

HISTORY AND GROWTH OF CANADIAN FINANCIAL AND INDUSTRIAL INSTITUTIONS

No. 10-- THE GRAND TRUNK RAILWAY

On a per capita basis, Canada has a greater railway mileage than any other country in the world.

Confederation of the Provinces, which gave a new outlook to those associated with the development of the country.

The first meeting of the Grand Trunk Railway Company of Canada was held in the city of Quebec on July 11th, 1853.



MR. E. J. CHAMBERLIN, President of the Grand Trunk Railway.



MR. ALFRED SMITHERS, of London, England, chairman of the Board of Directors of the Grand Trunk Railway.

It should be noted that the primitive which pulled the first passenger train was a horse-drawn carriage.

George Carr Glyn, M.P., H. W. Blake, Robert McCallmont, Kirkman D. Hodgson and William Thompson.



The Grand Trunk's famous hotel the "Chateau Laurier" at Ottawa, is acknowledged to be one of the handsomest buildings in the Dominion.

by a through rail and water route. This primitive road had rails of wood on which were spiked flat pieces of iron.

between Montreal and Portland in 1853 and Sherbrooke the building of a line from St. Lawrence to Pointe à la Pêche.



MR. J. E. DALRYMPLE, Vice-President of the Grand Trunk, in charge of traffic, passenger and freight.



MR. HOWARD G. KELLEY, Vice-President Grand Trunk, in charge of construction, maintenance and operation.

the valiant iron horse later attained a speed of twenty miles an hour. This short piece of road, less than twenty miles in length, was afterwards taken over by the Grand Trunk and may be said to be the beginning of the present system which, exclusive of the Grand Trunk Pacific, has a mileage of nearly five thousand miles.

territory which it served. The sections were opened--from Portland to Montreal in 1853; from Richmond to Quebec in 1854 from Montreal to Toronto in 1855; from Toronto to Sarnia in 1856; and the original system was completed in 1859 when the Great Victoria tubular bridge over the St. Lawrence at Montreal was opened for traffic.

of new lines. In that year, the Grand Trunk Railway was incorporated and plans were made to link up Montreal with the Atlantic coast of Portland--the latter city being selected because it enjoyed the advantages of being an open port throughout the year.

of the Grand Trunk Pacific, has a mileage of 4,585 miles and owns and operates the following rolling stock--locomotives 1,373, passenger-cars 1,196, freight cars 46,420. The capital of the system, again excluding the Central Vermont and the Grand Trunk Pacific, is \$450,962,895.

GERMANY MAKES U.S. WANT FOR CHEMICALS

Wish to Avoid Possibility of States Re-selling to Belligerents--This is a Trading Point

GERMANY NEEDS COTTON

Large German Company Claims it is Running at 60 Per Cent. Capacity, but This is to be Doubled--Government Commandeers all Benzol in Country.

A leading authority in the American textile industry says: "Another month's supply of dyes is on the way from Germany on board the steamship Mantanzas. She should arrive in New York within a week or so, and it will be extremely interesting to learn how her cargo pans out."

Conflicting stories as to the basis of operations in the great German dyestuff plants continue to come to hand. One of the large companies claims it is running at 60 per cent. of capacity, and that 2,000 of its employees are at the front.

In fact it is learned that the German government has commandeered all benzol in Germany and benzol is the source of basic colors. If this situation obtains for any length of time, production of dyes in Germany will gradually approach the vanishing point.

SURPRISING FACT OF LONDON'S FRENCH LOAN

(Continued from Page 1)

When a famous "bear" operator reappeared upon the Paris Bourse after his return from Vienna, where he had conducted his attack on the French loan, he was greeted with a storm of hisses.

Some people pleaded with the French authorities that this money would be used against France and that every franc would go to repay the German loan, and it was.

In this financial situation France was suddenly plunged into war and while Germany and England have been raising money by the billion, the marvelous thing is that France has made no public issue but continues to pay her bills in gold and that the exchanges are in her favor.

It was most marvellous to find in France in the fifth month of the war prompt payment, no distrust of the government paper issues, gold and paper circulating side by side, and there was no strain for gold as in Germany.

Nevertheless, the war has been fought thus far for the most part on the paper issues of the Bank of France and with the gold reserve of that bank undiminished.

The first reason I can assign for it is that the French soldier gets 25 centimes, or 5 cents a day, not one-fifth the pay of an English soldier. Kitchener's army is today costing far more than the entire French army.

There is also the additional reason of higher insurance rates for the transportation of money across the Channel, a Channel infested with mines and submarines. It is no uncommon thing for boats crossing the channel to sight floating mines, and the wonder is that disasters therefrom have been so few.

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BRITISH WOOLLEN MILLS ARE RUSHED

Khaki Cloth, Serge, Overcoatings and Bedford Cord Cloth Principal Government Items

TWEED WORKERS BUSY

Complete Change in Character of Goods Turned Out--Serious Shortage of Machinery and Wool--Drawback--Manufacturers Working at Small Margin of Profit.

Edinburgh, December 29. (By mail).--The two industries in the different towns in the Scottish Borders have undergone a considerable change. The district has almost entirely on account of the War, and Admiralty orders, and at the present time the Admiralty in the district has as much as 100,000,000 yards of supplying khaki cloth. The mills include tartan drab, drab serge, overcoatings and Bedford cord cloth for breeches, and latterly orders have also been placed for large quantities of silver grey flannel cloth for shirts, and it is evident that the factories will be employed on these goods for some months to come.

