IMPORTS OF TEXTILE MATERIALS IS HEAVY

Shutting out of German Imports has had Only Minor Bearing in Decrease in Total

COTTON FABRICS DECREASE

Seven Months Ending With February Shows Greater Activity Among Knitting Mills and Other Consumers of Imported Cotton Yarns.

By E. S. BATES.

The condition of the dry goods market in Canada has been far from satisfactory during the past eighteen months or two years, there being a slackening demand from all over the country. This condition had followed a period of several years of heavy buying, especially in the West. Stocks had accumulated and on the letting up of the boom in the West wholesalers and jobbers found themselves with their warehouses full of goods for which the demand was limited for the time being. The interval, however, has acted as a regulator. Stocks have been reduced to a very satisfactory level, and the trade anticipates considerable activity in the market in the near future; perhaps, not before the crop is assured, or there is more definite knowledge as to when the war will end. As a considerable portion of the textiles consumed in Canada is imported, statistics of these imports reflect the condition of the market to no small extent. What has occurred in this regard since the outbreak of war will therefore be interesting.

During the period August 1st, 1914, to February 28th, 1915, the latest for which statistics are available, there was a big decrease in the imports of all kinds of textile fabrics, as compared with the corresponding period of 1913-14. Of course, the imports from Germany since August 1st last has been nil and as Canada consumes a comparatively heavy amount of German textiles each year, one naturally expects to find the shutting off of German goods reflected in the import returns to some extent. However, where the demand has been such that the materials formerly imported from Germany have been required, they have either been obtained elsewhere or substituted by other materials so that the fact that German goods have been shut out of the country has had only a minor bearing on the decrease in total imports that has taken place not only in our trade with Germany, Belgium and France, but also in that with Great Britain and the United States in the case of textile fabrics.

Imports of Textile Materials.

The following table showing the total imports of all classes of textile materials into Canada during the periods August 1st, 1914, to February 28th, 1915, and August 1st, 1913, to February 29th, 1914, reflects not only upon the comparative condition of the dry goods market during the two periods, but also upon the activity among the textile mills during the comparative periods and contains a host of information in that regard:

Table A.

Imports of Textile materials into Canada between the periods.

	Aug. 1, 1913. to Feb. 29, 1914.	Aug. 1, 1914. to Feb. 28, 1915.
Raw Cotton	1,924,077	1,387,961
Cotton Yarn	544,741	347,852
Cotton Fabrics	13,958,905	10,401,372
Flax, Hemp, Jute & Mfrs. of	3,904,485	3,119,847
Silk & Mfrs. of	5,992,503	4,582,254
Wool Noils	630,286	848,446
Raw Wool	1,061,461	2,584,120
Yarn	1,274,578	708,480
Woolen Fabrics	14,701,248	10,898,139

The decrease in imports of cotton fabrics, including all classes of cotton goods except yarn and raw cotton, is shown to have amounted to $3,557,533; of flax, hemp, jute and manufactures of, to $784,638; of silk and manufactures of, to $1,410,249; and of woolen fabrics, including all classes of woolen goods except noils, raw wool and yarn to $3,803,109. This decrease had been evident during the last fiscal year amounting, in the case of cotton fabrics to $2,982,445, and of woolen fabrics to $2,870,198.

Some Comparative Imports.

But it has been more marked since the outbreak of war, as will be seen from the following tables, showing the comparative imports during the four months ending July 1913 and July 1914, and the eleven months ending February 1914 and February 1915.

Table B.

	Four months ending July 1913.	July 1914.
Raw Cotton	1,924,077	1,387,961
Cotton yarn	544,741	347,852
Cotton fabrics, etc.	9,033,500	7,071,186
Flax, Hemp, Jute & Mfrs. of	3,711,068	2,378,037
Silk & Mfrs. of	2,836,386	2,713,480
Wool noils	365,040	264,847
Wool Noils	995,326	1,113,293
Raw Wool	1,732,231	3,046,495
Yarn	1,126,362	506,888
Woolen fabrics	8,933,835	5,952,684

Table C.

