

DECREASES CONTINUE TO MARK BANK CLEARINGS

Five days only are included in the record of bank clearings for the past week, owing to the observance both this year and last of the King's birthday. Most of the larger cities continue to show substantial decreases in their returns.

Montreal, Vancouver, Winnipeg, Toronto and Edmonton, is the order of those that show a decline of a million or over.

Here is the record:

	June 4th, 1914.	June 5th, 1913.	Decrease.
Montreal	\$7,648,587	\$56,992,179	\$9,442,592
Toronto	37,520,322	40,659,552	3,139,230
Winnipeg	24,416,005	28,765,547	4,349,542
Vancouver	7,922,831	11,639,481	3,716,650
Calgary	4,487,120	4,500,326	13,206
Quebec	2,553,094	3,208,345	655,251
Edmonton	3,187,564	4,777,303	1,589,739
Ottawa	2,597,729	4,126,738	1,529,009
Hamilton	3,022,808	3,839,772	816,964
Victoria	2,356,948	3,225,297	868,349
Regina	1,736,390	2,020,534	284,144
Halifax	1,782,121	2,272,782	490,661
Saskatoon	1,020,374	1,932,656	912,282
London	1,573,124	1,796,531	223,407
St. John	3,321,173	1,465,953	1,855,220
Moose Jaw	824,183	1,195,201	371,018
Fort William	710,435	859,993	149,558
Brandon	559,308	823,969	264,661
Lethbridge	412,525	622,535	210,010
New Westminster	405,390	609,614	204,224
Medicine Hat	398,238	608,473	210,235
Total	\$77,393	\$57,705	\$20,688

x Five days only, King's Birthday.

MAY REDUCE MONEY RATES CANADIAN CONVERTERS

Signs that Banks Feel Time for General Retrenchment is Over

CROPS ARE EXCELLENT TOTAL PROFITS \$121,455

Wheat Acreage Should be About Same as Last Year, But Other Grains Will Probably Show a Slight Increase.

A certain amount of business activity has been stimulated by the advent of Spring. Warm weather was so long delayed that it had become a matter of considerable importance by the time it finally arrived. While no very general return to active business had begun until a good harvest had been reaped, the seasonal improvement is interesting in that it probably marks a milestone in our economic history.

These remarks are made by Messrs. Greenhalgh and Co., in their current review of the financial situation, who proceed as follows:

Those who study the financial and business situation understand that since the high point of speculative activity in the autumn of 1912, which was interrupted by an era of tight money, business has been going through the process of getting down to rock bottom.

Plan for Future.

Rock bottom in business means a condition where stocks of merchandise, commodities and securities are well distributed in the hands of consumers, a condition in which nothing is being carried, purchased, or contracted for, unless it is actually needed to supply an existing want rather than a prospective demand.

After business reaches a condition like that, it is time to plan for the future. The more restricted business becomes, the more certain we can be that we are reaching rock bottom, the more certain we can be that we are reaching the turn.

Because such restriction involves a decrease in the demand for funds, it brings easier money. In due time easier money brings a revival of business. Generally a revival in the stock market comes first because that market discounts what the financial community expects business to do in the future.

Although we have been in a period of depression for a long time, resulting in considerable increase in the amount of money available, the rates have not yet been reduced to any great extent. The stock market in due course will probably discount the coming of a new era, but not until money rates on collateral loans are reduced. The rates will be reduced when the banks feel that the necessity for general retrenchment is over. There are signs that such a time is near.

Waiting for Crop.

Bankers and merchants are now waiting for the 1914 crop. If we have as good a crop as we did last year we can feel reasonably sure of a revival in the latter half of 1914 leading to years of prosperity. So far the outlook is good. Although seeding was a little late on account of the tardiness of Spring, no harm was done. In all parts the soil is reported to be in excellent condition. The wheat acreage should be about the same as last year. The other crops will probably show a small aggregate increase. In the West the ground was in good shape after a mild winter. The condition of fall wheat is generally satisfactory in the East.

In connection with the country's crops some interesting estimates have just been made by the Department of Trade and Commerce. The estimate of the total land in the Dominion of Canada, amounting to about a billion and a half acres, the possible farm land is estimated at 440,000,000 acres, or about one-third. Of this all that is occupied at the present time is about 109,000,000 acres, or about one-quarter. Of the land occupied, only about 35,000,000 acres, or one-third, is under cultivation. In other words, there is twelve times as much land capable of producing crops in this country as is now under cultivation.

