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Special Articles

The Veiled Pestilence.

By J. W. Macmillan.

The Problem of the Fourth War Loan.

By H. M. P. Eckardt.

Banking and Business Affairs in the U. S.

By Elmer H. Youngman.

Conditions in the West.

By E. Cora Hind.

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War Supplies and Labor

A VERY considerable portion of the industrial activity, and consequent abundance of employment at high wages, that have prevailed in Canada for some time has been the outcome of the demand for war supplies—foodstuffs, munitions, etc. The demand for foodstuffs continues, and is not likely to diminish in the early future. A continuance of prosperity during the war and afterward for those engaged in the production of food in Canada may therefore be expected. The world will need food, and no country is better able to supply it than Canada. For those engaged in the production of munitions the outlook is less favorable. While the war continues there will be need of munitions, but it is evident that there will not be the same calls as in the past on the Canadian factories to supply the market. There are questions of finance connected with orders for the purchase of munitions. The Canadian Government and the Canadian banks have hitherto had to co-operate with the Imperial authorities in facilitating the placing of munition orders in this country. It may be more difficult in the future to give such co-operation without crippling other lines of business of high importance. The great development of munition works in Great Britain enables the Imperial Government to obtain an increased quantity of shells at home. There may be good reasons why the mechanical resources of such Allies as the United States and Japan shall be largely drawn upon to keep up the munition supply. For various reasons it is likely that there will be such a reduction of munition-making in Canada as will throw a large number of people out of employment. Some of our factories have already ceased to make shells, and are turning their energies into their more regular branches of manufacture. Others are closing up their present orders with a knowledge that further orders are not to be expected.

It is the beginning of a reaction from the busy times and high wages that have prevailed for many months. Even before peace is in sight we have these indications of changing labor conditions. The conclusion of a peace treaty would, of course, make this change more marked, for then would come the thousands of returned soldiers who will be seeking employment. To some extent the law of demand and supply will assert itself; with more labor in the market and less employment for it there will have to be some readjustment of wage scales. So far as these new conditions affect the larger part of the labor which is employed in munition-making, the change may be accepted as inevitable. Men and women who have been earning three or four dollars per day in work that can hardly be regarded as with-

in the class of "skilled labor" cannot expect to receive anything like such wages when they pass from the munition factory to other lines of employment. There will have to be a sharp cutting down of wages, which will involve some hardship. Many of the workers who have been receiving high wages have, no doubt, recognized the temporary character of their prosperity and, even in face of the high cost of living, have conserved a part of their earnings for the inevitable rainy day. Many, there is reason to fear, have not done so, but have established a scale of expense which cannot be changed without much difficulty.

Apart, however, from the special case of the munition-makers, war conditions have caused a pretty general advance in the wages of the working classes. With a return to normal business conditions there will be an expectation on the part of some employers that the wage scales of former days shall be resumed. But it is certain that labor will be unwilling to have this expectation fulfilled. Even though economic reasons may press strongly for the reduction labor will be slow to recognize them, and the reductions sought will not be made without a struggle. In the end the economic reasons must to some extent prevail, but a return to the old order of things can hardly take place. One of the results of the war in Great Britain and elsewhere is likely to be that some part of the higher wage scale, and the higher standard of living which it has created, will become permanent, and that business arrangements everywhere will have to conform to the readjusted situation.

Pope and President

IT is well that the first reply to the Pope's peace message has come from the President of the United-States. Whatever may be said or thought of the aims of any of the European nations concerned, it is plain enough that the American Republic has not engaged in war against Germany for any selfish end. The United States wants no German territory, and can have no wish for anything at variance with the welfare of the German people. Entering the war at a late stage, after strenuous efforts to keep out of it, the American people realize that the German military system is a menace to the civilized world, and that it would be folly to hope for any real peace while that system continues to assert itself. In the interest of honorable and effective peace, in the interests of civilization and humanity, the American President points out the impossibility of any terms being made with the present German autoocracy. Once more he proclaims the desire of America to have peace and friendly relations with the German people, though she cannot make terms with the men who are responsible for all the horrors that have marked German methods of warfare.