CREDIT IS ESSENTIAL TO MODERN BUSINESS

But in Canada Attention Must be Now Turned from Mere Financial Manipulation to an Actual Production of Goods

(By Prof. W. W. Swanson.)

The wonderful part credit plays in the modern business world is not properly understood or appreciated by the average business man. He knows in a general way that its role is a great one; but he does not realize how credit is the fundamental factor in modern industrial organization.

Without taking time or space to explain the historical causes and the results of the various changes that have been made in the exchange economy by society—of the change from barter to a medium of exchange of some kind, of the transition from production for local needs to world-wide needs, of the change from domestic production to capitalistic production—we may at once examine the nature and results of the surpassingly important change from a money economy to a credit economy.

Production and distribution are no longer, to any extent, carried by the actual use of money but by the employment of credit.

New System of Exchange.

This is the distinguishing feature of the new system of exchange. Under the new method of business organization the producer and the distributor who are generally borrowers, promise to pay a certain sum of money at a future date in return for purchasing power, advanced by the bank as a rule at the present time. Thus a manufacturer does not need to wait until he sells part of his product before he can widen the field of his present production. On the contrary, his field of industrial activity may be at once widened in harmony with expanding markets that are offering new outlets for his products.

Money and Credit.

It will be observed that when a business man obtains credit at the bank he promises to pay money at a future time, in exchange for purchasing power in the present. It will be noticed that not only is one-half of the contract to be performed at a future date, but that the contract calls for a delivery of money. As a matter of fact, however, money in the form of gold or silver is being rarely paid in, a cheque, a bill of exchange or some similar instrument discharging the obligation.

The banks hold the central position in a nation as dealers in credit. If there is any sign of lack of confidence in business conditions, it is reflected at once in the evident anxiety of the banks to protect their reserves. These reserves are, of course, made up of legal tender money—in Canada, either gold or Dominion notes.

Now, when a bank attempts to protect its reserves, so that it will be in a position to meet its obligations, it must curtail certain lines of credit. In other words, it seeks to reduce its demand obligations; which, for the most part, have arisen in the first place from loans. This is clear when it is remembered that a loan of money is, as a rule, not withdrawn from the bank which grants it, but is left as a deposit to the customer's credit. Thus, increased loans mean increased demand liabilities.

Call In Credit.

When a bank calls in certain lines of credit which have been granted to business men, it means that some class or classes of men must find the money to meet the bank's demands. They in turn are also compelled to call in some of their credit. Thus the demand for money spreads far and wide at a time when no one is offering credit. In this way a panic may begin and spread, until every business firm which has used credit in its operations is affected. Many are ruined because they cannot meet the sudden demand to discharge their obligations, for the obvious reason that they cannot sell their goods or wares. Few are able to buy—and all are frantically endeavoring to sell.

Thus, valuable stocks are sold at a sacrifice, under the pressure of the immediate necessity of turning goods into money. From this state of affairs no matter how caused in the first instance—whether by gambling and speculation, by Balkan wars or what not—may ensue a prolonged period of industrial depression.

The practical point to be observed is that the relation which the cash reserves of the banks hold to their outstanding liabilities is a fairly good guide to the business man in judging whether or not it is advisable to extend or contract his business obligations.

Relation to Panics.

A study of the great panics and depressions which have occurred at various periods during the last one hundred years discloses in each case a constantly growing disproportion between the reserves and the liabilities of the banks just before the business world has been plunged into a financial crisis. In every case the immediate cause of the panic was the inability of the two essential factors in the credit system to co-operate effectively at the critical moment. This is due, with special reference to Canada, to no defect in our banking system, but to the fact that some of our business men get beyond the legitimate range of business.

Credit is in the last analysis based upon goods, not upon confidence as is too often insisted. Now if our people are engaged, not in sowing the seed of a future harvest or in building houses or making the tools of production and the goods of consumption, but in gambling and speculating with the funds placed at their disposal, it is evident that, if they are suddenly called upon to meet their obligations, they cannot do so. They have not produced anything that can be used to discharge the debt. In the meantime they have inflated prices by throwing a vast combined purchasing power into the market, which is not offset by a supply of goods at any time. This is exactly what we have done in Canada in the last decade and we are now reaping the consequences. To retrieve the situation, attention must be turned from mere financial manipulation to an actual production of goods.

