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A Quebec Hive of Industry

Cheap Electric Power in abundant Quantity is the Basis of the amazing Industrial Development in St. Maurice Valley District which is now attracting world wide attention

By A. R. R. JONES

For romantic beauty and for scenic grandeur the Falls at Shawinigan have always enjoyed widespread renown. But, from the standpoint of a manufacturing centre, the St. Maurice Valley district, in which the Falls are situated, was a dozen years ago, practically a negligible quantity. Today this district is recognized as one of the most important industrial sections in Canada—important by reason of its present progress and prosperity, and far more so by reason of its future potentialities.

There is one supreme factor which accounts alike for the amazing industrial strides which the St. Maurice Valley district has made in the past few years and for the almost illimitable opportunities which undoubtedly lie before it in the years to be. That factor is, of course, cheap electric power in abundant quantities. The use of power is the most important element in our complex modern civilization. The cost of the power derived from the use of coal is mounting rapidly, while, at the same time, every horse-power so derived lessens the coal reserves upon which the world can draw.

Water is the other main available source of power. The supply of water, unlike that of coal, is limitless and inexhaustible. In a locality where the material advantages are so supreme as to permit of the development of water-power at a relatively low cost, there is present, in addition the further advantage of having all the primary elements of the cost of production fixed instead of being subject to the uncertainties in the cost of production to which steam plants are exposed on account of fluctuations and variations in the price of coal. Such a locality is the St. Maurice Valley district where the waters of the turbulent St. Maurice river have been triumphantly harnessed to the service of mankind.

Amount And Source Of Power.

It was in 1898 that, in order to utilize this water-power for industrial and commercial purposes, the Shawinigan Water and Power Company was organized and a charter obtained. Shawinigan, it should be mentioned, is situated about midway between Montreal and Quebec City. It lies about twenty miles back from the city of Three Rivers where the St. Maurice River enters the St. Lawrence River, and is distant above nine miles from town of Grand'Mere, the remaining town in the St. Maurice Valley district. The Valley has a population of something like 100,000 people, of whom about 14,000 are located in Shawinigan, 25,000 in Three Rivers, and 8,000 in Grand'Mere.

The main power developments of the Shawinigan Water and Power Company are at Shawinigan Falls, (200,000 horse-power), at Grand'Mere where it controls the power from the development owned by the Laurentide Power Company, (125,000 horse-power), and at Gres Falls, four miles below Shawinigan Falls, where it owns a power site capable of cheap development for 75,000 horse-power. At present the combined generating capacity is about 330,000 horse-power. But, with the flow of the St. Maurice river regulated by the great storage basin at La Loutre Dam, and the future development at Gres Falls, the combined generating capacity will be raised to over 600,000 horse-power. This large concrete dam was built by the Quebec Government and a very large addition to the power which can be developed at the low water stages of the river is obtained by its means.

General Shipping Facilities.

The St. Maurice Valley industrial district is most favorably placed as regards general shipping facilities. The territory is well served by the Canadian Pacific Railway, the Grand Trunk Railway and the Canadian National Railways. Extensive ocean transportation is available within a few hours reach either at Montreal or at Quebec City. In the winter-time export shipping is carried on from St. John or Halifax. There is an excellent seaport at these rivers, it being claimed for that harbor that it is one of the finest on the

American continent. Transportation road is constantly improving, and at the present moment the Quebec Government has in course of progress an extensive roadway building program.

The Electro-Chemical.

As is well known, there are certain chemical industries that can be carried on satisfactorily, only where there is an abundance of cheap electric power. In attracting world-wide attention as the electro-chemical centre of Canada, there being numerous electro-chemical industries located there. These include the Canada Carbide Company, which manufactures calcium carbide and acetylene gas; the Canadian Electrode Company, which manufactures the larger sizes of carbon-electrodes; and the Canadian Electro-Products Company which manufactures acetic acid and acetone from the acetylene gas supplied by the Canada Carbide Company; these three concerns being subsidiary companies of the Shawinigan Water and Power Company. Then there is the Northern Aluminum Company, a branch of the United States Aluminum Company, which reduces to Aluminum American refined bauxite that is brought in by rail and which has also a wire drawing and cabling plant, and, in fact, manufactures all the aluminium wire that is made in Canada. Another electro-chemical industry at Shawinigan is the Canadian Caloxite which manufactures carborundum or carbide of silicon, which is the best known of the artificial abrasives and which also turns out a large amount of high-grade silicon. The Prest-O-Lite Company also operates at Shawinigan a compressing plant for acetylene gas which is purchased from the Canada Carbide Company. The Shawinigan Foundries have an experimental electric furnace plant for the manufacture of various kinds of steel and for general experimental purposes.

Great Diversity Of Manufactures.

The part which Canadian industry, as represented at Shawinigan, played in winning the war is a very notable and honorable one. It is gratifying, too, to learn from those on the spot, and in a position to know whereof they speak, that the plants erected during the war to supply war needs are finding that they have an equally important part to play under peace conditions. An excellent start has been made from which it is confidently anticipated that a great commercial future from the chemical standpoint will result.

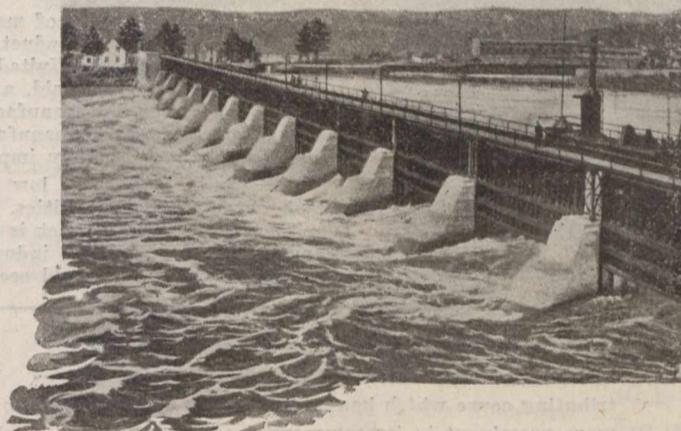
On a visit to the St. Maurice Valley district, one cannot fail to be profoundly impressed with the diversity of the industries that are carried on there. Some more detailed account of these industries and the plants that are operating them will be given in future articles dealing specifically with the three centres of industry in the district, namely: Shawinigan, Three Rivers and Grand'Mere. For the moment, suffice it to indicate their range in general terms. There are important cotton mills both at Shawinigan Falls and at Three Rivers. At both these places, too, there are iron and steel plants. Some of the largest pulp and paper mills in the Dominion are located in the St. Maurice Valley district. The lumber industry is a thriving one. A ship-building plant, prepared to build ships, either passenger or freight,

up to 10,000 tons, and with an engine shop equipped to construct marine engines of any sizes, is in full blast at Three Rivers. At that city, too, there has just been erected and opened to the public a grain elevator and public warehouse, the elevator itself having a capacity of 40,000 bushels of bulk grain. The mere mention of these facts will serve to give some idea of the varied nature of the industries which, within the last decade or so, have established the St. Maurice Valley district as one of the notable manufacturing sections of Canada and with prospects of future development second to none. Electric power, relatively cheap and abundant for all present needs and which can readily be added to as fast as plants can be erected to utilize the increase, is the link that binds all these diverse industries together in one home. Informed opinion take the view that this diversity makes for the stabilization of labor.

Fine Manufacturing Location.

At both Three Rivers and Shawinigan Falls, suitable sites for large manufacturing plants, with water and railroad facilities, are available at very favorable prices. In short, it is not too much to say, that the manufacturer catering to a world-wide market and requiring cheap power and advantageous shipping and railroad facilities, as well as a supply of raw materials, the two places named offer a location that is almost ideal.

Reference has already been made to the excellence of the power situation and of the shipping and railroad conditions—conditions which put this industrial section of Quebec in touch with the world and which go a long way to solve for the manufacturer the problem of getting those raw materials that are required for particular processes. With regard to other raw materials, there is little fault to be found with the supply. Bituminous coal in normal



Dam and Control Gates at Shawinigan Falls.

times is obtained from Nova Scotia, but more less come from there since about the year 1915, such bituminous coal as is at present used in the district being obtained from the United States coalfields whence the anthracite coal also comes. Coke, made from West Virginia coal and therefore very low in sulphur and phosphorous, can be obtained from the gas company in Montreal. Petroleum coke, made by the Imperial Oil Company, is also obtainable from Montreal, as is pitch, which is derived from tar produced by the Montreal Gas Company. High grade limestone, quartz and sandstone are available in large quantities near the St. Maurice Valley. Silica, with not more than one per cent. lime, can be obtained within a hundred miles of Three Rivers, and within the same distance chromium and lithium ores are found and mined commercially, while zinc, magnesite and other minerals are found not far away.

Labor Contented and Frugal.

Labor in the district is plentiful and relatively cheap. It is mainly French-Canadian. In the agricultural districts around Three Rivers, Shawinigan and Grand'Mere, there is a population of over 50,000 people. The families are mostly large and so a relatively plentiful supply of local French labor is readily available. This labor is not migratory and has been found of a satisfactory character, being well adapted to industrial work. Three years ago, common labor could be obtained without difficulty for twenty-five cents an hour in the St. Maurice Valley district, but the present time of very high labor costs, it is not obtainable so cheaply. Today it can command thirty-five or thirty-seven cents an hour, which the skilled workers receive—at any rate in such plants as foundries—wages little, of at all, less than those of which skilled workers in other industrial centres are in receipt.

However, the natural traits of the French-Canadian people—their thrift and frugality, their love of a settled life, their ability and willingness to “fit in” as a permanent part of an industrial community—make the type of labor available in the St. Maurice Valley district reasonably satisfactory, to the manufacturer. Such is the view one finds very generally taken by employers in the three towns. Moreover, in spite of the industries discontent and unrest so widely prevalent in many parts of the Dominion as well as all over the world, labor troubles in the district, on anything like an appreciable scale, are practically unknown. The fact, one understands that none of the plants have been shut down owing to labor disturbances. The fact that a large number of the workmen in Three Rivers and Shawinigan own the houses in which they live speaks for itself as to the stability of the labor and as to its general contentment with prevalent conditions.

Houses Being Built Rapidly.

Like many other communities which have sprung up with amazing rapidity, this industrial section has developed a great appetite for housing facilities. But houses are being very quickly built, to keep place with the growing popula-



Canal Entrance, Forebay and Gatehouses at Shawinigan Falls.

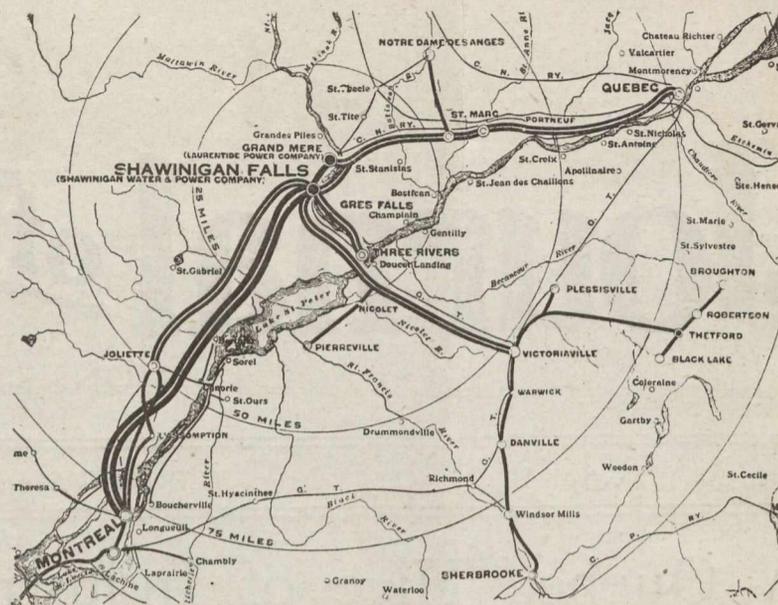


FIG. 11.

The “Web of Power” of which Shawinigan is the centre.

tion. Employers are showing themselves equal to the exigencies of the housing situation. Notably is this the case with the Shawinigan Water and Power Company which has put up at Shawinigan numbers of delightful home-like residences for its employees. Indeed, looking on Shawinigan today, with its well equipped factories, its fine churches, its technical and public schools, and its general atmosphere of bustling commercial prosperity combined with solid domestic comfort, the visitor finds it hard to credit the story he is told that twenty-two years ago its entire population lived in a single house! Indeed, not much more than forty years ago all this part of the country was a “happy hunting ground” of the Indians, the Indian name “Shawinigan”, which signifies “beautiful grill and bead work”, being used to denote the similarity of the glittering waters of the St. Maurice river to iridescent beads.

Future Still More Wonderful.

But, wonderful as has been the rapid growth of the St. Maurice Valley district in industrial progress and prosperity in the last twelve or fourteen years, its development in the future seems assured of being still more phenomenal. For nothing is likely to hold back a district which can offer such advantages as these:

1. Relatively cheap power, immediately available in reasonable amounts and with an assured future supply of practically unlimited amount.
2. Plentiful and contented labor.
3. Low import rates for ocean-borne raw materials.
4. Low export freight rates to foreign markets.
5. The opportunity of manufacturing American raw materials and returning the manufactured product to the United States almost duty free. For if raw materials from the United States are imported to Canada for manufacture, and an import duty is paid, a rebate of ninety-nine per cent. of this duty can be obtained when the manufactured products are exported to the former country. Thus, the cost of manufacturing raw materials from the United States is not sensibly increased by import duties.
6. Suitable sites at low cost for large manufacturing plants with excellent water and rail facilities.

To sum up: The district is superbly placed for the successful establishment and development of big industries. That it will fulfill what looks to be its manifest destiny, it would seem impossible to doubt.

