PAGE TWO

### THE JOURNAL OF COMMERCE, SATURDAY, JULY 24, 1915

PREMIER SALANDRA OF ITALY.

That country is on the verge of war with Turkey

"OTHER MEANS" OF RELIEF

Recent Decisions of the Inter-State Commerce Com

mission Point to a Victory for the Transpor-

New York, July 24 .- The efficers of eastern rail

roads have been vindicated by recent events in their

iers, is the conclusion of the president of an impor-

they condemned in their decision of July 29, 1914

ant trunk line. This official says:

tion Lines.

HAVE FAILED THE RAILWAYS

HOW

#### VOL. XXX. NO. OL XXX. NO. 67



of Policyholder For Amou Excess of Premium

July 24. - Attorney-Ge y has just handed down a ers in the State Insurance ment. This question hle to assess d, the management of the State nding that the law confers no licyholder and the representative nies maintaining that Sectio ich provides that in the event of holder his liability to assessmen me year, makes policyholders sul

nt levy. The opinion of the Attorney-Gene red in reply to an inquiry by the , general agents of the Aetna Lif hester, fully sustains the conten The attorney-general fails to in the compensation of a policy nt in excess of the premium pa elnferred from the language used in ection with the power granted Section 67 to make reasonable Concerning the provision of section general holds that it is not a suff ton for the levying of an assessmen hat it was placed in the act or left th He states that he does not be aid that the Legislature has provide is of an assessment of policyholde when the only mention made of i tting an employer at the expirat ut one of the other recogniz nce. It may that this provision ng with assessments was placed with the expectation that machinery ded elsewhere for the levying of suc that at the time it was asserted, the the bill being drafted a suitable p ying of such an assessment which y

ACADIA'CO. GIVES MACHIN Halifax, July 24 .- The directors of ance Company have offered to co ine gun to the 40th Nova Scotia

removed.

ACCOUNTANTS

mercial, Municipal, F Investigations, Lic ROBSON, HILL, RITCHIE ACCOUNTANTS and AU

Robson, L.I.A.; M. S. Temple H chie, C.A. (Can.), C.A. (Scot.);

MCGILL BUILDING, MONT

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# RAILWAYS JUDGED WITHOUT **REGARD TO LARGER TENDENGIES**

Wall Street Journal Claims United States Has No Dealt With Transportation Problem Broadly or Effectively.

New York, July 24 .- The Wall Street Journal says It is the misfortune of the railroads that their wellbeing is too hastily judged from the operating returns of one or even several months, without much regard for the larger tendencies in their fiscal affairs. And this misinterpretation commonly takes the form of a distorted optimism. Let the profits for one month show a startling shrinkage and the answer in the public mind is that the circumstances for the period were quite exceptional. Let the profits show a decided in-

crease by comparison with the same month of the year before and the ready comment is that, the railroads are all right again, or soon will be. No doubt the fact that the railroads of the country

gained perhaps \$15,000,000 in net operating earnings in May, 1915, as compared with May, 1914, should be comforting. They are so much to the good. But The Wall Street Journal's preliminary estimate of the net operating income for the fiscal year ended June 30 last puts it as \$710,000,000. This is \$12,000,000 better than in 1914, but it is \$58,000,000 worse than the corresponding figure for 1911.

Investment of these roads in fixed railroad property fiscal year, was \$14,985,000,000. Making the necessary deductions from the 1911 operating income for hire of equipment and joint facilities, the remainder is

\$739,000,000, or 4.94 "per cent on cost of road and equipment Since June 0, 1911, the property investment has in-

creased not less than \$2,000,000,000, some of it paid withdrawn. for.out of surplus earnings, but the great bulk of it necessarily provided for by the issuance of new securi-

On the augmented investment the return for 1915, without making any allowances for deductions ahead of capital returns not yet ascertainable, was only 4.20 per cent. If equipment hire and similar deductions for the year be estimated at only what they of construction and the purchase of ties and rails at of construction and the purchase of ties and rails at were in 1911, the actual investment return falls to a bare 4 per cent, or about a fifth less than in that year, right-of-way, which varies in width from fifteen to

general rate increase the railroads have been pervance on a part of the traffic of the eastern roads. was in effect. How far it fell short of meeting the

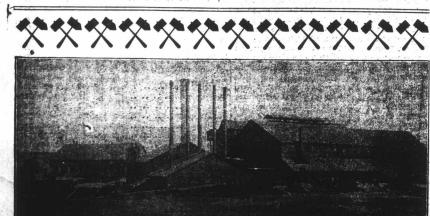
requirements of the railroads, supposing they are to keep pace with the demand of the country for a ser- Lines. Ltd., had her air pump broken when traversthe vide vide to the terminal the figures testify, and ing Lake St. Peter on her way to Montreal that without going into the serious factor of the generation of the generatio eral increase in the cost of capital.

