

WARNS THAT HOSTILE LAWS MAY PERMANENTLY WEAKEN LINES

President Rea, of the Pennsylvania Railway, Says Constructive and Equitable Policy of Public Regulation Must be Practised.

New York, March 4.—Samuel Rea, president of the Pennsylvania Railroad, in his annual report warns that continued hostile legislation may permanently weaken the railroads of the country.

"Weak railroads," he says, "are among the greatest obstacles to business enterprise and commerce, and the country will have too many weak railroads unless a constructive and equitable policy of public regulation is practised, not as a palliative but as a permanent public and business necessity."

Mr. Rea thinks that the Interstate Commerce Commission should be given power to protect the railroads of the country from oppression.

"The increased scope and great burden of the duties and responsibilities imposed upon the Interstate Commerce Commission should now be followed by the amendment of the Federal laws," he says. "The commission should be empowered to strengthen the railroads, upon which the welfare of the country so largely depends, so as to encourage the investment of private capital for the expansion of their facilities and services and the preservation of their credit by means of reasonable rates."

Wants Board Out of Politics.

"The position of a Commissioner should be placed beyond political influence by a long tenure of office, and the compensation should be sufficient to attract and retain men of the widest experience and greatest ability. The regulatory power of the commission should include power to maintain a rate structure approved by or satisfactory to it, even though to accomplish this it should be necessary to prevent reductions of rates or to compel advances of rates found by the commission to be unreasonably low."

"The services of the commission should be made available to remedy the concededly inadequate revenues of the railroads for the transportation of mails and parcel post, and the power of commissions, State and Federal, to suspend increases in rates should be limited, so as to prevent loss of revenue to the railroads during the suspension of rates subsequently determined to be reasonable."

"Increases in wages and other burdens which seriously enlarge railroad expenses should not be imposed by legislation or through awards of governmental bodies unless the ability of the railroads to pay the same under the rate schedules then in effect is clearly apparent or unless the Interstate Commerce Commission is prepared to approve of increases in the rate schedules that will enable the railroads to meet the same without impairment of their credit or efficiency."

Should Import Confidence.

President Rea expresses gratification over the rate case decision, especially because of the intention of the Interstate Commerce Commission expressed in the decision to aid in the solution of the railroad problem.

"This expression coupled with the increases allowed should impart additional confidence to the business of the country," continues Mr. Rea. "There remains, however, a great deal of constructive work to be accomplished before governmental regulation of the railroads—State and Federal—is placed on a satisfactory basis."

The report shows that in 1914 the Pennsylvania Railroad's net income available for dividends was reduced \$7,330,967 to \$24,090,764. This is equivalent to 6.83 per cent. earned on the stock, against 8.4 per cent. in 1913. Gross operating revenue of \$181,184,822, showed a decrease of \$10,316,867, or 5.6 per cent. Operating expenses decreased 8.67 per cent. The balance carried to profit and loss was only \$123,900, a decrease of \$417,692.

President Rea requests the stockholders to support the movement for repeal of the first crew laws, which in Pennsylvania cost the Pennsylvania lines \$1,000,000 a year.

ADAMS EXPRESS COMPANY.

Quebec, Que., March 4.—The Legislature has granted the Adams Express Company authority to do business in the Province of Quebec.

Its principal place of business will be Montreal and it will be represented in that city by J. W. Cook.

The powers conferred on the company by its charter, are limited to those granted to corporations of a like nature, created in virtue of the laws of the province of Quebec, and subject to the formalities prescribed by the law now in force in this province.

NATIONAL CASH REGISTER WINS BAGGAGE FIGHT WITH RAILWAYS

Washington, D.C., March 4.—Passenger lines of the United States have been forbidden by a decision just announced by the Interstate Commerce Commission to enforce a regulation restricting the shape of baggage in so far as it intends to exclude from the regular baggage service pentagonal trunks which are within the present limits as to weight and dimensions.

The proposed regulation of the railroads was protested chiefly by the National Cash Register Company of Dayton, Ohio, and the Toledo Scale Company of Toledo, Ohio.