Possible Farm Land.

These estimates have been very carefully made, and, considering that only 21 per cent. of the total area is estimated to be possible farm land, must be considered highly conservative. No account has been taken of

This Was a Decrease of \$9,030 From the Preceding Year, or About 7 per Cent. — Making Better Class of Goods.

Very satisfactory results are disclosed in the report of the Canadian Converters Company, Ltd.

The trading profits for the year ending April 30th last were \$121,454, a decrease of \$9,031.

But the earnings for the past year, in which general business depression existed, are set over against those of the best year in the company's history, when the gain was more than 45 per cent. over 1913.

The small falling away, therefore, is cause for gratification rather than otherwise.

Income Account Compared.

	1914-13	1913-12
Profits for year	\$121,454	\$130,485
Less bond interest	25,365	26,265
Net income	\$96,089	\$104,220
Less depreciation	7,500	11,600
Less written off for	\$88,590	\$92,726
Bad debts	15,000	5,000
Balance	\$73,599	\$87,720
Less dividends	\$69,840	69,340
Surplus for year	4,759	18,380
Previous balance	160,150	141,770
Total surplus	\$164,909	\$160,150

Equal to 4.3 per cent. against 5.1 per cent. in preceding year.

Bonds Were Retired.

Mr. James H. Gordon, the president of the company, in his report points out that the plants of all the subsidiary companies had been kept up to their full state of efficiency and the reserve for depreciation substantially increased.

During the year another \$15,000 bonds of the Standard Shirt Manufacturing Company had been retired and the corresponding amount of the bonds of the Canadian Converter Co. Ltd., released from escrow were held by the company.

Stocks in Hand.

While the amount of stock in hand is \$50,000 higher than a year ago, it is understood that many lines of merchandise were purchased at lower figures than can be quoted to day, and further, that materials for the making of fall goods were taken in earlier this spring in order that customers' orders could be filled nearer the date at which they were wanted than in previous seasons.

The company has entered into the making of a better class of goods, and recently added a large department for the manufacture of "Olson" one-piece combination suits, for which it has the Canadian rights. This department already had large sales to the retail trade, and promises to be a profitable adjunct to the company's business. The directors look for more active business in all lines before long.

Forests and swamp lands which may ultimately be tilled, nor of northern areas of which the agricultural possibilities are at present unknown, because unexplored and unsurveyed. The facts as to Canada's position in the world's food supply are, so far as the world's food supply is concerned, were set forth in our Review of February last, in which a summary was given of an analysis made by the United States Department of Agriculture at Ghent. At that time it was stated that the world's supply of grain was not keeping pace with the demand and that in years to come the world would look mainly to Canada for its supply of wheat. In other words, we still have eleven-twelfths of our agricultural development ahead of us, and we are sure of a market for what it may produce. And agricultural development is first and always the basis of other development and enduring prosperity.

GERMANY'S BIG BANK MERGER

Will Have a Capital Larger Than any Other in the World

MUCH PUBLIC INTEREST

Institution Involves Great Increase of Power and Chances of Making Profit. — Capital of 47,000,000 Marks.

Berlin, June 4.—No other financial event in Germany for a long time past has stirred up public attention to such an extent as has been the case with the recent announcement of the amalgamation of two big Berlin banks, the Disconto-Gesellschaft and the A. Schaaffhausen-Scherbankverein. This transaction is an event of the real importance as it is the biggest financial transaction ever carried through among German firms.

As to the advantages of this fusion and of the raising of the capital of the Disconto-Gesellschaft in connection herewith after satisfying the claims of the bank's shareholders, after settling the important sums of money and the assets of the bank, and after providing for the fees of the transaction amounting to many millions marks, there remains a profit of about 7,000,000 marks to be added to the reserves of the bank.

Another point is the great increase of power and chances of making profits which will result from the many influential clients of the bank, and the fact that the bank is the largest in Germany.

In this way the Disconto-Gesellschaft once enlarges considerably the sphere of its influence in the Rhineland-Westphalian provinces.

On carrying through this transaction the Disconto-Gesellschaft is again the head of the German banks, dispossessing altogether of a capital of 47,000,000 marks the Norddeutsche Bank and the A. Schaaffhausen-Scherbankverein respectively.

