

FORM BILLION R STOCK POOL

Bankers Discuss Purchase
of States Securities
Abroad

ATIVE PROPOSALS

ent at Washington or Great Bank.
ure Stocks Offered For Sale
ity Days Next Succeeding
October 1st.

September 19.—Bankers in this city
ro distinct propositions for the re-
situation and the consequent early
stock exchanges of the country
the European war situation, have
July 30.

ies proposed, the first is a plan to
ates Government buy all American
broad, which may be offered for
days next succeeding October 1, at
upon later and to have the gov-
securities as collateral for an
nds, maturing serially. One-tenth
to be sold each year to provide
these bonds.

T TO HEAR MINERS.

umber 19.—The request of repre-
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of was expressed that operators
for a three-year truce recently
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PROSPEROUS ERA FOR STEEL MEN AHEAD

Magnitude of Revival After War Will
Stagger Even the Most
Optimistic

MORE USES FOR STEEL

European Countries on the Termination of Hostilities,
Instead of Being Competitors, Will Be Com-
pelled To Bring in America To Rebuild
Destroyed Cities and Industries.

Pittsburgh, September 19.—As a result of the Euro-
pean war the steel industry of the United States will
pass war the steel industry of the United States will
pass war the steel industry of the United States will

In Europe," says Colonel Bope, "the countries
which have hitherto competed with us in the manu-
facture of steel are at war. They are engaged in
the destruction of each other's steel plants and each
other's cities. When this strife is ended these coun-
tries, instead of competing with us for some years, at
least, will be compelled to buy from us to rebuild
their destroyed cities and industries.

Good Results Will Accrue.

"While I am one of those who believe that the Euro-
pean war will set civilization back nearly one hun-
dred years, yet there are reasons to hope that some
good results will accrue. If, when peace is finally
obtained, the warring nations can succeed in find-
ing some way to outpace payment of some of their
stupendous national debts, which are lashed to the
shoulders of the taxpayers, some good will surely have
been wrought. It is considered dishonorable to dis-
own debts but if the action will ameliorate the situ-
ation to a sufficient extent, it is probably justified.
And there are other reasons why we may look
forward to a long, unbroken stretch of good business
conditions. For instance: Steel is constantly sup-
planting wood in nearly every department of construc-
tion; every day builders are discovering some new
use for it.

Using Heavier Rails.

"The railroads find it necessary in waging their
campaign for 'safety first' to apply their creed to the
roadbeds. This they are doing by using heavier
rails. The Pennsylvania Railroad has ordered 125-
pound rails for its tracks. These new rails are so
heavy that steel ties, instead of wooden ones, to
maintain their weight, are required. Wooden ties,
possibly, may be retained for some time yet, except
at the rail joints, where it is absolutely imperative
that steel be employed. If other railroads fall in
line with the Pennsylvania in the way of using rails
which make for greater safety of travel, we shall
be able to sell the output of another steel plant as
large as the Edgar Thomson, if we manufacture there-
in nothing but steel ties for the rail joints.

Concern Its Railroads.

"One of the greatest problems this nation has to
face to-day concerns its railroads. It is a known fact
that half the railroad systems in the country are on
the verge of bankruptcy. Such a condition should
not be. There is no other institution known so vitally
important, when prosperity is considered. Without
railroads large inland cities would be impossible. If
the railroads can survive only by raising rates then
I say let's have higher rates. I know of one rail-
road running into Pittsburg which right now does not
have in stock a single extra rail. That road is cer-
tainly in dire straits."

BETTER COPPER DEMAND.

New York, September 19.—There is a slightly bet-
ter demand for copper on the basis of 12 1/2 cents per
pound, although the volume of new business con-
tinues exceptionally small.
Any pronounced buying movement would bring
about improved prices, but no large orders seem to
be in sight.
Some large dealers continue to quote 12 1/2 cents,
not being disposed to accept lower quotation. So
far this month exports are equal to about 50 per
cent of shipments in the corresponding period of
last year.

