

EFFECT OF THE WAR ON CANADIAN COMPANIES

Score Are Favourable and About the Same Number Unfavourably Affected

STEEL CONCERNS HARD HIT

Milling and Textile Companies Doing a Largely Increased Business as a Result of the Enlarged Demand for Their Output.

The Standard Statistics Company, Inc., of New York City, has just published an extended list of the companies in the United States and Canada which have been favorably affected, not affected, or adversely affected by the progress of the war.

Below is given the comments made on the Canadian concerns in question. It will be noted that the two elements—favorably and unfavorably affected—about balance one another.

Here are the items:—

Favorably Affected or Not Affected.

Maple Leaf Milling Co. (Oct. 2).—Reported that company has shipped 100,000 bags of flour to France, between 300,000 and 400,000 bags to Great Britain and 40,000 bags to Holland. Mills said to be running 24 hours a day.

Algoma Steel Corp. (Oct. 1).—Is engaged in manufacture of parts of 200,000 shells for artillery. Orders for ammunition to value of \$2,000,000 placed in Canada during last two months.

Ames Holden McCready Co. (August 13).—Order received from Dominion Government for 40,000 to 50,000 pairs of boots for use of soldiers.

British-American Tobacco Co. (August 20).—Buying suspended on account of interruption of commerce, but expected soon to be resumed. Only 10 per cent. of company's products shipped to countries affected by war. Not expected that business will suffer in gross earnings.

British Columbia Sulphide Fibre Co. (September 23).—Initial shipment of 5,000 tons of sulphide fibre made to Argentina and understood that more and larger shipments are pending.

Canada Carbide Co. Ltd. (August 24).—Large orders received for export as result of blockade of Germany's export business. Germany formerly depended on for carbide supplies.

Canadian Converters Co. (September 10).—Discontinuation of shipments of dry goods from Germany and Austria proves beneficial to this company and to other Canadian textile manufacturers.

Canadian Cottons Co. (August 31).—Mills working to capacity on Government orders. With exception of this work, little improvement in general demand for company's output.

Dominion Textile Co. (August 15).—Increased demand for textile products, and interruption to foreign production looks to be a benefit to Canadian and American mills.

Dominion Textile Co. (September 14).—Operations resumed on full time at all mills. Formerly at 70 per cent. of capacity.

Ford Motor Co. (August 25).—Report that company was decreasing production and countermanding steel orders. Plant working full time with more orders than can be filled.

Hollinger Gold Mines (September 5).—Not affected by war. Has good supply of cyanide on hand, having secured substantial stock of foreign supplies before war broke out.

Kerr Lake Mining Co. (September 10).—After having been closed down for three weeks, mine has resumed operations in full. See also items under caption of "Adversely Affected."

Lake Superior Paper Co. (September 5).—Mills working at full capacity as a result of cutting off of supply of European pulp and paper.

Montreal Cottons, Ltd. (September 5).—Ample dyes of all kinds on hand for eight months' operations. War expected to work to ultimate benefit of Canada from a commercial standpoint.

Quaker Oats Co. (September 25).—Company's mills in Germany reported as running and doing a large business.

Shawinigan Water and Power Co.—See Canada Carbide Co. Ltd.

Smart-Woods, Ltd. (August 29).—All plants working at capacity on Government contract for tents, etc. When this contract is filled there is still heavy business assured for sacks, etc.

Spanish River Pulp and Paper Mills, Ltd. (September 5).—Mills working at full capacity as a result of cutting off of supply of European pulp and paper.

Adversely Affected.

Nova Scotia Clay Works, Ltd. (October 1).—Preferred dividend deferred owing to general prostration of business incident to European war.

Smart-Woods, Ltd. (October 1914).—Owing to the war, expected that business for year to end December 31 will be considerably in excess of previous year. However, it was deemed wise to conserve all resources in view of uncertainty of financial outlook, therefore, payment of preferred dividend has been deferred.

Steel Co. of Canada (October 1).—Preferred dividend deferred, owing to financial situation.

Algoma Steel Corp. (September 4).—Report that plant had been closed down indefinitely, operating denied. Since September 1 plant has been operating at 50 per cent. of capacity.

Bell's Asbestos Co. (August 8).—Mines at Thetford, Que., closed down. Chief market of company was in Germany and Austria, and no shipments for Europe will now be accepted.

British Columbia Steel Co. (August 13).—Understand management will consider closing down entire plant.

Canada Cement Co. (September 4).—Operations not curtailed, but orders show a sharp falling off. Surplus production being stored in warehouses.

