

# UNITED STATES IS CREDITOR NATION

## Rest of World Largely Dependent Upon Her for Money, Clothing and Food

### MR. MORGAN'S TRIP ABROAD

Business Men Feel a Little More Assured, Though Some of Them Have Their Doubts as to Possible Effect of New Anti-Trust Laws.

(ADAM'S LETTER.)

New York, March 22.—The war still is the dominant influence financially, commercially and market-wise. On the one hand it has lifted monthly export balances to almost unbelievable heights. On the other it has reduced speculation at the stock exchange to merely nominal proportions. Which means that advances continue to invite foreign offerings. But I find that in important quarters the fact that as a rule prices are not far from their high for the year is viewed as significant of the real trend of things. The feeling in such circles is that a spring advance in the cards—that once started Europe's liquidation will not stop it.

**Banking Interests.**  
America is financing the world. I understand that this potential fact will be further illuminated during J. P. Morgan's sojourn in London or at the latest on his return to New York. The greatest military campaign in history is impending. The incursions involve increased supplies for the warring nations. That necessitates, of course, the opening up of new credits in this country. At present J. P. Morgan & Co., Kuhn, Loeb and Co., and other world bankers are busy with this phase of the situation. As the result of negotiations now under way, shipments of food and war supplies over seas must continue in unprecedented volume. But this is not all. Neutral nations and even Germany are seeking loans in the United States. While it is a little early to insist that Wall Street has taken the place of Lombard Street as the globe's chief financial center there is no question that just now we are a creditor nation on which the rest of the world is largely dependent for money, clothing and food. And on the New York Stock Exchange six months' funds are readily obtainable at the lowest prices in many years. Consequently banking interests, while at the moment taking no initiative in the stock market, are hopefully inclined. There is also reason to believe that presently they will encourage their followers—something they have not done in many weeks—on the constructive side of things. Congress is out of the way, presumably till next December, and everything points to a brilliant start for the agricultural season. Under these circumstances, no doubt, it would take only a favorable turn in the great conflict in Europe to bring the big banking interests themselves into the market on the buying side in an aggressive way.

**"Convertibles."**  
Convertible bonds have done more to keep certain stocks waterlogged than bad conditions. That is the well considered opinion of an astute observer of market affairs. Is he right? No doubt old-time bulls on Brooklyn Rapid Transit, for example, will agree with him. "Convertibles" were for many years a heavy handicap on bullish efforts in that once volatile stock. Southern Pacific has outstanding over \$100,000,000 of this sort of bonds which are practically a long range call on the stock. Atchison's convertibles total in excess of \$50,000,000. Baltimore and Ohio's approximated \$100,000,000 but conversion has cut down the issue about three-quarters. It is pointed out, however, that convertible bonds are by no means the low-price ticket were when stocks were inflated. Dead weights take the sting out of them somewhat.

**The Interstate Trade Commission.**  
This new regulatory federal body is organized, and on the job, but Washington thinks there are good grounds for the hope that it will not run amuck. President Wilson, still anxious about the business outlook, owing to its vital bearing on next year's election, is understood to be against the Trade Commission's meddling unnecessarily with industrial affairs. He will, therefore, curb its activities. Already he is acting in advisory capacity in this matter, to judge from his frequent conferences with its representatives during the past several weeks. Washington gossip is that he has urgently admonished the board to do nothing to disturb confidence, but everything to help it.

Meantime, business men themselves feel a little more assured, though still having their doubts as to the possible effects of the new anti-trust laws. And incidentally the political outlook is being discussed with growing interest. Many experienced students, I may add, find existing conditions analogous to those which obtained on the eve of the first election of McKinley. Depression in the industries, unemployment and an adverse tariff were the stepping stones on which Republicanism returned to power in 1896. A similar state of affairs exists to-day, with the war, the preventive, so the wisest economists think, of a deeper depression than the already prevails. There is evidence, of course, that the country's natural vitality is making for a gradual upward reaction in business. There is no sign, on the other hand, of that boom which President Wilson has so often prophesied during the last twelve months. It is not surprising, therefore, that he is laying out a conservative course for the new trade commission. There is no doubt that the railroads have the President to thank for such favors as they have received from the Commerce Commission. The fact that he was with the eastern roads in their fight for higher rates, unquestionably had great weight with that body. Industrial corporations, needless to say, will be even more indebted to him for putting a restraining hand on the trade commissioners.