Quotations on Montreal Real Estate

Quotations for to-day on Montreal real estate, the Stock Exchange department of the Montreal Real Estate Exchange, Inc., were as follows:—

	Bid.	Asked
Aberdeen Estates	105	125
Beaudin, Ltd.	299	300
Bleury Inv. Co.	89	90
Can. Cons. Lands, Ltd.	6	14¾
Credit National	141	144
Cote St. Luc Land & R. Inv.	95	98
Cartier Realty	80	100
Central Park, Lachine	120	125
Caledonian Realty, com.	20	20½
Charing Cross Industrial Com., 8 p.c.	30	40
Com., 8 p.c.	..	40
C. C. Cottrell Ltd., 7 p.c. Pfd.	14	25
Corporation Estates	75	95
Crystal Spring Land Co.	70	84
Dorval Land Co.	40	48½
Drummond Realties, Ltd.	100	110
Dominion Real Estates.	80	85
Daoust Realty Co., Ltd.	75	78
Eastmount Land Co.	110	120
Fairview Land Co.	115	115¼
Greater Montreal Land Inv.	175	...
Home Land Co., Ltd.	80	103
Improved Realties, Ltd. Pfd.	70	71½
Do., Common	20	23
K. & R. Realty Co.	49½	70½
Kenmore Realty Co.	70	89
Land of Montreal	...	65
Landholders Co. Ltd.	98	101
Landholders Co., Ltd.	98½	103½
Lauzon Dry Dock Land, Ltd.	100	150
La Societe Blvd., Pie IX.	141	161
La Compagnie des Terres de Ciment	76	100
La Compagnie Nationale de L'Est	..	110
La Compagnie Montreal Est., Ltee	90	95
La Compagnie d'Immeuble Union, Ltee.	75	85
La Compagnie Immobiliere du Canada Ltee.	75	80
Lachine Land Co.	100	105
Longueuil Realty Co.	100	101½
La Salle Realty	97	100
Mutual Bond & Realties Corp. of Can.	76	99
Mountain Sights, Ltd.	80	[illegible]
Model City Annex	60	64
Montmartre Realty Co.	10	16¼
Montreal Deb. Corp. pfd.	83	85
Do., commmon	45	50
Montreal - Edmonton Western Land & Inv. Co. of Canada	95	99
Montreal Western Land Corp. Ltd.	75	85
Montreal Factory Lands	75	78¾
North Montreal Centre, Ltd.	115	135
North Mont. Land Ltd	160	180
National Real Est. & Inv. Co. pfd.	60	70
Co., pfd.	60	74¾
Do., common	10	12¼
Nesbit Heights	50	90
L'Union de l'Est	...	102
Orchard Land Co.	125	125¼
Pointe Claire Land	125	128
Quebec Land Co.	174	175
Rockfield Land Co.	29½	30
Riverview Land Co.	100	150
Rivermere Land Co.	80	80¼
Rivera Realties Co.	79	80
Summit Realties Co.	100	105
St. Andrews Land Co.	7	10
St. Paul Land Co.	600	725
St. Denis Realty Co.	75	99
St. Lawrence Inv. & Trust Co.	....	95¼
St. Regis Park	95	103¾
South Shore Realty Co.	45	49¾
The St. Lawrence Blvd. Land of Canada	148	163
Trans. Bldg. pfd.	75	79
Union Land Co.	100	100¼
Wetworth Realty	125	135
Westbourne Realty	75	80½
Windsor Arcade Ltd., 7 p.c. Pfd. with 100 p.c. bonus	80	84¾
Trust Companies:—		
Crown	110	112½
Eastern	160	162
Financial	135	138
Montreal	181	200
National	221	223
Prudential	90	93½
Bonds:—		
Caledonian Realties Ltd. 6 p.c. Debs.	75	80
City R. Inv. Co. Bonds	80¾	81½
Marcil Trust Gold Bonds	92	97½
Montreal Deb. Corp. 6 p.c. deb.	48¼	49
Trans. Bldg., 7 p.c. sec. mort.	80	92½
Arena Gardens, Toronto, 6 pc.	85	92½
Mort. bonds	..	..
Alexander Bldg. 7 p.c. sec. Mort. bonds with 50 p.c. bonus, com. stocks	80	100

HUDSON BAY MINING HAS PAID 900 PER CENT.