Business Conditions in Ireland

SOME GENERAL IMPRESSIONS

By Trade Commissioner J. Vernon McKenzie

A number of Canadian exporters have recently inquired whether the disturbances of the past few months in various districts in Ireland are having any definite effect upon trade. After a fairly comprehensive tour of the leading commercial centres, my opinion is that there is considerable temporary and local dislocation of trade; how long this last and to what extent it will increase is, of course, beyond the power of any one to prophesy.

Even in normal times the logical centres for distribution of goods in Ireland are three in number: Belfast, Dublin and Cork. At the present time it is practically impossible for any one house, in any one particular city, to distribute effectively throughout the whole of Ireland, owing to the many boycotts and counter-boycotts which have been enacted. Many localities in the south and west of Ireland, particularly, have absolutely boycotted Ulster commercial travellers, and the reverse is also true to a certain extent. Ulster,

north of Ireland and part of the west can logically be covered from Belfast. Dublin is a distributing centre which has lately become somewhat more prominent in its commercial aspect, and the south and west are covered by merchants from Cork.

There is a keen interest in Canadian goods in all parts of Ireland, and a definite desire that direct trading relations may be established. Belfast, Dublin and Cork merchants are unanimous in endeavouring to establish a trade with Canada which does not have to pass through the hands of London brokers. I received upwards of fifty inquiries from importers and other merchants who are particularly interested in Canadian products, but who were almost unanimous in wanting to do business direct—either to secure representation for Ireland or for their particular district.

A new commercial trading organization has been formed in Cork within the past few months. This is the Irish International Trading Corporation (Cork), Limited, importers and exporters. This company, together with the port authorities of Cork, is endeavouring to have one or other of the transatlantic lines running from Canada make Cork a port of call.

What Ireland Imports from Canada

It is impossible to tell the aggregate of imports into Ireland from Canada, although, commencing with 1919, it is possible to get a fairly comprehensive survey of Canada's direct trade with Ireland. The largest amount of trade is of course done in wheat, barley, rye, maize, wheatmeal and oatmeal. In these during 1919 a trade of nearly £5,000,000 was done. The next largest item is that of timber—practically all fir, pine, spruce; the timber trade amounted to about £1,250,000 in 1919, while the 1918 total was only £286,555. The flaxseed trade grew from £91,520 in 1918 to £339,289 in 1919.

It is impossible to make any comprehensive and illuminating contract between the Canadian exports to Ireland in 1918 and 1919, owing to the fact that until last year no real attempt was made to keep separate records for the Irish ports and compile the aggregate, but the Department of Agriculture and Technical Instruction in Ireland has now arranged to receive from each port details of the cargoes of every vessel entering; and thus is able to keep track of the direct trade. In addition to this, of course, a large amount goes through England.

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The League the Issue

In these last weeks of the Presidential battle in the United States it is becoming clear that the position of the Republic towards the League of Nations is to be the chief issue in the contest. In some degree it has been a leading issue throughout the campaign, but in both political parties there was an inclination to adopt what Theodore Roosevelt would have called "Pussyfooting." A Democratic President had been one of the principals in the preparation of the League scheme. Therefore the Democrats from the beginning had to recognize their responsibility for it. A Republican Senate had refused to ratify the treaty of which the League was a part. Therefore the Republicans had to stand before the country as opponents of the League. But on both sides there was a disposition to approach the subject cautiously until the trend of public opinion could be ascertained. Of course, some cautious Democrats said, they were favorable to the treaty, but they did not wish to take an extreme position in support of it. If reservations could be devised which would make it clearer, without in any way impairing its force, they could

be considered. On the Republican side there was a similar hesitation. The cautious Republicans said they had opposed the treaty, but perhaps it could be made acceptable by reservations, etc., etc. They pointed out some eminent Republicans—notably Mr. Taft—had approved of the treaty. So, of course, they must not be considered as irreconcilable opponents.

This was the attitude of the two parties in the early weeks of the campaign. Both were apparently reluctant to make the League the dominant issue. Both were willing to direct the attention of the people to other matters. But in the present stage of the battle it has become evident that attention is to be concentrated more on the League and the electors are to be asked to make it the main question. The Democratic managers have called for the help of President Wilson, who will give it only on the condition that the League is kept to the front in the fight. The Republican managers, alarmed by the threatened defection of Senators Borah and Johnson, have required Mr. Harding to take a firm stand. Thus both Presidential candidates find it necessary to make clear-cut declarations. "I am against the League" said Mr. Harding in one of his latest speeches. At Nashville, Tennessee, Governor Cox recognized the challenge and accepted it. "Senator Harding," said Mr. Cox, is against the League; I am for it." The "Pussyfooting" on both sides has ceased. The issue is to be squarely faced. Are the American public for the League of Nations or against it? This is the main question to be answered at the polls next month.

Mr. Sandwell's Retirement

The Journal of Commerce is called upon to part with one of its principal contributors, Mr. B. K. Sandwell, who has for some time past filled the position of Managing Editor. He leaves us to enter upon the important office of Assistant Professor of Political and Economic Science in McGill University. Mr. Sandwell has won a very prominent place in Canadian journalism and in Canadian literary circles. All who have been associated with him in newspaper work will heartily congratulate

him on his appointment to a responsible position in Old McGill and give him their best wishes for a successful career in his new field of labor.

Ireland and the Philippines

Under this caption, some time ago, we commented on the utterances, in Congress and outside, of some American public men who, to cater to the Sinn Fein Irish vote in the States, demanded in speech and resolution the "freedom" of Ireland. President Wilson had written of the right of a people to "self determination" and Great Britain was notified by these American vote-seekers that she must permit Ireland to become a Republic. We ventured to suggest that if American politicians were so much wedded to this notion of the right of every people to "self determination" they might begin at home by dealing with the Philippine question. The Philippine Islands were taken by the United States by conquest from Spain. Although some degree of popular government was allowed to the people, the islands were, and still are, under American rule. The Philippines have heard of Uncle Sam's admiration for the doctrine of "self determination" and have asked him to apply it in their case by granting independence to the islands. More than once deputations of the Philippines have come to Washington to plead for independence, but they have pleaded in vain. Uncle Sam has been profuse in his assurances of goodwill and of an intention to some day give the Philippines their freedom—but not yet. This is one of the cases in which people are not ready to practice what they preach.

There are, no doubt, good reasons why the Philippines should remain subject to American rule, just as there are good reasons why no Irish Republic can be recognized by the British Empire. We notice with pleasure that the bearing of the Philippine claim on the Irish question in America has been observed by Senator Harding, the Republican candidate for the Presidency. At De Moines, Iowa, last week, Mr. Harding was heckled by some of his hearers on several questions. One inquiry was—"What about Ireland?" In all probability the question had been anticipated and Mr.

Harding was glad to avail himself of the opportunity to make a clear statement. While there are Republicans who are willing to play to the Sinn Fein vote, it is probable that there are many more who view such tactics with disapproval and who would prefer a more honest course. Evidently the Republican candidate resolved to consider the views of the latter rather than those of the Sinn Fein section. At all events he gave an answer that is clear and logical. "I am happy to say," he replied "that I think Great Britain is approaching the solution of the Irish question. I would no more tell Great Britain what to do with Ireland than I would permit Great Britain to tell us what to do with the Philippines."

Mr. Harding may lose some Irish votes by this plain statement. But he will gain or hold the votes of many Americans who would properly regard any other attitude as dishonest.

Convenient Absence

Ex-President Taft is to be congratulated on the fact that as one of the arbitrators in the Grand Trunk Railway matter he is required to be in Canada at this time. The political situation in the United States can hardly be a comfortable one for him at present. Mr. Taft, ex-President Elliott of Harvard and a few other prominent Republicans were among the earliest supporters of the Treaty of Versailles, including the Covenant of the League of Nations. Before the question took on a party shape at Washington, Mr. Taft was prominent as a supporter of President Wilson's policy. Since the Republican party arrayed itself against the League, Mr. Taft has been making not very successful efforts to square his position with that of his party. He has made various suggestions respecting "reservations" which he hoped would establish a basis of agreement. He assented to the nomination of Mr. Harding, still clinging to a hope that he could be a supporter of the League and of the Republican ticket. Now that both of the Presidential candidates have made the League the supreme issue of the campaign, Mr. Taft's position cannot be a very happy one. Ex-President Elliott has remained faithful to the League, going so far as to declare his intention to vote for Governor Cox. Mr. Taft has not reached that point. Under these circumstances he perhaps finds his residence in Canada convenient. It is interesting to note that on the Grand Trunk business he is associated with Sir Thomas White, who will have an opportunity of comparing the Taft of today with the Taft of 1911 who, according to Sir Thomas, was engaged in a conspiracy for the ruin of Canada's business and the sapping of Canada's loyalty.

Queensland's Trouble

Queensland, one of the States of the Australian Commonwealth, has been much in the public eye of late, and not always in a pleasing way. Queensland has the advantage—if advantage it be—of having a Labor Government, of which Mr. Theodore is Premier, and its Legislature has enacted a number of measures of what some people will call a Progressive nature. Even a Labor Government requires money for the carrying on of its business. So Mr. Theodore came to London lately to float a loan. To his apparent surprise the money lenders deemed it necessary to make some keen inquiries into Queensland's affairs, the result of which was that they buttoned their pockets and the loan was a failure. Mr. Theodore has returned to Queensland in a very angry frame of mind. A telegram says he has just announced his intention to raise £2,000,000 in Queensland before Christmas by a levy on the profits earned in Queensland by investors who reside in Great Britain and elsewhere—a compulsory levy if compulsion is required. Not a penny, he says, will reach the British investor by way of dividends until the Queensland Government have obtained what they need. This is not Queensland's first trouble with the British money lenders. Many years ago a Queensland loan offered in London through the Bank of England proved a failure. The Premier of that day, Sir Thomas McIlwraith, severely criticized the Bank's part in the transaction. The Bank authorities resented the criticism and for some time there was friction between the colony and the financiers of London. The breach was ultimately healed and Queensland was able to obtain in London the large sums required. A period of financial embarrassment for the Queensland Government is to be expected. In the end the Government will probably have to find some ground of compromise with the London financiers, for he who sets out to fight the London money market usually finds the battle a hard one.

New Brunswick

Our anticipation of last week that, while the Foster Government had fair prospect of success in the pending general election for the New Brunswick Legislature, the confused situation might be productive of some political embarrassment has proved correct. Hon. Mr. Foster and his colleagues on the ticket have won a substantial victory in the city of St. John, which had previously given the majority of its votes against the Government.

Of the 48 members elected to the Legislature the Government have just one half—24. This is three less than they had in the last House. From one view-point,

therefore, the Government have lost materially. They can find comfort in the fact that, if they have lost three, the regular Opposition has fared worse, having last seven. With 24 Government men, 13 Opposition, 9 United Farmers and 2 Labor members there is a situation that will be watched with much interest. The fate of the Government will depend on the action of the Farmer members. The Premier expresses confidence that he will receive enough support from that quarter to enable him to carry on. The Opposition leader, Mr. Baxter, claims that he will have the support of these Farmers. Not until the Legislature meets will it be known for a certainty how these independent members will act.

Mr. Foster heads the largest group in the new House. A very little help from the Farmers would make his Government safe. The Opposition are in a less fortunate position, since if they could obtain the cooperation of all the independents—which is not likely to happen—they would not have a majority. The situation is substantially the same as in Manitoba. In both Provinces the probability is that the Government will obtain enough independent support to continue in office. In both Provinces the results of the election are indicative of the new alignments that are taking place in the political field.

Lloyd George's Slip

The British Premier made a slip a few days ago when he stated to an interviewer that the United States would enter the League of Nations after the Presidential election. His remark will certainly be seized upon by some of the American politicians and journals and treated as an interference on the part of Mr. Lloyd George in the American political contest. One is reminded of the error committed some years ago by the British Ambassador at Washington who, in replying to a trick letter which he mistook for an honest inquiry, he advised the writer to vote for the Democratic candidate. His letter, when published, created a sensation and the indiscreet ambassador had to be sent home. The League of Nations has just become more emphatically than in earlier stages of the campaign the main issue between the two great political parties in the States. The Democrats stand by the League. The Republicans are declaring against it in strong terms. Mr. Lloyd George's remark that after the election the United States will join the League must mean either that the Democrats are to win or that the Republicans are playing a hypocritical part in opposing the League and will, if they win, adopt the policy that they are now so vehemently condemning. Either interpretation of his words will be unfortunate and likely to lead to unpleasant comment.

SURVEY OF THE WEEK

Lake of the Woods Makes 23 p. c. on Common.

The annual statement of the Lake of the Woods Milling Company, Limited, was made public during the week, and in view of the fact that it was the first of the Montreal milling concerns, its contents were reviewed with considerable interest inasmuch as it was judged to afford a criterion of what may be expected in the financial statements of the milling companies that are to follow. The fact that profits from milling operations were less than in the previous year, did not occasion much surprise. The restrictions that had been placed on the industry, and which were removed only at the end of the period with which the Lake of the Woods' statement deals, would seem to be responsible in some measure for the lower earnings this year, but the loss on milling profits is made up in part by an increase in "revenue from other sources," which shows a gain from \$209,463 in 1919 to \$321,711 in 1920. The milling profits, however, show a decrease of no less than \$136,631, which brings out the total profits at \$24,384 less than last year. During the year there was an increase in the common stock capitalization, and allowing for that increase, and after the payment of bond interest and dividend disbursements to preferred shareholders, the balance is equivalent to slightly more than 23 per cent on the common stock shares which compares with 28.5 per cent last year, and 33.3 per cent in 1918.

Depression In British Textiles.

The condition of the textile industry in England at the moment is not encouraging for a speedy return to the prosperous times that brought this industry into prominence only a few months ago. In practically all branches orders are scarce. With wages high and stocks of raw material on hand, the slump in the cost of raw material will have no immediate effect either on trade or prices. Huge weights of wool are being offered in Britain, and as prices decline it is possible that countries on the Continent may be able to take up more. From what might be termed the heights of prosperity, the textile industries in Britain, in the space of a few months, have fallen into a state of general stagnation. Organized short time is in effect and altogether the prospect for the winter, both for the manufacturers and the workers, is anything but bright.