Canada Steamship Lines, Ltd. (August 15).—Initial dividend on preferred stock deferred. Bosta tied up in ports and cannot get rid of cargoes. Also fear that some may be taken over by Dominion Government or British Admiralty.



CHARLES R. HOGMER, One of the directors of the Bank of Montreal, which has just declared its usual bonus to shareholders.

BUSINESS IS FAR FROM SATISFACTORY IN STATES

Generally Believed, However, That Worst Has Been Seen and That Change From Now on Should Be For Better.

Boston, October 24.—Improvement in business is painfully slow in making itself manifest. There is more confidence but this has yet to crystallize itself into increased orders. There are, of course, lines in which a very fair degree of activity is noted as there are sections of the country where sentiment is quite hopeful. The western farmers, and consequently many western business men, are in a fairly optimistic frame of mind due to the high prices which are being received for the crops. But taking the country overland, and particularly in New England and the South, business is far from satisfactory.

It is generally agreed, however, that the worst has been seen and that from now on any change should be for the better. It is realized that the paralysis of business in Europe, which has already brought a very considerable number of orders to this side of the water—mostly for military use—is almost sure to bring still further business this way, particularly if the war be long drawn out.

All this will have a decided and desired effect on our credit position abroad, with resultant leverage in getting foreign exchange back to normal. Moreover, the conferences now going on in Washington between Sir George Paish, Secretary McAdoo and the country's leading bankers should result in very important measures being taken for the relief of the foreign exchange and cotton situations.

Following this would come, of course, the opening of the security exchanges.

Pending a normal condition in these highly important essentials to business—money in the past two or three weeks having become distinctly easier—the country is marking time. But when it is realized what we were "up against" less than three months ago, the situation to-day is indeed immeasurably better, and this statement is made advisedly with due consideration of what has yet to be accomplished.

LESS INDIAN GOLD OUTPUT

September Production of the Metal Shows a Falling Off Compared With August.

London, October 24.—During September the output of the Indian gold mines was 50,207 oz., showing a decrease of 193 oz. as compared with the preceding month and an increase of 1,068 oz. as compared with the corresponding period in 1913. The production since the beginning of 1910 has been as follows:

1910.	1911.	1912.	1913.	1914.
Jan.	48,543	47,163	47,988	48,312
Feb.	45,464	45,448	46,721	46,401
March	47,035	47,126	47,381	48,665
April	46,842	46,981	48,259	49,027
May	46,815	47,202	48,691	48,860
June	46,754	47,034	47,969	48,544
July	47,006	47,591	48,999	49,251
Aug.	46,954	47,720	48,664	49,747
Sept.	47,958	47,992	48,724	49,139
Oct.	47,229	47,876	48,912	49,324
Nov.	47,272	49,100	49,993	49,388
Dec.	48,449	52,186	51,927	52,021
Total	564,276	573,520	584,838	598,353

Co., Ltd. (August 13).—Plant at Grand Forks, producing about 1,800,000 pounds per month, closed down.

International Nickel Co. (August 8).—Company has made considerable curtailment of working forces. Normally a dull period, but this action influenced to some degree by European war. (August 20).—Mines in Canada closed down, principal reason being inability to secure shipping facilities. (August 26).—All plants at Cobalt closed, with exception of Creighton.

Kerr Lake Mining Co. (September 3).—Developments of past few weeks have been such as to warrant resumption of operations in full, although not expected that normal production will be possible for some weeks.

Lake Superior Corporation (August 20).—Steel plant to run on half time, beginning September 1.

Lake Superior Corporation (September 16).—No payment of interest to be made on income bonds this year. Demand for steel products has fallen off as result of war and money stringency acting as adverse factors.

Lake Superior Iron and Chemical Co. (September 25).—Company's only producing iron-ore mine closed because of trade conditions. Only two of six furnaces in blast.

Maasay-Harris Co. (August 15).—Plant at Toronto closed down, and impossible to say when operations will be resumed.

Nova Scotia Steel and Coal Co. (September 13).—Dividends on both common and preferred stocks passed as result of depression in steel trade. Part of plant closed down.

Nova Scotia Steel Co. (August 11).—Wahana, N.F. plant to be closed. Blast furnaces at Sydney mines also temporarily closed.

Toronto Railway Co. (September 23).—Proposed deal with city for sale of property declared off as result of the war.

Winnipeg Electric Railway (September 3).—Company states revenues will be materially affected by industrial depression resulting from the war.

Winnipeg Paint and Glass Co., Ltd. (September 23).—Preferred dividend postponed, owing to the financial situation.