Commissioner Hall, writing the decision for the Commerce, pointed out:

"It is conclusively shown that it is necessary in marketing products to utilize the service of traveling salesmen, and that the best results can be obtained only through actual demonstration by the salesman on sample machines which are in perfect condition. The evidence is undisputed that in the practical pursuit of their profession these salesmen are dependent upon the baggage service, and that there is no satisfactory substitute."

"Protestants have experimented with many styles of trunks, including square and rectangular trunks, but all have been discarded in favor of the pentagonal trunks now in use. The latter have been in use and have been transported by respondents for many years. They afford adequate protection to the delicate mechanism of the respective machines."

"Protestants assert that they would be willing to use square or rectangular trunks if such trunks could be designed to afford the protection furnished by the pentagonal trunks. But it was testified that they have discovered no such trunks, and that those exhibited by respondents would not yield satisfactory results. The weight of evidence on this point favors the contention of protestants."

AMERICAN CAR AND FOUNDRY.

New York, March 4.—The American Car and Foundry Company has declared its regular quarterly dividends of 1 1/2 per cent. on the preferred and 1/4 of 1 per cent. on common stock, payable April 1st to stock record March 11th.

RAILROAD NOTES

A bill calling for the repeal of the extra crew law has been introduced in the New Jersey Assembly.

It is rumored that a syndicate has been formed to take care of the \$45,000,000 New Haven notes falling due in May.

Railroad traffic between Vera Cruz and Mexico City will be suspended except for military purposes, beginning to-day.

About 135 hospital trains are now being operated in Germany, with total of 4,000 cars. Sum of \$102,000,000 has been appropriated for new railroad construction.

It is reported that the New York Air Brake Company has received a \$12,000,000 order from the Russian government on which a profit of \$3,000,000 is in sight.

The United States Federal suit against the Central Railroad of New Jersey has begun. There are 200 counts of giving rebates to Lehigh Coal & Navigation Co.

Justice Mayer has denied petition of Horace L. Brand and others, as owners of Rock Island collateral trust bonds, to be allowed to intervene in Central Trust Co. action.

The south bound Chicago and Florida Limited, on the Southern Railway, was derailed near Macon, Ga. One trainman was killed and another injured.

The Railway Commission will hold a meeting in Montreal shortly for the purpose of discussing and enquiring further into the proposed increase of railway freight rates.

It is understood that the Edmonton, Dunvegan & British Columbia Railway Company, will be granted an extension of time in which to build that part of the line from the Spirit River Settlement westward.

The Michigan Central Railroad Co. will be tried before a jury on five indictments alleging demurrage discrimination returned in June, 1913. Conviction on all the counts would carry a fine of \$1,940,000.

German Minister of Railways says that 70 per cent. of all railways operated in times of peace have been in use since November 1. Passenger business is better than 80 per cent. of normal, and freight traffic over 90 per cent.

Mr. C. J. Coll, manager of the Cape Breton Coal, Iron and Railway Company, who has been until recently the sick guest of the Royal Cape Breton Yacht Club, since his operation, is now at Sydney, N.S., and his progress towards recovery has been very satisfactory.

Railroads in southern Michigan peninsula have been granted by the state railroad commission the 5 p. c. increase they have been asking for two years. The advance applies to all freight with the exception of coal, coke, iron ore and sugar beets. Railroad revenues in the territory affected will be increased about \$1,200,000 a year.

It is estimated that during 1914 Canadian Railways laid 2,941 miles of new track in Canada. Of that total the Canadian Northern Railway lines laid 658.84 miles, the Canadian Pacific 506.62, and the Grand Trunk Pacific Railway 295.20 miles, or a total of 1,460.66, against 2,710.51 miles in 1913, and 1,864.07 miles in 1912.

Howard Elliott, president of the New Haven, says that no offer to purchase Ontario & Western from New Haven has been made, and added: "Ontario & Western is earning 2 p. c. and with further business, which we hope is coming to it, we expect it will be worth a great deal more. We wouldn't think of selling it at the present price."

