

ON BANK CANADA

Established 1865.
OFFICE - WINNIPEG.
Capital \$5,000,000
Reserve 3,400,000
Over \$8,500,000

President,
General Manager,
Assistant General Manager
Having over 310 Branches in Canada from Halifax to Prince Rupert, facilities for the transaction of all banking business.
Cheques and Letters of Credit issued over the world.

Branch, 6 Princes St.
ASHE, Manager
Messrs. G. M. C. Hart Smith, Acting Manager, Haymarket St. W.
Responsibilities Solicited.

THE BRITISH NORTH AMERICA

1836
Incorporated by Royal Charter in 1840.

Capital \$4,866,666.66
Reserve \$3,017,333.33

Gracechurch Street, London
In Canada: St. James St.
Montreal

CKENZIE, General Manager

Branches in all the principal Cities of the Dominion, including Dawson City (Y.T.), and York and San Francisco in the United States, and Agents and Correspondents in all parts of the world.

Colonial Bank, West Indies.
Orders, Circular Letters of Credit, Cheques issued negotiable in all parts of the world.

DEPARTMENT AT ALL BRANCHES

D. Manager, Montreal Branch

Commercial Bank CANADA

OFFICE - TORONTO

Capital \$7,000,000
Reserve \$7,000,000

Letters of Credit negotiable in all parts of the world.

127 Branches throughout the Dominion.

DEPARTMENT

Branch of the bank, where money is deposited and interest paid.

Mr. St. James and McGill St.
Lawrence Blvd., Maisonneuve.

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ON ROAD TOWARD NORMAL CONDITIONS

New York Stock Exchange for Four Months Has Been Rigidly Closed

DECEMBER DISBURSEMENTS

American Writer Denies That United States Obligations in Securities to Britain is a Great Claim.

New York City, December 5.—The results attained by the resumption of listed bond trading on the New York Stock Exchange have been so gratifying that there are few, if any, who doubt that we have at last been well started on the road toward normal conditions. For exactly four months the Exchange has been rigidly closed, though in the meantime considerable trading in listed bonds had been indulged in under the close supervision of the Special Committee of the Exchange.

The early part of August, as reflecting the chaotic conditions of the international financial markets, witnessed a heavy decline in the prices in what private trading was carried on; but this soon gave way to a marked and extensive recovery. This describes equally well the movement in stocks and in bonds. The extent to which bonds have shown recovery is reflected in the public quotations again made on the floor of the Stock Exchange.

The trading in stocks through the Clearing House of the Exchange, which still goes unreported, and the unofficial quotations in the New Street market, reflect the recovery which has occurred in stocks. In both the movements offer assurance and encouragement. The change from unquoted to quoted transactions in bonds is even more significant than appears on the surface. It represents essentially an abandonment in large part, if not entirely, of the emergency measures of protection which were adopted to safeguard the financial situation from the result of war upon security values.

It represents an abandonment of these measures in favor of the normal methods of handling the bond market. That implies a comfortable money position, a considerable growth in the investment demand for securities, and an atmosphere of confidence in the place of the tension which naturally existed in the first days after the outbreak of war.

From what has been observed in the trading this week, two important conclusions may be drawn: First, that there has been no dearth of buying orders, but that on the contrary they have equalled, if not exceeded, the selling pressure; and second, that the fear of foreign liquidation has been most groundless, and in not a single instance has there been detected a desire on the part of foreign holders to dump their securities back on us at sacrifice prices. Evidently the foreign investors know a good thing when they have it, and are not over-anxious to separate themselves from a security which is good as gold and which remits its interest payment with increasing regularity.

When we consider the position of stock trading, we find there an equally satisfactory condition. The Stock Exchange Committee has fixed upon a minimum price level, but it is gratifying to note that there are now about eighty stocks which are being traded at or above these "officially recognized" prices. It is natural that these conditions should give increased weight to discussion of the probability of some further move on the part of the Stock Exchange to resume its normal functions. Even among those who have heretofore steadfastly maintained that no reopening for stocks was possible are some who now express the opinion that for those stocks at least which are not held in any quantity abroad it would be feasible to re-establish a public market on the Stock Exchange. It is reasonably argued that the Exchange, having only on Saturday last begun public trading in bonds, will be wise to follow the course of this bond trading for a while before taking any further step. That argument can be admitted, however, without forcing the conclusion that resumption of trading in stocks should still be left indefinitely to the future.