CROWN RESERVE DIVIDEND AGAIN

May Have to Be Cut to One Per Cent a Month or Stopped Altogether

PROSPECTING DIFFICULT

Alternative is Paying Dividends Out of Surplus, Which It is Thought Will Not Commanded Itself to the Good Business Management of Crown Reserve.

Cobalt, October 24.—It is probable that the Crown Reserve mining company will not be able to avail itself of the good prospecting ground laid bare under Kerr Lake this fall as the boulder clay is proving much more recalcitrant than was at first expected. This may lead to the unfortunate result of compelling the Crown Reserve to either cut their two per cent. quarterly to one per cent. per month or its monthly equivalent, or to stopping it altogether until next spring, when some of the high grade ore under the lake will be available.

The alternative is to paying it out of surplus which will not in all probability commend itself to any good business management such as the Crown Reserve. The mine is to-day paying its expenses, with something to spare from mill rock, of which there is a good tonnage broken, but the surplus is not nearly adequate to the paying of dividends and the high grade is almost depleted and stopped out.

Owing to the difficulties of removing the mud and clay, short shoots at the bottom of the lake and to be present between the top of the high grade ore and the top of the stops are not available until next year and the ground is not open to prospecting.

Immediate Profits Gleaned.

The pumping out of Kerr Lake has resulted so far in immediate and large profits to the Crown Reserve mining company where the shore exposed has been shelving and the veins have been easily opened up but it is quite different with Crown Reserve. Here the bottom of the lake is level and the clay will have to be cleared of all the acreage which is promising before any of it is available. This is not an easy task and it is not probable that it can be completed before the ice forms and the mud freezes up this fall, and the Crown Reserve cannot obtain results before next spring.

The consequence is that the Crown Reserve mining company would have to continue to pay their 24 per cent. per annum dividend out of their surplus, which would be exceedingly bad policy, considering that they have such good prospects of entering other fields to advantage. As a matter of fact, the Crown Reserve had secured a big deposit of ore which would have yielded very handsome profits but the war stopped the arrangements which had been concluded for its treatment. If they continued to pay their dividends not out of earnings but out of surplus they would be unable in future to grasp such another chance if it presented itself.

More Than Being Paid.

To-day at the Crown Reserve expenses are more than paid out of mill rock, and there is a good tonnage of that, but "until" further prospecting is possible under the lake the high grade ore has almost all been stepped out. There is yet a considerable acreage of conglomerate likely to yield good results from exploration, but it is thin and cannot be touched until the lake is properly drained not only of water but of mud. And in the meantime the old mine is in a state of "stagnation" in paying expenses, so that it is quite probable that a dividend announcement of a character disappointing to shareholders will soon be made.

Since many shareholders obtained Crown Reserve stock at 40 and 50 cents a share and it has paid 32 1/2 per cent. on its capitalization, the mine has certainly justified its existence.

The dividend was cut from 5 to 2 per cent. per month in September last.

Looking Extremely Well.

The Porcupine Crown, on the other hand, is looking extremely well, despite the fact that at the 600 foot level results have not been very encouraging. But the vein has been picked up beyond the fault to the south on both the 300 and 400 foot levels.

On the 300 foot level there is now 160 feet of 618 ore over a width of four feet. In another 100 feet on this level there is now 780 feet of ore that will average nearly 20 to a ton. On the 400 foot level the vein has been traced beyond the fault for 20 to 40 feet, and it is five and a half feet wide, of 320 ore. There is an ore shoot of 530 feet on this level.

The examination of the North Thompson property by the Porcupine Crown engineers has not yet been concluded; in the possibility of an amalgamation the merger would command a very valuable property.

LINOTYPE COMPANY DOES BUSINESS THROUGHOUT WORLD

Machine is Used in Every Civilized Country and For Every Class of Printing—Remodelling Old Machines.

New York, October 24.—President Dodge says in the Merchenthaler Linotype annual report: Directly and through affiliated foreign companies and agencies the Merchenthaler Company manufactures in four countries and does business throughout the world.

American companies have always been at great disadvantage compared with European companies in extension of business into foreign countries, because of lack of American merchant marine, American banking facilities abroad and a proper consular service—all highly developed by other leading countries. Business of this company has been extended only by most diligent effort and careful study of foreign conditions, needs and customs.

In its numerous forms, to meet different conditions and demands, the linotype is used in every civilized country and for every class of printing.

Within the past two years the remodelling of old machines has become an important branch. During the year many of the most important offices in the country have replaced old machines by later designs; for other offices machines have been modernized; 775 offices have been added during the year to the list of linotype users.