SHAWINIGAN RETURNS.

Shawinigan Water and Power earnings for the
month of August again equalled those of June and
July, amounting to \$141,992. The month's earnings
compared with the corresponding period of 1918,
show a gain of \$6,102.

U. S. DYE INDUSTRY MAKING STRIDES; PRODUCES TWO-THIRDS NATION'S NEEDS

New York, September 18.—The absolute dependence
of the textile industry of the United States on Ger-
many for artificial dyestuffs, which the war has
brought into prominence, is contradicted in figures
as the results achieved in this country in the last
few years published in yesterday's issue of the Daily
Consular and Trade reports.

The textile and other industries in the United
States have been steadily increasing their consump-
tion of synthetic dyestuffs, but the large increase
has been supplied from the new and large chemical
works in the United States, the value of whose out-
put was \$7,350,748 in 1918, \$10,912,224 in 1919, and
\$16,428,676 in 1920.

This ratio of progress indicates that the American

	1912.	1913.	1914.	1915.	1916.	1917.	1918.	1919.	1920.
Alizarin and alizarin colors:									
From Germany	5,372,087	1,359,560	1,359,560	7,369,457	2,593,758	\$833,705			
From all other countries	75,662	22,376	60,135	20,184	39,656	11,754			
Indigo:									
From Germany	4,252,143	337,005	4,545,798	337,882	2,768,191	202,722			
From all other countries	548,276	46,671	418,569	32,461	316,276	20,006			
Coal-tar colors, all other:									
From Germany	7,032,023	966,047	7,212,451	974,502	7,448,412	938,097			
From all other countries	626,044	138,095	500,057	128,395	676,799	165,129			
Total values:									
From Germany	5,418,864	1,365,565	1,365,565	7,369,457	2,593,758	\$833,705			
From all other countries	1,464,211	46,671	418,569	32,461	316,276	20,006			

Note—The statistics for indigo include imports of
\$109,000 worth annually.

GRAIN MARKETS HELD STRONG DESPITE PEACE DISCUSSION

Market's Capacity for Rallying After Each Decline
Has Disheartened Bears and They Do Not
Care to Commit Themselves to any
Extent—Corn Will Be an Aver-
age Crop.

(Exclusive Leased Wire to The Journal of Commerce)
Chicago, September 19.—The wide discussion of
peace from which has sprung predictions of an
early termination of the great conflict abroad failed
to check the upward movement in wheat prices. It
is true that the market has had a substantial reaction
from the recent high level, but its capacity for
rallying after each decline has so impressed the
bears that few have cared to commit themselves to
the short side to any considerable extent. As re-
gards the technical position, experienced observers
say position of the market is stronger now than at
any time in the last fortnight, because of the elimi-
nation of a great many weekly margined long ac-
counts. Export buying has held up well and flour
cashes for shipment abroad have also been heavy.
The spring wheat movement has been heavier, per-
haps, than many expected, but its effect on the mar-
ket was slight. Crop conditions have received little
attention, nor for that matter has any other factor
appeared to have received consideration, except the
developments in the war zone. Corn and oats have
followed the trend of wheat prices and both grains
advanced moderately in the course of the week. Oats
values have also been sharply influenced by the ac-
tivity of exporters, who, it is claimed, have taken
15,000,000 bushels of American and Canadian oats
since the outbreak of the war.

Later estimates indicate that the corn crop will
outturn 2,800,000,000 bushels or an average crop. On
the whole, conditions during the past week were
favorable, and plowing and seeding in the winter
wheat sections made good progress. Threshing op-
erations, however, were delayed in the spring wheat
territory because of wet weather. While corn of late
has suffered delay because of cool, cloudy weather,
the bulk of the crop is now, however, apparently
safe from frost. Canada is expected to double its
winter wheat area.
If anything, the foreign exchange situation shows
improvement. Exchange sterling holds up owing to
the bankers' demand, but bills are in larger supply
and the trend seems to be downward.