The list of the stocks now being traded in through the Clearing House of the Stock Exchange and the extent of the advance which many of these have over the official minimum figures, which are, in effect, the closing prices of July 30, indicate very clearly the breadth of the recovery which has lately taken place. This recovery fortifies materially the position of those who feel that the problem of re-opening for stock trading should be dealt with as an immediate rather than as a remote possibility.

It should also be noted that on Monday of this week the call money market was formally re-established, with the expected result of a further easing in rates, which after opening at 5 per cent, declined to 4½ per cent. These rates, of course, do not apply to the standing call loans which were carried over from the Stock Exchange position of last July. On these loans brokers have had even during the last month to pay in most instances 6 per cent, and in some cases as high as 7 per cent. This fact has, of course, to be taken into consideration in brokers' statements for the last month.

The interest charges which they have to make to their customers have, of course, to be based upon the average rate of standing loans rather than on the considerably lower rates at which new loans have recently been made.

American bankers could not but have been amused by the statement of the English Chancellor of the Exchequer, David Lloyd George, to the effect that America was debtor to England to the extent of five billion dollars, and that inability to raise on some of this money was more or less crippling British financial operations. That the Chancellor has greatly exaggerated the case is obvious, though he may be pardoned for failing to appreciate the whole facts in the case. 'Tis true that foreign investors hold a large amount of stocks and bonds of various countries, and these have been estimated at six billions of dollars in the aggregate. This includes Continental Europe as well. It is therefore not impossible that British capitalists may amount to the sum mentioned by Mr. Lloyd George.

But this is clearly not an indebtedness, and cannot be construed as such. Bonds are obligations to pay specific sums on specific dates; until those dates arrive they cannot be classed as debts. As for stocks, when not wanted by the purchaser, they are returned to the market, and the only loss to the purchaser is in the price. The only class of securities at prices that will be attractive to new buyers regardless of whether these new buyers reside at home or abroad. In the same way short-term notes merely become fixed forms of indebted-

MISSISSIPPI RIVER POWER EARNING UNDER 4 P.C. ON PREFERRED

Earnings of Mississippi River Power Co. for the ten months ended October 31, 1914, indicate that the company for the full year will fall short of the estimate of \$1,700,000 gross made for it at the opening of the current year by close to \$125,000.

For the ten months gross was \$1,218,321 or at the rate of \$1,882,225 for the year, while net earnings were \$1,083,756 and surplus after charges \$199,588. The company has \$6,000,000 6 per cent preferred stock, which will become cumulative after January 1, 1915, and it is now earning at the rate of a little less than 4 per cent on this stock, which indicates that it will be some time before dividends can be paid on the issue. During the construction period interest at the rate of 6 per cent was paid on the issue price of this preferred, which was 80, or at the rate of 4.80 a year per share, but when the plant was placed in operation these payments ceased, since which time holders of the preferred have received nothing. In addition to its preferred stock the company has \$15,000,000 common stock outstanding.

It is understood that the industrial depression during the current year in the territory surrounding St. Louis and between St. Louis and Keokuk prevented the closing of several profitable contracts and also greatly lessened the amount of power taken by consumers. It is expected that with the revival of industrial activity in the Mississippi valley and the closing of contracts which have been held up, the company will show quite an improvement in its earnings next year.

LONDON MONEY MARKET.

London, December 5.—Money loaned at ¼ to 1 per cent. Business in bills was small at 2½ to 3 per cent.

Dealings in public securities were restricted, but prices were well maintained. American stocks were quiet, with prices unchanged except in Southern Pacific, which was quoted at 84, and Canadian Pacific notes at 106.

Stock Exchange Committee has fixed loans at 6 per cent, and contingencies at 6 to 9 per cent, for the account running from December 11th to 20th.

FOREIGN EXCHANGE.

