

## NOTES ON PUBLIC UTILITIES

The Cities Service Co. reports an increase for July, 1914, in gross earnings of \$145,531 over July, 1913, and an increase of \$153,978 in net earnings, and a balance, applicable to dividends, of \$221,841 for the month, as compared with a similar balance of \$106,604 for the corresponding month of the preceding year. The accrued preferred dividend for the month was \$136,833, leaving a balance of \$85,008 for the common stock, against a similar balance in July, 1913, of \$2,968. For the twelve months ended July 31, gross was \$3,543,736, an increase of \$2,056,382, with net of \$3,446,467, a gain of \$2,033,705. After providing for interest charges there was left for the twelve months, applicable to dividends, a balance of \$1,394,128,476, as compared with a balance of \$1,394,128,476 for the twelve months ended July 31, 1913. This was equivalent, for the year ended July 31, 1914, to 2.13 times the dividend requirements on the preferred stock, and, after providing for preferred dividends, to 11.73 per cent. on the common stock.

Returns received by the Electrical World from 78 central station companies for June operating in the Atlantic States show an income growth of 5.8 per cent. during June, 1914, over June, 1913. The May growth was larger both in bulk and percentage. However, this was true only for the Middle Atlantic States. The South Atlantic States continue to show a monthly increase in income of approximately 11 per cent. The fifteen companies giving figures from the State of New York showed an increase in gross revenue of 2.5 per cent. for June, 1914, over the same period in 1913, and also showed an increase of 5 per cent. in kilowatt hour output. All of these companies showed increased earnings and but one company showed decreased output. In view of the retrenchment policy of many of the Atlantic manufacturers, the above results must be considered as exceedingly satisfactory. Any industry showing a continuous growth during a financial and legislative depression must be viewed with considerable satisfaction.

Hetch Hetchy water came considerably nearer to San Francisco when the Board of Supervisors ordered the preparation of plans and specifications for aqueduct borings in connection with the water system, authorizing the Board of Public Works to enter into contract for the borings and permitting progressive payment of the work. In addition, the board finally voted to expend out of the water construction fund authorized by the bond issue of 1913, nearly \$95,000 for various purposes in connection with the Hetch Hetchy system, including hydrography, inspection, and engineering, telephone lines, camps and sundry expenditures previously authorized. The board also voted the payment of \$3,000 for investigations by City Attorney Long in connection with the construction of the Hetch Hetchy system, together with \$1,250 for legal expenses at Washington, and \$1,000 for legal expenses for the City Attorney's Office.

After having accumulated \$25,000 and put \$32,000 of the earnings of the light plant back in the improvements and extensions of the past two and one-half years, the Water Board of Eugene, Ore., claims that its municipal electrical venture has been successful. It showed net earnings of \$14,138 for the period of six months, after deducting the costs of operation. On a total cost of \$309,274.37, this represents a profit of 9 per cent., but this will be held to the account of a sinking fund and a depreciation fund, or, as is probable, rates will be reduced further. In addition, the Water Board claims to have saved to the people of Eugene \$70,000 in two years and a half by a 40 per cent. reduction in the lighting rates from 15 cents per kilowatt to 9 cents.

The consolidated earnings of five companies of the American Gas & Electric show for the twelve months ended July 31, 1914, gross of \$2,844,445, a gain of \$424,779 over the preceding twelve months, with net of \$1,533,465, an increase of \$246,429, and surplus after charges of \$460,613, a gain of \$152,538. The average percentage of gross earnings saved for net by the five companies was 53.91 per cent., compared to 53.19 per cent. the preceding year. Interest charges were slightly higher in proportion to net for the year ended July 31, 1914, than for the preceding year. In the twelve months just ended, 62.64 per cent. for the twelve months ended July 31, 1913, cent. of net earnings were carried to surplus, against 1913.

The Cleveland Railway has applied to the State Utilities Commission for permission to issue \$4,063,500 additional capital stock for the purpose of raising funds to reimburse the company for expenditures made for extensions, betterment and improvement of its lines. The application also states that money would be used to further extend lines.