	Eleven months ending Feb. 1914.	Feb. 1915.
Raw Cotton	8,638,088	5,324,650
Cotton Yarn	1,191,226	970,553
Cotton Fabrics	22,992,405	17,472,558
Flax, Hemp, Jute & Mfrs. of	7,615,553	5,497,884
Silk & Mfrs. of	8,828,889	7,295,734
Wool Noils	1,732,231	3,046,495
Yarn	2,400,940	1,315,368
Woolen Fabrics	23,635,083	16,850,823

Imports of Raw Materials.

The figures showing the imports of raw materials, yarns, etc., throw some light upon the activity among the textile mills during the comparative periods. The decrease in the value of the imports of raw cotton, as shown in Table A, is considerable, but does not reflect less activity among the cotton mills to the extent as would appear to be indicated, on account of the higher prices at which cotton was selling during the 1913-14 period, and also to the fact that the cotton exchanges of the United States were closed for some part of the period, August 1st, 1914, to February 29th, 1915, and only small quantities of cotton were dealt in during that time. The decrease in imports during the 11 months ending February, 1915, as compared with the corresponding period ending February 1914, amounted to 10,507,566 pounds, which, in view of the lower prices prevailing during the latter part of the former period does reflect considerably less activity among the mills during that period.

The imports of cotton yarn reflect a somewhat different situation, however, as noted by the increase shown in Table A, which was somewhat larger in quantity than is indicated on account of the lower prices at which cotton yarn has been selling, as compared with the previous period. A comparison of the figures of Tables B and A showing the imports of cotton yarn further substantiates this fact, as up till the end of July, 1914, the imports had fallen off considerably, thereby indicating a much larger consumption of cotton yarn during the seven months ending February, 1915, than during the previous period, as well as corresponding greater activity among the knitting mills and other consumers of imported cotton yarns.

War Orders for Clothing

A similar condition is indicated in the imports of noils and tops, and raw wool during the seven months ending February, 1914, and 1915. The war orders for army clothing supplies and the consequent increased activity among the woolen and knitting mills increased the demand for raw material supplies, and although considerable decrease is noted in the imports of woolen yarns (Table A) due to the difficulty in securing such supplies in Great Britain on account of the competitive demand form the British mills, the decrease is more than made up by the increase in imports of wool and noils, the yarn having been manufactured in Canada, instead of being imported. Some of the increase in wool imports can be laid to the fact that supplies of domestic wool on August 1st last were comparatively small on account of the activity of the United States wool dealers in buying up a big portion of the last clip, but this and the fact that prices have been very high can only account for a small portion of the increase. Much more activity among the woolen and knitting mills during the seven months period ending February 1915, than during the same period ending February, 1914, is clearly indicated.

The conclusions drawn are, of course, only approximate, but in the face of general trade depression and the decreased demand in the dry goods market the reflected condition among the mills is most satisfactory and should do much to enable them to go after the increased domestic trade that will undoubtedly take place before the end of the year.

LONDON'S STOCK EXCHANGE LOANS HAVE BEEN GREATLY REDUCED

London, May 12.— The managing directors of the joint stock banks, Colonial as well as Metropolitan, are expressing considerable satisfaction at the manner in which their Stock Exchange loans outstanding at the commencement of the war have recently been reduced.

In certain cases 50 per cent. of the original total has been paid off in cash, while the sum still outstanding is fully covered by the current level of market values for public securities accepted as "collateral."

This is not to say that the "margin of safety" is up to the level demanded by the banks in ordinary times, but the position of the lending institutions is at least sufficiently secure to relieve the administration of any anxiety regarding their loan business.

Moreover, as the tendency appears to be for Stock Exchange quotations to further recover, the margin between the amount of the loans still outstanding on Stock Exchange account and the collateral security deposited against them is likely to broaden.

