

Commercial Clippings

TELEPHONE RATES HEARING.—The Board of Railway Commissioners have issued notices of the hearing of the Bell Telephone Company's application for an increase in tolls. The Hamilton hearing will open at 10 o'clock on November 4; Toronto, November 5, and Montreal on November 10.

OIL PLANT NOT TO CLOSE.—Officials of the Imperial Oil Company describe as incorrect a press despatch from Vancouver, B.C., stating that owing to the fuel oil shortage the company's entire plant at Ioco, a few miles from Vancouver, would close down until June 1 next year.

BUILDING FIRMS MERGE.—An important merger of construction enterprises and consolidation of eastern and western interests has just been completed at Prince Rupert, according to an announcement. The Pacific Construction Company, the Pacific Dredging Company, and Loomis, While, Henry and McDonald, have merged their interests with a capitalization of \$5,000,000. Headquarters will be in Prince Rupert and a branch maintained in Montreal.

CUT IN SHOEMAKERS' WAGES.—The boot and shoe workers of Daoust, Lalonde and Company, Ltd., Montreal, have accepted one of the three propositions offered to them by the management. They are to get a five day week, six hours a day, no work Saturday, and wages will be cut 5 per cent. The other suggestions were that the plant should shut down entirely, or that the men return to their wage scale of a year back, before they got a 15 per cent raise. Mr. Daoust says he fears the men will find their envelopes too light under the 30 hour week, but has told them that if they want they can at any time take the full week, with the return to last year's pay.

ENDORSE PRICE-FIXING.—The Wholesale Grocers' Association of Ontario has delivered its statement of defence to A. W. Roebuck, representing the attorney-general. The statement pleads that the Board of Commerce has already decided in their favor and denies all allegations of conspiracy, illegal combination or other wrongful acts, as alleged by the attorney-general's statement of claim. They do not admit the existence of price-fixing.

They deny having acted upon any policy of restricting the wholesale grocery trade of the province to those who are in membership of the association, or of fixing any non-competitive prices. They say that a manufacturer who avails himself of the benefits of their organization, of warehouses and selling staff, should not operate unfairly by selling in individual instances to the retail trade or to brokers selling to the trade. They claim the right to protect themselves against manufacturers who would use their organization in part and at the same

time in competition with it sell direct to preferred members of the retail trade or brokers.

They endorse price-fixing by saying that the principle of having the manufacturer fix the price at which his goods shall be sold and adhere to it is the proper and most economical and desirable method in the interest of the community.

SALES TAX FINES.—Applications for remission of fines imposed for infractions of the luxury and sales tax legislation are hereafter to be considered by the Minister of Inland Revenue, and the Cabinet Council, instead of being treated as petitions for the exercise of the prerogative of mercy by the Governor-General as representative of the Crown. A magistrate, if an infraction of the legislation is proved, must impose a fine regardless of any extenuating circumstances which may be shown on the accused's behalf. There have, consequently, been a considerable number of applications for remission of fines, many of them on behalf of foreigners who violated the law because of ignorance of its provisions. These applications have been made to the Minister of Justice upon whose report the Governor-General acts in granting or refusing clemency. It has now been decided by the law officers that in such applications is involved a question concerning the collection of revenues. Hence, it has been decided that such requests for remission of fines should be made to the Minister of Inland Revenue, who is responsible for the collection of the luxury and sales taxes, and upon his report, should be dealt with by the Cabinet.

SOVIET TREATIES.—A decision, important in principle, made by the Soviet Government regarding commercial treaties is given in the official report on the Russian-Finnish peace negotiations. The Finnish Delegation emphasized the fact that the principal object of commercial treaties was to regulate the legal status of private individuals in the country in question, and that in consideration of the differences in principle of the views in the two countries, a detailed statement of the views of the Soviet Government was necessary. The latter thereupon took the point of view that all treaties concluded by Russia were based on the principle that the entire foreign trade is monopolized by the State. Only the Government itself appears as purchaser and seller, as all larger enterprises have been socialized. Different rights, therefore, could not be granted to Finns. The Finnish Delegation thereupon declared that under such conditions commercial treaties appeared to be absolutely superfluous. As a result, the negotiations were closed.

CANADIAN TRADE COMMISSION ENDS.—The Canadian Trade Commission which has carried on since the War Trade Board was discontinued, ceased to function at the end of the week. The winding up process has been in progress for some months.

Financial Features

BOUGHT WINDSOR BONDS.