**Palm Beach.**  
Some ultra rich folks are like the common herd—they do not object to squandering vacation expenses out of the stock market. So when a while ago, at Palm Beach, a bull tip on Mexican Petroleum came straight from the inside, rich people played it. They got in on the stock's bulge to 75—and are still in. But the Levichans insist that those who have the courage to hold it will eventually be able to sell out with corking profits.

**Big Operations.**  
Heavyweight operators who are expected to help break the inertia in Wall Street a little later on are Daniel O. Field, Bernard M. Baruch, George F. Baker, Jr., Percy A. Rockefeller, William Guggenheim, E. J. Bernard and Allan Ryan, not to mention other big men who have been overlooked in Vienna, so to speak, for some time past.

# NEW LOW LEVEL IS REACHED IN TRANSATLANTIC TRAVEL

War Causes Heavy Falling Off in Passenger Traffic, and Immigration is Lowest Since 1901—Lines Made 703 Fewer Trips.

Immigration at its lowest ebb since 1901, in the calendar year 1914, a net decline of over 500,000 in the number of passengers landed at Canadian and United States ports in the first seven months of the European war (August, 1914-March 1, 1915), 703 fewer trips in 1914 in the transatlantic steamship lines, and emigrants in steerage going from American ports in larger numbers than those coming in, during the first two months of the current year, are some of the effects of the war on international shipping operations.

The revenue losses sustained by the transatlantic lines from the decline in passenger traffic are admittedly heavy, although earnings from freight transportation, resulting from prevailing high rates, are expected to make up to some extent such losses. The transatlantic steamship companies made a total of 793 fewer trips across the ocean in the calendar year 1914 than in the preceding year. This decrease in the number of trips, it should be remembered, included the fact that the Hamburg-American, North German Lloyd, Austro-American, Russian-American, Red Star Line from Antwerp and the Cunard Line from Trieste and Fiume discontinued services after the first seven months of 1914.

It should be further recalled that delays in unloading and loading, due to inadequate labor supply at many European ports, and hazards of war which had to be avoided, contributed to a decrease in the number of trips that could be made by the English, French, or other lines as well as neutrals. The lines made 403 fewer trips in westbound traffic during the last year than they did in 1913, and 300 less in east-bound, which fact in itself shows that the delays were far more frequent on the European side. Figures which have been obtained on the number of cabin and steerage passengers brought to Canadian and United States ports by the various steamship companies which have been operating since last August, show that the income volume has declined from 79,178 in the month of August, 1914, to 11,118 in the month beginning February 1 and ending on 5, 1915, which means that a net loss in westbound passenger traffic has been sustained by the companies of 68,000 passengers in the first seven months of the European war period by monthly comparison. The movement of passengers leaving American and Canadian ports has declined from a total of 33,264 for the month of August, 1914, to the total of 11,240 for the month of February to March 5, 1915, which means a net loss for the seven months' war period of 22,024.

The monthly movement of outward bound passengers. The complete reports of the various steamship lines carrying passengers to and from our shores and foreign ports reveal the fact that the cabin and steerage passengers leaving North American eastern ports in the month of February, 1915, exceeded by 422 the number of passengers brought here in the same month. Taking the steerage movement of passengers to Europe alone, the month of February, 1915, exceeded by 2,600 passengers the volume of passengers coming here in steerage for the same period.

# MR. SCHWAB MAKES STATEMENT REGARDING BETHLEHEM STEEL CO.

New York, March 22.—The directors of the Bethlehem Steel Company, met a week ago and approved of the annual report which will be published within a week. Mr. Schwab recently went to Hot Springs, Va., but before he started he reiterated that he had nothing to do with the manipulation of the stock and would not be held responsible for the results concerning it. All the earnings and proceeds from the sale of the bonds for the next two or three years will be used for new construction. There will be no dividend or stock bonus for three or perhaps four years.