REOPENING OF COTTON EXCHANGE WILL TAKE PLACE IN NEAR FUTURE

Gloom is Rapidly Disappearing From Cotton Circles—
Syndicate Will Be Formed to Liquidate Out-
standing Long Cotton Contracts. Values
Are Hardening—The "Buy a Bale" Movement.

(Exclusive Leased Wire to Journal of Commerce)
New York, September 19.—Gloom is now disappear-
ing from cotton circles. Reopening of the New York
Cotton Exchange within the next two or three weeks
seems assured if the plan under consideration to form
a syndicate to liquidate outstanding long cotton con-
tracts does not miscarry. Because of great pres-
sure brought to bear from the South and other
sources, the scope of the syndicate will be enlarged
beyond the original purpose so as to include not only
the Liverpool straddle interest of 346,000 bales, but
all other outstanding commitments at 9 cents a
pound.

Cotton values are hardening. Many attribute this
to the success of the "buy a bale" movement and to
the general improvement all around.

A week ago planters were anxious to dispose of
their cotton at any price. To-day they refuse to
sell to the market. This is largely due to the fact
that the storekeepers are accepting cotton at 10 cents
a pound in payment for merchandise, etc. Cotton is
now permitted to be ranked among a bank's as-
sets. Also with the steadily growing indications
that the war will terminate sooner than was thought,
probable a week ago comes the thought that more
cotton will be needed abroad than otherwise.
Domestic mills are buying a little more freely but
are still holding off to a certain extent. The foreign
exchange situation has improved to such an extent
that ready financing of cotton shipments is early
expected.

DRINKS WILL BE TAXED.

Washington, September 19.—Democratic members
of the House Ways and Means Committee at the
morning session agreed to three definite items of
war revenue bill. A tax on beer will be fixed at \$1.50
a barrel; on sweet wines at 20 cents a gallon; and on
dry wines at 14 cents a gallon.

INCOMING ORDERS IN SMALL VOLUME

Steel Operations Are Being Lowered
At all Centres in United
States

QUIETEST PERIOD OF YEAR

Industry, in View of Slow Development, of Favorable
Effects of War, Must Submit to Some
Further Readjustments—Pig Iron
Exceedingly Dull.

New York, September 19.—Dullness in the steel
trade has become so pronounced that reports of con-
cessions from present price levels are gaining cur-
rency. Incoming business is very light and mill op-
erations are being lowered at all centres. Average
operations are now understood to be below 50 per
cent.

The Iron Age says: "The unvarying report from
iron and steel centres is that the first half of Sep-
tember has been the quietest period of the year. Manu-
facturing consumers of steel products have lately
made such curtailments that specifications on exist-
ing contracts with the mills have fallen off, so that
in some forms of steel production is now less than in
August."

"The indications are now plainer that the favorable
effects of the war upon American steel trade will de-
velop slowly and that for a longer or shorter period
before they appear the industry must submit to some
further readjustments."

Cuts Small Figure.

"Foreign inquiry continues, but it cuts a small fig-
ure in comparison with the country's steel making
capacity. An English company asked for 2,000 tons
of wire rods and close to \$28 Pittsburg was quoted.
From Spain a 1,000 ton inquiry for rods has come
and from Russia one for 5,000 tons of barb wire. As
the latter is contraband the transaction has its risks.
English sheet mills advise American steel works that
their quotations on sheet bars are too high. That
same answer is made to quotations on 20,000 tons of
low phosphorus pig iron made by Eastern firms
on inquiries from Great Britain. Early buying in
some European quarters is evidently less imperative
than had been thought."

"The straits of the railroads and the stringent pol-
icy of banking interests continue to dominate the do-
mestic situation. Some reason for hope has been
found in the spreading conviction in high places that
the railroads must have relief. Until it comes rail
and plate mills will have but precarious operation
and producers in other lines must face shorter run-
ning time."

Large Structural Shops.