Cotton Situation Is Puzzling.

In the cotton trade the depression is unusually puzzling. Everyone has been under the impression that the world was practically denuded of cotton goods during the war years, and that the demand would enormously exceed the supply for some considerable time, even though prices remained high. The world does not seem to be in such a great need of cottons as was generally thought. At least the orders anticipated have not materialized. In Britain, relatively to other commodities, cotton textiles have risen very high—too high for business in large volume, and so high that Germany has already been able to invade England with lower-priced goods. In England, at a moderate estimate, it now requires quite four times as much money to finance a given volume of business as it did before the war, and that together with the limitation placed on advances by the banks, making it too expensive to hold large stocks, and the seemingly interminable labor troubles, puts the British cotton manufacturers in no enviable position.

Bank Stocks Declining.

The Toronto Globe has been making a comparison between the price of bank stocks as at 31st December last, and the price now prevailing. The table shows a decline in stocks in the case of every one of Canada's chartered banks, giving on the average an increased yield of one per cent. The reason given for the neglect into which bank stocks have been falling, is that there has been a tendency lately on the part of the public to seek investments or speculative securities that promise a bigger yield than do bank stocks.

Wake Up Britain!

The Hon. Gideon Murray, M.P., in a London newspaper article severely criticises Britain for failing to grasp the opportunities for the promotion of Empire trade. He writes:—"Our overseas Dominions are sending demands for far more than their normal pre-war supplies, and we are not meeting their requirements. They feel that they are being forced into the open arms of America and Japan. They are very emphatic in their view that they wish to buy from Great Britain anything they cannot produce themselves. In this respect, the case of Canada is particularly interesting. Canada is unswervingly loyal to the motherland, but she is being placed in a position which will severely test her staunchness. America has envious eyes on her trade, and she is getting it; of that there can be no doubt. There are now some 500 branch houses of American firms in Canada, and it is alleged that another hundred at least are carrying on negotiations. Canada is frankly perturbed lest she should have to become dependent on the United States of America."

Future of Iron and Steel.

Although appearing late in the industrial world as a producer of iron and steel, the sure and steady progress that has been made by Canada during the past few years is a happy augury for her complete success in that direction says the London Chamber of Commerce Journal. Prior to the war the Dominion had been one of the United States' best customers, purchasing more steel rails, steel bars and rods, steel sheets and plates, and tinplates than did any country, and in some cases taking over half the exports. Since 1914, however, Canada's importance as a customer of the United States has relatively decreased, and as she possesses a substantial part of the world's iron deposits, which only need further exploitation and application, the future of the iron and steel industry in Canada seems assured, especially as deposits in some of the other countries are nearing exhaustion. With continued production, the Dominion will not only be able to satisfy her own demands for iron and steel, but there should be a surplus available for export.

Railway Rates Appeal.

In its decision on the appeal from the judgment of the Railway Commission in the railway rates case, the Government, while refusing to interfere by disallowing or suspending the new schedule makes a few recommendations which the Railway Commissioners are asked to consider. For instance the Government suggests that what are "fair and reasonable rates" should be determined without taking into account the requirements of the Canadian National system. In regard to western rates, the Government concludes that the question is one which requires an expert investigation "such as could be best conducted by the Railway Board," but the Cabinet "is strongly impressed with the very great desirability of bringing about with the least possible delay, equalization of eastern and western rates." With this end in view the Government suggests an enquiry to establish to the utmost extent possible, the requirement of equalization.

Our Forest Resources.

The question as to whether Canada's forest resources should be thrown open without restriction to the paper manufacturers of other countries as has been proposed, again came into prominence at the third annual convention of the Canadian Paper Trade Association which was held in Toronto last Thursday. Referring to the acute situation in the United States, Mr. Edward Beck of Montreal, contended that the plight in which manufacturers across the border found themselves today, was due to the prodigal and unwise use of their own forest resources, and he prophesied that if the Province of Ontario pursued its present course, the supply would be used up within the next fifty or seventy years. Mr. Beck's remedy would be the adoption by each of the Provincial Governments, of laws that would ensure adequate means of reforestation, and so urgent was the need, he thought, that such legislation should have immediate attention.

Saskatchewan Continues Local Loan Policy.

Commencing on the 26th of this month, the Hon. C. A. Dunning, treasurer of the Province of Saskatchewan, will run a campaign for six weeks for the sale locally of \$3,500,000 worth of Saskatchewan farm loan debentures. This policy of local subscription loans was inaugurated in the western provinces during the war years and was instigated by the necessity of the times. The continuance of that policy will be watched with much interest. The rate of interest on the debentures will be five per cent and they will be redeemable at any time on giving three months' notice. The publicity end of the campaign will be handled by the executive of the Saskatchewan Press Association, while municipal officials throughout the Province will have charge of organization work and arrange for canvassing committees after the style of the Victory Loan Campaign.

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Bonds.

Improvement is noticeable in the bond market in the United States. The Seattle Syndicate which recently purchased a one million dollar issue of British Columbia Government bonds at \$100.73, has expressed its desire to purchase other two millions worth at the same figure. The \$25,000,000 twenty-year 7 per cent sinking fund gold debenture bonds of the Grand Trunk Railway, offered in New York, were sold in a few hours last Wednesday. The bonds were offered at \$100 and interest. Hon. Peter Smith, treasurer of the province of Ontario, has received tenders for a bond issue of \$3,000,000 for three years and bearing six per cent, and under the highest tender received the province would secure its money on a basis of 5.70 per cent Canadian funds, or 7.85 per cent in the United States, where the bonds will be sold.

Commercial Clippings

Bridgeburg Co-operative Association opened a store last week.

The Board of Commerce is to be asked to stop rents from soaring in Toronto.

The Borestone Black Fox ranch at Onawa, N.B., has at the present time, 155 animals, some of which are valued at \$2,000.

The Farmers' Co-operative Creamery Co., Moncton, N.B., handled 500,000 pounds of butter and \$30,000 worth of cream, this year.

The 1920 fur pack shipped out of Edmonton, and representing the operations of Revillion Freres, is worth half a million dollars.

The Canadian Forestry Association's tree-planting car, during the summer, visited 120 cities and towns throughout the Prairie provinces giving lectures on tree planting, and it is estimated that 15,000 westerners have been reached through the campaign.

CANADA LARGE TELEPHONE USER:—Figures of comparison compiled by the Bell Telephone Company show that Canada stands second only to the United States in the matter of per capita use of the telephone. The postmaster-general of Great Britain recently stated that there were two telephones in the country for every hundred of the population. On the same basis the United States has 13.6 telephones per hundred, Canada comes next with 10.8, Sweden 6.4, Norway 4.4, Germany 2.2, France 1.0, and Italy 0.3.

DECREASE IN APPLE CROP:—The commercial apple crop of the Dominion, despite the large increase in Ontario over last year, now indicates a decrease of one quarter of a million barrels over 1919 according to the last report of the fruit commissioner's branch. The quality of the crop is, however, decidedly higher. In British Columbia the crop is now estimated at from 50 to 55 per cent of 1919. Ontario will show a substantial increase in exports. In Nova Scotia the commercial estimate is 900,000 barrels compared with 1,600,000 last year.

ELECTRIC SMELTING IN B.C.:—As a result of the report of the investigation committee sent to Chicago by the British Columbia government to investigate the success of electrical blast furnaces, the establishment of the iron and steel industry in the province can be expected shortly. An electric scrap mill will be established to handle the large quantity of scrap iron and steel now sent every month to Seattle mills. The committee will also urge the encouragement of the rubber and paper bag industries. It was brought out that 82 per cent. of the world's rubber comes from the British Empire and that the raw material can be landed cheaper at the Pacific ports of the province than at Chicago or Akron.

UNITED STATES CAPITAL IN CANADA:—The American capital is coming into Canada at the rate of two hundred million a year is the estimate made in official circles here. This money is going, not into industry alone, but into Canadian securities, federal, provincial, municipal, and railway as well. According to an authoritative statement made here recently, out of the two hundred and seventy-five millions invested in the Canadian pulp and paper industry, now in process of great expansion, about eighty per cent. is American. A recent financial statement issued in New York placed at five hundred and twenty-four millions the amount of Canadian loans in the United States, exclusive of the amount in Canadian war bonds. The rate of exchange at the present time is all in favor of United States capital being invested in Canada whilst it is working against the influx of British capital.

A company capitalized at one million dollars has been formed in Winnipeg to produce moving pictures.

Active operations are now being carried out by the Senlac Salt Company, at Denzil, Sask., the output being ten tons per day of excellent salt.

Ten new limited companies were incorporated during the week at Regina, at a total capitalization of nearly \$500,000. Included in the new corporations were Moyan Motor Co., White Poplar Lumber Co., and the Bruno Farmers' Milling Co.

The gold mines of Northern Ontario milled 673,694 tons of ore in the first six months of the year, which is a 22 per cent. increase over the amount for the same period last year.

CAPITAL FOR QUEBEC:—According to the cable of an English correspondent, the Province of Quebec is receiving more attention from capitalists and those wishing to invest money than the other parts of the Dominion. The Quebec agent general in London states that there are many desirous of purchasing pulpwood areas in the province, and other investors are interested in various industries in Quebec.

OIL FOR SIX HUNDRED YEARS:—When the problem of separating the oil from the oil sands lying to the north of Edmonton has been solved, oil in sufficient quantities to supply the world for six hundred years will be released according to the estimates of the Principal of Alberta University who has made a special study of them. Solution of the problem of successful separation is expected soon.

BIG NEW CEMENT PLANT:—The by-law submitted to Lakefield, Ont., ratepayers last week granting concessions to the Canada Cement Company was passed by a large majority. It is stated that the Lakefield cement plant will be the second largest in Canada. The company will proceed with construction work, and it is expected that production will be commenced in time to relieve the shortage during next year.

FORD CO. MAKES BIG PROFIT:—Profits equivalent to 67 per cent. of the \$7,000,000 of capital stock outstanding were earned by the Ford Motor Co., of Canada, in the year ending July 31. George M. McGregor, Vice-President and General Manager of the plant, reports that net profits for the year were \$4,696,243, after deduction of \$968,590 in business profits, taxes and all other expenses. Dividends paid amounted to \$1,750,000, leaving surplus on July 31 last at \$8,216,305, as compared with \$5,270,061 at July 31, 1919. The showing is made on a production of 55,616 cars, exclusive of tractors, and compared with 39,112 manufactured the previous year, and 75,000 to be produced the current fiscal year.

RAW SUGAR RECEIPTS:—Receipts of raw sugar by Canadian sugar refiners from the beginning of the year to September 11 last, totalled 747,718,331 pounds, according to a summary issued by the Dominion Bureau of Statistics. The stock of raw sugar held by the refineries at the beginning of the week ending September 11, was 77,406,315 pounds. Comparative figures for last year have been temporarily discontinued by the Bureau of Statistics because of incomplete information, so it is impossible to make a comparison between the holdings of sugar in September of this year and of 1919. The stock of refined sugar held by the refineries throughout Canada at the beginning of the year totalled 35,855,683 pounds. During the period from January 3 to September 11, 537,080,490 pounds of refined sugar were shipped from the refineries for domestic consumption, and 77,866,026 pounds for export, making a total of 614,946,516 pounds in all.

EXPLOITING TAR SANDS:—Nineteen hundred and twenty acres of tar sand rights in the Province of Alberta have been leased to General William Lindsay. The General claims that, as a result of investigation and research which has been conducted by him and his associates, a successful process has been evolved for the extraction from the tar sands, on a commercial basis, of the oil, bitumen, and other hydrocarbons they contain. The lease has been granted to permit a thorough test of the process.

WELLAND PLANT CLOSES.—The Electrical Steel & Metals Company, Limited, Welland, Ont., ceased operations last Saturday. The closing down came as a complete surprise to the general public. The plant has been a big asset to Welland since its inauguration about seven years ago doing a big business and employing, at times as many as four hundred hands. G. C. MacKenzie, the general manager, states that the unfavorable conditions of the market are responsible for the officers of the company deciding to discontinue production. It is expected that the closing down of this plant, together with that of the British American shipbuilding company's plant two weeks ago, will cause a lot of industrial workers to leave the city.

IS PRICE-FIXING LEGAL:—The action of the Attorney-General of Ontario against the Canadian Wholesale Grocers' Association, officers of the Wholesale Grocers of Ontario, and various companies, to test the legality, under the laws of the province of Ontario, of alleged "price-fixing" or "combine," was further implemented at Osgoode Hall, last week, when the statement of claims in the case was duly filed. This claim asked the courts for a declaration dissolving "all such alleged combinations and agreements," and an injunction restraining the defendants from continuing to act in accordance with such agreements. The action, which is the first of this nature in the province, is an outcome of the investigations of the Board of Commerce and is to determine whether the alleged combine and price-fixing is legal or not.

CANADIAN WOOL TRADE:—The wool market remains more or less obscure. Sales in Boston during the past week were estimated at 2,000,000 lbs, half of which was homegrown. Approximately 100,000 lbs. of Canadian quarter-blood wool are reported sold at 29c. Considerable trade in pulled wool is also reported. Carpet manufacturers continue to secure wools suitable for their purposes at bargain prices. Wool producers are watching with keen interest indications of lower prices for manufactured goods in direct ratio to the fall in wool prices. To date the drop in manufactured goods does not appear to have materialized, manufacturers claim to be quoting prices to the wholesale clothing trade at fifteen to twenty-five per cent. decrease. The onus of responsibility for high clothing costs is being laid at the door of the garment makers, who, it is claimed, have made no effort to reduce their charges.

