

ECONOMIC PROBLEMS OF THE PANAMA CANAL.

Major-Gen. George W. Goethals told the Merchants' Association recently, during a luncheon address at the Hotel Astor, New York, something of the economic problems of the Canal Zone.

"I have advocated the establishment in the Canal Zone of warehouses and showrooms for the manufacturers of the United States, so that American business can come in close touch with Central and South America," said Gen. Goethals. "The stumbling-block, so far as I have been able to gather, seems to be that I desire that the zone be used by American merchants and manufacturers only, to the exclusion of merchants and manufacturers of other countries. The United States has invested its money in the Zone, and the United States ought to have the right to utilize it for whatever purpose it sees fit. Without reference to foreign countries, and because of the strategic value of the canal, I believe we are fully justified in limiting its use for mercantile purposes."

"Then there is the question of tolls. Congress exempted coastwise trade at first, and there are rumors that Congress will eventually give a free canal to the coastwise trade; but you know as well as I that the exemption goes to the pockets of the shipping companies, and not to the consumers. That was the experience in the short period that the canal was open, under the Panama Canal act.

"Ships are expected to pay on cubic measurement of 100 to the ton \$1.20 per cubic foot. Deck-loads were measured and charged for at the same rates. The Attorney-General has sustained the lumber interests on the Pacific Coast in opposing the deck-load charge, and we can only charge by the earnings capacity of the cargo space. The space known as shelter-deck space, also escapes charges. English ships are getting the benefit as a result of these rulings.

"Tolls collected at the canal are 30 per cent. less than they should be. A bill is before Congress to modify this situation."

Gen. Goethals told the gathering that in his judgment all danger from obstruction in the canal by slides was positively past.

DEMURRAGE CHARGES FIXED.

The Railway Commission has issued the new terms of the order regarding demurrage charges on Canadian railways. The amended order went into effect on January 1st and remains in force until April 30, 1917. The shippers and railway companies have already agreed on the new demurrage charges, which are: For the first day, \$1; for the second day, \$1; for the third day, \$3; for the fourth and each succeeding day, \$5.

The ordinary charges were \$1 a day, and the Railway Commission, in making the new order, point out that the settlement is but temporary. The commissioners add: "It was agreed to by the shippers not because the railways were entitled to any increased demurrage, not because the railways were not themselves in large part responsible for delays in transportation owing to lack of motive power and cars, but because it was felt that the increased demurrage fee was the only practical way in which a real public emergency resulting from shortage of cars could be in some degree relieved."

The commission has followed the action of the Interstate Commerce Commission, except that whereas the United States body fixed \$2 as the second day's charge, the Canadian commission kept the charge to \$1, actually giving three days at the former rates.

BRITISH BAN ON SHIPPING REPORTS.

Considerable dissatisfaction and alarm has been expressed in New York among marine insurance men over the British order which prohibits the publication of dates of sailing of British vessels.

At the offices of the British lines it was said that no attempt would be made to conceal from anybody who had business with the companies the names of the ships sailing, nor would the names be omitted from the shipping documents. The explanation made by an official of one company was that the attempt at secrecy would not go beyond the discontinuance of advertising sailings and concealment of the exact time of departures.

NEW REGULATIONS FOR BRITISH VESSELS OPERATING FROM NEW YORK

The representative of the British Admiralty in New York has announced to the freight managers of the British Steamship Companies in that city, that beginning on January 1st, the British Government would require 85 per cent. of the cargo space on their ships. Forty-seven and nine-tenths per cent. is to be reserved for war munitions and the remaining thirty-eight and one-tenth per cent. for wheat.

During the greater part of this year the British Government has reserved 60 per cent. of the space on the vessels flying its flag and the revised increase to 85 per cent. came as an unwelcome surprise, as there are about 100,000 tons of freight waiting shipment in New York, of which one-fourth is ordinary commercial cargo consigned to firms in Great Britain.

FOREIGN TRADE CARRIED-UNDER U.S. FLAG.

The gain which has been made in the value of merchandise under the American flag is shown in the figures issued by the United States Department of Commerce for the nine months ended September 30th. The increase for that period of 1916 as compared with one year ago was from \$256,333,000 to \$451,257,000, or approximately 76 per cent.

THE WORLD'S SHIPPING.