The period of nearly nine months which has elapsed since the outbreak of the war has naturally been one of great anxiety for those with large sums outstanding against Stock Exchange investments, but the recent return of confidence in Throgmorton Street has so improved the situation and outlook that there is no longer any cause for misgiving.

Obviously the intrinsic merits of bank shares are improved by the recent turn of events, and the very large number of persons who hold such issues among their investments will be glad to know that the present trend of events on the Stock Exchange is favorable to those upon whom Throgmorton Street relies in the long run for financial support and assistance.

MAXWELL MOTOR COMPANY PLACES 1st PREFERRED STOCK ON DIVIDEND BASIS.

New York, May 12. First preferred stock of Maxwell Motor Company by the action of the directors to-day is placed on a regular 7 per cent basis and payment of accrued dividends is began by the declaration of an additional ¾ of 1 per cent.

The current year has been an exceptionally profitable one for the Maxwell Company, and indications are that in the twelve months ending July 31st next, the company will have earned a net balance of about $3,000,000 compared with $1,505,000 in 1914 fiscal year.

ONE WAY OF INTERESTING CUSTOMERS IN BANK'S SUCCESS

In an effort to interest stockholders in the success of the bank a very successful institution has made a point of binding its customers with hoops of steel by having them purchase its stock when the opportunity offers. Of course, the customer is not over-persuaded, but if a block of stock comes on the market, or the banker knows where it may be obtained, he can very well suggest to the customer that the bank would like for him to hold some of it. Usually it is a good investment, and the man who has his money invested in a bank stock does everything he can to help the cause of that institution.

In one case which developed not long ago a prominent manufacturer was being solicited by another bank, and was wobbling considerably. It looked as though the institution which had the account was about to lose it. The importance of the business was increased by reason of the fact that he was interested in several other large enterprises, which would be considerably influenced by his attitude on the subject of a proper banking connection.

At the psychological moment the manager, who realized the situation, succeeded in locating twenty-five shares of the stock, which is closely held, and is not often offered for sale. He placed it before the depositor, emphasizing the fact that the bank regarded him as its friend, and wanted him to be even more interested in its welfare than he had been. He was pleased and flattered by the offer, and not only bought the stock, and kept his account at the bank, but also used his influence to get other business for it.

EASTERN STEAMSHIP CORPORATION.

Boston, Mass., May 12.—Holders of coupons of the Eastern Steamship Corporation, Portland Consolidated Company and Maine Steamship Company bonds which have been in default, may now obtain their money by presenting coupons at the Old Colony Trust Company of Boston for payment.

MR. C. F. SISE, JR.,
General Manager Bell Telephone Company.

MARCONI WIRELESS STILL EXPANDING

Ship and Shore Equipments Operated Twenty Times That of Three Years ago

MANY PATENT INFRINGEMENTS

As Result Building Up of Company to Its Present Strength and Importance Has Been Made Doubly Difficult.

The Marconi Wireless Telegraph Company of America has issued its first comprehensive report of operations giving gross earnings from operation with operating and administrative expenses and net earnings from operations. Previous reports have been on a different basis so that no comparison is possible.

For the year 1914, gross earnings from operation were $756,573 and all expenses $634,958, leaving net earnings from operation of $121,614. Income from investment of surplus funds was $150,274, making a total net income of $271,889.

Out of this $122,000 was charged off for depreciation, $59,500 being on coast and ship stations, $50,000 on patents and $12,500 for contingencies.

This left a net income for the year of $149,877 which was carried to surplus account, making the total on December 31, $364,571. The net income for the year was equal to about 1.6 per cent. on the $9,402,070 capital stock outstanding.

The company is in a very strong financial position, having $838,436 cash on hand or on call and accounts receivable of $393,335, making total current assets of $1,231,771 against which it owed accounts payable of $404,228, or a surplus of net cash assets of about $825,000.

In addition the company has investments in railroad and municipal bonds and notes of a book value of $1,400,000 and the market value is in excess of the book value. The fixed assets of the company are valued at $4,623,117.