New Liskeard, May 26.— Directors of the Temiskaming & Hudson Bay Mining Company have declared a dividend of 300 per cent., payable June 1.

This makes 900 per cent. declared so far this year.

FRENCH-MONOCAN LOAN TO BE ISSUED NEXT WEEK.

London, May 26— The £3,800,000 French-Moroccan 4 per cent. loan is expected to be issued next week.

Details of the French national loan have not yet been decided.

General Motors Reviews Rumors

Sarcastically Discusses Evidence That it is Going Out of Business

NEED FOR FRANKNESS

Mild and Humorous Rebuke to Gossip—Mongers Who Start Reports Without Much Reference to Probabilities.

New York, May 26.— Manufacturers of motor trucks are kept about as busy denying rumors about their continuance in business, consolidation with other concerns, going out of business or changing this or that line of business policy as they are doing anything else. The variety and persistency of some of these rumors are especially interesting and diverting, not to say ingenious and often ridiculous—now that the time has come when there is occasionally something ridiculous, yet untrue, in the motor business

The latest victim of answering questions is the General Motors Truck Company. It is busy telling people that its recent change of price policy does not presage its retirement from business, and lately it has called to its aid in the denials a clever little booklet full of evidence and sarcastic application, which makes good reading. Here is a portion of it:

Prices are Attractive.

"I like your proposition; it sounds good, and your prices are attractive, but I hear you are going out of business, and I wouldn't want an orphan on my hands."

That is what prospective truck buyers have been saying to G. M. C. salesmen since the announcement of our new policy and reduced prices, made January 4, 1914.

"Strange how news travels in this wireless age. The report was undoubtedly circulated by the large army of unemployed horses. Competitors would not do it, because that would have a tendency to injure the truck business in general, and would cause many men to hesitate to buy any truck on the supposition that motor trucks were not an unqualified success.

"But, when you were caught with the goods the easiest way out is to confess, and we have decided to make a clean breast of it

Needed the Money.

"Notwitstanding the fact that we had enough business in sight to clean up the stock on hand the first of the year, we spent several thousand dollars announcing our new policy and lower prices. This was done because we had just increased our advertising force and we had to keep them busy—and the newspapers needed the money.

"Another bit of convincing evidence is that we spent over $20,000 in factory improvements and new equipment to reduce manufacturing costs. We were fully aware, of course, that this equipment wouldn't be needed by us when we quit business, but there is always a ready sale for second-hand stuff, and it yields a nice profit.

Show Good Will.

"Another clincher is the fact that we have just spent several thousand dollars on new catalogues and illustrated parts lists, the principal object, of course, being to show our good will toward the engravers and printers. Then, too, catalogues of defunct concerns are valuable as souvenirs.

"Still another bit of incriminating evidence is the fact that after the announcement of our new prices we added to the value of our electric trucks by increasing the tire sizes. The average increase of tire cost on the entire line is 30 per cent., or an average of $80 per truck.

"The reasons for this action were three-fold; to aid the rubber industry and to do our part toward promoting friendly relations with our neighbors in the south; to increase Uncle Sam's revenue from rubber imports and to enable the rubber tire manufacturers to run larger advertisements.

Number of Improvements.

"We have also made a number of improvements in our gasoline trucks, which add to their efficiency. Our testers say the trucks are 30 per cent. better than they were a year ago; the object of the improvements of course, being to please the testers and make their work' pleasant while they are still with us.

"Another reason for desiring to retire is on account of finances. We have become unpopular with the money lenders because we operate on our own resources—do not borrow any money, yet discount all our bills.

"Possibly the most convincing evidence of our intention to retire was the fact that since the announcement of our new policy we placed contracts for material to make a thousand trucks. We expected material to advance, and we will be able to make a nice profit on it by selling it out at retail after we close the factory. We feel that this information is due the trade first hand.

Business Grows Rapidly.

