

ION BANK OF CANADA Established 1865 OFFICE WINNIPEG Capital \$5,000,000

perial Bank OF CANADA OFFICE TORONTO Capital \$7,000,000

OMINION BANK AND B. OSIER, M.P., President

st Funds Should be Deposited Account in The Dominion Bank

ERCHANTS' BANK OF CANADA

FOR BRITISH VICTORY. "The N. Y. Independent"

OF COMMERCE---the

OF COMMERCE

PROGRESS TOWARDS NORMAL CONDITIONS

Slow Work When Many Problems of Magnitude Have to be Solved

UNFAVORABLE SYMPTOMS

Consoling That Inter-State Commerce Commission Has Consented to Review the Freight Rate Decision—Business In Meantime Will Continue Below Normal.

(Exclusive Leased Wire to Journal of Commerce.) New York, September 26.—There is a little less activity in American business than was the case a week ago, notwithstanding that matters financially are slowly but nevertheless surely getting into a more normal position.

There are lines, of course, where an excellent volume is being done, but in the more important industries, like steel and copper, the week has been productive of unfavorable symptoms.

A great many encouraging things have been accomplished, however. The clearing up of the New York City loan situation by reason of the success of the new note issue, the formation of the \$100,000,000 gold pool for foreign exchange purposes, the decrease in the rate of the reopening of the 5 per cent. freight rate case, the easier position of money and the gradual relaxation of credit have all been moved in the right direction.

The reopening of the freight rate question has important possibilities for the business of the United States. It is growing to be realized more and more every day that if the Inter-State Commerce Commission would adopt a liberal, not to say fair, attitude towards the transportation interests a big stride will have been made in the way of restoring confidence.

The millions of railroad securities held for foreign account would not be pressed for sale so urgently, new capital could be found for railroad development, and, in general, the business situation would be wonderfully strengthened if the commission would take prompt and effective measures to relieve the railroads.

It is some consolation, however, that the commission has been sufficiently impressed that they have consented to review the decision.

In the meantime business will undoubtedly continue below normal, with the ups and downs which are incident to the ever-changing conditions when the map of the world is in progress of being made over.

WANT BOURSE OPENED.

New York, September 26.—The Paris Temps says that everyone is demanding the re-opening of the Bourse, which was closed July 31. The Temps contends that it is a useless pretext to insist that the Bourse should remain closed because so many members of the Exchange have joined the army or because so many securities have been removed from Paris.

SOME BANKERS ALSO HOARD THEIR FUNDS

While They are Preaching to "Little Men" Quite Another Doctrine

LACK BREADTH OF VISION

One Boston Note Broker Read Country Banker a Lecture on Having a Twenty-five Per Cent. Reserve in His Vaults.

Boston, September 26.—A Boston note broker says: We in the larger banking centres often express our disapproval of the pernicious practice of hoarding money in times of financial stress. Our remarks are usually for the benefit of the little men whose breadth of vision or lack of patriotism is such that their obsession is to fortify themselves against any possible disaster. It is, of course, the cumulative effect of this locking up of money that makes financial unsettledness take on panic proportions.

It is, however, surprising to find a great many country bankers who will do absolutely the same thing when it comes to their own institutions while they may at the same time be preaching the opposite doctrine to their depositors.

Here is a case in point—I was in the western part of Massachusetts this week, and called upon a banker whose deposits run over \$3,000,000. To my inquiry as to whether he was in the market for paper, he replied that he thought he ought to run strong. I asked him how much reserve he was carrying. About \$750,000 was the answer.

I thereupon delivered him a lecture on his having a 25 per cent. reserve, told him it was his duty to buy some paper, and finally ended by selling him a good-sized block.

JERSEY CENTRAL EARNINGS.

Jersey Central—July gross \$2,724,602; decrease, \$23,224. Net, \$1,123,928; decrease \$217,208. Surplus after charges \$446,205; decrease \$230,527.

INDUSTRIAL ALCOHOL TO BE USED IN PLACE OF GASOLINE

Production of Substitute in Germany is in Excess of 100,000,000 Gallons Per Year—Would Be a Costly Experiment.

New York, September 26.—Imminent exhaustion of its supply of gasoline may not have the serious effect on Germany's operations in France that oil interests in this country anticipate.

It is, of course, true that German operations have been greatly facilitated by gasoline motor vehicles, but it is also true that if the gasoline supply ran out completely it would be possible to resort to the use of industrial alcohol, of which Germany's production is in excess of 100,000,000 gallons a year.

As a substitute for gasoline in the driving of motor vehicles industrial alcohol is very expensive, but the item of expense would be a small consideration compared to the loss of efficiency which the German army would suffer in the event of its being obliged to abandon the use of its motor vehicles and air craft in the war.

