

IMMENSE RESERVE FORCE OF NATIONS

Events Outside the Battlefield Have Much to do With Settling Duration of War

QUESTION OF EXHAUSTION

That Results of War Will Leave Deep Scars in the Economic System of Europe for Good Many Years to Come is Unfortunately Certain.

No question has been more widely discussed since the outbreak of this present war, or with less approach towards convincing settlement than the question how far the outcome of the war will be influenced by financial exhaustion of one or all of the belligerents, says the New York Financial Chronicle.

Referring to the fact that even financial affairs adjust themselves automatically to emergencies, and suggesting that production could be carried on through reduced consumption of time to time part of the fighting force for purposes of home production especially in the case of the victorious army—he holds that the argument of exhaustion could not actually apply.

But where in an indecisive struggle the adversaries keep each other in check, the standard of their efforts will be gradually lowered, and success will ultimately fall to him who can boast of the highest moral energy and self-sacrificing spirit; or, where on both sides the moral motives are of an equally high standard, can hold out financially longest to finish the war.

What is to be said of the argument of exhaustion—an argument which necessarily, if sound, will become more potent the longer the war continues? It must first be conceded that the theory of exhausted belligerents has fallen rather remarkably to apply in military history. It will be said, perhaps, that it did apply in our Civil War; for when Lee surrendered, it was virtually admitted, even by Southerners, that the South was economically unable to fight longer.

But the condition of 1865 was not primarily due to failure of economic power because of long-continued fighting, it resulted from the cutting-off of supplies through capture of immensely productive areas by the enemy. The occupation of New Orleans by the Union troops; the possession of the Mississippi River by the Northern fleet, and hence the blockade of the rich south-western territory; the division of the southeastern territory through Sherman's March to the Sea; the destruction of Lee's immediate sources of supplies by Sheridan's Shenandoah raids—these were the actual causes of the Confederate army's confessed inability to continue its resistance.

It is strikingly in point. The case of the Napoleonic wars is strikingly in point. Their cost was possibly as great, in relation to the resources of capital of that day, as is the present cost of war when similarly measured.

It is true that Napoleon supported his army out of the hostile country, and that he paid much of the cost of the war through tribute exacted from conquered states or cities—a policy which has seemed to be produced of late in Belgium. But even so, what is to be said of the continued resistance of the very countries on which such tribute had been levied? The Prussians, after being absolutely crushed in 1806, fought with more vigor and efficiency during the next half dozen years than they did before. Spain, in 1808, blotted all of Napoleon's plans—despite a seemingly complete absence of resources. The Austrian Government went bankrupt in 1811, yet in 1812 was again active in the field of combat.

The answer to these seemingly anomalous and perplexing questions is the familiar problem to-day, to be found in the immense reserve force of every country, not only in the matter of physical endow-

"INCREASE THE PRODUCTION" IS MOTTO NOW IN SASKATCHEWAN

Farmers Are Rising to Opportunity and Acreage is Being Increased All Through the Province.

Regina, October 27.—"Increase the production" is the advice that has been sent throughout Saskatchewan by its most prominent business men. The farmers are rising to the opportunity and the acreage which is being prepared for seeding to wheat is much greater than that of last year.

Practically every organization in Saskatchewan aims to increase production. The Regina Board of Trade is doing its utmost to further the "Closer Settlement Movement," started at Regina recently.

The farmers of Saskatchewan are taking advantage of the offer of the City of Regina to fatten stock which has been raised in districts where there was not sufficient feed for this purpose.

A movement having in view the settlement of Belgian farmers in Saskatchewan has been started at Regina and is receiving good support. Lieutenant-Governor Brown having agreed to act as patron to the Belgian Relief Committee in charge of this work.

The grain crop of Saskatchewan in 1914 is valued at \$100,904,192 by the provincial department of agriculture. On a very conservative estimate the wheat crop is estimated at 74,610,643 bushels and valued at \$66,070,419, or approximately 88 per cent, but the grain market reports would seem to indicate that much better prices than that estimated are being received.

