

STRANGLING THE GERMANIC ENEMIES

Pooling of Resources by Allies Simply Pulls Tighter Cords of Nemesis

MISGIVINGS NOW EXIST

But Present Financial Combination Will Confine Itself to Guaranteeing Issues of Loans to Countries Outside the Combination.

(By W. E. Dowding.)

London, February 25 (by mail).—The conference between the financial representatives of the three allied powers has not been regarded with unqualified approval in the city. Until it is definitely known how far our own finances are likely to be involved certain misgivings are bound to exist. It seems pretty certain that one result will be the issue of a joint loan, but it is futile at the moment to try to forecast the exact amount. There is no consensus of opinion with regard to this point, but it is generally supposed that the amount will be relatively small.

The gist of the whole arrangement lies in the interpretation of the statement that the Allies are agreed in declaring that the three Powers are resolved to unite their financial resources equally with their military resources. This, of course, may mean anything. The Treasury have done something to allay misgivings, by announcing that the rumors prevalent with regard to the joint issue of a great war loan of \$5,000,000,000 are entirely without foundation, but all the same the city is anxiously awaiting a full and clear explanation of what exactly is intended. It does not like mysteries.

A very important point about which no information has hitherto been vouchsafed is the unsatisfactory condition of Russian exchange. When it is remembered that the conference declared that it is about to adopt "financial measures necessary to facilitate Russian exports," the need for an improvement in this matter becomes emphatic, leaving out of account the fact that important interests in the city are already vitally concerned.

But it must not be supposed that there is any unwillingness on the part of British financiers to take any and every financial measure to bring the war to a speedy conclusion. The real complaint is that the Treasury does not take the city sufficiently into its confidence. On the face of it, it seems highly undesirable to mix up British credit with that of countries whose financial systems are run on entirely different lines. Our own commitments are sufficiently grave and others are in contemplation in other countries. At the same time, as I have already said, the country is only too willing to enter into any arrangement, financial or otherwise, which will really shorten the war.

It is generally assumed, however, that for the present, this financial combination will confine itself to guaranteeing the issue of loans to countries outside the combination. Belgium, Persia, Roumania are examples of what is expected. The weakening in high-class stocks may have been attributable to the prevailing uncertainty, but it is more probably due to the fact that the best demand is undoubtedly for short dated investments. There have, of course, been very wild rumors in the continental press and these may have reacted to some extent upon our war loan securities: the effects cannot be entirely dissipated until the Chancellor of the Exchequer makes his detailed explanation.

Translated into military language, this pooling of resources in order to assist weaker nations, simply indicates the pulling tighter of the cords that will inevitably strangle the Germanic enemies. The besiegers are pouring capital (in the shape of men and munitions) into the all round attack.

MONCTON NEW BOND ISSUE.

Moncton, N.B., February 25.—The city council of Moncton has decided to issue bonds to the extent of \$178,000 to cover the following expenditures:

Water and light	\$75,000
Sidewalks overdrift	15,000
Sewers	11,000
Residence, No. 2	2,000
City Building and Market	75,000
Total	\$178,000

AGAINST DISSEMINATING NEWS.

Chicago, Ill., February 25.—Members of the Chicago Board of Trade have received a communication signed by the Secretary of that organization, to the effect that the dissemination of news by members which would influence the market is forbidden unless the member is prepared to state his authority for any dispatch sent.

U. S. SOUTH AMERICAN TRADE

Washington, February 25.—That the United States has in the last few years been making steady advances in the markets of the various South American countries is plainly brought out in a publication just issued by the Bureau of Foreign and Domestic Commerce entitled "Consular Recommendations on South American Trade."

This trade extension has been in general the result of a gradually awakening interest in the Southern continent on the part of American manufacturers and a fretful due partly to the opening of the Panama Canal, and partly to the general increased attention to foreign trade.

The European war has, of course, still further stimulated this awakening interest, and has made more valuable than ever the various recommendations made by consular officers who have been studying markets for years.

UNITED STATES HORSE SHOE CO.