It becomes, therefore, the largest capitalized bank in the world, for the bank, the Societe Generale, amounts to 200,000,000 marks and that of the English bank, Lloyd's bank a London, only \$4,000,000 marks.

MONTREAL TRAMWAYS

The annual year of the Montreal tramways closes June 30th. From careful calculations made, it was estimated that the earnings of the road will be in excess of \$7,000,000.

The year has been an unusually prosperous one for the Montreal Tramways Company and despite the depression which characterized business at other quarters, the road has shown a profit of \$7,000,000.

In the early days, when the roads were in vogue, Montrealers of necessity were hemmed in between the rails, and the roads were not good. The year was forced to live with it via a horse car. In recent years, however, the roads have been improved and the earnings have increased.

At the annual election of the Chicago Stock Exchange, Frederick C. Aldrich was unanimously elected president.

New York imports of gems in May were valued at \$2,029,755, a decrease of 25.76 per cent. compared with May, 1913.

Over 400,000 motor cars were in use in British Isles on January 1st last, of value of approximately \$725,000,000.

President Wilson will attend the reunion of the Princeton class of '79, of which he is a member, on June 12.

Two persons were killed and five others injured by an explosion of sewer gas at a pumping station in Boston.

The fifteen annual convention of the Connecticut State Bankers' Association will be held at New London, June 9 and 10.

Jones & Laughlin Steel Co. will take advantage of the summer months to install improvements costing \$1,000,000.

Thomas M. Robinson, former president of the New York Cotton Exchange, died in Long Island City, aged 77 years.

London special says that additional reports from manufacturing centres indicate that idle machinery continues to increase.

Six employees of the St. Lawrence Cream Co., in Chicago, were bound and gagged by robbers who escaped with \$3,000.

The twenty-first annual convention of the New York State Bankers' Association will be held at New London, June 11 and 12.

The citizens of Lewes, Del., unveiled a monument commemorating the bombardment of that city by a British fleet in the War of 1812.

Harford Carpet Company of Thompsonville, Conn., is believed to have bought mills of Bigelow Carpet Co., Lowell and Clinton, Mass.

Largest floating dock in world, costing \$2,000,000, and capable of carrying vessels of 40,000 tons, is being constructed at Odessa, Russia.

C. A. Washburne, of the Geological Survey, is quoted in the Sunday Globe as declaring that, with liquid fuel gradually displacing coal, especially in California and Mexico, the oil, the one great assured supply, will change the world's trade routes, in conjunction with the Panama Canal.

BANK BUILDINGS IN CANADA



Head Office building of the Dominion Bank, which is now rapidly nearing completion at the corner of Yonge and King streets, in Toronto.

GLEANED FROM MANY SOURCES

The estate of Charles E. Appleby, a New York real estate operator, is valued at \$4,196,349.

Jack London, the novelist, who is in Vega Cruz as a war correspondent, is reported to be seriously ill.

Advices from Madrid state that the Bank of Spain will shortly become a public utility of gold.

Huerta Government has returned Waters-Pierce Oil properties confiscated at beginning of hostilities.

At the annual election of the Chicago Stock Exchange, Frederick C. Aldrich was unanimously elected president.

New York imports of gems in May were valued at \$2,029,755, a decrease of 25.76 per cent. compared with May, 1913.

Over 400,000 motor cars were in use in British Isles on January 1st last, of value of approximately \$725,000,000.

President Wilson will attend the reunion of the Princeton class of '79, of which he is a member, on June 12.

Two persons were killed and five others injured by an explosion of sewer gas at a pumping station in Boston.

The fifteen annual convention of the Connecticut State Bankers' Association will be held at New London, June 9 and 10.

Jones & Laughlin Steel Co. will take advantage of the summer months to install improvements costing \$1,000,000.

Thomas M. Robinson, former president of the New York Cotton Exchange, died in Long Island City, aged 77 years.

London special says that additional reports from manufacturing centres indicate that idle machinery continues to increase.

Six employees of the St. Lawrence Cream Co., in Chicago, were bound and gagged by robbers who escaped with \$3,000.

The twenty-first annual convention of the New York State Bankers' Association will be held at New London, June 11 and 12.

The citizens of Lewes, Del., unveiled a monument commemorating the bombardment of that city by a British fleet in the War of 1812.

Harford Carpet Company of Thompsonville, Conn., is believed to have bought mills of Bigelow Carpet Co., Lowell and Clinton, Mass.

