

J-41-1 X J-44-2

# The Journal of Commerce

MONTREAL, CANADA

VOL. XLVIII, No. 7

GARDEN CITY PRESS FEBRUARY 17, 1920  
Ste. Anne de Bellevue, Que.

PRICE, 10 CENTS

## The Free Individual Will Be the Salvation of Canada

BY O. D. SKELTON

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## Disappearance of the Sweat-Shop

BY J. W. MACMILLAN

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## How to Base Customs Duties on the True Value of the Purchase Price, Allowing for Exchange

BY T. B. MACAULAY  
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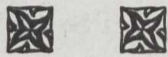
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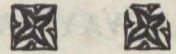
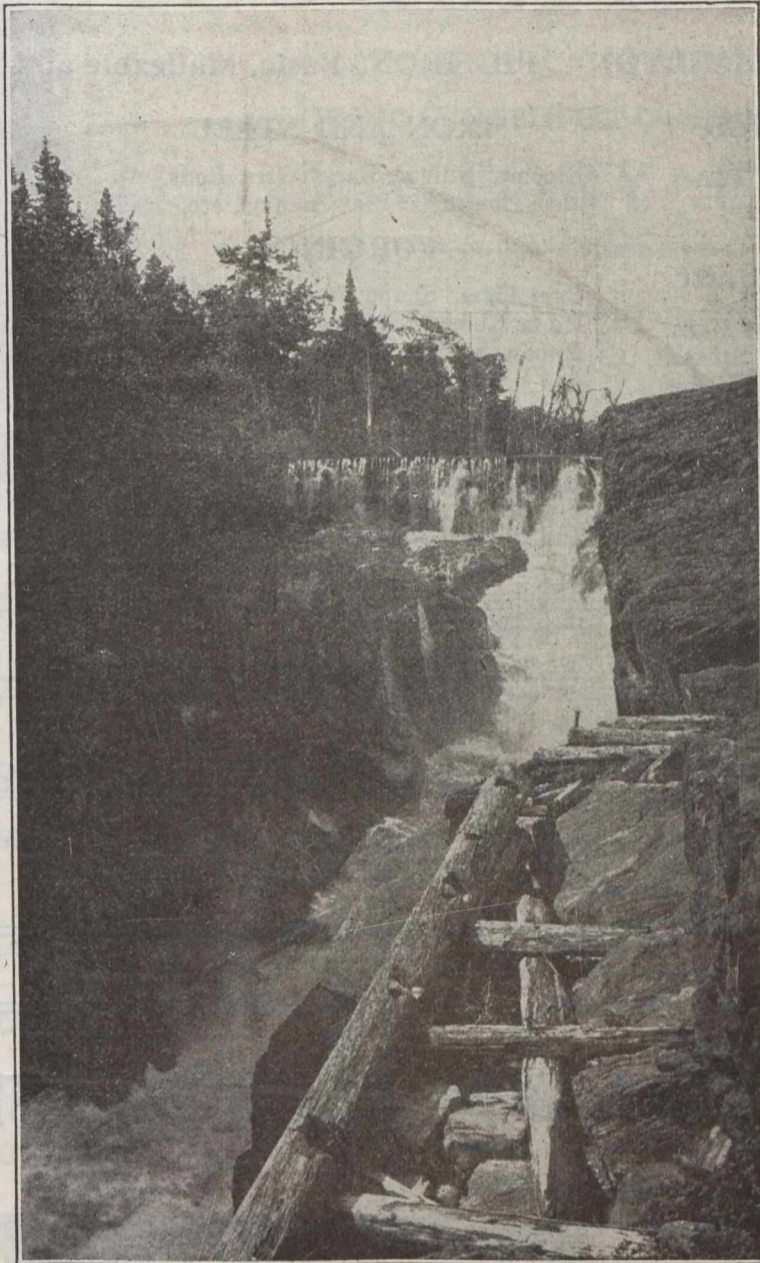
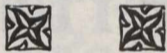
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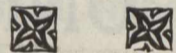
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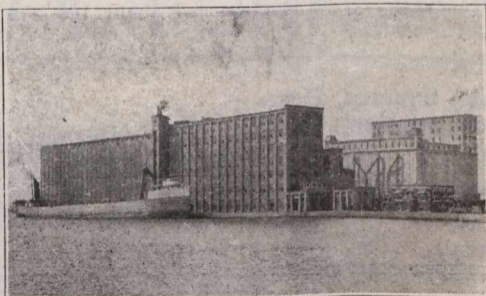
*Secretary Industries and Immigration*

