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By J. W. Macmillan.

The Future of Labor in Canada.

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Banking and Business Affairs in the U. S.

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The Business of the Conference

THE anticipation that the Imperial Conference, called undoubtedly as a compliment to the Overseas Dominions in acknowledgment of their part in the war, might easily prove an embarrassment to the Imperial Government is already being realized. That the Conference was called without a very clear idea on the part of its official promoters as to what its business was to be, seems more evident from day to day. As the time approaches for its meeting, enquiry as to its programme naturally becomes frequent. The ordinary Imperial Conference, meeting once in four or five years, is avowedly a meeting, not to promote any particular measure, but to allow general friendly consultation among the statesmen of the Mother Country and Dominions. For such a Conference a programme in advance is not necessary. The obvious purpose is to allow those present to bring forward any matter that they may feel is of interest to the welfare of the Empire. But the meeting about to be held, as the official invitation very clearly stated, is not of that character. It is a special Conference, different from the other, to afford the representatives of the Overseas Dominions an opportunity to be heard in relation to the war, but what are the particular subjects that they are expected to consider the Imperial authorities now frankly admit they do not know.

Mr. Lloyd George, in a press interview a month ago, while not specifying any subjects for the Conference, made the general statement that "nothing affecting the Dominions, the conduct of the war, or the negotiations for peace will be excluded from its purview." Having given this free for all invitation to the delegates, one would have supposed that the British Government would have awaited the assembling of the Conference, and allowed the representatives of the Overseas Dominions to determine for themselves what questions, in their opinion, "affected the Dominions". It is evident, however, that the prospect of allowing the Dominions men to do that created uneasiness, and that it was deemed necessary to modify the broad statement of the Prime Minister.

The enthusiasts in England who have for several years been advocating such a Conference, under the impression that the Dominions were demanding a re-organization of their relations with the Mother Country, very naturally assumed that questions of that class would engage the attention of the Conference, and were proceeding to air their views as to how the Empire might advantageously be remade. Alarmed, apparently, by this widely held expectation, Lord Curzon hurriedly raised a keep-off-the-grass sign. Speaking au-

thoritatively, as the Government's representative in the House of Lords, Earl Curzon stated very emphatically that the Conference would not take up any question of the re-organization of the Empire.

With that large class of questions excluded, the field of the Conference's work was very materially narrowed. Then some of those who had expected so much from the Conference began to look for other topics that they thought must surely occupy the attention of the meeting. One set seized upon the question of Home Rule for Ireland, suspended by the war situation, as one which the Conference would of course consider. The urgency of some settlement of the Irish question was generally recognized. Recent efforts by British statesmen to find a solution of the old problem had sadly failed. Some fresh minds were needed to consider and deal with it. The Dominions were much interested in it, as they had frequently shown by the action of their Parliaments. Here was a question in which the co-operation of British and Colonial representatives must surely prove valuable. A happy adjustment of the Irish troubles was one good thing, at least, that the Conference might hope to produce. So wide was this impression of the business of the Conference that an Irish member asked a question about it in the House of Commons last week, whereupon Mr. Bonar Law promptly replied that the Conference would not be permitted to touch the Irish question. "The subjects," he said, "which were to be considered cannot finally be settled until after the arrival of the overseas representatives, but nevertheless the decision in any question concerning administration of the United Kingdom could obviously only be taken up by the Imperial Parliament." "The Dominions," Mr. Law continued, "he was sure would not wish to discuss anything that would add to the difficulties of the war."

The Colonial Secretary, Mr. Walter Long, it will be remembered, doubtless with the Conference in his mind, lately proclaimed that the captured German colonies would be retained by Great Britain, whereupon he was reminded by an influential journal that the question of the distribution of the booty of war was one to be dealt with by the Allies, and not by Britain alone.

With the question of the relations between the Mother Country and the Dominions, the question of Home Rule for Ireland, and the question of the disposal of the captured German colonies all removed from the consideration of the Conference, the field of work for the meeting seems very limited. That the Conference is to have any real work in relation to the prosecution of the war is not to be expected. The Mother Country and the Dominions have pledged themselves to each other and to the Allies that they will employ their full resources in winning victory. More they cannot do at a table in London. As to the

methods by which the war shall be carried on, these are being directed by a small war cabinet in London, formed for the particular purpose of concentrating power in the smallest possible number of men. It would be absurd to expect such a numerous body as the Imperial Conference to be asked to do any real work in directing the management of the war.

The terms of peace are the remaining question. These, it must be remembered, are not to be settled by the Conference, or by the British authorities, but by the Allies. The Conference can only express its views as to what is desirable. The Colonies which have special interests to advance respecting the captured territories may find the Conference helpful to them. As Canada has no such interests—no interests that are not those of the Empire at large—the Conference will concern Canadians in a sentimental rather than a practical way. As a gathering representing all portions of the Empire it will still be of interest to British subjects everywhere, and it may even be of value as expressing again to the enemy the determination of all parts of the Empire to see the war through to a victorious end.

Britain's Latest Move

THERE have been conflicting reports concerning the state of public opinion in Great Britain in relation to the war. While to many visitors it has seemed that the gravity of the situation was generally appreciated, to others it has appeared that of official circles, and perhaps some other quarters, this was true, but that the general public had no such realization and that consequently a great many people were pursuing their way in the careless assumption that the war could easily be won. If the latter view was entertained in any quarter those who have held it must have a rude awakening when they read Mr. Lloyd George's speech made in the House of Commons on Friday. The Prime Minister has had no illusions on the subject; he has fully appreciated the critical character of the situation and has endeavored by forcible—even startling—statements to have the British people see it in the same way. But a little while ago the proposals he has just made would have been regarded as so revolutionary as to be impossible of adoption. In the light of the present moment they are found to be reasonable and necessary.

Not because of the German submarine operations—though these are an added reason for a remedy—but because of the transfer of British merchant ships to the war service, that of the Allies as well as that of Great Britain, there is a shortage of tonnage for ordinary business purposes which is proving most embarrassing to all concerned. There are not ships to carry the vast amount of traffic that is offering. This being the case there is need of more careful discrimination in the choice of what shall be carried and what shall be discouraged, and this can only be had through official action. Hence it has been determined that the importation of things that are not urgently needed shall be either totally forbidden or largely restricted, in order that the things that are of most importance to the winning of the war may be promptly handled.

More important even than the restrictions on importations are the arrangements announced for the encouragement of home production of foodstuffs. While Great Britain has not been pre-eminently an agricultural country, but has relied largely on other countries for food supplies, there is no doubt that the United Kingdom

has been capable of much greater agricultural development than has taken place. The capacity of the nation for producing is to be tested now as never before. All who have land capable of production are urged and encouraged to devote it to the growth of food, so that there may be less need of reliance on imports. To aid this movement a step is taken which at any other time would have been impossible—a guarantee of a liberal, though not excessive, price is to be given to the farmers for several years. As a further step in the same direction, the agricultural laborer—hitherto, in most cases, very poorly paid—is guaranteed a reasonable minimum wage.

The new regulations will interfere with trade in many directions. There are Canadian interests that may suffer, for some of the things that are banned or restricted are among the important exports from this country. But since the new arrangements are demanded by the war situation, in the interests of the Empire at large, they will be accepted cheerfully. At such a time as this all considerations of trade must be subordinated to the one great purpose, the winning of the victory which is necessary for the Empire and for civilization.

Blindfolding Bernstorff

COUNT BERNSTORFF and his numerous staff of embassy and consulate officials have been enjoying for a few days the hospitality of British protection in the harbor of Halifax. It can hardly have been an agreeable thought for the German ex-ambassador that for his safety in the harbor and on the high seas he is indebted to one of those "scraps of paper" which his Government, in the case of Belgium, had so much contempt, to the chivalrous generosity of the nation against which he has so long been conspiring at Washington, and that while he was so protected by the British flag, the once vaunted German navy was lying with rusting anchors in the Kiel canal. That Count Bernstorff was glad to be assured of this protection of the British flag may safely be assumed. Yet at the moment when he and his family and staff were being treated with every courtesy by the British officials at Halifax he must have reflected on the difference between that courtesy and the treatment accorded by Germany to British subjects wherever German power prevails. There was, however, a limitation to the privileges granted to the German party. Usually the good city of Halifax is delighted to show its visitors the many attractions of its harbor and the approaches thereto. But in this respect Halifax is not doing "business as usual." It is doubtful if any of the beautifully illustrated literature of Halifax was handed to the Count on his arrival. He was not invited to "wait and see" Halifax. To wait, indeed, he was courteously asked, but not to see.

Halifax is one of the most strong fortified places on the North American continent. Many of the fortification works are so concealed that they do not meet the eye of the ordinary observer. But there are portions of them that are quite visible to all who enter the harbor in daylight. Plans of these fortifications, as they were in former years, are no doubt on file in the Berlin war office, for the Germans were busy for many years in assembling information of that kind. But the fortification works of a few years ago and those of the day are not the same. If any of the Kaiser's rusting ships should come across the sea and make an attack on Halifax, relying on the old plans from the Berlin office, the

attacking party would in all probability experience some surprises. At all events it was not deemed advisable to encourage studies of the harbor works by the German party, even from the deck of a neutral vessel. So, when the ship bearing the German visitors came within ten miles of the entrance to the harbor in daylight, she was politely met by vessels of the ubiquitous British Navy and escorted out to sea again, to await the coming of darkness. Then, as midnight approached, the Scandinavian ship was brought in, passed under the frowning but unseen forts, up through the main harbor, past the city, through the narrows and into the quiet waters of Bedford Basin, where the most prominent object to meet the visitors' eyes on the heights the next morning was the large city edifice known as Rockhead Prison. There, with wireless disabled and all communication forbidden except that of the polite British and Canadian officials engaged in examination of the ship, the cargo and passengers, Count Bernstorff and his party passed several days which they are likely to remember with interest—and possibly with pleasure—during the remainder of their lives. The party will probably be, in some respects, wiser men and women from this visit to Halifax. But they will not be any wiser than before respecting the fortifications of the Canadian Gibraltar.

A Good Word for Fritz

IT IS a long time since we were able to say a good word for the Germans. Now justice demands that even the devil shall have his due. Among the numerous items in which the ever-increasing high cost of living is painfully manifested one of the most prominent is the homely potato, usually occupying a very modest place in the background of foodstuffs, but now gaining a place in the aristocracy of supplies. Potatoes are selling in Montreal in quantities at two dollars and more a bushel. In England under the regulations of the Food Controller the price is less than half of that. But if we wish to find a market where potatoes are comparatively cheap we have to go to Berlin. One is inclined to envy the Berlin citizens when he reads that in the German capital potatoes are to be had at seventy-two cents per bushel. It is true that there are not a great many of them to be obtained. One has to have his food cards to get any, and only a few pounds at a time will be delivered. But the Germans have managed to so control the price that this important article of food is sold at about one-third the price that the consumer pays in Montreal. At the risk of being prosecuted for treason, we have to admit that there are some things the Germans manage better than we do.

New Brunswick

It is a curious fact that while the suggested holding of a Dominion election is widely objected to, Provincial elections have been held, apparently without protest, in several of the Provinces where the political organizations in Dominion and local politics are substantially the same, and where Provincial contests are conducted quite as keenly as one for the House of Commons would be. The latest example of this appealing to the people in the midst of the war is the Province of New Brunswick, where a Conservative Government, which brought on the elections, has had a close call and probably has suffered defeat. The Liberals have a majority of seats. Whether they have the number and material to form a strong administration remains to be seen.

The Binet Tests in a Murder Trial

Means Used for Determining the Mental Age of the Feeble-Minded

By J. W. MACMILLAN.

The Binet tests, as is coming to be generally known, are the means used for determining the mental age of the feeble-minded. The unfortunates can be graded like children in a school. The difference is that what to a child is a stage of growth is to the feeble-minded a destination. Full-grown men and women are thus classified as "possessing the intelligence of four years," or six, or ten, or whatever it may be.

These tests have been found also valuable in certain forms of insanity, where one of the characteristics is mental deterioration. In this case the victim may be mentally traversing his school period backwards. If the normal child is advancing in intelligence, and the mental defective is stationary, the lunatic may be in the act of retreating.

It happened a few weeks ago that a lunatic of this type committed murder in Wyoming. He was a prisoner in a county jail, and was persuaded by two fellow-prisoners to kill the jailer, seize his keys, unlock the doors and release all three. He carried out the first act of the plan and then apparently forgot the rest. He was found after the crime in his cell running about like some excited animal.

At his trial he was pronounced sane by several physicians. They had examined him and found no signs of acute mania. The people of the community were violently prejudiced against him, for he was a stranger and had killed in cold blood an inoffensive friend and neighbor of their own. It seemed likely that the man would swing.

But justice is administered with due order in Wyoming, and the people of the western States are not adamant against innovations. So the prisoner's attorney was able to persuade the judge and jury to allow the psychologist of the State University to apply the Binet tests in open court. The psychologist, as is fitting in the first State to adopt female suffrage, is a woman.

Up to this point it had been generally thought that the prisoner's stolidity was mere shamming. And, naturally, it was expected that he would continue the same deceitful policy; in which case he would either show no interest in the questions put to him and so avoid answering them; or else he would adroitly disguise his answer so as to prove himself possessed of no more than a child's intelligence. The psychologist had to face this hostile expectation.

She had already examined him in his cell, with the help of a specialist in nervous diseases, and had become convinced that he was suffering from dementia precox, a form of disease which induces a lethargic condition and a general passivity of attention. This explained his stupidity in court. He could comprehend only as a child comprehends. And, unlike a child, his interest was not easily aroused. The long polysyllabic phrases of the lawyers, which they had thundered at him in vain attempts to provoke a reply, had passed completely over his head and left him dazed. It was necessary to attract his interest through voice, manner, and personal encouragement. If her diagnosis was correct she was dealing with the mind of a sick child.

She began with the tests for a three-year-old child. If it had not been a matter of life and death it might have seemed ludicrous to put to this full grown man questions which a child of eight or nine would consider absurdly simple. But he answered with the naivete of a small child. He pointed with perfect gravity to his eyes, nose and mouth, when asked where they were.

One question set down for the four-year-old is: "Are you a boy or a girl?" The questioner varied it a trifle, asking him whether he was a man or a woman. He answered hesitatingly, "I dunno, I ain't thought much about it." When the question was put later in the usual form he answered, "Boy."

One of the Binet tests exhibits the capacity of a child to comprehend what should be done in a given situation. Asked what he ought to do if he were going somewhere and missed his train, he said, "I'd run," and he insisted that he could run any distance.

Another test involves seeing the absurdity in a statement. For example, you ask the eleven-year-old child to point out what's wrong in the statement, "I have three brothers—Paul, Ernest and myself." The average child retorts, "He says he's his own brother." In the cell examination the prisoner answered, "He didn't say how many sisters he had." In the court examination he answered, "That's all right."

The effect of the examination was to demonstrate

conclusively that his mental age was that of a child between six and seven years of age. Only an expert psychologist could have "faked" answers so consistently characteristic of a given mental level. The verdict was "insanity" on the first ballot.

Such a scene in a court-room is not only full of dramatic interest, but suggests some disquieting reflections as to possible failures of justice in murder trials generally. We are assured that at least one-fourth of the inmates of any prison are feeble-minded. But how seldom is such an affliction pleaded before judge or jury!

As one thinks of some of the murders which have startled us during recent years one recalls features of stupidity and reasonless brutality which provoke the suspicion that it might have been better if the psychologist had been called in. It is not right for society to hang a man who has no clear conception of what crimes he has committed.

It is palpable that our criminal procedure thinks too much of deeds and too little of persons. No sound understanding of human motives, and no fair re- dress of human misdeeds, can come from a process of measuring off so much offense and matching it with so much punishment. Back of the deed lies always the nature of the man who did it, and, though a certain leeway on account of the variable element in humanity is provided for, the emphasis in criminal trials is all upon the act rather than upon the man. The man is the real problem. Why did he do it? Whose sin is he bearing that he cannot resist sin? Any anti-social act presents an intricate problem. Society should have developed by this time some better solution for it than just to prove that it occurred and then proceed to retaliation.

It has been suggested that an offender should be given two trials: The first, to discover whether or not he is guilty; the second, to decide what sentence he should receive. Doubtless, this is a counsel of

perfection and is too radical a proposal for immediate adoption, at least. But it is a very acute suggestion, piercing to the very heart of the problem. For conviction and sentence are two essentially different things, motivated quite differently, and requiring quite different processes.

It is necessary to prove that a man has violated law before it is just to deprive him of his liberty and subject him to treatment which differs from that accorded other men. This is true whether the treatment be remedial or retributive. If it is not true anyone of us may be arrested at any time and sent to jail, for none of us is perfect. A deputy-attorney-general might plead with entire validity that both we and the community would be the better for our being sent to a reformatory for a period. Indeed, he could prove his case the more easily in proportion to the blamelessness and nobility of his proposed victims. The saints have been always most conscious of their shortcomings.

Here lies the error of the theorists who would cast all notions of retribution out of jurisprudence. When they bring forward their claim that the one theory which should govern the administration of justice is the reformatory theory they are baffled by the question, "On what grounds would you select those to be reformed?"

The conviction and the sentence of any offender are to be sharply distinguished. It is after conviction takes place, when the culprit is proven unfit for liberty that the question is to be faced, "What shall we do with him?"

That question is as deserving of careful and intimate discussion as the question of his guilt. Instead of sentence being declared then and there, on the basis of the evidence as to the crime, a new investigation, on distinct lines, should be instituted. His whole life should come under review. His heredity, his mentality, the provocation to the crime, his probable responsiveness to treatment—all these and many kindred matters should be considered. Then, and not till then, shall we know whom with severity we should destroy, whom with wisdom we should restrain, and whom with hope we may educate.

The Future of Labor in Canada

By W. W. SWANSON, Ph. D., University of Saskatchewan.

Aside from the war, the cost of living and the labor situation are the biggest problems that Canada faces today. Feverish speculation and intense industrial activity were the outstanding features of 1916. It could only be expected that the withdrawal of almost 400,000 men from active industrial work, together with the unprecedented activity brought by war orders, would make for radical changes in the industrial sphere. In two short years Canada has largely changed its economic output and methods; and in the midst of this industrial upheaval a profound change has come over the labor world. This is made manifest by the greatly increased "turnover" of labor, resulting in the shifting of the workers from one industry to another, and in greatly enhanced prices, not only for the comforts but also for the necessities of life. It seems well worth while, therefore, to investigate briefly the present condition and the future outlook of the working classes.

The figures recently published by the Department of Labor, Ottawa, indicate that wholesale prices have advanced to somewhat over 35 per cent. in Canada, and to a like extent in the United States, as against an advance of 73 per cent. in the United Kingdom. Retail prices have made an even greater advance in the case of food, clothing, lighting, heating and rents; but it is difficult, if not impossible, to secure reliable data showing the actual advances for each of these expenditures in different localities throughout the country. The fact that Manitoba has found it necessary to grapple with this question indicates only too clearly that wages have not kept pace with the mounting cost of living; and if, the pinch is felt in the West, conditions of life for the working man must be even worse in the crowded industrial towns of the East. It is not enough to say that wages have been greatly increased in most industries, for even so they lag behind increasing prices. Moreover, a large class in the community, including teachers, ministers, clerks and municipal employees, and all others working on a salary basis, are, in general, being paid on pre-war schedules. If artisans and skilled mechanics wince under the pressure of the cost of living, the condition of the other classes named must be, and is, much worse.

The working classes in Canada cannot be criticised

for demanding shorter hours and an advance in wages under these conditions, especially when manufacturers and government contractors are drawing down extortionate profits and are cashing in on the war. While many large capitalists are capitalizing their patriotism today, western coal miners and trainmen can hardly be blamed for demanding at least the right to a decent economic existence. It is, therefore, good news that comes from Ottawa to the effect that a survey will be made of Canadian industries to supplement the recent stock-taking of Canada's labor power. The suspicion must not become a reality that in any class in the Canadian community, "Patriotism is the last refuge of a scoundrel."

There has been practically no unemployment of an involuntary nature in the country during the past year; but there has been, as already said, much shifting of workmen from place to place, and therefore much loss of labor power. It is essential that steps be taken now to prevent economic loss from this source, and especially to prevent a general breakdown of Canada's economic organization at the close of the war. It should be freely recognized that as long as wages lag behind increasing prices the workers will be dissatisfied and that industrial upheavals will take place in the labor world. If past experience proves anything it goes to show that there will be no rapid fall of commodity prices at the close of hostilities; but that there will be, on the contrary, a decided advance in certain directions, and especially for those materials that will be needed for the rebuilding of the destroyed economic equipment of northern France, Belgium and Poland. Nor is there any prospect that food prices will fall at the close of the war; for large masses of men will be withdrawn from agriculture for construction work in the mines and on the railroads and other engineering projects of those countries now within the war zone. It remains to be proved, also, whether those men who have lived the open life in the field for two years and more will determine to settle upon the fertile vacant lands of Canada and the other British Dominions. It is probable that, on the contrary, many of them will have had a surfeit of rough life in the open and will be glad to return to their old work in office and factory. However, that may be, it yet remains true that food production is not keeping pace with

the growth of population; and for that, and other reasons into which it is not possible to enter at present, consumers cannot look forward with much hope to any decrease in the prices of food and other products. If this be true it is doubly necessary to maintain wages in Canada on a high level if the standard of living of the people as a whole is to be safeguarded; and that, we submit, is the biggest question that this country must face in the immediate future.

According to Baron Shaughnessy it will take at least a year to return Canada's fighting forces to the Dominion; and therefore no increase in immigration from Europe need be expected for the first year or two after the close of hostilities. But all signs point to the fact that Canada will have an unprecedented influx of home-seekers from the Old World during the next decade; and that in fact Sir Wilfred Laurier's aphorism will be realized—"The twentieth century belongs to Canada." But this immigration will merely accentuate our labor difficulties, unless some definite plan be formulated to deal with it. The United States even now furnishes us with a striking example of what Canada must face in the near future. With immigration cut off from Europe northern manufacturers have been drawing tens of thousands of unskilled, low-priced, colored labor from the south, thus menacing the social conditions—including hours of labor, wages and the standard of living—of northern workmen. We believe that it is a good thing not only for the unskilled colored worker, but also for the laboring class as a whole in the United States, that these workmen are being drawn north; for the deficiency in labor in the southern states has already resulted in material betterments being made in working conditions and in wages for labor. In the end the standard of living for the whole people will be raised as a result of this shifting of the labor force. In the meantime northern workmen complain bitterly of the competition offered by this unskilled colored labor; and if such be true in the republic, where only its own people are concerned, how much greater is our own problem, where Canadian workmen will be subjected to the competition of low-priced labor from Europe.

Already in some quarters in Canada it is suggested that immigrants hereafter be subjected to a literacy test, in order that only the better classes, accustomed to a fairly decent standard of living, be admitted to the Dominion. The solution of the question, however, cannot be found in that direction, but rather in the speeding up of the country's industries and the utilizing of its economic equipment to such a degree that there will be work for all at such wages that the Canadian standard of living will be safeguarded and maintained. The old "lump of labor" theory, that there is only so much work to be done in the world, or even within one country, should be relegated to the scrap heap of forgotten things. Only the surface of Canada's agricultural and other natural resources has been scratched; and if our industrial leaders, together with the various governments, provide the people with leadership and a bold and enterprising economic policy there will be abundant work for all. This is not to say that unemployment may not arise within a certain industry; but it is maintained that unemployment as a whole is as disgraceful to a nation as a general and universal outbreak of preventable disease. The municipality which is typhoid-ridden today is justly held up to public reprobation; and in the future that state will be held equally reprobate that callously denies to men who are willing to work the right to work.

In conclusion it may be said that the present prosperity in Canada and the United States alike is largely factitious in nature. It has brought with it overcrowding of workmen in many industrial plants, as well as overspeeding in industrial processes. A recent very thorough investigation in the city of Detroit proves that high wages have created only a mirage of labor prosperity, for the increased wages have been more than absorbed in increased rentals and increased prices for food, clothing and other necessities. We have already touched upon the fact that some commodity prices and especially food prices will rise rather than fall at the close of hostilities, although there will be sharp decline within each group itself. Several factors combine to make the reduction of the cost of living exceedingly difficult, if not impossible, in the immediate future; certainly as long as the present unprecedented output of gold continues it will be a hard fight to maintain prices in the immediate future at pre-war levels. At the same time much can be done, especially in formulating fair tariff schedules and in breaking up the iniquitous combines that have got the country by the throat, in lowering, and in preventing for the future, an increase in, the cost of living. But all that is another story.

Dominion War Bonds With Interest Payable at New York

By H. M. P. ECKHARDT.

Unofficial dispatches from Ottawa during the past two weeks intimated that the new domestic war bonds would be payable at New York as well as in Canada. In the case of bonds issued by the Canadian provinces and by the larger cities, this optional payment in New York has materially improved the market for the securities through increasing their attractiveness in the eyes of American investors. When bonds are so drawn, the obligant undertakes to pay the interest and principal at either place according as the holder elects. There is consequently some uncertainty as to where the coupons will be presented. As a rule the greater part of the provincial and city bonds containing the optional payment clause are sold in the United States, and most of the coupons come to the New York redemption agents for payment. Thus the obligant is obliged to provide New York funds for the amount so redeemed; and if the exchange market is adverse to Canada this may involve considerable expense.

Let us take note of the various points which the Finance Minister would have to consider while deciding the question of how the war loan bonds should be domiciled. In the first place he wishes to have the widest possible demand for the new securities so as to ensure successful flotation. The domestic market is gradually broadening—each successive loan made at home sees an increased number of subscribers; and the measures taken to popularize the war savings certificates and to encourage purchases of the 5 per cent debenture stock, tend to continually widen the circle. Perhaps nothing more could be done to increase the home demand. The hearty co-operation of the banks and the brokers has already been enlisted in the case of the preceding loans, and they will use all efforts to promote the success of the new issue. The thought would present itself, however, that means might be found for stimulating or increasing the demands from the United States. It is generally understood that the American subscriptions to the first two loans amounted to something like \$20,000,000—say \$10,000,000 to each loan. These foreign subscriptions came along because the subscribers realized that Dominion Government ten and fifteen year bonds, purchasable on a yield basis of 5½ to 5¼ per cent, constituted a good safe investment with attractive speculative possibilities, and also because many of them desired in this way to express their sympathy with the cause of the Allies and their appreciation of the part played in the war by Canada. There are no means of estimating the extent to which our war financing has been facilitated or helped by the actively favorable sentiment of substantial men and women in all parts of the United States. It has found expression in various ways during the past two or three years. For example, our friends on the other side of the international line have sent along a surprisingly large amount of subscriptions to the Canadian Patriotic Fund. Last year on completion of the Toronto campaign the Globe published a list of the American subscriptions, and as there were several hundred names with individual amounts ranging from \$10 to \$10,000, it will be seen that the support was quite substantial.