New York, December 5.—Foreign exchange opened easy with demand sterling at 187½, off ½. Sterling—Cables 4.88½ to 4.89½; demand 4.87½. France—Cables, 5.12; demand 5.13. Mark—Cables 88; demand 87½. Guilders—Cables 40½; demand 40.

COTTON RANGE.

New York, December 5.—Cotton range:
Open. High. Low. 11am.
May 7.51 7.58 7.51 7.56
March 7.35 7.41 7.35 7.40
July 7.66 7.71 7.66 7.71
October 7.94 8.00 7.94 7.96

PROTEST WOOL EMBARGO.

Washington, December 5.—A strenuous protest against continuing the negotiations with Great Britain to have that country lift her export embargo on wool was filed to-day with the State Department by the American Wool Growers' Association.

CHICAGO ELEVATED RAILWAYS.

Chicago, Ill., December 5.—Ira M. Cobe and F. A. Delino have resigned from the Chicago Elevated Railways collateral trust, and the trustees have reduced its governing board from seven to five members. Mr. Cobe has resigned from the executive committee also, but his successor has not yet been selected.

CHICAGO RAILWAYS.

Chicago, Ill., December 5.—Post says discrepancy of \$6,000,000 to \$7,000,000 in Chicago Railways' accounts revealed by M. & L. W. Scudders' report submitted to the city to see for recovery.

EASTERN POWER CORPORATION.

Eastern Power & Light Corporation has declared the regular quarterly dividend 1½ per cent on its preferred stock, payable Dec. 15 to stock of record of December 3.

NORTHERN ONTARIO POWER.

The Northern Ontario, Light and Power Co., Ltd., has declared the regular semi-annual dividend of 3 per cent on the preferred stock, payable January 15 to stock of record December 31.

ness on the day they mature. No one claims that there has been any important default in the payment of interest or principal, when due, in the instance of American securities that are at the moment in the hands of European investors. The most embarrassing form of maturing indebtedness when the war first broke out was the fact that New York City had about \$80,000,000 in gold notes maturing in London during the closing months of the year. This obligation was, however, promptly handled by New York bankers and the creditors paid to the last farthing. The statement of the British officer is therefore somewhat misleading, and does not state the position quite accurately.

Disbursements \$101,643,889.

Disbursements to investors in the way of dividends and interest this month will reach a sum of \$101,643,889, according to an estimate made by The Journal of Commerce. This compares with \$113,847,898 in December a year ago, a decrease of \$12,204,009. Of the grand total dividends will amount to \$40,643,889, a decrease of \$14,704,009. Industrial corporations will pay out to stockholders only \$28,278,791, a decrease of \$12,218,584. Many companies have omitted or reduced their dividends, which explains the poor showing as compared with 1913. In view of the cut in the United States Steel common quarterly dividend from 1¼ to ¾ per cent, the corporation will distribute only \$2,541,612, against \$6,353,781 in 1913. Interest payments will approximate \$61,000,000, against \$58,500,000. The City of New York will disburse \$29,000,000, chiefly for maturing revenue bonds.

Among the more important changes in dividends as compared with the same period a year ago were:

Deferred or Passed.

Asso. Merchants, New Haven, Calumet and Hecla, Pittsburgh Steel pref., Cities Service, Pure Oil, Cities Service pref., United Dry Goods pfd., Greene-Cannans, Washington Railway & Electric common, Lanston Monotype, Nevada Consolidated.

Smaller Payments.

Adams Express, Ohio Oil, American Railways, Southern Pipe Line, Buckeye Pipe Line, Standard Oil of Neb., Childs common, Solar Refining, Crescent P. L., U. S. Steel common, Cumberland Pipe, W. S. Cousins.



MR. E. HAY.
Recently appointed Gen. Mgr. of the Imperial Bank.

AMERICAN MERCHANT MARINE ADVOCATED

Seth Low Says United States Should Compete for Foreign Trade and Save Freight

IMPORTS FREIGHT \$50,000,000

Organized Labor Urged to Discriminate in Favor of Freer Laws in Manning and Building Ships, so That American Tonnage May be Nearly on an Even Footing With Other Nations.

