

NEWS AND COMMENT FROM THE FINANCIAL WORLD

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MR. CARVELL DICTATED AGREEMENT

(Continued from page 1)
After some delay, they both arrived, and Mr. Macdonald, the only witness at the morning session came shortly afterwards.
Mr. Macdonald, told of coming to the city on the occasion arising out of the letting of the sub-contract to Lonsdale and Innes. His direct object in coming at that time was in connection with the cheque which Mr. Kennedy had given to Mr. Thomas Nagle. Mr. Kennedy gave instructions to the bank to stop the payment of the cheque. Both the witness and Mr. Kennedy met Mr. Nagle in the latter's office and conversation ensued relative to the payment of the cheque. Witness had received information from A. M. Mac-

donald that the amount to be paid Mr. Nagle \$21,000 was to be given in two portions, half in connection with the contract for the lower portion and half in connection with the contract for Centreville-Anderson portion of the railway.
Witness said he endeavored to convince Mr. Nagle that he was not entitled to the cheque. He (Macdonald) considered that the transaction was a hold-up. Letters in regard to the consent of the Nova Scotia Construction Company for the sub-letting of a contract to Kennedy and Macdonald were discussed at this meeting. Documents authorizing the sub-letting of the contract were delivered after Mr. Kennedy had paid the money over. Witness protested strongly against the payment and he remembered that Mr. Nagle said: "Dan, I am not getting one cent of this money myself." Mr. Nagle did not inform witness as to the party or parties getting the money.
At the time of the discussion Mr. Macdonald said Mr. Carvell was in the city and it was on Mr. Carvell's

WAR PROBLEM DOOMS LARGE IN THE U.S.

Collapse of Russia Has
Thrown Greater Burden,
Financially and Otherwise
on American Republic.

New York, Aug. 5.—The great war problem looms up larger and larger as the days pass. The first drawings under subscription have hardly been completed for an army of a half million men, when financial plans for another 500,000 soldiers take shape. Congress has been asked this week for an additional appropriation of six to eight billions of dollars.
The collapse of Russia has thrown a greater weight upon us. It is becoming more and more evident that America must furnish the surplus in men, money, munitions, aeroplanes and food to win the war.

The administration is backed by the whole country to go through with it. It has, in fact, become for this country for the rest of the civilized world—a fight for existence.
The truth of this will impress itself more and more upon our people and every sacrifice will be willingly made.
The \$5,000,000,000 army increases asked for by the secretary of war are intended to provide expenditures until July 1, 1918. Senator Smoot, this week presented statistics to show that appropriations of the war session already aggregated \$9,226,000,000; the \$5,000,000,000 or more now asked for would run the amount to above \$15,000,000,000, and additional loans to the Allies might easily carry the total up to \$20,000,000,000 for the year.
Our best financial talent is needed now to steer the ship, and safe and economic action by Congress to apportioning methods of providing funds, with care that the burden does not fall sharply upon industrial enterprise, which must be fostered to the utmost to relieve the strain of enormous expenditure. The reliance should be placed on the most widely distributed way must be sought earnestly.—Bache's Review.

advice that the cheque for \$5,000 was paid.

Mr. Carvell—There were very few reasons advanced why you should pay the money.
Mr. Macdonald—Yes.
Mr. Macdonald, further examined, said he had written out a document, providing for the payment of the \$30,000 to Mr. Nagle. The document, as dictated by Mr. Nagle, with the exception that a clause was added that in no case should Mr. Nagle pay a portion of the losses, if any, which the company might meet with in connection with the work.
This concluded Mr. Macdonald's evidence. A discussion then ensued between Mr. Teed, Mr. Carvell and the commissioner relative to the scope of Mr. Blanchet's audit of Mr. Tennant's books. It was finally agreed that the audit should embrace all entries in Mr. Tennant's books subsequent to the payment to him of the money by the Nova Scotia Construction Company.

Mr. Carvell having no other witnesses present, the commission then adjourned until 2:30 o'clock, p. m.
On resuming James H. Corbett was called to the stand. His evidence was comparatively brief. He testified that he had submitted two tenders for the construction of the railway on the mileage basis. He tendered in July 1915 for the work at \$44,000 per mile having received an invitation from the late premier, Hon. George J. Clarke. When the board of Commissioners called for tenders in December, 1916, on the mileage basis, witness tendered a second time, his figure being the same. He said that he was approached by W. B. Tennant on January 5, 1916 and informed that if he (Corbett) would pay Tennant \$50,000 and reduce the amount of his tender from \$44,000 to \$39,000 per mile he would receive the contract. No member of the Government had ever approached him in the matter.
This concluded the testimony at the afternoon session, and the commission adjourned until August 14th, at 7:30 o'clock, p. m.