"However, so many business men have refused to accept hearsay evidence, and our business has grown so rapidly, that it may be necessary for us to postpone the day of retirement for a few years, or until the pneumatic tube system of transportation has been successfully applied to delivering goods. We are unable to determine at this time just when that will be. In the meantime, we will continue to make a complete line of both gasoline and electric trucks, and will give prospective customers the benefit of our experience in helping them to analyze their transportation problems, to the end that they may select the trucks that are fitted to their service. A proper installation means economy of operation—an improper installation mea eration — an improper installation means extravagance.'

NOTES ON PUBLIC UTILITIES

FORT WORTH POWER.

The Fort Worth Power and Light Company reports for the month of April gross earnings of $67,039, as compared with $44,473 for April, 1913, with net earnings of $35,734, against $27,945. The income of the company after charges was $27,189, as compared with $21,211 for the April previous. Gross earnings for the twelve months ended April 30, 1914, were $751,351, as compared with $545,487, with net earnings for the same period of $433,450, against $284,249 for the twelve months ended April 30, 1913. The balance after the payment of dividends on the preferred stock was $284,445, as compared with $172,841 for the twelve months ended April 30, 1913.

WILL BE CONSOLIDATED.

It is reported that in case the Ohio Public Utilities Commission approves of several deals and arrangements which have been made lately a number of small light and power companies in that State will be consolidated under the Ohio Service Comyany, which is controlled by Scranton, Pa., interests. It is stated that if the commission gives its approval the company will acquire the electric plant at Canal Dover; the electric lighting and steam heating plant at New Philadelphia, and the electric lighting plants at Dennison and Ulrichsville. The properties are now under the control of the County Electric Company, and it is said that the price the Ohio Service Company has agreed to pay for them is in the neighborhood of $960,000. It is also probable that the Ohio Service Company will acquire control of the Lafayette Power and Light Company's new transmission line, which is in process of construction. In addition the company may acquire the properties of the Midland Power and Traction Company.

TEXAS POWER CO.

The Texas Power and Light Company, one of the subsidiaries of the Southwestern Power and Light Company, reports for the month of April gross earnings of $118,940, as compared with $82,372 for the corresponding month the year previous, with net earnings of $41,138, against $26,584. The income of the company after the payment of charges was $18,249, as compared with $11,799. Gross earnings for the twelve months ended April 30, 1914, were $1,313,564, against $1,054,622 for the twelve months previous, with net earnings of $469,047, as compared with $414,648. The income after charges was $209,304, as compared with $280,392, while the balance after the payment of dividends on the preferred stock was $99,054, as compared with $208,467 for the twelve months ended April 30, 1913, a decrease of $109,413, or 52 per cent. The dividends paid on the preferred stock, however, for the twelve months ended April 30, 1914, totalled $110,250, against $71,925 paid in preferred dividends the previous twelve months.

GLEANED FROM MANY SOURCES

Col. Goethals admits defects in steel locks of Panama Canal.

Japanese rice production last year exceeded 251,000,000 bushels.

The value of the annual mineral production of British Columbia is over $30,000,000.

Since the first of the year New York has shipped $28,000,000 of gold to Paris.

The Japanese Government has sent out engineers to investigate the railways of America and Europe.

On account of poor general business, most of the coal mines in Tennessee are suspending operations.

In central Pennsylvania silk industry is running on a 100 per cent. basis, and the shoe business at 70 p.c. capacity.

The discovery of radium ore is reported in the Buffalo River mining district, Arkansas.

A heavy rain fell throughout the forest fire districts in Michigan. The damage is estimated at $1,250,000.

Of the 382,000 square miles of territory in British Columbia, aproximately 30,000 square miles are known to be mineralized.

Philadelphia special says that Bethlehem Steel Corporation and Baldwin Locomotive Works are increasing forces of employees.

Fire destroyed the Leban Mill and Lumber Company and several other buildings in Lebam, Wash. Loss $300,000.

James H. Manning, of Albany, was elected president of the New York State Savings Bank Association for the ensuing year.

The gradual diminution of the world's meat supply has within the last few years attracted considerable capital to Paraguay, a country previously neglected.

Official figures show that less than one-twelfth of the area of the Philippines is devoted to agriculture, yet last year the leading crops were estimated to be worth nearly $90,000,000.