Before the New Jersey public utility commission H. N. Bilkie, testifying for the Pennsylvania Railroad, in its contention that increased passenger rates proposed last December should be approved, said: "The Pennsylvania has been compelled to lay off 20,000 men and 20,000 are working on reduced time. There is also the indirect effect upon all industries resulting from the decreased purchasing power of the railroads."

The Southern Counties Railway, in which the Grand Trunk is interested, is looking forward to a good summer's business. The system has been extended greatly beyond the original limits, and has still some sixteen miles to go. The chief concern of the Grand Trunk was to avoid the stoppages, which were common at the south end of the Victoria Bridge before the advent of the electric cars—stoppages which demoralized the through traffic, which alone is important, and annoyed the travelling public. At the same time there is, and will be more noticeably in the future, handsome profits from an undertaking which has grown beyond the original bounds assigned it, and which will have the double effect of making dividends and arousing sleepy communities farther out to a realization of the modern world with increased activity, life and business.

An investigation is being made by the Interstate Commerce Commission of a complaint by Philadelphia grain men that the Pennsylvania and the Reading have discriminated against them in favor of New York on export grain. It has developed that a charge of 1/4 of a cent a bushel is made for direct loading of grain from elevators to vessels, with 20 days free storage. In New York the rate is 1/4 cent with 10 days free storage, and an additional charge of 1/4 of a cent for every five days the grain remains in the elevator in excess of 10 days. The excess in the Philadelphia rate is said to make a difference of \$500 in a cargo, and the commission has been asked to make it the same as New York on the ground that New York exporters can move their grain at a half-cent while those of Philadelphia must pay three-fourths the rate if the grain is moved in 10 days or not. The reduction of the free storage period on merchandise from four to two days is another question to be the subject of inquiry before the examiner of the commission finishes his task.

THE WEATHER MAP.

Cotton Belt—Cloudy light to heavy rains in parts of Texas, Oklahoma, Arkansas, Mississippi, Louisiana and Georgia. Temp. 40 to 60.

Winter wheat belt—Cloudy, light to moderate, snow in parts of Kansas, Nebraska, Missouri, Iowa, and Indiana. Temperature 15 to 24.

American Northwest—Partly cloudy, light scattered snow. Temperature 12 to 22.



MR. H. R. WOOD,
Who has been appointed provisional liquidator of the Standard Securities Corporation.

The Charter Market

(Exclusive Leased Wire to Journal of Commerce.)

New York, March 4.—Another advance was recorded in steamer rates when several large carriers were closed for full cargoes of oats from Baltimore to French Atlantic ports and Marseilles at 8s. 3d. and 8s. 6d. respectively, for March loading. Rates in all other trades are correspondingly strong, although there is but little doing in other than the grain trades. For sailing vessels there continues a good general demand, with rates strong and in some instances notably higher.

Charters.—Grain.—British steamer Wellington 50,000 quarters oats from Baltimore to Marseilles 8s. 6d. March.

British steamer Lingfield 40,000 quarters, same.

British steamer Thistleard 40,000 quarters oats from Baltimore to a French Atlantic port 8s. 3d. March.

British steamer Dunster 44,000 quarters, same, option heavy grain 11s. March.

British steamer Cliftonian (previously) 30,000 quarters from Boston or Portland to West Coast Italy 10s. 4 1/2d. March.

British steamer Ada (previously) 34,000 quarters oats from Newport News to West Coast of Italy 8s. 3d. March.

Coal.—Norwegian steamer Progress III, 2,224 tons, from Baltimore to the Mediterranean, p.t. prompt.

Norwegian ship Stella 1,815 tons, from Baltimore to Rosario 35s. April.

Schooner Dorothy Palmer 2,315 tons, from Norfolk to Rio Janeiro 35s.

Schooner Charles Campbell 1,493 tons, same.

Lumber.—Belgian steamer Trevis 2,120 tons (previously) from the Gulf to the River Plate 26s., special terms March.

Schooner Clara A. Phinney, 388 tons, from the Gulf to the River Plate 23s. 50d. prompt.

Miscellaneous.—British steamer Castle 7,000 tons d.w., from New York to Vladivostok, with general cargo 60s., March-April.