Of National Importance.

President Griggs says that the number of ship and shore equipments now operated is approximately 20 times that of three years ago when this company took over the tangible assets of the United Wireless Telegraph Company.

This growth has made imperative a proper organization to operate the company as a public utility of nationwide importance, and the development of a competent organization and working staff to conduct the business economically and efficiently has been one of the most noteworthy achievements of the past year.

Through exhaustive study of present requirements and future needs many vital readjustments in administration policies have been effected; a searching investigation has been made to determine manufacturing costs and the operations of the company have been placed on a basis which is fair and equable to patrons but allows the company a greater margin of profit.

For the first time since the organization of the company the field of wireless communication has been cleared for proper development. Building up the company to its present strength and importance, which would ordinarily have been a hard enough task, has been made doubly difficult by meeting with competition of companies having no regard for the Marconi Company's vested patent rights.

The accomplishments of the past year, however, reflect the wisdom of the early established and steadily maintained policy of the company; to remain a progressive public serving utility, directing every energy to bring the wireless art to its highest possible perfection, conducting its business on a fair margin of profit, and at all times giving its clients the best possible service.

Service Steadily Extended.

In conformity with public demand the company's service has been steadily extended and its apparatus developed to a standard recognized by the government, the steamship owners, railroads and large industrial companies.

The company is just opening the first link in a chain of wireless stations between the northwest coast of the United States and Alaska and its service between San Francisco and Honolulu opened last September is rendering satisfactory service.

The arrangements for direct service between New York and London had been practically completed when the war broke out and the English stations were commandeered by the British Admiralty, probably suspending the service until the end of the war.

Direct service between Boston and Norway which was almost provided for was also stopped by the war and probably cannot be instituted until the war is over.

The Lackawanna Railroad has installed a Marconi system and wireless telegraphy as an auxiliary means of communication is now receiving the close attention of railroad organizations and from all appearances this branch of the company's business is soon to be expanded considerably.

Several important court decisions have been rendered in the favor of the company in long pending patent litigation while others are still in process of trial.

It is practically assured that during the current year a commercial wireless telephone will be placed on the market.

New Source of Revenue.

While in the past year there has been created a new source of revenue from trans-Pacific stations, the message traffic between shore and ship has been greatly affected by the war. The revenue from ships flying the American flag has been considerably increased, but the gain thus made has not been sufficient to offset the losses due to the withdrawal of so many foreign ships from American waters.

Beginning with November, the curtailment of the revenue from long distance press service and ship traffic show distinct losses over previous years, yet prior to that time and notwithstanding the war, the company's message traffic between shore and ship every month showed a handsome increase over previous years.

That this increase would have been greater but for the war goes without saying but the fact remains nevertheless that revenue from message traffic has been seriously affected by the paralyzing effect of the European hostilities on maritime commerce.

In a period of abnormal conditions the company has made steady progress in development of necessary organization and provision for future betterment and growth when the plans for expansion shall be made operative with the close of the war.

MONTREAL TALKED TO FRISCO OVER LONG DISTANCE WIRE

First Telephone Conversation Held Between Bell Telephone Officials and Guests in Two Cities—Historic Event Entirely Successful.

Montreal's first long distance telephone talk with San Francisco was held yesterday afternoon, several officials and guests of the Bell Telephone Co. here conversing for upwards of an hour with officials and guests of the company at its building at the Panama-Pacific Exposition. The sounds were conveyed over the 3,800 miles with almost as much clarity as in local calls, while a gramophone concert was heard as easily as it would be in the same building.

Telephone connection was established between the two cities at 5 o'clock yesterday evening by Montreal time, and 2 o'clock by 'Frisco time. The route of the wires is from San Fransico to Salt Lake City, 770 miles; Salt Lake City to Denver, 580 miles; Denver to Omaha, 585 miles; Omaha to Chicago, 500 miles. At Chicago the line branches, one branch going to Pittsburg, 545 miles, and thence to New York, 390 miles from Pittsburg. The other branch goes from Chicago to Buffalo, and thence to New York. Boston is reached from this branch by way of Buffalo. In the service from Montreal to the Pacific coast there are 13,000 miles of wire. On the wires of the transcontinental line sound travels 56,000 miles per second. It takes a sound wave one-fifteenth of a second to be transmitted to San Francisco.