New York, December 5.—At the fifteenth annual meeting of the National Civic Federation at the Hotel Astor, President Seth Low, in his opening address, discussed the subjects of immigration, unemployment and anti-trust legislation, but dwelt mainly on the need of a merchant marine as demonstrated by the country's experience under the conditions forced upon us by the European war. Mr. Low said, in part: "When it was suddenly realized that the most powerful and the largest maritime nations of the world were at war, the American people saw, as though it were brought out by a searchlight, how essential it is for this country that it should have its own merchant marine for foreign commerce."

"This conviction was brought home to us in two ways. When the European war broke out the absence of an American merchant marine seriously delayed the resumption of our exports; though these were steadily resumed to some quarters of the globe, under foreign flags, as the market for foreign exchange slowly enlarged. It is true, nevertheless, that in time of war neutral trade is better carried on in neutral bottoms than in the bottoms of a belligerent, even though that belligerent happens to command the seas. The ocean is vast, and there are still places to which American ships, if we had them, could sail safely, where even English ships to-day are subject to capture and destruction. It has been brought home to us also with stunning effect to what an extent this country has borrowed capital from Europe, so that, if, as towards Europe, a debtor nation, it is estimated that as much as \$500,000,000 must be paid annually to Europe in the way of interest and dividends; to meet the outlay of travellers, for freight money and the like. The freight paid upon our import business alone is believed to be about \$50,000,000 annually."

"To the extent that an American merchant marine can do our own foreign carrying trade, we should keep at home the freight money which we are now obliged to send abroad. A fortunate solution of this problem requires that the distinction between coastwise shipping and foreign shipping should be rigidly maintained. Coastwise shipping under our laws enjoys a monopoly; and because it does, those who engage in it can be compelled to use only American built ships, and to maintain on those vessels the standards of life and service which conform to the American ideal. Our foreign shipping, on the other hand, has to compete on the open ocean with the ships of all maritime nations. If our ships are to compete at all they must be relieved of every handicap; but they can continue to pay American wages, no doubt; but they can not employ a larger number of men than other nations require. Neither can they be called upon to pay higher tonnage dues than the ships of other nations. In other words, if they are to compete with the world on even terms, our own country must not itself make the terms of the competition unequal, by making requirements of our foreign-going ships which no foreign nation makes of the vessels with which we must compete."

Referring to the 138 ships which have sought registry under the emergency shipping act, President Low said: "Whether these ships will remain under the American flag at the expiration of the two-year period fixed by the President, depends upon whether, in the meantime, the navigation laws have been amended as to ships engaged in foreign trade, in a way to make the use of such vessels under our flag permanently possible. I speak of this question here, because it

NO CHANGES IN PRICES INDICATED IN THE NEW YORK BOND MARKET

New York, December 5.—The bond market opening was quiet and steady with practically no changes in prices. Attendance in the street was light and little business was expected in the course of the two hour session.

Chicago, Rock Island and Pacific Railroad collateral trust 4's were most active feature, the dealings being chiefly in the trust certificate, the price of which was 23 an advance of ¼ over Friday's closing figure.

First sale in Seaboard Adjustment 4's was of one bond at 64, unchanged from Friday's close, but it was immediately followed by another sale of a single bond at 63½.

Southern Pacific convertible 5's started unchanged at 94½, and their ability to hold their little recovery from the low figure was favorably commented upon.

BALDWIN LOCOMOTIVE STOCK SUIT.

New York, December 5.—George H. Robinson, of the firm of Plak & Robinson, in his suit against Alva B. Johnson, president of the Baldwin Locomotive Works, was awarded a verdict of \$125,000 by the jury in Judge Augustus N. Hand's part of the Federal Court, which has during the past ten days tried the suit. Mr. Robinson sued for \$500,000 commission, claimed as a minimum amount under an agreement of exclusive sale. The plaintiff claimed that he had practically sold the Baldwin Locomotive Works to Kuhn, Loeb & Co., and J. P. Morgan & Co. During the pendency of these negotiations Mr. Johnson entered into negotiations with White, Weld & Co. and Drexel & Co. of Philadelphia, to whom Johnson sold the Baldwin Locomotive Works without consulting his agent, Mr. Robinson.