British steamer Clan Graham 3,289 tons (previously) from West Coast South America to the United States with nitrate 55s. 9d., March, or 52s. 6d. if March-April.

British steamer Drumloist 1,980 tons, from Huelva to Baltimore with ore 13s., prompt.

Steamer Edison, light, 1,699 tons, West India trade, one round trip, p.t. prompt.

Danish steamer Orkild, 1,622 tons, same, six or twelve months, p.t., April 2.

SHIPPERS NOT GREATLY INTERESTED.

Chicago, Ill., March 4.—Chief Counsel Wright, of the North-Western, will represent the Western railroads in the freight rate case which opens here to-day, while Clifford Thorne will represent the Western States. Shippers evince small concern in the case.

The Board of Trade's attitude has not opposed reasonable advances. Traffic director Barlow, of the Association of Commerce, says:

"Our attitude is neutral. The proposed advances do not affect us seriously, and apply mostly to general consumption commodities, like soil products."

COMMUTERS DELAYED BY ACCIDENT.

New York, March 4.—Early commuting traffic on Jersey Central was slightly delayed this morning by an accident which occurred about midnight as a result of which one employee was fatally injured and the signal bridge just outside the Communahua terminal was thrown across the tracks and blocked the traffic.

In shifting of cars about midnight an express car sidetracked an empty Pullman standing in the yard, was derailed and thrown against a signal bridge which fell across the tracks. The track was cleared in the early morning hours and traffic was normal by about 3.30 a.m.

CANADA STEEL MILL OFFERS RAILS BELOW AMERICAN PRICE.

New York, March 4.—There is little change in steel conditions, and developments indicate that any increase in unfilled tonnage of United States steel in February will be far below the gains reported in December and January.

The unfilled tonnage statement will be out next Wednesday.

Purchase of 20,000 tons of steel rails by the Illinois Central from a Canadian mill was at a price several dollars a ton below the American quotation.

TWIN CITY FOR JANUARY.

Twin City for January, reports total railway operating revenue of \$769,291, an increase over 1914 of \$29,285, but an increase of 7.68 per cent. in operating expenses made net operating revenue of \$237,761 lower than a year ago, by \$14,646. Net income for month transferred to profit and loss was \$105,274, or \$16,045 less than a year ago.

MISSOURI PACIFIC EARNINGS.

The earnings of Missouri Pacific for January were: Gross, \$4,496,738, a decrease of \$393,377. Net, after tax, \$792,495; a decrease of \$424,829. Total income, \$894,858, a decrease of \$430,056. Seven months' gross, \$35,724,005, a decrease of \$1,281,091.

Net after tax, \$5,910,956, a decrease of \$373,121. Total income, \$9,221,167, a decrease of \$367,177.

"METAGAMA" IN COMMISSION.

London, March 4.—The S.S. Metagama, the new ship of the Canadian Pacific Atlantic service, reached Liverpool yesterday from Glasgow. She attained a speed of seventeen and a half knots over measured mile in a trial on the Clyde. She takes her maiden voyage to Canada; already many bookings.

SHIPPING NOTES

The French flag was hoisted over the American steamer Dacia in the harbor of Brest.

The Luchembach Steamship Co. has discontinued its passenger service to the Pacific Coast, because of unsatisfactory results.

In 1913 German's vessels carried about 15 per cent. of the foreign commerce of the United States last year they carried 9 per cent.

Some idea of the congestion that obtains at the port of Genoa by the fact that 300,000 bales of cotton are piled up on the wharves. There is a shortage of 20,000 railway cars to move this immense bulk.

One out of town broker is offering 21 neutral steamships for sale, viz: 10 Swedish, 2 Dutch, 5 Danish, 2 Italian, 3 Norwegian and 1 Spanish. They are all steel ships, and range from 1,500 to 5,000 gross tons.

The Governor of Newfoundland has received the following telegram:

"Referring to my telegram of 1st February, Admiralty desire to express their sincere sympathy with the Colony of Newfoundland on the lamented loss of 25 valuable lives of Newfoundland Royal Naval Reservists who were serving on H.M.S. Viceroy when she foundered."

