PAGE SIX



Despite Fact That Neither Army nor Navy are as Strong as They Should be

## FEAR INFLATION. NOT PANIC

Germany Would Lose Her Investments in America Well as Her Merchant Marine-Federal Reserve System Could Extend all Financial Aid Needed to Domestic Industry.

(V. G. L. in the New York Journal of Commerce.) Washington, D.C., May 20 .- "We are in a better position to-day to withstand a declaration of war than we have been for many a day." declared an important Government official to your correspondent.

This official has just returned from an extensive trip covering the greater portion of the United States, project to give Boston a weekly mail service with He was in a position to inform himself minutely and authoritatively as to the commercial and financial ondition of the country. It is the opinion here, therefore, that by far the gravest effect of involving the United States in war, beyond the obvious effects of war itself, is the fear of an inflation of line are carrying mails between New York and Liverthe currency of the United States. It was pointed pool weekly at a compensation of about \$674,000 out that never before probably in the history of the year. These boats are slow boats as transatlantic ountry was the United States in a more favorable position as regards a possible war with Germany, past few years is seven days, ten hours for the conespite the fact that the army and navy may not be as strong as they should be and despite the fact that

in a deficient condition, and would probably thrown the country in to a financial panic. Now the idederal reserve system it is said here has made such a panic almost an impossibility, but while minimizing the chances of a panic it has payed the way to currency inflation. Inflation of the currency, however, it is said, would have much less fear for the country than a panic. A panic would be acute and cause great losses immediately, whereas the country might recover from an inflation gradually and without the acute loss. Although inflation would, the final analysis, mean a loss, it would be less objectionable than a panic to the general public

## Possible German Losses,

When the European war broke out last summ the shock was so great in the United States that a panic threatened immediately. Had it not been for the ouck response of the Treasury Department to put the Aldrich-Vreeland act into effect, it is be-lived a visit work are encroaching upon their reserve intervention of \$1,000,000 a year to the French line and the state state and the state state and the state state and the state st lieved a panic would have resulted. Instead how ever, the Government permitted the national banks dizing its lines. to issue something over \$388,000,000 in emergency currency. Possibly not over \$300,000,000 of this was

while these emergency notes ...ay have influence the Southern Alberta, enderse call and the demption account of the freedom of try over a severe shock. During the interim foreign Catgary. It is also an important continuing center also released a mines in the district having a capacity of 4,000 tons Ottawa stock. business expansions ceased and a period of seven liquidation set in. According to Treasury officials the foreign debt to-day has been largely met and in case of war there would be little to fear from this source. Instead of having a foreign debt at the resent time, foreign countries are in debt to the United States. Nevertheless these foreign countries are still holding a good quantity of American stocks and bonds which they may sell back to us at any tim. It was said that maybe as many as one billion collars worth of American securities are held in Germany alone. In case of war with Germany none of these securities could be returned to the United The German investment in the United States. States concequently would suddenly be reduced to

This is not all that Germany would lose, however, She would lose all of the large merchant ocean lineis now docked in American ports. It has been estimat-

A

Well

Splendid,

Balanced,

Newsy

Journal



New York, May 20.- It now appears that even the United States mails to Europe will be carried entirely by foreign ships unless the interest in a merhant marine is immediately aroused, some speedy ships acquired by American interests, and liberal sation allowed by the government for perprmance of this service. The government's contract with the American line

carrying transatlantic mails expires next October and the postmaster-general has announced that it will not be renewed. This will throw the transportation of transatlantic mails entirely into the hands of for eign steamship companies.

The mails are carried under legislation enacted a far back as 1890. When the matter was under consideration at that time it was supposed that the compensation for a first-class weekly service from Boston or New York to Liverpool would be about \$1, 000,000 a year. Some Boston capitalists entertained a project to give Boston a weekly mail service with American ships and fully \$3,000,000 was pledged to-ward the enterprise. Congress, however, finally cut American ships and fully \$3,000,000 was pledged tothe proposed subsidy in half with the result that the Boston project was abandoned.

To-day the antiquated steamships of the American these poars are now boars as transatlantic Disappointing Statement Follows veyance of mails between the postoffice in New York and the postoffice in London.