The value of merchandise carried in American vessels for the ten months ending with October amounted to \$516,000,000, out of a total ocean-borne commerce of approximately \$3,900,000,000, or nearly fourteen per cent. The value carried in British ships was \$2,109,000,000, or approximately fifty-four per cent. This shows that, next to the British mercantile marine, more goods were carried in American bottoms than in those of any other nation. The nearest countries after Great Britain were the Norwegians, with \$255,000,000; the French, with \$194,000,000, and the Japanese, with \$157,000,000. In other words, the value of goods in vessels flying the United States flag was more than twice that of the nearest competitor excepting the British, which carried four times the value of the American marine. These statistics are for export trade alone.

BRITAIN LOSES 12 PER CENT OF SHIPS HELD BEFORE WAR.

In the shipping paper Fair Play of London, Sir Norman Hill secretary of the Liverpool Steamship Owners' association, makes calculations that the effect of the German campaign on British shipping has been as follows:

In the twenty-seven months of war from August, 1914, to October, 1916, 435 steam vessels of more than 1,600 tons, representing 1,741,000 tons gross register, were lost through war perils. Great Britain started the war with 3,600 steamships, of 16,000,000 tons gross, so that the losses represent 12 per cent in numbers or 11 per cent in tonnage, being less than one-half of one per cent a month.

The value of the cargoes lost is calculated at 0.49 per cent of the total by Sir Norman, who adds: "A 10 shillings in 100 pounds blockade won't starve us."

ORE SHIPMENTS ON GREAT LAKES

Iron ore shipments on the Great Lakes in November amounted to 5,715,452 tons, or more than a million tons in excess of what was to be expected, in view of the movement to November 1st. The large movement is attributable to the fact that the ore boats did about two-fifths as much business in grain as they usually do. The independent vessels took considerable grain, but those controlled by steel interests did very little. Grain rates were attractive, but the iron ore had to be moved. Grain can take the all-rail route much better than iron ore.

RESUMPTION OF GERMAN LINES.

The two large German lines operating between the United States and the "Fatherland" have sent out circular letters to their former shippers stating their readiness "to make freight engagements in limited quantities for shipment from New York to Bremen after resumption of our regular service."

CUNARD LINE

Canadian Service
LONDON TO HALIFAX
(Via Plymouth)
HALIFAX TO LONDON

(Calling Falmouth to land Passengers)
For particulars of sailings and rates apply to Local Agents or to The Robert Reford Co., Limited, General Agents, 20 Hospital Street, and 23-25 St. Sacramento Street, Montreal.

ANCHOR-DONALDSON LINE

WESTBOUND

Glasgow via Halifax N.S. to Portland, Me.
— also —

Glasgow to St. John N.B. direct Eastbound.
PORTLAND TO GLASGOW DIRECT
HALIFAX TO GLASGOW DIRECT

As to rates and sailings
For information apply to Local Agents or The Robert Reford Co., Limited, General Agents, 20 Hospital Street and 23-25 St. Sacramento St., Montreal.

CANADIAN NORTHERN RAILWAY

New Year Excursions Single Fare

GOING—December 30th, 31st, 1916 and January 1st, 1917—return limit January 2nd, 1917.

Fare and One Third.

GOING—December 28th, 29th, 30th and 31st, 1916—return list January 3rd, 1917.

VALUING A RAILWAY.

The hearing in the Exchequer Court before Justice Cassels has been concluded in the Quebec and Saguenay Railway reference to determine the physical value of the line to be purchased by the Crown. Evidence was given by expert accountants in support of the view that the fifteen per cent. discount on bonds marketed in Paris might properly be included in the cost of the road. Written arguments will be submitted by counsel next Friday. Judge Cassels announced that he expected to be in a position to give his decision before January 15th.

C. P. R. TO ALASKA.

The C.P.R. steamship Princess Charlotte will make three round trips in the Alaska tourist service next year, which becomes effective June 8, 1917.

The list of tourist sailings between Victoria, Vancouver and Skagway, which has just been announced by the B. C. Coast Service, provides for three round trip sailings for the Princess Charlotte, seven for the Princess Alice and seven for the Princess Sophia, making 17 round trip sailings all told for the summer season of 1917.

THE CAR SHORTAGE.

According to reports from Detroit more than \$10,000,000 worth of automobiles have been held up there on account of the lack of freight cars.

CHILEAN RAILROADS.

Annual reports of the four British railways in Chile, whose lines aggregate 1,500 miles, show dividends ranging from three to ten per cent., but no increase in mileage during the past year.

BUILDING WOODEN VESSELS.

The wooden merchant vessels of 500 gross tons or more, building or under contract to be built in private shipyards of the United States on December 1st, numbered 116 with a total gross tonnage of 156,615.