Mr. C. F. Sise, Jr., General Manager of the Bell Telephone Co. of Canada, was the host on this historic occasion, and amongst the guests at the telephones were Sir Herbert Holt, President of the Royal Bank; Mr. Geo. Benson, President of the Board of Trade; Mr. H. B. Walker, Manager of the Canadian Bank of Commerce; Mr. Frank Pauze, President of the Chambre de Commerce; Mr. M. E. Allan, of the Northern Electric Co., and Mr. James Sutherland, of Verret, Stewart and Co.

Amongst those with whom they conversed were Col Hutchison, Canadian Commissioner at the San Francisco World's Fair, Mr. Dawson, secretary of the U. S. Senate; Mr. Deville, of the American Telegraph and Telephone Co., and Mr. Peck, chairman of the press committee of the exposition. Several of those at this end sent messages to friends and relatives in the far distant city, and the demonstration concluded with a brief concert, played on a gramophone nearly 4,000 miles distant.

NEWFOUNDLAND MAY GET THE ST. PIERRE ISLANDS

St. Johns, N.F., May 12.— The possibility that the Miquelon Archipelago, the last North American possession of France, may be annexed to Newfoundland at the close of the European war is being given serious consideration in this colony. The little islands of St. Pierre, Miquelon and Langlade, a short distance off the south coast of Newfoundland, have formed for two centuries the advance base for the French cod fishery on the Grand Banks. In recent years the prosperity of the tiny colony has steadily diminished, and all possibility of industrial progress for some time to come was destroyed when the French Government, in February last, summoned all the able-bodied men in the islands to the colors.

The town of St. Pierre, where most of the colonists live, is now inhabited only by aged men, women and children. It is considered probable that such of the conscripts as survive the war will be reluctant to return to a struggling existence in the colony, and will seek wider opportunities in France. Since bait-fishing by the French has been largely supplemented by steam trawlers, the usefulness of the fisheries outpost has become slight.

It is the opinion of many Newfoundlanders, therefore, that France will find it to her advantage to turn the islands over to Newfoundland in return for fishing facilities in these waters.

UNITED STATES TO BECOME BIG INVESTOR

This Phase of Finance After War will Fill Larger Place in Business of Republic

ENTERPRISE STIMULATED

America is Now Lending Largely to Countries That Were Formerly Wont to Turn to Great Britain and France For Accommodation.

Discussing the monetary situation, The Statist in its current issue says:

"It is reasonable to expect that if the war lasts for any length of time we shall see high rates of both interest and discount in New York. The rise up to the present has not been excessive, and it will probably be kept within bounds if the belief prevails that the war will come to an end, say, in the late summer or in the late autumn at the latest. Whereas if the belief is that the war will be spun out there will be more extensions of all manufactures, and, therefore, more preparation for supplying Europe with everything she needs, because the longer the war lasts the more will be the exhaustion of the belligerents. No man, then, can form anything like a confident opinion as to the probable duration of the rise in the United States money market unless he has a reasoned and apparently, at all events, well-founded opinion as to the probable time the war will go on.

"Then, too, the actual movement of rates in New York will be influenced to some extent by special events of the war, whether it be long or short. For example, if large land forces co-operate with the Fleets attacking the Dardanelles, and if the land forces are speedily able to silence and capture the different forts, there will be little difficulty in clearing away mines, and the advance of the Fleets will be comparatively rapid to Constantinople itself. On the other hand, if the defence of Constantinople is protracted the duration of the war will promise to be prolonged likewise, and the tendency will be for rates to rise in the United States. Whereas if the Dardanelles are thrown open quickly Russia will be able to export the grain which has been shut up ever since harvest-time; and, therefore, one great cause of the increased activity of business in the United States will be immensely lessened.