"The larger structural shops are all filled up for
three to seven months, but many building projects
have come to a standstill and current contracts are
few. In August, the Bridge Builders and Structural
Society estimates, new orders represented 27 1/2 per
cent of a month's capacity of the bridge and struc-
tural shops of the country. Bids have gone in at
Pittsburg for the Baltimore and Ohio bridge over the
Allegheny at Thirty-third street, 10,000 to 12,000 tons,
and the McClintic-Marshall Construction Company has
the contract for the new Pennsylvania bridge at
Kiskiminetas Junction, 3,500 tons."

"Tin plate mills are operating at nearly 85 per cent
of capacity, due to the partial resumption of oil ex-
ports and the exceptional demand from the canning
trade. As pig tin has declined, tin plate prices are
easier."

"The tube industry has been running on not more
than a 50 per cent. basis and some companies only 30
to 40 per cent."

Pig Iron Market Dull.

"In the pig iron market, dull and even more de-
pressed in all sections, the East has led in activity,
and there Philadelphia has done most of the business."

"The Iron Trade Review says: 'Inquiries for iron
and steel products from foreign countries continue
to be received, but inquiries develop into orders in
very few cases. Financial conditions still interfere
with the extension of foreign trade and are also con-
tributing to an increasing dullness in domestic trade.
Pig iron in nearly all parts of the country is exceed-
ingly dull. Demand for finished materials is also
light, and there is some softening of prices for prompt
delivery. One large manufacturer of plates which
last month turned out the largest tonnage in a year
or more reports that its business has suddenly declin-
ed and is now extremely light. Similar reports come
from nearly all Eastern makers with the exception
of manufacturers of sheets, who are enjoying a good
business.'"

SEPTEMBER HAS BROUGHT FEW EQUIPMENT ORDERS.

New York, September 19.—From present indica-
tions September will be even duller than August in
equipment orders. Unless September picks up con-
siderably, it will make a new low record for the
year. Thus far this month has been productive of
practically no equipment orders, and what few in-
quiries were in the market a month or six weeks
ago are in no danger of being closed.

Last month only 4,400 cars, 78,000 tons of rails
and 76 locomotives were bought. This is at the an-
nual rate of 52,800 cars, 912 locomotives and 936,000
tons of rails.

It is probable that the rest of the current year will
show comparatively few equipment orders placed,
but manufacturers are of the opinion that eventually
the market for equipment will show a great im-
provement because of the retrenchment practised by
the railroads in the last several years.

HOLDERS MAY EXCHANGE ERIE RAILROAD NOTES.

New York, September 19.—On behalf of the Erie
Railroad, Messrs. J. P. Morgan and Company are
offering holders of \$4,550,000 Erie notes, maturing
October 1st, the privilege of exchanging these notes
at maturity for new one-year 5 per cent. notes at
97 1/2.

The new notes will be limited in amount to the
\$4,550,000 now outstanding, and will be secured by
\$7,000,000 first mortgage bonds on essential parts
of the through line of Erie between Calumet and
New York.

New notes with 2 1/2 per cent. notes deposited will
be ready for delivery October 1st.

MOTOR COMPANY BANKRUPT.

Detroit, September 19.—An involuntary petition in
bankruptcy against the Loxley Motor Company has
been filed in Detroit by the following concerns:—
Fresno Steel Company, Welded Steel Barrel Cor-
poration and Brightman Nut and Manufacturing
Company.

THE BUSINESS SITUATION SHOWS SOME IMPROVEMENT

Business Men Have Partly Recovered From Mental
Shock of European War, and are Now Getting
Their Bearings—Collections Have Also
Shown Improvement.

Exclusive Leased Wire to The Journal of Commerce.
New York, September 19.—There is a slightly bet-
ter feeling in business circles which has exerted it-
self in the shape of some increase in orders. Several
causes may be assigned for the changed conditions.