When the war broke out business with many of the tweed manufacturers came to practically a standstill and when khaki contracts were put on the market manufacturers offered keen quotations in order to work for their regular employes. It was generally held that the prices at which the contracts had been taken would not permit of the manufacturers clearing a profit on them, but they were satisfied to do so because of the prospect of getting something for their workers. The Government demands have increased enormously since then and merchants are also beginning to order a little more freely, but it is only a comparatively few looms are available at the present time for these classes receiving first attention, a Government order is their best bet to get the same.

Government orders are turning out a good class of material but some of them feel that if they are expected to make a profit they should be allowed a better price, as they can hardly be expected to keep all their machinery going on orders from which there is little or no profit when other orders can now be had from home merchants and the colonies. Meanwhile, however, they are resolutely fulfilling the contracts they have entered into, and in many cases have received permission from the Home Office to work overtime in order to make larger and quicker deliveries.

One difficulty experienced at the present time is that of getting the class of wool to suit the Government standard cloth, and even wools are now some what difficult to obtain as they have gone up in price. Spinners are working night and day, where possible to supply yarn, but their efforts do not cover the needs of the moment, and the output from the factories is limited by the supply of yarn they can get. Employers have a difficulty also in getting additional hands, both as regards spinners and piecers, and an overtime with the regular workers is being resorted to as much as possible. In this connection it may be recalled that many employers in the spinning industry went out of the trade some years ago when business was at a low ebb, the machinery being broken up or otherwise disposed of, and now when a pressing time like the present comes, the lack of sufficient machinery to meet the increased demand is felt, and this may be better gauged when it is mentioned that since the early 'eighties something like two hundred sets of spinning machines have disappeared from Scotland. Dyers are busy on wool dyeing for the Government work, but other business is extremely quiet with them.

The conditions in regard to the hosiery trade are very much improved, and here also this is mainly due to Government work. The former orders for pants for the British soldiers, and inquiries are on foot for goods for the Russian soldiers. Woollen jackets are also being largely made, and general orders are coming a little better to hand though not to any great extent. On the whole, so far as employment in the hosiery branch is concerned, the prospects are good for the next few months, and a great deal better than was for one time looked for or thought possible.

In addition to home Government orders large contracts have now been placed for woollen belts for the French troops, and inquiries are on foot for goods for the Russian soldiers. Woollen jackets are also being largely made, and general orders are coming a little better to hand though not to any great extent. On the whole, so far as employment in the hosiery branch is concerned, the prospects are good for the next few months, and a great deal better than was for one time looked for or thought possible.

As the government is advancing money to Serbia and to Belgium the loan of 20,000,000 pounds or \$100,000,000, from England can be readily accounted for. There were loans from the big banks of France for the government at the opening of the war but these loans, I am assured were all merged in the 5 per cent national defence loans which have not exceeded one year to run.

On these national defence loans the cautious Bank of France will advance in limited amounts 50 per cent of the face value, but only where the government loan matures within three months. The great principle of the Bank of France is to keep liquid. Its assets must always be mobile.

There is only one point at which French finance should be criticised and as we cannot know all the details of the stress of her military position when Paris was abandoned, her mobilizing of the reserves still in disorganization and her transportation system, we may not be in a position to justly level any criticism.

But it must be set down in the interest of the report that the French credit was at one time endangered by the treasury, or the military authorities, handling the government credit in payment for war supplies.

Instead of going to the bankers and making their financial arrangements, paying the war supply contractors, the French government made many contracts under which it paid contractors and purveyors in the 5 per cent national defence notes of the government running 3, 6, 9 and 12 months.

As the contractors were making 15 per cent and 20 per cent on their mercantile turnover they could afford to discount 5 per cent, and more in the sale of the government notes and while the government was passing out these notes at par to the patriotic subscribers the contractors were negotiating their discounts to bankers and others.

A Summary of French War Credit. Nevertheless, the stupendous fact remains the France, caught in a European war most unwelcome, has carried the greatest war of her history for five months without a long term national loan and by the issue of less than \$200,000,000 5 per cent short term notes from the Bank of France; has maintained her gold basis unimpaired and kept the international exchanges steadily in her favor, and without a particle of special financial legislation.

Nor could I find any evidence of a French disposition to sell the American copper shares, railroad bonds or industrial shares into which the French have been putting some money of late years. That I did learn that short-term American railroad notes may this year be renewed only in part.

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BIOGRAPH CO. DECLARES A 50 P.C. DIVIDEND IN SCRIP

Boston, Mass., January 8.--The Biograph Company one of the oldest moving picture manufacturing concerns in the United States, has declared a dividend of 50 per cent, payable February 1. The dividend will be paid in registered scrip certificates convertible into either cash or stock or in some form of interest-bearing obligation to be determined by the directors. The company's surplus on October 31 stood at \$1,068,150, after depreciation and other charges. For nearly two years the company has been paying monthly dividends of 50 cents a share, prior to which time it paid \$1 monthly. The rate was halved, however, as the company determined to pay for its new studio in New York City from earnings. More than \$1,000,000, all from earnings, was so expended. The company paid on January 2 a regular monthly dividend of 50 cents which will be the last monthly dividend until after the European war. Hereafter dividends will be 1 per cent, quarterly, the annual rate being cut from 6 per cent, to 4 per cent. The company in 1914 produced a greater number of motion pictures than ever before, but the percentage of profit was smaller than in the five preceding years. A large part of income has come from foreign business, but this has naturally dropped off. In Russia, as in Germany and France, practically all motor vehicles have been requisitioned for military purposes.