TRADE INQUIRIES HAVE MULTIPLIED

British Manufacturers Anxious To Correspond With Canadian Importers

MARKET FOR WATERPROOFS

Montreal Firm Desires to Establish Connections With a Manufacturer of Children's Boots and Shoes in the Motherland.

The following were among the inquiries relating to Canadian trade received at the Office of the High Commissioner for Canada, 17 Victoria Street, London, S.W., during the week ending September 18th, 1914:—

A London firm manufacturing flavoring essences as used in foodstuffs, essential oils, synthetic preparations, phosphates of soda, potash and ammonia, amy acetate, amy alcohol, oil of lemon, oil of lavender, cream of tartar substitute, colodion, dope, sulphites of soda and potash, caramel (burnt sugar), polishing soap, etc., desire to correspond with Canadian importers.

A North of England firm manufacturing a substitute for tartaric acid and citric acid desire to correspond with Canadian importers.

A Scottish firm of merchants, engineers and exporters report a market for spring steel, galvanized and black fencing wire, galvanized corrugated and plain sheets, steel shafting and wrought iron and steel tubes, and would like to hear from Canadian manufacturers able to supply.

A London firm desires to secure the agency of a Canadian manufacturer wishing to secure a market in Great Britain for specialties, particularly auto parts and sundries.

A London correspondent is prepared to correspond with Canadian manufacturers willing to discuss the question of opening up trade for Canada in Belgium and France previously done by German houses.

A London correspondent is open to communicate with Canadian manufacturers of domestic wood turnery, pulp-board or "leather board," fence wire, wire nails, lead-pencils, and other lines made in the Dominion, willing to consider proposals for extending their export trade through London merchant houses.

A London firm make inquiry for names of Canadian refiners of turpentine.

A London firm desires to be placed in touch with Canadian manufacturers of "sand-paper."

A firm in the English Midlands manufacturing all descriptions of saddlers' ironmongery desire to get into touch with Canadian importers.

A Toronto firm of commission merchants ask to be placed in touch with United Kingdom manufacturers of chemicals suitable for rubber manufacturers, such as litharge, lithopone sulphur, barytes, magnesia and pigments.

Inquiry is made from Toronto for names of English manufacturers of cream of tartar, tartaric acid, citric acid, benzoate of soda, casein, etc.

A Toronto commission house make inquiry for names of United Kingdom manufacturers of amber-colored whiskey bottles; also lead capsules for whiskey and wine merchants.

A firm of commission merchants at Toronto are open to correspond with makers of cotton and duck fabrics suitable for manufacturers of automobile tires and hose and belting.

A firm in the Province of Quebec report a good market there for waterproof coats, and would like to correspond with English manufacturers.

Inquiry is made by a correspondent in the Province of Quebec for names of exporters in Great Britain of beeswax.

A Montreal firm desire to establish connections with a manufacturer of children's boots and shoes.

Inquiry is received from a Quebec firm for names of English makers of ladies' and gentlemen's kid gloves.

A Canadian firm manufacturing chopping axes are desirous of getting into touch with parties open to co-operate with them in obtaining an entry into the United Kingdom market.

A Winnipeg firm ask to be placed in touch with English manufacturers of high-class pencils for which a good market is reported in view of the suspension of German and Austrian exports.

A firm at Winnipeg offer co-operation to United Kingdom manufacturers of hardware, builders' supplies and electrical goods; also stationery, dry goods, etc., wishing to enter the Western Canada market.

THE TENNESSEE NOTES.

New York, September 26.—It is understood that the State of Tennessee which has \$1,400,000 notes maturing October 1st, has arranged to pay off \$100,000 and to care for the remainder by sale of new note of \$1,250,000. The new note is to bear interest at 6 per cent. and be sold at 99 or at a 7/8 per cent. basis.

SWAMPED WITH UNLISTED BUSINESS.

New York, September 26.—Scores of houses took advantage of the opportunity to trade in unlisted securities at the first meeting of the Committee on Unlisted Securities yesterday. Bids and offers were submitted in large numbers and the committee found itself swamped with business almost before it settled down to work.

The most urgent demand for market facilities came from oil stocks though there was a goodly number of bids and offers for public utility stocks.

It was from the oil group that the movement for the institution of the committee originated, and the houses which have been prominent in oils are represented on the committee.

LONDON BUYING N. Y. SECURITIES.

New York, September 26.—Certain enterprising dealers in securities have been making fairly handsome profits by buying stocks here and selling them in London. In this business the regular arbitrage houses have not participated as their membership in the Stock Exchange prohibits them from buying at prices lower than those which prevailed at the close on July 30th, while it has been necessary to secure the stocks at concessions from those figures in order that they might be profitably sold abroad.