Largest floating dock in world, costing \$2,000,000, and capable of carrying vessels of 40,000 tons, is being constructed at Odessa, Russia.

C. A. Washburne, of the Geological Survey, is quoted in the Sunday Globe as declaring that, with liquid fuel gradually displacing coal, especially in California and Mexico, the oil, the one great assured supply, will change the world's trade routes, in conjunction with the Panama Canal.

AVERAGE PRICE OF MANY PROMINENT RAILWAY BONDS

New York, June 5.—In the 25 representative railroad bonds used in compiling the monthly bond averages there have been more advances than declines in the past month, but losses have overbalanced the gains. At 84.19 the average is now nearly 2 1/2 points below the level at the close of the month, only four months ago. The general downward movement has to be attributed to uncertainty in business and political conditions, which have specially affected the railroads and caused some swapping from railroad into municipal, industrial, and public utility bonds.

As compared with the lowest record prices since the 1907 panic, reached about the middle of June last year, when the average stood at 82.14, the present average is now up 2 points. There is now over 11 points spread between the present level and the high average touched at the end of 1908.

The following table gives the average price of 25 representative railroad bonds near the close of each month since the first of 1908:

	1914	1913	1912	1911	1910	1909	1908
January	86.55	85.15	80.94	81.43	82.84	83.71	88.66
February	85.85	85.04	81.14	81.15	82.97	83.90	88.61
March	85.15	86.98	80.82	81.44	81.88	83.81	87.25
April	85.67	85.67	80.68	81.43	81.10	84.20	88.07
May	84.19	85.43	80.08	81.15	80.68	84.80	88.99
June	83.99	85.14	81.43	80.65	84.00	88.97	
July	85.10	89.86	81.40	80.87	84.14	88.97	
August	86.70	89.57	81.10	80.42	83.70	81.07	
September	85.85	89.00	80.63	81.61	83.54	81.59	
October	84.89	89.34	80.93	81.44	82.72	82.77	
November	83.97	89.04	81.37	80.94	82.80	83.27	
December	83.88	88.67	80.67	81.13	80.94	85.25	

CONDITION OF LEADING NEW YORK BANKS AT END OF MAY

New York, June 5.—Principal items of condition of leading New York banks as of May 29th show (000 omitted):

	Capital & profits	Loans	Specie & legal tend.	Debits	Res.
National City	\$58,141	\$201,901	\$74,751	\$220,127	P.C.
Chase	15,153	195,949	39,772	130,118	32.9
Commerce	12,658	126,732	37,476	129,017	21.0
First	33,374	126,732	37,476	129,017	39.9
National Park	19,490	94,553	25,240	89,948	25.5
Manhattan	18,003	88,812	24,093	97,131	24.7
Mechanics	14,854	68,214	23,418	93,377	25.0
Corn Exchange	10,368	68,214	23,418	93,377	25.0
Amer. Exchange	9,759	50,660	13,238	78,669	25.6
Trust Co.	7,528	46,780	13,296	50,870	25.1
Manhattan	6,964	39,450	10,592	44,660	21.4
Seaboard	3,616	27,151	8,291	31,083	25.9
Liberty	3,828	27,151	8,291	31,083	25.9
Chemical	19,715	30,040	6,683	26,447	25.3
Chat. and Chas.	3,654	22,795	6,254	24,381	25.6
Nassau	2,171	8,171	1,830	7,186	25.4

NOTES ON PUBLIC UTILITIES

REFUSED INCREASED RATES.

The Michigan State railroad commission has dismissed the Michigan State Telephone Co.'s petition asking that it be allowed to charge increased rates and established metered service in Detroit. The dismissal of the petition is a victory for those telephone users of Detroit who protested vigorously against the establishment of metered service and the increasing of rates.

AN ALTERNATIVE PLAN.

The Pacific Telephone and Telegraph Co. at Spokane, Wash., has had an alternative plan by which in the event of a disagreement as to the ending franchise, it proposes to continue in business without a renewal of its grant. One of the plan's suggestions was that the Pacific company would transfer its property to the Home Telephone Co., and operate under the franchise, which is now practically owned by the Pacific.

DRINKING BY EMPLOYEES.

Orders have been issued cancelling all liquor advertisements in cars of the West Penn. Traction Co., which operates throughout the coke region. The West Penn. is strictly enforcing the rule against drinking by employees, and the officials decided that in view of their attitude on this matter, it was of consistent to accept liquor advertising. Pittsburgh brewing companies and distillers were liberal users of liquor in street cars. Their ads have now disappeared.