MONTREAL PRODUCE.
Montreal, Aug. 4.—Corn, American, No. 2 yellow, 2.35 to 2.40.
Oats, Canadian Western, No. 2, 84 to 85.
Oats, Canadian Western, No. 3, 83 to 84.
Oats, extra No. 1 feed, 82 to 83.
Barley, Man. feed, 1.25.
Flour, Man. spring wheat patents, firsts, 13.00.
Flour, seconds, 12.50.
Flour, strong bakers, 12.30.
Flour, winter patents, choice, 13.00.
Flour, straight rollers, 12.40 to 12.55.
Flour, straight rollers, bags, 6.00 to 6.15.
Rolled oats, barrels, 9.15 to 9.25.
Rolled oats, bags, 90 lbs., 4.45 to 4.55.
Beans, 35.
Sorgho, 40.
Middlings, 50.
Meal, 60 to 61.
Hay, No. 2, per ton, car lots, 10.00 to 10.50.
Potatoes, per bag, car lots, 1.00 to 2.00.

MARKETS CLOSED
The stock markets of London, New York, Boston, Philadelphia and Montreal were closed on Saturday.
The London exchange will remain closed today.

SCARCITY OF STEEL IS BECOMING MORE ACUTE

Will Be Serious Handicap for
the Manufacturer—Pig Iron
Marked Similar.

Toronto, Aug. 5.—In its summary of the iron, steel, metal and machinery markets for the week ending July 31, Canadian Machinery and Manufacturing News, Toronto, makes the following observations:—
The steel and metal markets are making time pending developments in the price fixing situation at Washington. Until some announcement is made in this connection by the American Government it is not likely that there will be much activity. Consumers are holding off and consequently business is quieter. The question of the moment is, will steel prices decline, remain stationary or will a buying movement set in and cause a resumption of the upward movement, recently halted on account of the uncertain outlook? Consumers have performed adopted a conservative attitude and are waiting developments.
Whatever may develop in regard to prices there is little doubt but that the scarcity of steel will become more acute as war requirements are bound to increase, thus diminishing available supplies for the private consumers. This will be a serious handicap, particularly for the manufacturers, whose plant operations will in consequence be curtailed and production correspondingly decreased.

NECESSITY TO EDUCATE PUBLIC IN BOND BUYING

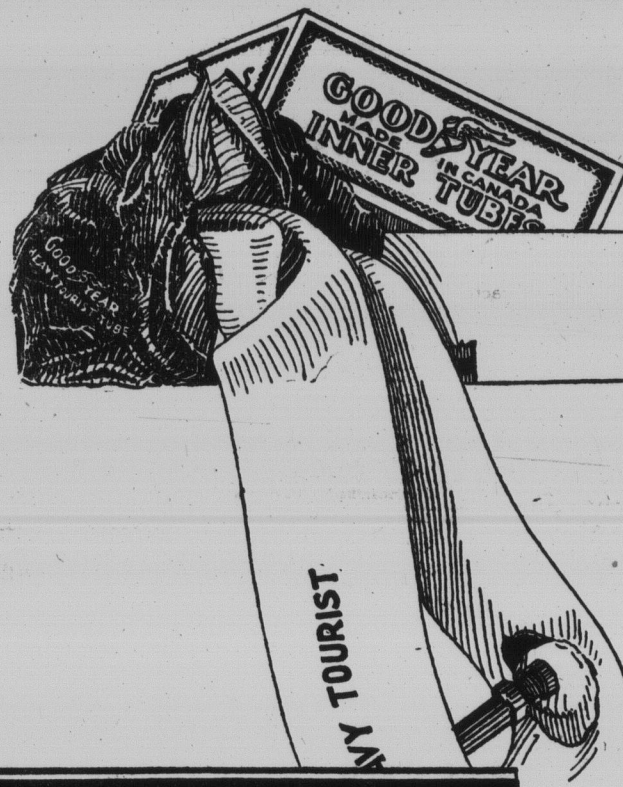
Movement Begun in United
States to Begin General
Campaign—Employers Are
Called on to Assist.

New York, Aug. 5.—The importance of educating the American public in government bond buying is being recognized, and action is being taken to organize an extensive campaign of education. Those who have spoken or written on the subject are urging people, rich and poor, to begin at once to lay aside a certain part of their earnings or income dividends, to be invested in the next loan. Employers are called upon to organize savings movements for this purpose among their workers.
An illustration of the workings of this has been given by Mr. Benjamin Strong, Jr., Governor of the New York Federal Reserve Bank, in a recent article in the Tribune. If, he says, an industrial organization employing 20,000 laborers earning \$1,200 each per annum, each could afford \$100 out of this, their employer could agree that \$8 per month be deducted from each man's pay and deposited in the bank for future investment. Fifty dollars apiece in six months would total \$1,000,000. As this was being accumulated, it could be invested in the government bonds when they were put upon the market. By this process no inflation would result, while the funds were accumulated, as would be the case if the movement became widespread.

HOARDING OF MONEY AS RELATED TO THRIFT

War Has Awakened Even the
Oriental World—India Sub-
scribes Over \$130,000,000
of War Loan.

