessity of omitting the dividend payments on the common stock is apparent."

Paris, March 4.—Spot wheat up 1 1/2 from Wednesday at 109 1/2.

## YUKON GOLD COMPANY HAD TOTAL INCOME OF \$2,213,126

The Yukon Gold Co. reports for the year ended December 31, 1914, total income of \$2,213,126. After deducting royalties paid, \$489,169; annuities, \$53,073; interest, charges, expenses, etc., there was left a balance of \$1,128,907.

The general balance sheet compares as follows:

	1914.	1913.	1912.	1911.
Assets: Fr. & Inv. \$1,524,181	\$1,524,181	\$1,718,822	\$1,026,121	\$1,163,431
Equip. ....	7,038,424	6,994,487	6,936,601	6,495,481
Def. chgs. ....	600,095	461,589	441,279	559,487
Adv. roy. ....	208,619	206,519	340,604	—
Mat. & sup. ....	943,821	1,001,821	879,292	600,683
*Ac. col. ....	360,214	272,039	502,965	321,985
Bul. in tr. ....	143,848	261,370	—	—
Cash .....	51,485	113,479	97,351	101,249
Total .....	\$30,865,908	\$31,020,097	\$31,228,414	\$29,246,839

Liabilities:

Liabilities:				
Cap. stock	\$17,500,000	\$17,500,000	\$17,500,000	\$17,500,000
Gug. Ex.	1,675,000	2,100,000	2,524,972	1,798,169
Ac. & bills				
pay	124,729	166,087	202,272	127,544
Dep.	987,995	764,243	586,892	434,160
Surplus	567,853	489,676	409,276	386,688