BUSINESS PROFITS TAX MAY GO:—There is a strong probability that the coming sessions of Parliament will see considerable variation in the taxation measures of the Government, says the Ottawa correspondent of the Montreal Star. The business profits tax is likely to go and possible the luxury tax may be replaced by the sales tax. It will be recalled that the business profits tax was renewed this year, despite very strenuous objections from business interests which represented it to be an impediment to commercial and industrial expansion. The Minister of Finance was not enamoured of it, but took the stand that money had to be raised and that this was a tried and proven source of revenue. The additional taxes levied and the revenues now accruing from them suggest the dropping of the tax on business in the next budget. While there is less talk about it, some proposals are being considered of modifying the luxury tax.

GOLD CARGO EXPLAINED:—The recent shipment of Russian gold, receipt of which was reported by the United States Federal Reserve last week, was imported "for an entirely proper commercial purpose," according to the Department of Justice, which has made public the results of its investigation. The shipment was sent from Reval, Esthonia, and consigned to a commercial agent of the Esthonian Government, it was stated. Officials said the gold had come into the United States with the knowledge and consent of the proper United States authorities. The shipment aggregated \$339,636 and was the first shipment from Russia in Europe since 1916.

ST. LAWRENCE FLOUR MILLS:—A moderate decline in profits of the St. Lawrence Flour Mills Company for the twelve-monthly period ended September 4, last, was shown in the statement of the milling enterprise at the annual meeting of the shareholders, on Friday. The result of the year's operations amounted to \$25,077, compared with \$245,594 a year ago, and \$268,737 in the preceding twelve months, the showing being similar in character to recent exhibits of companies operating in the same line of industry.

The 1920 showing was, therefore, equivalent to 13.5 per cent on the common shares, as compared with approximately 16 per cent last year.

CONTROL OF PETROLEUM:—Control of the petroleum industry in Lower California has been secured by the British Government, and Japan dominates the same industry in the state of Sonora, according to reports printed in Mexican newspapers of which combine official and unofficial statements.

The Department of Industry and Commerce announces that Alfred MacKenzie, a British subject has been granted a three year concession to explore and exploit all oil lands in Lower California on government and private land included between Santo Tomas and Punta de Canoas. It is unofficially declared the British Government is backing MacKenzie.

A similar concession has been granted a Mexican subject to operate the same kind of concession in Sonora, the territory extending about 24 miles in length and being situated in the Altar district. A Japanese corporation, with Japanese Government funds, is behind the concessionaire, it is said unofficially.

EXPORT TRADE EXTENDING:—Our export trade seems to be extending to different parts of the world, says Bradstreet's weekly report. This week a steamer sailed to Iceland with a cargo of Canadian flour, rolled oats and provisions. In this week's sailings to England, we noticed several of our largest cargo boats left port without any grain in their holds. Our cheese exports were not as heavy as usual. More than half of them were consigned to European ports, and it is stated that almost all these cheese are intended for Germany and Austria.

Flour millers reduced their prices again this week fifty cents per barrel. As a consequence of these late declines in the price of flour, bakers reduced their prices of bread one cent per loaf. Milk is now selling at sixteen cents per quart.

The grain markets this week were easier a wide range of prices being noticed in one day, prices varied up and down as much as twelve cents per bushel, closing at the lower level. The storm this week was one of the worst ever experienced; any fruits that have been left on the trees were more or less spoiled.

The cooler weather has given an impetus to buying on the part of the retail dry goods trade, particularly amongst those who have delayed placing their orders; it was noticed however, that these orders were for merchandise to fill immediate requirements.

Financial Features

BIG REVENUE FROM EXCHANGE

The Hollinger Consolidated is receiving a large revenue from the current premium on American funds. The total income from this source for the current year will probably approximate \$600,000, an amount equal to close to two and a half per cent. on the company's issued capital. This added revenue has enabled the company to disburse two extra dividends of one per cent. each, and has offset to a certain degree at least some of the adverse factors in connection with mining gold at this time.

TORONTO MAY NEED HUNDRED MILLION

In the first statement given out by Toronto's new transportation commission, appointed to manage the street railway following the acquisition of the Toronto Street Railway by the city in 1921, Chairman F. W. Ellis, mentioned \$50,000,000 to \$100,000,000 as the possible "not distant" expenditure upon Toronto's traffic requirements, the latter sum practically equal to the whole municipal debt of today. The commission will hire experts to survey the traffic situation and will fix a fare large enough to make the co-operated railways self-sustaining.

G. T. R. BONDS IN DEMAND

The \$25,000,000 twenty-year 7 per cent. sinking fund gold debenture bonds of the Grand Trunk Railway of the Canadian National Railway's System, offered by a group of bankers, headed by William A. Read & Co., were sold in a few hours last Wednesday. Subscription books were opened at 9 o'clock, and by noon the issue had been over-subscribed, it was announced at the offices of the syndicate managers.

The bonds were offered at \$100 and interest. Principal and interest are guaranteed by the Dominion of Canada. The bonds are dated October 1, 1920, and mature October 1, 1940. An annual sinking fund of \$500,000 is provided to purchase bonds offered in the open market at prices up to \$100 and interest.

AUSTRALIA HAS SURPLUS

Revenue of the Australian Government during the last fiscal year exceeded total expenditures by \$11,120,000. This information was contained in a report by Sir Joseph Cook, federal treasurer, received here by Mark Sheldon, Commissioner for Australia, from Premier W. M. Hughes.

The total revenue was \$263,915,000, of which \$252,795,000 was consumed in expenditures. War expenditures of the Commonwealth totalled \$1,905,745,000. More than 18 per cent. of the war cost was met by revenue, and the remainder from war loans.

Australians were taxed lightly during the war, and when money was easy, compared with Great Britain, the treasurer reported to Parliament.

"The taxation in Australia," he said, "including both Commonwealth and states, is ten pounds 13 shillings and 9 pence per capital, compared with 22 pounds 3 shillings and 11 pence in Great Britain. Further borrowing abroad is out of the question on account of almost prohibitive cost, while borrowing in Australia becomes more difficult with each successive loan. In either case, heavy charges for interest and sinking fund must be met, and these already are burdensome.

"Facing these conditions, the Government has decided to reduce further borrowing to the absolute minimum, and to provide greater sums from revenue than hitherto. The present deadweight war loans will be reduced by definite sinking funds, for only by this means is it hoped to delate credits to lower prices and to return to conditions of sound finance."

BELLEVILLE SELLS NEW BOND ISSUES

Two municipal bond issues were purchased last week by A. Jarvis & Company. One was \$50,000 county of Lincoln 6 per cent. bonds, payable in ten instalments. At the price of 96.50 the money costs the county 6.74 per cent. The other issue comprises two blocks sold by the city of Belleville, one of \$38,000 6 per cent. bonds maturing in thirty years at 92.75, and the other \$3,000 maturing in twenty years at 93.58, both being bought on a basis of 6.55 per cent.

MANITOBA FINANCES

Government departments have been ordered to cut all expenditures to a minimum by the Manitoba Provincial Treasurer, Hon. Edward Brown. This is to ensure that expenditures will not exceed the revenue for the fiscal year. In spite of the many expenditures unforeseen this year, including \$135,000 for grasshopper extermination and \$140,000 for the cost of the provincial election, the Government hopes to keep the expenditures within the estimated revenue of \$9,935,264. The estimated expenditures so far this year are in the neighborhood of \$8,000,000.

THE TAXATION BURDEN

"Sir Henry Drayton, the Minister of Finance, should be a happy man as money is flowing into the Dominion treasury in unprecedented volume, says The Grain Growers' Guide. For the past four months of the present fiscal year the Federal revenue amounted to \$145,509,588, which is an increase of \$16,000,000 over the corresponding period of last year. Customs collections alone are \$20,000,000 ahead of last year's figures. The income tax department is collecting large amounts of arrears, and is proving that with efficient administration the income tax and excess profits tax are capable of producing a large revenue from those best able to pay. The luxury taxes and sales taxes are bringing in large sums, and it is predicted that if the present rate of increase continues the total Federal revenue for the year will approach \$600,000,000, or nearly double last year's receipts. This is very gratifying, of course, from the point of view of national finances. The money, however, is being provided by the people, and is being secured in many cases at the cost of hardship and privation and a lowering of the standard of living. In addition to provincial, municipal and school taxes, the people of Canada are now paying to the Dominion Government more than \$60 a year for every man, woman and child in this country. A large part of this burden has been created by the war, and will have to be borne for many years to come. It is to be earnestly hoped, therefore, that the ease with which the Government is collecting money, will not lead to extravagant spending. Never was there a time when economy was more necessary."

THE FRENCH BUDGET

The French budget for 1921 which will be submitted to the Chamber when Parliament re-opens next month will amount to 26,000,000,000 francs as against 21,500,000,000 for 1920. On the other hand, there is to be no extraordinary budget, which for the present year was just over 5,000,000,000 francs, so that the total national expenditure is about on the same level.

A special budget summing up the cost of reparations in the liberated area and pensions which the Versailles Treaty enjoins, must be borne by Germany, amounts to 24,000,000,000 francs for the coming year, as against 20,000,000,000 this year.

Finance Minister Francois-Marsal lays stress on the elimination of the extraordinary budget which represented expenses mostly of the army and navy not voted by Parliament, but his estimates show an army increase of 4,000,000 francs.

It is probable, however, that the Nationalist majority will not raise very serious objections to an expenditure whose most evident purpose is the maintenance of French prestige in the Near East.

The minister hopes that the budget can be met from revenue, which was not the case for the present year. He estimates a return of 40,000,000,000 francs from the war benefits tax on the gross business turnover, but even if he can avoid taking a part of the proceeds of the coming loan to make ends meet—which he was forced to do with the last budget—he will be almost certain to repeat the expedient of reckoning as revenue the proceeds of the sale of American army stocks which France bought last year on a five years' credit from the United States.

As in the budget of 1920, there is no possibility of coping with the special budget of pensions and reparations which is an appalling drain upon France.

TO STEADY MARKET IN SILVER

The times are propitious for improving the currency systems of those silver countries not possessing the gold standard, asserts Findlay Shirras, Director of Statistics in India, in a paper which has been issued by the League of Nations in connection with the International Financial Conference held at Brussels this month.

Mr. Shirras declares that the advantages of the adoption of the gold standard as a system of currency have been incontestably proved in the case of India, especially between the years 1898 and 1917.

The statistician points out that an agreement between Governments regarding the purchase and sale of silver might lead to a steadying of the market and prevent speculation. "During the war," he says, "when the Allied Government purchased silver jointly, competition was to a considerable extent, so far as the Governments were concerned, restricted, and the benefits of concerted action were clear."

He recalled that an American commission on international exchange in 1903 had pointed out that a steady demand on the part of the Governments for the silver which they actually needed from year to year would tend to steady its price. He also recalled that a Mexican commission had suggested that the Bank of England and Bank of France act for their Governments in making silver purchases.

Mr. Shirras ascribed the fluctuations in the price of silver in the last few years to a decline in production and a great demand for coinage owing to the war. Asia, he said, had enjoyed prosperity by exporting its products during the war, and India and China had taken payment by importing precious metals, notably silver.

MILLING PROFITS DECLINED

The first of the annual statements of the local flour milling industrialists to make its appearance was presented to the shareholders of the Lake of the Woods Milling Company Limited, Wednesday afternoon, when, for technical reasons connected with the recent issue of new stock, the meeting was formally adjourned until November 3, next.

As was to be expected, profits from milling operations, due largely to the restrictions imposed on the industry, which were lifted only at the end of the fiscal period covered by the statement, fell below the level of the preceding year and well under those of the previous twelve months, the de-

crease in this respect, however, being partially offset by a gain in revenue from "other sources," which lifted the year's results almost up to the 1919 figures.

Total profits for the year, in the statement given out yesterday, amounted to \$732,232, compared with \$756,616 a year ago, and \$857,914 in the 1917-18 period. After the payment of bond interest and dividend disbursements among preferred shareholders, which showed no variation from the previous year, there remained a balance applicable to the junior securities of the company, before the writing off of the usual \$100,000 from property and goodwill accounts, of \$573,232, against \$597,616 a year ago, and \$698,914 in the preceding period. Allowing for the increase in the common stock capitalization effected during the year, the year's results were equivalent to approximately 23.4 per cent on the shares, compared to 28.5 per cent last year, and 33.3 per cent in 1918.

After all deductions, which included payments to common shareholders of \$294,000, unchanged from the previous year, there remained a surplus of \$179,232 to carry into the accounts of the current year, bringing the balance remaining at the credit of profit and loss account up to \$1,161,647, as shown in the following comparison of the figures for the past three years:

LARGE INCREASE IN INLAND REVENUE

Bounding revenues again mark the monthly statement of the Finance Department. Heavy increases in inland revenue are the chief factor and under this head are included receipts from the luxury and sales taxes imposed in the last budget.

During the seven months of the fiscal year ending September 30, inland revenue collections totalled \$29,451,813. In the corresponding months of last year, inland revenue collections were only \$7,065,238.

During the same periods alone, income tax receipts showed a similarly heavy increase. During the seven months of this year, they were \$6,585,418; during the seven months of last year, they were \$1,673,628. Revenue from business profits tax shows a slight decline. For the two seven-months' periods, it was: 1919, \$15,884,293; 1920, \$15,189,479.

Total ordinary revenue during the month of September was \$37,170,789, as compared with \$26,698,840, the total ordinary revenue in September, 1919. During the seven months' period ending September 30, total ordinary revenue was: 1919, \$159,085,559; 1920, \$219,905,911.

Total ordinary expenditure was: September, 1919, \$25,143,277; September, 1920, \$16,949,075; seven months' period, 1919, \$122,722,67; do. 1920, \$152,624,397.

Capital expenditure in September of last year was \$66,405,631, as compared with \$6,881,577 last month. The reduction has been almost entirely due to lessened war expenditure. The total net debt, no credit being taken for non-active assets, now stands at \$2,276,516,163.

PURCHASE FLOUR MILLS

G. Copeland Sons, millers with offices at Midland, Ont., have purchased the plant of the Sudbury Flour Mills, at Sudbury, Ont. They will wreck the mill and move it to midland. Here they will re-erect it along side the Grand Trunk Elevators. In addition to better elevator facilities secured by the new location, the present output of the Midland mills will be increased by about 1,150 barrels a day.