## LARGER SUMS NEEDED

Already From 1,500 to 2,000 Cases of Poverty in Sight Which Relief Fund Committee Must Aid.

Every day brings it home to the Relief Committee of the Montreal Patriotic Fund that very much larger sums must be raised for the families left more or less destitute by those who have been called to the front. Already from 1,500 to 2,000 genuine cases are in sight, and if the demand goes forth for more Canadian troops the situation will be still more urgent. Of these cases four hundred are French, fifty Belgian, and the rest the families of Canadian volunteers or British Army and Navy Reservists. No distinction will be made between races, provided the cases belong to the Allies. Each case is personally investigated, the homes are visited, families left in unsanitary conditions are removed to more healthy locations, lonely wives are doubled up with other wives who also want company, landlords are urged to postpone immediate claims for rent, and an organization is being completed for a systematic care at the same time humane handling of these silent heroes of the war. There will be at least six hundred volunteer visitors pledged to personally visit each two families at least twice a month. In the meanwhile immediate relief has in many cases been made, particularly in the case of wives left destitute and expecting early confinements.

The daily scene at the Drummond Building is deeply pathetic. But equally tragic are the letters which come pouring in.

A typical case is of a man who has left eight children under thirteen years of age—they are being looked after by a step-grandmother, who has only room for the baby in her own place, but keeps an eye on the remaining seven a few doors off.

Germans are said to be advancing along the Oise Valley and are making determined effort to invest Louan and Rheims, the last interior fortified position outside Paris defenses.

## DEBTS DUE ENEMY SUSPENDED BY WAR

By Law of England, on Signing of Peace, Right and Remedy are Revived

## SOME LEGAL CONSIDERATIONS

Executive Contracts on Declaration of War May Become Absolutely Void or be Merely Suspended, According to Character of Contract.

London, September 5.—An article on "The Effect of War on Contracts and Payment of Debts," by Mr. Alfred Hutchison, appears in the "Commercial Review." In the course of his article, Mr. Hutchison remarks that the principles of law in some instances (relating particularly to alien enemies) are uncertain. There has never been a similar situation to the one now existing in civilized times, and various complications concerning the conflict of English and foreign laws have arisen which, in all probability, will be the subject of future litigation.

In regard to contracts made between British subjects and other persons who are not alien enemies, made with persons who are alien enemies, entered into before the declaration of war, Mr. Hutchison says: "The general principle of the laws of England and the United States is that there must be an absolute interruption and interdiction of all commercial intercourse and dealings with alien enemies. Subject, therefore, to explanations and qualifications, that principle of law must regulate all contracts. To prevent a possible misunderstanding, however, it is wise, before dealing in detail with the different kinds of contracts, to mention the much debated Article 23 (b) of The Hague regulations, which is as follows:

"It is prohibited to declare extinguished, suspended or unenforceable in a court of law the rights and actions of the nationals of the adverse party."

## Parties in Authority.

This article has been held by all international lawyers, except those of England and the United States, to admit alien enemies to the position of a person stand in judicial. England and the United States, however, declare that the intention of the provision was that it should only apply to the parties in authority on a military occupation of an enemy's State.

However, it is quite clear that, whether it is intended as a direction for all countries to adopt the provisions as binding on the State or not, the fact remains that it cannot be part of the English law, because there has been no act of Parliament to enforce it. It may therefore be dismissed from the present considerations.

Contracts entered into with alien enemies before war is declared may be absolutely void or merely suspended, according to the nature of each particular contract.

For the purposes of considering this general principle, a distinction should be drawn between executed contracts, which, for the purposes of these remarks, may be considered as contracts which have been wholly performed by one party to the contract, leaving an obligation by the second party, and executory contracts, which may be considered as contracts in respect of which something remains to be done by both parties.

Executed contracts remain binding after the declaration of war unless the obligation remaining to be performed by the one party cannot by reason of its character be suspended until after the war, but no action can be brought to enforce such obligations until peace has been signed. This general principle applies particularly to contracts which only require for their complete performance the payment of money.