RECEIVER FOR CLOVER LEAF

Columbus, Ohio, October 24.—The appointment of a Clover Leaf Receiver was made on petition of H. C. Creitt, contractor, of Columbus, who claims \$119,711 for material and labor. The petition alleges that the unsecured indebtedness exceeds \$400,000 and cites the default on August 1st of the company's contract bonds of interest amounting to \$226,540.

BRITAIN WANTS AN INDUSTRIAL BANK

System in Vogue in Germany Has Enabled Trade to Flourish Exceedingly

JOHN BULL WAKENS UP

Suggestion Made That Additional Facilities Should Be Offered to Manufacturers to Enable Them to Undertake Projects of Some Speculative Nature.

The Financier, of London, Eng., discussing the establishment of an industrial bank, says:—

Much has been heard of late of the projected establishment of an industrial bank, designed to assist British manufacturers to capture German trade, but so far as we are aware, no practicable proposals have yet been formulated. That the idea is a good one will be generally admitted.

Under our existing banking system it is practically impossible for manufacturers to obtain financial accommodation to enable them to undertake projects of a somewhat speculative nature. As long as they are able to offer adequate tangible security they experience no insuperable difficulty in obtaining all the working capital they need for the conduct of their businesses.

But when they embark upon speculative enterprises, such as the installation of the new plant required to enable them to manufacture the special classes of goods hitherto produced by their German rivals, they are at once faced, with the difficulty of securing the necessary financial aid from their bankers.

Apparently Risky Ventures.

British banks are nothing if not conservative, and they look askance at any proposal that they should employ their resources in apparently risky ventures, and thereby prejudice the interests of their depositors and shareholders. Hence the necessity for some new system to meet the need created by the present situation. It is acknowledged that, had they only the means, British manufacturers have now a splendid opportunity to obtain business hitherto carried on by the enemy, both with England and with neutral nations.

The problem is to devise some system under which adequate credit facilities may be provided for manufacturers willing, and even eager, to undertake the patriotic work of capturing from the enemy certain branches of trade, of which he has previously had either a very substantial share or a practical monopoly. Admittedly, it is not easy of solution, but we are far from supposing that the task is altogether impossible.

In Germany, as we know, the banks have always played a very prominent part in the industrial development of the country. They have granted credit facilities with a freedom which on some occasions amounted to temerity. Yet, with all its drawbacks and risks, the fact remains that under the German system great industries have been firmly established and have flourished exceedingly.

Prove Equally Advantageous.

For our part we see no reason why an application of the same system of extended banking facilities in this country should not prove equally advantageous to our industrial interests. Our manufacturers are becoming increasingly widespread and are no longer reproached with lack of enterprise and initiative. All they need to enable them to make profitable use of the golden opportunity now provided is those credit facilities which existing joint stock banks, for very good reasons perhaps, are unwilling to accord.

The suggestion that the State should undertake the duty of establishing and financing a great industrial bank where would-be captors of German trade could obtain all the accommodation they need, is we are confident, one which is destined to meet with very little public approval.

Hitherto our great industrial responsibilities have been assumed without State assistance, and this is not the time for making an elaborate new departure in the direction of State socialism. A purely State bank being out of the question, the problem is to formulate some scheme entailing the support of private capitalists only.

We are not at all sure that any group of private capitalists, however influential, would be capable of establishing and controlling a big new bank which would inspire complete public confidence. Besides, such an institution, might aim at becoming, even if it did not succeed in doing so, a formidable rival of the existing banks, and thus create friction and animosity, which, in the interests of all concerned, it is highly desirable should be avoided.

Immense Reserved Resources.

In our opinion, the duty of establishing the institution required lies with the existing joint stock banks. Let them all co-operate and provide out of their immense reserved resources their quota of the capital needed for starting the bank which by common consent has become an imperative need of our latter-day industrial development.

An institution inaugurated under such auspices would be sure to command public confidence and would be able to undertake risks which the co-operating banks would not themselves be prepared to accept. It would be the industrial branch of every bank, and to it would be transferred on the recommendation of the existing banks, such business as they were themselves unable to undertake.

As to whether it would be desirable to obtain Government co-operation without control for such a bank, our opinion will probably be divided. At this stage we do not propose to go into details, such as the size of the bank's capital, the maximum or minimum rate of interest it would be empowered to charge to customers, the disposal of its profits, and so forth.

These are matters for future consideration. Meanwhile we merely put forward the bald idea as a suggestion, in the hope that it will excite the discussion that the subject undoubtedly deserves.

JUVENILE FINANCIAL GENIUS.

