

and Sweden, bringing Swedish exports for which licenses have been granted by the British Government, and returning with much-needed coals for the Swedish industries. An ocean liner conference has been formed at Gothenburg to prepare for the fight against foreign competition after the war.

#### DENMARK'S LOSSES REPLACED.

The Danish fleet measured 884,000 tons gross at the outbreak of war. At the end of 1915 it had increased to 930,000 tons and at the end of 1916 it was still about 900,000. Probably it is now about 800,000 tons. The war losses up to the end of September last have been 200,000 tons gross, or about 22 per cent of the total tonnage at the outbreak of war. The bulk of their losses has, however, been replaced by steamers built at home and by purchases from abroad.

The Government has forced owners to place at their disposal for Danish imports a considerable tonnage at reduced rates. A law has also been passed making the chartering of Danish ships to foreign citizens dependent upon the granting of license. Another law has been passed to the effect that when a steamer is lost the capital shall not be distributed among shareholders, but be kept available for the building of new ships.

### Railroad Problems

Addresses by A. H. Smith, President of N. Y. Central.

"It is indeed a pleasure to have this opportunity to say a word to you on a subject so momentous as transportation, and I regret very much that circumstances suddenly came up which will take me away at 1 o'clock and prevent my being here at 2, as arranged," said Alfred H. Smith, Regional Director of Eastern Railroads and president of the New York Central lines, at the National Retail Dry Goods Association yesterday.

"Transportation, of course, is something that is essential to our everyday life and to the business prosperity of this country. Manufacturing and merchandising is the other essential thing. Going into the years just by us we get into a situation of one overbalancing the other at different times.

"In 1907, a matter of ten years ago, merchandising and manufacturing overloaded the transportation machine. Most of you recall that. Then after that came a period of depression, so that in 1913 there was \$50,000,000 of rusted equipment standing on the sidetracks in this country. Then we came along to the last part of 1915, when the war was on, and that speeded up our productiveness, and the railroads began to use again all that they had. In 1916 we were very busy, doing apparently all that they possibly could do; but in 1917, called upon then even more than in 1916, so that in 1917 they did more business in the United States on American railroads than ever before in their history. They did more than any one ever thought they could do; but just as you ladies and you gentlemen and you business people and manufacturers in this country of ours, with our energy and our push and our determination force things to their limit, and get the answer if possible, so the railroads did in 1917 — they strained their belt and they loaded the machine and they did more than ever in their history. The New York Central Railroad, with which I am most familiar, did 50 per cent more in 1917 than they did in 1916, and, of course, we bore that.

"Now, going back again to 1907 — I think, gentlemen, this is a time, a very necessary time for business men in this country to stop, look and listen; look within yourselves to find out why we are where we are as regards some factories — it is largely economic.

"Speaking of the New York Central Railroad in particular, I remember in 1913 in the rate case at that time, I pointed out that \$150,000,000 had been invested in the property in the period just previous to that, and we earned \$49,000,000 more gross, and at the end of that time, after putting \$150,000,000 into the business and doing \$49,000,000 more gross, we had \$4,000,000 less than we had the year before.

"Now, it does not take a financier, nor does it take any one to measure that you cannot go on that way. You have got to take more interest in the railroads; you have got to know not only about railroads but also about other things that are related to you in the business life of our great country here if we are going to be successful, because if one is not successful the other cannot be successful.

"That is what I want to ask you gentlemen to do, you ladies and gentlemen; whatever your relation to business is, you have got to get out of the selfish no-

tion that you are inside your own shop or your own walls or your own factory, and should sit there and think, 'Well, that feller's getting his,' or, 'The railroads are not getting theirs.'

"The American railroads are giving to you and have given to you the cheapest transportation in all the world, on a given wage; and taking the wage as the unit of calculation, they have given you four times and they have paid twice as much wages, as these countries that I am going to tell you of — and this is pre-war and not a since the war — they have given you four times what Germany has given you, they have given six times what Australia has given her people, and they have given you ten times what Great Britain has given her people on the unit of wage on the investment. To-day you haul a ton of freight five miles for a three-cent postage stamp. Just think it over — when you can haul a ton five miles for three cents — and then some time when you haven't anything else to do, figure out what it costs us to haul a ton somewhere on a motor truck or any other way that you want to haul it.

"If you can't have something without paying for it, and what you need more than anything else is transportation. Now we are in the midst of war, and we have all got to have patience, because there are critical times about us, more critical, perhaps, within even my limited knowledge, than I can tell you to-day. We have got to the crucial point of things, that we have got to do things and we have got to realize that we are at war, and war is a terrible thing, and it requires sacrifice. I won't undertake to promise you to-day how much, or if any, better railroad service you are going to have. The only thing that I can say, that either under Government control, or private control, these railroad men, and I say this distinctly, are working as hard or harder than they have ever worked before. They are just as patriotic as any other men, and they are working to give this nation, to these people and to our Allies, the very best that is in them.