## Unperformed Obligations.

Where the unperformed obligations created by executed contracts are not merely obligations to pay money, and the proper performance of such obligations means intercourse or dealings with an alien enemy during the war, the contracts are absolutely void. It is possible that after the war money paid in respect of such contracts, under which no consideration has been received by the party paying the money, may be recovered on the ground of failure of consideration; but this statement of law is given with all reserve.

It will be noted, therefore, that by the law of England, the legal right and remedy in respect of debts due to or by an alien enemy are suspended during hostilities. On the signing of peace the right and remedy are revived. (Wolfe v. Oshorn, 4 M & S 92.)

In addition to the fact that it is illegal to pay any such debt if it involves the transmission of money to the enemy State. If, however, an alien enemy has a recognized agent in England who was duly appointed before the declaration of war, payment to such an agent would not be illegal, but, even then, the agent must not, in any circumstances, transmit the same money to the enemy State or in any manner have any commercial intercourse or dealings with his principal on the matter.

There are certain exceptions to the general rule that rights and remedies to sue for debts are suspended, namely:

1. An enemy subject who does not bear enemy character because he is resident in a neutral country or because he resides in Great Britain under a license either expressed or implied (from the fact that there is no expulsion order promulgated) can sue or be sued in the British or American courts.

## Waive Their Obligations.

2. An action may possibly be brought in the English courts if all parties were to waive their objections, but this question is by no means settled, and, in fact, Lord Davey suggested that such a course would be against public policy. (Jansen v. Driefontein Consolidated Mines, 1902, A. C. 505.)

3. It has been decided that a dividend payable under a bankruptcy in respect of a debt properly due and payable before a declaration of war to an alien enemy ought to be retained in hand for payment to him after peace has been signed (ex parte Bousmaker, 13 Ves. 71).

It is possible that the court might recognize an action against an alien enemy who has property in this country on which a judgment could be executed, provided that the action was in respect of a contract which was executed in the sense above mentioned prior to the declaration of war; but this point does not appear to have been established in any recorded case in England. The principle was accepted in America (Dorsey v. Kyle, 1889 3 Maryland). It should be pointed out, however, that there may be technical difficulties in pursuing such a remedy by reason of the difficulty in serving process, etc.

Executive contracts may on a declaration of war become absolutely void or be merely suspended, according to the character of each individual contract. If the time of performance is the essence of the

## BUSINESS MEN AT THE FRONT



CAPTAIN C. S. HANSON, of Hanson Bros. and Ferguson. Captain Hanson is with the 6th C. F. A.

## BROKERS SUFFERING FROM PARALYSIS OF BUSINESS

Some Indication of How These in New York Have Met the Altogether Exceptional Circumstances Arising Out of the War.

(New York Sun.)

The present state of the financial district is, of course, due to well defined causes entirely beyond its control. Every one in the district, employer and employee alike, is in the same boat, all suffering from the paralysis of business. The brokerage house which finds itself obliged to cut expenses and to let some of its employees go does so unwillingly, for an office force is a trained machine which it takes years to build up to a high state of efficiency.

Firms that are able to keep their men will be in a position to take advantage of opportunities when business is resumed. But in many cases the cutting down of expenses in this way has been unavoidable. The burden has been all the harder to bear because for three or four years now business has been steadily growing worse and Wall Street has been largely "living on its fat."

But generally speaking a contributing cause for the present plight is the fact that the financial district has never had a proper realization of the nature of the business it does. Like none other in the world the business of speculation is essentially one of violent fluctuations.

Wall Street has never treated its business scientifically. Every boom that has been seen has been considered at the time as a permanent movement and every period of lean times simply as a prelude to another boom greater than the last. The result has been that all lean times have been unnecessarily hard.

If one ultimate effect of the present experience is a better realization by Wall Street itself of the business it does, it does not seem likely that the business of speculation is essentially one of violent fluctuations.

It was pointed out that the present crisis is one in which every one must bear his share of the burden and the proposal was made for a reduction of 25 per cent. in salaries for the present month, with the intimation that another cut would be made further. To this the employees agreed.