"HARCOURT"

A joint resolution, enlarging the power of the President to deal with vessels suspected of violating neutrality by making the ports of the United States bases of naval operations was passed last night by the House. It would authorize the refusal of clearances except under heavy bonds to American ships suspected of loading men or supplies for belligerent warships, and for the internment of foreign merchantmen engaging in such traffic, and would impose heavy penalties for violations.

Danger from submarines did not deter the Canadian Pacific Railway from carrying out the usual trials of the new 13,000 ton liner Metagama. The large party which was aboard for the trial run and evolutions on the Firth of Clyde on Tuesday, included Major Maitland Kersey, manager of ocean services; Mr. G. McL. Brown, European manager; Mr. Thos. McNeil, Liverpool agent; Mr. H. S. Carmichael, general passenger agent at London; Sir John Biles, and Captains Christie and Martin, of the Allan Line. The trial was successful in every way, the new liner attaining a speed of 17 1/4 knots an hour. The Metagama, which is admirably equipped both as regards comfort and safety, the bulkhead and lifeboat arrangements having received special commendation from the Board of Trade, arrived in Liverpool yesterday under Captain Webster, formerly of the Manitoba. Bookings for her maiden trip are already numerous.

WILL HEAR EXPRESS COMPANIES.

Washington, D.C., March 4.—Tuesday, March 16, has been set by the Interstate Commerce Commission as the date to hear representatives of the Express Companies with regard to a petition for modification of the commission's order in express case.

STATISTICAL ROMANCE OF SHIPPING FLUCTUATIONS.

There are few more interesting studies for those interested in shipping than following the fortunes through a series of years of a particular vessel, and the effect upon its value by the changing conditions in ocean traffic. An interesting chart illustrative of the romance of shipping in its statistical aspect, and suggestive of the speculative difficulties the shipowner has to encounter was recently issued by one of the leading shipping journals. The chart shows the fluctuation in ship values from the year 1898 to 1914—16 years. A 7,500-ton steamer is taken as an example, but the percentage of variation applies to practically all classes of vessels in the same ratio. The highest price for this particular kind of vessel was in November, 1900, when it was transferred on a value of \$303,150. The lowest price paid for the vessel was in the severe freight depression which existed in 1908, when in June of that year \$180,000 was accepted—a drop of \$120,000 on the price paid eight years previously.

ENGLISH YARDS ARE BUSY BUILDING MOTOR SHIPS

Contracts Now Booked for Two Years Ahead—High Cost Prevailing for Coal Fuel Causes Much of Activity.

New York, March 4.—Shipping interests here are in receipt of information which shows that many orders have recently been placed with shipbuilders of motorships in Great Britain. Sufficient business is said to have already been booked to keep the yards busy for the next two or three years.

Messrs. Burnmaster & Wain, of Copenhagen, it is also learned, have enough contracts in hand for motorships to keep them busy for two and a half years. This firm has an advantage in that it can build both the engines and hulls. They now have contracts for ten motorships on their books. The same concern has, within the past three years, built thirteen large motor vessels, each of which has proven successful.

The firm of Harland and Wolff, Ltd., of Belfast, are now building six motorships for four different firms, although in each case they are only constructing the hulls, the machinery being built on the Clyde.

In placing new orders for motorships, particularly the average type of cargo carrying vessel up to 10,000 tons deadweight, the English owners have taken the present high price of coal throughout the world into consideration, with the cost of oil considerably lower than it was two years ago. The following relative cost of oil fuel and coal at various ports of the world gives a striking indication of the economies to be effected on various routes by the use of motorships, remembering that this type of vessel uses between one-quarter and one-fifth, by weight, of the coal necessary on a steamship of corresponding size and power.

At ports of India and the Straits Settlements coal costs exactly double the price of oil. In China it is nearly three times; in South America it is twice, and in North American ports approximately the same figure holds between coal and oil. In Central America, and on the west coast of the United States oil is rather cheaper than coal, ton for ton, while in most parts of Europe the ratio is between two and three to one, usually the former.