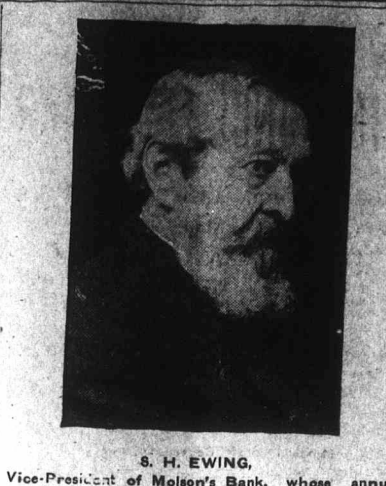
But, on the contrary, what we have seen in the past two months is a prodigious increase in the gold reserves of the Bank of England and the Bank of Germany—both of which are now holding over \$1,000,000,000 since the war broke out and with a total of \$111,000,000—this gold reserve being used to support a superstructure of emergency credit facilities in various parts of the history of the world.

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S. H. EWING, Vice-President of Molson's Bank, whose annual meeting takes place next Monday.

PROFITS OF MOLSON'S WERE \$86,000 LESS

Earnings Were Equal to 15.2 per cent in Outstanding Capital of \$4,000,000

SAVINGS DEPOSITS HIGHER

Generally Conservative Attitude of Banks During Past Year Likely to Result in Decreased Earnings All Round.

The financial statement of the Molson's Bank, which Mr. E. C. Pratt, the general manager, will present to the shareholders at the annual meeting in this city next Monday, will show a considerable decline in profits from those experienced during the past couple of years.

The net profits for 1914, after deducting expenses of management, reservation for bad and doubtful debts, amounted to \$68,198, a decrease of \$86,160 from the previous year and a decrease of \$76,583 for 1912.

The profits in 1913 were \$694,356, while in 1912 they totalled \$684,779. The earnings for 1914 are consequently equal to 15.2 per cent on the \$4,000,000 outstanding capital stock, as against 17.4 per cent earned in 1913 and 17.1 per cent in 1912.

The total assets of Molson's now reach the sum of \$50,390,343, which is about \$6,000 higher than was the case a year ago.

Table showing Assets and Liabilities for 1914 and 1913. Assets include Cash, Deposits, and Loans. Liabilities include Capital, Reserve, and P. & L. account.

The following shows the high and low net profits, dividends paid and other factors connected with the Molson's Bank:

Table showing High and Low net profits, dividends paid, and other factors for Molson's Bank from 1908 to 1914.

Available for distribution: 1914, 1913, 1912.

CASH HOLDINGS OF THE BIG BANKS OF EUROPE

England Now Has \$300,310,000 Gold; France, \$982,200,000 Gold and Silver; Germany, \$434,860,000; Austria, \$305,846,000; Russia, \$806,125,000.

In the following tables are given the cash holdings of the five great European central banks, on the indicated dates since April last, with comparisons with the corresponding dates of 1913 and 1912.

Table showing Cash Holdings of the Big Banks of Europe for England, France, Germany, Austria, and Russia from 1912 to 1914.

TRADE PARALYSIS IN CHINA

Financial Outlook is Not Bright Unless European Hostilities Cease Shortly.

The Tientsin situation is naturally making the Chinese nervous. The foreign banks are cautious. Except for small shipments to America, the export trade is stopped. The fact that cargoes have practically ceased to arrive at Shanghai is, according to the financial editor of the North China Herald of August 22nd, actually regarded as an advantage, since it relieves the import merchant from the feeling that his load of obligations is growing.

COMMERCIAL PAPER.

New York, October 28.—The movement of commercial paper is slowly but steadily assuming increased proportions, particularly in Philadelphia and other interior centres, where institutions have of late become prominent buying factors.

INLAND STEEL COMPANY.

Chicago, October 28.—The directors of the Inland Steel Company declared the quarterly dividend of 1 per cent, payable December 1st to stock of record November 10. This is a reduction of 1/2 per cent quarterly.

Willis-Overland Co. states business last week broke all its records, shipments totalling 1400 Overland cars. From July 1 to October 15, 11,000 cars were shipped.

RAILROAD MAKES A NOVEL STOCK ISSUE

Directors of London and South-Western Depart From Their Usual Custom

SINKING FUND PROVIDED

Company Has Lately Suffered Somewhat Keenly From Competition of Tramways and Motor Omnibuses in the London Area.