Moreover, the reduction was made with certain restrictions. It was provided that if the change promised to make it unduly hard for an employee who had debts or other obligations that had to be met this particular case would be taken up with the partners and dealt with considerably.

## NEW YORK EXCHANGE STILL ABOVE GOLD EXPORT POINT

Uncertainty as to Whether United States Treasury Will Deposit Gold Leads to an Absence of Enquiry.

New York, September 5.—A prominent dealer in foreign exchange says: "There is a great deal of uncertainty as to whether the Treasury Department will deposit gold in New York to relieve the foreign exchange situation and will call upon the country banks to release gold or will leave the market to itself led to an absence of enquiry for exchange yesterday with a drop in demand exchange to around 5.01%."

"Should the Treasury Department take measures to relieve the financial situation by gold deposits the quotation for demand sterling would, without a doubt, drop to 4.95."

"I am informed that there are plenty of inquiries for exchange on a scale down from \$5 but that point may not be reached provided there is no announcement from Washington."

"Much progress has been made not only in settling overdue obligations abroad, but overdue acceptances. Our institution retired \$100,000 acceptances at maturity this week. This has been done more or less by all financial institutions in New York. The overdue obligations and acceptances, however, are still sufficiently large to keep exchange way above the gold export point or around 4.5."

contract, or is very material, and where the due performance of obligations thereunder would mean intercourse or dealing with an alien enemy during the war, the contract may be considered as absolutely void. If the time of performance is immaterial and there need be no risk of intercourse or dealing with an alien enemy, then such a contract may be suspended until peace has been signed.

Mr. Hutchison also discusses the moratorium and other matters of importance to traders in present circumstances.

## UNITED STATES IS BUSY TRADE-GETTING

Advance Guard of South American Orders Has Made Its Appearance in Markets Opening New Era

## THE BUSINESS SITUATION

Manufacturers Have Been Quick to Adjust Their Business and Grasp the Situation, in Which They See Possibilities—New England Assumes Cautiousness—Cotton Goods Uncertain.

(Exclusive Leased Wire to The Journal of Commerce.) Boston, September 4.—As the war progresses preparations are making by American business men to capture foreign markets. Europe's preoccupation in war provides the needed opportunity, and much as we deplore the calamitous state of affairs abroad, we should be unmindful of our own interests not to press the advantage. Already the advance guard of South American orders have made their appearance here. The administration appears fully conscious of the possibilities of opening up a new era in American foreign trade, not the least important evidence of which is its determination to establish a merchant marine.

One of the probable effects of the war will be the inauguration of new lines of manufacture in the United States, or at least the imparting of an impetus to other lines which in the past have been unable to make such headway against foreign competition. Our manufacturers have been quick to grasp the situation. It is understood, for example, that plans are under way for increasing the domestic production of shoes to make up the shortage created by the cessation of German shipments. The only fly in the ointment is the likelihood that this newly acquired business will disappear in the event of a settlement of the war, inasmuch as we are in most cases at a disadvantage in cost of production compared with Europe.

Business in New England is proceeding cautiously, feeling its way, and hoping that the remedial measures so promptly instituted will in a short time restore business to normal, or as nearly so as possible at a time when one-half the world's population is at war. The collapse in cotton, bearing down heavily upon the cotton belt, has indirectly affected the North through cancellations. Shoe manufacturers especially have been asked to hold up shipments, which is not surprising in view of the fact that cotton is grown in about 900 counties of 12 states, with a total population of 25,000,000, and every one of these counties is sprinkled with retail shoe stores or general stores in which shoes are carried.

## Uncertain Cotton Goods Market.

The course of events in the cotton goods markets is rather uncertain just now, the unfavorable factors offsetting the good. The greatest restriction that is being felt is the influence of tight money, which is narrowing the purchasing power of buyers and forcing mills at the same time to endeavor to reduce stocks of merchandise at any figure.