The United States Geological Survey places the smelter output of copper in the United States in 1913 at 1,224,484,098 pounds, a decrease of about 1.5 per cent. compared with 1,243,268,720 pounds in 1912.

A bad stretch of road, 10 miles long, between South Bend and Niles, Mich., in one day was transformed to one of the best gravel boulevards in the section. The work was done by 750 merchants and professional men.

Business on New York Stock Exchange last Friday was smallest of any day thus far this year, total overturn, 93,600 shares, comparing with 98,000 shares on March 2 last, when the blizzard seriously interrupted communication with that centre.

Of 22 communities comprising Greater Boston, Revere shows greatest percentage of increase in population since taking of 1910 census, with 15.47 per cent. Winthrop gained 14.61 per cent., Somerville 14.16 per cent. and Boston 9.45 per cent.

New security issues in England to May 1 of this year are $590,000,000, or $225,000,000 greater than for four months last year. In last six years, 1909, with a total of $700,000,000 for period, is only one showing a larger output.

CONSOLIDATED GAS CO. ASKS FOR $35,000,000

Wants Public Service Commission to Permit Big Bond Issue—Also Like Amount to Redeem Bonds.

New York, May 26—The Consolidated Gas Company has asked the Public Service Commission for permission to issue $25,000,000 convertible debenture bonds and $25,000,000 additional capital stock to redeem the bonds. The commission will set a date for a hearing on the petition, which was signed by George B. Cortelyou, president of the company. The present authorized capital of the company is $100,000,000.

The debentures are to be applied for reimbursement of money spent as follows: For the capital stock of the New York Edison Company, $5,101,000; for the capital stock of the New York Edison Company and of the Astoria Light, Heat and Power Company, $12,397,600. The rest will be used to discharge $5,000,000 of eight month collateral trust notes and $2,500,000 of demand notes issued in 1906 and 1907.

The debentures are to be issued in denominations of $500 or multiples thereof, to be payable in five years, to bear interest at 6 per cent. and to be convertible, at the option of the holder, into stock of the company three years from date or at any interest date subsequent thereto within five years, upon the basis of one share of stock for each $100 par value of debentures. The proposed issue of capital stock is to be divided into 250,000 shares.

In the schedules attached to the petition the company says that it has declared dividends in the last five years as follows:—

July 31, 1909, at 4 p.c.	$3,685,840.00
July 31, 1910, at 4 p.c.	3,991,700.00
July 31, 1911, at 5½ p.c.	5,489,907.50
July 31, 1912, at 6 p.c.	5,988,990.00
July 31, 1913, at 6 p.c.	5,988,990.00

CANADIAN FOREIGN TRADE FOR MARCH, 1914

During March 1914, there was a decrease in the total value of imports entered for consumption into the Dominion of Canada, as compared with the corresponding month of 1913, the amounts being respectively $54,520,229 and $67,904,336. For the twelve months ended March 31, 1914, the value of imports shows a decrease of $41,863,989 over the corresponding period of the previous year. The total value of domestic exports during March, 1914, amounted to $26,701,026, a decrease of $8,173,726 compared with the same month of 1913 The value of domestic exports during the twelve months ended March 31 1914 was $431,589,658, as compared with $355,754,600 for the corresponding period of the previous year. During March there was an increase in the products of the mine, the fisheries, the forest, animals and their produce, manufactures and miscellaneous merchandise, and a decrease in the domestic exports of the products of agriculture.

The following table gives the latest official summary of Canadian foreign trade:—

	Entered for Consumption. Month of March. 1913	1914.	12 Months ending March 1913.	1914.
Dutiable goods	45630,678	34,944,885	441,518,008	410,130,474
Free goods	21,973,298	18,166,219	228,482,181	208,198,400
Total	67,603,976	53,111,104	670,000,189	618,328,874
Coin and Bullion	300,360	1,409,125	5,427,979	15,235,305
Grand Total	67,904,336	54,520,229	675,428,168	633,564,179
Duty collected	11,912,314	9,337,771	115,039,156	107,144,645

Total Exports from the Dominion of Canada.

Exports.

