

R. R. TROUBLES IN ARGENTINA.

The railway labor troubles which have been so seriously affecting Argentine industries and threatening the safe and rapid handling of the coming crop, appear to have been settled for the moment. The general railway strike which broke out towards the end of September was characterized by a lamentable display of violence and intimidation which the authorities were unable to suppress. The strike lasted 21 days and was finally settled on the basis of a 10 per cent increase in salaries, conditions of labor to be modified according to regulations which the Government will draw up, but which the companies do not definitely undertake to accept. In the meantime the companies are authorized to increase their tariffs 10 per cent to provide for the strike settlement, and an additional 22 per cent to provide for additional cost of running. The second increase came into force on December 15, and the whole situation seems now to have satisfactorily settled. A local agitation is being fomented by season ticket holders, who protest against the increased tariff of 22 per cent but otherwise the railway horizon for the moment is clear.

SHIPMENTS HELD.

Many thousands of tons of Canadian heavy hardware, building materials, harvesting implements and machinery, paper and numerous lines of general merchandise, have now been held for several months at the factories in the Dominion because steamers or sailing ships cannot be obtained for the transportation of these goods and products to Australia.

"With unflinching recurrence representations have been made to this office by Australian importers and manufacturers in regard to their serious position through the goods and necessary materials ordered in Canada not being shipped. There can only be one answer to these inquiries and that is the situation is dominated by the pressing demand of the Imperial Government and the British Controller of Shipping absolutely controls the position. Distant Australia is unattractive when the demand for tonnage elsewhere continues unabated," says a Trade Commissioner.

"Both from an import and export point of view the paramount commercial question in the Commonwealth is how to combat the abnormal shipping difficulties, which from month to month become more accentuated. The Commonwealth Government is increasing its cargo-carrying fleet and within a few months it is anticipated that a vigorous shipbuilding program will be in active operation in several of the Australian States. It must, however, be admitted that these facilities, although admittedly helpful, will be entirely inadequate to materially relieve the situation within the near or even distant future. The effect of the shortage of shipping facilities is reflected in restricted imports and exports, and in this regard—until there is a decided improvement—the volume of Canadian exports to Australia must, perforce, be curtailed."

DUTY DRAWBACK RETURNED TO MERCHANTS.

An order-in-Council recently passed at Ottawa eliminates a lot of unnecessary red tape, and does away with an apparent discrimination against the Canadian machinery maker.

Since early in November, 1916, all ship builders have been granted a draw-back of ninety-nine per cent of the customs duty allowed on imported materials used in the construction of ships. This worked very well for the shipbuilder, but the man who sold him machinery in Canada could not get a draw-back until the shipbuilder had completed his boat, delivered it, received the money and then made an application on behalf of the machinery man for a draw-back. This method was so cumbersome, and costly, that the shipbuilder found it far easier to buy machinery direct from the United States and taking immediate benefit of the ninety-nine per cent draw-back. On the other hand the Canadian machinery man had, apparently of necessity, to charge the full price, including duty.

Many representations were made to the Customs Department and Government at Ottawa, and not until the Canadian Manufacturer's Association had put up a complete argument for a drawback for machinery men similar to that given the shipbuilders, was any action taken. Now this has been straightened out by the regulations of the new Order-in-Council which reads as follows:

"The drawback of 99 per cent of the customs duty allowed on imported materials used in the original construction of ships and vessels built in Canada since

November 1, 1916, may, with the consent of the builder of the vessel, be paid to the manufacturer of articles made in Canada from imported materials, and used in such original construction of the vessel, subject to the same conditions and restrictions as when the drawback is paid to the builder of the vessel, and also subject to such further regulations as the Minister of Customs deems necessary to establish the bona fides of the claim."

Instructions in regard to drawback payable to manufacturers of ships materially are:

1. The quantity of materials used and the amount of duty paid thereon be ascertained.
2. Evidence satisfactory to the Minister of Customs in respect of the manufacture or production of the articles in which the imported materials are claimed to have been used shall be furnished.
3. The claim for drawback shall be verified under oath before the Collector of Customs or Justice of Peace, or drawback claim form for home consumption, or in such other forms as the Minister of Customs shall prescribe.

BRITISH GOVERNMENT ADVISED TO SELL SHIPS.