There is little doubt that jobbers and middlemen are carrying low supplies and their desire to have orders placed on memorandum indicates the potential purchasing power that might be released were the financial situation less acute. As it is, cancellations are becoming frequent, notably from the South, which is having troubles of its own as the result of the collapse in cotton.

Print clothes and grey goods are declining sharply in price and in some direction virtual demoralization prevails. It is evident that the exigencies of the situation are forcing some mills to slaughter quotations. Sheetings are also declining, although the reductions are not so wholesale.

Colored goods are in demand—prices inclining to firm up a bit as the result of the shortage of dyestuffs. Dress gingham are likely to appreciate, too. Duck orders are increasing and prices hold surprisingly well. The hosiery business has reached such proportions that many mills refuse to sell beyond two or three months on account of dyestuffs shortage. Underwear mills and carpet mills are all doing better.

The outlook is still mixed but it is a safe guess that before genuine improvement sets in shutdowns and price reductions will be the order of the day.

## Leather Prices Advancing.

The tendency of the leather market is strongly upward. There is no speculation and the watchword of all interests in the trade is caution.

Most tanners and dealers are doing a fair business but are selling only in small quantities and for immediate delivery. They are asking from 1 cent to 4 cents higher on all lines of sole leather stock than a month ago. Tanners are of the opinion that the advance has only begun, if the European war is prolonged. They are curtailing production materially and prefer to hold leather rather than buy hides at prevailing prices.

Upper leather tanners are asking anywhere from 2 to 5 cents a foot more than they were before the outbreak of the war. All kinds of stock are in small supply.

Leather buyers are becoming more active, particularly for the light weights. Prices have advanced sharply within the last fortnight. Tanners who have been using foreign hides to any extent are said to be decidedly short of both hides and leather.

In view of the advance in leather prices, an increase in shoe prices is a foregone conclusion. Manufacturers are considering an advance of 10 or 15 cents a pair. This move will come very shortly. Considerable inquiry for shoes for foreign countries has developed, but so far few actual orders have materialized. It is generally expected, however, that in the near future some large orders will be placed.

## ACADIA COAL CO'S OUTPUT IS INCREASED BY THE WAR

(Special Cable to The Journal of Commerce.) New Glasgow, N.S., September 5.—The output of the Acadia Coal Company here for the month of August was 30,470 tons, while the sales for the month totalled 29,500 tons, showing an increase of over 8,000 tons over the preceding month in output, and 5,000 tons in sales.

The output of the Intercolonial Coal Company for August totals 20,000 tons.

Coal officials here report an unusual activity in the trade, while some claim that they are participating in business now which would not have come to us for some months yet had it not been for the trouble in Europe.

Official estimate of the Western Canada wheat crop is 135,000,000 bushels.

## LONDON SHOWS FEW SIGNS OF EXCITEMENT

Outwardly Business Men Seem to Be Doing Normal Trade But Actually Things are Dead

## CLERKS WILL SUFFER

Relief Measures Will Provide Means of Livelihood For Manual Laborers But Will Impose on Clerical Classes Conditions of Hardship.

(Special Correspondence W. E. Dowding)

London, August 25.—Just now London is showing on the surface few signs of war, fewer probably than anywhere else in the United Kingdom. The closing down of the Stock Exchange and the suspension of financial operations of speculative nature has done something to empty certain of the city streets perhaps, but the effect is only noticeable in the diminution of the patrons of the popular luncheon bars and eating houses. London could very well lose a million men and still present its usual air of crowded commercialism. The total absence of excitement of anything in the shape of outward military enthusiasm would lead a stranger to the erroneous conclusion that London has failed to grasp in its fullness of the fact that England is at war. But the truth is, Londoners have realized only too thoroughly the nature of the disaster that is come upon the metropolis. Mercifully we are spared the horrors of invasion but though the business houses of the capital are preserving a cheerful exterior, and making a show of doing a normal trade, business is standing still, salaries and wages are everywhere being cut down, establishments are reduced, and every one is engaged in the search after new methods of rigid economy.