New York, Aug. 5.—It is to be doubted whether in this country we have a proportionately large body of hoarders. Hoarders is the first crude step towards thrift, because it is an ignorant method of attempting to provide for future contingencies by putting away present funds.
The Far East has always been the most fertile ground for the cultivation of hoarding (a crop, however, which rarely sprouts, and untold millions of gold and silver have been buried through the centuries and still lie untouched in that ancient soil.
But the war has awakened even the oriental world. A part of the last English war loan was undertaken to be raised in India and the result has been most satisfactory—over \$130,000,000 having been already subscribed. The Statist thinks that this will induce the Government of India to provide, whenever possible, means of investment for the saving classes in India, which will be profitable to the country and will mean the body of the natives from the wasteful habit of hoarding. India hoards every year a very large sum—an average estimated close to \$54,000,000 per annum.
This hoarding is pure waste. The greater part of it furnishes ornaments for the women; a smaller part is locked up in treasuries. But practically whatever becomes of it, it is waste.



Tubes That Reduce Tire Costs

Good tubes—Goodyear Tubes—will help you get that lower-tire-cost-per-mile that offsets your high gasoline cost-per-mile.

For the tube has a more than superficial bearing on tire costs. It may make or break a casing.

Consider the slow leak—a common feature of poor tubes. It is a nuisance, necessitating constant inflating. But it is more serious. It causes under-inflation—which ruins casings.

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**GOODYEAR
MADE IN CANADA
TUBES**

It returns no interest of any kind to those who hoard, and consequently continues the great poverty of the people.
In Egypt, with a good cotton crop and high prices, the people have been hoarding on a larger scale than usual and, being unable to get gold, they have taken to hoarding notes of the National Bank of Egypt, resulting in an enormous extension of the circulation of the Bank, which is ordinarily not higher than \$5,000,000 (one million sterling), but is now in excess of \$100,000,000.
As has been said, the proportion of hoarders in this country is small. Our people have always been a happy-go-lucky lot, as a whole, blinded by present overwhelming plenty to the seemingly far-off possibility of future want.

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For information as to rates and sailings apply to local agents or The Robert Reford Co., Limited, General Agents, 162 Prince William Street, St. John.

Eastern Steamship Lines
Incorporated.
PORTLAND, BOSTON, NEW YORK
International Line.
Steamers leave St. John every Monday, Wednesday and Friday at nine a.m., touching at Eastport, Lubec and Portland; due Boston following day three p.m. Returning, leave Boston same days nine a.m. via above ports.
Metropolitan Line.
Direct between Boston and New York via Cape Cod Canal. Steamers leave India wharf, Boston, every day at six p.m. Same service returning from Pier 18, N. R., New York.

GRAND MANAN S. S. CO.
Until further notice a boat of this line will leave Grand Manan 7 a.m. for St. John, arriving about 2:30 p.m. returning Tuesday 10 a.m., arriving Grand Manan about 5 p.m. Both ways via Wilson's Beach, Campobello and Eastport.
Leave Grand Manan Wednesdays 7 a.m. for St. Stephen's, arriving Thursday 7 a.m., both ways via Campobello Eastport and Cummings Cove.
Leave Grand Manan Fridays 8 a.m. for St. John direct, arriving 10:30 a.m. returning leave St. John 2:30 p.m., arriving 7 p.m.
Leave Grand Manan Saturdays for St. Andrews 7 a.m., returning Tuesday 7 a.m., both ways via Campobello, Eastport and Cummings Cove.
Atlantic Standard Time.
SCOTT D. GUTHRIE, Manager.

CRYSTAL STREAM STEAMSHIP CO.
ST. JOHN-FREDERICTON ROUTE.
Steamer D. J. Purdy leaves 8:30 a.m. Mondays, Wednesdays and Fridays, making all intermediate stops, returning alternate days.
Rate to Fredericton by boat, return by train, \$2.50, or \$3 for stopover.
St. John Washademoak Route.
Steamer Majestic leaves at ten a.m. Tuesdays, Thursdays and Saturdays, returning alternate days.
Telephone Main 394. D. J. Purdy, manager.

The Maritime Steamship Co. Limited.
Until further notice the S. S. Connaught Bros. will run as follows: Leave St. John, N. B., Thorne Wharf and Washademoak, Monday, Wednesday, Friday, 7:30 a.m., daylight time for St. Andrews, N. B., calling at Dipper Harbor, Beaver Harbor, Black's Harbor, Back Bay or L'Etete, Deer Island, Red Store or St. George. Returning leave St. Andrews, N. B., Tuesday for St. John, N. B., calling at L'Etete or Back Bay, Black's Harbor, Beaver Harbor and Dipper Harbor. Weather and tide permitting.
Agent—Thorne Wharf and Washademoak Co., Ltd., Phone 2651. Mgr., Lewis Connors.
This company will not be responsible for any debts contracted after this date without a written order from the company or captain of the steamer.

Steamer Champlain
Until further notice, Steamer will leave St. John on Tuesday and Thursday at 12 o'clock noon, and on Saturday at 2 p.m. for Upper James and intermediate landings, returning on alternate days, due in St. John at 1:30 p.m.
R. S. ORCHARD, Manager.

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