RAILWAYS AND THE PANAMA CANAL

Pacific Coast Jobbers and Department Stores Are Using Shipping Lines—Rail Carriers Have to Canvass Trade

That the Panama canal shipping lines have to make little or no effort to obtain business, while the rail carriers have to make continuous solicitation, is pointed out in an article dealing with the Panama Canal and rail competition, in "Financial America."

Other features of the across continent traffic are noted in the subjoined paragraphs.

Shipping merchandise "less carloads" by rail across the continent involves at least one transfer, while by the canal, though the time of transit is longer, there is no transfer.

Carload lots by rail are rivalled by a more regular service by canal; the latter service, moreover, extends to all classes of freight, while the rail carriers do not accord the usual service as to time on commodities which bear low rates.

Regular canal lines have taken from the rail carriers almost the entire eastbound movement of canned goods, dried fruit, wine, etc.

Rail carriers' chief losses to the canal lines on westbound traffic have been pipe, wire, steel, cement, metals, drugs, chemicals, dry goods, pianos and general merchandise.

Small attraction exists for the entrance of small competitors to the established lines operating through the canal.

Losses in Merchandise Traffic.

Rates by way of the canal are substantially lower than rail rates. For instance, pianos are carried by way of the canal at $1 per 100 lbs., any quantity, as against a rail rate of $3.70 per 100 lbs., "less carloads," and $2 per 100 lbs., carloads.

Heaviest loss to the railroads in westbound tonnage in competition with the canal has been in dry goods and cotton goods.

Pacific coast jobbers and department stores are largely utilizing the canal for the carriage of merchandise from the east.

Roads raised their rate on drugs from $2 per 100 lbs. to $3.70 and lost all traffic in this commodity to the canal lines, which have advanced their rate from $1 to $1.50.

Rail carriers which bear the entire loss of traffic moving by the canal are the intermediate roads operating between Chicago and St. Louis to Minneapolis transfer and Missouri River points, and Colorado and Texas gateways; also the Gulf steamer routes operated in conjunction with rail lines.

Eastern trunk lines, central freight lines and southern roads have not been seriously affected, as they receive local rates to New York on canal business.

Canal Lines Cover Wide Field.

Transcontinental roads receive local rates between San Francisco, Los Angeles, Portland, Seattle and interior points on canal movements, but this reparation falls short of the loss of traffic. However, as the interior territory will be stimulated and developed in the course of time the loss may finally be adjusted.

Canal lines' field of operations on the east include the New England States, points east of the Niagara frontier and the Ohio River, and such south-eastern states as the Virginias, the Carolinas, Georgia and Tennessee.

Canal lines' field of operations on the west includes points as far east as Spokane, Salt Lake and inter-mountain territory.

Railroads at present are adjusting their rates to preserve their interior territory.

Where canal lines are limited or precluded in their operations is on movements from interior points to interior points, bearing heavy arbitrary rates to and from each port.

STEEL COMPANY OF CANADA RENEWS NOTES

Mr. H. H. Champ, treasurer, Steel Company of Canada, Hamilton, tells *The Monetary Times* that in respect to the company's 6 per cent. notes, the total of which is $1,200,000, and $400,000 of which were due on July 1st, 1915, satisfactory arrangements have been made to renew the whole issue.

TRADE WITH ITALY AND ROUMANIA

Macaroni, Fruits, Cheese and Oils Come from Italy—Roumania Takes Our Implements

Canada's trade with Italy, the latest entrant in the war arena, is comparatively small. Canadian imports from that country for the fiscal year ended March, 1914, were valued at $2,147,365. Our exports to Italy for the same year were $655,256. This trade was about double that of 1912. Among the principal articles imported from Italy, are macaroni and vermicelli, $297,501; dried fruits and nuts, $89,455; green fruits, $516,573; oils, mostly olive, $164,269; cheese, $184,102; spirits and wines, $80,541; vegetables, chiefly canned, $102,924.

Among the principal articles exported by Canada to Italy, are breadstuffs, $175,099; dried salted codfish, $363,220; agricultural implements, $64,698; metals and minerals, and their manufactures, $82,780.

An automobile valued at $5,000 was shipped to Italy from Canada last year. Three with a value of $10,900 were shipped from Canada to Italy in 1912, but none in 1913.

Trade with Roumania.

The trade of Canada with Roumania, which will probably enter the war soon, was $77,506 last year, compared with $107,231 in 1913. Our imports from that country in 1914 were valued at $7,706, and comprised beans, glue, a little tobacco, and $750 worth of settlers' effects. Our exports to Roumania last year were $69,800, agricultural implements accounting for $64,370. The other exports were machinery and metals.

Roumania is primarily an agricultural country, its wealth consisting largely in the products of its soil. The government, which is paternalistic, extends aid to the oil wells and utilizes all the by-products of its petroleum. A high protective tariff, rebates on transportation, and special concessions, moreover, add to the government aid of industry. Despite these aids, however, Roumanian industry is as yet in the early stages of its development. Consequently, the country needs the finished products of other lands. Roumanian finances are sound and the country's export of agricultural products, live stock and oil are on the increase. Its railway system has developed rapidly and its well equipped, modern army has made it one of the best customers of the European foundries, railroad shops, ammunition works and shipyards. Roumanian cities are being modernized rapidly. Expensive improvements such as new harbors, canals, pipe lines, bridges, tunnels, irrigation systems, water-power plants, etc., will eventually require the expenditure of enormous sums of money.

Opportunities for Business.

United States business with Roumania has not been extensive. According to official figures for the year 1912-13, the imports into Roumania from Germany aggregated more than $40,000,000 worth; from Austria-Hungary more than $30,000,000. The figures from England were $16,000,000; from France, $8,000,000; from Italy, $6,000,000; while from the United States less than $2,500,000. Out of nearly $110,000,000 worth of goods imported into Roumania during that period, an insignificant portion was shipped from the United States.

The present war having brought about almost a complete cessation of imports from Germany, Great Britain, France and Austria, there seems to be a chance for a long period for American industry to provide the Roumanian people, and through them the other Balkan countries, with those products which continental Europe and Great Britain have formerly sent.

BIG ORDER FOR CARS

Orders for rolling stock aggregating $1,250,000, have been placed by the railway department for the government railways. The Canadian Locomotive Works is to supply 15 locomotives, while an order for 1,000 box cars is divided between the Canada Steel Car and Foundry Company, Montreal; the National Car Company, Hamilton; and the Eastern Car Company, Halifax. Delivery is to be ready by the crop moving period.