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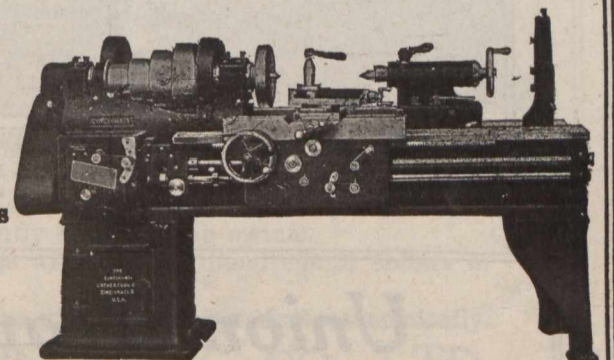
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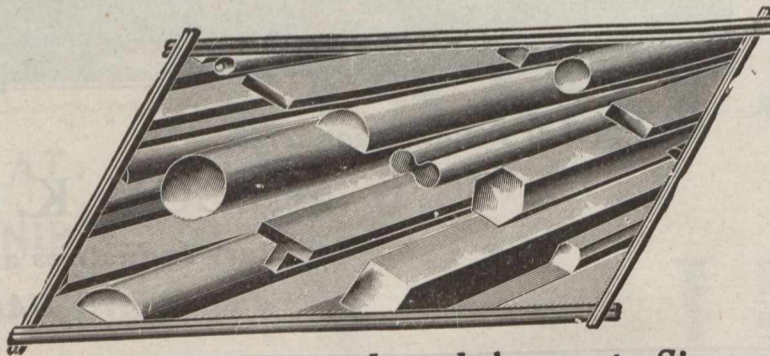
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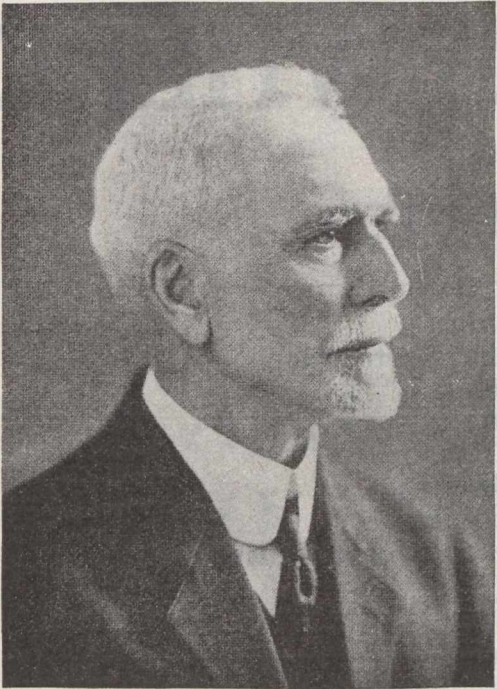
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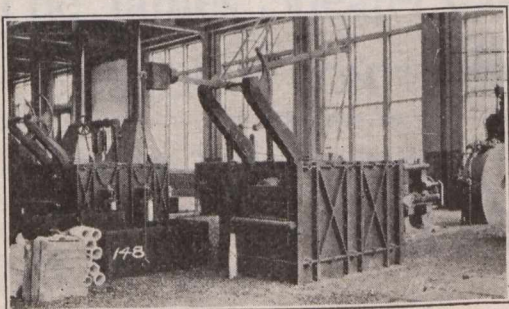
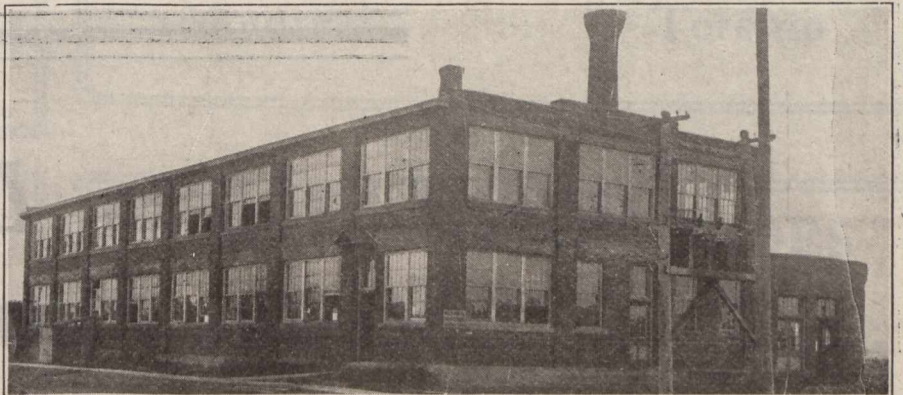
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*Statement to the Dominion Government  
 (Condensed) showing Condition of the  
 Bank on November 29, 1919*

LIABILITIES	
Capital Paid Up.....	\$ 17,000,000.00
Reserve Fund.....	17,000,000.00
Undivided Profits.....	1,096,418.74
Dividend No. 129, payable December 1, 1919..	505 219.12
Fiftieth Anniversary Bonus of 2% to Share- holders, payable December 1, 1919.....	340,000.00
Notes in Circulation.....	39,837,265.74
Deposits .....	433,129,602.45
Due to other Banks.....	7,463,823.30
Bills payable (Acceptances by London Branch)	806,776.89
Acceptances under Letters of Credit.....	16,467,978.69
	<b>\$533,647,084.93</b>
ASSETS	
Cash on Hand and in Banks.....	\$101,021,464.54
Deposit in the Central Gold Reserves.....	24,500,000.00
Government and Municipal Securities.....	78,724,141.43
Railway and other Bonds, Debentures and Stocks.....	19,414,891.06
Call Loans in Canada.....	16,435,614.39
Call Loans elsewhere than in Canada.....	33,812,751.53
	<b>\$273,908,862.86</b>
Loans and Discounts.....	233,945,652.67
Liabilities of Customers under Letters of Credit as per contra.....	16,467,978.69
Bank Premises.....	7,016,444.12
Real Estate other than Bank Premises.....	1,495,271.00
Mortgage on Real Estate sold by the Bank...	62,875.59
Deposit with Dominion Government for Se- curity of Note Circulation.....	750,000.00
	<b>\$533,647,084.93</b>

*631 Branches in Canada, Newfoundland, West  
 Indies, Central and South America, etc.,  
 distributed as follows:*

Canada .....	547
Newfoundland .....	9
West Indies .....	59
Central and South America .....	12
Spain (Barcelona) .....	1
U. S. A. (New York) .....	1
Great Britain (London) .....	1
French Auxillary (Paris) .....	1
	<b>631</b>

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# The Journal of Commerce

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GARDEN CITY PRESS, TUESDAY FEBRUARY 17, 1920.

Price 10 CENTS.

Ste. Anne de Bellevue, Que.

## The Journal of Commerce

Devoted to

CANADIAN INDUSTRY, COMMERCE  
AND FINANCE

Published every Tuesday morning by the  
Journal of Commerce Publishing  
Company, Limited.

Editorial and Advertising Offices, Room 205,  
Drummond Building, St. Catherine and Peel  
Streets, Montreal. Telephone: Uptown 7773.  
Toronto Office: 1402 C.P.R. Bldg., Toronto. Tele-  
phone: Adelaide 3310.

Vancouver Office: 507 Board of Trade Bldg., Van-  
couver.

Printed at the Garden City Press, Ste. Anne de  
Bellevue, Que. Telephone: 165 St. Anne's.

HON. W. S. FIELDING,  
President and Editor-in-Chief.

B. K. SANDWELL,  
Managing Editor.

Subscription price, \$3.00 a year  
Advertising rates on application.

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## Ireland

THE state of affairs in Ireland is almost as bad as it could be. The Sinn Fein party dominates most of the country. The Southern part is entirely under Sinn Fein control. Even in the North the influence of the party is considerable. Historic Derry has a Sinn Fein mayor. In large sections of Ireland the constabulary has ceased to be effective. Disorder of all kinds is rampant—murder is frequent. Such order as there is in Ireland is maintained only by military rule. It is this sad and alarming situation that faces the Government of Mr. Lloyd George as they meet Parliament and undertake the enactment of a new Home Rule measure, in accordance with the Premier's forecast given in the closing hours of the late session.

There were times when the prospect of a moderate Home Rule bill would have given peace to Ireland. Unhappily these favourable moments were not seized by the governing powers at Westminster. Leaders there were who saw the danger ahead and desired to prepare for it by giving Ireland a large measure of self-government; but there were powerful influences against such a policy, and their unwisdom prevailed. Now a different situation is found. Exasperated by the disappointments of the past, many of the advocates of constitutional Home Rule have either thrown up their hands in despair or have joined the Sinn Fein ranks. In such a situation no Home Rule bill that can be devised will bring peace and order. Nevertheless, the attempt must be made, with a knowledge that present success is impossible, but with a hope that ere long the merits of the measure will commend it to the people.

