

## POINTS IN MILLING.

Why do millers fail? For various reasons, just as in other lines of work. Probably the prime cause of failure just now is over-competition. Estimates made by manufacturers of milling machines, by directory compilers, and by milling journalists point to a grand total of not less than 26,000 flour mills in the United States, while the number may be really close to 28,000. What is implied in these figures? If each of 28,000 mills grind only a barrel a day, it would mean a yearly output of 10,220,000 barrels. At ten barrels a day the 28,000 mills would grind 102,200,000 barrels a year. At twenty barrels a day their yearly output would be 204,400,000 barrels a year. Is there a mill in the country that has a capacity less than twenty barrels a day?

Remember that the mills range in capacity up to 2,000 or 3,000 or 5,000 barrels a day. What of the market? It is enormous, of course, as the population of the country is large and growing, but how does the demand for flour compare with the supply? Students of such problems assert that in this country the consumption of wheat amounts to about 5 bushels a year for each inhabitant, or slightly over 1 barrel of flour. Allowing 1.1 barrels of flour to each consumer, the 66,000,000 people of this country consume each year about 72,600,000 barrels of wheat flour. Another 15,600,000 barrels may be counted for the export trade. This means a total demand of 87,600,000 barrels a year. That would call for the production of 3,129 barrels a year by each of the 28,000 mills of the country, or something like an output of 10 barrels for each of the 313 working days of the year. Somewhat startling figures, are they not? Throw a bright light on the question of competition, do they not? The enormous development of the milling industry in this country since the exit of the buhrs and the entrance of the rolls may be understood in the light of such figures. The result of the great rush of capital into the milling field is the present overwhelming competition. At first roller-millers all made money. That fact induced thousands of other men to become roller-millers. So roller-millers begot roller-millers until the field was overflowing with roller-millers, and roller-milling is at last become a business in which five mills bid for business that could be done by one. In view of the figures, it seems almost surprising that many now in the field stay in, and that others are crowding in.

The second cause of failure flows somewhat directly from the first. Over-competition gave consumers a choice of products. Instead of having but one mill to supply a community, there are four or more. The consumer "shops" around. He selects. He becomes fastidious. Finally, values being equal, he takes the finest article offered. Then comes the strain to produce the article fine enough to capture the fastidious consumer, and right here comes in the second great cause of failure.

The supply has outrun the demand. Competition is acute. The victory from this point onward remains with the miller who can do the finest work. Here the natural tact, the mechanical skill and the adaptiveness of the miller win the day. He who possesses these qualities outstrips him who possesses them not. The outstripped miller loses his trade and fails.

In this part of the problem is to be found all the really fine work of flour-making. The miller who gets the best plant for the least money, and operates it on the best plan from beginning to end, succeeds in reaping the small margin of profit left by the tremendous over-competition. To do so he must make his work as fine as art. His vigilance must be sleepless. His hands, eyes, nose and ears must serve him faultlessly. He is grinding for money first, for flour only secondarily. If he is to remain in the field, he must make money. To do this he must make flour as fine as the best and as cheap as the best.

Here the natural mechanic, the "born miller," steps in and crowds out "the man in the wrong place," the slow, heavy-handed, clumsy-fingered, awkward man who is trying to make flour with a complicated modern outfit. In 99 out of 100 cases of failure, it is the "man out of place" who fails. The problem includes everything, from the oblige and purchase of wheat down to the collection of the money for the flour sold. The shrewd man will understand how to save in buying wheat, in cleaning and grinding it, in using fuel, in transmitting power economically, and in pre-

venting the "small leaks" that in these days have a value and meaning so great.—*The Milling World*.

## WOOLLEN MANUFACTURERS IN THE STATES.

There have been a great many ups and downs in the experience of woollen manufacturers during the past decade, more of the latter than the former, and just at the present time after going through a short period of the former he is beginning to experience one of the latter, of a duration, judging from present indications, that is likely to be long drawn out. The men's wear situation is not encouraging; a great many looms are shutting down, probably far more than the commission trade would willingly acknowledge, and the position of the woollen manufacturer is not comfortable by any means, for with orders running out and not much prospect of obtaining new orders for a few weeks, the risk attending putting goods into the works that are not covered by orders is too great to assume.

There is a great uncertainty hanging over the situation, and what is needed is some assurance for the future, but it is not to be had. The uncertainty is not wholly based upon the looked-for change in the tariff to occur in the near future, though undoubtedly the desire to prepare for the coming change is the greatest obstacle standing in the way of improvement, or rather stability, of the market. Assure the manufacturer that no change in the tariff on goods is contemplated, or possibly until a year from July 1, and that he will be given an opportunity to partially prepare for it by being given free raw material some months in advance of the change on goods, and much of the present uncertainty from which he suffers will be removed, and he would enter upon his plans for the future with greater confidence.

That is about the situation, and at its best there is not much comfort to be gained from it. On the other hand, (though it must be borne in mind that 70,000,000 people enjoying a fair amount of prosperity have tremendous powers of consumption, and that) it takes a great many goods to clothe them, and they have got to be clothed, tariff or no tariff, panic or no panic—it is also evident that no change in the tariff is probable at least for one year, and that all the goods to be made during the next six months will have gone into consumption before then. So that this lightning can't strike very hard on either fall or spring stuff now in process or to be put in process for the next few months. Despite these facts the manufacturer should not take any great risks; he should keep as closely as possible to goods that have been sold, and shut down when he is out of orders.—*American Wool and Cotton Reporter*.