Hamilton, Ont., February 25.—The United States Horse Shoe Company, of Erie, Pa., has selected Hamilton for its Canadian headquarters.

The company is said to be the largest manufacturer of horse and mule shoes in the world. It will spend \$150,000 on a plant here to start with, and employ 100 men.

NEW GERMAN LOAN.

Berlin, via London, February 25.—The Imperial government will issue shortly its second five per cent war loan.

This is to consist of 1,000,000,000 marks (\$250,000,000) in treasury notes, maturing at an average of five years.

The issue price will be about 98.50.

DISTRIBUTION DETAIL OF QUEBEC'S GIFT TO BRITAIN

The 4,000,000 Pounds of Quebec Cheese Was Distributed Largely Among the British Poor and It Was Greatly Appreciated on All Sides

A report which was recently received by Sir Lomer Gouin, deals with the manner in which Quebec's gift of 4,000,000 pounds of cheese to Great Britain was distributed among the poor of the British Isles, are given in a report which has been sent to the Prime Minister, Sir Lomer Gouin.

The Quebec cheese was sent to the ports of Bristol, Dublin and London, where offers to store and handle free of charge were at once forthcoming. The gift was freed of all dues and the railways co-operated in undertaking to look after the storage of the cheese arriving in the ports of Liverpool and Hull.

The following shows the manner in which the forces has so far been disposed of in England and Wales, and the amount sent to Scotland and Ireland for distribution there:—

Distributed or allotted to local representative committees for the relief of distress in England and Wales, 6,703 cheese; distributed to Belgian refugee committees, 744; sent to Ireland for distribution, 1,216; sent to Scotland for distribution, 1,343; transferred to war office, 12,500; further quantity offered to war office, 25,000; total, 46,697.

The report goes on to say that the cheese was examined and it is gratifying to find that the reports of well known experts spoke of the high quality of the cheese.

Another part of the report declares: "We have received a considerable amount of evidence that the cheese has been greatly appreciated. Perhaps, the best evidence of this has been the repetition of requests for cheese from quarters previously supplied, including the War Office."

INTERNATIONAL PAPER CO.

1914.	1913.	1912.	
Net rev.	\$3,088,898	\$2,984,110	\$3,238,359
Interest and depre- ciation	1,821,188	1,990,305	2,040,691
Balance	1,127,709	993,805	1,197,678
Preferred dividend	418,134	448,134	448,134
Surplus	689,575	545,671	749,544
Previous surplus	10,941,294	10,941,294	10,939,623
Total surplus	11,630,869	10,941,294	11,689,167

NEW MINING COMPANY.

Cobalt, Ont., February 25.—Among the charters just granted is that of a new mining company under the name of the Halseybury-Kirkland Lake Mining company, Limited, with a capitalization of \$1,000,000.

The head office of the company is in Toronto. As the name would imply, the new company's principal holdings are in Kirkland Lake district, but nothing is known in Halseybury regarding the company or what claims they now control.

GERMANY MAY ASK PEACE.

London, February 25.—A despatch to the Daily Telegraph from Copenhagen, dated Wednesday, says it is learned from a source intimately connected with the German general staff that Germany intends to start peace negotiations in about a couple of months.

PACIFIC POWER COMPANY MADE GOOD INCREASE IN GROSS AND NET

While 1914 was a year of general business depression, the company was especially severe in the Pacific Northwest, Pacific Power and Light Co., a subsidiary of American Power and Light, controlled by Electric Bond and Share Co., made a good increase in gross and net earnings over 1913.

1914.	1913.	1912.	
Gross earnings	\$1,376,490	\$1,288,059	\$1,234,151
Oper. exp. & tax	659,835	663,674	627,190
Net earnings	\$716,655	\$624,385	\$606,962

It should be noted that, despite the gain in gross in 1914, operating expenses and taxes were less by almost \$4,000 than in the preceding year.

Out of its net earnings Pacific Power and Light now provides for interest on \$7,000,000 of bonds and dividends on \$2,500,000 preferred stock. It will be seen that the bond interest is more than twice covered and surplus is also above twice the dividend requirements for the \$2,500,000 preferred stock outstanding. In addition there are \$1,500,000 second preferred and \$6,000,000 common, all of these two classes being owned by American Power and Light Co. Both issues of preferred stock were sold at par for cash, and the common stock also represents a substantial cash investment in the property.

Pacific Power and Light operates in Washington, Oregon and Idaho, and serves 42 communities with light and power; seven with gas, four with water and five with electric railway service. Between July 1, 1910, and November 30, 1914, the company expended \$4,486,512 for new construction and the acquisition of additional properties. Capacity of electric generating stations of the company is 32,800 horsepower, of which 26,175 horsepower is hydro-electric, and it owns 462 miles of high tension transmission lines. Population served is about 111,000.

GENERAL ELECTRIC SECURES SEVERAL EXPORT ORDERS.

Schenectady, N.Y., February 25.—General Electric has recently taken some rush work, presumably for export account, which has resulted in an important works. For the last four or five months 80 per cent of the Lynn works has been running on the basis of four days a week. Certain departments have varied from time to time according to the flow of orders and pressure for prompt delivery.

This new business has resulted in giving full time for about 40 per cent. of employees at Lynn, which means a 50 per cent. increase in payroll for some 3,000 to 4,000 employees.

Back in November the story got abroad that General Electric was putting its Lynn works on full time. That story proved a pure piece of imagination. The present increase, which is confined almost entirely to the foundry department and probably refers to the making of certain kinds of steel castings, is the real thing. It is the first time that General Electric has had any right to lay claim to being among the war's beneficiaries.

MINING CORPORATION OF CANADA.

The Mining Corporation of Canada, Limited, designs to hold its annual meeting this year on the first Wednesday in April.



PRIVATE MICHAEL WAXMAN, Formerly a member of the Journal of Commerce Mechanical Staff, and now with the Canadian Forces in France. Private Waxman is a member of No. 1 Stationary Hospital, and in a letter just received says that he landed in France on February 3rd, and that the whole contingent expect to be on the firing line inside a few days.

WEALTH, DEBT AND TAXATION INCREASE

United States Census Figures Show Progress Made During Past Decade

PER CAPITA DEBT GROWING

Assessed Valuation of All Property Subject to Taxation in 1913 Was Reported to Amount to \$69,452,936,104.

Washington, D.C., February 25.—The Bureau of the Census announces that an abstract of the decennial investigation of wealth, debt and taxation for the fiscal year 1913, has been completed.

The assessed valuation of all property subject to ad valorem taxation in 1912 for the 48 States and the District of Columbia is reported as \$69,452,936,104. There was a constant increase in assessed valuations from 1860 to 1912, except during the period from 1860 to 1870. The most marked increase was between 1902 and 1912, in which period the assessed valuation of all property increased \$34,114,519,221, or 96.5 per cent. Per capita assessed valuation of all property increased from \$488.33 in 1902 to \$715.48 in 1912, the increase being 59.6 per cent, while the average tax rate per \$100 of assessed valuation decreased from \$2.05 in 1902 to \$1.94 in 1912, the decrease being 5.4 per cent.

The total levies of ad valorem taxes for all purposes in the United States as a whole for 1912 amounted to \$1,349,841,038, and for 1902 to \$724,736,639, the increase being 86.3 per cent.

The public indebtedness less sinking fund assets and funds available for payment of debt of the nation, the States and all minor civil divisions of government in the United States amounted to \$4,830,460,713 in 1913, or 70.9 per cent. more than in 1902. During the period from 1890 to 1902 the total indebtedness increased 42.7 per cent. The per capita indebtedness increased 38.8 per cent., and 13.3 per cent., respectively, during the two periods mentioned.

The net indebtedness of the National Government increased 6.1 per cent. from 1902 to 1913, and 13.8 per cent. from 1890 to 1902. Owing to the rapid growth in the population the per capita net debt decreased 13.3 per cent. from 1902 to 1913, and 10.1 per cent. from 1890 to 1902.