We have in previous issues remarked the notable advance of English opinion toward Home Rule as shown by the fact that the Government which now proposes to deal with the question includes such old time opponents of Home Rule as Arthur Balfour, Andrew Bonar Law and Walter Long. To have from these a recognition that some kind of Home Rule bill is necessary is a long step forward. Another favorable sign has been the disposition of some of the Southern Unionists, represented by Lord Midleton, to

accept the principle of Home Rule. It is unfortunate that Lord Midleton, while thus advancing, has found himself unable to agree to the form of Home Rule outlined in Mr. Lloyd George's speech. The Premier intimated that the scheme would provide for two Irish Legislatures, one in the North and one in the South, with a Council representing both sections. It is on the question of the two Legislatures that much of the present discussion turns. Lord Midleton and his friends express a fear that the Southern Legislature would adopt extreme measures, even the declaration of an Irish Republic, and that the Southern Unionists would have no influence in such a body. In answer to this argument comes Lord Meath, another Southern Unionist, who claims that Lord Midleton's fears are unwarranted. "As an Irishman who loves his country," says Lord Meath, "and ardently desires her welfare, I prefer to trust to the sense of justice and generosity of my country people in the South rather than to run the risk of perpetual embittered Parliamentary conflict between Northerners and Southerners in a single Legislature in Dublin. Ireland needs peace. Let us eliminate as far as possible all cause of quarrel by giving the blessings of self-determination and of peace from internal quarrel to both North and South, as proposed by His Majesty's Government."

## Salaries in Quebec

THE Quebec Legislature, in the last days of a very busy and useful session, adopted measures increasing the sessional allowance to the members from \$1,500 to \$2,000, and providing a salary of \$12,000 for the Prime Minister. If there is any surprise in the case of the indemnity of the members it is that, while they were about it, they did not make the increase larger, as some rumors indicated they would. There is not likely to be much fault found respecting the amount now fixed, and the \$2,000 to-day is really worth less than the \$1,500 was a little while ago. The Provincial Treasurer, Hon. Mr. Mitchell, in proposing the changes, very properly remarked that Canada, broadly speaking, is not a rich man's country, and that if the ordinary citizen is to have an opportu-

ity of sharing in the management of public affairs a fair compensation for service must be allowed.

The ministerial salaries have been \$6,000, with an extra \$1,000 to the department presided over by the Premier. It appears that the language of the Act allowed a salary to the Premier only when he held a department, and when Sir Lomer Gouin retired from the office of Attorney-General, a few months ago, he ceased to draw salary. To correct this a new law is made, providing salary of \$12,000 for the Premier. If the personal point is to be considered at all, \$12,000 is little enough for a gentleman of the ability, experience and services of Sir Lomer Gouin. It is less than is paid to many a man in the private business affairs of his Province. If any mistake is made in the new law, it is not that the Premier is to be paid too much, but that his colleagues in the Cabinet are paid too little. The fixing of the Premier's salary at twice the amount allowed to a Minister makes too much distinction between the responsibilities of the two offices. A reasonable increase of the salaries of the ministers would have made a more symmetrical system.

### Paisley

AS a certain beer was said to have made a Western American city famous, so the election in which Mr. Asquith is a candidate is bringing celebrity to Paisley. True, Paisley has been an important manufacturing town for a very long period, but having fallen into the groove of thread-making and money-making, it has not for some time been much in the public eye. The nomination of Mr. Asquith for the Parliamentary vacancy, and the vigorous campaign of the veteran statesman, have drawn world-wide attention to the old Scottish city. The election is over, but as the law allows time for the collection of the votes of the absent soldiers, some days must pass before the result can be known.

While it is not safe to speak with certainty in such a case, there is a strong probability that Mr. Asquith has been elected. His chief competitor, who is a possible but not probable winner, is the Labor candidate. There seems to be a general opinion that the Coalitionist candidate is out of the running. He received a letter of endorsement from Mr. Bonar Law, who perhaps could do no less than give that to him, but it is hardly a secret that the leading members of the Coalition party in London were not in sympathy with him. They regarded his candidature as hopeless and they feared that it would lead to the election of the Labor candidate. Mr. Asquith's success would in most cases hardly be desired by Mr. Lloyd George and his associates, but they might easily find reasons to prefer his election to that of the Labor candidate. The growing strength of the Labor party is the most alarming thing to the

old-fashioned British Conservatives. Better, in their view, the election of Asquith than a repetition of the Labor triumph of the recent Spen Valley election. It is more than probable that many of the Conservatives of Paisley voted for Mr. Asquith.

### A Kansas Solution

THE conflict between capital and labor is so world-wide that every effort made in any quarter to find a solution of the problem becomes generally interesting. We have in Canada a body of legislation on the subject which, while it has not at all times prevented strikes, has unquestionably proved effective in many cases. When a serious strike occurs its injurious effects are so much in the public eye that people are prone to think that our legislation is a failure. The other side of the case is often overlooked—the many instances in which labor disputes have been prevented or peacefully settled by the machinery of the Canadian laws. In all civilized countries there is a constant effort to devise means of dealing with this ever troublesome question. The latest movement of the kind is found in the laws of the State of Kansas. That State has been noted for its advanced legislation in social matters. In the present case it has made a bold attempt to meet the situation created by the recent strikes. The provisions of the law are thus stated in a news despatch:

“The new law, which became effective January 24, establishes an Industrial Court of three judges appointed by the Governor for three years with annual salaries of \$5,000. The court supersedes and takes over the duties of Public Service Commission. It has supervision over the manufacture and preparation of food products in any and all stages of the process, of the manufacture of clothing and all wearing apparel, of all mining and fuel production, and of the transportation of necessities. Suspension of operation in such manufacture or transportation is illegal. In case of a labor controversy in these industries threatening to endanger the continuity or efficiency of service, the court may begin an investigation. The court may amend or change any employment contract. If either or both parties to a controversy refuse to obey the court's orders the State may take over the industries in question and operate them. Labor unions may incorporate but are not compelled to. Collective bargaining is recognized but the right to ‘picket’ or to disturb workers is denied. No employee may be discharged for appearing before the court either to complain or to testify. Striking in violation of the law is punishable by a \$500 fine or six months in jail, or both. To order, call, or foment a strike is a felony, punish-

able by five years in the penitentiary or a fine of \$1,000, or both.”

This is a very sweeping measure, going much further, we believe, than any other law on the subject. There are in various countries numerous laws aiming at conciliation and arbitration, but none that we know of goes as far as the Kansas Act in respect of enforcement of its provisions. One is not surprised to hear that organized labor views the law with disapproval and will do whatever it can to resist it. Governor Allen, who was the chief advocate of the measure, claims that the Act is on the whole beneficial to labor and that the present hostility of labor organizations will soon be turned into approval. He is probably somewhat optimistic in this respect. The operation of the law in Kansas will be watched everywhere with deep interest.