A declaration of war with Germany prior to last \$2,000,000 for transportation of the Atlantic mails. November would have found the United States Trea- the American line getting by far the largest individual share, although not so much as the foreign lines com Financial Operations of the Government in Borrow-were distributed: were distributed:

Line 
 Cunard
 227,758

 White Star
 204,724
 Total . ...1.706.323 In addition, smaller amounts were paid to other

lines. These payments by our government, it should be understood, were for eastbound mails only, as forign governments pay for the westbound. Canada pays about \$1,000,000 per annum for its

and Germany has in the past been liberal in subsi-

## CITY OF LETHBRIDGE DEBENTURES.

ever put in circulation by the banks, the remainder being held in their vaults. At the present time more than 99.5 per cent. of this currency has been retir-red. Hanson Brothers. Montreal, are offering  $\delta_{199,070}$  unfavorable feature of the statement. For again it must be borne in mind that this drain of gold is meeting a useful purpose. During the week the bank has ear-marked another £1,000,000 for re-Hanson Brothers, Montreal, are offering \$150,090 unfavorable feature of the statement. But here thern Alberta, situated some 133 miles south of demption account of the treasury notes and it has per day and giving employment to over 2,000 men.

## MEXICAN PETROLEUM STOCK OFF.

useful for what it accomplishes. It remains to be New York, May 20 .- The break in Mexican Petrolseen whether this policy or that of the Reichsbank. eum common stock yesterday from 68% to 64½ was in accumulating gold to look at, will prove the most ompanied by rumors that the company's big well advantageous in the end. accompanied by rumors that the company s of sour advantageous in the cast. In the Castano district was afire. Representatives of the company say they have received ne advices to that effect, and if the property had been injured in per cent the figure is still higher than it has been by DUIDI IP IITHITY POM sequent weeks should not prove that this decrease When deposit reserves are counted, the operation of was only a temporary check.

Which deposit reserves are counted, the operation of was only a temporary circuit, the Federal reserve system released about \$400,000.-\$ 000 in reserves. This additional resource, it is be-flexts the dullness of business demands, but the ap-flexts the dullnes ancial emergency such as the country experienced for an increase in this item next week. last August, and it would not be necessary to issue

emergency currency or additional Federal reserve notes.



THE JOURNAL OF COMMERCE, THURSDAY, MAY 20, 1915

EARL KITCHENER, Who ann nces that the Allies will employ ga against the Germans.

**Promising Report of Preceding** 

Week

POLICY REGARDINA GOLD

Decreasing Private Deposits.

(Exclusive Leased Wire to Journal of Commerce.)

London, May 20 .- While there was nothing mo-

mentous about the Bank of England figures this

week, it must be admitted that the return is some-

what disappointing, especially after the promising

report of the preceding week. Loans showed an in-

crease of £2,462,000 against an increase of only £1.

The same tendency of increasing public deposit.

with decreasing private deposits is indicated, reflect-

ing the financial operations of the Government i

sequel and has a certain salutory effect since it helps

to stimulate the outside money market in its pre-

The decrease of £921,000 in reserve, accompanied

by a loss of £1,922,000 in gold, is perhaps the most

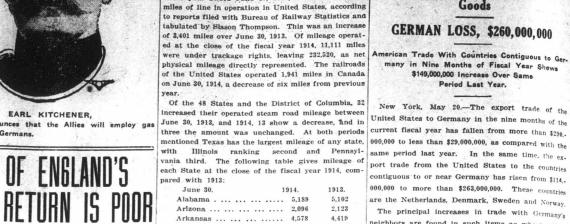
The obvious policy of the English bankers in this

crisis has been that the possession of gold is only

BANK OF ENGLAND RETURN

528,000 in the two deposit items.

sent congested condition.



AMERICAN RAILWAYS OPERATE

1941 MILES TRACK IN CANAD

Texas Has the Largest Mileage of Any State, With Illinols Running Second and Pennsylvania

Coming Third.

New York, May 20 .- At close of the steam railroa fiscal year ended June 30, 1914, there were 243,631

2,123 4,419 California . ... ... 7,288 Colorado ..... 5,818 Connecticut ... ... 991 5.838 1,000 Delaware ... ... .... 340 3,972 6,786 2,519 13,091 7,679 Indiana ..... 7,667 iowa . ... 10,138 9,882 Kansas ... .. ... ... 9,443 9,320 Kentucky . ... ... ....... Louisiana . ... ... ... ... 3.777 3,682 4.841 4,662 2,289 Maryland ... 1.350 Massachusetts ....... 2.116 1,325 2,169 Michigan . ... ... 8,254 8,414 Minnesota ... ... ... 9,079 9.011 Mississippi ... ... ... 4.020 Missouri . ... 8,387 8,349 Montana . ... ... .... 4.896 4.457 Nebraska . ... 6.260 6,231 2,140 1,223 
 New Jersey
 2.379

