

WHAT'S DOING IN THE MONEY AND STOCK MARKETS TODAY

KEEP COSTS DOWN SUGGESTS BABSON

Statistician Warns Against Fixing Wages at Top of the Wave.

Wellesley Hills, Mass., Dec. 28.—Commenting on the present scarcity of skilled labor in certain lines, Roger W. Babson has issued a distinct warning to both executives and investors who would base future plans on present conditions.

"The last six months of 1922 have been marked by a scarcity of labor in many lines," says Mr. Babson, "particularly common labor and the skilled building trades. Employment conditions the country over have improved in these months. There has, therefore, been a general tendency on the part of labor to seek increased wages, and on the part of employers, even when they did not see the way clear to raise wages, to consent to their stabilization at the present or the preceding levels. This situation is likely to continue for the first six months of 1923, going far enough to cover the usual wage settlements which come up in the spring.

"Employers, therefore, are going to be confronted with demands which, if granted will of necessity mean increased production costs. In 1917 and 1918 we were in a similar position. Labor was getting scarce; business was running along briskly, and the demand for increased wages was insistent. At that time, my advice to business men was that they should make terms with labor as quickly as possible, so as to keep their factories running and turn out the stuff. The costs were to be charged up to the consumer. This advice, the business men of the country cheerfully took, even to the extent of improving upon it.

"At the present time, my advice is directly opposite. Under no conditions should wage rates be increased, if it is all possible to avoid it. A wage rate, once established, is a mill stone about an employer's neck. The fundamental law of supply and demand is but an eddy in the main stream. A year from now, perhaps, the lower price tendency will have resumed. The employer who has allowed himself to be weighed down with increased wage rates will find himself at a disadvantage when the downward tendency is again resumed.

"If, therefore, you must pay more for your help, in order to secure labor and keep the peace," continued the statistician, "do it with the kind of a bonus which will be eliminated automatically when the turn comes. In 1917 and 1918 you could pass the cost on to the public, but this time has gone. The public is not looking for goods at a lower price, and if you goods are put into the market on the basis of increased production costs, they will not find a ready sale.

"Furthermore, investors are going to be extremely cautious about putting their funds into industrial enterprises. They are going to ask a great many perplexing and embarrassing questions. First among these is to be the question as to how far the particular plant has got its production costs down to a permanent level.

"These questions are going to be asked strictly from the dividend-paying basis. On all sides the profit-making possibilities of productive enterprises are going to be curtailed.

"Your normal margin of profit in the years just ahead of us is going to be very much less than it has been for the last five years. Any element, therefore, which tends to increase production costs is going to add to the embarrassment of your company. For this reason, investors are going to look beyond the advertisements as to the assets and income and things of like kind. They are going to ask to see your wage sheets and to demand information as to how the wage levels under which you are operating correspond with those of six months and a year ago. This is a perfectly legitimate question and upon the answer to it will depend not only the profits which you will make in 1923, but also the difficulty which you will meet in obtaining money to finance your operations."

FREDERICTON MARKETS.

At Fredericton yesterday the prevailing prices were as follows: Turkey, per pound, 60 cents. Geese, each, 38. Chickens, per pound, 35 cents. Fowl, 30 cents. Veal, 8 to 14 cents. Beef, 7 to 10 cents. Pork, 18 cents. Ham, 20 cents. Butter, 40 cents. Eggs, 70 cents. Potatoes, per barrel, \$1.50. Apples, 85 to 90 cents. Turnips, 75 cents. Wood, per load, 80 to 90. Hay, per ton, \$12 to \$13.

FINANCIAL NOTES.

Montreal, Dec. 28.—Cables 4.68 1/2. London, Dec. 28.—Bar silver 31.95-32 an ounce.

Removal Notice

After Banking Hours
December 30th, 1922
THE BANK OF MONTREAL
Dock Street and Market Square
Branch
Will be closed and the business
Transferred to the
BANK OF MONTREAL
King and Prince William Streets
6408-1-2

FINANCIAL

NEW YORK MARKET

(By direct private wire to McDougall & Cowans 28 King street, city)

Stocks to twelve noon.