Distress is bound to come, and in London the pinch will be felt rather by the millions engaged in clerical work rather than among the hundreds occupied in manual labor. The Government, with the laudable desire of saving the people from the pauperizing effects of charitable doles have announced their determination to spend the various funds destined for the relief of distress in the provision of labor upon works of public utility or convenience instead of granting lump sums or apportioning rations. The consequence will be that while the manual workers will be adequately dealt with, the great mass of clerical workers, whose standard of wage and living cannot be compared with that of the working classes, will be brought to a condition relatively below that of penal servitude. For as things stand at present to obtain relief they will have to engage themselves in works of a strictly manual kind.

In the provinces, excepting perhaps three or four of the great towns, the situation presents fewer difficulties. The volume of distress will be as great, perhaps, but it will be easier to handle. Industry will not waste any time in readjusting itself to the altered conditions and the mass of the unemployed will tend to diminish rather than to increase as the war progresses. It is hardly too optimistic to suppose that in the end distress will be largely confined to the wives and families of the men engaged in active service. Outside the large cities it is the present and not the future that is to be dreaded.

## PAYMENT OF BOND INTEREST IS TEMPORARILY HELD UP

Director Whose Signature is Necessary to Statement Is Away in Europe and Another Has Refused to Sign It.

New York, September 5.—The New York Life Insurance Company, which owns the principal surface lines in this city, earned a sufficient amount of money in the six months ended June 30 last to pay 1.4 per cent interest on the adjustment mortgage bonds, but the payment cannot be made until an arbitration committee has approved it. The reason for that is that one of the directors whose signature is necessary to the statement is in Europe and another has refused to sign it.

Theodore P. Shonts, president of the company, made the following announcement:—

"The New York Life Insurance Company has prepared a summarized statement showing the net income payable as interest on the adjustment mortgage bonds for the six months ended June 30, 1914, amounted to 1.24 per cent."

"The mortgage provides that such a statement must be signed by three-fourths of the directors elected by the bondholders. The unavoidable absence in Europe of one of those directors and the refusal of another to sign the approval, make it necessary to agree with the trustee of the mortgage upon the selection of a board of experts to ascertain the income bonds."

"The directors have authorized the necessary procedure and there probably will be no delay in the interest payment due October 1."

The fact that one director representing the bondholders, refused to sign the approval has no significance, because his refusal was purely to maintain the position he has taken in the matter from the outset, namely that all surplus earnings not actually paid out during any given period be available for the income bonds.

The suit instituted against the company by the New York Life Insurance Company and others to compel the company to include in its surplus revenue all money not actually expended, so that they may be available for the income bonds, has no bearing whatever; it was said, on the action of the Board yesterday.

## RENEWING TIME LOANS

Fair Supply of Paper is Offering in New York, But There is No Market.

New York, September 5.—Only in infrequent cases are time loans being renewed. When they are it is at 8 per cent. for 60 or 90 days. For the most part time loans, when they run off, are continued on call at 6 to 8 per cent. No change is shown in commercial paper. A fair supply of paper is offering, but there is no market locally. Out of town banks are only buyers.

British idleness is increasing but slowly. Percentage of unemployment among unskilled workmen in trades insured against unemployment on August 28 was 6.2 per cent. against 5.8 per cent. August 21 and 5.1 per cent. August 14. In unpaired trades number of unemployed on labor exchange registers is 88,687, increase of only 1,000 in week, compared with 9,000 increase previous week and 30,000 in first fortnight of August.

## HOW TO CAPTURE GERMANY'S TRADE

Strong Commercial Campaign Being Waged Against Her in British Isles

## ACTIVE STEPS TAKEN

Another Hand Determined to Emerge From Conflict Stronger and Indemnified for Heroic Expenditures.

London, September 5.—The European war progress leaves the United Kingdom and the United States the only first-class manufacturing nations in a position to supply the world's requirements. "We must capture the world's trade," says the "Coal and Iron Trades Review," "for, an industrial and commercial as well as a military campaign to be conducted against Germany and Austria-Hungary. We must capture the trade as well as their indispensable marine, so the war may emerge economically stronger than ever, more than indemnified for the enormous expenditure which the war is sure to entail, and any penny losses of business which it may cause its early stages."