A block of bonds amounting to \$377,547 of the city of Windsor, Ont., has just been bought by W. A. Mackenzie & Co., and R. A. Daly & Co. The bonds have been issued for various purposes, bear 5½ and 6 per cent., and will mature from 1921 to 1960 inclusively. It is expected that these bonds will be offered to the public shortly.

REDUCED NATIONAL DEBT.

Expanding revenues last month brought a reduction in the net Canadian national debt of \$2,634,536. At the end of September, the net debt (no credit being taken for non-active assets), stood at \$2,276,516,163. During October it was reduced to \$2,273,881,806, at which figure it now stands.

The bounding revenue, coupled with a heavy fall in capital expenditure, due to the practical closing up of war accounts is regarded with keen satisfaction.

B. C. DOMESTIC LOAN.

British Columbia is to raise a \$5,000,000 domestic loan, the first domestic loan ever raised in that province, according to announcement by Hon. John Hart, Minister of Finance. The proceeds of the loan will be used for good roads and buildings and extensions of the University of British Columbia. The selling campaign will start about the end of the year.

Details of the loan and price will be announced later.

FINANCING CZECHOSLOVAKIA

The Czechoslovak Ministry of Finance, in a circular on the financing of the new Government Loan, has called upon the banks to withdraw their funds from industrial undertakings and to lend them to the State. Industrial interests have protested in a lengthy memorandum to the Ministry of Finance, and have called attention to the dangerous results to industry and labor which would ensue, should the banks follow the suggestion of the Ministry.

WAR TAX REVENUE.

An increase of \$8,066,775.74 in the Inland Revenue returns for the month of October, as compared with the returns for October, 1919, is shown in the monthly statement of the Department of Inland Revenue. The total for October this year was \$12,841,242.43, as against \$4,774,466.69 for October, 1919.

The chief figures in the summary issued by the department were: Excise, October, 1919, \$3,608,264.13, against \$3,230,734.77 for October, 1920; excise seizures, October, 1919, \$19,978.35, against \$14,174.47 last month; war tax, October, 1919, \$1,100,027.07; against \$9,575,298.56 in the month just closed. The revenue from methylated spirits in October, 1919, was \$41,885.65, as against \$20,374.40 last month. The increase in war tax revenue over the corresponding month of last year was \$8,475,271.49, and the net increase for the month of October, \$8,066,775.74.

QUOTE IN NEW YORK FUNDS.

Merchants in other parts of the British Empire are objecting according to reports of trade commissioners to the Commercial Intelligence branch of the Department of Trade and Commerce, to the Canadian exporters' practice of insisting upon payment for goods in United States funds. Viewed from the standpoint of the Canadian manufacturer, who is obliged to pay accounts in the United States, and is confronted by adverse exchange rates, the demand for payment in New York funds is not surprising. Merchants in other British countries, however, express indignation that they should be urged to buy from Canada in preference to the United States, and yet be obliged to pay for goods and freight charges by Canadian steamship companies in United States funds. On the other hand, the Trade Commissioner in Brazil believes that it is better for Canadian exporters to quote prices in United States funds, which are better understood by Brazilian merchants.

FOREIGN EXCHANGES WEAK.

All of the European exchanges were weak with pronounced heaviness in sterling, French francs and lire during the week. Sterling was down further than at any time, with one exception, since March 1. France, which sold at 6.08, were at the extreme low since May 6, and Italian lire at 3.56½ were at the low for all time.

The decline in the market according to leading dealers, was precipitated by the offering of a large block of francs. This offering forced the rate down from around 6.20 at the close on Wednesday and carried the rest of the market with it. Offerings of grain and cotton bills were said to predominate. The exports of cotton to France have been running rather heavy in recent weeks, approximately 100,000 bales having gone out to that destination during October and about 170,000 bales since the beginning of the present "cotton year", on August 1. In the corresponding period of 1919 only about 85,000 bales were shipped to France from this country.

The weakness in Italian lire has been a feature of the exchange market for some time past. Prior to the recent break, the low record for all time was 3.75, made on April 12, the same day that French francs sold at their low for all time of 5.83. After the April break all of the European exchanges recovered. French francs to 8.60 and Italian lire to 6.21, both on June 23.

MONTREAL LEADS IN INDUSTRIES

Statistics showing the number, capitalization, payroll and production of the manufacturing establishments in forty-four cities in Canada in 1918 have been compiled by the Dominion Bureau of Statistics. Montreal and Toronto, as might be expected, head the list of industrial cities. Toronto leads in the number of establishments, having 2,835, as compared with Montreal's 2,375. Montreal's manufactories, however, boast higher capitalization, larger number of employees and output of a greater value than do those of Toronto.