TRADE

TRADE PRACTICE BLAMED

Partial responsibility for continued high prices in the United States was laid on the trade practice of manufacturers' guarantee against price decline by those who protested against the custom at hearings before the Federal Trade Commission, last week.

INLAND REVENUE INCREASE

There was a net increase of \$7,218,367 in the inland revenue returns for the month of September, according to the statement for the month issued from the office of the Deputy Minister of the Department. The total inland revenue collected for the month was \$11,921,287, a gross increase of \$7,455,481 over the revenue for the corresponding month, of 1919. The chief increase came from war tax, which brought in \$8,709,416, an increase of \$7,455,298, over the war tax returns for the month of September, 1919. Customs returns for the month of September, 1920, showed a total of \$15,530,899, collected, an increase of \$697,658 over the corresponding month of last year.

ENQUIRIES FOR MANY COMMODITIES

Prominent among the inquirers for export representation are visiting business men from the British West Indies. The enactment extending the preferential tariff between Canada and the British West Indies has had the effect of living interest in reciprocal trade, and preparations are being made by the import and export interests of the islands to take full advantage of the new regulations that come into force on January 1. Among the commodities for which inquiry is being made are hosiery, underwear, sweaters and bathing suits, enamelware and dishes, wall-paper, paper bags and wrapping paper, shirts and overalls, hardware, including locks and tools, brooms and brushes, bent wood and rattan chairs cut glass and general lines of glassware, flour, grain, packing house products.

PUBLICITY IN FRANCE

On board the C.P.O.S. Empress of France, which arrived at Liverpool from Canada two weeks ago, was Senator C. P. Beaubien, who is on his way to France in connection with a special trade train which is to be run in France early next spring with samples of Canadian manufactured goods. These will be exchanged for a similar train load of French goods. These will be exchanged an idea of the other's productions. A new style of color films has been produced, showing Canadian scenery, which will be exchanged for views of France to encourage tourist traffic between the two countries. After the Canadian films have been shown in France they will be sent to England.

ALL CANADIAN ROUTE TO GREAT LAKES

The proposal to provide a route for ocean-going ships from Montreal to the Great Lakes by way of Ottawa River to a short distance below Ottawa, and then through a deep water canal across to the St. Lawrence at Cardinal, was laid before the International Joint Waterways Commission when it opened its session at Ottawa, last week. The advantages claimed for this route, as against the deepening of the St. Lawrence River canal system, are that it would be much less expensive; there would be no great engineering difficulties to be overcome; there would be fewer locks, and it would reclaim 2,000 square miles of farm lands in Eastern Ontario now in swamp. These advantages it was claimed, would more than offset the greater distance the boat would have to travel. The Commissioners were deeply interested in the proposal, but pointed out that as it was a purely Canadian project the international body was hardly the right one to consider it.

SHIPPING

SHIPYARD WORKERS DEMAND INCREASE

One hundred and seventy-five plumbers, steam-fitters and sheet metal workers engaged in the pipe shops of the shipbuilding firms of J. Coughlan and Sons, Limited, and the Wallace Shipyards, Limited, Vancouver, have gone on strike to enforce a wage demand of \$8 a day.

FRANCE PROTESTS SHIPPING CONTRACT

Not only has the United States shipping board held up the proposed contract between the United States Mail Steamship company and the North German Lloyd Line, but France has made presentations to both the shipping board and the state department against the Harriman contract with the Hamburg-American line. The latter protest is based upon the allegation that the Hamburg-American contract gives Germany an unfair advantage, in that she is permitted to use American ships for the establishment of her commerce until she is able to provide ships of her own. Such a contract, France maintains, is unfair discrimination, and adds that if the United States proposed to discriminate against anybody it ought not be against her former allies.

C.P.O.S. FAVORS OIL BURNERS

Admiral G. W. Roome, chief superintendent engineer of the Canadian Pacific Ocean Service, says use of oil fuel on the double trip of the Empress of Britain was an unqualified success, about 20 per cent above the full power designed was obtained on the trip westward. The speed was as great as the fastest run ever made when the ship was new. The run eastward was intended to show the most economical possible running to maintain the scheduled time on arrival. The speeds outward and homeward were approximately, eighteen and a half knots outward, and seventeen and a half knots homeward.

"The whole installation for burning oil fuel worked perfectly throughout, and the machinery, which is now fourteen years old did not give the slightest trouble. At present it is more expensive to burn oil than coal, but the wage cost of about one hundred men is saved, with the consequent reduction in the pay and food account. There is also a saving in the cost of cleaning the ship.

THE THIRD SHIPBUILDING NATION

The claim made recently that Canada had become the third shipbuilding nation of the world, has evoked some interesting editorial comment in United States papers. Says the New York Sun: "The recent rise of the Dominion to third place among shipbuilding countries is not strange. In the day of the wooden craft Canada ranked high: she had plenty of timber and her men acquired great skill. . . . The rise of the steel industry for a time worked against Canadian shipbuilders, but they learned that trick too. Their intelligence and energy are once more demonstrated. The same character that produced nine million dollars' worth of wooden vessels in 1863, with only three and a half million inhabitants, has developed a correspondingly large steel industry. A total of \$60,000,000 is now invested. Among other customers (than England) of Canada are France, Belgium, Italy, and Norway. This development is decidedly to the credit of our northern neighbour". The New York Evening Mail says: "It is evident that the Canadians are bent upon retaining the great industry, valued since 1914 at fifty million dollars, which the accident of war placed in their hands."

LABOR

CHASING THE RAINBOW

A committee has been formed at London, Ont., of members representing the Labor Party, Trades and Labor and three soldier organizations, to try finding a method of keeping living costs within the incomes of the workers. It is said that the members have decided that constantly seeking increases in wages is only "chasing the rainbow."

N. S. MINERS OFF FOR BIG INCREASE

The executive of the Nova Scotia Mine Workers last week sent an ultimatum to all coal operators in the Glace Bay district demanding a meeting in Truro this week. The purpose of this meeting would be to discuss the proposals made by the United Mine Workers on the basis of the increased wages of the Royal Commission of one dollar for day workers and twenty-seven cents a ton for contract men.

"DESERTION OF SERVICE

Mr. J. G. O'Donoghue, the Toronto lawyer, has applied for a writ of Habeas Corpus concerning the holding of Alexander McKenzie and George Thompson under arrest for alleged desertion of employment. McKenzie and Thompson were arrested at Toronto for the police of Sherbrooke, Que., on information given by the Canadian Ingersoll Rand Company. McKenzie and Thompson, it is said, were advanced money in Scotland by the Sherbrooke firm to defray expense of coming to Sherbrooke to work. When the men arrived, they claim they were expected to take the place of strikebreakers, which they refused to do and came on to Toronto.

THE RIGHTS OF LABOR

Ben C. Spoor, Labor member of the British Parliament for Bishop Auckland, Durham County, England, in an address to the Canadian Club, at Toronto, made an ardent plea for the rights and aspirations of the laborer and for a nobler and truer brotherhood throughout the world. Mr. Spoor has lived among miners all his life, and naturally he spoke of the miners and their present demands in a sympathetic tone. Mr. Spoor said that labor unrest in England and throughout the world was the manifestation of a deeper and more spiritual craving for an equal status in the world, and a firm resolve that for every man there should be a man's work.

CHALLENGE TO WINNIPEG "REDS"

"Something in the nature of a challenge," is how Mr. Tom Moore, President of the Trades and Labor Congress, who has returned from Indianapolis and Windsor, referred to the decision of the Congress to hold the next convention in Winnipeg. Mr. Moore said that the outcome of the Congress elections was satisfactory, so far as the policy of the executive was concerned. "It is an encouragement for us to go on with our work," he said. Asked regarding the decision to go to Winnipeg next September, he said: "Our decision to go to Winnipeg is something in the nature of a challenge to our friend the enemy. They who have opposed the International trades union movement there have said that we are afraid to go to the Manitoba city, but we shall be glad to go West and so give the workers an opportunity to see at first hand what our policies and practises are."

AGRICULTURE

ONTARIO REFORESTATION

Reforestation demonstration plots of from five to ten acres will be planted and maintained by the Ontario Government in every township in the province in which the township council is ready to co-operate. The conditions attached to the plan are set out in a communication Hon. Manning W. Doherty, Minister of Agriculture, has addressed to all the district representatives of the Department. The Government is anxious to encourage the reforestation of waste lands, of which there are areas in the great proportion of the townships of the province. To do this it is asking the townships councils to purchase a suitable plot on, a well travelled road and fence it. The Government will then supply and plant the trees and look after the plot in the early years of growth. The demonstration plots will, of course, be vested entirely in the township, and all profit which may ultimately accrue will go to the township.

FARMERS ARE PESSIMISTIC

"If the price of wheat had gone up in the same ratio that it has come down I feel certain that the Government would have stepped in. As it is, the farmer will be told to take his medicine." Such is the comment of the Hon. Geo. Langley on the sudden drop in the wheat market. "It is only the beginning," he said, "and the outlook for the farmers is about as unpromising as the most pessimistic could have anticipated. A critical state of affairs has been brought about," continued the Saskatchewan Minister, "by the refusal of the Government to listen to those who knew what they were talking about. The members of the Winnipeg Exchange cannot go on buying wheat unless they are assured of its being sold, and the selling end of the Winnipeg market is in a condition of hopeless insecurity. In order to get rid of the Canadian grain at all they must bid against each other in their endeavor to sell it. The European buyers, on the other hand, are all representatives of the Governments. They are no longer confronted by the conditions that confronted them last year when the selling was in the hands of a single agency."

CHEERFUL VIEW OF THE WEST

Charles Ruby, general manager of the Mutual Life of Canada, who has just returned from a tour of the western provinces and a careful survey of business conditions on behalf of his company, reports general evidences of both thrift and prosperity. Extravagance has been checked.

Splendid crops were seen in nearly every section of the prairie provinces. The people are hard at work, and showing a decided tendency towards moderation in their expenditures on dress and amusements.

Mr. Ruby estimates that Alberta alone will be enriched to the extent of \$200,000,000, while Saskatchewan and Manitoba's proportion will be almost as much.

"The value of the harvests of Western Canada this year are without parallel in the history of the country, and many large investors in western lands are making immense profits from this year's farming operations," said Mr. Ruby. "First-class business methods are being applied in numerous cases to the cultivation of the prairies, and in the barns and other out-buildings, including garages, which are seen on the larger properties are in a perfect state of efficiency, the hired help being particularly well housed and cared for. With an overflowing harvest, and a sober, thrifty population, Western Canada will be immensely strengthened financially, this year."

MILLING

ITALY'S DECREASED PRODUCT

Italy will be obliged to import about 3,000,000 tons or nearly 100,000,000 bushels of wheat during the coming year, according to a report of the Trade Commissioner of the Bureau of Foreign and Domestic Commerce. The production of wheat has been reduced throughout all the Provinces of Italy with the single exception of Campania.

GRAIN RUSH UNDER WAY.

Reports from the head of the lakes indicate that the fall grain rush is now under way. Over a million bushels left by water over the week-end despite which stocks have increased over two million bushels during the past week, now totalling five million bushels. Very little of the wheat moving is for British consumption, the bulk finding its way into mills across the border, cargoes moving freely to Duluth and Chicago. Wheat in store is now ahead of the quantity for the corresponding week last year.

OPPOSE INCREASED ELEVATOR CHARGES.

Strongly opposing the application of the elevator interests for an increase in elevator charges on grain the Dominion Millers' Association, at a sitting of the Board of Grain Commissioners at Toronto claimed that the move to add a quarter of a cent per bushel to the present charges was backed chiefly by the Canadian Pacific Railway. The Board reserved its decision.

The millers claimed that the C.P.R. Port McNicoll elevator had made a profit of 9.2 per cent. Mr. W. B. Lanigan, representing the C.P.R. elevators, retorted that anyone who wanted to buy and run the C.P.R. elevators could do so. It would be necessary next year, he said, to spend \$200,000 on the Port McNicoll elevator, and in no year had the elevator made that much on its investment.

Superintendent Fawcett, of the Government Elevator at Port Colborne, submitted figures to show that the elevator, which represented an investment of about \$1,300,000, had never paid interest on the investment. The operating costs were 300 per cent greater than formerly, he said.

DIFFERENTIAL ON OCEAN FREIGHT.

Strenuous objection to the existing differential on the ocean freight between wheat and flour has been taken by Canadian Millers, according to C. A. Campbell, a director of the Maple Leaf Company. He states that the Canadian mills are not busy at the present time and that the differential is the cause. The Atlantic freight on wheat is forty cents per hundred and on flour 65 cents. This makes a differential of 50 cents a barrel on flour and, in his opinion, means that wheat and not flour will be exported to Britain. He states that the barrier is insurmountable and that the Government has been petitioned to do something, particularly as regards the Government Marine, which, he states are holding to set rates as members of the Atlantic conference.

The millers have asked for a return to the pre-war differential, which penalized flour only from three to five cents per hundred. An officer of the C. G. M. gives the shipping side of the question. He states that flour takes thrice as long as wheat to load and costs roughly thrice as much to load.

In addition wheat makes the best deadweight cargo possible, while flour cannot be utilized in the same way. He also suggests that it is up to the millers to reduce their mill costs to those obtaining in the English mills if they want to compete.

RAILWAYS

C. N. R. EARNINGS.

Toronto, Oct. 5. — The gross earnings of the Canadian National Railways for the week ending September 30, 1920, was \$3,291,757, which constitutes an increase of \$401,561.00 over the corresponding period last year. The C. N. R.'s total earnings from January 1, 1920 to date are \$74,107,168.

N. Y. GOSSIP ON C. P. R.

Canadian interests have been large buyers of Canadian Pacific. With increased freight rates, predictions are made that Canadian Pacific will establish record earnings. Many traders have been buying the stock on the belief that the Canadian government will purchase the road, thereby giving the Dominion complete control of all railway systems.