MY RESIGNATION

By Peter McArthur. Toronto, Sept. 23, 1914.

To save the two-cent postage stamp I herewith submit to the Government of Canada my resignation. Last Saturday I took the job of telling about the apple crop in the hope that we could be saved the hideous wastage that is now in prospect. As nearly as I can find out, there are at least two million barrels of the choicest Canadian apples in danger of rotting under the trees. This, of course, is a situation where the Government should help. I am only a private individual, but I am willing to give my time and flow of language for nothing to sell these apples. But in spreading the information it is necessary to pay laboring men to set type and the editors of the papers must meet their ordinary running expenses. Knowing these things, I started out to get the necessary information: I wanted to know what it would cost to tell every apple lover in Canada that apples may be had this year bigger, better, more delicious than ever before for the cost of moving them from the country to the city. After I found out I spent a few minutes like Huck Finn's father cursing the Government that thinks itself a Government, that calls itself a Government, and yet wouldn't pay even printers' expenses.

I have resigned, but that doesn't mean that I have dropped the apple campaign. During the past couple of days I have met the leading Canadian editors, and they are willing to tell the people about the apple crop, though there is no reason on earth why they should do it in a business world such as we live in.

There was never a time when you could buy apples more cheaply than you can buy them to-day. I hear of them being sold F.O.B. at country points for \$2.00 a barrel and less. My experience has been that it costs me \$1.50 a barrel to market apples—the barrel, picking, sorting and packing cannot be done for less if you are going to pay fair wages, but please notice that that is only the cost of marketing. In spraying my apples with lime sulphur, arsenate of lead and Nicot-Pume, I increased the cost of production about 25 cents a barrel. Now, you can figure out for yourself the possible profit on apples. Of course, I don't know. City people may not want to buy apples; country people may not want to sell them; all I know is that these apples are going to waste, and that that is a sin and a shame.

To get back to the point where we started, I am going to save a postage stamp by publicly resigning. If the Government would only put the same energy into handling the apple crop that the American Tobacco Company once put into selling its output of chewing tobacco—and I handled that campaign as I am willing to handle this one—there wouldn't be a boy or a girl in any Canadian city who would walk to school without an apple in their lunch-basket.

But everybody is saving money nowadays, so I am saving two cents by resigning publicly through the papers.

LINER CREPIC AFIRE.

New York, September 26.—Fire broke out early today in the forward hold of the White Star Liner Crepic as she lay at her pier at the foot of West 18th Street, and for a time threatened to destroy the vessel.

The Crepic was scheduled to sail at noon for Genoa and Mediterranean ports with a cargo of cotton.

The Crepic, which is one of the best known vessels in the American-Mediterranean trade, has had an exciting career since she was built at New Castle, England, in 1902.

THE WEEK'S FAILURES.

New York, September 26.—Bradstreet's report 366 business failures in the United States during the week, against 289 for the previous week, and 287, 228, 248 and 211, for the corresponding weeks of 1913 and 1910. The Middle States had 107; New England 85; Southern 88; Northwestern 13 and Far Western, 42.

Canada has 66 failures this week against 50 in the preceding weeks.

UNLISTED MARKET ACTIVE.

New York, September 26.—Dealers in unlisted securities report that considerable volume of orders were received in this morning's mail and that most of these orders were at stated prices.

A large number of orders had been received before the announcement by Stock Exchange that trading would be resumed, but most of these did not specify prices.

ARGENTINE CABLE.

New York, September 26.—Argentine cable to the Produce Exchange says: "Shipments of Indian wheat 704,000; Australian wheat, 184,000."

UNITED STATES EXPORT TRADE.

Washington, September 26.—The lighting effect of the war on American export trade is reflected in the August statement issued by the Journal of Commerce. Our export trade to Germany was practically nil. That to France and Great Britain has not been so seriously interrupted and showed only a comparatively small decrease. Trade to Belgium and that to Argentina which depends largely on foreign shipping, suffered heavily.

The decrease in August's export trade to Europe as a whole amounted to \$58,329,619. That represented in a large measure the decrease in credit abroad as employed to offset American obligations. The falling off in exports reached more than \$77,000,000. One year ago the August total was \$187,909,200, compared with \$110,469,240 last month.

Exports to countries most affected during August, 1913, compared with last month were:

Table with 3 columns: Country, 1913, 1914. Belgium: \$9,322,252 vs \$422,527. France: 10,750,624 vs 7,420,860. Germany: 21,301,374 vs 58,737. Russia: 1,550,854 vs 112,372. United Kingdom: \$8,355,184 vs 32,951,250. Argentina: 5,129,818 vs 971,129. Australia: 3,875,282 vs 1,825,453. Italy: 5,274,678 vs 1,169,326.