During the period 1902 to 1913 the debt incurred by the 48 State governments increased 44.5 per cent., and the per capita debt increased 17.8 per cent. From 1890 to 1902 the net indebtedness of the States increased 10.1 per cent.

The countries, cities, villages, towns, townships, school districts and all other minor divisions of government in the United States having power to incur debt reported a net indebtedness of \$3,475,554,353 in 1913. This is an increase of 113.2 per cent. over the amount reported for 1902. A small part of this increase is doubtless due to a more thorough canvass in the later year. During the period from 1890 to 1902 the indebtedness of these divisions increased 76 per cent. The per capita debt increased 40.2 per cent. from 1890 to 1902 and 72.7 per cent. from 1902 to 1913.

The revenue receipts of the National Government in 1913 amounted to \$953,596,637. Of this amount \$888,220,519, or 93.1 per cent., was required for meeting expenses and interest; \$64,380,338, or 6.8 per cent., for outlays; leaving \$995,789, or 0.1 per cent., for redemption of debt obligations or increase of assets.

Of the total Governmental cost payments 62.9 per cent. was for expenses of general departments; 27.7 per cent. for expenses of public service enterprises; 2.7 per cent. for interest and 6.8 per cent. for outlays.

The revenue receipts of the 48 State governments in 1913 amounted to \$377,555,331, showing a per capita amounting to \$3.80. Taxes constituted 81.7 per cent. of such receipts, 56.4 per cent. being derived from property taxes, 0.8 per cent. from poll and occupation taxes and 24.5 per cent. from business and non-business license taxes. Of the total revenue receipts 90.9 per cent. was required for meeting expenses and interest, and 9.1 per cent. was available for outlays and other purposes. The governmental cost payments amounted to \$282,551,109, which exceeded the revenue receipts by \$14,965,868, or 3.9 per cent. The per capita Governmental cost payments amounted to \$3.05. Of the governmental cost payments \$2.7 per cent. was for expenses of general departments, 0.9 per cent. for expenses of public service enterprises, 3.7 per cent. for interest and 12.7 per cent. for outlays.

OBJECT TO QUOTATIONS BEING ISSUED TO ANY DEMANDING THEM.

New York, February 25.—R. T. H. Halsey and Winthrop Burr, of the New York Stock Exchange; Walter P. Taylor, counsel; H. S. Robbins, of the Chicago Board of Trade, and J. H. Fahey left New York Wednesday for Boston to oppose a bill in the Massachusetts Legislature.

The bill requires the Western Union Telegraph Co. to furnish quotations of the New York Stock Exchange to any one requesting them.

Representatives of the Stock Exchange will appear before the joint committee at the State House in Boston this morning and will present their objections to the bill.

NORTHERN CALIFORNIA POWER'S EARNINGS DECREASE BY \$53,308

Power Sold for Mining and Industrial Operations Was Much Curtailled by Reason of General Business Conditions.

Gross earnings of Northern California Power Co. for 1914 were less by \$53,308, than for 1913, being \$771,186. The decrease was due largely to the much smaller amount of power taken by Pacific Gas & Electric Co. than in 1913. Owing to weather conditions in California in 1913, Pacific Gas and Electric purchased a much larger supply of power than was called for under its contract.

Net earnings of the company for 1914, after adjustments for maintenance, depreciation, amortization and bad debts, were \$421,426, a decrease of \$81,441. Interest charges increased \$12,412, and the final surplus was \$57,425, a decrease of \$93,554 from that for 1913. After providing for various adjustments in surplus for the year, the profit and loss balance, December 31, 1914, was \$463,135, a decrease of \$123,955 from December, 1913.

There was a decrease in the amount of power sold for irrigation, because of the heavy rains in the spring, and also the power sold for mining and industrial operations was much curtailed by reason of general business conditions. At the same time the current sold for commercial and residential lighting made a good gain. The inauguration of rice culture in the Sacramento valley promises to give the company considerable new business, and its lines are now being extended to care for a tract of 4,000 acres of rice. Depression in the sugar business resulted in much small taking of power by two of the largest consumers, but this is expected to be made up the current year.