# CONTRACT FOR DIAMOND DRILLING.

Cobalt, Ont., March 22.—The Rea Mines Leasing company has just let a large contract to Messrs. Smith and Durfee for diamond drilling, most of which will be done underground. At the present time there is only the stamp mill in operation. The underground work having been suspended until the result of the diamond drilling is known. This company made another shipment of bullion a few days ago, and have enough ore on the dumps to keep their mill running for another two months.

ancially and marketwise. Those who know him best say he is only in his 30's—was below par. Now he is for leadership. For several years young Ryan's health, robust looking and physically in shape to play the game. How well he plays it may be gleaned from the movement in Bethlehem during the past few months. I understand he has been the big factor in that movement, which has been conducted in a manner that bespeaks an unlimited bank account.

**Burrill in Rubber.**  
Middleton S. Burrill, the new member of the Rubber Board, has always shunned notoriety. His market successes were never exploited in the newspapers. Yet for some years and up to the time the Democratic fall fell upon finance and business, he was one of the largest operators on the stock exchange, his commitments running occasionally up to three or four hundred thousand shares. In one campaign in steel, indeed, he is said to have carried of this issue alone 200,000 shares, to say nothing of holding, at the same time, London calls on 100,000 more. So he got to be known as a plunger and a manipulator. He is neither. On the contrary, his big operations were always justified by ample resources and the best of information, while as to the charge of manipulation, most tyros in the Wall Street game know more about the art, in such tactics, the matching of orders and the making of fictitious transactions. Burrill has never indulged. So the general conception of him is a misconception. Wall Street, however, sets its knowledge of his big operators from hearsay and occasional glimpses, and Burrill, as I have said, has always kept himself in the background. But his friends know him for a man of broad ideas, extensive information, a close student of affairs, and a keen analyst of conditions—qualities which should make him a useful member of the rubber directorate. They call him Judge Burrill, by the way, though he has never been on the bench. In a certain code, the word judge stood for his name. That is how he got the title. At that it is said he is as well acquainted with the law as some lawyers.

# BRITAIN'S METHODS OF STARVATION NO BLUFF

(Continued from Page 1.)

pound of land per week for every man, woman and child in the country, while the land were intended for re-export. But the United States are as likely as this country when it is a neutral, to be greatly attached to these "milities." It is consequently not easy to understand why Mr. Asquith has stopped short of a formal declaration. One explanation that has been suggested. Thus when the domestic harvest is a normal one home production is inadequate to meet the demands of home consumption by nearly 33 per cent. A point to be remembered in this connection is the fact that German agricultural labour is hopelessly insufficient to handle the volume of work due to harvesting operations and for many years there has been an enormous influx of seasonal labour from Russian and Austrian Poland. The actual number of aliens thus employed has been variously estimated, but 300,000 may be reckoned a very conservative figure.

**Sources Automatically Dried Up.**  
With the outbreak of war these sources automatically dried up, while the summing up of the last lines of reserve to the colours must have depleted still further the country side. The obvious remedy would seem to be the introduction of female and child labour as in the agricultural districts even in normal times the services of the woman and children are demanded. It is morally certain, then, that apart from other considerations, there is not enough labour in the German Empire to sow and harvest a crop equal to that sown and in 1914. This will necessarily increase the deficit of food, though its effects may not be completely felt by the German people until very late in the Autumn.

The question of food and the possibility of the Allies starving the country into submission was discussed as long ago as last November by Dr. Paul Fitzhager, the "acting rector" of the Berlin High School, in a memorandum drawn up and signed by himself and fifteen other professional investigators. Even at that comparatively early date he accepted as inevitable the complete stoppage of imports into Germany. The result of his investigations was that if a blockade alone had to be reckoned with, and all else were to remain normal Germany would lose an average of 33 per cent of her usual food supplies. But, as I have suggested, conditions, in point of fact, have not remained, and cannot remain, even approximately normal.