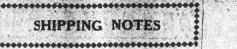
owners of railroads must expect to take the lean with ferring them to Montreal. The Murray Bay took gross business even last year than they did in 1911, again Sunday night, or until the Quebecvis once and their maintenance expenditures bore a smaller more ready to resume her run. proportion to adequate provision for wear and tear than ir the earlier year. The outstanding fact is that

light of the new day."

market yesterday though some business was mov- San Francisco, built at San Francisco, and the 163 ing for the domestic consumption and for export. gross ton scow Stimson No. 11 of Seattle, built at Arrivals here from the south were light, only 585 Seattle. No foreign-built vessels were admitted to pockets and there was no pressure of spot rice. The American registry last week under the emergency listributers are buying to replenish supplies, but ship registry law, it was announced. There has been refuse to anticipate pending the active movement of a total of 151 foreign-built vessels of 530,381 under the new crop. The recent large arrivals of foreign the act of August 18 last to date. rice on the Pacific Coast will be to a big extent con-

sumed there or shipped to the west coast of South making good progress, the acreage being large, est America. Southern advices state that the crop is pecially blue rose.





An official of the British Admiralty declared that 95 neutral ships have been destroyed by the German during the war.

The Philadelphia-Manchester Line has obtained the services of the British steamship Northam for an extra sailing to Manchester. The vessel is scheduled to leave Philadelphia on July 31. Vessels are under charter to carry 30,000 tons of

rallroad material to Vladivostok from Scattle in the next three months. Minnesota is loading 10,000 tons of rails and big quantity of copper.

The United States navy department is making a urvey of all American vessels with a view to their ise by government in the event of war. All-ocea nd lake craft will be carefully surveyed.

The Canadian Pacific steamship Missanabie hrough delay caused by fog, will not reach Monteal until Monday. She is expected in Quebec on unday at 7 o'clock. There are 94 wounded soldiers on board, returning to Canada.

Four of the newest submarines of the United States avy will be sent from San Francisco to Honolulu during September. in the longest endurance run by in 1911, as it appeared on the books at the end of that any vessel of this type in the navy, a distance of 2.

> The Cape Cod Canal Co, has again reduced it tolls for bulk cargo and fishing vessels, the cuts in many instances running above 50 per cent for small ships. The privilege of returning free when empty i

The port of Seattle commission is considering the mmediate construction of the first unit of a belt I railway line connecting the different piers from Spokane Avenue to Washington Street. Chief Engineer J. R. West, of the commission, has estimated the cost These decisions admit, in effect, that the railroads

\$33,000. The port commission has a franchise for the During fully a fourth of the last fiscal year the only forty feet. The spurs of track with which it is pronitted since about 1906, namely, the 5 per cent ad-

> The steamship Quebec, of the Canada Steamship The steamer Saguenay came to

her assistance and brought the Quebec to Sorel, tak It is true that business is not good and that the ing the passengers on board at that point, and trans-But the railroads handled \$140,000,000 more the regular trip to Quebec last night, and will do so

During the week ended July 17 the United State the country has not dealt with the railroad problem Bureau of Navigation awarded official numbers and broadly and effectively, or in that spirit of even-hand-signal letters to 29 vessels built in the United States ed justice which President Wilson, more than a year Among these were the 104 gross ton schooner Elsi age, se confidently predicted would accompany "the G. Silva of Gloucester, Mass., built at Gloucester; the 174 gross ton lighter, Captain Dud of New Londor Conn., built at New London; the 564 gross ton barge

RICE MARKET QUIET.

M.P. No. 2 of Baltimore, built at Baltimore; the 253 New York, July 24 .- The trade reported a quiet gross ton barge Riovista, L. and B. Co., No. 1 of

were right and the commission wrong. But don't think that I regard this as a victory for the railroads What we wanted was not vindication, but money, li we had got the money we would have been perfecti willing to see the commission get the credit for finding the right means of obtaining it, especially since we recognized that on abstract grounds some of the mmission's proposals were correct. In its first decision of the eastern rate case the

that they should have more than the \$50,000,000 a ear which the 5 p.c. advance was expected to raise But the commission decided that the general advance was wrong, and instead proposed these remedies: "1. Cancellation of allowances to industrial lines which Chairman Harlan said at the lowest estimate

mounted to \$15,000,000

2. Imposition of extra spotting charges for service ncluded in the line haul rate. "3. Imposition of extra literage and terminat charges which Mr. Brandels, who in the main was elpful to the railroads, particularly insisted upor 4. Increase in passenger fares, which Mr. Harlan and Mr. Brandeis were convinced were below the cost of the service.

"5. Increase in commodity rates, such as on grain, dressed meats and livestock, which the co picked out as being too low

"It was not because the railroads had brought forward a different plan that they opposed these sugges- foreign connections during the month of June was tions. In theory the commission was right. The railroads opposed them because, having been closer to of the preceding year, an increase of 5,487 cars, or 5,railroad operating than the commission or its counsel. 145 per cent. The actual figures are as follows they knew that the commission's plans could not be

aed to work. Some of its suggestions had been tried Stock in the past and had always evoked bitter opposition Grain ... from shippers and the travelling public. On the oth- Lumber er hand, they had for months been feeling out the Perishable shippers thorughout their territory as to a small general increase in rates and had found a very large majority acquiescent. But the commission told them to Freight .....

go ahead with the remedies I have just mentioned. "Every one of them, with the exception of a small enefit from higher interstate passenger fares, which he commission has allowed, has come to naught. State laws stood in the way of a general increase in the network of the Swiss Federal lines alone amounts

filed spotting charges, both of which actions the com- Rallway, thirty-six miles in length. gether. It is true that the commission directs us to nies, of which the chief are the Loetschoels, slaty-adjust both of these matters according to the merits of individual cases, but that is just what was done when the existing relations were established, so

there is no money in that. "In short, the plans which the commission advanc-

proceeding was the 5 per cent. advance on about half way system with a total length of 170 miles, with both of the traffic, granted on rehearing of the case, and steam and electric traction; the new Chur-Arosa line. the really insignificant increases in interestate pas-senger fares. All told, they amount to \$25,000,000 to

**RAILROAD NOTES** \* Charles S. Lee, passenger traffic manager of the Lehigh Valley, will retire on Aug. 1, and be placed on

No changes are to be made in the personnel nanagement of the Kansas City. Clay County & St. Joseph, by the receivers just appointed.

Three trainmen were killed when an engine and ter freight cars of the El Paso & Southwestern Railroad plunged into a gulch near Dalhart, Tex.

Gov. Spalding declares he will not convene New Hampshire legislature in special session unless leased lines stockholders and Boston & Maine interests agree on some draft of a bill. A special session would cost from \$25,000 to \$50,000.

years continuous service on the New York, New Haven & Hartford Railroad. As the ranking enginee nd one of the most popular men in the service. Mr. Phillips was the recipient of many congratulatory nessages from officers and fellow-employees of the mpany

Justice Marcus of the United States Supreme Cour has approved the report of an appraisal commission objected to by the city of Buffalo, by which under its terminal contract with the city the Lackawanna will exchange property valued at \$82,000 for other property owned by the city on which a valuati \$180,000 has been placed.

adgment of a year and more ago, as to the best means of supplementing the revenues of these car-New Haven railroad has filed a suit against th Post Office Department claiming \$1,472 damages as statement from the Pacific Mail Steamship Compan "Two late decisions of the Interstate Commerce result of the parcel post regulations and the fact that commission practically dispose of the last of the comthe department has shipped money and gold by post nission's proposed means of raising additional reveninstead of by express. The suit is supplemental to ue in lieu of the general 5 per cent. advance, which that for \$11,000,000 filed by seven New England roads recently

> Samuel M. Felton, president of the Chicago Grea Western, is understood to have refused an offer of \$250,000 a year for two years to supervise a big wan contract from the Russian governement, which includes the building of locomotives and the establish ment of a plant which will be turned over to the Bald win Locomotive Works at the close of the

Negotiations are in progress for the operation by ommission found that the roads concerned were in the Canadian Northern of a car ferry service between the canadian total the termine the termine total the mouth of the River Don at Toronto and Port Dalhousie, with one round trip a day. The intention is to flag continue it until the railroad company's line, known

as the Niagara, St. Catharines & Toronto, to Toronto, is completed.

few years ago W. H. Whittenden, B. B. Only a Jones and J. A. Frates worked side by side as telegraph operators. Mr. Jones is now an oil magnate in the American West. Mr. Frates is general superintendent of the Frisco lines, and it is said that these two have asked Mr. Whittenden, until recently gener al manager of the Rock Island, to become the chief executive of the Republic Oil & Pipe Line and vice president of a Texas railroad, but rumor says that Mr. Whittenden is slated for a permanent position

#### Wabash when it is reorganized.

The total number of carloads of all kinds of reve nue freight load on Santa Fé lines and received from 112,114, as compared with 106,627 for the same month regularly for a period of not more than five year

													1915.	1914.	The principal steamship compa
•			e.	•		•							8.031	6.552	sent enjoy Governmental protecti
•	•	• •		• •		•	•	•	•	ł			6,109	4,606	Yusen Kaisha, the Osaka Shoser
			•	. 1	•			•	ł	• •	•		6,082		Kisen Kaisha and the Nisshin Ki
,									1				6.373		The subsidy granted by the Ja
			•						,				7.391		amounts practically to a five-yea
	• •		• •		•			•	ļ				6.030		instalment plan, equal to the origi
i.			• •		•		•	•	ł	•	•	•	72.098		A subsidy of from \$20,000 to \$30.0
															a vessel, which will make an av
							•			×.		•	112,114 1	06,627	trips a year. In approximately

According to the latest figures, the total length of

state laws stood in the way of a scheral increase in the network of the base for th There are, mission first suspended and now has negatived alto-besides, the standard lines owned by private compagether. It is true that the commission directs us to nies, of which the chief are the Loetschberg, sixty-

four miles, electrified a few years ago, and several smaller lines. There are also the narrow-gauge line ed have almost totally failed and all we got out of the forty-nine in all, chief of which is the Khaetian Rail

Europe is to blame

ictoria

nton



an and England. The present route includes New

York on the return trip. It was found that cargoe

could not be obtained in England for the reverse

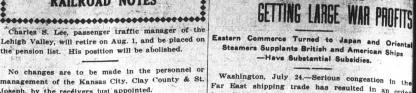
ourney to Japan. The lack is now remedied by put

ting into New York and into Galveston. The service omprises five vessels. The same line has a ser

of six vessels between Yokohama and Seattle

an outlay of from \$500,000 to \$750,000.

China is running short of window glass. The wa



Far East shipping trade has resulted in an order from Tokio reserving for Japanese shippers all space ssels operated by the Japanese subsized trans

pacific lines, acording to reports from U. S. Consul. General Anderson at Hong Kong. All contracts with non-Japanese shippers during June and July have been revoked. According to Mr. Anderson no ul terior motives need be looked for in this order fur ther than the natural desire to help Japanese at time when there is an acute shortage in freight tom nage.

JAPANESE SHIPOWNERS ARE

The extent to which the Japanese merchant man benefiting by the unusual circumstances develop Riley E. Phillips celebrated on Sunday, July 18, fifty ed in the European war is evident in reports th Japanese ships plying between the west coast of th United States and China, Japan and Vladivosto cannot handle the congestion of freight waiting fc emoval, and that numbers of tramp vessels have been chartered for extra voyages. The increase j particularly noticeable for the months of March and April.

The reason for the advantages gained by Japan ese ship owners to the exclusion of those of other nationality are outlined by exporters and by repr entatives of the Japanese lines as follows

1. The imminent enforcement of the La Follett Seaman's bill, which shippers assert has forced the announcement of the Robert Dollar Steamship Com pany that it will probably transfer to the British flag in a short time, and which has also brought the that it will probably be compelled to withdraw from usiness