In 1914, additions to capital account was \$116,000. Steps are being taken to extend the Series A 6 per cent. debentures which matured February 1, 1914. On that date there were \$75,200 par value of the debentures outstanding. \$185,000 having been retired by the sinking fund. All interest and sinking fund payments on them have been met, and one interest holding \$200,000 of them has agreed to an extension. The debentures were issued in part payment for Sacramento Valley Power Co. As there is a period of one year grace provided for, the company has ample time in which to make arrangements for extending or refinancing these debentures.

NOVA SCOTIA HAS DEFICIT.

Halifax, N.S., February 25.—Premier Murray, in placing on the table of the House of Assembly the public accounts for the past year, said that the estimated total revenue for the year was \$1,977,311. The revenue actually received was \$1,855,457. The amount expended was \$2,098,000, leaving the province behind to the extent of \$213,000.

The mines yielded \$100,000 less than was expected. Another hundred thousand was due to the cost of the consolidation of the loan that the province has been piling up for a number of years, this cost being charged to the revenue for this year instead of being spread over a longer period.

Expenditures were in the main in excess of estimates. Education cost \$344,000; interest on debentures, \$334,000; provincial hospital, \$114,000; Victoria General Hospital, \$980,000; roads, \$245,000.

NORTHERN TRUST CO. NOW HAS ITS CAPITAL FULLY PAID UP

Calgary, Alta., February 25.—In a year when not a few companies have made but scant headway in collecting instalments due from their shareholders it is noteworthy that the directors of The Northern Trusts company were able to report as follows at the annual meeting:

During the year the final call on stock became due, and we have pleasure in reporting that all calls have been set, and that the whole \$1,500,000 of capital stock is now fully paid up.

Sound methods of management have evidently impressed The Northern Trusts company's shareholders throughout an unusually anxious year. Net profits for the year after deducting expenses of management were \$166,093, being within \$2,000 of the 1913 showing. This result was obtained after paying interest on guaranteed investments and writing down property accounts to an average of \$5.00 per acre on all lands acquired by the company. Adding a balance of \$290,887 from 1913 there was then a total of \$456,980 for distribution, and from this an 8 per cent. dividend of \$119,909 was paid, leaving a balance of \$337,071 to be carried forward in profit and loss account. Funds held for agency investment showed an increase for the year, an increase that would doubtless have been more marked if European conditions had been more favorable. In the amount of estates and trusts under administration a substantial increase is shown.

The assets in the company's hands at the end of the year were \$9,628,488, an increase of about one and one-third million dollars during 1914.

RAW SUGARS ADVANCE.

New York, February 25.—The spot quotation for raw sugars advanced six points to 483 cents. All refiners continue to quote standard granulated on the basis of 5.75 cents, with the exception of the Federal Company, whose list price is still 6 cents.

PATON MANUFACTURING COMPANY DECLARES THREE PER CENT. BONUS.

The Paton Manufacturing Company, in addition to paying the usual half-yearly dividend of 3 per cent., has declared a bonus of 3 per cent. for the year ended December 31st last.

The company passed its 3 per cent. half-yearly dividend in September, 1911; the bonus declared for 1914 may be taken to replace that dividend.

The company has \$600,000 stock capital, so the payment of 6 per cent. in dividends and 3 per cent. in bonus calls for a total distribution of \$54,000 for the year.

No financial report was issued, but the company, especially since the war began, is understood to have enjoyed an exceptionally good business.

The shareholders, at the annual meeting, voted a substantial sum to the Red Cross and other war hospital work.

Mr. R. W. Reford has taken the place on the board of directors left vacant by the death of Mr. Johnathan Hodgson.

The board elected is as follows: John Turnbull, president and managing director; Hon. Robert Mackay, vice-president; Dr. Forbes Angus, George Hyde, George M. Loy, Lieut.-Col. Frank S. Melgren and R. Wilson Reford.