**Want of Milk Products**  
Dr. Fitzhager states that the real shortage will be felt not so much in the 10 per cent deficit—for that is his estimated figure—of cereals and pulses, but rather in the want of milk products, fish, eggs, vegetable fats, cocoa and meat. In terms of food value for the sixteen provinces were tonically brought in their analysis—the various deficits may be summarized up as follows:—Hydrocarbons, \$3 per cent. Fats, 29 per cent. Fat, 40 per cent.

Reduced to plain English this means that the effects of the blockade, as far as foodstuffs are concerned, will be not to kill the people but to keep them thin and chilly. But such calculations, however interesting they may be to savants, have little practical value for they leave out of count such points as the shortage of rural labor, the unskilled and otherwise inefficient nature of the labor actually employed, the ravages of war and so forth. Enough is known of the domestic conditions within the German Empire to show that the long process of exhaustion is already in progress. The pressure of the British navy is beginning to make itself felt in the homes of the people, and however terrible it may seem to visit the sins of the German Government, on the women and the little ones, it is the surest and quickest way of putting an end to the havoc which war must bring not merely to the belligerent countries but to every neutral nation throughout the world.

# KELLOGG SWITCHBOARD CO.

The Kellogg Switchboard and Supply Company Reports for the year ended Dec. 31, 1914, as follows:

Assets.	
Capital assets	417,435
Current assets viz:	
Inventories	1,584,371
Accounts receivable, etc.	1,195,475
Cash on hand	17,429
Unearned insurance premiums	8,887
Total	\$3,223,599
Liabilities.	
Capital stock, listed	\$1,615,500
Pay roll and taxes accrued	24,100
Miscellaneous accounts, not due	35,181
Special reserves	367,387
Surplus Dec. 31, 1914	1,121,490
Total	\$3,223,599

# SENECA SUPERIOR SILVER MINES.

The annual meeting of the Seneca Superior Silver Mines, Limited, will be held in Toronto on Tuesday, March 23rd, at noon.

# PRICES OF SPECTER AND THE CONDITIONS FOR ZINC ORE

Smelters, Threatened With Stock of High-Priced Ore, Feared Slump, Says Engineering and Mining Journal.

A discussion of the specter situation from the standpoint of the smelters is published in the current issue of The Engineering & Mining Journal. The mine-owner's point of view received an airing in the recent investigation in Missouri and the impending prosecution of the "smelter trust" by the attorney-general of Missouri, the operators being of the opinion that they were not receiving a fair price for their ore in view of the prevailing high price of specter. The Engineering & Mining Journal says in part:— "Now as to the position of the smelters: Even before the beginning of January they found themselves receiving increased supplies of ore. When the great advance in specter obtained real headway, every zinc miner in North America exerted every effort to produce all he could, and supplies to the smelters increased rapidly. The smelter taking in ore sold specter against it as rapidly as he could, and in the main his sales were made at the lower levels of the rising market. As ore supplies increased beyond the immediate smelting capacity the smelters found themselves obliged to sell further and further ahead, or else run the risk of carrying a large supply of high-priced ore in the face of the collapse that was bound to come sooner or later. Therefore in order to protect himself the smelter was not only willing to sell deliveries beyond the customary two-months and three-months' contracts at large discounts, but was anxious to do so. Indeed, his solvency might depend upon his ability to do so.

"The misunderstanding of these conditions led to some strange vagaries. In the Joplin district, for example, the mine operators have been holding mass meetings to protest against the action of the smelters in refusing to pay what they, the miners, would like to get for their ore. Because some belated contract is understood to have paid 11c for a car-load of specter out of warehouse in New York it has been reasoned that the St. Louis price ought to be 11c, minus 0.17c; and that the entire Joplin production ought to sell per ton of ore at about eight times the St. Louis price for 100 pounds of specter. A good many of the fancy prices named for specter have been based on bids which in reality have been for quantities and deliveries that nobody could supply, a fact well known to the bidder, who could, for purposes of his own, bid almost any price with impunity.