In view of the experience of our provinces and cities above referred to the advantages and disadvantages of making the bonds payable in New York would therefore receive careful consideration. From the American investor's point of view, bonds so payable would be practically on the same footing, as regards collection of interest and principal, as the bonds comprised in the issue of five, ten, and fifteen year Dominion securities marketed in New York in April, 1916. They could be collected with practically the same facility as the bonds of United States cities, towns, etc. Holders would be unaffected by fluctuations of exchange. The February flurry in New York exchange served to illustrate how an adverse situation might cause annoyance to American holders of our bonds having interest and principal payable in Canada. In February the premium on New York funds between banks, as quoted in Montreal and Toronto, ranged from ¼ per cent. up to 1 per cent. Suppose that on April 1st, 1917, when the first coupon of the second war loan matures, the premium is above ½ per cent. At that date the coupons attached to the \$10,000,000 or \$15,000,000 of bonds of this

issue held in the United States will be coming forward to banks in Montreal and Toronto for collection. Some American holders of these bonds are protected by arrangements made with Canadian bond houses, whereunder the coupons are redeemable at one or other of the Canadian bank agencies in New York at ¼ per cent commission. The banks or parties redeeming in New York at that rate coupons payable in Canada, when New York funds were quoted at a much higher premium, would lose on the transaction, as it would amount to selling New York exchange at prices far below the prevailing market; but doubtless their belief is that such a situation will not occur more than two or three times during the currency of the bonds. If no special arrangement covers the coupons remitted by American correspondents, the Canadian bank branches would probably charge exchange at market rates in settling for the items; and perhaps in many cases the American bank would charge this special item to its customer.

If relieved entirely from possible annoyance of this kind, American investors should be more favorably disposed towards our domestic loans. Our bond dealers and their representatives at the United States centres could push their selling campaigns more vigorously and with enhanced prospects of success; and we might perhaps look for a market in that country for considerably more than the \$10,000,000 sold there on the last occasion. On the other hand the clause providing for optional payment in New York, when made part of the contract in connection with a large Dominion loan, has a tendency to increase the cost of operating the loan. When the contract provides only for payment at any banking point in Canada, the problem is simple. All bank branches pay the coupons at par and forward them to the designated central point where they are charged to the Dominion Government's account. Assuming that the paying branch had authority to cancel the coupon on paying it the expense of forwarding the items to the central point would not be great.

Where domiciling at New York might involve the Treasury in extra expense, is during periods of adverse exchange. The optional clause necessarily would have to apply to the whole of the issue—it would not do to have any inequality or preference as between the several classes of holders. So the Canadian holders as well as the Americans would presumably have the option of collecting payment in New York. Unless the contingency is provided for, it might work out as follows: Let us say that New York funds at maturity of a coupon are at ¾ per cent premium. An investment corporation in Canada holding a large amount of the bonds, say \$500,000, finds itself with \$12,500 in coupons payable at New York if the holder so elects. By collecting them through New York the company might make, or save, \$93.75. This would apply to banks and other corporations or parties having facilities for realizing the market price for foreign exchange. Thus in case of a large premium on American funds the Government might be obliged to provide funds in New York for a considerable part of the interest on the bonds. Much would depend on the attitude or practice adopted by the banks. If it is the general understanding that the coupons might be treated as either Canadian or American exchange, then many of them would be cashed in the market that offered the best advantage. However, it might be the case that negotiation of the coupons in the United States would make the owner liable for the American income tax; and if it involved the payment of 2 per cent to the Washington Treasury, there would be no inducement to collect through New York unless the premium on New York funds were above 2 per cent.

The governments and municipalities obligating themselves to pay coupons in New York are theoretically liable to have the funds at their credit, at date of maturing; in the New York bank acting as redemption agent. This, of course, necessitates purchase of New York funds at the market rate—if the obligant does not already own balances in New York of the requisite amount. Sometimes the operation is worked through the obligant having funds at Canadian bankers in Montreal or Toronto, with arrangements for New York agents to pay and charge to Canada bank's account, the latter charging up the item to its customer with exchange at current rate.

Banking and Business Affairs in the U.S.

By ELMER H. YOUNGMAN, Editor Bankers' Magazine, New York.

(Special Correspondence of The Journal of Commerce).

New York, February 24th.

Few recent events in the United States have better illustrated the prevailing National passion for excitement than the agitation growing out of the alleged food shortage caused by the recent partial tying up of traffic. Of course, there is no real food shortage in New York or other large cities. There is a lessened supply of some articles and high prices for these, and indeed for many kinds of food. But there is no real scarcity of supply so far as relates to the necessities and even the luxuries of life. High prices have no doubt caused great inconvenience to many and some suffering to a few, but not to an extent that justified the hysterical outbreaks that have taken place in several cities. The whole thing is more or less of a tempest in a teacup. Compared with what the warring nations have undergone, it is not only ridiculous but contemptible. This agitation may serve a good purpose, however, if it calls attention to present imperfections in methods of producing and distributing food. That farming itself has long lacked the systematic application of business methods employed in other lines of industry is indisputable. The means of distributing farm products are still in most respects archaic and in need of sweeping improvements. To these matters the agitation of the hour may serve to direct attention, although if any more exciting event should thrust itself suddenly upon public attention, the whole thing would most likely soon be forgotten. While the present excitement lasts, it affords the newspapers a fresh topic and gives an additional opportunity to many who are always eager to court notoriety. But the problem is not wholly lacking in serious possibilities, especially should the country become involved in war. There are a few thoughtful men who are advised of this and who are giving careful and intelligent attention to the matter.

National Banks Prospering.

Official announcement of the net earnings of the National banks of the United States for the year 1916 showed that never in any other twelve month period have these institutions been so prosperous. Their earnings, both gross and net, are the largest ever reported. This is a matter of considerable interest and importance, for many bankers have believed that the effect of the Federal Reserve System would be to impair the earnings of the National banks. That this has not been the case, at least in the past year, proves that this view may not be correct. It does not, however, conclusively settle the matter. The year 1916 was an abnormal one in many particulars, and the volume of banking business so large that the expense accounts became relatively less. Rising values also tended to reduce losses from depreciated securities, and the general conditions have been extremely favorable. The rate for money has ruled low for some time, and the fact that in spite of this the banks have made unusual profits indicates that the greater ability the banks now have for granting loans may offset the lower rate.

Some present factors, as compared with the conditions prevailing before the new law was enacted, make for greater banking profits. The lessened reserve, the added savings and trust functions, the rediscount and acceptance features and other innovations all tend to greater banking profits. But perhaps, as already indicated, the chief advantage the banks now have over former conditions consists in their greater power of loan expansion.

There are, of course, some offsets to these advantages. As the banks surrender their circulation privilege, they will lose that slight profit. In the case of the banks in reserve and central reserve cities they have lost the use of a considerable volume of banking funds; on the other hand, the country banks, so-called, have lost the interest they formerly received on these funds. But the net loss in this respect does not appear to have been material. The figures of the Comptroller of the Currency show that in the last six months of 1916 the National banks earned at the rate of more than seventeen per cent on capital and over ten per cent on capital and surplus.

Foreign Trade Movement.

Again all records for a single month's trade have been broken by the January figures, imports being \$241,674,851 and exports \$613,441,020. The excess of exports was \$371,766,169. It seems probable that the figures for succeeding months will show a marked reduction from this record. In the first place, the rise in prices must operate somewhat to check ex-

ports—an economic law whose workings have been partially obscured by Europe's urgent need of buying at whatever price might be demanded. Nevertheless, the law is still in operation and not without effect. The tying up of shipping on the Atlantic seaboard on account of the submarine war is also holding back a large bulk of products designed for European exportation. Furthermore, the restrictions which have been placed on importations of many kinds by the United Kingdom will also reduce our exportations, though the loss from this source will not be very great, for the reason that we have not been exporting to Great Britain very heavily in any of the prohibited lines. That Great Britain will not stop the importation of the prominent food staples produced here and exported, goes without saying. Curiously enough, however, there are suggestions being made and finding some favor in this country for the United States to lay an embargo on food exports. The effect of this on reducing prices might be less than commonly supposed, for the reduction of demand which such a policy would entail would tend to discourage production.

Cause of High Prices.

Expert opinion differs as to the cause of high prices of food products. The withdrawals of millions of men from the ordinary channels of production and their employment in military operations may be set down as a prime cause. Not all these men were taken from the ranks of those who were either producing or distributing food, but enough were drawn from these employments to have a very marked effect. And the demand for enormous food supplies without much regard to price also had its effect. There has also been a world-wide falling off in some important crops. Paper money has likewise tended to enhance prices. In this country there are economists of reputation who blame the greatly increased stock of gold for the tremendous advance; extravagance in the style of living has also played its part. Doubtless psychology has had some effect. When everybody talks, reads and writes about high prices, they are apt to be high.

How long the present state of affairs will last, no one can tell. Until the war closes, most likely, though a panic might cause an earlier break. The probabilities are, however, that not until some years after the restoration of peace will prices go back to their former levels. The inflated currencies cannot be immediately reduced, nor will armies melt away rapidly. Business must adjust itself to a higher scale of prices as one of the many penalties which war inflicts. Locally, in the United States, a bad situation has been aggravated by lack of means of transportation. China has for centuries been exposed to the devastation of famine because of lack of means of getting food from one district to another. We are not exactly in the position of China, yet the resemblance is greater than might be supposed at first thought. The country has advanced in all directions in recent years save in that of railway building and equipment, and that is one reason today why certain localities are complaining of food shortage in a land of plenty.

The Gold Movement.

January's importations of gold—\$58,926,258—were about \$100,000,000 below the figures for the preceding month. But the December, 1916, imports—\$158,620,681—were the largest in the country's history. The excess of gold imports over exports for January was \$38,206,360. For the year ending with January, 1917, the total imports were \$729,903,260 and the exports \$166,299,308, making the net imports \$563,603,952, compared with total net imports of \$419,118,498 for the twelve months ending with January, 1916.

While the metallic movement has brought into the country in the last two years so large a net amount of gold, there has been a net exportation of silver, the figures being for each of the years ending with January respectively, 1915, \$26,853,552; 1916, \$18,998,077; 1917, \$33,089,202.

It hardly seems possible that the gold flood will continue pouring in during the present year as it has done in the past two years. To begin with, the purchases of the Allies are likely to grow less, since their heavy requirements for the first part of the war must have been by this time measurably met. Nor is it likely that the United States can keep up the rate of exportation heretofore prevailing, even if called on to do so. Home requirements are increas-

ing, and should the country become involved in war this demand will grow.

The bankers would be quite well satisfied to see a lessening of the inward gold movement, as many of them feel that it has already progressed further than is healthful. There is, however, a strong desire on the part of the Federal Reserve Board to accumulate a larger share of the country's gold stock in the hands of the Federal Reserve Banks, so that these may be in the strongest possible position to combat the adverse gold movement when it begins. Amendments to the Federal Reserve Act, having this end in view, are now pending in Congress and will probably become law before the close of the present session.

Public subscriptions to the new Farm Loan Banks failed to provide more than \$130,000 of the \$3,000,000 capital required, and the balance will have to be made up by the Federal Government. In announcing this result the Farm Loan Board has set forth that since the stock is redeemable at par, and that within a year or so the banks would repurchase the stock from original holders, public subscriptions were not desirable.

That there will be a demand for the facilities which the new banks offer appears from the announcement that already applications have been filed for loans amounting to some \$150,000,000 or several times the sum available for lending when the banks are opened. While some of the existing financial institutions have contended that they already furnish all needed accommodations to farmers, these figures seem to indicate that the farmers think otherwise. In some parts of the South and West the new banks will be made use of, and it is possible that most of the demand already reported comes from these sections.

The ability to borrow from institutions fathered by the Government no doubt strongly appeals to those who have come to look upon Washington as a source of more or less benevolent assistance. How the plan will work out can only be shown in the light of experience. If the new loans are largely used in the purchase by farmers of additional tracts, this may increase the price of land and the price of the products of the land as well. On the other hand, if the loans are employed in developing the productivity of present farms, land speculation will not be encouraged and the added output should tend to keep prices down.

From a purely political standpoint it was practically impossible to resist the demand for the New Farm Land Banks, for had Congress stopped with the Federal Reserve System, which did indeed offer some benefits to agriculturists but was designed chiefly to benefit the commercial community, it would have been regarded as an oversight of the country's vast farming interests.

Whether the slight falling off in bank clearings has been due to the partial freight embargo, or whether it indicates a general slowing up process of business, can hardly be determined as yet. But there were some indications of a slackening pace of business even before the submarine situation grew acute. For the week ending February 24th bank clearings in the United States aggregated \$4,496,799, against \$4,947,149,070 for the preceding week and \$3,934,008,917 for the corresponding week of last year. Bank exchanges are not always a trustworthy guide as to the volume of industrial and mercantile business, for occasionally there are spurts of activity in stock trading which swell the figures abnormally for a brief season. But these statistics, taken over long periods, do afford a fair gauge of business activity, and they are therefore watched with keen interest, especially so in a time like the present, when business has been proceeding at a swifter pace than usual.

It becomes a question, even if business has begun to slacken, whether this will be a permanent tendency or only temporary. Of course, there can be a very marked recession before the country gets back to its normal state. In the subsidence bound to take place now or at no very distant date, a gradual slowing up rather than any sudden stoppage may be expected. Outside a few war stocks, constituting but a small percentage of the mass of securities, there has not been much speculation, and many really first-class securities are now selling at low prices. Nor has there been any rampant speculation in lands or other investment properties, though prices of some commodities have risen so high as to invite speculation in them. Yet so great is the country's purchasing power, these commodities are likely to be absorbed even at the high prices now ruling. If one may judge by these indications, the prospect of the business readjustment which must take place in the near future may be viewed with composure.

Mentioned in Despatches

JOSEPHUS DANIELS, Secretary of the United States Navy, may soon have a chance to put into practice some of the innovations which he established in connection with the United States Navy, during the four years he has been at its head. Daniels has come in for much ridicule and severe criticism as a result of the so-called namby-pamby methods he has adopted. Before joining Wilson's cabinet he was editor of a North Carolina paper; he is also a lawyer. Daniels was born at Washington in 1862.

MAJOR-GENERAL GARNET HUGHES, only son of Sir Sam, is to have command of the Fifth Canadian Division, which is now being organized in England. Gen. Hughes went overseas with the first contingent as junior major in the 16th Scottish Battalion from Victoria, and has won steady promotion until he is now given a division. Young Hughes is still in his early thirties and is therefore one of the youngest generals in the British Army. He was educated at the Royal Military College, Kingston, and then took up engineering work, always taking a keen interest in and retaining his connection with military matters. He is regarded as a particularly efficient soldier.

EMPEROR CHARLES OF AUSTRIA, has fired Field Marshal Archduke Frederick, who has been in command of the Austro-Hungarian army, and has taken the post himself. The Archduke is made second in command. The new Austrian Emperor has had an excellent military training, and what is perhaps unique among sovereigns, is a skilled aviator. Before he ascended the throne he used to make frequent trips over the lines guiding his own aeroplane. The Emperor is also an enthusiastic huntsman, and in general is fond of athletic sports and of out-door life. He is said to be at odds with the German Emperor over the question of peace.

COL. E. M. HOUSE.—With President Woodrow Wilson again flirting with peace, his ambassador at large, Col. E. M. House, again comes into the limelight. About a year ago Col. House was sent to the warring nations at the special request of President Wilson, and obtained a lot of first-hand information regarding their economic conditions, their armies, etc. Since that time he has been acting as a confidential adviser of the President and has been continually with Wilson during the past few weeks. He is a Texan by birth and was educated at Cornell, but for the past few years has been an active politician on the Democratic side. He was the man primarily responsible for having Wilson nominated for the presidency in 1912.

MAHARAJAH JAM SAHIB.—Indian soldiers, and especially the Rajahs, have been rendering splendid service in the war. Recently, three Victoria Crosses and several French and Russian decorations were conferred upon Hindu soldiers, and a few days ago, King George bestowed the Order of the Star of India on Maharajah Jam Sahib of Jananagar, a man well known in the sporting world. The Maharajah was educated in England, and was known at Cambridge as "Rum, Gin and Whiskey," this being a corruption of his many names and titles. He achieved great fame as a cricketer and toured Australia, New Zealand and the United States with cricket teams. When the war broke out he took up the more serious task of raising, and equipping at his own expense a battalion of infantry and two squadrons of lancers. He also contributed 200 additional horses and 15 motors.

FREDERICK FUNSTON.—The United States has lost its best known and most experienced military man in the person of Major-Gen. Frederick Funston. The late general was born on a farm in Kansas fifty-two years ago, but as a lad went to the city where he became a reporter, then went into railroad work and became famous as an explorer and as an adventurer. He saw service in the Cuban war, where he was wounded, then went to the Philippines, where he captured Aguinaldo, the leader of the Philippine insurgents. Two years ago he occupied Vera Cruz in Mexico and administered the city and district for some months. Since that time he has been stationed along the Mexican border in command of the American troops. Funston was known as "the little man of war," and "the bantam of the army," but had all kinds of "pep" and courage. He was almost as well known as a botanist as he was as a military man.

MR. J. E. LEONARD, former Member of Parliament for Laval, has been appointed Postmaster of Montreal in succession to the late J. G. H. Bergeron, Ex-M. P., whose death took place a few weeks ago. The new Postmaster was born at Ste. Rose, P. Q., in 1872, and was educated at Laval. He was first elected to Parliament in the Conservative interests in 1900 but was defeated in 1908 by Mr. C. A. Wilson, M. P. Mr. Leonard is a lawyer by profession, dividing his interests between his native county and Montreal.

MR. J. A. McLEOD.—Scotchmen seem to have an innate fondness for banking and at frequent intervals we read of a son of Scotia becoming head of one of our banking institutions. Mr. J. A. McLeod, who has been made assistant general manager of the Bank of Nova Scotia, is a case in point. Mr. McLeod was born at Summerside, P. E. I., and entered the bank of which he is now second to head, as a junior some thirty years ago. He has had a wide and comprehensive training, including service at St. John's, Newfoundland, Boston, Havana, Chicago, and the head office, where he was chief superintendent of branches for the past few years.

SIR DANIEL H. MACMILLAN, who has resigned the presidency of the Northern Crown Bank, was Lieutenant-Governor of the Province of Manitoba from 1900 to 1911. The Ex-Lieutenant-Governor was born at Whitby, Ontario, in 1846, and has been living in Winnipeg since 1870, where for many years he was a prominent figure in financial circles. Sir Daniel got his first taste of the West through the militia, serving in the Fenian Raid, in the Red River Expedition, and the Northwest Rebellion. He was knighted in 1902. He has resigned from the presidency of the bank owing to his absence from the city of Winnipeg, and on account of his age.

LIEUT.-COL. RICHARD GREER, of Toronto, who went overseas in command of a Sportsmen's Battalion recruited in Toronto, has given up his command and accepted lower rank in order that he can get to the front. A change has been made that a great number of Canadian officers holding the rank of major and colonel have preferred to stay in London rather than accept lower rank and go to the front. The breaking up of battalions into drafts has left a number of higher officers without commands, and Col. Greer shows that he is a good "sport" by taking lower rank and going to the front. For years he has been a prominent figure in Toronto's amateur sporting circles, and recruited his battalion in record time.

THE HON. RALPH SMITH, one of the ministers in the Brewster Cabinet in British Columbia, who has lately died, was one of the brightest minds in Western Canada. No one who has ever seen Ralph Smith in action will ever forget his knowledge of economics, his forensic skill, and his unfeeling good humor. The late Mr. Smith was born at Newcastle, where he imbibed all the Radical tendencies of that coal mining district. These he brought with him to Canada and soon became a big force in the social, political and industrial life of his adopted province, British Columbia, where he became a miner. He served for a time in the local legislature and then went to Ottawa, but was defeated at the last election. He was elected and given cabinet rank in the recent British Columbia elections. He was in the very prime of life, and gave every evidence of being one of the most useful men in public life in Canada.

JOHN ROSS ROBERTSON.—One of Canada's best known and ablest journalists has just refused both a knighthood and a senatorship. John Ross Robertson, publisher of the Toronto Telegram, has declined both honors, although no man in journalistic work in the Dominion deserves honors more than the veteran head of the Telegram. John Ross Robertson was born in Toronto in 1841, educated at Upper Canada College, and has lived all his life in his native city, founding and building up one of the largest, most influential and most profitable journals in the Dominion. For a time he represented his native city in Parliament, but soon gave up the forum for his editorial desk. Apart from his journalistic activities he is best known for his many gifts to the Sick Children's Hospital in Toronto, for his collection of paintings and prints relating to the early history of his native city, and for his wholehearted desire for the civic betterment of Toronto. He is also a prominent Mason, being a former Grand Master of the Grand Lodge.

HENRY FORD is again in the limelight. Over a year ago he managed to get on the front pages of the papers by announcing a scheme to get the "boys out of the trenches by Christmas." He chartered a ship and took a lot of peace fanatics across, to Europe, with him, but nothing came of the expedition, and Mr. Ford and his party received a good deal of ridicule. Now Ford has offered to build submarines and make automobiles for the U. S. Government if they break off relations with Germany. He evidently believes in extreme measures. Also he has an overweening desire for publicity which appears again to have gotten the better of him. Ford was born in Michigan in 1863, and became a machinist, becoming in time chief engineer for the Edison Illuminating Company. Some fourteen years ago he organized the Ford Motor Company, the largest automobile concern in the world.

MENELIK'S SUCCESSOR.—Abyssinia was put on the map by the late Emperor Menelik. Several years ago he fought a successful war against the Italians and soundly trimmed the fighting forces of the Italian king. After Menelik's death troubles came to his country. His daughter succeeded him, but civil war broke out, the grandson of Menelik coming under Turkish influence and making a special effort to succeed to the throne. Lately some very heavy fighting has been going on, with the result that at least 25,000 men have been killed. As a result of all the fighting Empress Jauditu, daughter of Emperor Menelik, holds her job as ruler of the country. Evidently this new woman has inherited all the fighting attributes of her famous father. The defeat of the rebels is another knock-out blow to Turkish influence in Northern Africa.

TALAAAT PASHA.—With the probability of a diplomatic break between the United States and Turkey, grave apprehension is felt in the neighboring republic over the fate of the American missionaries and teachers scattered throughout Armenia and other parts of Turkey. Armenian massacres have been going on since the outbreak of hostilities, despite the protests and efforts made by the United States to stop these atrocities. Added fear is given to the safety of Christians in Turkey through the appointment of the infamous Talaat Pasha, who has been appointed grand vizier. Although previously occupying a minor post he is the man primarily responsible for the Armenian massacres. The report made by Lord Bryce proved conclusively that he was the instigator of these charges which Talaat does not attempt to deny. Talaat Pasha is described by La Marquise de Fontenoy as "a loathsome looking Levantine of the worst type, very obese, with a huge pendulous abdomen, puffy cheeks, and double chin, and shoulders that are broad with unwholesome fat, rather than with muscle; he is voluble, and whereas formerly he was intensely obsequious and fawning, especially when he headed the delegation of the new Turkish Parliament in 1909, on the occasion of its visit to London, Paris and Rome, he is now arrogant in the extreme and the personification of oriental tyranny in its most cruel form. A man of obscure birth and of no breeding whatsoever, Talaat was a subordinate clerk in the general post office at Saloniki when the rising against Sultan Abdul Hamid first started there. He quickly made himself conspicuous by his extraordinary loquacity and by the persistence of his oratory. In fact, he spoke so much that the people of Adrianople selected him as one of their representatives in the newly constituted parliament at Stamboul, where, ere many weeks had passed, he had spoken and intrigued himself into one of the vice-presidencies of the chamber. It was in this capacity that he visited the European capitals and was most enthusiastic and extravagant in his professions of devotion to Great Britain and to France. Moreover, he seems to have completely hoodwinked poor Sir Gerard Lowther, who was untutored in the wiles of Stamboul politics, and who believed that he could rely upon Talaat. Germany, however, had taken the measure of the man, and by means of a timely gift of money—the sum generally mentioned is \$800,000—was able to purchase Talaat, body and soul, since which time he has been absolutely subservient to the Kaiser, even more so than Enver. For whereas Enver has a high idea of his own importance and gifts, both as a military commander and as a statesman, and as a Damad or consort to one of the imperial princesses, and is disposed to impose his authority upon German officers and to resist their will, Talaat, who frequently visits Berlin and the Kaiser's headquarters, is Emperor William's obedient instrument. Talaat is probably the wickedest and most sinister figure of that precious Young Turk party, who have brought the Ottoman empire into its present predicament."

Public Opinion

MAKING BETTER TIME.

(Hamilton Herald).

A British army is now traversing the region through which the children of Israel wandered after their exodus from Egypt. But the British army is making better time than the chosen people made.

BADGES OF GREATNESS?

(From the Hamilton Times).

Knighthood is becoming a little too common in Canada. When we notice alongside of these barons and lords plain Mr. Lloyd George and Mr. Asquith, we wonder whether these titles are badges of greatness or not.

A LESSON IN A STORY.

(New York Times).

One of the most prominent men in Wall Street, who has been over much of the European battlefield in recent months, was asked recently if the United States should act independently of the allies if war comes to this country. "If I owned a frame house in the middle of a row, and a bad fire broke out in the end house, I might get my furniture together and pour water on the roof, but most of my efforts would be devoted to helping the men who were fighting the fire at the end of the row," he replied.

PATRIOTS OF FRANCE.

(Calgary, Daily Herald.)

The Roman Catholic priesthood of France is showing itself thoroughly loyal in the national hour of need. Two thousand of them are serving as soldiers in the army, while 600 Jesuit priests came back to France when the war started to do their bit, 120 of them having been already killed. Apostles of peace, they know better than to be blinded by the spurious kind being offered by Germany.