The Statist, of London, England, says that for an English railway company the forthcoming issue of the London and South-Western Railway may truly be described as of a novel character. So far as our memory goes, no issue of the kind has ever been made by any British railway company in the past.

The reason for the adoption of such an unusual form of issue is attributable to the nature of the work for which the new money is to be employed. Having suffered somewhat keenly from the competition of tramways and motor omnibuses in the London area and having seen to what a great extent the Brighton Railway has regained lost traffic through the adoption of electric traction on its London lines, the directors of the London and South-Western decided to electrify certain sections of their suburban system.

NEW METHOD OF TRACTION.

The fact that the issue will, however, be redeemed in 10 years indicates the assurance felt by the directors that largely increased net receipts will accrue from the new method of traction to warrant the placing of stock of shorter currency.

A SESSION OF THE COURT OF KING'S BENCH

(Crown Side), holding criminal jurisdiction in and for the DISTRICT OF MONTREAL will be held in the COURT HOUSE, in the CITY OF MONTREAL on MONDAY, the SECOND DAY OF NOVEMBER NEXT, at TEN o'clock in the forenoon.

In consequence, I give PUBLIC NOTICE to all who intend to proceed against any prisoners now in the Common Goal in the said District, and all others that they must be present then and there; and I also give notice to all Justices of the Peace, Coroners, and Peace Officers, in and for the said District, that they must be present then and there, with their Records, Rolls, Indictments and other Documents in order to do those things which belong to them in their respective capacities.

Sheriff's Office, Montreal, 13th October, 1914.

NOTICE is hereby given that Viewmont Land Company, Limited, a body politic and corporate, having its principal place of business in the city and district of Montreal, will seek and ask for the passing of an Act by the Legislature of the Province of Quebec, at its next session, for the following purposes: the said Act to confirm the charter and Letters Patent of the said Company; to permit it to carry on generally the business of a land company and to exercise all the powers that it has obtained by its charter, the said act to confirm and ratify the organization of the company, the issue of its stock and the acquisition of certain properties from the Estate of the late Alexis Brunet, and of a deed of sale of August 31st, 1912, four deeds of sale of September 14th, 1914, and for all other purposes whatsoever relating to these presents.

GEORGE PARE, Secretary-treasurer of the Company, Montreal, September 30th, 1914.

MORE STABILITY NOTICED IN METALS DURING PAST WEEK

Developments in the local market during the past week showed an eagerness for copper metal and the demand for the former article is very slack. Supplies are fairly heavy. This is given as the reason for the decline, which amounted to about 1/2 cent for casting ingot. The weakness in lead is a drop of ten cents all along. In other branches of the trade there have been no further changes to note.

Steadiness in the market is becoming more pronounced as time goes on. Local hoodlums report that collectors are not too good, and that owing to the plentiful crops and high prices which the farmers have received, money is coming in fairly well. The situation reflects a better tone than has been noted for some time past.

HARDWARE AND METALS.

Table listing prices for various hardware and metal items such as Aluminum, Copper, Castings, and Sheet Metal.

Galvanized Sheets (Corrugated).

Table listing prices for Galvanized Sheets (Corrugated) in various gauges.

Galvanized Sheets (Queen's Head).

Table listing prices for Galvanized Sheets (Queen's Head) in various gauges.

Lead and Lead Pipes.

Table listing prices for Lead and Lead Pipes in various sizes and types.

Sheet Zinc.

Table listing prices for Sheet Zinc in various gauges.

Wire Nails.

Table listing prices for Wire Nails in various sizes and types.

Black Galvanized.

Table listing prices for Black Galvanized sheets and pipes.

RAW SUGAR DECLINES.

New York, October 28.—Spot quotation for raw sugar, dropped off 12 points to 3.89 cents. Refiners continue to quote standard granulated at a basis of 4.80 cents with the exception of Federal and Amalgamated Companies, who quote 5.75 cents.

LIVERPOOL WHEAT.

Liverpool, October 28.—Wheat opened off 1/2 to 3/4 cent on Tuesday, Oct. 28, 1914, Dec. 13, 1914. Corn off 3/4 cent on Tuesday, Nov. 25, 1914.