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The Journal of Commerce

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Special Articles

Why the Banks can buy Government Bonds Freely.

By H. M. P. Eckardt.

The Comparative Nutritive Value of White and Brown Bread.

By R. Harcourt.

Grinding Action and Surface of Rolls.

By R. W. Dedrick.

Chicago Wheat Review.

By R. A. Meincke.

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Canada and Newfoundland

OUR special illustrated supplement for this month, issued in connection with the present number of our paper, is devoted to things concerning our sister colony, Newfoundland. The proximity of the ancient Colony to Canada would in itself be a reason why Canadian readers should desire to be well informed about its affairs. There is, however, a further reason why our people should feel interested in Newfoundland. Those Canadians who have given any thought to the subject desire that Newfoundland shall one of these days become a part of the Canadian Dominion. This desire does not arise from any belief that Canada would be the gainer from union. Indeed, those best informed feel that from a dollar-and-cent point of view Canada could not gain. But the sentimental idea of bringing in the old colony is pleasing to our people, who would still be glad to see the union, even though the vexed fishery questions which once gave the project importance are now settled. It is certain, however, that while desiring the union, Canada will have no lot or part in any Confederation movement until it is made clear that the people of Newfoundland, of their own free will and accord, desire to take up the question; and that if at any time, as the result of negotiations, the Canadian and Newfoundland legislatures should agree upon terms of union, these terms should not become operative until the electors of Newfoundland have had the fullest opportunity of expressing their opinion on the scheme. A clear and distinct understanding of this nature should be in the minds of all concerned.

Leaving the question of union for the future consideration of the people of the sister colony, Canadians should in the meantime do their utmost to extend the commercial relations between the two countries.

Newfoundland's trade is important enough to warrant a greater effort on the part of the Canadian authorities to encourage it. The trade of the colony with the United States has increased, while that with Great Britain and Canada has decreased. Less than a quarter of a century ago Newfoundland's imports from Great Britain represented 34 per cent of the total, while they are now but 25 per cent. Imports from Canada have decreased, while those of the United States have increased. An inquiry into the cause of this should take place, and an effort to bring about better conditions should be made. It will probably be found that the chief difficulty is the lack of adequate water communication between Canada and Newfoundland. In former times, before railway extensions changed the situation, a large trade was done through

steamers and sailing vessels plying between the St. Lawrence or Nova Scotia ports and the ports of Newfoundland. The railways have diverted trade, but have not extended it as much as may be desired. The main line of communication now is by steamers between North Sydney, Cape Breton, and Port au Basque, Newfoundland. The eastbound traffic passes over the Intercolonial Railway to North Sydney, and over the Newfoundland Railway from Port au Basque to St. John's, the capital and principal port of the Colony. But while the Canadian traffic must thus use a long combined rail and water route, the American traffic goes direct to St. John's by a line of steamers from New York. It is hardly necessary to point out that a competition of this kind encourages the importation of the American goods. It is natural that the Canadian Government should desire to encourage traffic over their own railway, and perhaps equally natural that the Newfoundland Government should wish to help the Newfoundland Railway, built by that Government and now operated by the Reid Newfoundland Company. If this combined rail and water route can handle the traffic properly and successfully compete with the direct sea route between New York and St. John's, nobody should wish to divert the trade away from the railways. But if it should be found on enquiry that cheaper and more direct means of conveyance are necessary to enable Canadian merchants to compete for the Newfoundland trade, the question of establishing more regular and frequent direct steamship communication should engage the attention of our Government and our commercial bodies.

The Prohibition Question at Ottawa

IN a country as large as Canada, including among its population varied nationalities, races and creeds, there will always be, upon many questions, wide differences of opinion. It was this variety of conditions, no less than geographical extent, that made it necessary for our country to be organized as a Federal rather than a Legislative union. For many reasons it would be preferable to have one central government, dealing on common principles with all questions arising in any part of the territory between the two oceans. Such a system, where it is practicable, makes for unity and for public convenience. But, for the reason already given, a Federal union was deemed necessary in Canada, a system admitting of the management of certain classes of public affairs, not by laws common to the whole country, but by laws varying in character, adapted to local conditions and in accord with local public opinion. On no other