TOO PROUD TO SAVE.

(Philadelphia Ledger).

As a people it is not to be denied that we are proud of our sons and daughters. Other nations hold up their hands and exclaim over our costly leavings. A provincial French family could easily subsist on what the average American family throws away. We raise our voices in justified protest against monopolistic robber barons of the food markets. But we do not check the waste from our own back door.

RESOURCES COMPARED.

(Boston News Bureau).

Were the United States to go to war with Germany, there would be under the banner of the Allies over half the entire human race.

Pitted against these eight hundred millions would be about one hundred and fifteen millions following the Hohenzollern flag.

The population of America alone almost matches that of the Teutonic bund.

In wealth the United States overtops that of Germany, Austria, Turkey and Bulgaria combined by at least 75 per cent.

YOU MAKE WHAT YOU BANK.

(New York Commercial).

One day in the summer of 1915, when buying binder twine in an Iowa hardware store, a farmer bewailed the amount of twine his big crop forced him to buy. To-day a million farmers are grumbling about the high cost of agricultural implements, yet, measured in bushels of wheat or corn, agricultural implements are cheaper than ever before. When a business or professional man says he made \$2,000 last year, he means that he earned that much and had to spend most of it for living expenses of himself and family. When a farmer admits that he made the same amount or any other amount last year he means that he put that much money in the bank after paying living expenses, buying an automobile, roofing the barn and seeing the circus. Figures don't lie, but there is a lot of difference between the way farmers and the rest of us figure earnings and profits—and farmers figure on the right side at that.

SAVING DAYLIGHT.

(Exchange).

Organized labor, through the American Federation, approves the proposal to push the clocks ahead an hour for the five months beginning the first of May.

Some people claim that there "is much to be said in favor of the daylight-saving plan," but we can't work up much enthusiasm on the subject. It is bad enough to have to get up early, let alone making the clock tell a lie about it.

REASON TO TREMBLE.

(Los Angeles Times).

Mrs. Laura J. Starcher, who defeated her husband for Mayor of Umatilla, Ore., has an Adamless city Government. The Recorder, Treasurer and four Council-women are all of the feminine persuasion. Ex-Mayor Starcher is trembling in his boots, for his wife threatens an official investigation into his conduct while Mayor, and a prison cell yawns for him.

COSTLY VACILLATION.

(Wall Street Journal).

If one thing is made luminous by history, it is that, of all bloody wars the bloodiest, of all civil revolutions the longest, have been traceable directly to indecision, irresolution, fear of mistake, fear of consequences, wavering dalliance before the oncoming storm, as though summer had not gone and the sun had not crossed the line.

Future historians will place much of the responsibility for our own Civil War on the shoulders of Pierce and the neutral, plausible Buchanan.

Our present Administration of timorous wavering lest we do something effective, take a step that might imperil us, or say something to elicit a sharp answer, has worked round to the point where it has debarred itself from talking with Germany. After great laborings and searchings of conscience we have decided to let our merchantmen go armed as they did 118 years ago. As for ourselves, we are so placed now that we can't talk and won't fight.

In this mortifying attitude we are suddenly confronted with an invasion of New Mexico by Villa, heralded by a massacre of Americans within their own country; an embargo by Carranza proposed; and a revolution in Cuba.

If our Mexican policy had commanded respect, would we to-day have the excellent prospect of a most unseasonable military expedition to Cuba, or would Mr. Wilson's appeal to neutrals have met with so much anxiety and indifference of opinion in South America?

Diplomacy which offers a continual alternative of words, words, words, to both the quick intuition of the Mexican mind and the more ponderous processes of Prussian digestion, in the same breath can announce its ignominious failure with both; the Atlantic a sea closed to all but ruthless murder; distrust on good grounds of our staunch friend Carranza; armed invasion of New Mexico; and Cuba's disdain of our moral suzerainty.

A future pregnant with the promise of real trouble and perhaps immeasurable loss is the price of bold words and shaking fingers in both hemispheres.

SHE ADMITS IT.

(New York Sun).

Germany is fighting for the freedom of the seas and the sanctity of international law. This the world knows because Germany admits it. The present situation confirms Germany's position, as anybody can see, for:

Germany orders neutral ships to paint themselves up like barber poles in the best style of German art;

Germany decrees how many neutral ships shall sail from and for their home ports each week;

Germany sinks neutral merchant ships at sight without stopping for warning, visit or search;

Germany orders neutral ships not to arm themselves for protection against pirates;

Germany amends international law overnight in time of war, as suits the exigencies of her own cause.

Plainly, therefore, Germany is the defender of freedom of the seas, the guardian of international law.

The Financial Situation in Europe

(Finance and Commerce, New York).

The economic strains to which the belligerent nations of Europe are being subjected as a result of the war is becoming increasingly apparent. Little is known of the conditions that exist in Germany but they must be distressing. The Brooklyn Eagle has recently published a dispatch from Berlin in which the German potato shortage is estimated at 30,000,000 tons. All Germany is apparently living on the rations that are doled out under the authority of the Government and the municipal food kitchens are said to be doing a large business.

In Paris coal is selling at \$56 a ton and the gas and electric light allowance has been cut in half. There is no steam heat. Paris has a hall where people pay to stay and keep warm.

In England the most vigorous efforts are being made to enforce economy. The Government has suggested that the English tradesmen should abolish all retail credits.

It is to be admitted, however, that considering the obstacles in their way the Entente Allies are showing wonderful ability in maintaining their foreign trade. The Journal Officiel, of France, publishes comparative figures of the foreign commerce of France for 1916 and 1915 showing imports for 1916 amounting to 15,159,000,000 francs, an increase over 1915 of 4,123,000,000 francs. The exports of 1916 amounted to 5,115,000,000 francs, an increase over the preceding year of 1,178,000,000 showing that the balance of trade against France was, in round numbers, 10,000,000,000 francs.

The British Board of Trade figures for January show that imports increased £15,629,000 principally in raw material, including £6,000,000 in cotton. Exports increased £10,103,000, chiefly in manufactured goods, of which £5,000,000 was in cotton textiles.

Figures published by the London Economist show that while the total value of the trade of the United Kingdom (excluding government purchases) in 1916, as compared with 1915, increased \$1,087,000,000, there was actually a decline of \$457,000,000 in the volume of the trade. This shrinkage was particularly marked in the case of imports. Their total value in 1916 was \$4,746,000,000 against \$4,259,500,000 in 1915, but figured on the basis of 1915 prices the 1916 imports would have been worth only \$3,715,500,000. In other words, Great Britain paid 11.5 per cent more for a 12.8 per cent smaller quantity of goods, the average import price having advanced 24.3 per cent.

Of all the belligerents Japan seems to have profited most by the war. Her foreign trade for the past two years shows an expansion that is almost unbelievable. The value of the raw silk exported in 1916 shows a gain of 75,126,372 yen over 1915. Next comes cotton hosiery with a gain of 14,074,995 yen while the export of cotton yarn shows an increase of 10,137,642 yen.

AN EMPLOYEE'S WORTH.

Service is rewarded by wages. The better the service, we are told, the larger should be the pay. This applies for the performance of physical labor and the contribution of mental equipment. A large retail store recently published the following:

"Every employee pays for superintendence and inspection. Some pay more and some less. That is to say, a dollar a day man would receive two dollars a day were it not for the fact that someone had to think for him, look after him and supply the will power that holds him to his task. The result is that he contributes to the support of those who superintend him.

"Make no mistake about this; incompetence and disinclination require supervision, and they pay for it and no one else does. The less you require looking after, the more you are able to stand alone and complete your tasks, the greater your reward.

"Then, if you not only do your own work, but direct intelligently and effectively the efforts of others, your reward is an exact ratio, and the more people you can direct and the higher the intelligence you can rightly lend, the more valuable is your life.

PERSONALS.

George H. Montgomery, K.C., has been elected a director of the Civic Investment and Industrial Co., Ltd., to fill the vacancy caused by the death of the Hon. Robert Mackay.

Urgent Allied Needs

Mr. Lloyd George's Speech.

Mr. Lloyd George made an appeal to the nation on Friday (February 23rd), in the British House of Commons, when he laid stress on the fact that he believed in letting the nation know the full truth of the situation, it was apparent that he regarded the measures of restriction of imports which are to be introduced as essential chiefly in the sense that they form an additional safeguard. To neglect any steps to insure success would be criminal folly. He intimated that a schedule of restrictions would be embodied in an order-in-council and published by proclamation.

"If we take drastic measures," said the Premier, "we can cope with the submarine menace, but if the nation is not prepared to accept drastic measures for dealing with the menace, disaster is before us."

In the long list of articles prohibited importation are coffee, cocoa, tea, raw fruits, except lemons and oranges; hides leather, boots and shoes. A speeding up in agriculture and shipbuilding is embraced in the Premier's scheme and a lessening in the output of beer is also provided for in it, in order to save for food the cereals used in brewing. The brewers during the present year will be permitted to make only 10,000,000 barrels as against 26,000,000 barrels in 1915 and 36,000,000 in 1914. A corresponding restriction is also to be placed upon spirits.

The Premier said in part:

"The ultimate success of the Allied cause depends, in my judgment, on our solving the tonnage difficulties with which we are confronted. Over 1,000,000 tons of our shipping have been allocated to France and there is a very considerable tonnage set aside for Russia and also for Italy. The balance left for the ordinary needs for the nation, after providing for these war exigencies, is only about one-half the whole of our tonnage. There has been undoubtedly a very considerable tonnage of our shipping sunk by submarines in the course of the last two and one-half years of warfare. In the last four or five months the ratio of sinking of our tonnage has increased and this month, owing to the very special efforts made by Germany, has been the worst.

Three Sets of Measures.

"Therefore, you have got to deal with the problem of tonnage ruthlessly and promptly; and I say so now because on behalf of the Government I am submitting measures for dealing with that shortage. Those measures are divided into three categories:—First of all are the measures to be adopted by the navy for grappling with the menace as explained by Sir Edward Carson; the second is the building of merchant ships, wherever we can get them; the third is to limit our needs for overseas transport by dispensing with all non-essential commodities now being brought from overseas and by producing as much of the essentials of life as we can at home.

There is one thing which I must say about shipbuilding, because here I have got to make a special appeal to labor, I am convinced after a good deal of examination of the problem and hearing what has been said by both employers and workmen, that the output can be very considerably increased by alteration of methods.

Home Production Method.

Now we come to the second method of dealing with this problem of tonnage—that is home production. Let us take the articles of the greatest bulk which consume our tonnage. The first is timber. Last year we imported 6,400,000 tons of timber from abroad. Of these two millions are pit props for the collieries. The bulk of the remainder is used for the military forces here and in France.

Arrangements have been made for going into the question, both here and in France, as to the best method of economizing the use of timber.

If we can manage to secure a sufficient number of forests in France, and also to secure labor for the purpose of cutting down the trees, there will be an enormous saving of tonnage in respect of timber.

We also need thousands if not tens of thousands, of unskilled workmen, who will be able to assist in work which does not require high skill.

The next heaviest item is iron ore. We are melting millions of tons every year of iron ore, and we cannot cut down the supply by a single ton, as a matter of fact there is plenty of ore in this country. It was cheaper to get the better class of ore from Spain. But this is not a commercial question; this is not a question of getting rich ore; it is question of getting it all and getting it without using up our

Here again you require skilled labor, as well as unskilled labor.

The Third Measure.

Now I come to the third and perhaps the more important, direction in which by home production we can assist to enable the country to overcome its difficulties; and that is in the production of food supplies. Between seventy and eighty per cent of our total food supply has been imported yearly; and at the present moment I want the country to know our food stocks are low—lamentably low—lower than they have been within recollection. This is very largely due to the bad harvest. It is not altogether due to submarines. It is in the main due to our having about the worst harvest within our recollection.

Last year's crop was a failure and that is a very serious fact, when our tonnage is absorbed to such an extent by war exigencies, and is essential, therefore, for the safety of the nation, for the maintenance of the nation, for the life of the nation, that we should put forth immediately every effort to increase production for this year's harvest and the next.

There is only one way of insuring immediate action on the part of the farmer, and that is by guaranteeing prices for a definite period of time—minimum prices.

The best farmers in a district are those that give the best wages. You will not get the laborer back to the lands unless you pay him a minimum wage, and the farmers must see that.

A wage of 25 shillings per week will be guaranteed to every able-bodied male between the ages indicated in the scheme of Mr. Neville Chamberlain.

It is obvious that it is an injustice to the community that a man should sit on land capable of producing food when he is either too selfish or too indolent to do anything; so that the Government must have the right through the proper department to enforce cultivation in these cases.

Now I come to the question of prices. In 1915 the price of wheat was 52s 10d a quarter; in 1916 it was 58s 5d; in the last three months of 1916 it went up to 36s 2d; it is now 76s 3d; before the war it was 34s 11d. But let me say this, that the farmer has got to pay much higher prices for everything he uses on his farm; he has got to do with less labor and inferior labor.

These are the guarantees we propose to give—we propose that in the present year we should guarantee for wheat 60 shillings a quarter of 594 pounds. That is the minimum; for 1918 and 1919 the guarantee is 55 shillings; for 1920, 1921, and 1922, 45 shillings. Then the guarantee comes to an end. For oats in 1917 we propose to guarantee 38s 6d per 336 pounds. That is higher than the minimum price which we arranged with Ireland some months ago. The guarantee for 1918-1919 is 32 shillings and for the next three years 24 shillings. The potatoes we simply propose to guarantee for this coming season. £6 per ton, and the only guarantee we have given of the maximum is this, that if the state commandeers either potatoes or cereals, the prices would not be fixed without the consent of the boards of agriculture in England, Scotland and Ireland.

Essential Commodities.

What are the essential commodities? The Cabinet committee, presided over by Lord Curzon, went through the recommendations of the other committee and the Cabinet acted upon the recommendations of these two committees.

First of all they considered the question of timber that I have already alluded to. Then there is the

(Continued on page 23).

CANADA CEMENT COMPANY LIMITED

Consolidated Balance Sheet, December 31, 1916.

ASSETS.		
PROPERTY ACCOUNT		\$31,863,273.31
INVESTMENTS		35,234.00
Current Assets:		
Inventories at Cost	\$ 3,788,484.62	
Accounts Receivable, less Bad Debts Reserve	878,050.58	
Bills Receivable	12,600.00	
Deposits on Tenders	54,994.20	
Cash	126,892.01	
DEFERRED CHARGES TO OPERATIONS		4,861,021.41
		25,533.27
		\$36,785,061.99
LIABILITIES.		
Capital Stock:		
Authorized:		
Preference—110,000 Shares Seven Per cent. Cumulative of \$100 each	\$11,000,000.00	
Ordinary—190,000 Shares of \$100 each	19,000,000.00	
	\$30,000,000.00	
Issued:		
Preference—105,000 Shares Seven Per cent. Cumulative of \$100 each	\$10,500,000.00	
Ordinary—135,000 Shares of \$100 each	13,500,000.00	
	\$24,000,000.00	
First Mortgage Six Per Cent. Twenty Year Gold Bonds:		
Authorized and Issued	\$ 8,000,000.00	
Less: Redeemed through Sinking Fund	742,386.69	
Current Liabilities:		7,257,613.31
Bills Payable	\$ 950,000.00	
Accounts Payable	1,229,516.28	
Bond Interest accrued at December 31st, 1916	108,864.21	
Preference Dividend No. 28 paid February 16th, 1917	183,750.00	
Ordinary Dividend No. 3, of 1½% paid Jan. 16th, 1917	202,500.00	
Reserves:		2,674,630.49
Extraordinary Repairs and Renewals	\$ 175,000.00	
Cotton Sacks Outstanding	150,000.00	
Industrial Accidents	35,000.00	
Contingent Reserve	400,000.00	
Surplus:		760,000.00
Balance December 31st, 1915	\$2,065,232.82	
Deduct: Ordinary Stock Dividend No. 1 of 3% declared payable out of 1915 Earnings. 405,000.00		
	\$ 1,660,232.82	
Add: Net Profit for year ending December 31st, 1916	\$2,218,848.10	
Deduct: Bond Interest	\$443,762.73	
Preference Dividend	735,000.00	
Ordinary Dividend	607,500.00	
	1,786,262.73	
	432,585.37	
	2,092,818.19	
		\$36,785,061.99

We have examined the books and accounts of the Canada Cement Company, Limited, for the fiscal year ending December 31st, 1916, and certify that the above Balance Sheet is properly drawn up, and in our opinion shows a true and correct view of the financial position of the Company at that date. The profits of the year ending December 31st, 1916 as shown on the Balance Sheet are arrived at after making provisions which are in our opinion sufficient for the Depreciation of Plant and Special Equipment, and after transferring \$150,000 to the credit of Contingent Reserve.

PRICE, WATERHOUSE & CO.

Montreal, February 18th, 1917.

Chartered Accountants.

AMONG THE COMPANIES

RIORDON PULP AND PAPER CO.

The "doubting Thomass" who predicted all along that pulp and paper profits were mythical will have a chance to revise their data now that the Riordon Pulp and Paper Company has issued its annual report for the year ended December 31st, 1916. Last year the company earned net profits of \$1,331,000 or over a million dollars more than in the previous year. A company which shows a gain of 355 per cent in net profits can face its shareholders with a certain measure of confidence. Profits for 1916 were in excess of the combined earnings of the previous five years.

After providing for bond interest and preferred stock dividend, there was a surplus balance available for the common stock of \$1,165,736, an increase as compared with 1915 of \$1,034,482, or close to 800 per cent. This surplus balance represented earnings at the rate of 25.9 per cent on the \$4,500,000 common shares, against 2.9 per cent in 1915—the company's best previous performance.

After distributing 4½ per cent in dividends and bonus among shareholders, there still remained close to a million dollars, more exactly \$963,236, to be carried forward to surplus account. This surplus, however, is subject to the deduction of any amount that may be payable for the year under the business profits tax.

Comparisons of profit and loss figures for three years follow:

	1916.	1915.	1914.
Earnings...	\$1,526,615	\$427,049	\$375,862
Deprec...	149,480	69,862	65,951
Balance...	\$1,377,135	\$357,187	\$309,911
Bank int...	46,083	64,628	62,832
Net profit...	\$1,331,051	\$292,558	\$247,078
Bond int...	95,315	91,304	90,000
Balance...	\$1,235,736	\$201,254	\$157,078
Pfd. divid...	70,000	70,000	70,000
Balance...	\$1,165,736	\$131,254	\$ 87,078
Com. divid...	202,500	.....	.....
Surplus...	\$963,236	\$131,254	\$ 87,078
Prev. surp...	375,634	244,380	157,301
Surplus...	\$1,338,870	\$375,634	\$244,380

In a brief review of the year's business, Mr. Riordon, president, notes that "the installation of the bleaching plant at Merriton was completed and in operation in November, and is now producing the highest grade of bleached sulphite, which commands a much higher price than the unbleached sulphite formerly produced at this plant." After dealing with the company's investment in the Ticonderoga Company, referred to elsewhere, the president intimates that the brilliant showing of 1916 will be considerably improved on this year. He says:

"The prices now being obtained, under contracts, for our products are considerably in excess of the prices obtained in 1916. Owing to the heavy demand for pulp, the curtailment of production in Europe and the difficulty and excessive cost of transportation we anticipate high prices throughout the year. Should present conditions continue your directors expect a banner year for 1917."

HOLLINGER GOLD MINES.

The uncertainties of mining were well exemplified in the recent action of the directors of the Hollinger Gold Mines who cut the dividend in two. Hereafter shareholders will receive but 6½ per cent instead of 13 per cent as formerly. Labor troubles and the increased cost of machinery are blamed for the difficulties.

As the company's ore reserves amount to \$34,000,000 once the company can get an adequate supply of labor the situation will soon right itself. The issued capital of the company is \$24,600,000,000. There is a net surplus over and above all current liabilities of about \$550,000, and a gross value in the present ore reserves equivalent to \$1.38 for every dollar of capital liability, leaving speculative factors to the practically untouched Millerton property and to the known and reasonably assured quantities in the lower levels of all the other areas.



MR. L. B. MacFARLANE,
President Bell Telephone Company whose excellent report has just been made public.

SHAWINIGAN WATER & POWER CO.

The Shawinigan Water and Power Company had a most successful year in 1916. Gross earnings for the year amounting to \$2,325,872, an increase of \$405,729 over 1915. The net earnings show a return of 9½ per cent on the average capital employed during the year, and from this dividends at the rate of 7 per cent for the year have been paid, which called for a disbursement of \$989,006, as against \$787,131 for the previous year.

Following the policy of previous years the directors have set aside from the net earnings the sum of \$232,141 as additions to the reserve and sinking funds which now amount to \$2,400,000, all of which is invested in marketable securities.

The report of the president, J. E. Aldred, who occupied the chair, reviews very fully the development of the company's fiscal year. Reference is made to the new issue of stock in May last, which was fully subscribed and it was announced that faithful employees of long standing have been allotted \$26,250 of common stock to be paid for over a period of three years.

The arrangement by which \$2,500,000 two year, five per cent notes were issued at a favorable price to meet the expenditure for the La Loutre dam and the Canadian Electro Products Company was explained. The conditions provide for the reimbursement of the parent company so that the requisite funds will be in the company's hands for the retirement of the notes on maturity.

The only change in the board was the election of M. J. Curran, to fill the vacancy caused by the death of John Joyce. The new board and executive follows: President, J. E. Aldred; chairman of the board, Thomas McDougall; vice-presidents, Howard Murray and Julien C. Smith, R. M. Aitken, London; W. S. Hart, Sir Herbert S. Holt, R. W. Kelley, New York; Sir M. Mitchell-Thompson, Bart., Edinburgh; Dennis Murphy, Ottawa, and E. R. Wood, Toronto; M. J. Curran, Boston.

DOMINION POWER & TRANSMISSION CO.

The Dominion Power and Transmission Company of Hamilton did a gross business of \$2,693,211 last year, which left a surplus of \$710,348, after all expenditures had been met. The profit and loss account shows a balance of \$536,060, after placing \$250,000 additional to the credit of the regular reserve account. The reserve for maintenance and renewal has been increased by the sum of \$111,089.

Last year's gross compares with \$2,353,956 in 1915, and surplus of \$507,543. The balance carried forward a year ago was \$639,259.

The following were elected to the board of directors: Sir John Gibson, Lieut.-Col. J. R. Moodie, James Dixon, W. C. Hawkins, Lloyd Harris, Charles E. Neill, Cyrus A. Birge, William E. Phin, Robert Hobson and John Dickenson. Mr. Dickenson takes the place of the late J. W. Sutherland.

TICONDEROGA PULP AND PAPER CO.

Spectacular is the only adjective which will describe the showing made by the Ticonderoga Pulp and Paper Company, the control of which was secured by the Riordon Pulp and Paper Company some months ago. Ticonderoga Company shows earnings for the year ending December 31st, of \$509,675. After deducting bond interest and preferred dividends there was a balance carried forward of \$455,000, equivalent to 127 per cent on the common stock which only amounts to \$360,000. With a previous balance of \$547,016 total surplus is \$1,056,691.

No dividend has yet been paid on the common, but it follows from a statement of the sort that a substantial one is in prospect, with the chief benefit falling to the Riordon Company as the controlling interest. The company originally issued \$193,000 preferred stock, but of this all but \$80,300 has been bought in, and it is proposed to retire the balance at an early date, and clear off arrears owing in dividends. These accrued dividends appear among current liabilities at \$79,764.

Dealing with the Ticonderoga Company the president of the Riordon Company states, in his annual report, that it has been Riordon's largest customer for many years. He adds:

"The product of the Ticonderoga Company, about 30,000 tons of soda pulp and high grade book papers, for the year 1917 has been sold at prices very much in excess of those obtained during 1916. From a perusal of the Ticonderoga balance sheet, copy of which is sent you herewith, your directors feel sure that you will be satisfied with the value of the properties purchased."

NORTHERN ONTARIO LIGHT & POWER CO.

The annual statement of the Northern Ontario Light & Power Co., presented to the shareholders at the annual meeting, showed gross operating revenue of \$804,639, compared with \$798,924 a year ago, an increase of \$5,505. Net income amounted to \$337,948, as compared with \$345,445 a year ago, a decrease of \$7,497.

During the year the company reduced its rates charged for light and power, which made a difference in revenues of 8 per cent. The company announces that it expects to deliver power to the Kirkland Lake Gold camp early in March. This line has cost \$177,140 so far, and will cost another \$50,000 before completed. During the year \$185,068 will be expended for extensions.

PATON MANUFACTURING CO.

The Paton Manufacturing Company is evidently enjoying a period of great prosperity as the directors have just declared a dividend of 4 per cent and a bonus of 2½ per cent.

The declaration covers the six months to January 31st last, the second half of the company's year. As 4 per cent with an extra 2½ per cent was also declared last summer, shareholders will receive a total of 13 per cent for the year against 10½ per cent the previous year and 9 per cent for 1914. As the average annual distribution from 1899 to 1916 was only 6 per cent—with some interruptions in payments, too—it can be judged that the improvement in business in the past three years has been of a very pronounced character.

MILLER LAKE GOWGANDA.

It is reported that the silver in sight on the new deep level find of the Miller Lake Gowganda is at least five million dollars. The work of prospecting the immense lead is proceeding as rapidly as possible and every yard opened up shows still more clearly that the ledge is holding its size and richness. It is easily a record-breaker and vindicates the opinions of those who, through the discouraging years, always retained their faith that the Montreal River camp would some day come back with a rush.

TWIN CITY EARNINGS.

The earnings of the Twin City Rapid Transit Co. for the last ten days of January were \$300,454, a gain of \$25,068, or 9.10 per cent over the corresponding period of last year.

BANK OF MONTREAL

Established 100 Years (1817-1917)

Capital Paid Up	- - - - -	\$ 16,000,000.00
Rest	- - - - -	16,000,000.00
Undivided Profits	- - - - -	1,414,423.00
Total Assets	- - - - -	365,215,541.00

BOARD OF DIRECTORS:

SIR VINCENT MEREDITH, BART. President
 C. B. GORDON, ESQ. Vice-President

R. B. Angus, Esq.	E. B. Greenshields, Esq.	Sir William Macdonald.
A. Baumgarten, Esq.	Lord Shaughnessy K.C.V.O.	C. R. Hosmer, Esq.
Wm. McMaster, Esq.	H. R. Drummond, Esq.	D. Forbes Angus, Esq.
	Capt. Herbert Molson.	Harold Kennedy, Esq.