C. B. AND Q. DIVIDEND.

New York, December 5.—Chicago, Burlington and Quincy declared its regular quarterly dividend of 2 per cent payable December 26th to stock of record December 19th.

FURTHER LIST OF STOCKS MADE.

Philadelphia, December 5.—On and after December 7th, transactions will be permitted in the following additional stocks at not less than minimum prices, established by the Special Committee of Five:—

American Can common; Amalgamated Copper, Interboro-Metro, common receipts; Norfolk and Western, Union Pacific, Southern Pacific, Central Leather, United States Steel common and preferred, and Utah Copper.

CHICAGO OPENING.

Chicago, December 5.—Opening—Wheat—Dec., 116½, up ¼; May, 121½ to ¼, up ¼ to ½; Corn—Dec., 44 to 48½, up ¼ to ½; May, 69½ to ¾, up ¼ to ½.

BAR SILVER 40½.

New York, December 5.—Handy and Harman quote silver 40½ c. London bar silver 23 1-16d.

CALIFORNIA'S AREA AND POPULATION.

Washington, December 5.—The area of California, 158,297 square miles, is approximately equal to the combined area of Roumania, Bulgaria, Serbia, Albania, Montenegro, Belgium and Turkey in Europe. The population of California, according to the latest census, was 2,377,000, as against 28,532,000 for the European countries named.

Immediately involves the attitude of organized labor. If organized labor were to take the same attitude towards American ships engaged in foreign trade, which compete and must compete unaided with the ships of every maritime nation, as it takes towards coastwise shipping, a conflict between organized labor and those who want a foreign merchant marine will be inevitable.

"The whole country realizes to-day, as it never did before, how vital to the interests of the nation as a whole is the possession of a foreign merchant marine sailing under the American flag. Such a marine, although it might offer no compliance with the standards of organized labor as achieved and maintained in and for the United States, on the other hand would take nothing from those standards, and does not endanger them; while indirectly it would bring advantages to organized labor in this country as well as to all other American citizens. When our American-made merchandise is carried in foreign bottoms to a foreign country, those connected with the ship have no interest in helping it to secure a foreign market. When such merchandise is carried in an American bottom, those sailing the ship have a patriotic interest in helping our trade. This is not so small a matter as it may seem. In the commercial competition of the world there is not margin enough to permit any nation to handicap itself unnecessarily."

PHILADELPHIA MARKET FIRM.

Philadelphia, December 5.—The market opened firm. Sales:—

Union Traction 39½
Tonopah Belmont 43½ up 1-16
Electric Storage 49
Penna. Salt 95

MOTOR-SHIP MALAPPA ARRIVES IN VANCOUVER.

The Danish motor-ship the Malappa was the second ship of her kind to arrive in Vancouver last week. She carried about 1,000 tons of cargo.

SAILED FOR ALASKA.

The steamer Bertha, of the Pacific Alaska Navigation Co., left Seattle last week for Alaska carrying 300 tons of sacked flint pebbles, which had been brought to Seattle on the Danish motor-ship Malappa. The pebbles are to be used for grinding gold bearing ore by a new process recently discovered.

THE COFFEE MARKETS.

New York, December 5.—Rio market up 75 ries. Stock 395,000 bags. Year ago 468,000. Santos market unchanged. Stock 1,775,000; year ago 2,756,000 bags. Port receipts 66,000; year ago 83,000. Interior receipts 97,000; year ago 105,000. Rate of Rio exchange on London up ¼ to 13½d.

LLOYDS BANK LIMITED

Chairman: R. V. VASSAR-SMITH.
Deputy Chairman: J. W. BEAUMONT PEARCE.

Capital Subscribed - - - £31,304,200
Capital paid up - - - 5,008,672
Reserve Fund - - - 3,600,000
Advances, &c. - - - 56,839,921
Deposits, &c. - - - 107,321,851

THIS BANK HAS OVER 850 OFFICES IN ENGLAND AND WALES.

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