

IMPERIAL BANK OF CANADA FAVOURABLE FACTORS HASTEN IMPROVEMENT

United States Bankers Expect Good Results From Rate Case and Reserve Banks

STREET MORE HOPEFUL

Bankers, Business Interests and Men of Affairs More Cheerful—Encouraging Progress in London, Where Stock Exchange May Soon Re-open, With Restrictions Against German Sales

New York, October 10.—The president of one of the largest financial institutions in New York, says that conditions are improving steadily, and that money is coming up all over the country. He thinks the improvement will continue, and that it will be accompanied by three favorable developments which he estimates as follows:

Prospects for an increase of railroad rates are excellent. The present is, in my view, the first occasion on which I felt hopeful of a substantial measure of relief for the railroads at the hands of the Interstate Commerce Commission, and I would not feel so now if I did not see good reasons for cheerful anticipations. Last year, when the roads appealed for a 10 per cent. increase, I felt they had made a mistake in raising expectations which were doomed to disappointment. Now, however, I learn that members of the commission who were formerly hostile to the roads recognize that a grave emergency exists, and that if relief is not granted, a situation will be created which neither they nor anyone else can remedy. The commission is not willing to accept the responsibility for conditions of that kind.

Result in Easy Money. "A second favorable factor is the progress being made towards the establishment of the Federal Reserve banking system. The new banks will be in operation within a few weeks, or before January 1 at the furthest. Immediately following their establishment we shall be able to retire all our clearing house certificates and emergency currency; and the reduction of reserve requirements, combined with the new Federal Reserve notes, representing possibly a moderate degree of inflation, will result in easy money conditions and a big demand for commercial paper. That will afford an important stimulus to business.

The third favorable development to which I look forward is the re-opening of the London Stock Exchange, followed by a resumption of trading in New York. The sentiment in London is much improved. They are making good headway over there, notwithstanding the fact that the foreign exchange situation is still far from normal. If the Allies scored an important success the London exchange would re-open in a very short time; but even if the war conditions remain as they are, London's re-opening will not be very long delayed. Undoubtedly arrangements will be made to prohibit absolutely the sale of securities held in Germany, and I feel sure that a similar restriction will be imposed in New York, because our trading regulations must conform closely to those imposed in Great Britain.

Becoming Quite Hopeful. "Bankers, merchants, manufacturers and other men of affairs with whom I come in contact are now becoming quite hopeful, and if we get an increase of 5 per cent. in rates, as I confidently expect, the improvement will be permanent. With arrangements to shut out German selling, New York could take care of the situation coming from Great Britain, Holland and other countries, which might be comparatively heavy, but would not be overwhelming."

WIRE PRODUCTS BEING EXPORTED IN QUANTITIES

More Than 25,000 Tons Disposed of by Pittsburgh Mills—Most of the Buying in Small Lots—Largest Order Came From France

Pittsburgh, October 10.—Over 25,000 tons of wire products, exclusive of wire rods, have been sold by Pittsburgh mills to foreign consumers within the past few weeks, making one of the largest export trade reports for some time. Considering that the volume mentioned is confined to wire products exclusively, the record is the highest that has been made by the steel trade.

Most of the buying, it is said, has been in small lots and from a half dozen nations. It has forced better mill schedules in the wire plants, and it is expected that by the middle of October wire and nail plants in the district will be averaging 30 per cent. active, as compared with 15 per cent. at present.

The best order in connection with the wire trade reported this week came from the French Government, though placed through outside parties. This order calls for 100,000 spools of barbed wire for prompt shipment. The order is the largest single one placed in a long time. Some mill men say it never has been exceeded. The 100,000 spools will provide 25,000 miles of this material, and in value will be something over \$200,000.

Export trade continues active in the horseshoe and horseshoe nail industry, and inquiries are pending, which it is now believed will be closed, that will demand extra efforts on the part of the mills to produce it in the scheduled time for shipment. The demand for horseshoes and nails comes from both sides of the European conflict, but the destination of these orders is not made public.

LOWEST ON ARMOUR PLATE

Bethlehem Steel Co. Bids \$435 a Ton on Three New Battleships

Washington, October 10.—The Bethlehem Steel Company was the lowest bidder for 22,122 tons of side armor for three new battleships. The bid was \$435 a ton. The Midvale Steel Company of Philadelphia made the lowest bid, \$436, for turret armor.

The bids just received are substantially less than the last opened by the Navy Department, and Secretary Daniels estimated that had the Department been compelled to pay for these new ships prices submitted in the first estimates on the battleship Arizona it would have cost the Government \$517,422 more. First bids on Class A armor for the Arizona were \$454 per ton. Secretary Daniels rejected these and the second bids were at \$440 per ton, which is \$5 per ton more than to-day's bid.