"The effect of all this upon the uninformed public was to make it think that the highest price mentioned in any newspaper, responsible or irresponsible, was the true price for specter and anything else a mine-owner. Upon the demand of the Joplin operators the Attorney-General of Missouri started an investigation to find out why the smelters would not pay more for ore, but the simple fact was, of course, that the price paid on the forced purchase of a few carloads of specter did not represent the basis on which an output of 3,000 to 40,000 tons a month was being marketed, or could be marketed; and smelters were not going to buy ores on any basis higher than that upon which they could sell specter."

**WINNIPEG ELECTRIC GOES ON A 10 PER CENT BASIS**  
The dividend of Winnipeg Electric has been reduced from a 12 per cent. per annum basis to a 10 per cent., a dividend of 2 1/2 per cent. for the quarter ended March 31st having been declared. Winnipeg Railway paid 12 per cent. in 1914, 1913 and 1912, 1 1/2 per cent. in 1911, and 10 per cent. for the three preceding years. The net earnings, dividends paid and surplus of the company in each of the past nine years are given in the following table:

Year.	Net.	Dividends.	Surplus.
1906	714,341	248,660	324,635
1907	946,676	312,137	186,872
1908	1,117,222	395,789	149,614
1909	1,301,076	400,000	283,406
1910	1,623,208	600,000	234,769
1911	1,928,272	600,000	320,374
1912	1,761,236	700,000	474,352
1913	1,828,687	1,070,041	185,141
1914	1,685,093	1,000,000	335,339

# BRITISH NEEDS AND CANADA'S CHANCES.

Great Britain in 1913 imported 2,393,363 bushels of wheat from Germany, Austria and Turkey; 6,683,300 bushels of barley from the same countries, and 11,273,459 bushels of oats from Germany alone. Great Britain's total import of wheat on the average each year during the past decade has been 21,843,300 bushels, of which Canada supplied less than a fourth, 5,235,825 bushels, and of oats an eighth, of 59,829,590 bushels. Will she do better this year? In 1914 Britain imported Canadian produce in excess of 1913 to the value of 11,652,000 and in excess of 1912 of \$22,800,000. For the last quarter of 1914 the excess over the same period in the previous year was nine and a half millions. These figures surely furnish some idea of the necessity there is for further production. To retain the market, Canada must have the goods. To have the goods she must cultivate the best.

# DULUTH-SUPERIOR IN MARCH.

The Duluth-Superior Traction Co.'s comparative weekly statement of gross passenger earnings for the month of March, 1915, is as follows: P. C. of 1915, 1914, Dec. Inc. Dec. Inc. First week \$22,156.42 \$23,966.42 \$1,810.00 8.7 Second week 22,097.20 23,884.12 1,787.92 7.5 Month to date 44,253.62 47,850.54 3,597.92 8.2 Year to date 222,734.44 240,556.52 17,822.08 8.6

# BULLION FROM DOMINION REDUCTION.

Cobalt, Ont., March 22.—The Dominion Reduction made the only bullion shipment that has left the Cobalt camp for some time, a couple of days ago. The shipment consisted of 31 bars consigned to London, and contained 28,524 ounces. At the current price this shipment was valued at approximately \$14,732.

# LONDON'S ELECTRIC LIGHT COMPANIES

Affected by Police Regulations Which Have Provided for a Darkened City

# CHARING CROSS HARDEST HIT

Gas Companies, to Make Up for Loss of Income, Do to Decrease in Consumption, Advanced Rates, But Electric Companies Did Not Do So.

London, March 22.—Electric light and power companies of London, for the last six months of 1914, were affected by the police regulations in regard to lighting, which darkened London to a considerable extent, but the effects on earnings were not as marked as with the gas companies. This is accounted for by the fact that the growth of the use of electric power by London industries has been large, and also because, with the electric companies, the only loss was in decrease of current sold, while with the gas companies there was a heavy falling off in sales of residents. Gas companies, to make up for lost income due to decrease in consumption, advanced their rates, but the electric companies did not do so.