Open	High	Low	Close
Allied Chem	77	77	77
Am Int Corp	25 1/2	26	25 1/2
Am Loco	128 1/2	129 1/2	128 1/2
Am Sumatra	28	28	28
Am Smelters	58 1/2	59 1/2	58 1/2
Amalgamated	48	48	48
Am Tobacco	153 1/2	154 1/2	153 1/2
Am Telephone	123 1/2	124 1/2	123 1/2
Anacostia	40 1/2	41 1/2	40 1/2
Balt & Ohio	41 1/2	42 1/2	41 1/2
Bald Loco	188	189	188
Beth Steel B	60 1/2	61 1/2	60 1/2
Can Leather	30 1/2	31 1/2	30 1/2
Can	72 1/2	73 1/2	72 1/2
Chandler	68 1/2	69 1/2	68 1/2
Cen	140 1/2	141 1/2	140 1/2
Cuban Cane	18 1/2	19 1/2	18 1/2
Calif Pete	68 1/2	69 1/2	68 1/2
Chas & Ohio	71 1/2	72 1/2	71 1/2
Chile	27 1/2	28 1/2	27 1/2
Corn Products	181	182	181
Cordoba Oil	58 1/2	59 1/2	58 1/2
Cons Gas	117	118	117
Chic & E Ill Com	28	28	28
Chic & E Ill Pfd	27 1/2	28 1/2	27 1/2
Cont Can	110 1/2	111 1/2	110 1/2
Coca Cola	75	76	75
Credulite	68 1/2	69 1/2	68 1/2
Chino	28	28	28
Dipont	102 1/2	103 1/2	102 1/2
Erie 1st Pfd	14	14	14
Marine Com	9	9	9
Endicott John	89 1/2	90 1/2	89 1/2
Gen Motors	14 1/2	15 1/2	14 1/2
Great Nor Pfd	76 1/2	77 1/2	76 1/2
Gulf Steel	78 1/2	79 1/2	78 1/2
Inspiration	84 1/2	85 1/2	84 1/2
Inter Paper	60 1/2	61 1/2	60 1/2
Kennecott	86 1/2	87 1/2	86 1/2
Kelly Spring	44 1/2	45 1/2	44 1/2
Kelsey Wheel	110 1/2	111 1/2	110 1/2
Keystone Tire	88 1/2	89 1/2	88 1/2
Kansas City South	18 1/2	19 1/2	18 1/2
Lehigh Valley	70	71	70
May Stores	107	108	107
Marine Com	9	9	9
Midvale	48 1/2	49 1/2	48 1/2
Mid States Oil	11 1/2	12 1/2	11 1/2
Mo Pacific	16	16	16
New Haven	20 1/2	21 1/2	20 1/2
Northern Pac	74 1/2	75 1/2	74 1/2
N Y Central	98 1/2	99 1/2	98 1/2
Nor & West	110 1/2	111 1/2	110 1/2
North America	97 1/2	98 1/2	97 1/2
Pennsylvania	46 1/2	47 1/2	46 1/2
Pan American	94	95	94
Pan Am "B"	86 1/2	87 1/2	86 1/2
Pease Arrow	124 1/2	125 1/2	124 1/2
Pure Oil	27 1/2	28 1/2	27 1/2
Pullman	181 1/2	182 1/2	181 1/2
Pure Marquette	27	28	27
Pacific Oil	45 1/2	46 1/2	45 1/2
Reading	80	81	80
Rep I & Steel	46 1/2	47 1/2	46 1/2
Rey Dutch	39 1/2	40 1/2	39 1/2
Rock Island	31 1/2	32 1/2	31 1/2
Retail Stores	73	74	73
Mid States Oil	11 1/2	12 1/2	11 1/2
Sugar	80 1/2	81 1/2	80 1/2
Sinclair Oil	82	83	82
St Paul	86 1/2	87 1/2	86 1/2
Southern Ry	24 1/2	25 1/2	24 1/2
St Paul	20 1/2	21 1/2	20 1/2
St Paul Pfd	31 1/2	32 1/2	31 1/2
Stromberg	85	86	85
Studebaker	139 1/2	140 1/2	139 1/2
Steel Foundries	87 1/2	88 1/2	87 1/2
Stan Oil N J	21 1/2	22 1/2	21 1/2
San Francisco	21 1/2	22 1/2	21 1/2
Stan Oil Ind	117 1/2	118 1/2	117 1/2
Texaco	47 1/2	48 1/2	47 1/2
Transcontinental	13 1/2	14 1/2	13 1/2
Timken	83 1/2	84 1/2	83 1/2
Union Pacific	136 1/2	137 1/2	136 1/2
U S Steel	107 1/2	108 1/2	107 1/2
Utah Copper	64 1/2	65 1/2	64 1/2
United Drug	82	83	82
United Fruit	122	123	122
Westinghouse	60 1/2	61 1/2	60 1/2
Wool	92	93	92
Sterling-4.64.			