DECLARES REGULAR DIVIDEND

Wilmington, October 10.—Hercules Powder Company declared regular quarterly dividend of 1% per cent. on preferred stock, payable November 15th to stock of record November 6th. Books close November 6, re-open November 16.

Australian Government will invite the Federal Parliament to make a gift of \$500,000 to Belgium in recognition of her sacrifices.

HUDSON BAY MINES PROSPECT ARE GOOD

President Taylor Looks for Satisfactory Results in Both Porcupine and Cobalt Camp

Shareholders Approved the Purchase of the Dome Lake Mine and a Resolution Was Passed Advancing Further Funds for Development Purposes

New Liskeard, Ont., October 10.—The annual report of the Hudson Bay Mines shows a total production of 391,360 ounces of silver valued at \$196,435.92 from the Cobalt property, now worked out and closed down.

The total income for the year was \$198,082.50, while the expenditure was \$145,821.78, leaving a balance of \$52,260.71.

During the past year there was spent at the Dome Lake Mine in Porcupine, the controlling interest of which is now held by the Hudson Bay, a total of \$119,875.

The president, Mr. George Taylor, in his report to the shareholders, takes a very optimistic view of the future of the company in both Cobalt and Porcupine camps.

The end of the ore reserves at No. 1 mine in Cobalt was reached in June of this year and the following months the mine was closed down, after a production for the fiscal year to that date of 393,360 ounces of silver, which had a value of \$196,435.92.

Investment of Cash Surplus. Speaking of the Porcupine camp, the president stated that the purchase of the Dome Lake Mining company stock was considered a very important one by the directors and although requiring a large investment of cash surplus, the results to date in development work justified the action of the directors. The company now holds 540,000 shares of the stock. The total issue is \$40,812 shares.

An option is now held by the company on the remaining shares in the treasury of the Dome Lake. During the past year several mining claims had been examined, but none were taken up. On some claims at one time under option to the company in the Kirkland Lake section, assessment work was done, but the option was ultimately dropped.

Mr. A. H. Brown, general manager of the company, in his report to the directors, spoke in hopeful terms of both the Cobalt and Porcupine properties. In Cobalt work is being continued at No. 2 camp, near the McKinley-Darragh and while no favorable developments have been met with to date, there is every possibility that the thorough exploration work being carried on will result in values being proven. At Porcupine the outlook is promising for additional ore shoots on No. 1 and 3 veins of the Dome Lake mines.

Dome Lake Purchase Endorsed. The annual report shows a total production since 1907 at the Cobalt property closed down in July last, of 5,604,168 ounces of silver. The total value of this production was \$2,965,523.18, of which the greater portion has been returned to the shareholders in dividends. These dividends amounted to several hundred dollars a share.

The action of the directors in purchasing control of the Dome Lake Mines was endorsed by action and a resolution was passed advancing further money for development purposes at that property if necessary.

The old board of directors were elected and at a subsequent meeting of these directors the same officers were again elected to the offices.

The officers of the company are as follows: President—George Taylor; vice-president, A. A. McKelvie; directors, Thomas McKenna, D. M. Ferguson, J. J. Grills and S. S. Ritchie, all of New Liskeard, and Charles L. Sherrill, of Buffalo, N. Y.

CANADIAN NORTHERN

Although the return for the first week in October is almost the best of the year, there is yet a decrease in earnings for the Canadian Northern from the figure for the corresponding week a year ago.

Gross earnings for the week were \$563,900, the shrinkage from the same period last year, when the first rush of the big crop was on is \$11,700.

The decrease in earnings for the year to date is \$688,300, being somewhat reduced until this week by the favorable showing made by the road in September.

CUBA RAILROAD IN AUGUST. Cuba Railroad Company reports for August: Gross, \$343,487; decrease, \$17,355; net, \$121,447; decrease, \$30,282. From July 1 to August 31: Gross, \$726,031; increase, \$40,971; net, \$293,039; decrease, \$4,223.

ESTABLISHED 1864. Paid Up Capital, \$7,000,000. Reserve Fund and Undivided Profits, \$7,249,194.

THE MERCHANTS' BANK OF CANADA

MONEY ORDERS issued available at par at any Banking Town in Canada.

CANNOT ACCEPT CABLES. New York, October 10.—Commercial Cable Company cablegrams cannot be accepted for places in the Province of Antwerp.

