

RECEIVED
NOV 7 1917

The Journal of Commerce

VOL. XLIV. No. 20

MONTREAL, TUESDAY, NOVEMBER 6, 1917

Price, 10 CENTS

The Journal of Commerce

Devoted to
CANADIAN INDUSTRY, COMMERCE AND
FINANCE.

Published every Tuesday Morning by
The Journal of Commerce Publishing Company,
Limited.

Head Office: 35-45 St. Alexander Street, Montreal.
Telephone: Main 2662.

Toronto Office: 263 Adelaide St. West, Toronto.
Telephone: Adelaide 917.

HON. W. S. FIELDING,
President and Editor-in-Chief.

Subscription price, \$3.00 a year.
Advertising rates on application.

MONTREAL, TUESDAY, NOV. 6. 1917.

Special Articles

Economy in Food.

By R. Harcourt.

Russia's Economic Outlook.

By W. W. Swanson, Ph.D.

Conditions in the West.

By E. Cora Hind.

Banking and Business Affairs in the U. S.

By Elmer H. Youngman.

Editorials:	Page
The War News	1
The Victory Loan	1
A Bank's Centenary	2
The Oleo Order	2
Britain's War Finances	2
Price Fixing	2
Germans and Germans	2
Banking and Business Affairs in the United States	3
Economy in Food	4
Russia's Economic Outlook	5
Conditions in the West	6
Bank of Montreal Celebrates its 100th Anniversary	6
Mentioned in Despatches	7
Public Opinion	8
Among the Companies	9
Phases of the Financial Situation	12
A Little Nonsense Now and Then	14
New Minimum Schedule	16
Lumber, Pulp and Paper	17
Guide to Investors	18
A Proposal to Dam the St. Lawrence	20
The Commodity Markets	22-23

The War News

MANY military men have throughout the war contended that, no matter what might happen from time to time in other fields of conflict, the real battle and the real victory must be fought and won on the Western front, somewhere in France, Belgium, and across the border on German soil. If that view is correct the war news of recent days is not bad. The French and British troops—including our Canadian soldiers—who have held the long line from the Straits of Dover to the Swiss boundary have more than held their own in the severe fighting that has taken place. Progress has been made in the work to which Sir Douglas Haig's army has applied itself, of wearing down the German enemy. If we can afford to be indifferent as to what is happening elsewhere, then all is well. Nevertheless, one cannot fail to be anxious concerning the events in the more distant theatres of the war.

The Russian revolution, which to many seemed the patriotic determination of a people to replace autocracy with liberty, has not brought forth good fruit. Autocracy gave at least the benefit of order, authority, and some degree of power. The revolution has brought something akin to paralysis in a vast nation. Strong men have come to the front in public affairs, men who, if they had the backing of the people, could make Russia again one of the great powers of the world. The misfortune is that these men are not supported by the mass of the people, who permit themselves to be divided into factions, quarrelling with one another, while the very soldiers of the army are tempted by the general chaos to engage in mutinous movements. There is hardly room now for an intelligent hope that Russia can be looked to hereafter to play the part of a helper to the Allies in the great conflict.

The practical abandonment of the war by the Russians enables the German commanders to withdraw large bodies of men from the Eastern front for service on other battlefields where there is more need of men. And now comes the sensational victory of the Austro-German armies over the Italians. But a little while ago the Italians had made such progress in their marvellous mountain fights with the Austrians as commanded the admiration of the world. Now it would almost appear that the Germans allowed the Italians to win some victories to lure them into a feeling of easy confidence, while the German plans were being formed for the overwhelming assault that has since been made.

Thus the situation as respects both Russia and Italy is disheartening and affords much ground for anxiety as to what may happen. It is comforting to fall back on the old doctrine that all these events in more distant quarters

are, after all, only minor incidents in the great game, and that the real war is on the Western front, where all goes well.

The Victory Loan

OUR American neighbors have just completed their second great popular war loan operation, which has been marked by a success that is most gratifying. The Government asked for a minimum subscription of three billion dollars of four per cent bonds, expressing at the same time a willingness to take five billions if offered. The subscriptions exceeded the maximum figure named by the Secretary of the Treasury. If the German enemy required any new evidence of the zeal with which the American people are devising their war measures, this magnificent response to the Government's call will furnish it. The Germans have been long enough in the war to fully realize the important part that money plays in the great game. At a time when they are feeling keenly the heavy financial burden, they will be able to appreciate the value of a new partner in the Allied firm who brings into service the enormous wealth which is possessed by the United States. The Germans felt at liberty, in the first days of the war, to speak of England's "contemptible little army." They no longer indulge in such expressions. They know well the power of that army. They have spoken contemptuously of America as a factor in the war. But there is at this moment on the battlefield of France an American army large enough to play an important part at an early day, an army which is every week increasing in numbers and efficiency. And the vast sum of American dollars which are now pledged to support that army and carry on the war will speak to the Kaiser and his advisers in terms that will not be mistaken.

It is Canada's turn now to renew, in terms of money, the pledge of her determination to see the war through to the only end that can be contemplated here—a complete victory for Great Britain and her Allies. The service of the war calls for an ever-increasing supply of money. There is a large revenue which helps to meet the demand, but all will admit that a large part of the cost of the war must be met by borrowing. The European money markets are no longer available. The American market, which was helpful for a while, has now its own paramount needs. Canada must, in a larger degree even than in the last three years, put her own shoulder to the wheel. There is a large organization for the presentation of the loan to the Canadian people. It should have the hearty co-operation of all classes, to the end that all may help to the extent of their means in making the Victory Loan a complete success.