"Of the Dual Alliance—for the Triple Alliance appears to have ceased to exist—Germany, of course, is by far our most formidable competitor. In Austria does not count except in the Balkans. Germany's annual total exports are valued at about 100 millions sterling, of which some 70 millions find their way into this country under normal conditions. Our own exports to Germany have averaged 40 millions of British produce and manufactures during the past few years, while foreign and Colonial merchandise amounted to another 17 or 18 millions."

"In the first place, therefore, we may ask ourselves what we can do toward making in this country goods we usually import from Germany. It is clear that the demand for these goods will be less in present circumstances, but it will not disappear, and we are glad to note that active steps are being taken in the direction indicated, the following invitation of Trade Articles Hitherto Imported."

"In view of the cessation of imports from many and Austria-Hungary, and the fact that there are many articles hitherto imported from these countries of importance, if not of necessity, to British manufacturers, information is invited by the Commercial Intelligence Branch of the Board of Trade from importers of such articles, as to their nature and quality, in order that steps may be taken to ascertain whether similar goods might be produced in this country, and if so, where; or, from what neutral sources they could be obtained. Doubtless in a large number of cases importers have already taken steps to inform themselves of these points, but from cases which have come to the notice of the Commercial Intelligence Branch is believed that in some instances it has not proved an easy matter to obtain the necessary information and it is thought that in such cases the Branch will be able to render some assistance."

"We understand that the invitation of the Commercial Intelligence Branch of the Board of Trade to which we refer above has met with a ready response, and it seems to be every prospect in the near future a large proportion of goods formerly imported from Germany and Austria will be made in the United Kingdom. As we pointed out in our last issue, our imports of iron and steel and machinery from Germany and Austria form a substantial proportion of our total imports of that kind, everything possible must be done to transfer work to British manufacturers."

## Taking Active Steps.

"Indeed, our industrial and commercial progress by no means so black as they have been painted. In the meantime, about half a million men have been taken from industrial employment, and it is probable that this figure will be largely exceeded by the additional numbers of men who are working three shifts a day on Government orders. So far as engineering is concerned, there is a feeling of quiet confidence that our trade routes can be kept open. The iron market is strong. The sudden outbreak of a vast and so pregnant with possibilities has concentrated attention for the time being upon its issues. For the moment all business affairs, no matter how important in themselves, seem trivial by comparison. The abnormal condition of affairs will pass away, assuredly, and in view of the enthusiastic way in which the commercial campaign against our enemies has been taken up, we look to see very gratifying results in the near future."

"Then in regard to German trade with neutral markets, and our own overseas Empire, the Board of Trade, the Foreign Office and the Secretary of State for the Colonies are taking active steps with a view to its diversion in British channels. By a practical beginning the Board of Trade is issuing series of pamphlets, dealing with special groups of trades in which Germany and Austria have secured a marked predominance, and these are being sent direct to large numbers of British manufacturers and merchants. The question has also been taken up vigorously by the Secretary of State for the Colonies, who has telegraphed to some of the more important Colonies not possessing responsible governments to remind them that it is of the utmost importance to have full and up-to-date information respecting the principal imports into each colony from Germany and Austria, and as to the products of each colony hitherto exported to those countries. Samples regarding neutral foreign countries, the Secretary of State for Foreign Affairs has undertaken to send similar request to His Majesty's consuls in all places where such an inquiry is likely to have a useful result. It is announced that as soon as the samples from different parts of the Empire and from neutral countries are collected, the trade and manufacturing of the United Kingdom will have an opportunity of inspecting them in a central exhibition, possibly at the Imperial Institute."

"Action having a similar purpose is also being taken by several unofficial bodies, including the British Empire Industrial League and the National Patriotic Association. The latter is understood to be forming a committee of some of the leading manufacturers in this country having the organized stage of Germany's markets as one of its principal objects while it will also endeavor to induce British banks to offer British industry at any rate, as Germany has not afforded German industry. Of much importance is the announcement that the responsible authorities are looking into the questions of revoking