"Johnnie," said a prominent mine operator to his youngster the other day: "I'll give you a dollar if you'll dig up the front yard for your sister's new garden." "All right," said Johnnie thoughtfully. "But I shall have to ask for 25 per cent. of the contract price for advance; not as an advance of good faith, but for working capital." "But—what do you mean?" "Well, you see, I guess I'll bury the quarter somewhere and tell all the boys in the neighborhood that a pirate hid some treasure round there. When they strike that quarter they'll make the dirt fly. I can tell you. In that way I can clean up about 75 per cent. In fact, I'll 'Well, what?' "In fact, I don't know but what I can also arrange so as to find that quarter you see. I'll work it just like that sated mine you tell me, telling mamma about unloading on the street last night." And the father wet tears of joy.—Fall Mall Gazette.

TRUST AND LOAN CO.

The directors of the Trust and Loan Company of Canada, yesterday declared their usual half-yearly dividend at the rate of nine per cent. per annum, payable 4th December next, free of income tax.

FAILURES IN STATES.

New York, October 24.—Bradstreet's business failures in United States for the week ending October 22, were 336, which compares with 302 last week, 344 in the like week of 1913, 329 in 1912, 231 in 1911 and 228 in 1910.

THE GRAIN MARKETS

October 24.—The course of wheat prices during the last week was upward in response to extraordinary demand from foreign countries.

There perhaps has never been a period in the history of the trade when export demand for wheat has been as urgent or as general as at present.

Brookhill estimates that for the current year, exclusive of Germany and Hungary at \$44,000,000 bushels, which is considered an excess of world's surplus, omitting Russia, the country is no longer an exporter. Thus for some time to come the export inquiry will be the dominant feature in the grain situation. During the latter part of the year, the United States will export 100,000,000 bushels. Canadian wheat crop is shown to be 100,000,000 bushels with a decrease in oats of 90,000,000 bushels. Australia will have practically no wheat to export.

Her exportable surplus last year was 57,000,000 bushels. United States wheat and flour exports in September were 21,269,000 bushels, the largest record, and compares with 17,857,000 for the same month in 1913.

Last year we imported 30,000,000 bushels of wheat and with a crop this year but slightly in excess of last we are exporting an unprecedented quantity of last year's crop.

Primary receipts are decreasing; there is a net holding movement especially in corn. The corn market is improving. It is reported that the world will have to buy both seed oats and barley in the United States. In many important sections of the world, the demand for wheat is increasing. European seeding statistics may not be as good as expected. Farms are small and are being ploughed, seeded and taken care of.

NAVAL STORE MARKET

New York, October 24.—The situation in the market for naval stores continues dull and prices are more or less nominal and some dealers are selling at concessions to move goods.

Spot turpentine is reported at 45 with a moderate inquiry from the jobbers and manufacturers. Turpentine is dull and nominally unchanged at the rate of 45.50 for kiln burned and 50 cents more for steam.

Resins are open to shading at the basis of a few cents. There is a light inquiry and sales are made quietly at lower figures. Common turpentine is \$3.50.

Savannah advises that turpentine sold at 45 cents here with bids of 41 cents refused. Sales of 117 barrels were reported. Rosins were also sold with sales of 520 barrels by the independents at a basis of \$6.00 for W. W.; \$5.75 for W. G.; \$5.50 for M.; \$4.15 for K. and \$3.25 for I. to B. Sales were practically all K. and below.

The following were the prices of rosin in the city: E. C. \$4.00 asked; E. F. G. \$4.05 asked; H. \$4.10; I. \$4.10 asked; K. \$4.65 asked; W. W. \$6.50 asked; W. G. \$6.80 asked; W. W. \$6.50 asked; no sales; receipts 226; shipments 648; \$7,333.

Rosin, nominal, no sales; receipts, 1,099; shipment, 1,245; stock, 111,244. Quote: A. B. \$3.50; C. \$3.52 1/2; E. F. G. H. I. \$3.55; K. \$4.15; M. \$4.50; W. W. \$6.45; W. W. \$6.35.

Liverpool, October 24.—Turpentine spirits 32s.

BRADSTREET'S REPORT.

New York, October 24.—Bradstreet's report, that in Canada continues quiet. It is, however, a matter better in the country districts than in the cities. Mild weather is another cause for restriction of operations, and of course the industrial situation very tardy. More wheat is being sown under favorable weather conditions.

Bank clearings at sixteen cities for the week ending Thursday last \$172,160,754; a drop of 1.50 per cent. over last week, but with a reflection of 9.8 per cent. from the like week last year.

Business failures for the week ending with Thursday number 64 against 63 last week, and 29 in corresponding week of 1913.

Can Mining

Devoted exclusively to allied industries

PUBLISHED TWICE A MONTH

Subscription: \$2.00 a Year to any address

TORONTO OFFICE: MONTREAL OFFICE: