WEATHER: FAIR

The Journal of Commerce

THE BUSINESS MAN'S DAILY

Vol. XXIX. No. 51 MONTREAL, MONDAY, JULY 6, 1914. TWO CENTS

We Own and Offer
Town of St. Lambert
5 1-2% Debentures, Due 1954
PRICE TO YIELD 5 3-8%
N. B. STARK & Co.
TORONTO LONDON MONTREAL NEW YORK BOSTON

SOUND BONDS
Safest at all Times
Your inquiry will not subject you to the slightest obligation.
EASTERN SECURITIES CO., Limited
INVESTMENT BANKERS
157 St. James Street, MONTREAL
St. John, N.B. Halifax, N.S.

MUNICIPAL AND SCHOOL DEBENTURES

W. Graham Browne & Company
222 St. James Street,
MONTREAL

THE MOLSONS BANK
Incorporated 1855
Capital Paid Up - - - $4,000,000
Reserve Fund - - - - $4,800,000
Head Office—MONTREAL
88 Branches in Canada.
Agents in All Parts of the World.
Savings Department at all Branches
LETTERS OF CREDIT
TRAVELLERS' CHEQUES
DRAFTS AND MONEY ORDERS } ISSUED
A General Banking Business Transacted

SUMMER STORAGE
For Immediate Delivery
GAS
COKE
NOW
$6.00 per ton
(Restricted Delivery)
Try a Ton of Domestic Size Coke
Just the thing for small hot water heating plants and Quebec heaters
MONTREAL
LIGHT, HEAT & POWER CO.,
Coke Dept. Main 4040

BERRY PREFERS CALAIS TO ST. JOHN

Much Wanted Witness in New Brunswick Investigation Refuses to Come

(Special Correspondence.)

St. John, N. B., July 6.—Two interesting announcements in connection with the Dugal inquiries are made to-day. One is that a subpoena was served on A. R. Gould on Saturday at Debre Junction while on his way to Maine on the Montreal Express and he said he would be on hand for the resumption of the Valley railway charges hearing on July 15. The other is that W. H. Berry, much wanted chief witness in the timber charges inquiry, is at Calais, Maine, on the border of the Province and that Frank B. Carvell and John M. Stevens, counsel for Dugal, were with him at the St. Croix Hotel there on Saturday afternoon.

F. R. Carvell said over long distance telephone at his home in Woodstock to-day that he saw Berry in Calais on Saturday, that he went there at Berry's request and spent two hours with him in an endeavor to persuade him to return to give evidence before the Royal Commission. Carvell said he secured from the Attorney-General a promise of safe conduct for Berry, but Berry still refused to come. "I am now inclined to believe," said Carvell "that he will not come and that only the government can bring him."

France in 1912 imported goods valued at $1,642,117,000.

TRADE INCREASES IN FACE OF WAR

Mexico's Business with Foreign Countries Show an Advance for Year

INTERNAL DISSENSION

Lack of Faith in One Another Given as Cause of Failure of Mediators to Establish Peace Basis.

In spite of the war which has convulsed practically the whole country and would seem to be sufficient to paralyse the trade of the country, the foreign trade of Mexico for the year ending June 30th, 1913, amounted to $248,088,977. This shows a gain of $7,763,257 over the figures of the preceding year. The imports amounted to $97,886,169, showing an increase of $6,555,013. The exports totalled $150,202,808, an increase of $1,208,243. Canada's share was $151,723 of exports, while she imported $413,155.

Huerta Elected.

(Special to Journal of Commerce.)

Mexico City, July 6.—At the elections for president, vice-president, deputies and senators held yesterday in that portion of Mexico under Huerta control very few votes were cast, the lightest poll in fact in many years. President Huerta received a majority of the votes, while General Blanquet, the present War Minister, received a majority of votes for vice-president.

Think Huerta May Withdraw.

Washington, July 6.—In administration circles to-day the belief was expressed that something might develop from Sunday's elections to change the entire completion of the present Mexican situation. There were several candidates for the presidency, and it is regarded as possible that Huerta will declare one of these has been elected. This view has been strengthened by the report to the Constitutionalist Junta here that Huerta was arranging for his abdication. General Blanquet, War Minister, is regarded as the logical successor should Huerta withdraw.

Dissension Among Mediators.

New York, July 6.—Coincident with the arrival of most of the members of the mediation party here, rumors are heard that serious disagreements have developed between the South American members. This dissension, it is claimed, has prevailed throughout the conference and has been the prime reason for the failure of the mediators to accomplish anything in the direction of Mexican peace.

An underlying lack of harmony is said to be caused by the mutual distrust of Argentina by Brazil and Chile.

H.R.H. FOR NEWF'DLAND

Governor-General Left Quebec on H. M. S. Essex For Visit to Island Colony.

Quebec, July 6.—His Royal Highness the Duke of Connaught, accompanied by Col. Farquhar, left yesterday afternoon by H. M. S. Essex for Newfoundland, where he will spend nearly three weeks. Hundreds of people lined the Dufferin Terrace to see the farewell, Col. Turner, Col. Landry and Captain Pelletier, represented the Lieutenant-Governor, and a detachment of boy scouts under District Scout Master Brown, were among those present on the King's Wharf to bid His Royal Highness a pleasant journey and a safe return.

After His Royal Highness had inspected the scouts, he was conveyed to the Essex, where he was received by Captain Watson and Commander Tweedie. The Duke then inspected the men, who were lined up on the quarter deck. As they presented arms, the Marine Band played the National Anthem, while the Royal Standard on the Citadel was being dipped.

At 1.45 p.m., the Essex hauled in her anchors and left for her destination amid cheering and waving of handkerchiefs.

Visits B. C. Too.

Victoria, B.C., July 6.—Information has reached the city that the Duke of Connaught will arrive in Victoria on August 10, and will probably make a stay of a week's duration. According to present plans, he will be accompanied by Her Royal Highness the Duchess of Connaught and Princess Patricia. Government House has been placed at the disposal of the vice-regal party during the visit.

The Governor-General during his visit to the coast will officiate at the inauguration of the construction of the University of British Columbia at Point Grey, and also at the opening of the Connaught Block of the Parliament buildings, of which he laid the foundation stone during his previous visit. His presence in British Columbia will coincide with the driving of the golden spike on the Grand Trunk Pacific on August 15, a ceremony which he has been invited to attend; but what his intentions are in the matter are not known. The Governor-General will not visit the Yukon, though it is possible that he may go as far north as Prince Rupert.

INCREASE OF REVENUE.

Washington, July 6.—The aggregate internal revenue reports for May were $27,381,207, an increase of $1,193,506 over May, 1913; for eleven months $291,719,860, an increase of $3,473,203.

LATE STATESMAN BURIED.

(Special to Journal of Commerce).

Birmingham, Eng., July 6.—The body of the late Joseph Chamberlain was interred here to-day in Key Hill cemetery after an impressive funeral service in the Unitarian Church of the Messiah. Memorial services were held in Westminster Abbey, at which were present members of the Cabinet and Parliament.

"FIRE COMMISSIONERS HAVE NOT JUSTIFIED EXISTENCE"

So Says Mr. J. Gardner Thompson, General Manager of Liverpool and London and Globe, of Local Officials

HIGHER MORAL PLANE NEEDED

Business of Fire Insurance Conducted on Much Higher Plane in Great Britain and Europe than Here. —Onus of Proof Placed Upon Insured in Case of Fire Loss in Germany—Legislation Here Misdirected He Thinks.

(By Prof. W. W. Swanson)

"The Fire Commissioners in Montreal have never justified their existance said Mr. J. Gardner Thompson general manager of the Liverpool, London and Globe, in the course of an interview yesterday. "Recently, Montreal refused to permit an investigation of its fire protection system by tthe National Board of Fire Underwriters, which has reported upon the systems in operation for prevention against fire and the efficiency of appliances for fire fighting in leading cities of the United States" Mr. Thomp- continued. "This was refused even after the insurance companies themselves offered to bear the expense of an investigation of the means of fire protection, and of the whole system in operation in this city. The only fair deduction to be drawn from this refusal is that the city does not want the limelight cast upon the system in vogue here. Our brigade is good, but there is no reason why a thorough and exhaustive investigation should not take place of the whole system of fire protection. It would appear, as I have said, as though the city has something that it wished to conceal when it refused an investigation which would not have cost the people one cent."

"In fact fire insurance ni Europe is on a distinctly higher moral plane than it is here," said Mr. Thompson, "We may boast of our advanced civilization in the New World and our wonderful economic development, but we have still some things to learn from the Old World and among them is a decent code of business morality. This applies particularly to fire insurance. In Germany, for example, a man who causes a fire is regarded with no especial sympathy by the community at large. It is plainly seen that he has been, through negligence or otherwise, a direct menace to the prosperity of his town or city, and he is called upon not only to pay the costs incurred in extinguishing the fire, but to prove beyond a doubt that he is innocent, in having been the direct cause of the conflagration. The German business man is liable also for any loss that may occur to his neighbor as a result of a fire in his own premises; and, while it is true that he may insure himself against that liability, it is nevertheless a real liability to him and it costs him something. It distinctly does not pay to be careless about fires in the Fatherland.

Not only on the continent, but in the United Kinkdom as well there is a higher tone of business ethics and morality, as far as fire insurance is concerned than in Canada and the United States. The Englishman who causes a great fire loss to the community has the same sense of shame that overwhelms one who is forced to go through the bankruptcy courts."

"How do you find business conditions, Mr. Thompson, as far as they are reflected in the returns of your own company?"

Business Increasing.

Our business is increasing steadily from year to year; and the past six months 1914 shows no exception. As Canada expands, as her population increases, as new works are carried to completion, it goes without saying that the business underwritten by the fire insurance companies will show a proportionate growth. While, however, we are congratulating ourselves upon the splendid showing that has been made by this company in recent years, in general, and in the last six months in particular, we do not lose sight of the fact that our losses have increased considerably also within a few months back. Fires have been more numerous and costly within that period than during the corresponding time last year. This, unfortunately, is true at every time of business depression, when it would appear that business men seek a way out of their difficulties through the fire route. This is a reflection, of course, upon business ethics in Canada. It is unfortunate that such is the case, but we must face the truth.

"We have had a number of small conflagrations in various places of late, twelve or thirteen buildings in several localities being destroyed; notably at Bryson, Que., Tilbury and Powassan in Ontario, and in several cities throughout the Prairie Provinces. The losses from fire, as you are aware, are per capita of population higher in Canada than in any other country in the civilized world. The causes which operate to bring about this result are principally faulty construction of buildings, inefficient fire protection, culpable and criminal carelessness, and a low moral business standard on the part of the people. There remains an enormous and surprisingly important work to be done by the press and platform of this country to remedy this state of affairs.

"When you realise how vital the business of insurance is to the prosperity of the nation you would expect that legislatures would deal with insurance corporations in an enlightened manner. Unfortunately, in some instances, this is not true. Some of the provinces imagine that any corporation, merely because it has been financially successful, is open to heavy taxation. This is a short-sighted policy, as will be readily understood upon slight reflection. Heavy taxes and unfair restrictions that hamper fire insurance companies merely result in placing a heavier burden upon the people at large. Take for example, the case that has recently arisen in Kentucky, where the legislature passed unreasonable insurance laws. The result was that nearly every company left the State. The courts hastily declared these laws ultra vires, and the companies are back doing business on the

MR. J. GARDNER THOMPSON,
Manager of Liverpool, and London and Globe Insurance Company.

old basis. It is a short-sighted policy that would place a burden on the companies which they feel they cannot carry, and which results either in closing the company out or in putting an intolerable burden upon the people.

Question of Taxation.

"Recently, some of the Canadian provinces have undertaken to tax insurance companies heavily. The appeal from such taxation is now before the Privy Council. It will be decided shortly whether such companies as conduct an inter-provincial business are subject to taxation by each separate province. We feel that a fairer, and more effective, way of benefitting the people at large is to encourage competition among sound progressive organizations, so that the smallest premiums possible, that are consistent with safeness and strength, will be laid upon the people.

"The Liverpool and London and Globe is conducting the largest fire insurance business in Canada; and we feel, therefore, that we can speak with some degree of assurance on this question. It should not be forgotten that, up to the present time, the business of fire insurance has been carried on at a lower level of expense in this country than anywhere else in the world, but if taxes are to be piled upon taxes, one can readily see that insurance premiums must inevitably be raised.

"It would be more to the point if our various governmental bodies busied themselves with such legislation as would make for less waste and loss of property. Ontario has taken a step in the right direction by creating the office of Fire Marshall. It is hoped hereafter, that the enormous losses that have been caused by fire through carelessness and through crime will be materially dimished. However, if the Ontario officials do not perform their duties better than the Fire Commissioners of Montreal, it would be far better if the office had never been created.

Make Insurance Cheap.

In conclusion, I would like to emphasise the fact that insurance is a fundamental factor in the modern organization of business. When one reflects upon the fact that goods that are in transit, or goods that are in warehouses, or goods that are being produced could not be moved to market unless insured, it will be seen how tremendously important insurance is to modern business. Our whole scheme of industrial and commercial organization is based upon credit. We are living in a credit economy, as distinguished from the old money economy. I surely do not need to dwell upon the fact that our banks and big financial organizations will not grant credit based upon goods unless those goods are insured. When this fact is once realized, it will be seen how very important indeed insurance is in the modern organization of business. I, therefore, submit than any legislature that passes a law which hampers and restricts the operation of insurance companies is to that extent retarding business, slowing up the wheels of industry and laying an extra burden upon the backs of the people. Insurance should be made as cheap and as safe and efficient as modern methods and the best ability of our leaders of industry can make it. Only so will the work of this country, and of the world at large, be carried on with the least waste and with the greatest ease and efficiency. In view of these facts, it would appear the soundest policy for Canada, especially in its present stage of industrial development, to offer every inducement to the capitalist to invest his money here, and to place the fewest possible restrictions upon the business which is built up by that capital. We all agree that labor in this new country deserves a generous reward, but let capital also, upon which our prosperity equally depends, receive fair and generous treatment. Only so, can we develop this country of unsurpassed resources and possibilities.

DEPT. INCOME SHOWS DECREASE

Secretary of State's Office Reports 181 Fewer Company Incorporations

$85,916 LESS MONEY

By Far Greater Number of Companies Federally Incorporated From Montreal Real Estate Companies Lead List.

(Special Correspondence.)

Ottawa, July 6.— The financial depression of the past year has had its effect on the business of the Secretary of State's Department. During the last fiscal year there were 181 fewer incorporated or supplementary letters patent granted, and a decrease of $255,454,630 in aggregate capitalization of the new companies as compared with the number and capitalization of new companies in the preceding fiscal year.

Last year the State Department granted federal letters patent to 758 companies, with an aggregate capitalization of $425,307,569. In 1912 and 1913 the number of new companies was 939, and the aggregate capitalization was $680,762,199. In1910 and 1911 the number of new charters was 658, and the capitalization $490,565,999.

Although the total number of new incorporations was 100 more last year than in 1911 and 1912, it will be noted that the aggregate capitalization was some $65,000,000 less.

By far the greater number of companies federally incorporated are from Montreal or Quebec province, Montreal real estate companies head the list for the last two years.

The revenue of the department from companies during the past fiscal year was $212,729, a decrease of $85,916, as compared with the preceding twelve months.

NOBLES INDIGNANT

Not Invited to Archduke's Funeral They Marched in Procession.

Vienna, July 6.—The restricted number invited to the funeral service over the late Archduke Francis Ferdinand and his wife in the imperial court chapel Saturday, although attributed solely to the limited accommodation, gave great umbrage to many titled friends of the couple who were not invited.

As a protest against their exclusion about 120 members of the noblest families at Austria and Hungary, some of them being Privy Councillors and court chamberlains and nearly all holding court offices, decided to march in the funeral procession from the Hofburg to the railroad station.

This coming to the ears of Prince Montenuovo, chamberlain of the Emperor's court, he hastily summoned a ministerial council to decide upon what action should be taken to prevent a demonstration, but the council, when informed that the nobles concerned would resign their office if interfered with, determined to do nothing. Consequently, when the nobles appeared, many of them wearing their official uniforms, the police made way and allowed them to fall in immediately behind the hearses.

Those who joined in the protest also resented the discrimination manifested in the court ceremonial against the late Duchess of Hohenberg on the ground of unequal birth with the Hapsburgs, whereas, they point out, she was a member of the ancient Bohemian family of Chotek, her rank standing similar to their own.

MANCHESTER COTTON YARN.

(Special to The Journal of Commerce.)

Manchester, July 6.—Cotton yarn cloth is very slow with prices irregularly lower on the amount of business doing and all at a loss. A number of mills have been closed from one to three weeks. The outlook is unimproved with a further large curtailment in output considered certain. Fine Merino grades of tops occasionally show a half-penny advance. Low crossbreds half-penny lower. Forty-fours and seventeen forties 16d. Yarns are inactive throughout. There is a moderate business in serges and fine worsted.

BIG OIL CONTRACTS.

(Special to the Journal of Commerce.)

Houston, Texas, July 6.—Southern Pacific Railroad has closed two contracts running from three to four years, with two important oil producing companies, calling for a total of 6,000,200 barrels of fuel oil. Prices are based on the current market of from 65 to 75 cents a barrel.

MOTOR PROPERTY SOLD.

Hartford, Conn., July 6.—The property of the Columbia Motor Car Co., which was controlled by the defunct U. S. Motor Co., was sold to-day. The property was held at $350,000.

The Canadian Bank of Commerce
Head Office—TORONTO
Paid Up Capital - - - - - - $15,000,000
Rest - - - - - - - - 13,500,000
Board of Directors:
SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President.
Z. A. LASH, Esq., K.C., LL.D., Vice-President.
John Hoskin, Esq., K.C., LL.D., D.C.L. J. W. Flavelle, Esq., LL.D. A. Kingman, Esq.
Sir Lyman M. Jones. Hon. W. C. Edwards. E. R. Wood, Esq.
Sir John M. Gibson, K.C.M.G., K.C., LL.D. G. F. Galt, Esq. Robert Stuart, Esq.
Frank P. Jones, Esq. Gardner Stevens, Esq. Alexander Laird, Esq.
William Farwell, Esq., D.C.L. A. C. Flumerfelt, Esq. G. G. Foster, Esq., K.C.
Charles Colby, Esq., M.A., Ph.D. H. J. Fuller, Esq. George W. Allan, Esq.
ALEXANDER LAIRD, General Manager; JOHN AIRD, Assistant General Manager
With Branches throughout Canada and in the United States, England and Mexico, and Agents and Correspondents throughout the world, this Bank offers unsurpassed facilities for the transaction of every kind of banking business in Canada or in foreign countries.
Collections Effected Promptly and at Reasonable Rates

The Crown Trust Company
145 St. James Street - Montreal
Paid-up Capital - $500,000.00
A trust company for the public's service, able and willing to act in any approved trust capacity. Enquiries invited.
Irving P. Rexford - Manager

YOUR JULY DIVIDENDS
Can Be Safely
INVESTED TO NET 10 P.C.
In bonds secured by assets worth double the outstanding bonded indebtedness, and by net earnings FIVE times the interest requirements. Particulars on application.
G. A. ROBINSON & CO.
413 MERCHANTS BANK BUILDING, MONTREAL.

See New York in the Summer
Now is the time to visit the American Metropolis, with its wonderful attractions, its inexpensive trips by rail and water, and its perfect surf bathing. The best point from which to take in New York sights and surroundings is the
HOTEL MARTINIQUE
On Broadway, 32nd to 33rd Sts.
CHARLES LEIGH TAYLOR, President - WALTER S. GILSON, Vice-President
WALTER CHANDLER, Jr., Manager
Its location is in the heart of theatre and shopping land, within a stones' throw of fashionable Fifth Avenue, the principal department stores and leading places of amusement. Six hundred light, comfortable bedrooms. Four hundred bathrooms. Three handsome dining rooms. Rooms for $1.50 up. The hotel is cooled by a $250,000 ventilation plant. Rooms engaged by wire without cost if time is short. Table d'hote dinner $1.50. Club breakfast 60c. Practically all rooms have Southern or Western exposure. For literature and reservation address our Canadian advertising agents.
SELLS LIMITED
302 Shaughnessy Building, Montreal

SPECIAL POLICEMAN SHOT.

Special Correspondence)

St. John, N.B., July 6 — Special man Frank O'Leary was shot in the side to-day by Jack Bramen, agent whom he had just arrested on suspicion of breaking into H J. Mowatt's Drug Store. The shooting took place near Bramen's house. Bramen admitted the burglary but told O'Leary he would shoot him if arrested and he carried out his threat O'Leary made deposition to this effect just before going under operation in hospital this afternoon. His condition is serious. Despite his wound O'Leary clung to his prisoner till help came. Bramen said there were two men in the burglary. They got about $200.

Canada's total mineral production for 1913 was $144,031,407.

GOOD CROP OUTLOOK.

Edmonton, July 6. — The crop situation in Western Canada never looked better than it does to-day. Perfect weather for seeding, followed by the very best of growing weather during the spring months, with plenty of rain coming at just the right time all over the three prairie provinces have created an atmosphere of jubilant satisfaction among the farmers. This, together with the increase of over a million acres in the area under crop in wheat, oats and barley, and the resultant prospects of a bumper crop, forms a very sufficient basis for the feeling of optimism which pervades all classes of business as regards the coming fall trade. This feeling is not confined to any one class of business men, but is most pronounced among those who have the greatest facilities of getting into close touch with the agricultural situation.

NIAGARA FALLS
"Maid of the Mist"
"Cave of the Winds"
"Niagara Gorge Trip"
THE SPECIAL FEATURES AMONG MANY OF NIAGARA FALLS ATTRACTIONS:
Write or Call for Descriptive Booklets, Hotel Lists, Rates, etc.
HONE & RIVET, Travel Specialists, 9 St. Lawrence Boulevard MONTREAL
Phones—Main 2605—4095 (One block east of Bank of Montreal, St. James St.