MONTREAL MARKET.

Stocks, up to twelve noon.

Open	High	Low	Close
Abitibi Com	70 1/2	71 1/2	70 1/2
Abitibi Pfd	70 1/2	71 1/2	70 1/2
Ames Holden Pfd	48	49	48
Asbestos Pfd	68	69	68
Asbestos	121 1/2	122 1/2	121 1/2
Bell Telephone	45	46	45
Brazilian	26 1/2	27 1/2	26 1/2
B Empire 2nd Pfd	72	73	72
B Empire 1st Pfd	72	73	72
B Empire Com	94	95	94
Brompton	38 1/2	39 1/2	38 1/2
Can Cement Pfd	100	101	100
Can Cement	110	111	110
Can Cottons	115	116	115
Can Gen Electric	60	61	60
Can S S Pfd	55	56	55
Can Woolens	15	16	15
Cons S & Min	28 1/2	29 1/2	28 1/2
Detroit United	65	66	65
Dom Canners	32 1/2	33 1/2	32 1/2
Dom Glass Pfd	100	101	100
Dom Sil Corp Pfd	174	175	174
Dom Textile	180	181	180
H Smith Paper	80	81	80
H Smith Pfd	100	101	100
Kaminiting Pfd	100	101	100
Lake of Woods	176	177	176
Laurentide	95 1/2	96 1/2	95 1/2
Loyal Con	80	81	80
McDonalds	114	115	114
Maple Leaf Mill	110 1/2	111 1/2	110 1/2
Mon L H & P	104 1/2	105 1/2	104 1/2
Nat Breweries	79 1/2	80 1/2	79 1/2
Ogilvie Milling	280 1/2	281 1/2	280 1/2
Ont Steel	40 1/2	41 1/2	40 1/2
Ottawa L H & P	93 1/2	94 1/2	93 1/2
Pennant Ltd	129	130	129
Price Bros	47	48	47

STOCKS MAINLY ON DOWN GRADE

Range Narrow, However, in Wall Street—Not Brisk in Montreal.

New York, Dec. 28.—(10:10)

Stock prices moved within narrow and irregular limits at the opening of today's market with the main tendency downward. Vigorously was pushed up one point to a new high record and good buying was noted in General Electric, United States Steel, May Department Stores, Chandler Motors, Eastman Kodak and Retail Stores, the gains ranging from large fractions to one point. Studebaker which registered a marked advance early yesterday dropped 1 1/2 points on profit-taking. The weakness was chiefly in American Tobacco, American International Corporation, Union Pacific, Baldwin, International Paper and Tremont. The closing was a mixed one, however, being limited to fractions. Fisher Body opened 1 1/2 points lower. Foreign exchanges were easy, demand sterling being quoted at \$4.64 1/2, noon report.

New York, Dec. 28.—(noon)—The conflicting price movements suggested a decided division of opinion as to the ultimate trend of the market. Bidding of certain specialties was utilized as a screen for distribution and short selling elsewhere, active pushing shares showing marked weakness. Call money was 1/2 per cent. Sterling exchange irregular. Great Britain 241-1/2, France 234-1/2, Italy 500 1/2, Germany 191.85, Canadian dollars 18-1/2 per cent discount.

MONTREAL EXCHANGE.

Montreal, Dec. 28.—(10:00)—Trading was not brisk on the local stock market this morning, and a tendency towards lower levels was noticeable, particularly in the paper, Abitibi, Brompton, was steady and unchanged at 70 1/2, as was also Brompton at 89 1/2. Laurentide was 95 1/2, and Spanish River Pfd was 46 1/2. Other leaders were quiet.

WAS \$210 NOW \$165 YOU SAVE \$45

New York, Dec. 28.—Sterling exchange irregular. Great Britain 241-1/2, France 234-1/2, Italy 500 1/2, Germany 191.85, Canadian dollars 18-1/2 per cent discount.

MORNING STOCK LETTER.

(McDougall & Cowans, Private Wire)

New York, Dec. 28.—The industrial average shows only a slight advance in spite of the skyrockets in half a dozen leading stocks.

There really was little news to affect the market with the exception of the decision of the U. S. C. C. to probe into the condition of rail equipment and the market as a whole presented a very irregular aspect from year-end developments such as tax selling and a temporary stiffening of call money rates.