C.P.R. GROSS INCREASED

Gross traffic earnings of the Canadian Pacific Railway for the last nine days of September amounted to \$6,849,000 as compared with \$5,963,000 in the corresponding period of a year ago, this being an increase in gross earnings for the period recently ended of \$886,000. Gross earnings of the Canadian National Railways for the week ending Sept. 30, were \$3,291,757, increase of \$401,561 over the corresponding period last year.

WAGE INCREASE FOR FREIGHT HANDLERS

Clerks, freight handlers, station and other employees of the Canadian National Railways and the Grand Trunk Pacific Railway with receive wage increases averaging about 25 percent and dating back to May 1, 1920, as a result of negotiations between a committee from the Canadian Brotherhood of Railroad Employees and representatives of the lines. A re-distribution of wages on an equitable basis was also worked out so that in some instances the increase will amount to 45 percent, but in no case will it be lower than 15 percent. The full amount of the increase since May first will be included in the first period of October pay-rolls. Seven thousand employees of the two lines are affected.

NEW VICE PRESIDENT FOR C.N.R.

D. B. Hanna, president of Canadian National Railways, announces a division of the work in the department of operation, maintenance and construction, of the road. This division was made necessary by the increasing volume of work due to the taking over operation, by the C. N. R., of the mileage of the Grand Trunk Pacific in Western Canada. M. H. MacLeod, who has until now been the vice-president-in-charge, will be vice-president of the construction department, and S. J. Hungerford, hitherto assistant vice-president of the department, will be vice-president in charge of operation and maintenance. Both appointments are dated to be effective October 1. Offices of both vice-presidents will be in Toronto. Under this new arrangement Mr. MacLeod will have entire control of the locating and constructing of lines, while to Mr. Hungerford will fall the task of general operation and maintenance of all physical properties on all lines. Prior to Mr. MacLeod's appointment as vice-president of operation, maintenance and construction of Canadian National Railways in 1918, he was general manager and chief engineer of the C. N. R. at Winnipeg. It was during his occupancy of these positions that the great expansion of Canadian Northern lines, which are now included in the Canadian National, occurred.

Your Railways and the Cost of Living

BEFORE the Privy Council at Ottawa protest against the new railway rates has been made on the ground that the giving of the new rates would raise the cost of living by a percentage many times higher than the percentage actually charged by the Canadian railways.

It was pointed out that the numerous middlemen who act as the distributors of goods would each add his percentage of profit to the freight rate, so that, although the railways might receive, say, only 40 cents additional freight charge on a shipment, the public would be forced by the distributing middlemen to pay many times that amount.

The managements of the various Canadian railways desire, through this, their Association, to draw the attention of newspaper readers to the highly significant fact that the recent increase in United States railway rates---an increase similar to the increase in Canada---has actually been followed by a de-

crease in the cost of living in that country.

Furthermore

A great Canadian manufacturer recently made public --- without any solicitation and without the previous knowledge of the railway managements---figures which proved that the retail selling price of a yard of plain white cloth in Winnipeg, after being hauled from Montreal to Toronto, and Toronto to Winnipeg, would be increased only one-half a cent, *even after the wholesaler had added 20 p.c. profit to the new freight rate and the retailer another 50 p.c.*

He showed that these distributors, whether rightly or wrongly, added 15 cents to his mill price of 16 cents per yard.

Yet the railways carried the raw cotton for this yard of goods from Texas to Montreal, and the finished goods from the mill to Toronto,

and Toronto to Winnipeg, for one and one-half cents.

One and one-cents as against fifteen cents.

We venture to believe that, whatever the explanation or the justification may be, the same serious additions to cost by the distributing trades will be found in relation to almost every article of common household use.

This is not to attack distributors. They may themselves be victims of a bad system or of an overcrowded trade. But it is to point out that if they add whatever percentages they, as a trade find convenient, *on top* of the freight rates, the railways cannot help either themselves or the public. The oppressive results of these practices should not be charged against the railway managements, nor cited as reasons for holding freight rates down---merely because railway rates *can* be held down---while other prices soar as the various trades find necessary.

RAILWAY charges always must be a serious item in determining cost of production. But the management of your railways urge upon your attention this fact: That antiquated, overloaded and wasteful systems of distributing goods are much more properly a subject for public anxiety.

*Canada cannot prosper
without prosperous rail-
ways. Canadian rail-
ways cannot prosper
unless Canada prospers.*

In all sincerity let us suggest that the people of Canada beware of those who would restrict and even strangle the railways *simply because control exist there---and is not so convenient in other departments of commercial activity.*

The Railway Association of Canada
263 St. James Street, Montreal, P. Q.

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Manufacturers of
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INSURANCE

Industrial Insurance Great Social Movement

By Willard I. Hamilton, Second Vice President, Prudential

Industrial Insurance stands out pre-eminently as a great social movement in which the maximum of service is rendered to the greatest possible number of people. It is conservatively estimated that on December 31, 1919, about 29,000,000 lives in the United States and Canada (from infancy to old age) were insured under more than 44,000,000 of industrial policies then in force, representing \$6,240,000. In addition to this enormous total, vast amounts of intermediate and ordinary insurance are carried by the same policy-holders.

Life Conservation.

On the basis of knowledge already attained, it is estimated that fully one-third of the present mortality in the United States and Canada could be prevented if that knowledge were fully applied toward the modification or elimination of the causes of death. Industrial insurance has promoted in many ways the work of life conservation. Into countless hearts has sunk the conviction that unless wrongful conduct is avoided the application for insurance will be rejected. By thus emphasizing the duty of right living, we have unquestionably given nation-wide encouragement to rational exercise, to abstinence from wrongful habits, moderation in all things more or less injurious to life and health, so that in the test for fitness as an insurance policyholder, the judgment shall not be adverse to the applicant, but, to the contrary, an endorsement of physical fitness and moral conformity to the highest standards of American citizenship.

Fighting Disease and Accident

The study and prevention of tuberculosis has been very greatly advanced. This hazard in various occupations and trades has been more accurately measured than ever before and hence many contributing causes in such industries as hatting, glass making, pottery manufacture and iron and steel plants have been eliminated. Special and extended studies have been made of cancer, malaria, typhoid fever, diphtheria, measles, scarlet fever, infantile paralysis, influenza and all organic diseases and the results of analysis and research made public. The problem of occupational diseases has been set forth in the mortality experience of the industrial companies in a way never before accomplished.

Infant mortality in all of its aspects has been studied with the utmost care. The so called Better Babies Conference have been aided and an anthropometric table prepared, which has been accepted as a standard by the American Medical Association and by the Federal Children's Bureau. The result of investigations has been given wide publicity in medical and health journals, and the data used in medical schools.

Teachers of Thrift and Good Citizenship

Life insurance by its terms requires thrift, and industrial insurance especially to a very marked degree has inculcated habits of thrift and saving among millions of people who but for the regular payment of their premiums might spend their entire income as fast as it is received. It has always been noted in periods of business depression when unemployment increases, that the value placed upon the industrial policy in the home is such that many sacrifices will be made before the insurance is allowed to lapse. The remarkably low lapse rate which prevails is evidence both of the stability of the business and the extent of the effort made by the companies and their representatives to protect the interests of the policy-holders in every conceivable manner.

INSURANCE CONFERENCE

Provincial Superintendents Meet at Winnipeg

A conference of provincial insurance superintendents of the Dominion was held at Winnipeg last week. Some of the defects in the insurance business as it is now conducted and suggestions of remedy were under deliberation. Arthur E. Fisher, of Saskatchewan, was elected president; Charles Health, of Manitoba, vice-president, and V. Evan Gray, of Ontario, secretary-treasurer.

The proceedings were of importance by reason of the formation of a provincial association of superintendents of insurance, which will include the superintendents of all the provinces of Canada. A constitution is in course of preparation.

INSURANCE FRAUDS

Eight War Risk Bureau Employes Indicted

Trials of eight persons indicted in connection with alleged war risk insurance frauds will be held before the District of Columbia supreme court within the next few days.

The indictments were returned last week after an investigation of charges that former war risk employes had obtained money from disabled service men on representations that they could obtain increased compensation for them.

Among those indicted were William F. Salisbury, of Buffalo, N. Y.; David M. Griswold, of Brooklyn; Daniel E. O'Keefe, of New Britain, Conn.; Aloysius Young, of New Britain, and Patrick O'Brien, of Des Moines, Ia.

INSURANCE MAN MEETS DEATH

J. Howard Halpenny, a prominent Ottawa man, and district manager for the counties of Carleton, Russell, Dundas, Glengarry, Stormont and Renfrew for the Dominion Life Insurance Company, was killed last week when an automobile in which he was riding was struck by a train and totally demolished on the road between Ogdensburg and Watertown, N. Y., at Theresa, close to Watertown.

NEW INSURANCE COMPANY

The Ontario Equitable Life and Accident Insurance Company has just been organized at Waterloo, Ont. A charter has been secured authorizing a capital of two million. Prominent local men as well as some outsiders will be identified with the new enterprise, which is being launched by S. C. Tweed, who resigned as superintendent of the Mutual Life of Canada, on Friday last. This new concern will write health and accident insurance. This town has prided itself on being the headquarters of prominent insurance companies and its importance will be emphasized by the announcement.

ALGONQUIN PARK.

The Grand Trunk Railway System, who own and operate the "Highland Inn" at Algonquin Park, Ont., have decided to keep this popular hotel open for the fall and winter season of 1920-21. Situated at an altitude of 2,000 feet above the sea in wild and picturesque surroundings the Inn has become one of the most popular resorts in Ontario, both for winter and summer. October is a beautiful month in this territory. Reservations for the winter should be made early and those desiring full information should apply to N. T. Clarke, Manager, Highland Inn, Algonquin Park, Station, Ont.

C. S. GZOWSKI APPOINTED

Mr. C. S. Gzowski, formerly special engineer to the vice-president of operation, maintenance and construction, has been appointed assistant to Mr. M. H. Macleod, vice-president of the construction department of the Canadian National Railways and the Grand Trunk Pacific Railway.

Favors Georgian Bay Canal

Montreal Chambre de Commerce Opposes Great Lakes Development.

At the meeting of the Montreal Chambre de Commerce last week a number of interesting public questions were discussed, ranging from the exportation of cattle to the value of imperialism. In the discussion of the projects of bridges over and tunnels under the St. Lawrence, the president Joseph Quintal, while favoring the tunnel project, brought to the attention of the meeting a plan of harbor improvement evolved some years ago, which would supply immediate requirements for additional connection with the south shore. This was the damming of the north arm of the St. Lawrence at the foot of St. Mary's current, the building of a bascule bridge between the city and the Ile aux Millions and a permanent bridge from the Ile aux Millions to a point half way between Longueuil and St. Lambert. Joseph Ethier, vice-president, pointed out that the tunnel would only benefit the railways, and that it would cost a great deal more than a bridge, and take longer to build.

The meeting refrained from endorsing any particular project until the joint committee had come to some decision.

A recommendation of the committee on transportation regarding the St. Lawrence improvement scheme was adopted by the Chambre with but little discussion and no dissenting voice. This resolution read in part as follows: "The Chambre is still of the opinion that the best way of developing interior navigation would be to dig the Georgian Bay Canal, which would be entirely on Canadian territory. Moreover, all development of the navigable channels of the Great Lakes would help only to increase the volume of trade which is at present carried on between the Canadian West and American ports, to the detriment of the port of Montreal."

The proposal to dig a canal between the Richelieu river and the St. Lawrence was outlined in a memorial addressed to the Chambre by the promoters. It is claimed that this canal would be of great benefit to Montreal lowering the cost of transportation of coal, pulpwood, hay, grain and other commodities. Moreover, the proposed outlet of the canal being at a point near Laprairie, the harbor of Montreal would benefit by the additional volume of water overflowing into the St. Lawrence. The company intends to build the canal on the same scale as the large American canals. Private funds alone are required, the promoters asking for no subsidies. The whole matter was referred to the committee on transportation.

The capital stock of the Premier Grain, Elevator & Milling Co., Ltd., Winnipeg, Man., has been increased from \$60,000 to \$400,000

CANADA'S EXPORTS TO IRELAND

There is a demand in Ireland for Canadian cheese. The statistics for 1919 show only £20,806 worth of Canadian cheese was imported into Ireland, but these are believed to be incomplete. The 1918 figures showed £61,304. While I was in Belfast one importer alone told me that he had that week placed orders in Canada for a shipment of £10,000 worth of cheese. Many importing merchants and distributors who call on the grocery houses would be glad to make direct Canadian cheese connections

Timber and wood products of all kinds, particularly pine and spruce, newsprint and kraft paper, and various pulp products, are of course in great demand. Many merchants are asking for box shooks and claim that they cannot get deliveries from Canadian manufacturers.

A fair amount of Canadian small hardware and ironmongery also are to be seen in the shops of the principal cities. Agricultural implements and garden tools have also found a ready market.

General Conditions

Merchants throughout Ireland are somewhat chary about making large commitments as large stocks have, here and there, been destroyed, and other merchants have received threatening letters. Insurance rates are very high. This fact, together with others, is leading to a deal in the establishing of co-operating abattoir near Waterford, a very comprehensive scheme which has been planned for the past year or more. It will be remembered that last year a dead meat industry was begun at Drogheda. The Waterford plant was meant to be of even greater capacity. Instead of exporting cattle from Ireland, the promoters propose to export dead meat, and so establish tanneries and other subsidiary industries. The exports of cattle from Ireland are still bulking large. They numbered 25,031 for the week previous to my visit to Ireland, as compared with 14,301 for the corresponding week last year.

PROFESSIONAL.

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Assurances in Force have more than doubled in the past seven years, and have more than trebled in the past eleven years.

To-day they exceed by far those of any Canadian life assurance company.