### Naval Policy

JOURNALS which are close to the Ottawa Government intimate that, notwithstanding the recent visit of Admiral Lord Jellicoe, there will be no declaration of naval policy by the Government at the approaching session of Parliament. If this proves to be correct nobody is likely to be keenly disappointed. That Canada must ultimately do something more than is being done at present in the matter of naval defense will be pretty generally admitted. As to the extent of such a movement there may be much difference of opinion. But the matter is one on which there is no need of hurry at present. Important as the naval question is there are just now many questions of greater urgency and the country will lose nothing by taking more time to consider the whole subject. Meanwhile it is interesting to note that on his arrival in England Lord Jellicoe, according to a cabled report, has given the public a brief expression of the impression he formed from his visit to Australia, New Zealand and Canada. “He has returned to England” he says, “greatly impressed with the loyalty of the Dominions, where he found a very keen perception of the importance of sea power. The Dominions fully realize that if they maintain their own naval forces they would require to act in close co-operation with the Imperial Navy should circumstances call for war operations.”

Lord Jellicoe is no doubt correct in this statement of the case. Whether intentionally or not he has used the spirit—and in a measure the words—of the resolution adopted unanimously by the Canadian House of Commons in 1909 and unfortunately abandoned in the later party strife. That resolution declared for exactly what Lord Jellicoe speaks of, a Canadian navy to be created and managed in co-operation with the Imperial Navy.

# Passing of the "Sweatshop"

## Clothing Trades Always "Sweated" Trades—The Bargains Recently Driven by Employees Insure Better Conditions for the Future

By J. W. MACMILLAN

For three-quarters of a century the clothing trades have been supremely the sweated trades. Charles Kingsley has left an immortal picture of the conditions found in them in his *Alton Locke*. They inspired Tom Hood's *Song of the Shirt*. They were trades which employed women without skill, and allowed them to work in their own homes, where they might use the labor of even their younger children. In the "warrens of the poor," where much of the work was done, the housing was wretched and the sanitation forgotten. In the cities of North America these trades fastened upon the foreign-speaking women, more economically helpless than any of their sisters; and exploited them after the same fashion. In fact, I suppose that to most people the word "sweatshop" immediately suggests a room where garments are made.

An astonishing change has come over this industry on this account. It is the first woman's trade to become organized. So far, indeed, it is the only woman's trade which is organized on a large scale, and thought its organization is but of yesterday compared with that of many of the male trades, it has succeeded in securing rates of wages and working-periods more favorable to the workers than most of the older labor unions possess. Moreover, in spite of sharp conflicts here and there, it seems that the spirit of harmony and co-operation between employers and employees has been developed to an unusual degree.

The agreement recently signed in one of the chief branches of the clothing industry, the cloak, suit and skirt industry of New York City, is an interesting sample of the achievements of up-to-date collective bargaining.

On the one hand, the employees belong to the International Ladies' Garment Workers' Union, which is affiliated with the American Federation of Labor. Eleven locals of this union are joined together under what is known as a joint board for the purpose of bargaining with the employers in this branch of the larger industry.

On the other hand, the employers are of five groups, and the agreements vary to some extent between them. The strongest group is the Cloak, Suit, and Skirt Manufacturer's Protective Association. The agreement with it includes:

1. Substitution of time-rates for piece-rates in wages.
2. The preferential union shop.
3. The 44-hour week.
4. Maximum overtime of 10 hours per week, and then only during the busy season.
5. Six and a half legal holidays each year, including one half day on Election Day.
6. Prohibition of homework or subcontracting.
7. Minimum wage rates, running from \$18.00 per week for basters to \$44.00 for jacket, coat, reefer and dress operators.

The second group of employers is the American Cloak, Suit and Skirt Manufacturers' Association. This is the group which contains most of the small shops. The employees have driven a harder bargain with this group, binding them to a closed shop in place of a preferential union shop, and requiring them to deposit \$50,000 as a guarantee of their observing the terms of the agreement. It also binds them to make good the wages which any member may have defaulted in paying.

The third group of employers is that of the

jobbers. These are entrepreneurs who secure orders from samples and then engage contracting shops to manufacture for them. The bulk of the American Cloak, Suit and Skirt Manufacturers' Association consists of such contractors. The employees have succeeded in getting the jobbers to guarantee performance by these contractors.

The other two groups of employers are individual employers and individual jobbers who do not belong to any association.

The most radical feature of the agreements is the replacing of piece-work by time-work. Here the workers have undoubtedly gained a great benefit. For, although some workers, speedy and individualistic, prefer the piece-work system the great majority would rather work and be paid by the week. This is not the place to enlarge upon the general question of these two methods of payment. In Britain, after many years of experimentation, the trades have divided into two long lists, according to their choice between these alternatives. The coal miners would never consent to the time-rate of payment nor would the engineers consent to the piece-rate. It is the nature of the trade which determines the choice.

In one respect, at least, both employers and employees are released from a source of endless trouble by this change. It has been difficult to find a satisfactory test for the piece-rate. With the fashions constantly changing, no standardization is possible. The making of one or two test garments by a selected worker means an unhappy situation for that worker. A speedy hand angers his mates. A slow one provokes the boss. After the test comes the haggling. Being based on no definite principle except the ancient one of "all that the traffic will stand" it reduces itself to a reflection of conditions in the labor market. If it is a busy season, and quick deliveries are necessary, the worker will get the better of the bargaining. If it is a dull season, and there are unemployed on the corners of the streets, the employer will be victor.

It is claimed by some of the employers that the time-rate system lessens production. It is a fact indeed, that since it went into effect production has lessened. But it is a hasty judgment that timework necessarily means less output. One consideration is that time-work demands a more competent employer than piece-work. Under the latter plan a shop runs itself and, where the employer is rather a trader and salesman than a production engineer it is only to be expected that he shall fail in the supervising qualities which time-work requires. Moreover, a restless-minded employee will be more absent from work under the piece-work system. If she is making enough to meet expenses she is open for temptation to pleasures in working-hours which she would resist if on a time basis.

The truth is, of course, as all thoughtful people know, that the present day lessening of production is a far bigger question than can be solved by methods of payment. It is found everywhere, both where they work by the job and where they work by the day. Something deeper is involved. It would be a great thing for this distracted world if its millions could be held at work, and restrained from extravagance, by merely reckoning their wages in some one fashion or another.

The agreements do not provide for apprentices. They merely specify that if there should arise a shortage of labor in the industry the employer may engage apprentices. The wages to be paid to these apprentices, as well as, the conditions under which they shall work, are to be determined jointly by the union and association as the emergency arises.

So do they sheer away from one of the most vital problems of industry. The employees recall many a shop where the practice was to dismiss the journeyman as soon as he claimed journeyman's wages. The unorganized woman's trades generally need some restriction against an undue proportion of young girls on the working-force. On the other hand, many an employer does not want the trouble of breaking in raw human material. Thus the young girl, leaving school and entering industry, gets the cold shoulder on both sides.