In the very near future practically the whole list will respond to the strength now manifest in a few stocks.

We are in a bull market and prices are going higher.

There might easily be more irregularity over the first of the year and this irregularity might lead into a technical reaction which should be used to accumulate stocks. While the industrial average advanced yesterday, the rail average showed a much larger decline. There is still too much fear of adverse legislation for the rails as a whole to show much recovery. There is also too much unevenness in the earnings statements of the various roads. At the D. L. & W. meeting today it is thought the usual extra dividend will be omitted. At the same time it is believed Pere Marq will go definitely on a 24 year basis soon after the first of the year.

The strength in locomotive stocks was based on the belief that the U. S. C. C. equipment examination will show a tremendous shortage of engines. In addition, it is thought that Washington is really giving some serious consideration to the bill which will provide that a road's equipment must be in good shape before dividends can be paid. Steel prices are stiffening with operations remaining above 80 per cent. Steel common must respond to this in the near future.

LIVINGSTON & CO.

Be sure you can't and nobody will seem to strengthen men's roots and to help them to grow.—Forbes Magazine (N. Y.)

Quebec Railway ... 24 1/2 ... 24 1/2 ... 24 1/2

Shawmut ... 112 ... 112 ... 112

Spanish River ... 99 1/2 ... 99 1/2 ... 99 1/2

Span Riv Pfd ... 107 ... 107 ... 105 1/2

Steel Canada ... 68 ... 68 ... 68

St. Law Flour ... 78 1/2 ... 78 1/2 ... 78 1/2

Wabaco Cotton ... 78 1/2 ... 78 1/2 ... 78 1/2

Winning Electric ... 53 1/2 ... 53 1/2 ... 53 1/2

Banks:—

Montreal—250.

Nova Scotia—250.

Union—180.

Hochelaga—140 1/2.

1922 Victory Loans—100.00.

1923 Victory Loans—100.00.

1924 Victory Loans—101.70.

1925 Victory Loans—101.70.

1926 Victory Loans—100.00.

1927 Victory Loans—100.00.

WINNIPEG GRAIN OPENING

December wheat ... 115 1/2 ... 115 1/2 ... 115 1/2

July wheat ... 115 1/2 ... 115 1/2 ... 115 1/2

May oats ... 80 1/2 ... 80 1/2 ... 80 1/2

CHICAGO GRAIN OPENING

May wheat ... 120 1/2 ... 120 1/2 ... 120 1/2

July wheat ... 116 ... 116 ... 116

December wheat ... 127 1/2 ... 127 1/2 ... 127 1/2

May corn ... 72 1/2 ... 72 1/2 ... 72 1/2

December oats ... 48 1/2 ... 48 1/2 ... 48 1/2

N. Y. TURKEY PRICES DROP 20 CENTS A POUND

Big Decline from Thanksgiving Rate of Sixty to Sixty-five Cents.

New York, Dec. 27.—Turkeys sold in the New York markets on Saturday for 20 cents a pound less than they brought at Thanksgiving time. Number one turkeys which retailed a month ago for 60 to 65 cents a pound were sold for 40 to 50 cents a pound all over the city. One chain store company in Brooklyn operating fifty-four retail shops in that borough is selling grade A turkeys for 45 cents a pound, about 50 per cent below Thanksgiving prices. F. Q. For, market expert and editor of the Daily Market Report, said that a combination of circumstances made it possible for thousands of families to buy turkeys at Christmas who could not afford to at Thanksgiving time.

SHIPPING

ALMANAC FOR ST. JOHN, DEC. 28.

A.M. P.M.

High Tide ... 7:09 Low Tide ... 1:18

PORT OF ST. JOHN.

Arrived Yesterday.

Str Gracie, 3887, from Glasgow.

Str Gertrude Parsons, 341, Morris for Digby.

Sailed Yesterday.

Str Minnedosa, 8321, for Antwerp via Southampton and Havre.

Str Canadian Runner, 1812, for Cardiff and Swansea.

BRITISH PORTS.

Liverpool, Dec 28.—Arr, str Celtic New York via Queenstown; Dec 28, Carmania, New York via Queenstown.

FOREIGN PORTS.

Rotterdam, Dec 28.—Arr, str Knockmillan, Dec 28—Arr, str Metagama, St John.

St John, Dec 28—Arr, str Metagama, St John.

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