 New Mexico
 2,894
 2,382 2,820 8,572 New York ... ... 8,452 N. Carolina ... ... ... N. Dakota.. .... 4,626 4,291 4.998 4.902 Ohio ... ... ... ..... 9,536 9,470 Oklahoma ... ... ... 6,769 6.323 Oregon ... ... 2,432 Pennsylvania . ... 11,545 2,298 11,386 Rhode Island ... .... Carolina ..... 3.231 3.128 S. Dakota ... ... ... 3.996 4.014 Tennessee ... ... ... 3,729 3,678 Texas. ... 15,359 14,556 Utah . ... ... ... 2,007 Vermont . ... ... ... Virginia . ... 4.339 4.367 Washington . ... .... 5.341 W. Virginia ... ... ...... 3,129 3,151 Wisconsin ... ... 7,389 Wyoming ... ... 1,615

# BY PUBLIC UTILITY COMPANIES

Dist. of Col. . ... .....

the investment required per revenue passenger by A street railways of the country.

As the institute could not go into the investment of London, May 20.—The Bank of England's weekly eturn compares as follows:

1,480



GAIN DESPITE WAR York, May 20 .- Reports the F. W. Woolworth Co. is a company's inability to impor Scandinavia and the Netherlands Take Increased Quantities of Goods

## GERMAN LOSS, \$260,000,000

AMERICAN EXPORTS

## merican Trade With Countries Contiguous to Germany in Nine Months of Fiscal Year Shows \$149,000,000 Increase Over Same Period Last Year.

New York, May 20 .- The export trade of the United States to Germany in the nine months of the

contiguous to or near Germany has risen from \$114 .-000,000 to more than \$263,000,000. These countries are the Netherlands, Denmark, Sweden and Norway, The principal increases in trade with Germany's neighbors are found in such items as wheat, wheat flour, automobiles, copper, cotton, boots and shoes, which are the articles in great demand among all warring nations.

The British order of council, in effect March 1 which shut off practically all commerce with Germany, has not cut off trade with the neutral ports of contiguous countries. ... Official figures now available on the foreign commerce of the United States for the nine months ending March, 1915, show that while the imports of Germany from America have decreased more than \$260,000,000, an abnormal trade of \$149.000,000 has been absorbed in the marketnorth of the German Empire.

The commerce of the United States to Denmark has increased more than 400 per cent, from twelve millions to sixty millions of dollars. The trade with the Netherlands has gained 20 per cent., from 84 to 101 millions. The American exports to Norway have increased from less than seven millions to mon than thirty-two millions, a gain of 370 per cent Sweden records an increase from eleven millio nearly sixty-six millions, a gain of 500 per cent. While the official statistics of the Bureau of Com nerce as to the shipments of individual articles to Northern Europe are not complete, it can still be een that certain items register enormous gains. The exportation of wheat to the Netherlands shows a gain from sixteen to twenty-six millions, while that to the rest of Europe, exclusive of Germany, Austria-Hungary, France, Spain, Italy and the United Kingdom records an increase from twenty-four to thirty-one millions in value. The largest gain in any one item is in cotton, which in "other Europe," exclusive of the countries men-tioned above, shows an increase from \$4.800.000 to

more than \$56,000,000. The following tables will be found sugg

Exports	-Nine month	hs ending-		
to-	. Mar., 1914.	Mar., 1915.		Change
	\$12,044,000		4	\$51.059.000
Netherlands	84,160,000	101,892,000	+	17.732.090
Norway	6,925,000	32,401,000	+-	
Sweden	11.026,000	65,980,000	-+-	
Germany	\$114,155,000 290417,000	28,861,000		261.556,000
exclusive o	ble "Other Eu f Italy, Gen	rope" mean	s all	countries
France, Spai	in, Great Brit	ain and Be	stria Igiun	- Hungary, 1 (000,000

	-Nether	lands	Other E	urope -
Exports to-	1914.	1915.	1914.	1915.
Wheat	16	26.5	24	31.5
Vheat flour	3.25	7.25	2.9	22
utomobiles			1.4	3.5
Copper	•• ••••		1.8	6.6
otton			4.8	56.5
boots and she	oes		1.2	2.2
				~~~
Total, above	ex-			
ports	19.25	33.75	36.1	122.3

by and Austria are discredited the company who states that since in shipping, which followed the our in shipping, which followed the ou last August, there has been no le its and shipments are arriving in set and in normal volume. The company's imports are equa pt. of the annual sales which, ba iness, places them at about \$7,00 is not all supplied by Germany and mount coming from England and I

toys and Christmas tree ornamen while the Dual Monarc many," aware. England is a large while France supplies p ockery. Woolworth lace. There has been no interruption to om either Germany or Austria a war as a decree of the British War ent of all orders placed in t strals prior to March 1. The We ok advantage of this, and placed cover its needs for a full year. since the first of the year the eved about 10,000 cases of merchan hipments will continue until next num rate, as the company is having ped as soon as they are available. he company does not anticipate any

lying the trade for the rest of the to handle the Christmas trade cember amounted to \$10,502,276. BOUGHT 25,000 HORS New York, May 20 .- A contray ha

25000 horses for shipment to Buron ment has a value of close to \$5,000, As a result of orders to hasten t horses to Atlantic seaboard, the Bri Relgian agents are inspecting and Chicago, in day and night shifts. now bringing \$200 per head, or an a the past few months.