Head Office, MONTREAL

General Manager, SIR FREDERICK WILLIAMS-TAYLOR, LL.D.
 Assistant General Manager, - - - A. D. BRAITHWAITE.

Bankers in Canada and London, England, for the Government of the Dominion of Canada.

Branches established throughout Canada and Newfoundland; also in London, England, New York, Chicago, and Spokane.

Savings Department at all Canadian Branches. Deposits from \$1. upwards received and interest allowed at current rates.

A GENERAL BANKING BUSINESS TRANSACTED

LAURENTIDE POWER COMPANY.

The annual meeting of the Laurentide Power Company was held here a few days ago, at which the President, J. E. Aldred, presided. He reported that the company had started as an operating company on July, 1916, and the report he presented covered six months operations, which he considered satisfactory. It is understood, that in the six months of operation covered in the annual report the company earned a net surplus of \$154,000, which would represent earnings at the rate of about 3 per cent a year on the outstanding stock.

The following officers and directors were re-elected for the ensuing year: J. E. Aldred, president; F. A. Sabbaton, vice-president; directors, Chas. R. Hosmer, Edwin Hanson, Howard Murray, J. H. A. Acer, Montreal; Geo. Chahoon, Jr., Grand'Mere; Julien C. Smith, Montreal; A. A. Tilney, New York; W. F. Robinson, secretary-treasurer

F. N. BURT CO.

At the annual meeting of the shareholders of the F. N. Burt Company, held in Toronto recently, the retiring board of directors were re-elected for the coming year. The shareholders also sanctioned the issuing of 7,500 common shares with a par value of \$750,000, thus doubling the common stock of the company. The authorized preferred stock amounts to \$2,000,000. It is stated, however, that no immediate issue of common shares will be made.

Figures showing the rice acreage of India to be 78,550,000 are given by the "Indian Trade Journal." This estimate compares with 76,408,000 acres at the same time last year, an increase of 1 per cent.

CANADIAN BANK CLEARINGS.

For the week the bank clearing returns as compared with the corresponding period last year, showed an increase of 18.2 per cent, which compares favorably with an increase for the previous week of 16.2 per cent.

Comparative figures follow:

Cities	1917.	1916.	P.C.
Montreal	\$75,139,044	\$55,315,488	17.8
Toronto	48,556,682	39,992,288	21.4
Winnipeg	30,706,142	27,835,470	10.3
Vancouver	6,414,372	5,069,985	26.5
Ottawa	4,701,899	3,647,833	28.9
Calgary	4,244,308	491,088	13.1
Quebec	2,896,021	2,768,423	4.6
Hamilton	3,791,429	2,971,772	27.6
Edmonton	2,165,776	2,045,101	5.9
Halifax	2,837,754	1,786,786	59.0
London	1,816,332	1,545,033	17.5
Regina	1,915,701	1,605,172	19.4
St. John	1,675,802	1,389,608	20.7
Victoria	1,390,736	1,322,645	5.1
Saskatoon	1,210,318	1,028,433	17.8
Moose Jaw	1,118,278	745,929	49.9
Brandon	498,168	343,081	13.7
Brantford	760,693	654,262	16.2
Fort William	476,758	410,906	16.0
Lethbridge	528,279	384,254	37.5
Medicine Hat	492,557	267,439	50.6
New Westminster	266,372	208,345	28.3
Peterboro	533,857	547,143	2.4
Sherbrooke	710,125	442,022	60.7
Kitchener	528,551	.....	.....
Grand total	\$184,667,533	\$28,455,811	18.2

ESTABLISHED 1832

Paid-Up Capital  Reserve Fund
 \$6,500,000 \$12,000,000

TOTAL ASSETS OVER \$100,000,000

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 banking business of every description.

THE BANK OF NOVA SCOTIA

ALGOMA STEEL NOTES.

The Algoma Steel Corporation announces, through its president, J. Frater Taylor, that it will pay off its \$2,500,000.00 three year notes, due March 1st.

ST. JOHN STREET RAILWAY.

By a vote of shareholders representing 8,101 shares for, to thirty-one against, the decision of the directors to sell the St. John Street Railway, including the gas and electric light utilities, to the New Brunswick Investment Co., Ltd., was ratified at a meeting of the shareholders held a few days ago. The price is \$1,300,000 and an additional ten dollars a share for each share of the company's stock transferred, making \$140 a share net to the shareholders.

INTERNATIONAL PORTLAND CEMENT.

At the shareholders' meeting of the International Portland Cement Company, Limited, held at the main offices of the Company, Spokane, Wash., on February 15, Mr. J. S. Irwin, of Ottawa, was re-elected president.

At the meeting the issued preferred stock of the company was placed on a seven per cent dividend basis, payable semi-annually, July 1st and January 1st of each year.

BELL TELEPHONE COMPANY.

A very satisfactory showing was made by the Bell Telephone Company for the year 1916. At the annual meeting held here a few days ago reports were presented showing gross earnings of \$10,375,000 and net of \$2,469,000. The gross earnings show an increase of \$740,000 over the figures for the previous year.

Operating expenses increased \$348,216 to \$3,718,422, taxes also were higher, while the amount written off for depreciation was \$2,310,000 as compared with \$2,170,000 in 1915. Net earnings were therefore \$2,469,075, an increase of \$247,257. After bond interest of \$588,792, the balance was \$1,910,450, equal to about 11 per cent. on the common stock, and an increase of \$246,606 over 1915. After dividends the surplus was \$470,450, compared with \$223,848 last year.

The earnings statement compares with 1915 as follows:

	1916.	1915.
Gross earnings	\$10,375,318	\$9,634,673
Operating exp.	3,718,422	3,370,206
Cur. maint.	1,549,939	1,587,058
Depreciation	2,310,000	2,170,000
Taxes	327,713	285,424
Total	\$7,906,075	\$7,412,688
Net earnings	\$2,469,242	\$2,221,985
Deduct int.	558,792	558,136
Dividends	1,440,000	1,440,000
Balance	\$1,910,450	\$1,663,848

Surplus earnings .. . \$ 470,450 \$ 223,848

L. B. McFarlane, the president reviewed the operations of the year pointing out that 19,115 subscribers' stations have been added. The total number of owned telephone stations now in use being 261,899, an increase of 7.87 per cent. over the previous year.

The Company has arrangements for exchange of business with 641 local telephone organizations, serving 87,997 Subscribers' Stations, thus affording inter-communication with our subscribers. The Company now owns and operates 442 Central Offices.

In 1916, 2,431 miles of wire were added to the Long Distance system. The Long Distance lines now owned and operated by the Company comprise 77,599 miles of wire on 9,311 miles of poles, and 4,740 miles of wire in underground and submarine cables. Five Exchange buildings have been added to the Company's Real Estate during the year.

To the 31st of December, 657 of the Company's employes had enlisted for Overseas Service, or 30 per cent. of the male employes of military age. Of this number, 348 have families or relatives dependent upon them. The Company continues to pay one-half of the salaries of enlisted employes to their dependents when they are not otherwise provided for.

The directors were re-elected as follows: Chairman, C. F. Sise; president, C. B. McFarlane; vice-president, Chas. Cassils, Hugh Paton, Z. A. Lash, K.C., U. N. Bethell, C. F. Sise, Jr., Theobald, Andrew J. Dawes, F. W. Molson, W. F. Angus, Theo. N. Vail.

The Canadian Bank of Commerce

ESTABLISHED 1867

PAID UP CAPITAL - \$15,000,000 RESERVE FUND - \$13,500,000
HEAD OFFICE --- TORONTO

BOARD OF DIRECTORS

SIR EDMUND WALKER, C.V.O., LL.D., D.C.L., President. Z. A. LASH, Esq., K.C., LL.D., Vice-President.
JOHN HOSKIN, Esq., K.C., LL.D., D.C.L. ROBERT STUART, Esq. A. C. FLUMERFELT, Esq.
J. W. FLAVELLE, Esq., LL.D. SIR JOHN MORISON GIBSON, K.C.M.G., K.C., LL.D. GEORGE G. FOSTER, Esq., K.C.
A. KINGMAN, Esq. G. F. GALT, Esq. CHARLES COLBY, Esq., M.A., Ph.D.
HON. SIR LYMAN MELVIN JONES. WILLIAM FARWELL, Esq., D.C.L. G. W. ALLAN, Esq., K.C.
HON. W. C. EDWARDS. H. C. COX, Esq. H. J. FULLER, Esq.
E. R. WOOD, Esq. JOHN AIRD, General Manager. H. V. F. JONES, Assistant General Manager.

BRANCHES IN CANADA

43 in British Columbia and Yukon. 89 in Ontario. 80 in Quebec. 134 in Central Western Provinces. 23 in Maritime Provinces.

BRANCHES AND AGENCIES ELSEWHERE THAN IN CANADA

St. John's, Nfld. London, Eng. New York. San Francisco. Portland, Oregon. Seattle, Wash. Mexico City.

The large number of branches of this Bank enables it to place at the disposal of its customers and correspondents unexcelled facilities for every kind of banking business, and especially for collections.

SAVINGS DEPARTMENT

Connected with each Canadian branch, Yukon Territory excepted, and interest allowed at current rates.

THE STANDARD BANK.

Net profits of the Standard Bank for the year ended January 31st, 1917, show a considerable increase over the showing made in 1916.

The net profits, after making the usual provision for cost of management, interest, etc., and providing for bad and doubtful debts, amount to \$580,230, which is equal to 18.90 per cent on the capital or 8.04 per cent on capital and rest. The net profits for the previous year were \$563,401.77.

The gold and legal tender amount to \$10,762,524.47, while the quick assets total \$22,388,664.10, being 48.36 per cent of the deposits. The circulation shows an increase over last year of \$1,274,750. Loans to the public are \$36,064,884.76, as against \$33,942,915.34 last year.

Out of the profits the directors have paid the usual dividend of 13 per cent, amounting to \$398,899.61; contributed to the officers' pension fund \$20,000, to patriotic and kindred objects \$38,900; have paid the Government tax on circulation of \$30,483.75, and added to the profit and loss account \$91,946.74.

An issue of \$500,000 of new stock was made towards the close of the year at 100 per cent premium, and from this latter source there has already been added \$333,242.14 to both the capital and reserve funds.

BANK OF ENGLAND'S WEEKLY STATEMENT.

The weekly statement of the Bank of England shows the following changes:

Total reserve decreased..	£ 538,000
Circulation dec.	875,000
Bullion dec.	1,413,194
Other securities inc.	49,181,000
Public deposits, dec.	3,087,000
Other deposits inc.	1,671,000
Notes reserve dec.	536,000
Government securities dec.	50,028,000

The proportion of the bank's reserve to liability this week is 18.20 per cent. Last week it was 18.33 per cent. Rate of discount 5½ per cent.

BRITAIN'S FOREIGN TRADE.

In spite of adverse circumstances and handicaps of every description the foreign trade of the United Kingdom for the year 1916 was in excess of the previous year. A large increase in imports from Canada is a feature of the trade returns according to a report received by the Trade and Commerce Department from commissioner Harrison Watson, of London. While the total foreign trade for 1916 attained the colossal value of \$7,766,536,965, an increase of no less than \$1,087,400,000 over the previous year, it is satisfactory to be able to record that the growth in British exports was considerably in excess of the increase in imports. Whereas the increase in imports was 10.2 per cent, the advance in exports was 31.6 per cent.

Mr. Watson attributes the reduction in the adverse balance of trade which commenced to be an alarming feature of British trade returns shortly after the outbreak of the war, to the restriction of imports and states: "It is difficult to see how imports can be further curtailed if the wants of the population are to be adequately met." He gives praise to the British industrial system which, even though largely occupied with munition making, has been able to accelerate its production of commercial exports as well. As regards trade with Canada, he states:

"It is satisfactory to see that in almost every item there has been a large and in some cases remarkable increase in the quantities received from Canada, the advance in valuation being proportionately much greater owing to the heavy rise in prices which has taken place." Among the articles of import from the Dominion are: Wheat \$76,000,000; flour, \$18,000,000; barley, \$9,000,000; maize, \$6,000,000; bacon \$37,000,000; cheese \$37,100,000. The export of bacon has nearly doubled as compared with 1915. Canadian lumber exports are growing also and now constitute 20 per cent of the whole total as compared with 15 per cent of former years.

PERSONAL.

L. C. Herdman, who has for some years been associated with the Canada Securities Corporation, has been elected a member of the Montreal Stock Exchange.

BANK BRANCHES.

The following branch banks were opened during January, 1917:

- Barry's Bay, Ont., Merchants' Bank of Canada.
- Caledonia, Ont., Bank of Hamilton.
- *Cap de la Madeline, Que., Banque d'Hochelega.
- Collingwood, Ont., Merchants' Bank of Canada.
- *Garthby Station, Que., La Banque Nationale.
- Kamsack, Sask., Bank of British North America.
- Monarch, Alta., Merchants' Bank of Canada.
- Mount Dennis, Ont., Imperial Bank of Canada.
- Oyen, Alta., Bank of Hamilton.
- *St. Benoit Labre, Que., Banque d'Hochelega.
- *Penhold, Alta., Merchants' Bank of Canada.
- *Richlea, Sask., Standard Bank of Canada.
- *Ste. Clothilde (Arthabaska), Que., Banque d'Hochelega.
- *Ste. Flore, Que., La Banque Nationale.
- *St. Maurice, Que., Banque d'Hochelega.
- *Shawinigan Falls, Que., (St. Marc), La Banque Nationale.
- Truax, Sask., Bank of Hamilton.
- Willow Brook, Sask., Canadian Bank of Commerce.

Branches Closed (Six).

- *Bulyea, Sask., Royal Bank of Canada.
- Glacier, B.C., Union Bank of Canada.
- *Hebertville Village, Que., La Banque Nationale.
- St. Jean Chrysostome, Que., Royal Bank of Canada.
- Lewvan, Sask., Canadian Bank of Commerce.
- Vancouver, B. C., Granville & Robson Sts., Union Bank of Canada.

(*)—Sub-branches.

These are in existence 3,320 branches of Canadian chartered banks and there are situated:

In Canada	3,211
Ontario	1,158
Quebec	790
Nova Scotia	111
New Brunswick	82
Prince Edward Island	17
Manitoba	200
Alberta	250
Saskatchewan	415
British Columbia	185
Yukon	3
In Newfoundland	27
Elsewhere	82
Total	3,320

THE DOMINION BANK

HEAD OFFICE - TORONTO
SIR EDMUND B. OSLER M.P., President
W. D. MATTHEWS, Vice-President

C. A. BOGERT, General Manager

The London, England, Branch
of
THE DOMINION BANK
at
73 CORNHILL, E.C.

Conducts a General Banking and Foreign Exchange Business, and has ample facilities for handling collections and remittances from Canada.

MONTREAL STOCK MARKET.

The local stock market was twice as active during the week just ended as it was in the previous week, and there was also an improvement in the prices paid for securities, but even with this improvement the market was dull and featureless. The total transactions of listed shares amounted to but 17,400 as compared with 9,500 for the previous week.

The big feature was the activity in bonds. Over one million dollars worth changed hands, of which the two War Loans accounted for \$950,000.00. Apart from that, the chief activity was centered in Dominion Steel which showed a gain of 2½ points in transactions of 4,400 shares, and Steel Company of Canada, which gained 2½ points on 3,100 shares. Civic Investment was also fairly active with transactions of 2,100 shares and a gain of one point. The rest of the lines were featureless but there is a stronger undertone in the whole market.

Comparisons with the week preceding and the corresponding week a year ago, follow:

	Week Ending.		
	Feb. 24, 1917.	Feb. 17, 1917.	Feb. 26, 1916.
Shares	17,433	9,503	34,299
Mines	100	8,300	455
Rights	3,412	574	...
Bonds	\$1,012,825	\$276,000	\$721,500
Unlisted	713	758	685

BANK OF FRANCE STATEMENT.

The weekly statement of the Bank of France shows the following changes:

Gold in hand increased 7,788,000 francs.
Silver in hand, decreased 1,693,000 francs.
Notes in circulation, increased 141,475,000 francs.
Treasury deposits, increased 21,993,000 francs.
General deposits, increased 105,134,000 francs.
Bills discounted, decreased 108,383,000 francs.
Advances, decreased 12,173,000 francs.

THE TRADE BALANCE.

Net favorable trade balance of United States for 31 months, or since European war began is \$5,500,000,000.

The Mutual's Golden Year - 1916 -

"With aggressive business methods there has been combined such a due regard for economy that our ratio of expense to income, already low, has been still further reduced—with a falling market for the investment of funds, we are still able to report an increase in the rate of interest earned—with times somewhat hard and money somewhat tight, we have to report a lower lapse ratio than last year and with good investments increasingly difficult to get, we still show a magnificent surplus."

PRESIDENT CLEMENT,
at the Annual Meeting.

THE MUTUAL LIFE ASSURANCE Company of Canada

	WATERLOO	ONTARIO
ASSURANCES	\$109,645,581
ASSETS	\$29,361,963
SURPLUS	\$4,595,151

THE BANK OF BRITISH NORTH AMERICA

Established in 1836
Incorporated by Royal Charter in 1817.

Paid up Capital..... \$4,966,655.63
Reserve Fund..... \$3,017,333.33

Head Office: 5 Gracechurch Street, London
Head Office in Canada: St. James St.
Montreal
D. B. MACKENZIE, General Manager

Advisory Committee in Montreal:
SIR HERBERT B. AMES, M. P.
W. R. MILLER, Esq. W. R. MACINNES, Esq.
This Bank has Branches in all the principal Cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.
Agents for the Colonial Bank, West Indies. Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

SAVINGS DEPARTMENT AT ALL BRANCHES
G. B. GERRARD, Manager, Montreal Branch

ESTABLISHED 1872 BANK OF HAMILTON

Head Office: HAMILTON

CAPITAL AUTHORIZED..... \$5,000,000
CAPITAL PAID UP..... 3,000,000
SURPLUS..... 3,500,000

... THE ... Molsons Bank

Incorporated 1855.

Capital Paid-up \$4,000,000
Reserve Fund \$4,800,000

HEAD OFFICE : MONTREAL

Branches in 96 of the leading cities and towns in Canada. Agents and correspondents in leading cities of the United States and in Foreign Countries throughout the World.

Edward C. Pratt, - General Manager

ESTABLISHED 1875

Imperial Bank of Canada

Capital Paid Up \$7,000,000
Reserve Fund 7,000,000

Feleg Howland - - President
E. Hay - - General Manager

Head Office: Toronto

A Banking business conducted in all its Branches. Drafts, Money Orders and Letters of Credit issued, available throughout the World. Savings Deposits bear interest at current rate. 119 Branches in Dominion of Canada.

THE Royal Bank of Canada Incorporated 1869

Capital Authorized \$25,000,000
Capital Paid up \$12,900,000
Reserve Funds \$14,300,000
Total Assets \$270,000,000

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

360 Branches in CANADA and NEWFOUNDLAND; 48 Branches in CUBA, PORTO RICO, DOMINICAN REPUBLIC COSTA RICO, VENEZUELA and BRITISH WEST INDIES

LONDON, Eng. NEW YORK
Princes Street, E. C. Cor. William and Cedar Street.

SAVINGS DEPARTMENTS at all Branches



THE STANDARD BANK OF CANADA

HEAD OFFICE - TORONTO

TRUST FUNDS

Our Savings Department gives you a guarantee of absolute security and interest at current rate. 239

MONTREAL BRANCH

E. C. GREEN, Manager 136 St. James Street

BUYING IN UNITED STATES.

Canadian importers are purchasing in the United States five times as much goods as they are taking from the United Kingdom as shown in statistics made public by the Washington Bureau of Foreign and Domestic Commerce. The United States' sales to Canada in the last fiscal year were valued at \$370,000,000 against \$77,370,000 supplied by the British Isles, and the total imports were just \$508,000,000. The United Kingdom continues to be the largest purchaser of Canadian products.

THE EXPORTER'S FIELD

SHORTAGE OF WORLD'S WHEAT SUPPLY.

Decrease of 7,390,060 Bushels in January—Increase in Europe.

The world's available supply of wheat decreased 7,390,000 bushels in January, compared with an increase of 23,284,000 bushels in December, and a decrease of 13,804,000 bushels last year in January. The reduction for the month was in the United States and Australia. European "stocks afloat" increased nearly 5,000,000 bushels last month. Detail stocks, in bushels, as compiled by the Daily Trade Bulletin, follow:

Wheat:	Feb. 1, '17.	Jan. 1, '17.	Feb. 1, '16.
Eur. "afloat"	45,592,000	40,904,000	40,350,000
Europe, store	21,000,000	19,386,000	13,200,000
Argentina	5,550,000	3,680,000	3,864,000
Australia	40,000,000	47,600,000	.....
United States	101,064,000	117,724,000	127,721,000
Canada	95,284,000	87,186,000	92,206,000
World's stks.	302,490,000	315,880,000	276,341,000

FRENCH IMPORTS.

The Official Journal publishes comparative figures of the foreign commerce of France for 1916 and 1915, showing imports for 1916 amounting to 15,359,000,000 francs, an increase over 1915 of 4,123,000,000 francs.

The exports for 1916 amounted to 5,115,000,000 francs, an increase over the preceding year of 1,178,000,000, showing that the balance of trade against France was, in round numbers, 10,000,000,000 francs.

The figures for 1915 are only generally correct, being subject to rectification.

CANADIAN RED CROSS AS EXPORTER.

The Canadian Red Cross Society sent out from the London store house, to hospitals in England and France 7,615 cases during the month of November and received from Canada 2,812 cases, leaving 8,596 cases in the London storehouse.

CANADIAN EXPORTS OF WOOD TO ARGENTINA.

The value of the Argentine market for Canadian lumber can be appreciated from the following export figures, covering a period of nine years:

Exports of Wood and Manufactures of, to Argentina.

Year.	Canadian Customs Valuation.
1904 (9 months)	\$1,592,612
1908	2,068,388
1909	1,554,383
1910	2,556,940
1911	2,533,651
1912	2,419,970
1913	1,463,312
1914	1,328,104
1915	436,682

B. C. FISHERMEN MAKE BIG PROFITS.

The shipping of fishermen in the halibut fisheries under a "share agreement" instead of a wage schedule has resulted in several recent instances of large earnings for crews that happened to profit by the unusual catches of certain vessels. The most striking instance is found in the case of the Director, with a crew of four men. This boat brought in 19,000 pounds of halibut after fishing for 15 days, and the catch sold for about \$2,000. The balance remaining after taking out all expenses was divided among the members of the crew, as provided by the share agreement under which the catch was made, and each man received \$460.75, or \$30.71 per day. It is not uncommon for fishermen to make from \$10 to \$20 per day, but a large figure is unusual.

BRITISH GOVERNMENT REQUISITIONS LEATHER.

The British War Office takes possession of all leather, finished or unfinished, and intends to take possession of all such as can be produced prior to March 31. The order applies to vegetable-tanned bends, butts, backs, half backs, and sides.

GREAT BRITAIN TAKES POSSESSION OF RAW JUTE.

The London War Office gives notice that it takes possession of all unsold stocks of raw jute in the United Kingdom and intends to take possession of any unsold stocks arriving after to-day (February 17). All dealings in raw jute on spot, in transit, or in course of shipment prohibited. Dealings in jute for storing in India or for shipment from India direct to allied or neutral countries not prohibited.

RENEWAL OF FRENCH PROHIBITIONS OF EXPORTATION.

The consul general at Paris reports by cable of February 17 that preserved tomatoes, canned fish, canned vegetables, and preserved food products with meat basis may no longer be exported without special authorization to destinations in allied and American countries. These articles were placed under embargo in December, 1915, but a provision was immediately made for unrestricted exportation to the countries named.

NEEDED IN CHILI.

According to the "Bulletin" of the Department of Commerce there is an increasing demand for the following among other classes of goods in Chili:

Motor vehicles, cement, plumbing and sanitary goods, paints, varnishes, hardware, sheet and plate glass, glass and china ware, cutlery textile fabrics of every description, clothing, hosiery and haberdashery, furs, feathers and flowers, boots and shoes, printing paper and materials, stationery of all kinds, photographic goods, cinematograph films, artists' materials, organs and other musical instruments, calculators, pianos, organs and other musical instruments, gramophones and discs, drugs, patent medicines, toilet soaps, powders, dentifrices etc., and oak and mahogany furniture.

THE COST OF CARELESS PACKING.

The Glasgow market offers special opportunities to observe the premium prices that are regularly paid to the packer of high quality fruit. One Ontario shipper in particular holds a unique position in the esteem of the buyers, and there is always active competition to secure his offerings, with resulting high figures. Thus, in October, his No. 1 Kings were sold at 57s. to 61s., as against an average for less favorably known packs of 50s. Last month at the sale of shipments ex SS. Scotian, his Baldwins made 38s. to 39s. for No. 1's and 31s. to 35s. for No. 2's, as against 30s. to 31s. for No. 1's and 27s. 6d. for No. 2's of other packs.

There is no escape from the conclusion that there would be a very considerable increase in the returns received by Canadian shippers if there were a more general adoption of the methods of selection, grading, and packing that have won such an outstanding reputation on the market in the case under consideration.—Weekly Bulletin, Trade and Commerce Dept.

BRITAIN'S SUPPLY OF LIVESTOCK INCREASES.

The Board of Agriculture has issued a report for the year 1916 giving returns of the acreage of crops and the number of livestock on agricultural holdings exceeding one acre in extent in June last.

The returns show that on the total area of land in England and Wales (37,137,564 acres) 11,051,101 acres were returned as arable land, 16,022,983 acres as permanent grass, and 3,816,083 acres as mountain and heath land used for grazing in 1916. These show an increase of 85,394 acres of arable land, a decrease of 64,410 acres of permanent grass, while rough grazings increased by 51,377 acres.

The following figures are shown concerning livestock:

	1916.	Increase.	1915.
Horses	1,856,566	72,384	72,384
Cattle	6,215,781	151,627	151,627
Sheep	7,17,951,123	428,544	428,544
Pigs	2,167,941	*252,086	252,086

(*—Decrease.

1916 Trade of Canada

(Weekly Bulletin, Canadian Department of Trade and Commerce, Ottawa, Jan. 29.)