BLACK LAKE STILL OPERATED AT LOSS

Asbestos Company Indicates Deficit in 1914 of \$11,357 in Excess of Previous Year

ASBESTOS IS CONTRABAND

Consequently Largest Section of the Company's Mar. ket Has Been Cut Off—Operations Will Have to Be Conducted on Reduced Basis for Some Time.

The operations of the Black Lake Asbestos and Chrome Company for the year 1914 continued to be unprofitable owing to there being no improvement in the percentage of asbestos recovered from the rock mined over that for 1913. The loss for 1914 was \$11,357 in excess of the preceding year.

Mr. Robert F. Massie, the managing director, in submitting the financial statement for the year ending December 31st, 1914, to the shareholders, said that the new pits opened in the early part of the year did not improve satisfactorily with depth, and operations thereon have been discontinued for the time being at least.

Reductions in the costs of mining and milling have resulted from improvements in the methods of operating and savings have been effected in the selling and general expense accounts.

"It is impossible to forecast the possible results of the development work on the asbestos properties," says Mr. Massie. "A definite plan is being pursued, and your directors are of the opinion that the present basis is the best in the interests of all concerned."

"Owing to the European war, the largest section of the company's market for shingle stock, formerly in Germany and Austria, has been cut off (asbestos being contraband) and the sale of the output is now confined to Great Britain, France, Italy and the United States. The market in the latter country for our grades being limited, we have, of necessity, been forced to curtail the output."

"At the outbreak of the war, the company's plant was shut down for about six weeks, starting again about the 20th of September, and now employs about 90 to 100 men as against some 250 in the earlier part of the year. Conditions indicate that the present basis of operations will have to be continued for an extended period; the contracts on hand will take the output on this basis for the next six months."

"Owing to the method of handling foreign shipments, our losses, if any, through German and Austrian connections will be small, all shipments having been paid for but one of \$1,353, which amount is deposited to the credit of the company in Berlin, but cannot be withdrawn until the close of the war."

"It has been largely due to the efforts of the Mine Superintendent and his staff that the loss for the year were not heavier."

The profit and loss account compares as follows:—

1914.	1913.	
Loss from operating account	\$18,775.13	\$488.49
General expenses	3,942.14	5,628.95
Sales, Insurance, etc.	2,870.97	1,489.52
Selling expenses	2,000.15	6,421.75
Discount and exchange	551.81	790.98
Traveling expenses	554.81	730.97
Development (Asbestos Property)	7,263.05	7,015.60
Prospecting (Chrome Property)	109.00	4,785.25
Total	\$36,056.30	27,352.92

Rents received
 1914. | 1913. |

Interest on Call Loans	\$796.57	\$1,910.54
Loss for year	\$2,962.72	4,759.87
Total	\$2,166.15	6,670.34

LIFE INSURANCE SUPERVISION.

New York, February 25.—Federal Supervision of the life insurance business of the country was advocated by U. S. Senator Lawrence Y. Sherman, of Illinois, who was one of the speakers at the annual meeting and dinner of the Life Underwriters' Association of New York at the Astor last night.

"I would not take away from the state a power it now has unless it be shown that such a step is absolutely necessary," he said. "It is clear that it is now both an economic and public necessity to place life insurance under Federal control, and provide for its supervision by the Department of Commerce."

Referring to the consequent taxation on life insurance with the insurance and the policy holder he said: "The burdens put upon life insurance in some of the states are not for the purpose of inspection of insurance, and for the protection of the policyholders exclusively, but are mainly for revenue."

He reached the point where the Federal Government should supervise the business for the benefit of the whole country. The business is now so hedged around by State inspection and control that Congress is powerless to deal with the subject at present."

POSITION OF JOINT STOCK BANKS

The table below shows the positions of the leading joint stock banks in Great Britain at the end of December according to the statements or balance sheets just issued. The figures for the month indicate some reduction of the total of cash in hand as compared with deposits, with the result that the ratio of cash to deposits has