NATIONS AT WAR LOSE HEAVILY BUT GERMANY SUFFERS MOST

In Proportion to Size of Merchant Marine and Navy Germany's Losses Enormously Overbalance Those of Great Britain

In an article showing how the nations at war have suffered in losses of fighting vessels, the Glasgow Herald, under date of September 24, enumerates the list of those that have so far been disposed of and showing that Germany has felt the strain the most. The article says:

Even adding the three third class cruisers the destruction of which was announced this week, the British fleet has not sustained the loss of nearly so many vessels as has the navy of Germany. Numerically the German losses are 25, while those of the British are only eight. In actual fighting value, however, the deductions which have to be made from the naval strength of Britain are larger than are represented by comparison in mere numbers as the three cruisers lost on September 22 were larger units in the British fleet than were the three cruisers lost simultaneously by Germany in Heligoland Light. On the other hand Germany has lost a battle-cruiser of her most modern type, three other cruisers, three submarines, probably nine destroyers, one gunboat and two torpedo boats—so that she has out of action altogether 22 war vessels as compared with the seven lost by Britain. In proportion to the extent of her fleet she has suffered much more severely than Britain has. In the following list, it will be understood, some of the tonnages must necessarily be approximate, as the names of the smaller vessels have not always been made public, while in some cases the exact date on which a vessel was lost cannot be stated with absolute accuracy. It may also be added that, of course, only "combatant" vessels are included, and that unarmed merchant ships sunk or captured are omitted:

| German. | Tons. |
|---|--------|
| August 4—Torpedo boat blown up by explosion of German mine off Danish coast .. | 160 |
| August 5—Konigin Luise, mine layer, sunk by British destroyer Lance .. | 2,163 |
| August 9—U-16, submarine, sunk by H.M.S. Birmingham, off Heligoland .. | 500 |
| August 10—Goeben, battleship, interned in the Dardanelles .. | 32,640 |
| August 10—Breslau, light cruiser, interned in the Dardanelles .. | 4,800 |
| August 27—Kaiser Wilhelm der Grosse, armed merchant cruiser, sunk by H. M. S. Highflyer, in South Atlantic .. | 13,952 |
| August 28—Magdeburg, light cruiser, aground and blown up by Russian fleet .. | 4,500 |
| August 28—Köln, light cruiser, sunk by British fleet in Heligoland Light .. | 4,280 |
| August 28—Mainz, light cruiser, sunk by British fleet in Heligoland Light .. | 4,282 |
| August 28—Ariadne, light cruiser, sunk by British fleet in Heligoland Light .. | 2,618 |
| August 28—Two destroyers, sunk by British fleet in Heligoland Light .. | 1,000 |
| September 4—Seven destroyers and one torpedo boat reported damaged, and others sunk near Kiel Canal .. | 3,800 |
| September 12—Spreewald, armed merchant cruiser, captured by British cruiser Berwick, in North Atlantic .. | 3,899 |
| September 13—Hela, small cruiser, torpedoed by British submarine E-9 off Heligoland .. | 2,000 |
| September 14—Cap Trafalgar, armed merchant cruiser, sunk off east coast of South America, by British armed merchant cruiser Carmania .. | 18,710 |
| September 19—Mowe, gunboat, sunk by H. M. S. Pegasus at Zanzibar .. | 660 |
| September 22—Two submarines reported sunk by British fleet in North Sea .. | 1,000 |
| Total up to date—25 vessels of 90,404 tons. | |
| British. | Tons. |
| August 5—Amphion, light cruiser, sunk by German mine in North Sea .. | 3,440 |
| September 3—Speedy, torpedo gunboat, sunk by German mine in North Sea .. | 810 |
| September 8—Pathfinder, light cruiser, sunk off Scottish east coast .. | 2,940 |
| September 8—Oceanic, armed merchant cruiser, wrecked on Scottish north coast .. | 17,274 |
| September 20—Pegasus, third class cruiser, completely disabled at Zanzibar by German third class cruiser Konigsberg .. | 2,185 |
| September 22—Aboukir, third class cruiser, sunk by submarine in North Sea .. | 12,000 |
| September 22—Cressy, third class cruiser, sunk by submarine in North Sea .. | 12,000 |
| September 22—Hogue, third class cruiser, sunk by submarine in North Sea .. | 12,000 |
| Total up to date—3 vessels of 62,699 tons. | |
| Austrian. | Tons. |
| August 17 (about)—Zenta, torpedo cruiser, sunk by French fleet in the Adriatic .. | 2,364 |
| September 10—Torpedo boat reported blown up by mine in Adriatic .. | 160 |
| Total up to date—2 vessels of 2,424 tons. | |
| Japanese. | Tons. |
| September 21—Torpedo boat, sunk by German cruiser .. | 250 |
| Another torpedo boat reported lost .. | 250 |
| Total up to date—2 vessels of 700 tons. | |
| Taking into account warships only, Germany has lost 1 battleship (for the purposes of the war, at least), 5 cruisers, 9 destroyers, 2 torpedo boats, 1 gunboat, and 3 submarines. Britain, 6 cruisers and 1 gunboat. Austria, 1 cruiser and 1 torpedo boat, and Japan, 2 torpedo boats. The reduction in fighting power is therefore far larger in the case of Germany than in the case of Great Britain, while in comparison with the powers of the respective fleets the balance is enormously in favor of Britain. | |