	Month of March. 1913. Domestic.	Foreign.	1914. Domestic.	Foreign.	12 Months ending March. 1913. Domestic.	Foreign.	1914. Domestic.	Foreign.
The Mines	6,218,008	16,360	6,569,364	10,859	57,442,546	140,484	59,039,054	194,852
The Fisheries	1,388,301	5,193	1,470,274	21,283	16,336,721	106,101	20,623,660	111,289
The Forest	2,359,351	16,112	2,694,986	1,505	43,255,060	424,563	42,792,137	593,950
Animas and their produce	2,780,195	97,003	3,202,060	112,235	44,784,593	988,634	53,349,119	1,262,953
Agriculture	17,128,529	17,916	6,512,546	39,794	150,145,661	8,810,034	198,220,029	8,595,689
Manufactures	4,993,695	834,097	6,239,290	722,126	43,692,708	8,832,374	57,443,452	10,158,786
Miscellaneous	6,673	90,369	12,471	153,701	97,311	2,011,565	121,088	2,931,266
Total merchandise	34,874,752	1,077,050	26,709,991	1,061,503	355,754,600	21,313,755	431,588,439	23,848,785
Coin and Bullion	....	2,292,114	35	10,604,295	....	16,163,702	1,219	23,559,485
Grand Total, exports	34,874,752	3,369,164	26,701,026	11,665,798	355,754,600	37,477,457	431,589,658	47,408,270

British Rails Moved Quietly

On an Irregular Course in the London Stock Market

C. P. R. WAS SUPPORTED

Less Confident Feeling Regarding the Political Outlook was Entertained—Foreigners Showed Hardness.

London, May 26.—Incidental to the general carry-over to-day, stock exchange markets were narrow and irregular on account of adjustments, and a less confident feeling regarding the political outlook was entertained at the week-end.

Gilt-edged investments and Home rails moved quietly on an irregular course.

Light covering purchases were made in Americans, while the contangto was up ½ to 3½ per cent. as compared with the previous settlement.

Support appeared in Canadian Pacific, Mexicans and Argentine rails lacked steadiness, but foreigners showed hardness and Peruvians exhibited strength.

Favorable raw staple conditions caused improvement in rubber issues.

Ownership of Toledo Railway

Petition for an Initiative Election are now in Circulation There

FIRST OF THE KIND

Rates of Fare and Charges for Power are to be Suffcient to Meet all Operating Expenses—New Bond Issue.

Toledo, Ohio, May 26.—Proposed ordinance for municipal ownership of public utility properties of Toledo, on which petitions asking an initiative election was in circulation, is the first of its kind to be proposed in any city and was drafted by the Toledo Municipal Ownership League.

It provides for immediate ownership of the street railway system, electric light and power systems and plants and the artificial gas plant.

The natural gas plant, owned by Ohio Fuel Supply Co., is not included.

A bond issue of not to exceed $8,000,000, running 20 years at 6 p.c. is proposed to acquire Toledo Railways and Light properties, or, failing this, to erect new plants.

Rates of Fare.

The city solicitor is to proceed on adoption of the ordinance to condemn or purchase properties of Toledo Railways & Light Co., or, failing this, city officials are to take steps at once to let contracts for new plants.

The bond issue will be secured only by the utilities, as, under Ohio law, general credit of the city cannot be placed behind bonds issued for such purposes.

Rate of fare on the street railway and charges for electric light and power and gas service are to be sufficient to pay operating and maintenance charges, taxes on physical property as if privately owned, all fixed charges, to provide for a sinking fund to pay interest and retire all bonds by maturity, and to establish a reserve fund for emergencies.

In Separate Fund.

Revenue from municipal operations is to be kept in a separate fund by the city treasurer and expended for no other purpose than on account of the utility earning such revenue.

Circulation of petition for initiating the ordinance has been started and it is expected that 10,000 signatures will be secured in ten days.

A petition for a special election also is being circulated and this will require the signature of 20 p.c. of qualified voters to secure election, which will be held on fifth Tuesday after filing of the petitions with required number of names.

NEW ABATTOIR TENDERS.

Toronto, Ont., May 26—New tenders for apparatus at the city's abattoir will be asked for, following some dispute between several of the tenderers and the property commissioner. The work amounts to slightly more than $40,000.