The following table shows the value of the imports and the principal classes of exports of Canada for the last three calendar years:

Imports and exports.	1914.	1915.	1916.
Exports.			
Canadian produce:	\$	\$	\$
The mine	53,781,132	61,814,582	81,281,244
The fisheries	18,659,961	21,673,415	24,349,835
The forest	41,871,383	49,779,509	55,224,919
Animal produce	68,216,972	94,513,460	117,909,753
Agricultural products	127,122,783	230,644,063	364,605,703
Manufactures	69,151,924	151,751,844	440,477,143
Other	494,699	3,952,972	7,857,806
Total Canadian produce	379,295,854	614,129,845	1,091,706,403
Foreign produce	49,019,658	39,358,568	20,738,599
Total exports (merchandise)	428,315,512	653,488,412	1,112,445,002
Coin and bullion*	19,618,773	128,337,710	196,468,416
Total exports	447,934,285	781,826,122	1,308,913,418
Imports for Consumption.			
Dutiable goods	302,516,964	261,842,173	422,173,311
Free goods	178,802,345	188,705,601	344,553,580
Total imports (merchandise)	481,319,309	450,547,774	766,726,891
Coin and bullion*	132,864,585	21,275,888	37,352,622
Total imports	614,183,894	471,823,662	804,079,513
Duty collected	81,771,651	91,907,722	139,002,178
Aggregate Trade			
Merchandise	909,634,821	1,104,036,186	1,879,171,893
Coin and bullion*	152,483,358	149,613,598	233,821,038
Total trade	1,062,118,179	1,253,649,784	2,112,992,931

*Although it has been customary to include the figures for coin and bullion in Canadian trade returns, the total trade figures are seriously disturbed by the volume of the coin and bullion movements in the last two years, and the latter should not be taken as an indication of the trade of Canada.

UNION ASSURANCE SOCIETY LIMITED

OF LONDON, ENGLAND

FIRE INSURANCE SINCE A.D. 1711

Canada Branch, Montreal:
T. L. MORRISEY, RESIDENT MANAGER.

North-West Branch, Winnipeg:
THOS. BRUCE, BRANCH MANAGER.

AGENCIES THROUGHOUT THE DOMINION

Success and Progress

These are two outstanding features of the history of the North American Life over the past 20 years.

Year.	Income	Payments to Phldrs.	Assets.	Assurance in Force.
1885	153,401	38,016	342,746	4,849,287
1895	581,478	105,712	2,500,518	15,779,385
1905	1,660,064	538,827	6,968,014	37,580,047
1915	2,749,951	1,386,025	15,716,889	56,245,318

This is a rapidly growing institution and offers an attractive opportunity for a live agent.

NORTH AMERICAN LIFE ASSURANCE COMPANY

"Solid as the Continent."

Head Office, Toronto, Ont.

Founded in 1891

THE LAW UNION AND ROCK INSURANCE CO. LIMITED

OF LONDON

ASSETS EXCEED \$48,000,000.

OVER \$12,500,000 INVESTED IN CANADA.
FIRE & ACCIDENT RISKS ACCEPTED.

Canadian Head Office:

57 Beaver Hall Hill, MONTREAL

Agents wanted in unrepresented towns in Canada.

J. E. E. DICKSON, Canadian Manager.

W. D. AIKEN, Superintendent Accident Dept.

The London & Lancashire Life and General Assurance Association, Limited

Offers Liberal Contracts to Capable Field Men

GOOD OPPORTUNITY FOR MEN TO BUILD
UP A PERMANENT CONNECTION

WE PARTICULARLY DESIRE REPRESENTATIVES
FOR CITY OF MONTREAL

Chief Office for Canada:
164 ST. JAMES STREET, MONTREAL.

ALEX. BISSETT - - - Manager for Canada

WESTERN ASSURANCE COMPANY

INCORPORATED 1851

Fire, Explosion, Ocean Marine
and Inland Marine Insurance.

Assets Over - - - \$4,000,000.00

Losses paid since organiza-
tion, over - - - 63,000,000.00

HEAD OFFICE - - - TORONTO, ONT.

W. R. BROCK, W. B. MEIKLE,
President, Vice-Pres. & Gen. Man.

QUEBEC PROVINCE BRANCH:
61 ST. PETER STREET, MONTREAL
ROBERT BICKERDIKE, Manager

The Independent Order of Foresters

Policies issued by the Society are for the protection of your family and cannot be bought, pledged or sold.

Benefits are payable to the beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies Issued From \$500 to \$5,000
TOTAL BENEFITS PAID (Over).....\$50,000,000

FRED. J. DARCH, ELLIOTT G. STEVENSON,
Secretary, President.

S. H. PIPE, F. A. S. A. I. A.,
Actuary.

MOUNT ROYAL ASSURANCE CO.

The annual report of the Mount Royal Assurance Company for the year ending December 31 shows net profits of \$117,289, of which \$9,514 has been transferred to the Reinsurance Reserve Fund and \$107,770 carried to profit and loss account. The premium revenue amounted to \$429,605, \$26,759 in excess of the previous year's income. Interest revenue amounted to \$51,511, making the total net income \$481,117.

The total assets of the company now amount to \$1,225,758.38, as compared with \$1,043,527.26 at the beginning of the year, an increase of \$182,231.12.

THE OUTLOOK.

(Adams in Boston News Bureau).

Briefly as regards immediate events in the war there is complaint of low visibility. But the farther prospect begins to define itself. The world is moved by personality and the towering personalities in this war are Uncle Sam, Lloyd George, a brilliant Frenchman named Neville, who is the idol of the French legions at Verdun, and J. P. Morgan. And in this union it is not difficult to read the doom of the Hohenzollerns.

But I find little complaint of low visibility as respects the business and speculative outlook. Leaders of finance and trade are preparing for more active operations than they have undertaken at any time. The great market interests stand where they stood a week ago—on the bull side. The waiting interval on the Stock Exchange has not lessened their confidence in the market's strong position, speculatively and fundamentally. Nor has it changed the view that with gold imports fast approaching the billion mark and preparedness being vigorously pushed spread of the war will give industry a tremendous impetus.

As a banker remarked to me, with prices of good stocks so low and the dividend yield so large the big men occupy an invulnerable position. The market cannot fail to respond, when the psychological moment arrives for its application, to their initiative on the side of values. Investment houses tell me that buying of stocks for keeps has been much greater than is generally understood. The result is scarcity. This was strikingly evidenced on Tuesday when on comparatively small purchases occurred advances in Union Pacific and United States Steel of something like three points. Yet these issues were still below 140 and 110 respectively. The fact is it seems preposterous in view of their dividends and earnings that either the Rockefeller or Morgan specialty should be purchasable below 150. But that is the good fortune of the investor—and the patient speculator.

Those hot bricks sent out to the shivering suffragette sentinels by Mr. Wilson may have indicated that he thought they were developing cases of cold feet.—Southern Lumberman.

PROSPEROUS and PROGRESSIVE

Up-to-date business methods, backed by an unbroken record of fair-dealing with its policyholders, have achieved for the Sun Life of Canada a phenomenal growth.

More than 166,000 of its policies are now in force for assurances totalling over \$265,000,000—much the largest amount carried by any Canadian Life Company.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

THE Dominion Savings AND Investment Society

Capital - - - \$1,000,000.00
Reserve - - - 235,000.00

T. H. Purdom, K. C. Nathaniel Mills
President Managing Director

Dominion Savings Bldg.
LONDON, CANADA.

AN IDEAL INCOME

can be secured to your Beneficiary with
Absolute Security by Insuring in the

Union Mutual Life Insurance Company,
Portland, Maine

on its

MONTHLY INCOME PLAN

Backed by a deposit of \$1,688,902.65 par value with the
DOMINION GOVERNMENT in cream of
Canadian Securities.

For full information regarding the most liberal
Monthly Income Policy on the market write, stating
age at nearest birthday, to

WALTER I. JOSEPH, Manager
Province of Quebec and Eastern Ontario.
Suite 502 MCGILL BLDG., MONTREAL, QUE.

Commercial Union Assurance Co. LIMITED OF LONDON, ENG.

The largest general Insurance Company in the world

Capital Fully Subscribed \$14,750,000
" Paid Up 1,475,000
Life Fund and Special Trust Funds.... 74,591,540
Total Annual Income Exceeds 47,250,000
" Funds Exceed 142,000,000
" Fire Losses Paid... .. 183,366,690
Deposits with Dominion Government... 1,225,467
(As at 31st December, 1915.)

Head Office, Canadian Branch—Commercial Union Bldg
232 236 St. James Street, Montreal

Applications for Agencies solicited in unrepresented
districts.

J. MCGREGOR - - - Mgr. Canadian Branch
W. S. JEFFERSON - - - Asst Manager

A Free Course in "Salesmanship"

We have thought about the young man who sees no prospects ahead. Would you like to be in a business that will give you

A GOOD LIVING WAGE

A PROFITABLE FUTURE

A PROVISION FOR OLD AGE

We teach a man the Insurance Business, which offers permanent success, does not fluctuate, is a professional occupation, and has been truly named "The best paid hard work in the world."

This is done by a correspondence course and personal assistance, free of charge.

When he is fully prepared for the work, we place him in a position and help him to make good.

The first two lessons of the Company's correspondence course will be sent to anyone interested. It will pay young men who desire, to get on in the world to look into this.

All correspondence strictly confidential.

CANADA LIFE
ASSURANCE COMPANY

Head Office, Toronto.



BLACK DIAMOND

FILE WORKS

Established 1863 Incorporated 1897

Highest Awards at Twelve International Expositions. Special Prize, Gold Medal, Atlanta, 1895

G. & H. Barnett Co.
PHILADELPHIA, Pa.

Owned and Operated by
NICHOLSON FILE COMPANY

PROFESSIONAL

THE REV. M. O. SMITH, M.A., WILL ADVISE
with fathers concerning the instruction and education of their sons. No. 544 Sherbrooke St. West.
Or telephone East 7302, and ask for Mr. Kay.

HOWARD S. ROSS, K.C.

EUGENE R. ANGERS

ROSS & ANGERS
BARRISTERS and SOLICITORS
Coristine Building, 20 St. Nicholas St., Montreal



DIVIDEND NOTICE.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of TWO-AND-ONE-HALF per cent., upon the paid up Capital Stock of this Institution, has been declared for the current quarter, payable on and after Thursday, the FIRST DAY OF MARCH next, to Shareholders of record of 31st January, 1917.

By order of the Board,
FREDERICK WILLIAMS-TAYLOR,
General Manager.
Montreal, 23rd January, 1917.

THE BANK OF NOVA SCOTIA

DIVIDEND NO. 189.

Notice is hereby given that a Dividend at the rate of Fourteen per cent. per annum on the paid-up Capital Stock of this Bank has been declared for the quarter ending March 31st and that the same will be payable on and after Monday, the 2nd day of April next, at any of the offices of the Bank.

The Stock Transfer Book will be closed from the 17th to the 31st proximo, inclusive.

By order of the Board,
H. A. RICHARDSON,
General Manager.
Halifax, N. S., February 16th, 1917.



A SESSION OF THE COURT OF KING'S BENCH (Crown Side), holding criminal jurisdiction in and for the DISTRICT OF MONTREAL, will be held in the COURT HOUSE, in the CITY OF MONTREAL, on THURSDAY the FIRST DAY OF MARCH NEXT, at TEN o'clock in the forenoon.

In consequence, I give PUBLIC NOTICE to all who intend to proceed against any prisoners now in the Common Jail of the said District, and all others, that they must be present then and there; and I also give notice to all Justices of the Peace, Coroners and Peace Officers, in and for the said District, that they must be present then and there with their Records, Rolls, Indictments and other Documents, in order to do those things which belong to them in their respective capacities.

L. J. LEMIEUX,
Sheriff.

Sheriff's Office,
Montreal, 10th February, 1917.

Customer: "Your milk isn't rich."
Milkman: "No; it's poor, but honest."—Boston Transcript.

News of the Week

Tuesday, February 20th.

British and Turks have been engaged in hard fighting about twelve miles northeast of Kut-el-Amara. On French front British carried out successful raid, near Souchez. On Verdun front French and Germans have engaged in severe duels. Minor skirmishes and artillery action continue in the Austro-Italian theatre and on Macedonian front.

Cunard vessel Valeria crashes into American schooner at New York.

Australia passes law forbidding women and children to go to Europe.

Four ships—two British and two neutral ships, sunk. Food question causes riots in New York City.

Wednesday, February 21st.

Small Turkish garrison on the Sinai Peninsula at Birel-Hassana, was captured by British. Small advance position held by British rushed by Germans. Heavy German attacks repulsed by Russians.

"MONTREAL METROPOLE, LIMITEE"

Public notice is hereby given that, under the Quebec Companies' Act, letters patent have been issued by the Lieutenant-Governor of the Province of Quebec, bearing date the seventh day February, 1917, incorporating Messrs. Hormidas St-Amant, accountant, Louis A. Guimond, notary, Francis Mackay, notary, Maurice Mackay, student-at-law, of Montreal, for the following purposes:

To acquire, own, operate, sell, exchange, alienate, hypothecate, hire and lease all kinds of moveable and immovable property, lands, mines, quarries, water powers, factories and industries whatsoever, patents, trade marks, newspapers and publications, copyrights, claims and moveable property of every kind including the right to deal in all materials, merchandise, moveable and immovable property, hypothecate, sell, exchange or otherwise alienate, construct on and exploit same, and do everything in connection therewith;

To acquire in whole or in part the property and business of any persons or company altogether or partly similar to those of the present company or to amalgamate therewith or sell its property and business to any such companies or persons, including the shares, and bonds of any such companies, and to pay for such acquisition in shares, bonds, debentures or other securities of such companies, to subscribe for or otherwise acquire and hold shares in any other financial companies; to sell or deal with its own property for such considerations as the company may deem proper and in particular for shares, debentures or other securities of any other companies; to sign, accept, endorse any promissory notes, bills of exchange, warrants and other negotiable instruments, to make advances of money or loans to customers and other persons having dealings with the company and to guarantee the execution of all contracts;

To act as agents and brokers in any business of a like nature to the above, either as principal or agent; To remunerate in cash or by shares or bonds or in any other manner all persons or corporations for services rendered, to issue and allot paid up shares, bonds, or obligations of the company in payment of any business, property, rights, privileges, shares or other securities or rights which the company may legally acquire by virtue of its powers; to accept moveable or immovable securities in payment of shares of this company; and generally to carry on any transactions or things incidental or accessory to the above mentioned objects, under the name of "Montreal Metropole, Limitee", with a capital stock of twenty thousand dollars (\$20,000.00), divided into two thousand (2000) shares of one dollar (\$1.00) each. The principal place of business of the corporation, to be in the city of Montreal.

Dated in the office of the Provincial Secretary, this seventh day of February, 1917.

C. J. SIMARD,
Assistant Provincial Secretary.

Lord Robert Cecil announces failure of submarine blockade.

Four vessels victims of German U-boats—one British, two Newfoundland and a Norwegian.

Three American vessels to be laid up in harbor indefinitely.

The German Vice-Chancellor admits the food problem is serious.

A Canadian delegate will attend the trade conference in Italy.

Germany has abandoned the policy of raiding Britain with Zeppelins.

The French freighter Guyane sank a German submarine in a forty-minute battle.

Thursday, February 22nd.

British forces, in France attacked positions at several points and gained 1,150 yards. South of Arras German line was penetrated deeply on a front of about 650 yards, and southeast of Ypres on a front of about 500 yards. Near Gueudecourt, in the Somme sector, the British also seized a section of German trenches and took prisoners.

Several pacifist members spoke in the British House of Commons.

Conscientious objectors in Britain, after March 1st, will be put in prison.

Sweden asked Germany for explanations regarding the sinking of the Hugo, Hamilton and the Varing.

Alfred Noyes states that 200 enemy submarines have been sunk.

Signing of national service cards to be compulsory in Canada.

Friday, February 23rd.

Nowhere has a big engagement taken place but small engagements by raiding and reconnoitring parties and reciprocal bombardments, are still going on in all war theatres. The Russians repulsed the Teutonic Allies near Dorna Watra in the Carpathians. In Rumania a heavy snowstorm is hampering operations. Considerable artillery activity continues on the Macedonian front.

Eight vessels sunk by German U-boats, four British, a Russian, and three neutral ships.

Forty thousand dollar fire at Winnipeg.

Saturday, February 24.

There has been little activity on the various battle fronts. The British have gained additional ground in the Somme and Ancre sectors. A battle is in progress northeast of Kut-el-Amara. In Galicia the Russians and Germans have been engaged in isolated fighting at Zlochoff.

A submarine base was reported discovered off the coast of Spain.

A Swedish ship with Americans aboard was sunk by an enemy sub.

Germany is reported to have released the American seamen of the steamer Yarrowdale.

Fourteen ships in list of U-boat victims.

French liner carrying troops sunk in Mediterranean.

Raider sunk, by British, off Brazil Coast.

Over 5,000 clothing workers still on strike, in Montreal.

Monday, February 26th.

British take four villages in Ancre section. Germans withdraw their front for several miles. British gain big victory on Tigris, taking four lines of trenches. Lower Mesopotamia in British control now.

Germans retreat three miles and are still steadily withdrawing troops in Bapaume district.

Seven Dutch steamers attacked by U-boats.

Five British ships sunk in two days.

Germans invade Brazil.

Carranza and Villa forces fighting.

DIVIDEND NOTICE

THE HOME BANK OF CANADA

NOTICE OF QUARTERLY DIVIDEND

Notice is hereby given that a dividend at the rate of five per cent. (5%) per annum upon the paid-up capital stock of this Bank has been declared for the three months ending the 28th of February, 1917, and that the same will be payable at the head office and branches on and after Thursday, the 1st day of March, 1917. The transfer books will be closed from the 14th of February to the 28th of February, 1917, both days inclusive.

By order of the Board,
Toronto, January 17th, 1917.

J. COOPER MASON,
Acting General Manager.

The World's Wealth and Population

(From Commerce and Finance, New York).

	Wealth.	Area Square Miles.	Population.
The British Empire.			
Great Britain, Ireland	\$ 85,000,000,000	121,331	45,000,000
Canada	7,000,000,000	3,892,621	8,500,000
Asia, including India	15,000,000,000	1,952,912	323,000,000
All other British possessions	23,000,000,000	6,778,902	61,000,000
Total British Empire	\$130,000,000,000	12,745,766	437,500,000
The Other Allies.			
France	50,000,000,000	207,054	40,000,000
French colonies	5,000,000,000	4,776,032	48,000,000
Russia	40,000,000,000	8,647,657	180,000,000
Japan, including Korea, etc.	15,000,000,000	258,266	72,000,000
Italy	20,000,000,000	110,623	35,000,000
Italian colonies	(No estimate)	596,000	2,000,000
Belgium	9,000,000,000	11,373	7,500,000
Belgian Congo	(No estimate)	900,000	15,000,000
Portugal	2,500,000,000	35,490	6,000,000
Portuguese colonies	(No estimate)	832,267	9,200,000
Rumania and Serbia	1,000,000,000	88,000	10,000,000
Total British and Allies	\$272,500,000,000	29,208,528	862,200,000
The Central Powers.			
Germany	80,000,000,000	208,780	65,000,000
German colonies (before the war) ..	(No estimate)	1,027,820	14,000,000
Austria-Hungry	25,000,000,000	260,034	49,000,000
Turkey and Bulgaria	3,000,000,000	1,463,448	36,000,000
Total Central Powers	\$108,000,000,000	2,960,082	164,000,000
The Neutral Nations.			
United States, including Alaska and Philippines ..	\$250,000,000,000	3,741,828	110,000,000
Spain	5,400,000,000	190,050	20,000,000
Spanish colonies	(No estimate)	90,561	1,000,000
Netherlands	5,000,000,000	12,648	6,000,000
Dutch colonies	2,000,000,000	1,046,445	37,000,000
Switzerland	4,000,000,000	15,976	3,700,000
Other European neutrals—Norway-Sweden, Denmark, and Greece	5,000,000,000	445,593	16,000,000
China	10,000,000,000	2,169,200	400,000,000
Mexico and Central America	5,000,000,000	971,980	21,000,000
South America	30,000,000,000	7,341,899	55,000,000
Asia, including Afghanistan, Arabia, Persia, Tibet, Siam, Mongolia, Bhutan, Nepal, Oman, and Khiva ..	(No estimate)	4,107,120	39,000,000
Africa including Abyssinia, Liberia	(No estimate)	431,000	10,000,000
West Indies, Cuba, Haiti, and Dominican Republic ..	1,000,000,000	73,693	15,000,000
Unimportant European states	(No estimate)	17,930	1,800,000
Total neutrals	\$317,400,000,000	20,655,923	725,500,000
Grand total	\$697,900,000,000	52,824,533	1,751,700,000

"A Little Nonsense Now and Then"

Mother: "How did you get that black eye, Tommy?"

Tommy (disgustedly): "By waitin' to count ten when I was angry, like you told me to; that's how I got it."

Cohen: "So Sadie has broken der engagement. Did she gif you back der ring?"

Sohenstein: "No, she said diamonds had gone up, but she would gif me vat I baid for it."

"After all, success is merely a matter of environment."

"As for example?"

"Well, the greatest surgeon might be a dismal failure operating on the Stock Exchange."—Boston Transcript.

"I've had a bit of luck. I picked up \$100 day before yesterday, and learning this morning that it belonged to that old miser Marx, I returned it to him."

"I see; and he gave you a reward."

"Oh, no; but he didn't charge me any interest for the two days I had it."—Boston Transcript.

Mr. Flanagan attended a christening where the hospitality of the host knew no bounds. In the midst of the celebration Flanagan rose up and made the rounds of the company, bidding each a profound farewell.

"But, Pat, man," objected the host, "you're not goin' yet, with the evenin' just started?"

"No, begob," said Pat, "but I'm biddin' ye good-night while I know ye all."—Pathfinder.

"How's farming?"

"Fine. You know that abandoned farm I picked up?"

"That prompted my question."

"I sold quarry rights to one crowd and rented the surface as golf links. Now if I can lease the air to some wireless company I'll have about everything under cultivation. Who says intensive farming doesn't pay?"

Algy's Mother: "I suppose yer gettin' a good fee, sir, for attendin' to the rich Smith boy?"

Doctor: "Well, yes, I get a pretty good fee, but why are you asking?"

Algy's Mother: "Well, I 'ope yer won't forget that my little Algy threw the brick that 'it 'im."

A minister settled in a rural district did not commend himself to some of his flock by his habit of reading his sermons. One of his parishioners, happening to meet a friend, was asked: "Weel, hoo's your new minister gettin' on?" "Gettin' on! He's gettin' on just like a crow in a tottle field—two dabs and a look up."—Farm and Home (British).

A very well-known artist—I won't give his name, but will just hint that he is one of the older school—was telling me at the Academy that last week his butler had given him notice. "But why do you want to leave?" asked the artist.

"I'd rather not say, sir," the man replied.

"But I insist on knowing."

"Very well, sir," was the answer, "if you must know, it's because I've been with you for twenty years, and I'm sick of the sight of you and your family."—London Daily Mirror.

The shrewd old farmer was approached one day by a bright, breezy young fellow who was selling incubators. He gave the farmer the usual eloquent arguments. Of course, he said that there was not another such incubator to be found, the price was remarkably low, etc.

The old man did not reply. The young man talked himself out, and had evidently made no impression. At last he said:

"You don't seem to be interested in incubators. In fact, you don't seem to appreciate these incubators."

"No," said the old farmer slowly. "I guess I don't."

"But," argued the young man, "just think of the time they will save!"

"Well," said the farmer, giving the man one cold look, "what do you suppose I care for a hen's time?"—Farm and Home (British).

AN EXPENSIVE FORD.

Boston, Mass., February 26th.

A bond salesman who has just returned from Maine tells about a Maine farmer who last fall contracted to buy a Ford car and to pay for same on March 1st this year with 400 barrels of potatoes. The lowly tuber was selling at \$1.15 a barrel when the agreement was made, and yesterday the market was \$3.50 a barrel. On the basis of yesterday's price the Ford will cost \$3,400.

FOOD SUPPLIES DECREASE.

While the population of the United States has increased from 75,000,000 to 101,000,000 in the last 16 years, the food supplies have decreased, per capita supplies in that country being as follows:

	1899.	1915.
Meats, pounds	248.2	219.6
Milk, gallons	95.6	75.5
Cereals, bushels	43.9	40.2

EQUITABLE LIFE ASSURANCE SOCIETY.

Large figures are required to deal with the returns of the Equitable Life Assurance Society of the United States.

Increases are shown in new insurance, outstanding insurance, assets and surplus. The interest rate for the year increased and the mortality rate and expense rate decreased. The payment to policyholders in 1916 aggregated \$58,915,422, making a total since organization of \$1,100,057,839. The insurance on the company's books now amounts to \$1,607,089,581, an increase for the year of \$77,203,000. The new insurance paid for totalled \$209,706,988, covering 130,000 lives.

GOING THROUGH THE MOTIONS.

H. L. Fogelman, A. B., A.M., of the Sheldon School of Salesmanship, is sometimes referred to as the "Billy Sunday of business." Mr. Fogelman is also a raconteur of more than a little ability. Following is one of the stories he told at the January meeting of the New York association.

A New Englander was riding along a country road somewhere in the South. His driver was the typical old Southern negro, garrulous and tobacco-chewing. Among the accomplishments of this son of Ham was a surprising dexterity in striking objects with the tongue of a long lashed whip. Not far to one side of the road a bee had lighted on a flower.

"Uncle," said the man from up North, "can you hit that bee?"

"Ah reckon as how ah cahn, Boss", returned the ducky; and he did.

Presently the Northerner noticed two bees well down in the center of a blossom. He pointed them out to his driver and asked, "Uncle, can you get them both at one crack?"

"Ump mph," assented the marksman; and he did.

Time passed, but shortly, as if to vary the monotony of the journey, a hornets' nest loomed up hanging from a low bough at one side of the road.

The traveler's mouth twitched at the corners. "Uncle," he inquired, "can you get that?"

Slowly the negro turned, showing the whites of his eyes. "Boss," he queried, "is you sehious, case if yo is ah's gwine t'tell you NO SUH—DEM HORNETS IS OHGANIZED!"

E. A. Robert, president of the Montreal Tramways Company, has been made a director of the British America Assurance Company and the Western Assurance Company.