The solution seems to lie in a joint control of the minor worker by the educational and the labor authorities. Doubtless, if some broad and sagacious scheme were worked out in conference between employers, labor-union representatives, and educational leaders, by which girls and boys between the ages of 14 and 18 should be gradually and safely introduced into the factories, by means of a transition stage of part-time work and part-time study, the opposition to the youngster in industry would vanish. No industrial group understands itself till it thinks of itself as a family, and what is a family without its youngsters?

None of these agreements mention the consumer. It is not to be expected that they should. Yet the consumer, unorganized, battling to make his income reach the increasing cost of cloaks, suits and skirts, keeps both employers and employees going. How much more does the clothing industry mean to man than the economic relations between the several members of the group which makes the clothes! I wonder if any of them ever read Sartor Resartus. Some later Carlyle, versed in the new science of Social Psychology, should write a book with chapters on Fashion, Imitation, Fads, Crazes, and The Canon of Conspicuous Waste. There is such a thing as the philosophy of clothes, and if to understand it were to be able to control the social impulses which are stirred and provoked by clothes, we might gain a hint as to how to get a stranglehold on the adverse rate of exchange, the drift to the cities, the skyrocketing cost of living, and some other obstinate problems.

### Forms of Municipal Government

Just at this time when consideration is being given to various forms of government which might be applicable to the city of Montreal, we note that a number of towns in Canada are employing town managers.

Woodstock, N.B., has a town manager with a yearly salary of \$3000.

Picton, N.S., has lately appointed Joseph L. Eaton, formerly with the Nova Scotia Steel and Coal Company, as their town manager and the arrangements will be based very largely on those of Woodstock.

The Town Manager of Woodstock is a returned soldier with a civil engineer's degree and with some pre-war experience as a civic official. All the civic employees save the town clerk, are under his control and all civic services. He acts as town purchasing agent. No interference by mayor or councillors with his orders or actions is permitted. He sits at the council board with the right to participate in discussion but has not the right to vote. His term of office is for two years. A monthly report as to work done and money spent is submitted by him to the town council and their report is open to inspection by any ratepayer.

# Free Individual is Our Hope

In Him, Not in Collective Action or State Regulation,  
Lies the Economic Salvation of this Country  
—A Plea for Freedom

PROF. O. D. SKELTON, at the Montreal Canadian Club.

We are often told that individualism has gone and we are facing the inevitable drift towards Socialism—the radical Socialism of the red-shirted soap box orator on the corner—but whether it comes in a single day or whether by the slow process of years, we are frequently told that the drift to Socialism is inevitable and that it is beneficial.

For example, we see on every hand a growing extension of state ownership which, if continued without check would in time lead us to the paradise of the Socialists' desire. It is easy to see that we are taking steps in many directions towards state ownership, but is there any inevitable drift in that direction. We see the government taking over a railroad, or a municipality taking over an electric plant or so, but we forget that individual ownership is spreading in other fields.

State ownership is as yet confined to a very limited area. We forget that while a State takes over a railroad, private ownership is expanding; new banks, new shops are opening up; new industries of all kinds are being established. Take the motor car industry for example, a very typical and very important development of private ownership, which employs ten times as much capital and ten times as many men as all the state ownership on the continent.

Or we forget that with this extension of state ownership there is a decided move in the other direction. We started out in this country with state ownership of thousands of miles of territory, but that territory is drifting to private ownership. It is the policy of the government to give away in free homesteads this heritage of the State. The extent of that diversion is perhaps hardly realized. I looked up the figures the other day and I saw that in 1906 we gave in free homesteads a country as big as Wales. In 1908 we gave away a territory as big as the States of Massachusetts and Delaware; in 1909 five Prince Edward Islands; and in 1911 we gave territory as big as Belgium and Holland and many other places. That was an expansion from state ownership to private ownership.

Again, it is said that the movement towards state regulation is inevitable and still more necessary than towards ownership. It is true that an increasing amount will be inevitable and probably salutary with the growth of private corporations, with the widening of the field of industry, with the growing consciousness of the evils that have existed in the past; that we have increasing state intervention in order to control industry and all phases of public life. Yet, while state intervention will increase, in order to ensure decent living conditions and in order to give increased opportunity to every man and woman, it by no means follows that the pendulum will swing altogether in that direction. Some kinds of state intervention are desirable, I think they are essential and constructive and will help men to help themselves. In short, I think a certain amount of state intervention or regulation is what we generally need. The state referees the game and helps each man to get a fair start, but we don't want the kind of state intervention that plays the game itself.

May I consider a few specific questions of state

intervention, as to whether or not the old individualism, with all its faults and drawbacks, is played out and should be thrown on the scrap heap?

The first question to consider is whether profit-making is a crime. One would sometimes think, when we hear the indiscriminate criticism of every man who has made a success, that he is a criminal. We have been urged time and again to do away with profit-making and rely on "the service to mankind." I doubt whether that should be desirable or if it would stimulate unselfish services.

Can we afford to do away with profit-making? Profit is simply the share that falls to the organizer; the profit-maker makes it by rendering service. Broadly speaking he makes profits most who works hardest and he who has the greatest ability to see uncatered opportunities first, of making every dollar work to the best advantage, to put his men in their most effective places, to properly utilize the forces of both capital and labor. Profits are made by giving the public what they want most cheaply and more of what they demand.

One would think some times that the man who is not making profits is a public benefactor. As a matter of fact he may be failing to make profits for causes not beyond his control; he may not be as effective in organization; he is wasting the resources of capital and labor which is under his charge. It is true that thrift, industry and enterprise are not the only means of making profits. It is true that a man can make profits by oppression of his men, by cheating his customers, by defrauding his creditors; there are cases of profit-making by unsocial practices, but that is no reason to say that we should throw away that stimulant to industry. We can regulate it; we can restrict any unsocial methods without abandoning those forms of profit-making which render service to the whole community.

Again, to turn to another question, may I ask whether the fixing of profits by the state is good policy. We used to believe that except in certain industries where competition was out of the question that prices could be regulated best by competition of free play of competing producers. We seem to be drifting away from that of late and are rather trying to fix prices. We have in Canada a Board of Commerce whose power it is to determine the maximum prices for any commodity. Is that desirable?

I myself think it a futile and disastrous policy.

Price fixing involves the intervention of non-economic factors into industry; it inevitably is haphazard; it means that you are going to bring organized economic classes into politics if gains are to be determined political agencies; and, more important still, it interferes with the great silent, effective forces that in the long run are most essential to bring down prices. High prices are simply the signal of appeal sent out to induce men to invest capital, to flock into a certain industry; they are a stimulus to production. If you deprive them of high prices it means that you are going to prevent capital and labor from going into that field; it means that you are going to depress and deter production.

Price fixing is simply tinkering with the symptoms. Price fixing is based on the assumption that the whole rise in prices, which is a very grave and serious issue, is due to the ravages of the profiteer. I don't want to prove an alibi for that gentleman; he is a very omnipresent and noxious creature, but he is not the chief "nigger in the wood pile."