"On the other hand, it is to be recollected that the great access of wealth brought to the United States by the war is likely to stimulate enterprise in the country in a new direction. Hitherto the United States has been a debtor country. For long the resources of the great Republic were so vast and so much in need of development that American capital was never sufficient for the needs of America, and consequently, America was nearly always a borrower. Now the great lending countries of Europe are engaged in a war so colossal that to finance it taxes their whole ability. Countries, therefore, that used to look to London and Paris for financial accommodation are compelled to look elsewhere at present, and it is quite possible, therefore, that a form of business may grow up which may tend to consolidate the new position of the United States. The modified banking system ought to help in such a development, and whether America becomes a great world lender or whether for a considerable time yet she contents herself with being a lender to the less developed parts of her own territory, the probability seems to be that investment will take a larger part in the business of the great Republic than it has hitherto done.

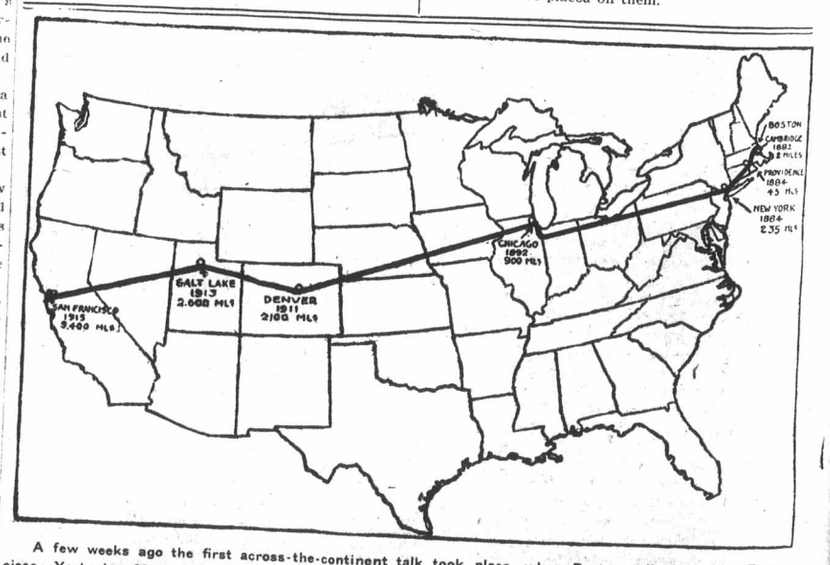
"Open-market rates of discount are practically unchanged. The new departure of the Treasury in offering to sell Treasury bills over the counter has met with quite as much support as could be expected, for notwithstanding the money thereby taken off the market short loans in Lombard Street have been obtainable by the discount brokers frequently at below 2 per cent. for weekly fixtures, although the joint-stock banks have made 2 per cent. their minimum, while loans over the night have been offering occasionally down to nearly 1 per cent. So far the operations of the Government have not had any appreciable influence in reducing the floating supply of cash or raising discount rates."

ONTARIO GOVERNMENT LOAN.

Toronto, Ont., May 12.—The Provincial Government has been further successful in securing a loan on favorable terms. In addition to recent flotations amounting to $3,000,000, it was found necessary to borrow $4,000,000. It was in the form of a ten-year issue at 4½ per cent. The deal was closed at 96.55 with interest, which is equal to par 4.93.

A syndicate composed of Wood, Gundy & Co and A. E. Ames & Co. accepted the whole issue, and it will be subject to succession duties and the usual taxes. Consequently it is almost certain that the bonds will be floated in the United States.

Canadian people are not likely to buy bonds that are liable to Provincial taxation and succession duties, while if the bonds are taken up in the States no taxes can be placed on them.



A few weeks ago the first across-the-continent talk took place, when Boston talked to San Francisco. Yesterday Montreal was linked up with San Francisco, a distance of 3,800 miles.