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Established 1862.
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CAPITAL SUBSCRIBED	(\$5 = £1.)	\$353,396,900
CAPITAL PAID UP		70,679,380
RESERVE FUND		49,886,410
DEPOSITS, &c.		1,621,541,195
ADVANCES, &c.		821,977,505

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Capital Fully Subscribed	\$14,750,000
Capital Paid-Up	7,375,000
Life Funds and Special Trust Funds	99,147,565
Total Annual Income Exceeds	75,000,000
Total Funds Exceed	209,000,000
Deposit with Dominion Government as at the 31st December, 1919	1,416,333

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W. J. Jopling, Manager Canadian Branch.

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The Dominion Bank

160 St. James St.

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If you wish to send money abroad, purchase a draft from the Canadian Bank of Commerce. It is the safest method and the cost is small. Should the money be required at once we shall be pleased to arrange the matter by cable.

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OVER 500 BRANCHES.

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RESERVE FUND - - - \$15,000,000

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Capital and Reserve . . . \$9,000,000.00
Over 130 Branches.

Canada Needs Exports Because Exports Mean Prosperity.

The Molsons Bank is prepared to advise and assist exporters in their financial problems.

Efficient service in Canada and abroad.

EDWARD C. PRATT,
General Manager.

ESTABLISHED 1832

Paid-Up Capital
\$9,700,000



Reserve Fund
and Undivided Profits over
\$18,000,000

TOTAL ASSETS OVER \$220,000,000

The strong position of the Bank of Nova Scotia not only assures the safety of funds left on deposit with the Bank but also places it in a position where it can readily care for any legitimate business needs of its customers. We invite business of every description.

THE BANK OF NOVA SCOTIA

NEW RECORD FOR MONTREAL CLEARINGS

Montreal bank clearings for the week ended Thursday showed a sharp recovery from recent levels and the total for the week extended into new high record ground in history. Clearings amounted to the large total of \$172,599,412. This is the first time in the history of the local clearing house that a weekly total has been in excess of \$170,000,000. In fact, the previous high record total, attained in the weekly report of December 4, 1919, was \$167,028,108. As compared with the corresponding week a year ago, the total reported today shows the large increase of about thirty million dollars, the total for this week a year ago being \$143,283,538, while in the same period of 1918 the total was \$120,760,193.

Montreal clearings as well as those from most eastern Canadian centres compare with the corresponding week of last year, as follows:

	1920.	1919
Montreal	\$172,599,412	\$143,283,538
Toronto	117,132,001	91,147,107
Ottawa	16,640,249	9,366,195
Calgary	11,419,990	9,441,345
Hamilton	9,151,017	7,123,221
Quebec	7,549,145	6,262,847
Regina	6,034,319	5,690,068
Halifax	4,890,567	5,593,244
London	4,383,085	3,579,423
Windsor	3,854,349	2,431,654
St. John	3,183,356	3,455,954
Brantford	1,784,961	1,292,448
Fort William	1,153,933	1,169,944
Peterboro	1,494,544	1,031,778
Kitchener	1,293,977	1,185,231
Lethbridge	1,306,518	770,982

NEW BANK BRANCHES

The Bank of Toronto has established a regular branch at Churchbridge, Sask., under the management of C. C. Eddy, replacing the temporary service formerly given at that point.

BANK OF ENGLAND REPORT

The weekly statement of the Bank of England shows the following changes: Total reserve, decreased, £232,000; Circulation, increased, £313,000; Bullion, increased, £80,739; Other securities decreased, £13,294,000; Public deposits, increased, £5,110,000; Other deposits, increased £23,735,000; Notes reserve, decreased, £213,000; Government securities, increased, £41,901,000. The proportion of the bank's reserve to liability is 8.87 per cent; last week it was 11.07 per cent. Rate of discount 7 per cent.

ROYAL BANK GIVES GOLF TROPHIES.

The presentation of the two silver trophies in the Royal Bank of Canada Handicap Golf Tournament was made last week at a private dinner given by the executive officers at the Montreal Club. There were seventy-five members of the bank present, including, in addition to the officers from head office, branch managers and members of branch staffs, and the evening was spent in a very enjoyable manner.

A silver cup and a dozen golf balls were presented to D. C. Ritchie, the winner of the tournament, and a pewter mug was the memento awarded to H. K. Wright, as runner-up in the competition. Both expressed their appreciation of the executive interest in the game.

In Developing Your American Markets.

In Canada's last fiscal year \$475,000,000 of Canadian products were marketed in the United States. In developing your American market we offer the facilities of our 400 Canadian Branches and our New York Agency, 49 Wall Street. With direct wires connecting our New York Agency and our Montreal, Toronto, Winnipeg and Vancouver branches, we are in an unusual position to offer the best possible rates to exporters and importers.

UNION BANK OF CANADA

Resources Exceed \$174,000,000.

Business Founded 1795

American Bank Note Company

Incorporated by Act of the Parliament of Canada

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and other MONETARY DOCUMENTS.

Head Office and Works: OTTAWA.

Branches:—

MONTREAL, Bank of Ottawa Building.
TORONTO, 19 Melinda Street.
WINNIPEG, Union Bank Building.

BANK OF ENGLAND RESERVE

A fall in reserve ratio from 11 per cent. to 8 7/8 per cent. was reported in last week's statement of the Bank of England and notwithstanding all the explanations which have been given regarding this reserve computation there was the usual fallacious comparison of the Federal Reserve system. The cause of the British decline was the big expansion in deposits, that in turns caused the expansion of loans, both to other banks and to the Government, over the September 30 settlement. But even with the fall, the British bank would have a reserve of something like 50 per cent. if figured the American way. Total deposits amounted to £156,012,000 and circulating notes to £127,803,000, while against this the Bank of England held £123,196,000 gold and £18,450,000 of fiduciaries, the latter, in a sense, comparable to the legals held by the reserve banks and counted as reserve.

NEW CROPS AFFECTS EXCHANGE

A New York despatch to Montreal last week said that Checks on Montreal were strong advancing to 92 cents per Canadian dollar. Bankers say this pronounced stretch is due to the large number of grain bills sold in the New York market for account of Canadian growers. Drafts on New York are offered freely in Montreal, hence the decline in New York Exchange in Canada. Canadian bankers explain the recovery in Canadian dollars as due to the balance of trade becoming more even between the United States and Canada. The Great grain crops of the Canadian west are responsible for the change in the balance in trade,

The Royal Bank of Canada

Incorporated 1869.

Capital Paid up	\$ 19,000,000
Reserve Funds	\$ 19,000,000
Total Assets	\$584,000,000

HEAD OFFICE: MONTREAL.
SIR HERBERT S. HOLT, President.
E. L. PEASE, Vice-President and Man. Director.
C. E. NEILL, General Manager.

Over 700 Branches in CANADA, NEW-FOUNDLAND, CUBA, PORTO RICO, DOMINICAN REPUBLIC, COSTA RICA, VENEZUELA, HAITI, COLOMBIA, BRITISH WEST INDIES, FRENCH WEST INDIES, ARGENTINE, BRAZIL and URUGUAY.

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SAVINGS DEPARTMENT at all Branches

THE STANDARD BANK OF CANADA

Quarterly Dividend Notice No. 120.

A Dividend at the rate of Three and One Half Per Cent (3½%) for the three months ending 31st October, 1920, has been declared payable on the 1st of November, 1920, to Shareholders of record as at the 21st of October, 1920.

By Order of the Board,
C. H. Easson,
General Manager.

Toronto, September 22nd, 1920.

according to border cities bankers. The crop is about fifty per cent greater than last year and is estimated to be worth nearly \$1,000,000,000. A large part of the Canadian grain is sold on American markets and consequently alters the balance of trade. The crop is now being sold and a considerable portion of it has found its way to American markets, which accounts for the gradual decrease in the exchange rate here on American money.

WINTER TOURS.

Why not plan now for a winter tour to California or some other Pacific Coast point. There is no pleasanter way to recuperate from fall colds or influenza than by taking a trip to California. Splendid climatic conditions and beautiful scenery await you, while there are scores of attractive resorts. The Grand Trunk Railway System affords a variety of routes and its representatives will gladly map out a tour for you. Consult any Grand Trunk Agent or write to M. O. Dafoe, 230 St. James St., Montreal.

GO TO CALIFORNIA THE CANADIAN WAY

If you are planning a trip to California this winter, make sure that you see everything worth seeing en route. This you can only do, if you travel one way through the Canadian Rockies. The Canadian Pacific Railway operates its usual good service between Montreal and Vancouver. To travel to California without being able to compare its scenery with that of the Canadian Rockies, means that you lose much of the value of your trip. Therefore to see the most marvelous works of Nature and of Man, be sure your ticket reads one way, via the Canadian Pacific Railway.

The Merchants Bank of Canada

QUARTERLY DIVIDEND.

A Dividend of Three Per Cent for the Current Quarter, being at the rate of Twelve Per Cent per annum upon the Paid Up Capital Stock of the Bank, was declared payable on 1st November next to Shareholders of record on the evening of 15th October, stock not fully paid up on 31st July to participate in the dividend on the amounts paid up on that date and upon later payments from the date hereof.

By Order of the Board,
D. C. MACAROW,
General Manager.

Montreal, 30th September, 1920.

The Home Bank of Canada

Branches and Connections Throughout Canada

Bonds and Foreign Exchange

Every Branch of the Home Bank is in ready communication with the Bond and Foreign Exchange Departments at the Head Office, and any enquiries made through any branch will receive prompt attention.

MONTREAL OFFICES:
Transportation Building, 120 St. James St.
2111 Ontario St. East 1318 Wellington St.
cor: Davidson St. VERDUN

THE MERCHANTS BANK OF CANADA

Head Office: Montreal. OF CANADA Established 1864.

Capital Paid-up	\$ 8,400,000
Reserve Funds	8,660,774
Total Deposits (31st July, 1920)	over \$163,000,000
Total Assets (31st July, 1920)	over \$200,000,000

President: Sir H. Montagu Allan, C.V.O.
Vice-President: A. J. Dawes.
General Manager: D. C. Macarow.
Supt. of Branches and Chief Inspector: T. E. Merrett.
General Supervisor, W. A. Meldrum



Draw on Your Customers through the Merchants Bank. With Branches in all parts of Canada and correspondents abroad, this Bank is in a position to present Drafts promptly, have them accepted, and collect payment, with the least possible trouble and cause to you.

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Lumber Mills, Charlemagne, Montcalm,
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Three Rivers.

The Spanish River Pulp and Paper Mills, Limited

Sault Ste. Marie - - Ontario

Daily Capacity.

600 tons newsprint
480 tons groundwood
220 tons sulphite
35 tons board.

MILLS AT—

Sault Ste. Marie, Ontario.
Espanola, Ontario.
Sturgeon Falls, Ontario.

Another Paper Plant for Canada

P. T. Dodge, president of the International Paper Company, on his return from a trip with the Riordon party which went to inspect the new plant at Kipawa, announced that his company will build a second pulp and paper mill in Canada.

He confirmed the impression that this is the first time the fact has been publicly stated, but remarked that the matter has been under contemplation for some time.

The International Company, which is the largest producer of paper in the world, 60 per cent of which is newsprint, is now building a pulp and paper plant at Three Rivers, and Mr. Dodge stated that in sixty days it will be turning out pulp. The paper mill will not be ready to operate for some months yet. It is designed to turn out 200 tons of newsprint a day.

Mr. Dodge made the statement regarding their intention of building a second mill in Canada at a dinner tendered the Riordon party at Kipawa.

As the International Company has acquired extensive timber interests in New Brunswick and now controls a valuable water power at Grand Falls, the impression prevailed in paper interests that the next move will be in that locality, but Mr. Dodge stated that they have more than one locality under consideration.

Mr. Dodge, who has many friends in the paper industry in Canada, made a most felicitous speech in response to the call of Carl Riordon, vice-president and managing-director of the Riordon Company. He congratulated the Riordon interests on the success of their Kipawa enterprise and predicted a great future for Canada in the trade.

As his company is now very largely interested in Canada, he expressed the hope that the most cordial relations would continue between the two countries and expressed the conviction that America will in future dominate the pulp and paper trade of the world.

BRITISH PULP AND IRON PROJECT FOR QUEBEC.

It is stated in an article appearing in "L'Événement" that plans are rapidly nearing completion for the definite launching of a large pulp and paper project which will concentrate largely upon the region surrounding the Saguenay River. The project also involves the building of a new railroad system and the ultimate development of

certain iron ore bodies reported to have been discovered in the vicinity of Chicoutimi. Certain influential English interests have been in Canada during the past few months and have carefully looked into the proposition to their complete satisfaction, according to the article.

It is stated that the two principal figures in the enterprise are Lord Burnham and Lord Desborough. The former recently left for England, while the latter is now in Canada with headquarters at Quebec.

As outlined in the article, the plans of these interests include the construction of a railway from Hudsons Bay to the Seven Islands, passing by Lake Mistassini, Lake St. John, and Chicoutimi, to enter Quebec by the Montmorency Valley, which will shorten the route from Chicoutimi to Quebec by one hundred miles.

The group will also establish pulp and paper mills at Seven Islands and at all places where there are important water powers along the line of the railway. Steel works will also be created at Chicoutimi and at Quebec.

It is stated that the port of Seven Islands will be developed and devoted solely to the export of pulp and paper to Europe where the need for the material is increasingly great. Definite announcement of the full details of the project are said to be ready and will be given out in a short time. Work will be commenced in the near future. It is understood that no subsidies will be asked by the enterprise.

DEATH OF W. B. MATHEWSON

The death occurred last wednesday afternoon of Mr. William Black Mathewson, head of the firm of Mathewson's Sons, after a brief illness. The deceased was in his 71st year, and had been actively engaged in the business of the firm until a short time ago, when he complained of illness, and retired to his home at the Sherbrooke Apartments. It was not at first thought that his illness was serious, but he became worse, and a weakness of the heart set in, which ultimately proved fatal.