Imports from the countries involved in the European war during August, 1913, compared with last month were:

Table with 3 columns: Country, 1913, 1914. Belgium: 3,450,950 vs 2,329,145. France: 13,091,521 vs 6,802,603. Germany: 15,626,176 vs 9,400,043. Russia: 1,725,123 vs 700,231. United Kingdom: 20,718,597 vs 17,872,270.

M. AND ST. L. DOING WELL.

Boston, September 26.—Minneapolis and St. Louis is doing well, says an official who points out gains in earnings over the corresponding period a year ago.

Crops have not yet started to move sufficiently to be a factor in this showing, but the movement of tonnage to the west via Peoria rather than through Chicago has been heavy and has caused this satisfactory showing.

COMPLAINTS MADE OF HIGH INTEREST RATES

American Secretary of the Treasury Makes a Protest to the Banks

EXTEND REASONABLE CREDITS

Would Have the New York Banks Take the Lead in Establishing and Maintaining Moderate Rates of Interest for Accommodations.

Washington, D.C., September 26.—Secretary McAdoo sent a telegram to the Chairman of the Clearing House Association, New York, Chicago, Boston and St. Louis, which, in part, says:

"I have received complaints about high rates of interest being charged by the National Banks of New York, Boston, Chicago and other reserve cities. It is alleged New York banks are requiring their correspondent banks throughout the country to pay 7 per cent for loans and to maintain a balance with the New York banks which makes the money cost the correspondent banks the equivalent of 8 per cent, or more.

"Within the past six weeks I have approved issuance to the National Banks of New York City of more than \$100,000,000 of new or additional National Bank currency. This was done for the purpose of easing rates and helping the situation generally.

"I have taken the position with all banks that I will not knowingly issue additional National Bank currency to or deposit Government funds with, which are charging excessive rates of interest or reasonable credits. I have also taken the position that I will withdraw Government deposits from National Banks which are hoarding money and restricting credits through the maintenance of excessive reserves.

"New York banks generally have not been hoarding money or maintaining excessive reserves, but they appear to be charging higher rates of interest than the conditions seem to justify. I am using every effort to persuade the banks throughout the country to extend reasonable credits and at reasonable rates of interest to meet the existing unusual conditions created by the European war, and which if dealt with in a helpful spirit by all concerned should quickly ameliorate.

"I should like to see New York banks take the lead in establishing and maintaining moderate rates of interest for accommodations as their example always has a large influence upon banking action and sentiment in the country."

TRAIL SMELTER RECEIPTS

The Consolidated Mining and Smelting Company of Canada, Limited, has receipts at Trail Smelter for week ending Sept. 17th, 1914, and from October 1st, 1913, to date, in tons:

Table with 3 columns: Company's mines, 1913, 1914. Centre Star: 5,525 vs 164,333. Le Roi: 2,679 vs 73,234. Sullivan: 1,292 vs 28,448. Maestro: 75 vs 703. St. Eugene: 1,255 vs 1,130. Molly Gibson: 1,130 vs 4,133. Highland: 6,202 vs 16,286. Number One: 577 vs 577. Richmond-Bureka: 289 vs 72,037. Ottawa: 534 vs 72,037. Total: 10,105 vs 368,624.

STATE BANK PERCENTAGE.

Chicago, September 26.—State Auditor's report of the Chicago State Banks and Trust Companies show that their percentage of reserves to deposits on September 14th was 23.74.

LIVERPOOL WHEAT.

Liverpool, September 26.—Wheat opened off 1 1/4 to 1 3/4 d from Friday, Oct. 8 5/4 d; Dec. 8 2 1/4 d. Corn opened off 1/4 to 1 d from Friday, Sept. 6 3/4 d; Oct. 5 9 d.

IMPERIAL PIPE LINE COMPANY.

The Imperial Pipe Line Company, Limited, with a capital of \$1,000,000, has been incorporated at Ottawa. Its head office is at Sarnia.

MR. HEBDEN A DIRECTOR.

Mr. E. P. Hebden, general manager of the Merchants Bank of Canada, has been elected a director of the Guarantee Company of North America.

The usual quarterly dividend of 2 1/2 per cent, payable on October 15th, was declared by the Board.

THE BANK OF BRITISH NORTH AMERICA Incorporated by Royal Charter. The Court of Directors hereby give notice that an Interim Dividend for the half year ended 31st May last, of forty shillings per share, being at the rate of eight per cent. per annum, will be paid, less Income Tax, on the 3rd day of October next, to the proprietors of shares registered in the Dominion of Canada.