BILLIARD PROFITS WERE LEGIMATE

Mellen Says it Cannot be Held That This Operator Was Acting as New Haven Agent

TOOK ALL RESPONSIBILITY

Former President of System Falls to Understand Why He is Brought Into Suit, "Except Through the Pure Cussedness of Those Who Instituted It"

New York, October 10.—In a statement made concerning the New Haven's suit to recover \$3,838,147 from John L. Billard and his associates in the Billard Company, Charles S. Mellen said that he didn't understand how he came to be mentioned as a defendant in the action except through "the pure cussedness of those who instituted the suit."

Mr. Mellen made other caustic remarks about the present administration of the New Haven, laying special stress on its propensity for discovering things unknown to the prior administration concerning the deal by which the New Haven's holdings in the Boston and Maine were sold to the Billard Company at \$125 a share and repurchased for \$150 a share.

The New Haven in its present suit maintains that Billard merely acted as a trustee for the New Haven in this deal and therefore should return all of his handsome profit deducting therefrom a reasonable commission.

Mr. Mellen maintained, however, as he insisted in his testimony before the Interstate Commerce Commission at Washington, that Billard assumed all the risk in this deal, in which he acted individually and not as a dummy for the New Haven.

In Criminal Investigation. The former president made his statement as he was leaving the Federal grand jury room, where for over two hours he had faced the cross-examination of the government attorneys in the criminal investigation of the New Haven system. In spite of the ordeal, however, he was ready to discuss the new phase of the New Haven's troubles.

"The only theory on which the suit could have been brought," he said, "is that Billard was acting as a trustee in the deal. If that is so then I have lied and every member of my board has lied. I testified at Washington that Billard had no share and sale of the stock was a bona fide transaction. I don't know why I should be brought into the suit excepting through the pure cussedness of those who instituted it. I never had a share of stock or a dollar in the Billard company. Yes, I expect to be called as a witness in the suit and I shall testify."

Reminded of Testimony. Mr. Mellen was reminded of his testimony before the Interstate Commerce Commission, in which he said that after the Boston & Maine stock was bought back from Billard he was asked by its board of directors to "go after Billard three months after he got the stuff."

"First," said Mr. Mellen, "I was authorized to make a contract with Billard which provided that he was to return the stock. Then three months after—which mind you was after the contract had been put into effect—a resolution was passed by the directors asking me to get Billard to return the stock. The changes in the contract were made by the directors after the contract was made. I was to give up the stock and accept a commission. But Mr. Billard couldn't do that," said Mr. Mellen. "Some people object to my having contracts drawn up for me. I have been executed."

Mr. Mellen said that he had no share in the investigation before the grand jury but that he had investigated at two o'clock this afternoon.

CALGARY POWER IN

A better showing was made by the Calgary Power Company in August. Net earnings increased \$1,131 to a total of \$30,007.

In the first four months of the current fiscal year earnings were showing increases. Then a contraction set in. At the end of the eight months, on August 31, net earnings were still \$10,349 below those of last year, when the total reached was \$19,375.

MAY CONSOLIDATE

Albany, October 10.—Up-state Public Service Commission unanimously approved of the consolidation of the New York Central with the Lake Shore and other railroad corporations controlled through stock ownership into a single corporation to be known as New York Central Railroad Company.

In its opinion the commission says "We find nothing to indicate any intent on the part of the petitioners to over capitalize either in stocks or bonds."

The commission finds no evidence of violation State Anti-Trust Act.

DIAMOND MATCH DIVIDEND

New York, October 10.—Diamond Match declared its regular quarterly dividend of 1% per cent. payable December 15th to stock of record November 30.

NOTICE is hereby given that Viewmont Land Company, Limited, a body politic and corporate, having its principal place of business in the city and district of Montreal, will seek and ask for the passing of an Act by the Legislature of the Province of Quebec, at its next session, for the following purposes: the said Act to confirm the charter and Letters Patent of the said Company; to permit it to carry on generally the business of a land company and to exercise all the powers that it has obtained by its charter, the said Act to incorporate the organization of the company, the stock and the acquisition of certain lands from the Estate of the late Alexis Brunet, deceased of sale of August 27th, 1912, four of which of September 14th, 1914, and for all whatsoever relating to these presents.

GEORGE P. Secretary-translator Montreal, September 25th, 1914.