The Dry Goods Situation Reviewed.

Prosperity Throughout Canada

In spite of the universal complaint that deliveries of dry goods are slow and irregular, a feeling of optimism, born of daily mails full of spring orders, is everywhere apparent in Canadian wholesale circles. Looking down the aisles piled to the ceiling with bolts and boxes, it seems difficult to believe that the "shortage of goods" constantly referred to, actually exists. However, everything is relative and this year's spring stock can be only judged in comparison with the stocks of other years. Prices are higher than last spring's, due to many causes all based on abnormal conditions arising from the war. However, the higher price levels appear to have very little effect on the general public, and retailers all over the country are booking orders heavily. The question of being able to obtain the goods appears to be of greater moment than the consideration of price. In many lines it will be impossible to fill repeat orders, while others have to be struck off the lists altogether before the travellers have called on more than half their customers. Predictions are freely made that prices next fall will be as high as they are at the present time, and considerably higher in many cases, as the demand for goods is everywhere in excess of the supply.

The embargo at present existing on the railways has caused a certain amount of inconvenience in the dry goods trade, although the difficulties encountered have been by no means as serious as in the case of flour, grain or coal for example, where the raw material carried is necessarily limited by its bulk. The mills have large stores of raw cotton and are therefore not embarrassed for material to carry on operations during the present transportation crisis. Some shipments from the mills to wholesale houses have been delayed for weeks. A great deal of shipping is being done by express, but the railways threaten to close down on the excess of this traffic as they have not the facilities to handle it all. The wholesale houses are therefore holding back shipments of goods to their retail customers wherever possible until conditions return to normal.

Cottons.

The raw cotton market has been slightly weaker of late owing to the possibility of the United States going to war with Germany and the partial cessation of Atlantic shipping. Lower values in the market for the raw material, however, are offset by many other factors which will eventually lead to higher values than ever for the finished product. Conditions existing in the United States and Manchester are such that the importation of cotton goods will be greatly curtailed. With a vast domestic trade and extensive foreign markets, the production of the United States mills is bound to be oversold. Manchester, to which we formerly looked for a large proportion of our cotton supply, will not be in a position to produce more than sufficient for the requirements of Great Britain and Ireland, owing to the labor situation which is constantly becoming more acute.

Canadian mills are very busy, being hindered only by lack of skilled labor. The dye situation is improving on the whole, although great difficulties are being encountered in certain colors. Alizarine reds are especially scarce owing to the embargo on this color in England as it contains materials used in the making of high explosives. Blacks are being manufactured satisfactorily in Canada and the United States. Blues are being turned out in fair quantity by several American works, including Indanthrene and steam blues. Greens, yellows and heliotropes are hard to get and scarce. Yellows in particular are poor in quality. The high prices asked for dyes are naturally adding to the value of printed goods of every description. Finishing materials such as starch and flour are also very high. At the recent decline, raw cotton is 3 cents higher than normal, and the market has been as much as 6 and 7 cents higher. The result of these several adverse factors in the textile situation coupled with an incessant demand for goods has been an increase of 50 per cent in the price of cotton piece goods since last spring.

Sheetings are heavily oversold, most Canadian mills being booked up for their next nine months' production. Travellers are sending in good orders for heavy colored cottons for spring delivery, many lines being cancelled as the stocks become depleted. Prints are in very good demand, although prices have advanced 25 cents since last year. Orders were placed in England very early this year in anticipation of difficulty

in delivery, and therefore these goods have already arrived. Deliveries from the Canadian mills are slower and in some cases are not in yet. Shipments from American mills to date have been fair, but repeat orders are expected to be slow. Woiles are a leading line this year.

Although Canadian firms have large orders for gingham placed with Scottish mills, no goods are coming over on account of the shipping situation and the shortage of labor on the other side. These mills have orders booked for at least twelve months ahead. The better class gingham have advanced 8 per cent, while the cheaper grades are up much higher. A further increase of 16 per cent is predicted for next year on all gingham.

Linens.

The linen market is firm at a price level 50 to 75 per cent above last year's, with no prospects of lower values. The situation as regards the raw material is becoming more and more serious. Flax is very scarce, and is likely to continue to be so for some time after peace is declared. All supplies are being drawn from Ireland as Belgium has long ceased production. The great flax growing region of Riga is also in the line of hostilities. Government regulations of the movement and manufacture of linen goods in Ireland are stricter than ever. An order has recently been issued providing that flax which might be used for the manufacture of aeroplane cloth may not be used for any other purpose without the permission of the Director of Aircraft Equipment. Shipping conditions which have reached a critical stage are hindering the movement of both the raw material and the finished article.

The difficulties in the Canadian linen trade are daily becoming more and more accentuated. The problem seems to be where to get our stocks for the next six or nine months under existing conditions. Orders have been accepted by Irish mills and goods are promised for the near future. Fair deliveries have been made by Scotch mills on orders placed a long time ago. Small shipments of these goods keep coming in every week or two. American mills are making no pure linen, but are full up for many months on imitation goods. A big demand is reported for union and imitations which are much cheaper than all linen goods. Pure linens are also selling well as far as they go, price apparently being a minor consideration compared with the desire to obtain the goods.

Woolens.

The woolen industry is only second to the linen trade when it comes to insurmountable difficulties, arising from inexorable restrictions. Britain's obligation to her Allies with regard to the supply of wool and military clothing, created a situation in the beginning of last year that forced the hands of the Government and resulted in a system of state control which has completely revolutionized the industry. The first important step was the purchase of the whole of the British clip of about 120,000,000 pounds, followed by a gradually extending system of control which put practically all the processes of manufacture in connection with military requirements on a commission basis. The census of stocks and machinery was the next step, the manufacture of goods already held in sufficient quantities being forbidden. In the autumn, as the Government action so far had not been sufficient to meet the urgent needs of the case, the whole of the Australian clip was purchased by the British authorities.

After safeguarding military necessities the War Trade Department has throughout the past year followed a policy of encouraging export trade to safe destinations. With increased submarine activity on the part of Germany the shipping problem has commenced to play a leading part in the situation. In view of the present lack of ocean space and inadequate supplies of woolen goods to meet the demand, the British Government has recently ordered that before they are permitted to purchase goods all colonial or foreign houses must submit a list of their stocks, to within 5 per cent of accuracy. Certain lines which are especially short may not be exported in any case.

On this abnormal foundation the market for woolen goods is very firm with no hint of weakness while the war lasts. During the last few months, however, prices have remained fairly stationary, although on some lines of dress goods and suitings values are 25 per cent to 35 per cent higher than they were a year ago.

Considering the season, a very fair demand is being met in Canada for woolen dress goods. The bulk of the shipments are already in for the spring trade. Deliveries as a rule have been made in full although in some cases they were rather late. American deliveries have not been so prompt as usual, which is attributed in part to the prevailing freight congestion. Goods on repeat orders are exceedingly difficult to obtain. Some Canadian wholesale houses are very active, as they have made provision for their needs beforehand, and their stocks seem to be well assorted. The range of colors appears to be larger than last year's which is indicative of an improvement in the dye situation. Among the leading lines are broadcloths, gatardines, tricelines and serges, all of which are selling freely.

Both imported and Canadian made blankets are going to be very scarce for fall 1917. Owing to embargo in Britain, it is impossible to get anything like sufficient quantity of British made blankets, and Canadian makers are only allotted about 50 to 75 per cent of the usual quantities to wholesale houses. Already lines are being sold up and withdrawn and none of the manufacturers will file any repeats. This shortage is caused as much by shortage of labour as by increased demand.

Knit Goods.

The demand in Canada for knit goods of all descriptions during the winter has been good, and as stocks held by retailers are not large, travellers now on the road are meeting with a very fair measure of success. The mills are practically sold up, and some have already notified their customers that no repeat orders can be accepted owing to uncertainty of obtaining the necessary yarns. The labor situation is also difficult, for although female help is partly available and is proving satisfactory, yet women are unable to cope with the heavy work. Lack of needles for the knitting machines is also playing havoc with deliveries. The needles which are brought from England are very hard to get as the firms that formerly manufactured them are working on munitions. The result of these many adverse conditions has been an advance of from 25 to 50 per cent in the price of knit goods since last spring.

There is little change to note in the knitted vest market since our last report. Wholesale houses have had restricted quantities offered to them by the mills in proportion to their last year's orders, which in most cases have been fully taken up. Repeats in this line are doubly difficult. Shipments of stockings are slow and uncertain from domestic mills, while deliveries from England are growing worse all the time.

Contrary to expectations artificial silk sport coats have met with a keen demand, and some houses are already sold up on these goods. It is only since the beginning of this month that the mills have been delivering certain lines of fleeced jerseys that have been on order for 12 or 14 months. These fleeced goods are consequently very dear, and are selling freely at \$7.50, where \$4.50 was asked retail a year ago.

Men's furnishings are in exceptional demand today, as retailers are buying freely in order that they may not be left short of goods as they were last year. Prices are strongly held in some cases at double last year's quotations, with no relief in sight. Fingering wools are hard to get as deliveries on old orders are very slow. This is particularly the case with fine quality imported yarns as so few are released from England. Generally speaking these goods are snapped up as soon as they are received.

Silks.

The silk market is very strong, marked advances having taken place on the first of January and again on the first of February in the United States market. Goods are very difficult to secure on account of the lack of boats between the continent and Liverpool. Labor conditions in Europe are growing worse instead of better, as the Swiss standing army is now much larger than formerly, and in France the Government is continually calling out new classes of men for the army. War risks have increased a further 15 per cent during the past fortnight, adding just so much more to the already prohibitive cost of transportation.

House Furnishings.

Carpets of all kinds are suffering from scarcity of material and workmen, and values are fully 50 per cent higher than pre-war prices.

Oilecloth and linoleums are the same. The Scotch manufacturers cannot get men and as the work is too heavy for women they have to shut down. Dominion Oilecloth Co. can only fill about half their orders and will only guarantee prices from day to day.

Germany's Food Shortage

In a previous issue of The Journal of Commerce there was published extracts from the first three letters of Madeleine Doty who recently returned from Germany. She had been sent there by the Chicago Tribune and the New York Tribune to investigate and report upon social and economic conditions in the Fatherland. Extracts from her fourth and fifth letters follow, and show that the British naval blockade is slowly but steadily forcing Germany to the starvation point:

LETTER NO. IV.

In my recent investigation in Germany among other things I wished to see Germany's poor at first hand. I had no little trouble in attaining my object, but I persisted. I wanted to expend the money given me by the Christian Work fund properly. But official Germany denies its poor and hides them. The officials of the relief organizations were very kindly and very appreciative, but they insisted on showing me card catalogues, pamphlets, and discussing organization instead of producing hungry babies. I flatly refused to spend money on cataloguing.

My lack of success discouraged me. I appealed to a woman social worker. "Very well," she said, "I'll show you what is happening."

She took me to the north of Berlin. There little children swarmed, dirty, ragged, barefooted, and pale. This is a new state of affairs for Germany. Heretofore there has always been at least potatoes and clothes. No one has gone hungry. Paternalism flourishes only when the family is fed. When father fails to furnish food the children rebel. The spirit of rebellion is abroad in Germany. We visited several tenements. The following is a typical family.

A mother, nine children and grandmother, two rooms and a kitchen. Father in the war; income 144 marks (\$38) a month; rent, \$7 a month. This mother could not afford to eat at a feeding station. One meal at 10 cents a head meant \$1.20. The baby was 6 months old. It has what is termed "Englische krankheit."

It was weak from lack of nourishment. It could not raise its arms. Since Sept. 1 only children under 6 are allowed milk. The allowance is a pint a day. Not enough to nourish a baby. This family was living on tea and potatoes.

We visited many families. I could not but admire my companion. She was very proud, but tears ran down her cheeks. She belonged to the official class. She adored Germany and held every German act right, yet her heart bled for her people. Vainly she was trying to stem the tide. She dashed her tears aside to say: "Do you wonder German women are bitter? But England shall not bring us to our knees; rather we will give our last baby first."

At every home I insisted on laying in supplies. But there was little to buy. Nothing with substance — no meal. We had to be content with pudding powder (heaven knows what that is), tea "ersatz," and some canned goods. My companion had succeeded in getting some packages of meal from the government. When she produced one of these the family went mad with joy. Cereal foods are more precious to mother than diamonds. The thing that is needed is food — not money.

I knew now what was most needed. It was milk for babies. I dislike quoting figures, but a reliable and well informed Social Democrat told me that in the big babies' hospitals the increase in mortality was 50 per cent.

The Card Food System.

The following items are to be had only with government cards: bread, meat, potatoes, butter, sugar, cheese, milk, eggs, meal, flour, soap and cheap clothes. Each person has to trade at the store assigned. Working people have to buy at noon and in the evening. This results in long lines in front of every shop at these hours.

One Saturday evening I went to a big market in the poor quarter of Berlin. This market covers an entire block. In it are sold meat, groceries and dairy products. I arrived at 6. There was little meat visible. At one booth a butcher presided over a wholly empty counter.

I pulled my companion's sleeve: "Look!" I said. "There's meat on that other counter, couldn't we buy some?" But no, of course not, the little old woman could only get meat with her meat card from her particular butcher. This time it was I who said: "Curses on the military."

Conspicuously over many counters flapped the sign "ersatz." "Ersatz" means substitute. Sausage ersatz was a pale edition of the real article. One's speculations run riot.

But there were few meat purchasers. The people were out for potatoes. The potato counter crush was as bad as a bargain day. At 6 o'clock there was a line stretching through the entire market and far out into the street. At least 2,000 people were in line. I stood and watched for three hours and the line never decreased. As fast as some left, others arrived. There were old men and women, mothers with babies and tiny children clinging to skirts and young children carrying huge baskets.

The crowd swayed and muttered. It stood on one foot and then on the other. Women who had worked all day looked ready to drop with fatigue.

Dealing Out the Potatoes.

At the counter three or four women employees were dealing out potatoes and punching cards as rapidly as possible. Occasionally little commotions broke the monotony. Once a baby cried. We hurried toward the sound. In a baby carriage a tiny creature sobbed drearily. Standing beside the carriage and clinging tight to the baby was a 5 year old also weeping. Brother, 12 years old, had been standing in line three hours for his potatoes. Meantime the babies had grown hungry. They had had nothing to eat since noon. Some kindly women gave them bread, which was devoured eagerly. Presently mother arrived, just released from the factory. She was tired and worn. She shook and scolded brother for being so slow. Then the little procession moved off. The babies, the little boy, all dirty, ragged, and barefooted, and the worn mother, with a bag of potatoes between them; all they had. Father was in the war.

No Potatoes; Go Hungry.

Once I left the market and went with my friend to sit on a street bench nearby. Close to us was a pale, sickly man and his wife and child.

"Have you your potatoes yet?" we inquired. "No," was the reply, "but grandmother is standing in line. It's going to be all right to-night. Last Saturday we waited three hours. Then we hadn't any. They'd given out." "What did you do?" we gasped. Quietly, without bitterness, came the answer: "We went hungry, of course."

Presently we went back to the market. There was still the same line, but the crowd was getting restless. A rumor was afloat that the potatoes were giving out. Women began to talk in angry tones. The crowd was angry. Some women shook their fists.

Then a whisper passed along the line. More potatoes had arrived. A huge wagon full stood outside. Only this word prevented a riot. The crowd settled down; peace came again. Nothing would happen that night. It was 9 o'clock. My friend and I were weary and we left.

The wealthy people do not stand in line. Their servants do this for them. Besides, chickens and birds at high prices are to be had without cards. The egg allowance is one a week. But for the wealthy this also is a farce. I grew egg hungry and demanded two one week, but the waiter was adamant.

In the big cities conditions are worse than in the country. Farmers are expected to pool and sell their supplies of milk, butter, and eggs, but, naturally, they hold back enough for their children. There is no way of knowing how much milk each cow gives each day unless the German army was retired from the field to do the milking and report to the government. Even German organization cannot brook this.

One farmer I discovered greasing the wheels of his wagon with his home-made butter. The price of butter is kept at a fixed rate. Oil was so expensive he couldn't afford it. Soap was not on the card list until late August. Fat had been under control for months, but the government forgot soap was grease. Now one cake a month is the allowance.

I asked the Social Democrats about the food riots. They occurred, I was told, chiefly in the spring when the potatoes gave out. In Hamburg the women ran straight on the soldiers' bayonets in the struggle for food and several were killed. The following day, Sunday, the government had to throw open the Hamburg provision stores and let the people buy to restore peace. Berlin has had several riots. In some cities women have been shot.

"It is quite easy to start rebellion," said a Social Democrat to me. "Several times we went to the market and urged the crowd to riot. But we stopped, for women were put in prison and the children left destitute."

But when there are no potatoes there will be riot. As long as there is food for the children, however inadequate, the women keep quiet. Their hearts are sore, but they dare not rebel. They fear the fate that may befall their husbands at the front if they make trouble. Or, if the husband is wounded, they fear he will not be well cared for. Or they fear their children will be taken from them. But these women when spoken to look wise and say: "Wait until our men come back from the front, then you'll see."

LETTER No. V.

Miss Doty's fifth article on Germany is written in the vein of the German revolutionists. She was looking for things to criticize and was able to find them.

In the face of official censorship it is not possible to obtain full and accurate news from any beligerent country.

All that can be done is to seek for and print all news obtainable.—Editor Tribune.

I had been in Berlin two weeks. I wanted to see other portions of Germany. I learned there was to be an official tour for journalists. I went to the German press bureau.

"Can I visit some prison camps?" I inquired. "If you allow me and I find they are good I shall be glad to say so."

The young man in charge of the German press is keenly intelligent. He represents the civil authorities—the Von Hollweg group. There is a vast difference between the civil and military authorities. The civil are much more liberal. They are eager to send news to America. I was told of a nine day tour, which included a visit to two prison camps, and was invited to join the expedition.

An intelligent director conducts a group of reporters through the country. All expenses are paid and the journalists feted and feasted. I delayed my departure for a day. It was the moment of the Liebknecht trial, and I wished to be present in case of an uprising. Also by this postponement I avoided the special car assigned to journalists and could pay my own railroad fare to Karlsruhe.

Next day was the Liebknecht trial. No paper announced it, but word had been passed to me by the Social Democrats. That day I was up early. I took a taxi and drove round and round the grim bar racks where Liebknecht was said to be imprisoned. But all was still. No crowd gathered.

Bitterly disappointed by the lack of demonstration, I sought out some social intimate friend. I took two taxis and three trams to elude spies. These radicals were as disappointed as I that anything had occurred. The factory workers were to have made a protest. A large body was to have gone on strike.

A leaflet stating the time and place for the demonstration was to have been distributed; but the leaflet failed to arrive. A big package reached Berlin, but when opened it contained a soldiers' uniform. The government had gotten wind of the plot and seized the leaflets, substituting the uniform. No one dared make inquiries.

Munition Workers Strike.

Few people outside of Germany know of the extensive revolt carried on by the radicals. The day of Liebknecht's imprisonment, 5,500 workers in one munition factory alone, just outside Berlin, went on strike for the entire day. There were similar protests throughout the country.

The Liebknecht following grows. The workers more and more flock to his standard to the infinite dissatisfaction of the major wing of the Social Democratic party. The demonstration that caused Liebknecht's arrest will go down in history. Several thousands were gathered in Leipzigerstrasse and Potsdamerplatz. They had come to talk peace. But when Liebknecht appeared a mighty shout went up from a thousand throats, "Hurrah for Liebknecht!"

Liebknecht raised his hand for silence. Then steadily, though knowing the cost, he said: "Do not shout for me, shout rather that we have no more war. We will have peace—now."

Young Women are Arrested.

Two young women standing near pulled his sleeve. "Don't," they begged, "it means the end for you." But the crowd had taken up the cry. "We will have peace now!" It went echoing down the

street in a mighty roar. Police were already at Liebknecht's side.

He smiled at the young women and said: "Never mind, I am the best victim." But he was not the only victim. The two young women who never had met Liebknecht and had taken no part in the demonstration were arrested.

The number in prison is astounding. In Stuttgart 400 are serving terms. There are corresponding numbers in all big cities, but I cannot quote accurately. But these victims are not suffering in vain. The military authorities clap every Liebknecht radical behind the bars, but they cannot stop the growing popular demand for peace. They dare not. The major wing of the Social Democratic party has taken advantage of this. Throughout Germany under their auspices peace meetings are being held. Everywhere people are signing a petition for peace on the basis of "status quo" before the war.

Murmur Among People.

As long as the demands are kept to this peace meetings are tolerated. Not to permit them would be fatal. There is a low ominous murmur rising from the people.

Most of the leaders in Liebknecht groups are in prison, but the followers fight on; no longer openly, because they fear prison, but quietly and insidiously. Gradually they are spreading revolt among the workers. The spirit of freedom is abroad in Germany. It can never again be crushed.

Present among the group of Social Democrats with which I talked was the young daughter of a prominent member. Her father is at the front. He was sent there despite all protest.

"Thank God, I'm nearsighted," he said, "naturally I will never kill any one, and my failure to land a bullet may be mistaken for bad eyesight, in which case I will get back to you."

It seemed evident the Government feared an uprising. But it had planned a judicious stroke.

For some time there had been rumors that the Deutschland was back in Bremen. But if it was the government suppressed the fact. It kept that sugar plum for a psychological moment.

That evening when all thoughts were centered on Liebknecht's fate seemed the needed moment. As I came down the street a news sheet was slipped in my hand. These leaflets were being distributed gratis by the Berliner Morgen Post. In black letters across the page was "Boat Deutschland eingetroffen—am Bord Alles Wohl." A little thrill coursed through me. It was magnetic and contagious. Life and color came to the eye of the spy, pedestrian, and soldier alike. This was a deed of which all Germany could be proud. It bound all together. Steps grew light and heads went up.

Lusitania News Different.

It was interesting to note the difference in effect produced by this news and that of the sinking of the Lusitania. I was in Berlin a year ago, just after the Lusitania disaster. Then the crowd was excited and angry. But no pride shone from eyes. The Deutschland news was different. It was as though a great gust of self-respect had flooded the nation.

Next morning, hidden in the back sheets of the papers, was a tiny paragraph announcing Liebknecht had been sentenced to four years' imprisonment at hard labor. But spread over the entire paper in black letters was the Deutschland's story. It was hard to riot against a government that had just done something of which all were proud.

At the beginning of the war German refugees, mothers and children in other lands were allowed to return to the fatherland while the fathers were interned in the enemy's country. Frequently these mothers and babies had no money. When this was the case the German government assigned the mothers work in different places and put their children in institutions. Many a mother to-day is a wreck in a hospital through loss of husband and children.

I protested vigorously at this separation of families, but the authorities assured me it had to be. They said: "When we kept mother and children together the mothers quarreled and it made too much trouble."

The real truth of the matter I fear is that Germany wanted to train the boys in one institution to be soldiers, and the girls in another to be domestic servants.

I make this statement advisedly because it is corroborated by another incident. I had seen how the poor suffered for lack of food. I knew if babies with adoring mothers and soldiers with devoted

wives went hungry unloved war orphans had no chance in the struggle.

At midnight I took the train for Karlsruhe. I had supposed I was boarding a sleeper, but found I had to change cars at 1.30 a.m.

This first train was bound for the western front. It was packed with soldiers. An officer, hearing my bad German, was inclined to question me, but soon desisted. In my compartment were three soldiers and a merchant. Soldiers rarely have the luxury of sleepers. So they lowered the light and crouched down to their corners; prepared to sleep.

It was a weird sensation being flung so closely against this evidence of war. By the tiny gleam of light I could just see the outline of those military figures and the knives sticking in each boot. I wondered how many stabs each knife had given. It was a relief an hour and a half later to change trains and get the sleeper for Karlsruhe.

The next morning, somewhat weary, I arrived at my destination. I had been on nine trains the preceding day to see twenty-five war orphans.

My friends were out when I reached the hotel. They were viewing the monuments of Karlsruhe. It was with relief that I settled down into the attractive room assigned. I foresaw it would be restful to have every act prearranged by others.

I was dressing for lunch when I heard a great commotion. German life is so dull these days that anything causes excitement. There was a great clattering of hoofs. That in itself was unusual. I hurried to the window. Coming down the square was row on row of open victorias. Barefooted children were running beside them. It must be at least the royal ruler of the duchy of Baden, I thought.

But no, the carriages were stopping in front of the hotel. They were old fashioned affairs, pulled by resurrected white horses. On the boxes sat aged little men in uniforms many sizes too large. Their silk hats came down over their ears. Then I chortled. Yes—it was—our party of nineteen scrubby reporters. All this pomp and ceremony was for us.

I felt like Alice in Wonderland transformed into the Red Queen. The populace stood about, while the reporters alighted with all the dignity they could muster. It was funny and tragic. Germany had no one else to entertain and we were treated like royalty.

Downstairs all was commotion. An elaborate luncheon was being prepared. The Chamber of Commerce was entertaining us. There were two gentlemen to each reporter. These gentlemen had spared no expense. We had seven or eight courses; two or three kinds of wine, including champagne. We ate for over two hours.

Eager to be Friends.

It seemed cruel when I remembered Germany's poor. That long swaying line of people in the north of Berlin, struggling for potatoes. Yet it was impossible to be angry with the Chamber of Commerce. These gentlemen were so kindly, so obvious in their desire to be friends with persons from neutral lands.

Gracious speeches were made, which I did not understand. Perhaps it was well I didn't, for every one knew that fact, and so I could clink glasses and drink to unknown toasts. But all the time my heart ached for the hungry people outside and the following questions never ceased to torment me. If the war kept on, wouldn't the radicals at the front and the radicals in prison be killed and starved, while the military leaders and the jingoes, whom the world professed to hate, be kept intact?

But if peace came, if the men came back, if suffering humanity came together, what would happen then? Wouldn't that be death to militarism? Didn't the militarists fear that moment? My mind painted a picture. I saw what would happen. I saw the young guard of the proletariat, indomitable groups of 500, marching from every corner of Germany to the palace gates.

INSURANCE ON GERMANS.

Much curiosity is being expressed by German policy holders in American life insurance companies with respect to the attitude to be taken toward them by companies in event of war with United States. At the close of 1913 four American companies had issued policies on 46,800 Germans. Since war these companies have suspended business in Germany. French and English companies have repudiated their contractual responsibility as regards German policy holders. American companies, however, have been called upon to maintain a large reserve fund in Germany.