## NORTHERN PACIFIC RAILWAY.

A plan has been formulated for extinguishing the floating liabilities of the Northern Pacific Railroad, which amount, it is stated, to some \$10,000,000. On Friday last the scheme was given out as under by the officials of the Northern Pacific Road. A New York despatch of 20th says: The collateral trust agreement was perfected by the board of directors of the Northern Pacific Railroad Company and executed by the president on the 19th. The Farmers' Loan and Trust Company is the trustee. The committee under the collateral trust are: Roswell G. Ralston, president Farmers' Loan and Trust Company; John A. Stuart, president United States Trust Company; James Stillman, president National City Bank; John D. Probst, of John D. Probst & Co., and F. T. Gates. It is understood that Mr. Ralston represents the trustees and the railroad company; Messrs. Stuart and Stillman represent subscribers other than those holders of the present indebtedness. Mr. Probst represents the Lencok Bank, of Berlin, Speyer & Co. and their associates. Mr. Gates represents the Rockefeller interest.

The entire subscription of \$12,000,000 to the Guarantee syndicate is now, says the report, practically assured. The authorized issue will be \$15,000,000, of which only \$12,000,000 will be offered at present. The security-holders of the road will have the first right to subscribe for the notes, and the syndicate will take all not subscribed for. The price of the notes, it is understood, will be in the neighborhood of 90. The list of advance subscriptions to the collateral trust notes, authorized at the

meeting, which have so far been made public, include John D. Rockefeller, \$3,000,000; Speyer & Co. and the Deutscher Bank of Berlin, \$2,000,000; C. B. Wright, of Philadelphia, \$1,000,000; Henry Villard, \$1,000,000. Total, \$7,000,000. It is stated that a committee of five prominent financiers whose names will be made public shortly, will go to work in the interest of the dissatisfied North American stockholders, and issue a statement calling for proxies for the coming meeting in June.

## RAILWAY LIABILITY.

An important decision in regard to the liability of railways as carriers of stock has just been rendered by the Ontario Court of Appeal. Some time ago, Judge Falconbridge, on the findings of a jury, awarded Henry Robertson \$4,900 damages against the G. T. R., as the value of the stallion Henry R., which was shipped by the G. T. R. and killed in a collision. Plaintiff signed a contract, naming a "special rate" for the carriage of the animal in consideration of the defendants not being liable for injuries other than those caused by collision and similar accidents, and limiting liability in any case to \$100. The jury found that the horse was worth \$5,000, and returned a verdict for the plaintiff for that amount, less \$100 paid into court with the statement of defence. The present motion was made on the ground that the liability of the defendants was limited strictly to the contract; and that, at all events, the verdict as to value was grossly excessive, the plaintiff having himself placed the value of the horse at \$1,500 in a customs declaration made ten days before the accident. Judgment has now been given, setting aside the verdict and dismissing the action with costs. The full court holds that the contract limiting the liability is valid and binding in law.

—The liquidators of the Federal Bank have given notice that according to their winding-up act, after the 7th of June next the notes and all other claims against the bank will be valueless.

—Schoolmistress (at the spring fishing time, just beginning a nice improving lesson on minerals to the juniors)—Now, what are the principal things we get out of the earth? Youthful angler (aged four, confidentially)—Worms.—*Tit-Bits*.

—The barge "B. L. Pennington" loaded last week at Oswego for Duluth the largest cargo of coal ever taken through the Welland Canal. It was between 1,800 and 2,000 tons. The steamer "Viking" established the record two years ago by taking 1,659 tons.

—The father of the New York State orator, Hon. Chauncey M. Depew, absolutely refused to aid him to the extent of a single dollar. It was his argument that he wasn't going to make a goose of himself by making a poor investment until he knew something about what kind of security he was to receive and the way young Chauncey would handle it. The latter says in regard to this treatment of his worthy progenitor: "I found I had a hard lot of it—nobody had a harder one—and the old gentleman stood by me and let me tussle and fight it out. I bless him with all the heart and gratitude I have for that. Had I taken the other course I would have been up in Peekskill nursing a stove, cursing the men who had succeeded in this world, and wondering by what exceptional luck they had got on; but having my way to dig alone, I got beyond everything my father ever dreamed of."—*American Investments*.

—According to a Winnipeg paper of the 18th the assessment commissioner of that city has completed the assessment rolls of the current year. The total value of taxable property is in the neighborhood of \$22,000,000, whereas the return in 1892 was \$20,328,100, showing an increase of not far from \$1,500,000. The increase is principally in buildings, and the new system of levying a business tax in substitution for personal property assessment has been adopted. With respect to the latter, Mr. Harris says the result has been very near to his estimate placed before the committee last autumn. The assessment of business premises on a rental basis will bring in a revenue of \$10,000 in excess of the levy on personal property assessment in 1892; the value of real estate is increased, and will be over \$18,000,000. There was also an increase in the population of the city, which now stands at over 30,000.