UTAH LIGHT CO.

Strenuous protest against the granting of a franchise to the Utah Light & Power Co. to haul freight over its lines in the city has been registered before the city commission by residents on streets in the southeastern section of the city. The proposed franchise ordinance, as recently amended, would permit the company to handle freight matter, such as produce, express material and similar articles on its interurban lines and over certain of the city lines.

ELECTRIC LIGHTING.

New regulations for electric lighting service in the District of Columbia may be considered by the public utility commission, following its adoption of revised rules for the government of gas light companies. June 2 is the date set for a hearing on the proposed gas light regulation recently drawn up by the commission. It is believed that adoption of the changes outlined, which provide principally for the substitution of tests for candlepower in place of those for candlepower, will lead to economies in the production of gas and consequently cheaper rates for service furnished.

SOUTHERN DEVELOPMENTS.

Among the many Southern industrial and other development enterprises reported in last week's issue of the Manufacturers' Record are the following: The Quichita Power Co., Hot Springs, Ark., will construct a hydroelectric plant, auxiliary dams and canals to develop 6,000 to 7,000 horsepower at the principal dam and several thousand at the auxiliaries and transmit electricity to a number of cities within a 150-mile radius. It also proposes to build a large cotton factory, establish an amusement park, etc. The estimated cost of the dam is \$1,000,000.

RIORDAN PAPER CO.

The Riordan Paper Company has declared its regular quarterly dividend of 1 1/2 per cent. on preferred, payable June 30th to stockholders of record June 20th.

CANADIAN LOAN WRITTEN.

London, June 5.—A £5,000,000 Canadian 4 1/2 p.c. loan was written at 100 to-day.

COTTON WHOLESALE OPTIMISTIC

Retail Trade in Provinces is Improving Rapidly—Local Trade is not Excessive

MILLS ARE SLOWER

Annual Statement of Large Concern Shows Decrease in Profits—Shareholders Dissatisfied in View of General Depression—Outlook is Good.

Among local textile wholesalers there is a general feeling that better times are in sight for the textile trade. This is induced by the tone of the American government crop report, indicating a high yield in the field, which will eventually reduce the cost of the raw material, which at present, is very high.

Wholesalers are suffering the most during the present time and to this is added the fact that mills are running very short of time, some of them are running at half capacity, while others are making half-time. In consequence, a great many men are out of work.

Real business in the provinces is improving with rapid strides, so much so, that it is more noticeable than for some time past. The local trade, however, has not shown any great improvement for the week. Sentiment throughout the country is extremely bullish and with the present condition holding, the place, will be extremely rapid.

During the past week, repeat orders have been a feature in the jobbing trade, many of them being short on summer lines. Prints are not selling any too well, but prices continue very firm. There is a demand for demand passing for gray goods and sheetings. Bleached goods and colored cottons are in fairly good demand, but prices are not so good as a slight dropping off in the demand for wash goods, this is expected to improve shortly.

Setting business is light in local circles, but there is a fairly good volume of business being secured by travellers for fall lines.

The annual statement of one large cotton manufacturing company was made public during the week and showed a heavy decline in profits. Shareholders, however, are somewhat satisfied, in view of the prevailing trade depression and business on hand indicated that the showing for the current year, though not as good as last year, is better. Trade conditions were at their worst during the last six months of the past year but a complete recovery is expected.

W. E. Crummer, Jacksonville, Fla., and others are reported about to land docks on Commodore Point to cost \$400,000.

The commissioners of the Yazoo-Coldwater Drainage District will construct a system of drainage canals to reclaim 35,000 acres of land at a cost of \$50,000.

The Mexico Water, Light and Power Co., Mexico, Tex., was incorporated with capital stock of \$140,000 to establish an electric light and power plant.

DELTA TRACTION CO.

The recently organized Delta Light and Traction Company has acquired the Greenville (Miss.) Electric Light and Street Railway Company, the Riverside Transmission Company, the Lake Village (Ark.) Light and Power Company, and the Chicot (Ark.) Light and Power Company. The Greenville company owns a street railway and power plant and the transmission company carries this power to various plants in Mississippi and Arkansas. The latter two companies do a lighting and power business. Extensions and improvements will be made to the plants at once.