A suggestion to have Government owned merchant vessels sold at auction to British shipowners is creating much interest in shipping circles. Discussing the matter, the "Times" says:

"A very large sum of money has been invested by the State in new tonnage—in standard ships built in the British Isles and in vessels bought at high prices in the United States and Japan. All these ships are registered in the names of the Shipping Controller, and are allotted to shipping firms to manage. The management consists largely of providing the crews and securing stores, etc., for the employment of the vessels is directed by the Ministry of Shipping and the management fees are quite small. The work of managing the vessels is regarded as an honor by the owners, and certainly not as at all remunerative. The ships remain the property of the State.

"The suggestion now made is that these ships, or some of them, should at once be put up to auction. The State would thus recover its outlay or, in the case of vessels bought at very high prices abroad, part of the expenditure. It is generally understood that the present intention is to sell the ships to owners after the end of the war, and in the case of vessels bought at enormous prices a loss will probably then have to be faced. Why, it is asked, should the State remain out of its money in the meantime?

"The ships would be sold as requisitioned to the Government. That is to say, the owners would merely receive rates of hire from the Government, and all profits above these terms would go to the State, as now happens with the earnings of all ships requisitioned from private owners. The present rates for cargo tonnage are based on a payment of 11s per gross ton per month, and, in order to induce owners to bid for these ships, the rate would, no doubt, have to be revised, unless a special scheme were devised for financing the purchases.

"It is asserted definitely that there is scarcely any profit, or no profit at all, to be earned on the blue book rates paid for the smaller cargo vessels. The new rates would have to be such that owners could pay prices which, with vessels built on reasonable terms, would enable owners to allow for the usual depreciation and earn interest on their capital. All the accounts could be subject to audit on behalf of the Government.

"An alternative to a complete revision of the blue book rates would be the simple method of guaranteeing owners an agreed rate of interest on their capital expenditure plus an allowance, also to be mutually agreed upon, for depreciation.

"It will be asked what benefit would accrue to the shipping industry by a transaction of either of these kinds. A chief merit of the scheme would be that it would immediately restore confidence. During the war at least ten owners, well known in the shipping industry, have sold their fleets. There is good reason to believe that at least fourteen more ownerships are ready to sell their fleets at the first opportunity. In some cases the decision has been taken because the partners and managers are getting on in years and they see the possibility of a handsome return on the capital they invested many years ago. But underlying these causes is the uncertainty of the future; the fear that the State will make it more and more difficult for private ownership to continue.

"Control during the war is absolutely essential, but it is individual enterprise that built up the mercantile marine which has enabled the war to be car-

THE LOVELINESS OF THE MUSQUODOBOIT VALLEY.

C. G. R. Booklet on the Beautiful District Traversed by Rail and "The Chosen Waters."

The lovely Musquodoboit Valley, whose charm is less familiar to Nova Scotians generally than it deserves to be, is coming into its own, largely by means of the Canadian Government Railways. The first folder to herald the delights in store for summer travellers who take the trip lies on the editorial desk of The Herald. It is a folder upon whose cover of dark green is a dash of vivid warm scarlet—a scarlet map of our sea-girt province, instantly arresting. It is, as to its exterior, the sort of folder which you would be sure to pick up wherever you saw it, and unfolded between the scarlet and greens is description of all pleasures in store for the traveller to "the Musquodoboits." At last, in spite of its isolation, the fair place of "the chosen waters" as its Indian name signifies, has been found out. Its gem-like beauty spots are disclosed by an appreciative pen to the travelling public—those hundreds who in their summering seek the refreshments of natural God-made beauty and the repose of the gracious haunts which can only be found off the beaten track.

Here what infinite refreshment, what a feast for eyes and spirit and body awaits all comers. To a fortunate few of us it is well known and dearly loved. It is good to know that the C. G. R. has recognized what a wonderful asset it is, and has honored all this unaggressive perfect beauty with its own special folder. There are fine pictures which are to the written descriptions of scenery and air and the life of the valley what italics are of black faced type—but which more effectively emphasize than either. Petpewick harbor smiles up at the reader—still, serene, exquisitely contrasting with the strenuousness and noises and complex life of city streets—dusty city streets of concrete glaring whitely under hot midsummer suns. There is Martini-que Beach, Fathom Harbor, Seaforth—all suggest holiday times when nature in the valley sings with a voice irresistible and full of the spirit of companionship:

"Let us take leave of haste awhile
And loiter well content."

—Halifax Herald.

ried on. If the Government saw its way by offering the State ships for sale now there is no doubt that owners whose fleets have been depleted by submarines and owners who have sold their ships would make handsome bids for the vessels on the strength of after-war requirements, and the State would be recouped for much of its present outlay in new tonnage."

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