DENIES THAT CHAOS EXISTS ON LONDON DOCKS SINCE THE WAR

But Frequently, Says an Authority, Claims of Military and Naval Officials Have Come Before Those of Merchants and Shippers.

London, England, March 4.—"No chaos exists at the London docks. There has been none since the outbreak of the war. What has existed has been congestion—often severe, I admit, and somewhat prolonged; but what I wish to emphasize is that the position is growing better every day, and, in three weeks' time we hope to be able to deal effectively with any congestion or abnormality as the contingency arises. I wonder, however, what the general or business public thinks of the work which the Port of London Authority, and one of the port's representatives at the Board of Trade, to a representative of the Journal of Commerce, who had asked him for an official opinion on the statement that 'merchants, manufacturers and shippers were becoming alarmed at the chaos which now existed at the London docks.'"

Highly Exaggerated Accounts.

"The fact of the matter is," proceeded Mr. Broadbank, "highly exaggerated accounts have got abroad concerning the position at the docks, and there are many who readily enough forget, or they do not appreciate, the work which has had to be done, and which there still remains to do. Over and over again we have had to put the requirements of the military and naval authorities before the claims of shippers and merchants. We have to-day 6,000 men employed at the docks, compared with 4,000 at the same date last year. That is in spite of the fact that large numbers of men have been called up as reservists and others have joined the colours. Moreover, something like 1,600 skilled regular labourers have gone abroad or have been sent to other parts to help in the work of unloading war material. We are dealing with something like 150 transports, besides an extraordinary increase in other tonnage, due to many ships being diverted to the Thames owing to military requirements."

"The year's supply of sugar purchased by the Government has to be brought into port and warehoused within five months. Deliveries have already started, and while the ordinary quantity at the docks in normal times is no more than 21,000 tons, to-day we have 80,000 tons. At other times we have no more than 2,000 tons of wheat waiting to be taken away; to-day 24 thousand tons are in the warehouses and granaries. French wines and brandies, which are usually discharged at Newhaven, are to-day being discharged in the Port of London. So it is with other commodities."

Wool Arrives With Rush.

"While the Australian troops were coming over, and during the exploits of the Emden, there was no great export of Australian wool. Now the wool is arriving with a rush, and at the next monthly sale 150,000 bales will be on offer—almost a record, necessitating most of our men working at present on the wool discharges alone. Then there are the large quantities of contraband goods which have to be warehoused. For these goods and much else we are erecting additional storage sheds. Men are working day and night, and nearly all the labour available is being utilized. To-day there is, comparatively speaking, very little casual labour employed at the docks. Efforts have been made for years to eliminate that type of labour, so that to-day there are fewer irregularities in the supply and demand, but we are making use of every man who can be employed. The congestion at the port is gradually being smoothed out; soon, we hope, it will disappear. But what is not generally known is the tremendous exertion which our labourers and everyone else working at the docks have had to exercise at a time of unimaginable pressure and difficulty."

CANADIAN PACIFIC IN FEBRUARY.

The C. P. R. in February had gross earnings of \$6,503,000, a decrease of \$862,000 or 11.7 per cent. from the figure set in the corresponding month last year. The month's decrease of \$862,000 or 11.7 per cent. is the smallest gross decrease since December of 1913. The following table shows the weekly returns for February in the last two years:

	1915.	1914.	Decrease
1st	\$1,440,000	\$1,752,000	\$312,000
2nd	1,634,000	1,733,000	99,000
3rd	1,614,000	1,796,000	182,000
4th	1,815,000	2,084,000	269,000
	\$6,503,000	\$7,365,000	\$862,000

STEAMSHIPS.

CUNARD LINE

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Transylvania (15,000 tons) April 12
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Bonaventure Station
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Main 619

PROFIT OF 70 FIRE CO IN TEN YEARS WAS

Thirty-one Show a Profit, and T Underwriting Account—Amounted to \$45,000.

Statistics of the underwriting seventy fire insurance companies United States, with assets of \$1,000,000,000, which have been in business for ten years, shows that the loss ratio was 42.3. This leaves an underwriting profit of \$2,055,021, or 14 per cent. Only the