Some Products of Porto Rico

Sugar and Tobacco the Leading Exports of the Island

GRAPE FRUIT INDUSTRY

Is Now Thriving and Promises Good Returns—Opportunity for Investment is Also Found in Cocoanuts—Coffee at Top of Price List.

Washington, May 26.—The coffee raised in Porto Rico is in great demand abroad and the foreign market places it at the top of the price list of coffees from all over the world, according to experts at the United States Department of Agriculture's Porto Rican Experiment Station. However, the people of the United States have developed a taste for a different kind of coffee, and the preference of a great many people will have to be changed in order to obtain a larger market for Porto Rican coffee in this country.

Of the coffee exported during the past year, $8,378,346 worth went to foreign countries, while only $132,970 worth went to the United States. Although to-day there exists a benefit of tariff, the coffee is still following the old lines of trade established by tariff laws during the Spanish regime.

Grapefruit Giving Good Returns

The grapefruit industry, which started from nothing ten years ago, is now thriving in Porto Rico and promises good returns to the man with perseverance, industry and personal supervision. Porto Rico is safe from frosts that threaten the industry on the mainland and is at the open door of the best market in the world—New York and the eastern seaboard. The grapefruit industry represents the highest type of intensive farming, and is sure to increase to a much greater extent in Porto Rico as the trees which are already planted come into bearing.

The value of the exports of grapefruit last year ($726,687) was exceeded by the exports of two other fresh-fruit industries which have been established for a much greater period in the island. Oranges were exported to the value of $740,010, and pineapples to the value of $1,142,007; $151,681 worth of canned pineapples was also exported.

Possibilities Good for Cocoanuts.

There is considerable planting of cocoanuts in Porto Rico and there are extensive areas yet where these trees may be profitably set out. A cocoanut grove, properly cared for, yields a sure and steady income. Better cultivation, the growing of vegetables among the trees, the utilization of seaweed and other manures yield excellent returns over cost.

The value of exports of cocoanuts for the past year amounted to $352,390. Besides being interested in cocoanuts, the Department's agricultural station has a number of other nut-bearing trees on trial, bith edible and oil-bearing, and it is hoped that some will prove profitable for cultivation there.

Sugar and Tobacco Most Important.

Although the other agricultural products show such great promise, sugar and tobacco still continue to lead all others by a big margin. The exports of sugar during the last year had a total value of $27,226,905, while the value of the tobacco exports were:—Manufactured, $5,824,000; unmanufactured, $3,188,227.

Planters are now introducing improved varieties of cane, while the cultivation and fertilization of the crop has been vastly improved. On the other hand, lands not well suited to the crop have been planted and others have been continuously planted to cane, so that yields have been reduced to a minimum. Many of these lands will now go out of cultivation.

Improved in Quality.

Porto Rican tobacco, as well as sugar, is being improved in quality. This improvement is resulting in its finding a larger market and increasing prices. There is a large population skilled in certain lines of tobacco manufacturing such as cigar-making.

BANK OF GERMANY

Berlin, May 26.—The weekly statement of the Imperial Bank of Germany follows: Cash increases $11,584,000; loans inc., $10,699,000; discounts, inc., $2,872,000; treasury bills, dec., $35,742,000; notes in circulation, dec., $3,551,000; deposits, dec., $71,728,000; gold on hand inc. $56,867,000.

Dividend Notices

UNION BANK OF CANADA.

Dividend No. 109.

NOTICE is hereby given that a dividend at the rate of 8 per cent. per annum on the paid-up Capital Stock of this Institution has been declared for the current quarter, and that the same will be payable at its Banking House in this City, and also at its Branches, on and after Monday, the first day of June next

The transfer books will be closed from the 18th to the 31st of May, both days inclusive.

By order of the Board.

G. H. BALFOUR,
General Manager.

Winnipeg, April 18th.

THE BANK OF OTTAWA.

Dividend No. 91.

NOTICE is hereby given that a dividend of Three per cent., being at the rate of Twelve per cent. per annum, upon the paid-up Capital Stock of this Bank, has this day been declared for the current three months, and that the said dividend will be payable at the Bank and its branches on and after Monday, the First day of June, 1914, to shareholders of record at the close of business on the 18th day of May next.

By order of the Board.

GEORGE BURN,
General Manager.

Ottawa, Ont.,
April 14th, 1914.