We must realize that the rise is due mainly to two things. Aside from the machinations of the profiteer, the rise is due to two main things: the cutting down of the supply of goods and the increase in the supply of money. This is inevitable. With the world at war, with millions of dollars worth of goods gone up in smoke or sunk at sea, with millions of men taken away from public services and the whole world demoralized, it is inevitable that the supply of goods should be reduced.

But it is even more serious on the other side of the question. We have the tremendous increase in money, the bank notes, the government paper money that has been poured from the printing presses of Europe and the inflation that has come from the expanding of bank credits. There is no question whatever that the increase in prices is mainly due to these two things; the reduction in supply of goods and the inflation of currency and credit. No tinkering with the minor factors will reduce prices or prevent them going higher.

Price fixing, to my mind is futile and disastrous. I don't mean to say that there is no room for an organization like the Board of Commerce. There is work to be done in the way of investigating conditions by a body acting as a Court of Conference. But price fixing by any three men or by any three thousand men in a satisfactory way is out of the question.

Take the question, for example, of whether state intervention is desirable in order to regulate exchange. We are all aware of the causes of the tremendous and very serious slump in exchange during the last few months, and aggravated in the past few days. It may be due to deterioration in currency. But that I don't think is at the bottom of it. We have inflation. Undoubtedly our money has not as solid a gold basis as it used to have, but I feel sure that it is absolutely as solid as United States money.

I believe that the depreciation in exchange is not really due to depreciation of currency; it is due simply to the balance of trade; to the fact that we are not able to meet our imports with our exports. It is aggravated, of course, by the fact that the triangular exchange, that ordinarily worked is not in operation. Under ordinary circumstances we sell to the United Kingdom; the United Kingdom places the money to our credit in New York and with this we pay for the goods we buy in the United States. To-day one leg at least of that triangle is not in active operation. Our exchange situation in Canada is simply an incident in determining the world's exchange situation. It is incidental to the fact that the Continent of Europe, and Great Britain in particular, is not able to meet its current obligations in current funds.

It is true that we have a considerable balance of exports over imports, more than three hundred and fifty million, but part of that is necessary to meet interest on the debt incurred before the war, and the balance is not available for the moment. Great Britain is not able to pay immediately in ready funds the balance owing on her purchases from us. Unfortunately we have to pay cash for what we buy in the United States and we cannot get the cash for what we sell in Europe. That is the main cause.

The question is: Can we do very much by state intervention to alter this? At present I don't

think we can do very much. This is a case where the problem creates its own solution.

Undoubtedly the present exchange situation will stimulate our exports and in time will reduce our imports from the United States, although there may be a good deal of creaking in the process.

The present situation will hamper us in the purchase of raw material in the United States. It is unfortunate that this settlement of the issue will be attended with difficulties, but this will be much more effective than any Government intervention that has been proposed.

To turn to one particular form of intervention that has been suggested as a remedy—the extension of further state credits to those unable to purchase in ready funds. A great deal of the difficulty existing to-day in the inflation of currency is due to the expanding of that practice in the past. The extension of great state credits; the issue of long term debentures; the extension of bank credits behind which there has been no real saving, is a very material factor in the rise.

I believe that before America—I mean the whole continent—should be asked to extend credits to any country in Europe, or to all Europe, we should ask that Europe set its own house in order. There is no doubt that primary responsibility for the chaos existing rests on the heads of the rulers of Austria and Germany, but the responsibility also rests on the heads of state in the Allied countries who for the past year have not been able or willing to make peace and have kept Europe an armed camp. Then one little nation after another is pillaging its neighbors. Italy seeks the domination of the Adriatic; Greece seeks to dominate Asia Minor; Rumania is seeking Hungary and trying to snatch Bessarabia, while the Poles are trying to extend their sway over Lithuania.

Most unfortunate of all, the Allied diplomats, particularly France, and, to a less degree, Great Britain, have been committing the criminal folly of trying to force on Russia by intervention a form of government which the Russians do not want. The Allies must let Russia get back into the productive field, and the various states trying to grab their neighbors' territories must restrain themselves, or there is no use pouring hundreds of millions of dollars more into that bottomless pit. A condition of any aid to Europe must be the bringing of real peace, the repression of anarchistic as well as militaristic aggression: all this should be made a *sine qua non* either to aid from private enterprise or the extension of state credits.

But there are ten millions of people who cannot wait for that. There are millions in Europe to-day on the verge of, not merely hunger, but famine and pestilence. We must give these people aid by private grant, or by state intervention. Something must be done to tide over these conditions, and help the unfortunate victims of the diplomats and warriors of that continent.

We will pass for a moment to one different form of state intervention. Should the state intervene and prevent free speech? We are seeing on this continent, particularly on the southern half, an extraordinary development of Prussianism, which five years ago we would have said was impossible. We see extremists at both ends of society trying to force their will on others by violence and terrorism. We have the anarchist trying to force on by dynamite and bomb the form of freedom that they have in Russia. We have men using the intimidation of a general strike to compel the rest of the community to enforce their panacea, their form of social organization. There is no question that that form of terrorism, that attempt of the minority to dictate to the majority by the use of physical force or economic pressure, will not be tolerated.

There is a still more serious danger: violence

from the other end; the danger from a hysterical proletariat is greater than the anarchist with his bomb. Particularly in the United States, we have seen thousands of men deported or sent to prison without trial, newspapers suppressed, books forbidden to be sold, men expelled from the legislature simply because they are members of a particular political party. Men of this type are doing more to develop Bolshevism than ten thousand and soap box orators would in a thousand years, and they are doing much to convince reasonable men of the reality and truth of the claims of Socialists, more than years could have effected.

We have to learn the importance of free speech—not only when people say what we agree with, but when we disagree with them and when they say things that we believe to be untrue and dangerous. Of course, there are limits; when a man is inciting to immediate mob action, that is another question, but we will have to permit the free expression of heretical opinions as the only possible alternative to action from above by machine guns or retaliation from below by dynamite.

We might learn a lesson in this regard from England; there they have great tolerance for popular expression of opinion—always excepting Ireland.

We in Canada have not been altogether free. What is the use of telling men instead of agitating by unconstitutional methods to take constitutional means and to rely on the ballot, if we tamper with the franchise? No set of men are justified in tampering with the franchise to maintain themselves in power. We should bring to an end at once any attempt on public opinion by the policeman's club, to raid libraries' shelves and take out books with which we do not agree. Then there is the foolish assumption that many men in high places have given expression to, that it is sedition to advocate socialism or Soviet Government in Canada, because the person you speak to may differ with you.