"I have seen them in the last few days — and no tongue can tell, nor no word can picture, the seriousness of what we have been through here in the past few days of storm. Men freeze their faces and their hands and their feet, to say nothing of the other things that happen, storms so bad that sixty miles an hour with 20 below zero, you can't live in it. These are just little instances of the difficulties.

"One word about embargoes: You all get irritated by them, and you are complaining a good deal yourselves on the very fact that we are placing embargoes. I have seen within the last two weeks on a call for information freight that had laid in these piers in New York for over a year, January 1, 2, 3 and 4, 1917. It was still there, and I had to beg them to take it and then threaten to sell it from under their feet if they did not take it. I will not tell you what it was, because it would seem a shame that such a thing should happen.

"I sometimes feel like a man standing in a corner of your store when somebody comes and puts five bundles in his arms and says, 'I will let you know to-morrow what to do with them. You stand there and hold them.' We have thousands of cars that way, and we don't know what to do with them because somebody has shipped them by order.

"I said to some people the other day, in an endeavor we are making, 'I will do it. We will move them down in solid trains, but when I get that train here I want to know who is going to get it, or I will refuse to take them.' They said, 'You will have to handle it because of our financial relations.' I said, 'I want the same treatment on this freight as you do when you send the post office a letter—I want to know where it is going.' If you are going to help — don't blame it on the railroads."

#### U. S. WAR EXPENSES.

United States has spent about \$3,150,000,000 in first seven months of war. Estimated expenditures for the year were \$12,316,000,000. Loans to the Allies so far total \$3,141,000,000. Ordinary receipts for the year are estimated at \$3,320,000,000, including \$2,800,000,000 from internal revenue and \$400,000,000 from sales of war saving stamps. According to present estimates not more than \$4,500,000,000 will have to be raised to meet total year's expenditures. Government is now spending \$24,000,000 daily for its own expenses and loaning an average of \$15,000,000 daily to the Allies, a total of \$39,000,000 a day.

Expenditures on buildings in Canada dropped from \$185,000,000 in 1912 to \$35,000,000 in 1917.

#### THE UNION TRUST COMPANY, LIMITED, PRESENTS CONSERVATIVE REPORT.

In another part of this paper the Annual Report of The Union Trust Company, Limited, appears.

The profits for the year, including the sum carried over from the previous year amounted to about \$135,000. It is understood that in addition to the foregoing there are some earnings on incomplete transactions which were not taken into last year's accounts.

The assets of the Company were re-valued and it is believed are on a sound and conservative basis. The total assets of the Company have increased during the year, notwithstanding the re-valuation of the assets. The Company is to be congratulated upon being able to carry its assets on a basis of present values, and at the same time show a substantial increase in the total. The Capital of the Company is \$1,000,000, and the Reserve Fund is \$450,000, being 45 per cent of the paid-up Capital.

The President, Mr. Henry F. Gooderham, stated that the investments of funds belonging to Estates placed with the Company for administration and through the Trust Savings Department have been carefully made and are in excellent condition and show a substantial increase over the previous year. This may be considered as evidence of the continued confidence of the public in the Company. The total assets of the Company at the end of the year amounted to \$15,266,192.22, Cash on Hand and in Banks, \$630,972.68.

The approaching retirement of Mr. J. M. McWhinney, the General Manager of the Company, was announced. Mr. McWhinney's health has become impaired and a protracted rest is imperative. In the meantime, the Directors have appointed as Acting General Manager, Mr. James K. Pickett, who has been Manager of the Company's Winnipeg Branch for nearly three years.

#### HAVANA ELECTRIC.

Havana Electric gross for twelve months ended December 31, \$6,989,599, an increase of \$971,890, operating expenses took \$2,296,370, an increase of \$750,363. Net war, \$3,721,339, increase \$221,527, after adding miscellaneous income the surplus was \$2,628,204, an increase of \$313,803.

#### CANADIAN PACIFIC RAILWAY



#### REDUCTIONS AND ALTERATIONS

In Passenger Train Service will be made Effective

SUNDAY, FEBRUARY 24th, 1918.

For Particulars, apply to Ticket Agents.

**ANCHOR-LINE**  
**DONALDSON LINE**  
PASSENGER SERVICE

BETWEEN

PORTLAND, ME. and GLASGOW

Apply to Local Agents or The Robert Reford Co., Limited, General Agents, 20 Hospital Street, and 23-25 St. Sacrament Street, Montreal.

**CUNARD LINE**

PASSENGER SERVICE  
BETWEEN

HALIFAX and BRISTOL

Money Remittances made by Mail or Cable. Apply to Local Agents or The Robert Reford Co., Limited, General Agents, 20 Hospital Street, and 23-25 St. Sacrament Street, Montreal.