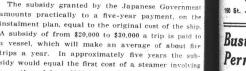
2. The recent extension of the British "Trading wi the English proclamation to include transactions with German citizens in the extra-territorial countries of China, Siam, Persia and Morocco. Under the term of this order, English shipowners refuse transpor tation for goods to or from German agencies in th countries named. It has been estimated conserva tively by commission houses that 70 per cent of American business in China has been carried through the medium of established German agencie The effect of the British order has been to compe American concerns either to transfer their busines to English houses in China, with the delays and in-

convenience experienced in building up new relation or to ship in bottoms sailing under the Japanes 3. The heavy increase in the exportation of merchandise, and particularly of war materials to the

Russian Government. For this purpose, it is understood, numerous tramp steamers have been thrown nto the service, plying between Seattle, Tacoma and Vladivostock. 4. The heavy subsidies paid by the Japanese Gov

rnment to steamship lines owned and operated b Japanese citizens. Under the ocean service subver ion law, enacted in March, 1909. Japanese subject: or trading companies whose partners or sharehold ers are all Japanese subjects engaged in the trans portation business, receive navigation subsidies a ording to mileage, tonnage, speed and age in spect of steel steamships with a gross tonnage of n ess than 3,000 tons, a speed of not less than twelve nots per hour, and not more than fifteen years of which have been registered in the shipping registe

of the Empire. Such vessels may be made to ru on the four ocean lines to Europe. North Americ South America and Australi anies which at pretion are the Nipp en Kaisha, the Toy isen Kaisha. apanese Governme



Permanency One of the greatest contributors to It is pointed out that the Nippon Yusen Kaisha ha varied the sailing of its regular service between Jap-

# Canadian Mining Journal

Devoted exclusively to Mining, Metallurgy and allied industries in Canada

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as the commission freely admitted that we needed more than the \$50,000.000 we had hoped to get out or "The advances which were allowed have had no more effect upon business than if they had never been number

No advances were allowed on coal and that industry happens to have been in less satisfactory condition the past year than almost any other. If coal had been included in the advances, the industry would not have felt it any more than the other "The commission's position was not hard to under-

stand. It was based upon the theory that a separa-tion should be made between line haul and terminal service and two separate sets of charges imposed. delivery, due to the incr That plan is followed abroad. American practice has

Oil .

Coal

been developed from the first on the plan of making For prompt boats rates are firm and a good de one inclusive rate. Which scheme of rate-making is mand prevails for coal and deal carriers, with a few to be adopted is a matter of economic policy. As for passenger rates, commission was right in holding that each service should be made to pay for itself. But eral cargo and case oil to the far east and Australia that simply couldn't be done.

"What we did was enough to ease the strain some what, but not enough to correct a fundamentally weak place in the country's commercial organization. The 000 quarters, from the Gulf to West Coast Italy, 11s stronger eastern roads. I imagine, will continue to go late August.

along about on an even keel. They won't be able to raise their dividend rates unless a very great improve ment in business takes place. On the other hand, they probably won't have to reduce them now unless something evil emerges from the obscurity of the international political situation

"Meanwhile, these roads have no construction worth

IMPERIAL HOUSE ADJOURNS WEDNESDAY. London, July 24 .- Parliament will rise on Wednesday and the present intention is that it should reassemble on September 14. In event of early necessity, its re-assembling could be accelerated by an order-in-Council.

American books and publications last year nur bered 12,230, and those of England about the sam

Seattle ortland The Charter Market Banff

New York, July 24 .- The steamer market is firmer, particularly for boats for late August and September delivery, due to the increasing demand for grain car

etc. The West India market continues slow. Bates hold firm in all foreign trades. Charters-Grain.-British steamer Rio Piracy, 24,

Spanish steamer Upo Mendi, 28,000 quarters, same. British steamer Badminton, 26,000 quarters, same. Petroleum-Norwegian bark Dean, 6,000 barrels reined from New York to Bergen, p.t., prompt Coal-Schooner Charles G. Endicott, 751 tons, from Virginia to Maranham, \$6.50, prompt.

Lumber: Swedish steamer Vasconia, 1.884 tons, mentoning under way. I am not combplaining about that. For all I know it may be as well that they have Norwegian steamer Polstad, 1,671 tons. from St John, N.B., to West Britain or East Ireland, with deals

130s prompt. Danish steamer Sarmatia, 1,438 tons, same. Norwegian barque Auilra, 546 tons, from Pugwash or Pictou, to West Britain or East Ireland with deals,

127s 6d, August. Schooner David Baird, 632 tons, from Bos Buenos Ayres, \$18, primpt.

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