I had intended to touch on one or two other phases, but will mention only one other. There is one form of state intervention that is very unpopular and that is the intervention of the state in order to get the taxes it needs for its upkeep. We are spending this year seven or eight hundred millions. We are probably raising about half of that out of taxes and other permanent forms of revenue; the other half we are forced to borrow. So far as one can see, the expenditure of the Dominion runs to three hundred and fifty or four hundred millions a year. Where will we get that? From the tariff?

I have not time to go into the question of the tariff on its protective side, but my opinion is that the time has come for a gradual reduction of the tariff in its protective phases. Undoubtedly the tariff as a revenue-producer will be with us for a good many years; there are no other means so effective and so easy to raise revenue. But do you realize that we are raising about one hundred and forty-five to one hundred and fifty millions a year from the tariff, while in the United States they raise one hundred and eighty million. We have a population of probably eight or nine millions; they have one hundred and ten millions; so, in other words, for every dollar the American pays in taxes, the Canadian is paying twelve dollars. Whether we will continue this or not I don't know.

There are reasons why the ratio here should be higher in the United States; we are not as self-contained and we always have to import more than the United States; we are not quite as advanced industrially, and we cannot afford to rely as far on direct and corporation taxes as the United States; but when we have reached a scale ten times as great as the United States we cannot go much further.

Where then are we to look for the huge bal-

ance required? From land taxes? I don't think so. The difficulties in the way of uniform assessment seem to rule them out of any very practical service in the federal field. Are we to get it from profit taxes? I think there are great obstacles to taxes on business profits because such taxes prevent the accumulation of reserves.

Most businesses in Canada have grown, not out of fresh investment, but out of the saved profits which have been put back and have made possible this expansion which has been so marked here in the last twenty years. Again, taxes on profits tend to reduce efficiency; they decrease the stimulus to production, and they have some other unfortunate results which I need not dwell upon.

We are getting from Canada this year twenty million dollars in income taxes. The rate of income taxes are practically the same here as in the United States, very high, and we cannot go much further. Now the United States is getting from its income taxes on individuals, leaving out the income taxes on corporation, this year something like \$1,430,000,000. In other words, it is getting seventy times as much from its individual income taxes as we are. Its population is not seventy times as great as ours—perhaps it is fourteen times. That means that they get five times as much from their income taxes as we get.

It may be that we cannot get a great deal more out of our income taxes, but the United States is getting five times as much as Canada from her income tax. Further, we must make allowance for the fact that our taxes are not, in proportion, as heavy; that our financial and industrial system is not so highly developed. Is that a reasonable state of affairs? They get seventy times as much from their income tax. Are they spending seventy times as much as we? No, not seven times. We are spending about seven hundred millions and they are spending about four billions. They are bringing their expenditures within reach of their current revenue and are beginning to establish a small sinking fund for the redemption of their debt.

We may not expect to raise as much per capita as the United States, but the alternative is to begin at once to cut down our expenditure.

I have gone very hurriedly over many phases of the situation to-day, and while, possibly, the last topic on which I touch may not have much of a close connection with the main theme, I do wish to commend to your consideration the contention I have been trying to make, that the sane and regulated individual is still the essential foundation of Canadian national prosperity. I do not say that there is not the greatest need of altruistic service in business and out, that we must not suppress unsocial practices; but we must continue to look to the effort on the part of the individual as the main source of our economic salvation and must be careful of any practices or any policies that will injure or hamper that stimulus.

One hundred and fifty four new schools were opened in Saskatchewan last year bringing the total to date up to 4,300. Consolidated schools now number 31, and the demands for higher education are evident in the increase in collegiate institutes, three being added in the year 1919.

Just when the barbers are about to raise the price of a haircut to fifty cents, comes the announcement from Berlin that Professor Nathan Zuntz has discovered a tremendously effective and comparatively simple means of preventing baldness and promoting the growth of the hair. Why didn't Zuntz come along with his discovery in the old days of low barbering prices? Men cannot afford to have their hair grow too fast now.—The Montreal Gazette.

## Electrical Devices on Railways

To the ordinary city dweller the many ways in which electricity serves to supply comforts, pleasures, and needs of daily life are seldom realized. When it is considered that it is not so many years ago that what is now accomplished by electricity was not within the imagination of man, one dare not challenge the statement that has been made, that it is yet within man's power to harness for his use even greater forces than has been done.

Perhaps the least known of the uses of electricity is that applied for the safe and expeditious movement of steam railway trains. The ordinary passenger makes a journey by a steam railway train, and further than knowing that the power used to move the train is steam, dismisses the consideration from his mind. Whereas, from the simple automatic announcing of the approach of a train to the station by the ringing of a bell, or the moving of an indicator when the train may be a mile or more away, to the elaborate electric interlocking plant as installed at the C. P. R. Windsor Station, Montreal, not only is the approach of a train announced, but the signal indicates to the engineer that the route is clear. The switches themselves are operated and automatically locked, also the passage of the train through the route, which may be over several switches, is indicated in the interlocking station.

The railway companies have gone to great expense in the installation of automatic electric block signals which provide an indication to the engineer that the track is safe for the train to proceed. These signals are automatically set at "stop" by the train, because the wheels and axles bridge the space between the track rails, and so make a short path for the electric current which flows along the rails. As long as the train remains within the length of the track governing the signal, a train following cannot enter onto the same portion of track without the signal indicating that the section is already occupied.

There are various types of electric signals. The type generally used is known as the semaphore, consisting of a movable arm which gives the indication by day, and a colored light which serves for the indication by night. The colors used are red for "stop," yellow for "caution," and green for "proceed." The positions of the arm are horizontal, forty-five degrees above and ninety degrees above the horizontal respectively. The arm of an automatic signal is moved from the horizontal position by an electric motor, and the colored glasses attached to the arm move in front of a lamp, giving the color indication corresponding to the position of the arm. The electric current operating the signal, and also all the circuits used for its control, may be

either direct or alternating. If direct current is used, it is usual to supply this from a primary battery, which is located close to the signal, and is protected from the weather by a shelter which is sunk into the ground, keeping the battery at a more even temperature.

Automatic signals are used both on double and single track. On a double track, signals govern a train in the direction in which it moves on each track, the direction for each track being called "Current of Traffic." These signals are used chiefly to provide a space between trains moving in the same direction on the same track. On a single track one set of signals governs trains going in one direction, and another set governs trains going in the other direction. Therefore on a single track it is necessary not only that signals provide a space between following trains, but they must also provide a space between opposing trains, and with the modern signalling for single tracks, when a train moves away from a station, it automatically sets at "stop" all the signals in the opposite direction between it and the next station.

The automatic signal not only gives safety in train operation, but also greatly increases the number of trains that can be safely run on the same track. Some tracks on which traffic is extremely heavy require signals spaced, at the utmost, one mile apart.