Trade Returns

Canada's Exports of Manufactures in January Ten Times Greater Than in January 1914.

Canada's trade for the month of January, 1917, showed increase of thirty-eight million dollars over that of January, 1916. According to the trade returns published at Ottawa, last week, the total trade for the month was \$177,946,907. The total trade for the ten months of the fiscal year amounted to \$1,878,284,697, approximately \$718,000,000 over the corresponding period last year.

Imports in January totalled \$72,323,074 an increase of \$22,000,000. The imports for the ten months amounted to \$674,964,548, an increase over \$280,000,000.

January exports amounted to \$99,106,259, an increase of \$16,000,000. Ten months exports to \$1,202,320,149, an increase over \$437,000,000. The figures include coin and bullion movement.

Munition orders and orders for other war supplies play a large part in these big trade balances. In the total of \$99,106,259 for domestic exports, exports of manufactures account for \$50,814,082 against \$22,550,924 of agricultural products, which prior to the war had bulked as the largest item in our shipments abroad.

High prices and the demand from Europe account for the heavy export of agricultural implements for the month. The value of agricultural implements exported was over three times the total for January, 1914. This substantial growth is overshadowed by the showing in exports of manufactures which accounted for a value ten times as great as in January, 1914. Comparisons under the two heads for the month of January show the trend events have been taking:

Year.	Agricultural.	Manufactures.
1917	\$22,550,924	\$50,814,082
1916	15,402,976	47,015,283
1915	8,082,571	7,769,146
1914	8,942,529	5,050,999

Although domestic exports in January fell considerably below December, when the total was \$130,037,174, while imports were slightly higher than in that month, the showing, all things considered, may be viewed as highly favorable. The excess of exports over imports, again taking only domestic figures and excluding also the now misleading gold figures, was \$26,783,185, or close to the monthly average through 1916. This in a dull export month, such as January, usually is, may be considered a gratifying result.

The February result is hardly likely to be as satisfactory. Congestion in ocean and rail transportation and the restricted outward movement of goods, which was the first result of the new submarine warfare will unquestionably have an adverse effect on exports. As the bulk of our imports come from the United States there was probably less interruption in the inward movement.

Exports of domestic merchandise and imports of goods entered for consumption show the following comparisons for January in each year since 1912:

	Exports.	Imports.	Balance.
1917	\$99,106,259	\$72,323,074	*\$26,783,185
1916	83,731,184	50,170,665	*33,560,519
1915	28,595,593	30,300,157	†1,704,569
1914	25,218,737	40,921,240	†15,702,503
1913	19,370,524	52,751,601	†33,381,077
1912	19,527,271	38,662,325	†19,135,054

(*)—Excess of exports. (†)—Excess of imports.

Although the principal gains in January as compared with the same month last year were in agricultural and manufactured products, a good gain was scored under the head of minerals and fair gains in "fisheries" and "animals and their produce." In detail exports were classified as follows, with comparisons from January a year ago:

	1917	1916
Mines	\$ 6,836,464	\$ 4,654,815
Fisheries	2,784,824	2,437,715
Forest	3,695,352	3,243,360
Animals, etc.	11,745,761	10,203,827
Agriculture	22,550,924	15,402,976
Manufactures	50,814,082	47,015,283
Miscellaneous	678,852	773,208
Total	\$99,106,259	\$83,731,184

A FLOOR ANECDOTE.

Two members of the Stock Exchange who are noted among their associates for their gloomy outlook on life were the subjects of a story circulated on the floor recently. It was reported that the two brokers had arranged to picnic at Woodlawn Cemetery on Lincoln's Birthday, but the sun came out and spoiled the party.—Boston News Bureau

Conditions in the West

Special Correspondence by E. CORA HIND, Commercial and Agricultural Editor, Free Press, Winnipeg.

Potatoes.

Between the first of January and the 15th of February over 200 cars of potatoes were shipped south from Manitoba or by way of North Portal and over 300 cars are at present on order to be shipped south. Prices of potatoes have advanced to \$1.75 per bushel, car lots on track Winnipeg, and the local retail price of potatoes is now \$2.00 a bushel and \$1.75 for 10 bushel lots. A statement to this effect in the local papers has raised a storm from the local produce men who were selling their potatoes, bought cheaply in the fall, at high prices, and also from the American buyers, who are going through the country and buying up potatoes at \$1.35 to \$1.40 a bushel.

In view of the enormous shortage in the United States and in Great Britain, it seems likely that a great many of the potatoes bought here are going to be utilized in the United States for seed, and there seems to be danger in the western provinces of being left very short of potatoes, both for seed and for consumption.

The Dominion Government estimate of the potato crop of the three western provinces of over eight million bushels is known to be absurd; in Manitoba, while the yield, on the whole was much better than in 1915, it was comparatively small and there were heavy losses in Saskatchewan from early frosts. Parts of Alberta had an excellent crop, but other sections, and especially the North East section, like Saskatchewan, lost very materially from frost, the vines were frozen down to the ground on the 10th of August and the potatoes did not mature. A good many of the potatoes have not kept well, and altogether the outlook for supply is not good.

Of course, the dealer who has been holding large quantities of potatoes is furious at having attention called to this matter, but it is certainly one that should be inquired into by the government at least, and care taken to see that the country is not denuded of potatoes for consumption or potatoes for seed. It is understood that the attention of the Minister of Trade and Commerce has been called to this.

Farm Labor.

Some little progress has been made with the attempt to secure help from the cities for the seeding of the crop. The local Department of Agriculture and Immigration has placarded the city with cards appealing to the employees to sign the forms which are being sent to the various offices and factories, and to give their promise to go wherever sent, for a few weeks. There is a sort of understanding that the employers will not only hold the positions for the men, but will make up the difference in the pay between what the farmers are reasonably able to pay and what the men have been accustomed to getting; but as yet nothing definite on this head has been published, and the lack of this assurance is likely to seriously effect the number of men who will sign. At the present high cost of living very few men can afford to leave a job where they are getting \$100 to \$125 a month and work for a month at \$35 or even \$50.

The women who have been preparing themselves to work for munition factories are furious because they have been informed that Manitoba Munition Manufacturers absolutely refuse to employ women. The silliest excuses have been made for this, but undoubtedly the underlying fact is that the Union Labor men are not anxious to come in competition with the women. The record of performance of women munition workers in the United States have certainly made the men sit up and take notice. The immigration official who has charge of securing farm labor, approached these women yesterday and suggested that as they could not get work at munitions, they might be willing to take work on the farms if they were really anxious to help the Empire. The women promptly pointed out that the work on the farms was physically heavier than much of the work in the munition factories and why should not the men go out of the factories and work on the farms and let the women work at munitions. The immigration official was foolish enough to say that munition making required skilled mechanics, and very properly got the retort obvious that the munitions being made in Canadian factories by presumably skilful workmen showed an extremely heavy percentage of shells that would not explode, while the work of the women in munition factories in

France and England and the United States show a high rate of efficiency. There is no doubt that a number of women are keenly anxious to help, but they wish some sort of justice over the doing of it.

Late Spring.

The indications are that the spring will be late. We are now almost at the end of February and are having extremely cold weather and increasing quantities of snow and even with warm weather coming early in March, unless the conditions are very exceptional, there will be very little work done on the land before the 8th or 9th of April, and this, in view of the small amount of ploughing done last fall, means a very hurried seeding season.

Wheat.

Flour advanced 30 cents a bbl. on February 21st, and is now \$4.65 per sack for No. 1 Patents. Bread is still maintaining the rate of 7 cents per loaf and millers report a very dull trade; it is noticeable, however, that in the past three weeks, Ontario millers have been the chief buyers of cash grain on the Winnipeg market and that they have been taking all grades from No. 1 to No. 5 at fair premiums.

Hail Insurance.

During the present week the representatives of the various Line Hail Insurance companies doing business in Saskatchewan met at Regina and decided that in spite of the enormous losses sustained last year there would be no increase in the rate of insurance, namely 6 per cent. A Hail Insurance Underwriters' Association was formed.

Municipal Hail Insurance.

At the recent meeting of the Saskatchewan Grain Growers in Moose Jaw, Honorable George Langley, Municipal Commissioner, addressed the convention on the Hail Insurance bill which it was proposed to bring in at the present session of the legislature. It will be remembered that the Municipal Hail insurance which has been in operation in about a hundred municipalities in Saskatchewan; last year sustained enormous losses and was unable to pay obligations. Mr. Langley explained that it was the intention of the government to place the administration of Municipal Hail insurance in the hands of an elective body (previously it had been operated by commissioners) comprising nine directors to be elected by convention of delegates from municipalities who are operating under the Municipal Hail Insurance plan. The delegates to this convention need not necessarily be either Reeves or members of the council, but rural councils would have the power to appoint or elect someone to represent them at such a convention. Mr. Langley explained that in the new act a clause would be inserted stating whether the maximum compensation on any one quarter section should be limited or not, in other words, they would have the right to retain the present flat rate of 4 cents an acre, and they will have to make the rate on the amount of land actually in crop in the additional assessment and they can also decide the amount which is to be paid as an extra premium to secure the full compensation of \$5 per acre.

The Saskatchewan legislature will decide nothing at all but will simply pass the legislation giving power to the proposed governing body. The bill would provide for the election of the board for three year terms, three for two year terms and three for one year terms, and each year it would be necessary to elect three new members. Mr. Langley also informed the convention that the government did not intend to deal with the question of the unpaid losses in 1916. They were disposed to submit them to the people to decide. It was the intention to submit the question of providing for the losses to a vote in the different municipalities concerned.

This whole question of Municipal Hail Insurance is a burning one in the west. For many years farmers thought that the Line Companies charged them too high a rate, and when the Municipal Hail Insurance Act was passed, the commissioners handling it undertook to do so at 4 cents per acre. This turned out very well for the first two or three years when hail losses were small, but in 1916 they were not able to pay more than 40 per cent of their losses and this gave the Municipal Hail Insurance an exceedingly black eye as the Line Companies, while losing enormously, paid every dollar of claims against them.

Livestock.

Hogs touched the \$14 mark this week and it is

Empire Cotton Mills Welland, Ontario Limited

Manufacturers of

Textiles, Sail Duck, Bag Cloths and Seamless Bags

Write for Quotations

confidently expected that they will go to \$15 per cwt. in the very near future. Some hundreds of hogs were sold at \$14.

Horse movement is again quite active and during the months of January 1,065 horses passed through the Winnipeg stock yards. Of these 1,004 came from Eastern Canada and were shipped to Alberta and Saskatchewan. The movement for the corresponding month of 1917 was only 560 head.

Receipts of cattle at the Winnipeg yards in January were nearly double those of last year being 7,488 head, but the movement south was also much heavier being 1,156 as against 51 for the same month in 1916. Of the shipments south 241 were feeder cattle. 1,317 head of feeder cattle went back on to the farms of the West. Saskatchewan took the largest number. Of the total number of cattle coming to the Winnipeg yards Manitoba contributed as many as Alberta and Saskatchewan combined.

There was an increase of some 4,000 head of hogs over January, 1916, these nearly all came from Alberta. No hogs were shipped south, but nearly half the entire receipts went to Eastern Canada, mainly Toronto.

CANADA CEMENT COMPANY.

Earnings of the Canada Cement Co., Limited, reached a new high level in 1916, the statement now going out to shareholders reporting a net profit of \$2,218,848, an increase of \$476,825, or 26 per cent over 1915, the best twelve months previously reported.

After taking care of bond interest and preference stock dividend, there remained a balance of \$1,040,086, equivalent to 7.7 per cent on the \$13,500,000 ordinary stock outstanding. There was thus a fair margin over dividend requirements on the 6 per cent per annum basis instituted during the year, and one element of doubt and uncertainty which recurred in the stock market controversy of the year is eliminated.

As a matter of fact, although the stock was placed on a 6 per cent basis during the year, the total distribution out of 1916 profits was 4½ per cent, the first dividend of 3 per cent, declared in January, being charged against the earnings of 1915. While three ordinary stock declarations made during 1916 totalled 7½ per cent, only two, the midsummer 3 per cent and the quarterly 1½ in the autumn, came out of that year's profits. After charging up the 4½ per cent to 1916 profits, the balance remaining to carry forward was \$432,585, or slightly more than 3 per cent on the ordinary shares.

Comparisons of profit and loss figures for three years follow:

	1916.	1915.	1914.
Net earnings...	\$2,218,848	\$1,742,013	\$1,517,059
Bond interest...	443,762	455,050	459,063
Balance...	\$1,775,086	\$1,286,963	\$1,057,990
Pfd. dividend...	735,000	735,000	735,000
Balance...	\$1,040,086	\$551,963	\$322,990
Com. Dividend...	607,500	405,000	.....
Surplus...	\$ 432,585	\$ 46,963	\$ 322,990
Prev. surplus...	1,660,232	1,513,269	1,190,279
Tot. surplus...	\$2,092,818	\$1,660,232	\$1,513,269

COMMODITY MARKETS

Week's Wholesale Review

The state of trade in Montreal is still dependent to a large extent on the railway situation. Fortunately the weather has been much milder this week, which has given the railways an opportunity to make more headway in clearing up the traffic congestion. Coal and flour are moving more freely, receipts at Montreal last week being much greater than during the three preceding weeks. "We have lifted embargoes off live stock, perishables, and dairy products from our western lines to all territory, and off feed corn from American to Canadian points," said Mr. J. E. Dalrymple, Vice-President of the Grand Trunk. "The congestion was acute, there was much inconvenience but things are decidedly mending." Mr. G. M. Bosworth, Vice-President of the C. P. R., on being interviewed, expressed his opinion that considering the freight congestion over the country as a whole, no great relief may be expected until the opening of navigation. The large amounts of Government freight which have to take precedence over regular traffic are greatly hindering the work of clearing up the congestion of ordinary commercial shipments. "The ocean transportation situation is growing steadily more serious," continued Mr. Bosworth. "The British Admiralty have requisitioned 75 per cent of all freight space on steamers sailing from Canadian ports to Great Britain for the month of March. Considerably fewer steamers are sailing at the present time than last autumn, so that commercial exports will be reduced to a minimum."

The iron market remains inactive. The volume of building planned for the current year is light, and there is just a moderate degree of activity in the local lumber trade. In other lines there is nothing specially new. The leather and hide markets are strong and active. Boots and shoes have advanced considerably, and with the scarcity of material, they are likely to go higher.

The hardware trade is quiet but steady, prices having an advancing tendency. The fish shortage already predicted has now become manifest.

Eastern collections show some falling off on account of the bad roads, but as a whole remittances are considered fair, and the number of failures is light.

DAIRY PRODUCE.

BUTTER: An active trade with fair sales is reported in butter for the week. Some out-of-town orders have been filled, chiefly for Ontario points. Prices are firm, an advance of 1/2 cent being quoted by some houses. Several cars of creamery butter have recently been received here from Alberta and Saskatchewan, sales of which are reported at 41c to 42c, and several cars of dairy butter have arrived from Manitoba, a portion of which was sold at 32c to 34c as to quality. The grade of this butter was not up to that of finest Ontario dairy which has sold at 37c to 38c. Finest September and first half of October creamery is in good demand. A heavy trade is anticipated during Lent.

CHEESE: Business is practically at a standstill on account of the lack of ocean tonnage. Even if space were available the railways are unable to transport consignments to the seaboard. Freight rates are quoted from United States ports from \$3.00 to \$4.00 per 100 lbs. Canadian lines are still quoting \$1.50, but this figure is merely nominal as there is no space offering. There are said to be buyers in the market for April cheese at 24c to 24 1/2c but farmers, it is believed, would not sell ahead.

Butter:	
Choice Fall Creamery Solids ..	0.43 0.44
Winter Creamery ..	0.42 0.43
Undergrade Creamery ..	0.42
Dairy Butter ..	0.39 0.40
City Selling Price to grocers:	
Creamery Solids ..	0.44 0.45
Do. Prints ..	0.44 1/2 0.45 1/2
Do. Prints ..	0.44 1/2
Cheese:	
Finest Western ..	0.27
Fine Eastern ..	0.27
Winter Make ..	0.25 0.26
City Selling Prices to grocers:	
Stilton cheese ..	0.26
Large ..	0.26 1/2 0.28
Twins ..	0.26 1/2 0.28
Quebec Cheese ..	0.26
Canadian Strong Cheese ..	0.27 0.28
Roquefort ..	0.28
Roquefort ..	0.65
Do. No. 2 ..	0.44

COUNTRY PRODUCE.

EGGS: Storage eggs are now off the market, the trade being supplied with new laid for all purposes. Canadian new laid are in light supply, so that nearly all dealers are importing from Chicago and Detroit. The market in Chicago last week quoted from 40c to 41 1/2c net, and Detroit 44c delivered in Montreal by express, or considerably lower than the previous week. Receipts from the Southwest are increasing and many shipments of eggs have been going to Chicago from Iowa and Northern Illinois. Apart from the uncertainty of the transportation situation heavier receipts are expected this week, with consequent declines in prices. Montreal dealers are selling eggs at two prices, 55c for American and 57c for Canadian.

POULTRY: Very little live or dressed poultry is arriving on the market. Storage stocks are moving. Dealers report a very good demand at prices which are considered satisfactory. There will likely be a falling off in the demand for poultry during Lent.

HONEY: The market for honey is much higher. Dealers report that stocks are short with a very heavy demand.

BEANS: The market for beans is higher and very firm at the new level. This strength is attributed to the abnormal demand from factories putting up pork and beans.

MAPLE PRODUCTS: Enquiries are coming in already from the country for prices for maple syrup and sugar, but no prices are quoted yet for the new crop as dealers prefer to wait until the goods arrive.

Eggs:	
New Laid ..	0.55 0.57
Poultry—Live:	
Fowls, 5-lbs. and over ..	0.22 0.21
Do., small ..	0.18 0.20
Fresh Killed Poultry:	
Turkeys ..	0.32 0.33
Old Turkeys, cocks ..	0.27 0.28
Fowls, hens ..	0.20 0.21
Do., roosters ..	0.15 0.16
Chickens ..	0.22 0.23
Do., crate fattened ..	0.25 0.28
Squabs, per pair ..	0.35 0.45
Geese ..	0.18 0.19
Ducks ..	0.21 0.22
Maple Products:	
Pure maple syrup, quart cans ..	1.00 0.40
Pure maple syrup, 9-lb. tins ..	1.00 1.10
Extra choice syrup, 13-lb. tins ..	1.25 1.30
Pure Maple sugar, per lb.	0.13 0.14
Honey:	
Buckwheat, 5-10 lb. tins ..	0.12 0.13
Clover, in comb ..	0.16 0.18
Do., in 5-10 lb. tins ..	0.13 0.14
Potatoes:	
New Brunswick, Delawares, 90-lb. sacks ..	3.25 3.50
Quebec's, 90-lb. bags ..	3.00 3.25
Beans:	
Hand-picked car lots, per bu. ..	7.75 8.00
Three pound pickers ..	7.50 7.50
Five pound pickers ..	7.00 7.25
Six to seven pound pickers ..	6.90 7.00

FLOUR, CEREALS AND MILLFEED.

Trade in flour is almost at a standstill owing to the embargo which still exists on the railways at Montreal and many other points in the Dominion. The car service, which consists of a few cars a day, has improved slightly with the milder weather, but the mills both here and in the West are only running intermittently. Some firms report that after being closed off and on for three weeks they are now grinding and shipping a small quantity of flour. The supply of wheat in Montreal is low although there is plenty of wheat in the country. No flour is being shipped to the Maritime Provinces from Montreal as this district is absolutely embargoed. Stocks of flour at many points are dwindling to low proportions.

The wheat market has shown weakness during the last week, although prices have declined very little considering the fact that only small quantities of grain are moving either across the continent or from the sea-board. Flour prices are holding steady in the absence of any great demand. Export business is rendered impossible as no freight is offering between now and May. The Government bought large quantities of flour last week. Winter wheat flour is very firm as supplies are low in Montreal. The situation depends entirely on the duration of the embargo. Rolled oats are in good demand. Millfeeds are very strong, urgent orders being received daily for supplies that cannot be filled. Ontario reports a regular famine. The mills were oversold on feeds

for sometime before the railway embargo went into force, and since that time very little has been made. Prices are firm at a record level.

	Montreal.	Toronto.
Flour:		
	per 96-lb. bag.	
First patents ..	4.80	4.75
Second patents ..	4.55	4.50
Strong Bakers ..	4.45	4.40
Feed Flour, ..	2.85	3.70 2.80
Winter wheat flour,		
90 per cent ..	4.10 4.25	
Cereals:		
Rolled Oats, 90 lb. bag	3.35 3.45	3.45
Oatmeal, 98-lb. bag ..	3.80	3.80
Rolled wheat 100-lb. b.	3.60	
Bag ..	4.95	
Rye flour, 98-lb. bag	3.75 4.00	
Feeds:		
	Per ton.	
Bran ..	35.00	35.00
Shorts ..	37.00 40.00	40.00 41.00
Middlings ..	40.00 44.00	
Moullie, pure grain		
grades ..	48.00 50.00	
Do., mixed ..	44.00 47.00	
Barley feed ..	41.00	
Crushed Oats ..	47.00	
Oatfeed ..	46.00	
Hay, No. 2 ..	13.00	11.00

An extra charge of 30c is made for flour in barrels.

PROVISIONS.

The outstanding feature in the provision market is the high price of live hogs, which has reached the record figure of \$15.00 to \$15.50. As the demand for pork products is likely to fall off somewhat in Lent packers are content to let drovers hold out for higher prices if they can get them. The buyers contend that present prices are much too high considering the inferior stock that is coming forward. Dressed hogs are quiet, the trade consisting of small lots which are changing hands at \$21.50 for fresh killed stock. The export demand is large which may result in higher prices in the future.

Current prices are as follows:

Hams:		Per lb.
Smoked Hams, 8-14 lbs.		0.27
Do., 14.20 lbs.		0.25
Do., 20.25 lbs.		0.24
Do., over 25 lbs.		0.25
Bacon:		
Breakfast ..	0.28	0.30
Windsor Bacon, selected ..		0.27
Windsor Bacon, boneless ..		0.32
Barrel Pork:		Per bbl.
Short cut pork ..		39.00
Clear Fat Pork ..		41.00
Mess Pork ..		37.00
Bean Pork, American ..		36.00
Plate Pork, 200 lbs.		32.00
Pure Lard:		per pound.
Tierces ..	0.22 1/2	
Tubs ..	0.22 3/4	
Pails ..	0.23	
Tins ..	0.23	
Cases, 3, 5, 10's ..	0.23 1/2	
Prints ..	0.24	
Compound Lard; Western Grades:		
Tierces ..	0.17 1/4	
Tubs ..	0.17 1/2	
Tins ..	0.18	
Cases, 3, 5, 10's ..	0.18 1/2 0.18 3/4	
Prints ..	0.19	
Cooked Meats:		
Roast shoulder pork ..	0.31	
Roast hams, boneless ..	0.37	
Cooked hams, boneless ..	0.38	
Cooked hams, rind off ..	0.38	
Head cheese ..	0.11	
English brawn ..	0.12	

FRUIT AND VEGETABLES.

The outstanding feature in the fruit trade to-day is the result of the serious damage by frost which is reported from South Carolina. The estimate of the crop damage in the Charleston district is placed at an actual loss of \$500,000 in producing cost. The total market value of the crops in this section would probably have exceeded one million dollars on account of the scarcity and consequent high prices of green vegetables. The spring crop of cabbages, beets, carrots and lettuce has been practically all ruined, leaving only about two per cent fit to be marketed. A cold wave was also reported in Florida, but latest advices indicate that the damage to the citrus industry was not as great as expected. This unfortunate destruction of the crops, coupled with the congestion on the railways, has had a far-reaching effect on the market for southern fruits and vegetables, creating a scarcity which readily accounts for the prevailing high prices.

Florida tomatoes, celery and grape-fruit are dearer owing to frost. The orange market is firm for good stock. About 20 or 25 cars of oranges arrived in Montreal last week, but most of them were in a frost-

ed condition. Only one car of Seville oranges has arrived this season, and no more are likely to come. California navels are firm owing to the difficulty of shipping them across the continent under the existing embargoes. Lemons went \$1.50 per box higher last week at the New York auctions, so that higher prices are predicted for Montreal. The advance is attributed to the lack of tonnage from the Mediterranean and the increased war risks. The danger of freezing in railway transportation is another important factor in the situation.

Apples are moving fairly well under a good demand for all grades, including 3's. Nova Scotia is reported to hold 75,000 barrels in stock which will likely be marketed in Montreal and Toronto, as it is impossible to secure sufficient freight space to export them. The arrival of these apples will not likely weaken the market as Ontario apples are so very scarce and poor this year that this additional quantity can easily be absorbed. A car of coconuts arrived in Montreal last week which is the first for some time.

With regard to vegetables, the market is higher and very firm. American firms are buying up as large supplies of onions, turnips, beets, parsnips and carrots as they can get in this district. One New York buyer brought 100 bags of onions in Montreal at 8c a pound and shipped them by express. The red onion crop last season was only about 50 per cent of normal and in some places a total failure. Owing to the consequent scarcity any good stock remaining in dealers hands is worth from 8c to 10c per pound to-day with every likelihood of going higher. The recent food riots in New York were started by onions selling retail at 29c a pound. Spanish onions are practically off the market. Beans are very high on account of damage by frost. Cabbage is exceedingly scarce and dear, selling in Montreal at \$6.00 to \$6.50 a barrel, which works out to \$120 a ton. This is the result of a big American demand when we have not even sufficient cabbage for our own needs. Enquiries are also coming from Toronto for all kinds of vegetables.