## Saml. M. Ogulnik & Co.,

PUBLIC NOTICE is hereby given inst Part of chapter 79 of the Rev anada, 1906, known as "The Comy ers patent have ben issued under the etary of State of Canada, bearing d (April, 1915, incorporating Max ing's counsel, John Albert Engel aughton, advocates, Max Bernfeld, et Berthe Musenhealder, stronger and Berthe Maysenhoelder. stenogra lity of Montreal, in the Province of City of adoutreat, in the Province of following purposes, viz: (a) To purch acquire as a going concern, with all gations and good-will, the business c City of Montreal, in the Province of commercial firm of Saml. M. Ogulni porting tailors and manufacturers of porting tailors and manufacturers of continue the said business; (b) To n feal in goods, wares and merchandise porting tailors and manufacturers of continue the said business; (b) To r deal in goods, wares and merchandiss and description; (c) To establish, o duct shops or depots for the sale of a factured or dealt in by the company goods, wares and merchandiss which tageously dealt in in connection the any such authority licenses, privilege, which the company may think desi and to carry out, hold, operate und comply with the same; (e) To manuf erate steam gas, electrical and other light or power for the purposes of th to sell or otherwise deal with the subject to all laws, by-laws and mu tions applicable thereto; (f) To carry enterprise or business, whether mu otherwise, which may seem to the co of being conveniently or advantageous connection with the business and obje pany, or calculated to enhance the va my be expedient under the laws of a represent the company to be lice in arch country; (h) To acquire, use in such country; (h) To acquire, use in such country; (h) To acquire, use in such country; (h) To acquire, use in the company or incidental to papear likely to be advantageous to th To prosecute, amalgamate with or ent papear likely to be advantageous to the to present, joint adventure, recipro r about to carry on any business sith ecompany or ancillary thereto; to to or guarantee the contracts of or compa-ing difficute, use explicits, uni co-operation, Joint adventure, recipro r back, to subscribe for, receive; pury wise acquire the share or securities of any other company or ancillary thereto; to to no guarantee the contracts of or any person or company having busines it his company, or indebted to it, any other company or ancillary thereto; to to

He would lose all of une manu-now docked in American prime work has been estimat-of dot, dot, that has been estimat-supremary for pace is default of the conditions are such as to pace it the supremary for pace is default of the conditions are such as to pace it the supremary for pace is default of the conditions are such as to pace it the supremary is not and the brane such as to pace it the supremary is not as to pace it the conditions are such as to pace it the supremary is not as to pace it the conditions are such as to pace it the supremary is not as to pace it the supremarket. The trade with default is not such as the face it to be supremarket to the the balance that is not associated in the trade with default is the condition to supply all the supply is not the condition to supply all the serve hanks are in a position to supply all the suprement to the base with the condition to supply all the suprement to the base with the condition to supply all the supply is not the suprement to be supply all the supply is not the suprement to the base with the condition to supply all the supply is not the supple supply all the supply is not the supple supply all the supply is not the supple supply is not the supple supplicies in the supple supple supplicies in the supple tion of war would necessitie the issuance of as links, including and it is the second of the present. Basis as at present. It is therefore seen, according to this Treasury 1915. The figures follo

mediately between four and five hundred millions of official, that a war would not bring financial injury dollars additional currency. upon the individual but would cause the Federal

tion of the Federal reserve system, last November cash and by reason of a possible inflation of the curabout \$200,000,000 in cash reserves were released. rency.



Merchandise ... ... 18,861,634 Cash and debts rec. ... 5,209,792

Total ... ... \$26,723,971 Liabilities. 

Total ... ... ... \$26,723,971 \*Decrease.