The deceased was one of the older business men of the city of Montreal, for many years a member of the firm of Mathewson's Sons, which for generations has been engaged in the wholesale grocery business on McGill street. He was the eldest son of the late Mr. J. A. Mathewson, in his time head of the firm, and succeeded his father in that position, carrying on the business until a short time before his death.

He was born in Montreal 71 years ago, and was educated there being sent later to Sheffield, England, to complete his education. On returning from England he entered into the family firm, with his father and brothers,

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TORONTO Mills at Merritton

Labor Supply Improving at the Mines

Busy on exploration work in Northern Ontario.—Gold deposit opened up in Bryce township shows good results

(By our Toronto Correspondent.)

Four Cobalt companies, during the week ending Oct. 1, shipped an aggregate of six cars containing approximately 447,404 pounds of ore. The Mining Corporation with three cars, was the heaviest shipper as shown in the following summary: Mining Corporation, three cars, 215,522 pounds; Nipissing, one car, 86,914 pounds; O'Brien, one car, 80,000 pounds; Timiskaming, one car 64,968 pounds. During the corresponding period the Mining Corporation shipped ninety-eight bars, containing 100,798.60 fine ounces of bullion.

It is stated from Cobalt that the Mining Corporation has discontinued work on its property in Butt township in the district of Nipissing, on which exploration work has been under way for some time in search of radium-bearing ore. Pitchblende occurs on the property, but it is considered to be very questionable whether or not the occurrences will be found in sufficient volume to make them workable at a profit.

Enthusiastic Over Bryce Township.

Several prospectors from the Elk Lake and Gowganda areas have gone into the Bryce Township district to stake gold claims. A deposit recently opened up in the township is said to have shown good results and is responsible for the desire to further investigate. Mr. Burrows, Government Geologist, has just returned from a visit to the area, and while his official report is not yet available, prospectors who have gone into Bryce are enthusiastic over the prospects.

Labor Supply is Improving.

Shortage of labor has been an outstanding factor of the gold and silver mining companies of Northern Ontario ever since the outbreak of war in 1914 and the industry possibly suffered more than any other inasmuch as company earnings were seriously impaired and at times it was a difficult problem to keep the plants in operation. It was not until the middle of August that any improvement was noticed, but since this time

labor, of a highly efficient type, has been finding its way to Porcupine, Kirkland Lake, Cobalt and Gowganda camps, as a result of which the precious metal output now is increasing gradually. It is stated that the men who were lured away by the rosy promises of the automobile manufacturers and ship-building concerns about a year ago are now most anxious to return to their jobs in the mines. Already it is reported that a return from the harvest fields is noted, as well as prospectors who have been busy in the bush all summer, and these men are of the best type of mine labor. It is stated that shortly after snow flies, mine labor in Northern Ontario will be at its highest efficiency.

High Grade Ore at Castle Mine.

Following the very satisfactory reports of results obtained as underground development continues at the Castle Mine of Gowganda, it is stated that the main vein, being opened up by drifting along the 150-foot level, still continues in high-grade ore with the walls on either side showing much native silver. The needs of a milling plant are increasing daily and plans for its erection will likely soon be made. Approximately 60,000 ounces of silver is ready for shipment.

Veterans to be given Protection.

There has been considerable complaint on the part of war veterans on account of mining operators throwing their claims open instead of protecting them until the first of January next, as the Minister of Mines had promised. The matter was laid before the Minister, when appeals to the mining recorders were of no avail and according to a letter he wrote to the Northern Miner, instructions are being issued from Toronto ordering the mining recorders to give the veterans the protection they were assured they would be given.

To gain geological information the Mining Corporation is going to diamond drill the old Foster property. It took over a lease on this property last year and since then has steadily taken out excellent ore. The lease, it is understood, carries an option to buy.

CUNARD ANCHOR ANCHOR-DONALDSON

REGULAR SERVICES

MONTREAL—GLASGOW		
Oct. 16	Nov. 20	Cassandra
Oct. 30		Saturnia
PORTLAND—GLASGOW (CHRISTMAS SAILING)		
Dec. 9		Saturnia
N.Y.—GLASGOW (Via Moville)		
Nov. 6	Dec. 11	Jan. 15
		Columbia
NEW YORK—LIVERPOOL		
Oct. 23	Nov. 20	Dec. 18
Nov. 6	Dec. 4	Jan. 1
		K. Aug. Vict.
N.Y.—PLY. & CHER.		
Oct. 21	Nov. 25	Jan. 1
		Caronia
N.Y.—CHERBOURG, SOUTHAMPTON		
Oct. 12	Nov. 2	Nov. 23
Oct. 28		
		Aquitania
Nov. 11	Dec. 9	Jan. 15
		Mauretania
		Imperator
N.Y. PLY. CHER. HAMBURG		
Oct. 30	Dec. 9	
		Saxonia
N.Y. PATRAS DUBROVNIK & TRIESTE		
Oct. 23		Calabria
Nov. 9		Pannonia

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Lake of the Woods Milling Co.

STATEMENT ISSUED SHOWS GOOD YEAR

The Annual statement just issued by the Lake of the Woods Milling Company covers the last of the period during which the Company's activities were subject to Government regulations and restrictions, the profits from milling operations were only slightly below those of the previous year, and this decrease is very largely offset by a substantial increase in the profits from other Sources, which lifted the year's total results almost up to those of a year ago.

The restrictions were lifted at the end of the period covered by the statement, and, now that the Company may bring its products up to pre-war standard, and when the freight rates to European countries are no longer such as to encourage the importation of wheat in preference to milled flour, steady improvement may be looked for throughout the current year.

The statement shows a total revenue for the year of \$732,232.85, derived from the following

Milling Profits (after deduction of operating expenses and providing reserves for doubtful accounts, War Taxes, etc.) \$410,521.49

Profits from sources other than milling proper (including dividend from Sunset Manufacturing Co., Limited—the subsidiary Company) 321,711.36

This amount (\$732,232) has been apportioned as follows:

Interest on Company's Bonds	54,000.00
Dividend of 7% on Preferred Shares	105,000.00
Dividend of 12% on Common Stock	294,000.00

In addition to writing off \$100,000 on Property and Good Will Accounts, there was carried to the Surplus Account \$179,232.85, making a total surplus of \$1,161,647.11.

F. B. McCURDY & CO.

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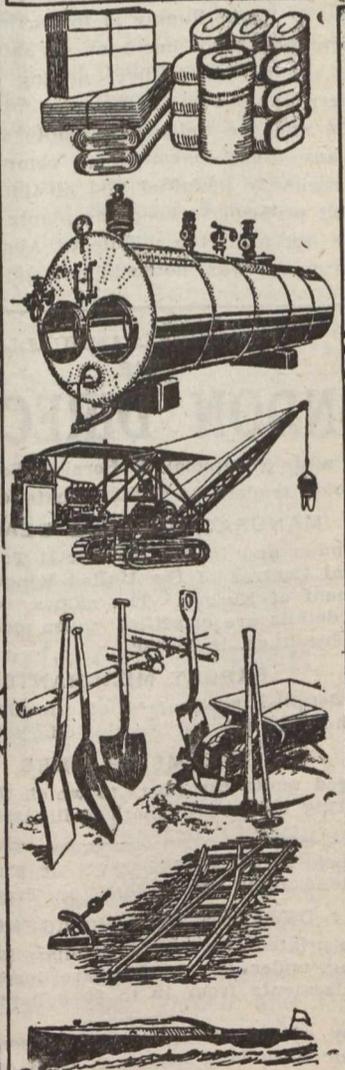
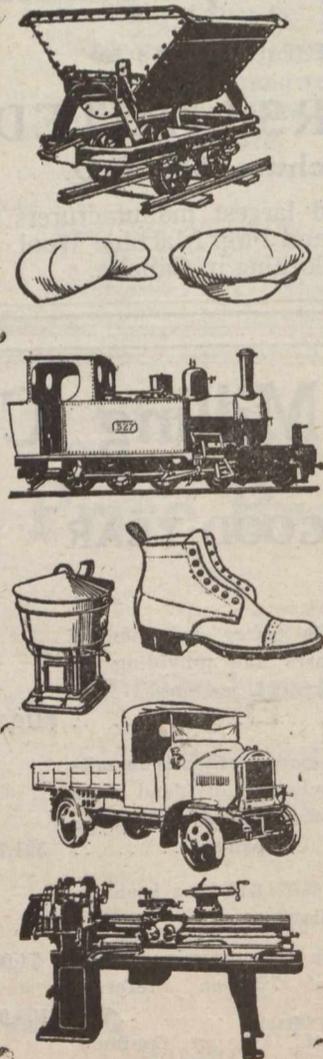
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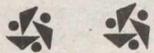
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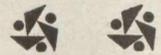
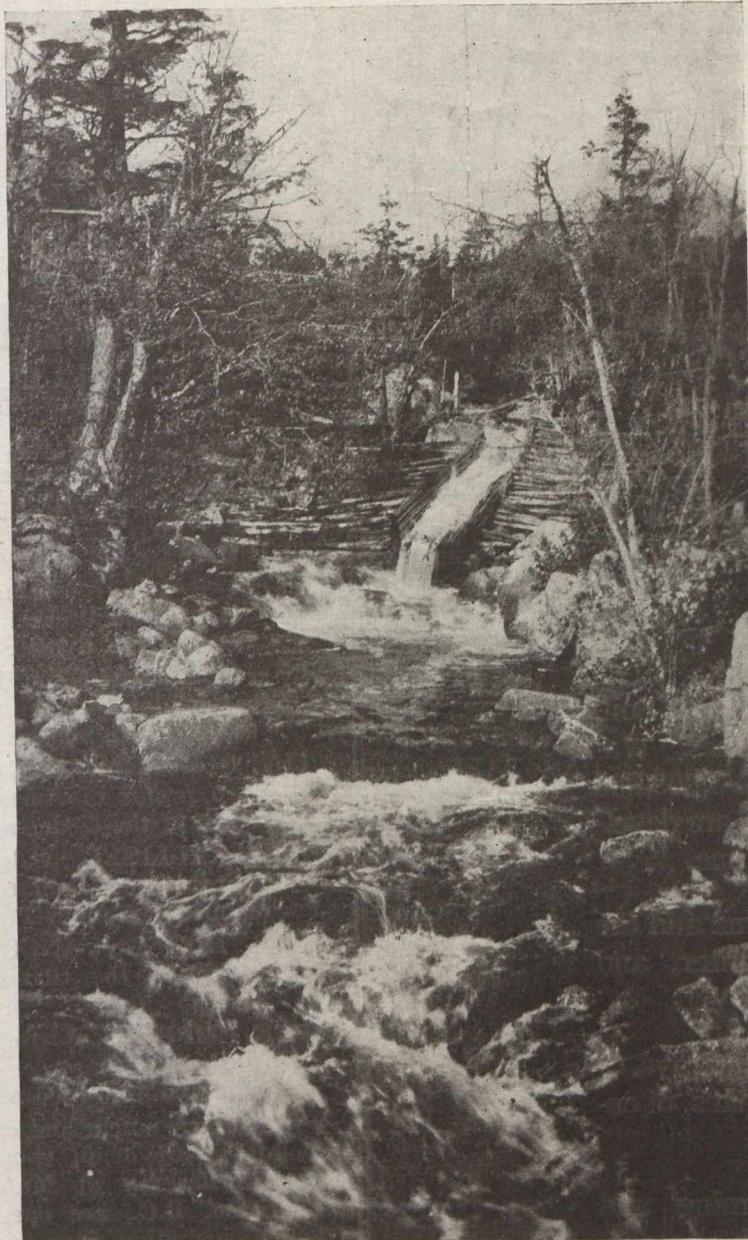
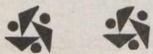
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Nova Scotia Water Power



As a result of investigations carried on by the Nova Scotia authorities in co-operation with the Dominion Water Power Branch, Interior Department, Ottawa, revealing water power assets of considerable magnitude, The Nova Scotia Power Commission was organized under comprehensive legislation, to undertake the development of certain of these powers.



The first undertaking of the Commission is that of St. Margaret's Bay, of which a view is shown herewith, where 8,000 H.P. is now being installed, which will later be increased to 12,000 H.P. as a start to provide Halifax with an adequate supply of Hydro-Electric energy.



For further information write

W. B. MacCOY, K. C.,

Secretary Industries and Immigration

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Canadian Pacific Railway Hotel System

Canadian Pacific Hotels from the Atlantic Ocean to the Pacific set the standard for hotel accommodation in Canada. Each hotel is distinctive in appointment and style; each has the same superb Canadian Pacific service

THE CHATEAU FRONTENAC, Quebec, is a famous hotel in the most characteristic city of North America. Standing on Dufferin Terrace, it commands magnificent views of the River St. Lawrence.

THE ROYAL ALEXANDRA, Winnipeg, so well known and so popular with travellers that it has been enlarged to twice its original size.

THE PLACE VIGER, Montreal, is an ideal hotel for those who prefer quietness and yet wish to be within easy reach of the business centre.

THE PALLISER, Calgary, a handsome new hotel of metropolitan standard, from the roof of which the snow-capped Canadian Pacific Rockies are visible.

THE HOTEL VANCOUVER, a spacious hostelry that overlooks the Straits of Georgia and contains 650 rooms.

THE EMPRESS, Victoria, a luxurious hotel that appeals to the artistic sense, in a city of picturesque homes and Old Country atmosphere.

The above hotels, and others similarly situated at strategic points on the main transcontinental line of the Canadian Pacific Railway at McAdam, N.B., Sicamous, B.C., and Penticton, B.C., are open all the year round. Six other hotels, including four in the wonderful Canadian Pacific Rockies, are open in summer only.

Any C.P.R. Passenger Agent will furnish particulars, or write

C. E. E. USSHER,
Passenger Traffic Manager

F. L. HUTCHINSON,
Manager-In-Chief Hotel Dept.

CANADIAN PACIFIC RAILWAY, MONTREAL



HOTEL VANCOUVER, VANCOUVER.