Current quotations are as follows:

Fruit:—	
Cranberries, per bbl.	6.00 8.00
Baldwins, per bbl.	4.50 6.00
Cranberry pippin, per bbl.	5.00
Greenings, per bbl.	5.50
Pezaunkies, per bbl.	4.00 4.50
Mackintosh Reds, per box	3.25 3.25
Spies, per bbl.	7.00 9.00
Bananas, per bunch.	2.50 3.00
Grapes, Almeria, per keg.	7.00 9.00
Grapefruit, Florida and Cuban	4.25 4.50
Do., Jamaica	3.00
Lemons, Palermo, per box	4.00 4.50
Do., Messina	4.25 4.50
Oranges, California, Navel, per box	3.25 4.00
Do., Floridas	4.00 4.50
Do., Mexican	2.00 2.25
Pears, Winter Nellis, per box	4.50 5.00
Vegetables:—	
Artichokes, per bag	1.75
Beets, per bag	1.50
Beans, American, per hamper	9.00 12.00
Brussels, Sprouts, per qt.	0.15 0.25
Cabbage, Montreal, per bbl.	6.00
Carrots, per bag	1.50
Cauliflower, California, per doz.	3.00 3.50
Celery, Florida, per crate	5.50 6.00
Do., California, per crate	9.00 9.50
Garlic, Venetian, per lb.	0.12
Horse Radish, per lb.	0.35
Boston Lettuce, head, per box	2.50 3.00
Do., curly, per box	2.50
Onions, red, per 75 lb. bag	6.00
Potatoes, Quebec, per 80 lb. bag.	3.25 3.50
Do., Green Mountains, per 80 lb. bag	3.25
Do., Sweet, per basket.	2.75 3.50
Parsley, per doz. bunches	1.50
Salsify, per doz. bunches	0.75 1.00
Turnips, per bag	1.00 1.75
Tomatoes, hothouse, per lb.	0.25 0.30
Cuban, per crate.	3.50

GROCERIES.

Sugar is firm at the recent advance chiefly on account of the unsettled conditions in Cuba. Recent reports are to the effect that Santiago is cut off and the situation there is serious. A dispatch from Washington states that the American fleet off Cuba is carefully guarded by torpedo nets.

Figures as regards production of sugar are still incomplete, the centrals in the interior of the Island being behind with their reports owing to the prevalence of the trouble. Anxiety exists as to the possible amount of damage done to sugar milling machinery which might retard production and shorten the output. The supply of raw sugar in the refiners' hands is said to be limited and retailers' stocks of granulated are also becoming depleted.

Rice is very firm and the prospects are that it will go well over 10c a bag. Vancouver rice has ad-

vanced 25 cents per 100 lbs. These high prices are attributed to limited supplies held by the millers. The planters are said to have large amounts on hand which they are unwilling to part with at present prices. The demand for tapioca is increasing, and this coupled with the difficulty of bringing new supplies into the country has created a very firm market. Black teas have been rising steadily in price of late and further advances are likely. No tea may be shipped from England to neutral countries in order to insure sufficient supplies for the Allied nations who are buying heavily in London. This market dear tea in the United States, which is immediately reflected in Canada. In Lloyd George's speech on the proposed measures to meet the German submarine campaign, he announces his intention of prohibiting the import of foreign tea, coffee and cocoa as existing stocks are considered sufficient for the time being. Coffee is without feature.

The demand for all kinds of dried fruit and vegetables is good and most prices have advanced. Prunes are especially firm. The freight congestion on the railways is seriously interfering with shipments of Californian goods. No offers are being made as consignments might not arrive for several months. Canned goods are firming up again with the Lenten demands, and the absence of stocks of many varieties in canners' hands. Brokers are simply buying from one another to fill their orders. Tomatoes and peas are scarce, but stocks will likely be sufficient at the reduced rate of consumption. Prices on new crop asparagus are about 10 per cent in advance of last year's quotations to the wholesaler. Canned peaches, pears and cherries cannot be bought to-day at less than 20c a dozen above the prices quoted by jobbers last year.

All imported goods are dear and scarce on account of the increased risks and the lack of ocean tonnage which has become more pronounced since the Germans have increased their submarine activity. Very little olive oil is coming in and if the demand were not slack owing to the season much higher prices would prevail. French walnuts are quoted over the cable at 5c a pound more than the present ruling price, with prospects of going even higher. Buyers are consequently refusing to book. The cost of packing has gone up 30 per cent since the war.

LIVE STOCK.

MONTREAL: Offerings of live stock for sale at the Montreal stock yards last week amounted to 1,200 cattle, 200 sheep and lambs, 4,400 hogs and 950 calves. Trade in cattle was slow last week as Lent has already brought a diminished demand for all kinds of meat. In-coming receipts were very light owing to the difficulty of bringing stuff to market over the bad roads all over the country. Buyers are disposed to stand off, as they hesitate buying at the present abnormally high price levels. Easier prices are expected with better weather conditions and heavier receipts. Choice steers were scarce but good quality stock brought \$10 to \$10.25 per 100 lbs. The offering of small meats were small, and consequently trading was dull, although prices held steady. The trade in live hogs was quiet which was due to the fact that drovers in many cases would not accept present prices ruling, while on the other hand packers were unwilling to pay any more for the quality of stock coming forward. In any case the consumption of pork is smaller at this season than usual on account of Lent. The outcome of the situation is a decline of 25c a cwt. for live hogs. Selected lots brought \$15.25 to \$15.50.

TORONTO: Receipts of live stock at the Toronto stock yards last week amounted to 2,915 cattle, 755 calves, 7,340 hogs and 535 sheep and lambs. The outstanding feature of the trade last week was the unusually light run of receipts, which amounted all told to less than a day's offerings last autumn. Values were well maintained for cattle, although some dealers complained that green cattle had to be disposed of at sacrifices. At the close of the week prices generally were 25c higher than the level of the preceding week. The hog market closed strong at prices exceeding the former high level by 15c to 25c, the fed and watered price being \$15 and \$15.15 on the off-car basis. The farmers appear to have control of the situation for the time being, probably for the reason that hogs are not finished as well as in normal times, so that two or three weeks of additional feeding can be resorted to, leaving the market bare and forcing prices up. Small meats were steady with the small supply tending to keep values up.

THE GRAIN MARKETS.

The wheat markets again fluctuated within narrow limits, chiefly influenced by reports of foreign buying and the transportation situation. Improved conditions on the railways led to an upturn in prices at the beginning of the week, to be followed by depression as to the betterment of railway traffic conditions on Wednesday, when matters would have become much worse but for the aggressive action taken by the Chicago Board of Trade, officials, looking to an embargo on all shipments of freight east of that city except foodstuffs and fuel. Dealers found themselves unable to ship wheat east and the congestion reached a stage where for the first time ever known operations in the grain elevators throughout the city were at a practical standstill.

The British Premier's speech was the subject of much discussion in the wheat pits. At the outset the effect on the market was decidedly bullish, as by far the greater number of traders took the view that the immediate result would be to discourage holders and would be purchasers as well. On the following day the consensus of opinion was that the Premier's address implied a long continuance of extraordinary demand for foodstuffs and had even precluded much of a break in values on peace news. Assertions that a fleet of the largest merchant vessels in the world would shortly be conveyed from this side of the Atlantic by British cruisers helped to carry the wheat market to the topmost point of the day.

Unfavorable reports of winter wheat crop condition continued to come in based chiefly on the ill effect of absence of snow protection during cold weather in Ohio, Indiana and Central Illinois and on the results of lack of moisture in Kansas, Oklahoma and Missouri.

Closing quotations to-day (Monday) show a loss of approximately 1½ cents for the week in Winnipeg, being \$1.76½ for May, \$1.74½ and \$1.47½ for October. Chicago quoted \$1.77½ for May, \$1.51½, and \$1.39½ for September, as compared with last Monday's closing at \$1.76 for May, \$1.50 for July, and \$1.39½ for September, or practically no change.

The cash grain situation is as follows:

Grains:	per bushel.
Spring Wheat Manitoba, No. 1	1.92
Do., No. 2	1.89
Do., No. 3	1.85
Do., No. 4	1.77
Winter Wheat Ontario, No. 2	1.73 1.75
Oats:	
No. 2 C. W.	0.75
Do., No. 3 C. W.	0.73
Do., Extra No. 1 feed	0.73
Do., No. 1 feed	0.72½
Do., No. 2 feed	0.71
Ontario Oats, No. 2, white	0.70
Do., No. 3	1.68
Barley, No. 3 C. W., Rej.	1.18
Do., Feed	1.14
Corn, American, ex-track	1.24

RECEIPTS OF BUTTER, CHEESE AND EGGS.

The following table shows the receipts of butter, cheese and eggs in Montreal for the week ending February 24th, 1917, with comparisons:

	Butter	Cheese	Eggs
	pkgs.	boxes.	cases.
Week ending Feb. 24, 1917.	2,249	2,388	2,800
Week ending Feb. 17, 1917.	1,512	2,961	2,797
Week ending Feb. 26, 1916.	399	91	5,380
Total receipts May 1, 1916			
to date	504,803	2,242,721	640,548
Total receipts May 1, 1915,			
to Feb. 26, 1916	397,543	1,995,309	541,422

WINNIPEG GRAIN INSPECTIONS.

The receipts of grain at Winnipeg for the week ended February 24th:

	This week.	Last week.	Last year.
No. 1 Northern	71	72	.....
No. 2 Northern	252	329	.....
No. 3 Northern	244	327	.....
No. 4 Northern	149	216	.....
No. 5 Northern	52	98	.....
No. 6 Northern	35	57	.....
Feed wheat	38	55	.....
Rejected	16	22	.....
No. grade	526	490	.....
No. 4 Special	26	25	.....
No. 5 Special	26	29	.....
No. 6 Special	6	14	.....
Winter wheat	1	5	.....
Totals	1,433	1,537	3,603
Oats	542	780	718
Barley	41	75	111
Flax	68	70	70

GRAIN AT THE HEAD OF THE LAKES.

Statement of stocks in store in terminal elevators at Fort William and Port Arthur on February 23rd, 1917, with receipts and shipments during the week.

Elevator.	Wheat.	Oats.	Barley.	Flax.
C. P. R.	4,468,899	2,082,543	233,645	.....
Empire	868,360	299,757	40,389	249,394
Consolidated	1,072,008	288,166	38,772	150,574
Ogilvie	1,225,476	107,068	36,658	.....
Western	921,853	326,398	35,366	476,143
G. C. G. Co.	1,268,368	812,972	95,300	.....
Fort William	848,918	529,098	28,424	63,049
Eastern	1,082,337	680,472	32,565	.....
G. T. P.	3,244,426	2,194,347	132,085	83,985
Can. Nor.	4,685,533	2,596,011	417,238	164,028
Horn & Co.	257,669	152,814	43,646	135,445
Can. Govt.	2,034,923	775,760	102,692	157,281
Thunder Bay	673,101	452,051	62,897	65,141
Davidson and Smith	426,902	224,071	9,346	.....
Total	23,028,778	11,521,534	1,309,090	1,544,994
A Year Ago	21,995,776	8,552,181	1,526,870	867,769
Receipts	577,233	177,034	19,869	30,315
Ship.—Rail	358,471	282,326	7,694	18,697
Winter Storage Afloat	89,245	101,331	.....	.....
Winter Storage A Year Ago	2,425,386	974,311	.....	.....

Stocks by Grade.

Wheat.	Oats.
One, Hard	17,181
One, Nor.	2,051,677
Two, Nor.	3,828,479
Three Nor.	4,002,239
No. Four	3,028,234
Others	10,100,966
Total	23,028,788
Barley	Flax
3 C. W.	217,472
4 C. W.	551,127
Rejected	78,996
Feed	309,044
Others	152,449
Total	1,309,090
1 C. W.	17,624
2 C. W.	3,018,741
3 C. W.	1,092,236
Ex. 1 Fd.	2,041,621
Others	5,351,310
Total	11,521,534

FRANCE HAS POOR CROP OUTLOOK.

In a despatch from Paris to the Department of Commerce at Washington, General Thackeria reports a poor outlook for France's crops. Wheat on a basis of 100, is rated in condition at 61 per cent, with a reduction of one-fifth in area of the crop sown last fall. This was due to the demand for wheat for food, and the difficulty in getting men to put in the crop. The wheat area in France for this year's crop is 10,568,634, which is 2,160,380 less than in 1916. The rye area is reduced from 2,275,770 acres to 2,045,629, and the condition reported is 69 per cent of a good crop. The barley acreage is increased from 246,437 acres to 270,245; the condition is 67 per cent of standard. The oats crop is better than the other grain crops, being now 70 per cent, and the area is but slightly decreased, the present acreage being 1,607,636.

POTATOES IN ENGLAND.

Considering the difficulties which have arisen in certain districts in connection with the operation of the price of potatoes, under the order of January 1, the British War Cabinet have fixed the price of potatoes at a definite standard value. Under the new ruling the growers are entitled to charge nine pounds a ton to dealers until March 31, and ten pounds a ton thereafter, while the selling price to retailers will be ten guineas until March 23 and eleven pounds ten shillings thereafter.

The price at which a retailer may charge is three half pence a pound to March 31 and one penny three farthings thereafter to the end of June.

RAILWAY EARNINGS.

The railway earnings of Canada's three largest systems for the third week of February aggregate \$3,750,187, this being an increase of \$144,793, or 4.5 per cent over the same period a year ago.

Both the C. P. R. and C. N. R. showed satisfactory gains over the returns of 1916, the former road's figures being up 6.3 per cent, while C. N. R. increased 7.1 per cent. G. T. R. again showed a decline though of the small percentage of .72. A comparison of the earnings is shown in the following table:

	1917.	Increase.	P.C.
C.P.R.	\$2,225,000	\$132,000	6.3
G.T.R.	956,487	*6,997	.72
C.N.R.	598,700	39,700	7.1
Totals	\$3,780,187	\$164,703	4.5

(*)—Decrease.

The lumber cut on the upper St. John river and its tributaries for this winter will be one of the largest on record and will total upward of 100,000,000 feet.

URGENT ALLIED NEEDS.

(Concluded from page 8).

question of our minerals. There we acted on the recommendation of the Minister of Munitions.

The next question we had to consider was the question of paper, which absorbs a good deal of tonnage in this country.

In 1914, 1,800,000 tons was imported. We propose to reduce the annual import to 640,000 tons. There are certain articles of diet of which we import a large quantity and which are not essential to our national needs. The principal articles on this list will be apples, tomatoes and certain raw fruit. Oranges, bananas, grapes, almonds, and nuts will be restricted to twenty-five per cent. of the 1915 imports.

Aerated, mineral and table waters will be prohibited and we shall have to depend for them upon our home industries. Salmon will be reduced fifty per cent. Tea we shall have to reduce. Foreign teas will be excluded altogether. For the time being we shall prohibit both coffee and cocoa.

Then there are meat and feeding stuffs. We think we could to a much larger extent than now depend upon home-grown meat, because we have a larger stock than I think we ever before had in this country. Also we will have a good deal of feeding stuff. Taking all these categories together, of food and feeding stuff, we hope to be able to save over 900,000 tons per annum, which shows the extent to which we have relied upon foreign countries for commodities of this kind. If you slaughter the cattle that are here there is a saving of feeding stuff that you want to a considerable extent.

There are then the manufactured articles. There are articles of luxury which run into very much bigger figures than this House quite realizes. And we shall have to stop the importation of a very considerable number of these various articles.

I now come to a very important restriction upon an article of national luxury. I am referring to alcoholic liquors. The quantity of barley used in the brewing industries has already been reduced. In 1914, 36,000,000 standard barrels were brewed in this country. In 1916 that was reduced to 26,000,000. Early this year, on the advice of the food controller it was proposed to reduce this 26,000,000 to 18,000,000. It is absolutely impossible for us to guarantee the food of this country without making a very much deeper cut in the barrelage of the country and we must reduce it to 10,000,000 barrels. That means that you will save nearly 600,000 tons of foodstuffs per annum, nearly a month's supply of cereals for this country. That is the direct saving. The indirect saving amounts to something that is a good deal greater.

There are one or two other restrictions in leather, boots, raw hides and bottles which can be found in the proclamation, but that in the main gives a summary of the restrictions which we propose to impose immediately upon imports.

MONTREAL LOAN AND MORTGAGE CO.

Improved earnings in the case of interest and in net profits are shown in the annual statement of the Montreal Loan and Mortgage Company for 1916. The interest income was \$115,065, compared with \$111,757 in 1915, while profits of \$81,229 stood against \$79,280. The payment of dividends at 10 per cent, interest, general expenses, etc., left a balance of \$76,506 to be carried forward against \$55,277 from the previous year.

TO INVESTORS

THOSE WHO, FROM TIME TO TIME, HAVE FUNDS REQUIRING INVESTMENT MAY PURCHASE AT PAR

DOMINION OF CANADA DEBENTURE STOCK

IN SUMS OF \$500, OR ANY MULTIPLE THEREOF

Principal repayable 1st October, 1919.

Interest payable half-yearly, 1st April and 1st October by cheque (free of exchange at any chartered Bank in Canada) at the rate of five per cent per annum from the date of purchase.

Holders of this stock will have the privilege of surrendering at par and accrued interest, as the equivalent of cash, in payment of any allotment made under any future war loan issue in Canada other than an issue of Treasury Bills or other like short date security.

Proceeds of this stock are for war purposes only.

A commission of one-quarter of one per cent will be allowed to recognized bond and stock brokers on allotments made in respect of applications for this stock which bear their stamp.

For application forms apply to the Deputy Minister of Finance, Ottawa.

DEPARTMENT OF FINANCE, OTTAWA
OCTOBER 7th, 1916.

GOOD WILL THE DOMINANT NOTE.

During the summer months of the year 1915 some 1,500 miles of railway—Winnipeg to Quebec, 1,350 miles, and Fort William to Graham, 193 miles — were added to the International Railway and Prince Edward Island Railway, making over 4,000 miles now operated under the name and ownership of the Canadian Government Railways.

Connecting Winnipeg with Quebec, and Montreal with the Atlantic ports of Halifax, St. John and the Sydneys, the Government Railway occupy a new and important position in relation to the transportation question of the Dominion, an importance which the great war requiring the immense transfer of troops and munitions through Canadian territory has been instrumental in demonstrating, resulting in a traffic development away beyond ordinary calculations. This increase of traffic has affected every branch of the service. Additions to the rolling stock have been necessary and to-day the Government Railways are better equipped with motive power than at any period in their history.

With traffic booming there has been a large demand upon experienced and skilled labor. The principal shops at Transcona and Moncton are working at full capacity, and the same remark applies to the smaller shops. The relationship between the employees and the management based upon the spirit of good will, are of the happiest. With the introduction of the merit system individual worth and conduct meet their due reward. Other agencies at work to improve the lot of the employees are the sick, accident and provident funds, the latter being a form of pension on an equitable basis of contribution by employees and the Government. The "First Aid" movement is well organized and has rendered valuable assistance in numerous cases. "Safety First" is practised and encouraged. Thus it will be seen that the welfare of the human element in the conduct of the Government Railways is an essential feature, which with the encouragement of co-operation combine to make a system where good will is the dominant note of operation.—Labor News, 1917.

A SMOKE DEVICE.

British admiralty chemists have perfected a device for generating in a few minutes sufficient smoke to mask a vessel for hours. All vessels are being fitted up with the device as a means of escape from submarines.

PANAMA CANAL SHIPPING.

2,780 vessels passed through Panama canal up to January 1. Gross tonnage was 12,086,535, and total cargo carried, 11,652,405 tons. Aggregate revenue from tolls was \$3,677,695, as against a cost of operation and maintenance of \$7,142,124.

BRITISH SHIPBUILDING.

Shipbuilding in the United Kingdom for 1916 amounted to only 582,000 tons of merchant tonnage, compared with 650,000 the previous year. Production in last quarter of 1916, however, was 220,000 tons against 80,161 tons in first three months. American shipbuilding in 1916 amounted to 550,000 tons, against 270,000 the year before. Japan's merchant tonnage output increased from 98,000 tons in 1915 to 246,000 tons last year.

INCREASED COST OF SUPPLIES.

A table showing increased cost of railway supplies, prepared by Vice-President Rice of Frisco lines, shows that 52 per cent of supplies purchased by railroads of the country in 1915 will cost 119 per cent more if purchased this year; the other 48 per cent will cost 60 per cent more. Steel axles purchased in 1915 will cost 297 per cent more if replaced this year, brakes 86 per cent, boiler tubes 201 per cent and steel wheels 107 per cent more.

A force of 400,000 men is required for the British navy, according to the naval estimates for the coming fiscal year, which provide for that number.



Canadian Service
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(Via Plymouth)
HALIFAX TO LONDON

(Calling Falmouth to land Passengers)
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Glasgow to St. John, N. B.
Portland to Glasgow
Halifax to Glasgow

For information as to rates and sailings apply to Local Agents or The Robert Reford Co., Limited, General Agents, 20 Hospital Street and 23-25 St. Sacramento Street, Montreal.

CAUSE OF FREIGHT CONGESTION.

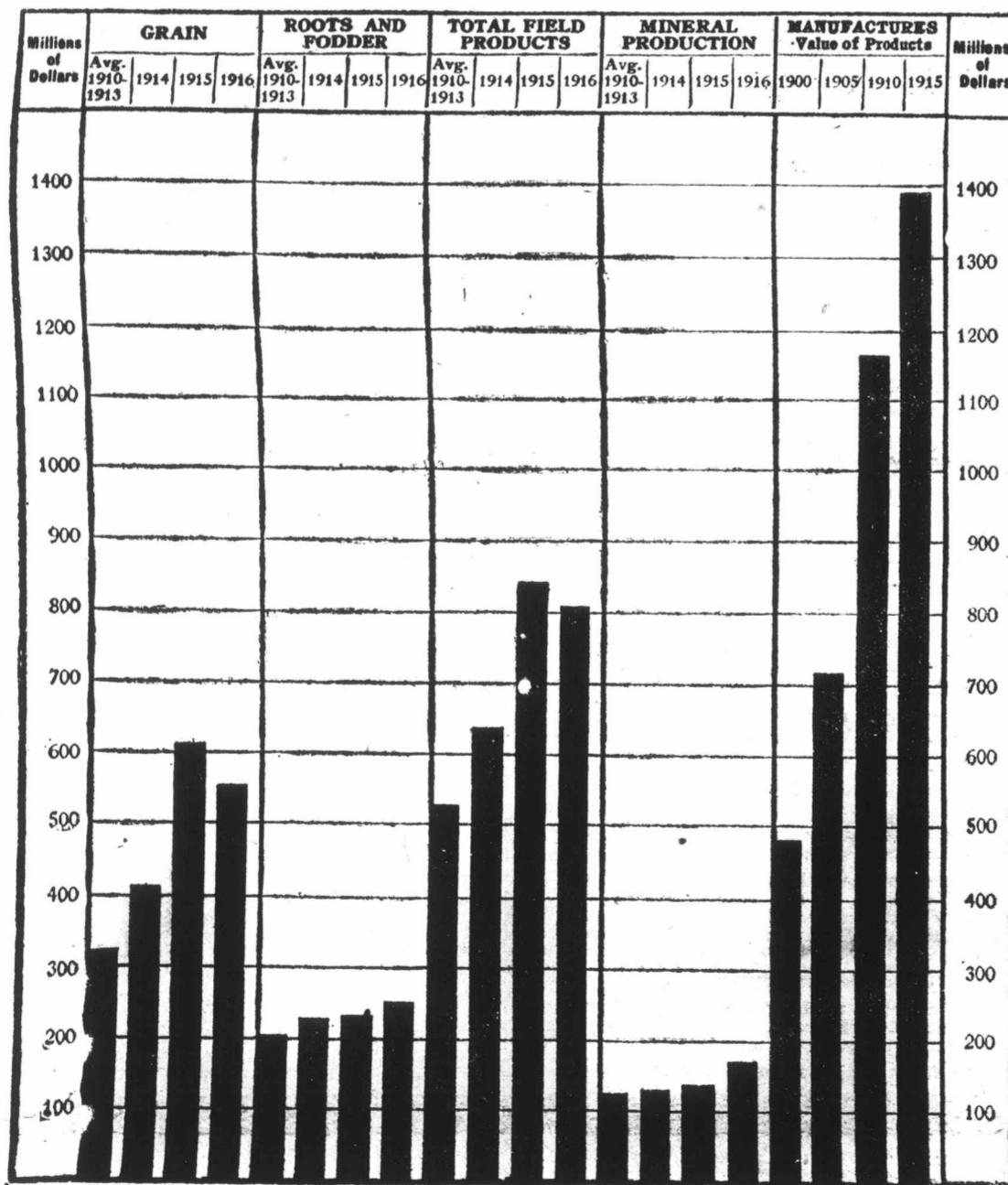
Vice-President Howard G. Kelley, in charge of operation, Grand Trunk Railway, has issued the following statement with reference to freight congestion:

"The general railroad situation is abnormal by reason of the exceptionally heavy business and the balance of loaded movement being to the east. Conditions have been aggravated by shortage of ocean tonnage, and irregularity of arrival of ships upon pre-arranged schedules, thereby disarranging the provision for loading ships, and increasing switching blocking terminal elevators and warehouses and terminal yards.

"Combined with this is the actual shortage of coal supply and continuance for a period of seven weeks of heavy storms and temperatures below zero. These conditions are most difficult to overcome but every possible effort is being made to adjust them and relieve congestion. The Grand Trunk is now accepting freight freely at almost every point on the system.

Agricultural and Industrial Production

Of Canada. This table has been issued by the Canadian Bank of Commerce.



RUSSIAN TRADE IN CANADA.

Russia has established a purchasing commissioner at Ottawa, in the person of Col. Kovaleff, who will make purchases of war supplies of various kinds on behalf of his country. Hitherto Russia has made her large purchases through the Russian supply committee with headquarters in New York.

She has, moreover, obtained a considerable quantity of goods, munitions and freight cars required in her military operations.

The Canadian Government has made representations to the Imperial Russian Government as to the opportunities for supplying its requirements to a greater extent by purchases in Canada and the advantages of trade between the Allies. Its efforts have been rewarded by the appointment of Col. Kovaleff which is an event of importance to Canadian producers. The Canadian Government will give the Russian Commissioner all possible assistance in his work.

SHIPPING MEN NOT AFRAID.

In the week ending February 10, the first complete week of the intensified German blockade, according to the London Board of Trade Journal, the amount of wheat imported into the United Kingdom was 2,766,200 cwt. The figures for the corresponding weeks in the three preceding years are: 1916, 1,111,800 cwt.; 1915, 1,839,700 cwt.; 1914, 1,444,000 cwt.

The totals of corn grain meal and flour imported in the same weeks are: 1917, 4,265,810 cwt.; 1916, 2,456,440 cwt.; 1915, 4,050,044 cwt.; 1914, 2,972,910 cwt.

THE U. S. CAR SHORTAGE.

Reports to American Railway Association showed that on February 1 there was net shortage of 109,770 freight cars, compared with 62,247 on January 1. Shortage existed for most part in West.