The business men of the country have recovered in
part from the mental shock of the European war and
are now able more easily to get their bearings. This
has resulted in the conviction that the United States
must be the palmer in a business way because of the
almost practical cessation of business industrial ac-
tivity in the belligerent countries. Again, money is
slightly easier and offerings of commercial paper are
more numerous, and at slightly lower rates than was
the case only a week ago. It is, moreover, the belief
of many business men that within a month financial
conditions—barring the resumption of Stock Ex-
change activities—will be nearly, or quite normal.

Collections, too, have improved measurably during
the past few days, and this has given added courage
to manufacturers. A month ago many complained
that collections were slow and likely to be slower;
but a surprising recovery has taken place in most
lines of business.

Another factor which is giving increased hope is the
growing feeling that the railroads will receive favor-
able consideration at the hands of the Inter-State
Commerce Commission in their latest appeal for in-
creased rates. In the minds of a very great majority
of our business men this freight question, and it in-
volves the solvency of an infinite number of our
transportation systems, is the most vital issue be-
fore the country to-day. A living wage for the
railroads, would be welcomed by all broad-minded
business men. It is not to be assumed, however,
has taken on the proportions of a boom or has even
that the change for the better in business conditions
raised the volume to normal. A conservative esti-
mate would be that the country over business is off
from 10 per cent to 15 per cent from a year ago; in
some cases as much as 20 per cent and in extreme
instances like cotton and copper even more.

ONLY 50 PER CENT. CAPACITY.

New York, September 19.—The production of the
steel mills of the country is now running pretty
close to 50 per cent. of capacity, comparing with
over 70 per cent. in July.

Further price shading is reported, particularly in
steel bars, structural steel and tin plate. This is due
to the lack of demand and indifference of consumers.

There may be still further cut in output, but pro-
ducers are satisfied the bottom will soon be reached.
The feature of the market is the almost total ab-
sence of railroad buying.

TO EXPORT HORSE SHOES.

Pittsburg, Pa., September 18.—Pittsburg mills are
preparing six million horse shoes for shipment early
next week to France and Russia. They will be ac-
companied by horse shoe nails and toe pieces.

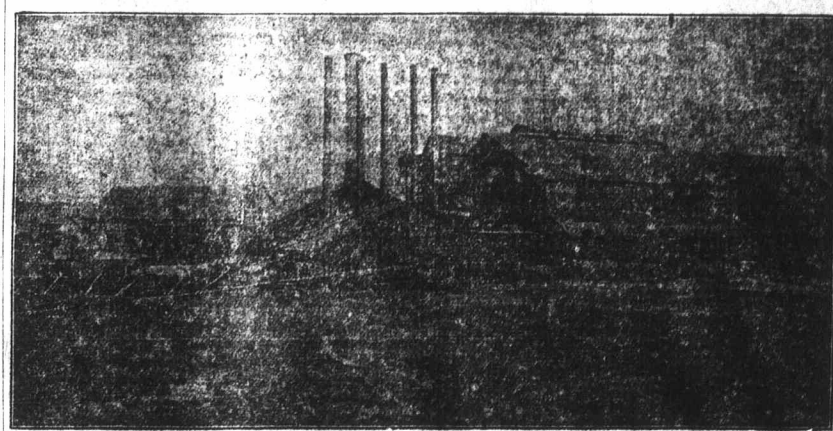
One mill has been working day and night to fill its
part of the order, and other mills are preparing to
fill demands made upon them by Austrian customers.

PEERLESS BRITISH INFANTRY.

It is at times like this when an army is hammered
by overpowering forces that discipline gives way
and retreat becomes a rout. It may be that no other
troops in the world, except those seasoned British
regulars, heroes of many battles in many lands,
could have fallen back so bravely and unbroken for a
hundred hours and a hundred miles until they were
too tired to the fortified line behind them to be
flanked and the Allied army was for the moment safe.
—Rochester Post-Express.

OHIO COPPER CO.

Salt Lake City, Utah, September 12.—Ohio Cop-
per Mining Company's mine and mill have closed,
and 250 men are thrown out of work.



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