About half of the electric companies in London have made their reports for 1914, and these show as follows in comparison with 1913, net profits being expressed in pounds sterling:

Company.	1914.	1913.	Dividend Rate.
Charing Cross	£36,400	£38,300	0
West End	38,300	46,800	6
Kenning & Knights	14,400	15,700	9
London	54,000	37,300	4
Notting Hill	14,400	14,400	500
St. James & Pall Mall	27,000	31,000	10
Smithfield Market	1,700	1,800	2
South Metropolitan	24,000	23,100	0
Westminster	69,100	73,500	10

The net profit was after allowing for all interest charges and depreciation. Companies which depended largely on lighting revenue have been the hardest hit by the war, while companies like London and South Metropolitan, which sell large amounts of current for power purposes, show solid gains in earnings and in net profits. Charing Cross was the hardest hit of the companies, as its revenue comes almost entirely from lighting, and its gross was off almost \$50,000 from the preceding year. The London company increased its output 10,000,000 kilowatt-hours in 1914 over 1913, and raised its ordinary dividend rate from 3 p. to 4 p. Operating costs for the majority of the companies increased, because of the advance in the price of fuel.

# AMERICAN FARMERS BENEFIT FROM HIGHER CROP PRICES.

Washington, D.C., March 22.—The Agricultural Department states that the level of prices paid producers of the United States for the principal crops increased about 2.5 per cent. during February. In the past 7 years price level has increased during February 13 p. c. On March 1st the index figure of prices was about 7.5 per cent. higher than a year ago, 27.1 per cent. higher than 2 years ago, and 12 per cent. higher than the average of the past 7 years on March 1st. The level of prices paid to producers of U. S. farm products decreased 1.7 per cent. during month from January 15th to Feb. 15th. This compares with an average increase from January 15th to February 15th in the past 5 years of 1.4 p. c.

# LYMAN BROTHERS & CO.

At the annual meeting of the Lyman Bros. and Co., Limited, Mr. Chas. McE. Hay, who has been vice-president for some years, was elected President to succeed Major H. H. Lyman, of Montreal, who lost his life in the Empress of Ireland disaster in May last.

# The Bank of Nova Scotia

Notice is hereby given that a Dividend at the rate of Fourteen per cent. per annum on the paid-up Capital Stock of this Bank has been declared for the quarter ending March 31st and that the same will be payable on and after Thursday, the 1st day of April next, at any of the offices of the Bank.

**FULL OF MEAT**  
"I never throw away a copy of the Journal of Commerce -- its too full of meat" declared a subscriber the other day. That is the verdict of all who get a taste for the paper. It is read by men who think

# COUNTRIES WHICH ARE TO EXPORT FOOD

Washington, D.C., March 22.—The countries which are to export foodstuffs are listed in the following table:—

# STEADINESS IN COTTON

New York, March 22.—Cotton Wall Street buying Saturday was as hot as of late and has been similar orders in the morning.

# LONDON COTTON

London, March 22.—Spot cotton futures £8 15s up 2 1/2 p.

# LIVERPOOL CASH WHEAT

Liverpool, March 22.—Cash wheat 12s 4d. No. 2 hard winter 13s 4d. No. 1 hard winter 13s 4d. No. 1 soft winter 13s 4d.

# PARIS WHEAT

Paris, March 22.—Spot wheat 19 1/2 francs. No. 1 soft winter 19 1/2 francs. No. 2 soft winter 19 1/2 francs.

# SEEDING LATE THIS YEAR

Chicago, Ill., March 22.—Some of the seeding will be the latest in the season.

# THE HOP MARKET

New York, March 22.—There has been a large decline in the hop market, and a large decline in the price of hops.

# Public Notice

Public notice is hereby given that the Lyman Bros. and Co., Limited, have been elected President to succeed Major H. H. Lyman, of Montreal, who lost his life in the Empress of Ireland disaster in May last.