Great West Oil Lands Co. hás been accomplished. The new directors chosen are as follows: Rev. W. J. Hamilton, W. C. Bowden, D. Patton, W. H. Clarke (who is secretary-treasurer), and K. Cullen. The disputed leases which had been turned in dur-ing the boom times at an inflated valuation were re-turned to their original owners, and that source of triction eliminated

The disputed leases which had been turned in dur-ng the boom times at an inflated valuation were re-urned to their original owners, and that source of riction eliminated. The reorganized board of directors will pursue an ubstantial bank balance, and several advantagement The reorganized board of directors will pursue an was never in better of inter-statem condition, and is in the cost of the pro-active policy of development. The company has a that the country has every reason to be proud of it this twenty-third day of April 1921 of the cost of the cost of the pro-the cost of the cost of the proindistantial bank balance, and several advantageous and every reason to wish to go forward in its policy of steadily adding to its strength and equipment."

mum discount rate is unchanged at 5 per cent INTERNATIONAL HARVESTER OF AMERICA. Chicago, Ill., May 20.—The International Harvester Company of America, incorporated under the laws of Wisconsin, has filed with the Massachusetts secre-tary of state a report of its condition as of April 8, 1915. The figures follow: Assets. Masets. Masets. Masets. Maset a report of its condition as of April 8, 1915. The figures follow: Assets. Masets. Ma

Increase. expend a sum of money in establishing its plant and \*\$133,843 business, which is not less than four or five times, and is sometimes as much as twelve times, the gross an-1,778,866 nual revenues which it may expect to receive. This at once multiplies the proportion of the revenue which \$1,375,051 must go to the investors in case a reasonable return is paid on the investors. This being the case the average man may as a matter of his own business. average man may as a matter of his own business larging and developing the scope of the objects thereof, and which 1,006,530 experience honestly believe that he is being unfairly eous, beneficial and incidental thereto, or in any

1,006,530 experience honestly belleve that he is being unfairly received by an electric utility company, while such is may be far from the fact, and the only way to convince him and his associates, composing the public, states of the truth of the matter, is to present the facts in such a manner that the individuals may measure them by means within the reasonable scope of their own experience."
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C.-J. SIMARD

2662-19-2. Deputy Provincial Secre

wise acquire the share or securities o carrying on a similar business or to a main whole or in part payment or dischain or consideration of the sale, lease; cond disposal of any property, rights or de be held, enjoyed by or due to this compa-shares or securities to hold, vote upon or otherwise deal with as this company of otherwise deal with as this company of otherwise deal with as this company of otherwise deal with as this company (3) To purchase, lease, exchange or oth and possess and deal, and how able is "preperty which the company may deen useful for its business or operations, i marks, industrial designs, patents, pa verses, industrial designs, patents, pa verses, industrial designs, business or opera-diverses on the acquired by this company lagemace for good-will, and of any property, contracts or rights which this from time to time acquired by this company ness, with the approval of the sharel views which may be rendered to the co-promotion or oth wise, or in settlerm ness, or, to the acquire for the purposes, or, to the acquire for the shared view which may be rendered to the commotion or otherwise, or in settlem debtedness of the company; (m) To lease or othewise deal with any or all taking, property, movable or inmoving that at any or the settlem debtedness of the company; (m) To other property of nought fit; (n) To invest, loan or other more as may form time to the meneys or other property of mediately required in such mann scurities as may from time to all act as may from time to all act as may from time to all act all powers and things conducive, used all powers and things conducive, used all powers and things conducive, used as principal, brokers, agents, contractors and efficient the Dominion of Canada and the name of "Sami A. Oguinak & Co., Li capital stoke of one hundred thousand effice of business of the secretar. Thomas Multi 2016 and the company to a the operations of the secretar. The Canada this 2016 and the secretar. The Ass Multi 2017 and the secretar. Thomas Multi 2018 and the secretar. Thomas Multi 2018

Under-Secreta

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ldstein, Beullac & Engel. Solicitors for Applicants.

The Montreal Journal of Commerce has entered upon its second year as a daily newspaper. The Jour-nal of Commerce is devoted especially to financial, commercial, industrial and insurance news. There is a splendid field in Canada for a publica-tion of this kind, but unfortunately the outbreak of the great war last year, affecting business generally, proved unfavorable for an enterprise of this kind. The Journal of Commerce, however, kept straight on its course, and a splendid, well balanced, newsy jour-nah has been produced, receiving general support from business interests. GREAT WEST OIL LANDS COMPANY'S has been produced, receiving general support from business interests. In a recent review of the situation, our contempor-ary expressed the firm belief that the worst is over, and it is more than ever determined to make itself an indispensable factor in financial, commercial, in-dustrial, transportation and insurance fields. Hon. W. S. Fielding is president and editor-in-chief. To his journalistic expreience and wide know-ledge of business is attributed much of the success of this business man's daily.—Moncton Transcript.

friction eliminated.