In railway operation electricity is used for many other purposes, such as, electrically controlled train staff machines from which a train staff may be extracted to be issued to a train as authority to move between two stations. When the staff is conveyed by the train to the next station, and deposited in the staff machine located there, another staff may be issued at either station, giving authority to another train to run over the same portion of track. The staff machines are so constructed as to make it impossible to extract more than one staff from either one of each pair of machines. There is also what is known as remote control of a switch by which a man can prevent the opening of a switch.

The automatic electric alarm bell at highway crossings which is operated by the approaching train not only gives audible warning by ringing a gong, but also visual warning by the lighting up of a danger sign. This device, so familiar to travellers on the public highway, is another electrical device which performs an important function.

It is the purpose of this article to mention only the more modern uses of electricity, but one must not forget the telegraph system and telephone which perform an important part in railway operations as they do in commercial and private life.

## The Probabilities of Exchange

The extreme dislocation of the exchange rates of the entire world during the last week has caused an amount of speculation as to the results which are likely to follow if the process is allowed to continue without artificial interference. The only nation which can effectively remedy the situation is the United States. If the situation is not remedied, it is the general impression of financial and economic experts that the world will practically revert to a condition of barter as regards trade between nations. Thus, for example: the Canadian wheat crop, instead of being sold for a sum in pounds, shillings and pence per hundred bushels, would be sold through government agencies in exchange for a specified amount of British produce. It has already been reported that German manufacturers, who are faced by

an impossible rate of exchange between their own country and its neighbors, are largely adopting this method for the disposal of their goods. The trouble about quoting prices in money, when there is no gold standard for the valuation of that money, is not so much a difference between the present and the normal quotation on any particular currency, as the fact that nobody knows for a day in advance what the value of any such currency is going to be. Thus, a transaction which may look to be perfectly satisfactory on the day on which it was made, may prove to involve a heavy loss compared with a similar transaction executed a few days later, simply owing to change in the valuation of the currency employed.

The United States, it is maintained, is the only nation which could act effectively for the support

of exchange rates throughout the world, owing to the fact that it has a very large share of the world's gold supply and is the chief creditor of the nations whose currency is now depreciated. The more serious financial advisers of the Eastern States at least are almost a unit in urging governmental and co-operative action for the support of exchange rates in New York, but their leadership does not appear to be likely to succeed in inducing the country to follow it. There is a notable lack of conspicuous individual leaders in the United States at the present time. The financial world contains no one whose authority could be compared with that of the late J. Pierpont Morgan. In the political world, the President's ill-health, and the complete uncertainty as to the nomination for the presidency by either party at the next election, combine to produce a similarly leaderless condition. The situation calls for energetic and nation-wide action in the shape of an immense flotation of loans to be harmonized for the support of industry and credited in the weaker States of Europe, but it appears impossible to overcome the inertia which at present prevails in the United States, at any rate without the addition of a more conspicuous and more universally trusted leader than is at present in sight.

The probabilities are, therefore, that the exchanges will be left to the course of nature, and in the long run it is probable that no nation will be more seriously affected than the United States itself, which is in the position of a trader who has sold such immense quantities of goods to his clients that they are unable to purchase any more, and who declines to extend to them the credit necessary for them to resume business of production and re-develop their purchasing power.

As regards Canada there is a wide-spread feeling among bankers that the adverse exchange between this country and New York is the best protection that Canada could have against a commercial and industrial crises originating in the United States and spreading to this country, as with its export trade paralyzed by the tremendous premium on American money, the United States is considered by many authorities to be heading direct for a period of very critical business conditions. Canada in ordinary circumstances, would be the first country to be employed as a dumping ground for American products unsaleable at home, but the adverse exchange rate, which would only move further with every increased effort on the part of Americans to sell goods in this country constitutes an automatic and self-regulated protection of Canadian industry, in other words, commodity prices in Canada may be expected to remain substantially firm, even in spite of a very considerable break in the United States. Moreover, the Canadian people are much more progressive in respect of making loans to their customers than the American people are showing themselves to be, and Canada may therefore maintain her trade with Europe long after the United States has ceased to be able to sell her products abroad, except at a very heavy sacrifice of prices, as measured in American dollars.

The chief problem presented to Canada is that of the necessity of securing certain supplies from the United States, whatever may be the rate of exchange. We cannot wholly dispense with American coal, and probably not altogether with American raw cotton and certain other raw materials. For manufactured products, we can easily transfer our patronage to countries where our currency undergoes no depreciation. It is considered not at all improbable that the premium on New York funds may go to twenty-five or thirty per cent, or even higher, and if we continue to extend credit to European buyers and the United States refuses to do so, the discount on our currency in New York will approximate more and more closely to that on the British pound sterling.



# Shipbuilding in Canada

It has been estimated that Canada's shipbuilding industry now employs around 25,000 men, and another 25,000 engaged in the manufacture of marine equipment and supplies; and represents an investment of \$50,000,000 of capital; and more than ninety per cent of this progress has been achieved within the last four or five years. It may be of interest to review the origin and purpose of so promising an industry; and the more so in view of the fact that the Government attaches so much importance to its growth that it has already appropriated about \$70,000,000 to foster it, is now considering the appropriation of a further \$10,000,000 or \$15,000,000, and it will probably round off its present policy of giving out contracts for big steel freighters and passenger ships for the National Merchant Marine by a policy of bonusing on a basis of \$10 or so per ton for all steel ships built in Canada that conform to certain standards of construction.

The Government has also offered to aid the wooden shipbuilding industry in Victoria, B.C., by loaning 75 per cent of the capital cost of vessels built there. Wooden shipbuilding is a leading industry in Victoria, where the Foundation Company has turned out twenty 3,000-ton steamships for the French Government and where other local companies have built for local and foreign interests. There is not much doubt that having entered upon this policy so far as Victoria is concerned, the Govern-

ment will extend it to other wooden shipbuilding centres in the near future.

Subject to a continuance of Government aid in one form or another, Canada's shipbuilding industry would appear to have a very great future: not only as a field for investment and a source of profitable employment for skilled and unskilled labor, but as a factor in the national development, notably in regard to export trade. The growth of Canadian manufacturing industries, owing to the impetus of war-time production, has brought the country to the point where it must find more foreign markets for its surplus production or see its war-time prosperity vanish like a dream of the night. Before the war the larger vision of export trade was so little realized that Canadian manufacturers were content to freight their products overseas under the flag of any country from which they could hire cargo space; but the new national consciousness aroused by the events of the Great War has shown the people of Canada that they must ship their exportable surplus abroad under their own flag. So well has this been realized that this Dominion now ranks fourth or fifth among the great shipbuilding nations of the world. It may indeed be said to rank third, because, after Great Britain and the United States, there is very little difference between Canada and several other countries which sometimes exceed its tonnage production and sometimes fall below it.

Before proceeding to a review of the wonderful



*S.S. "Adventurer," built for the Canadian Government Merchant Marine by the Port Arthur Shipbuilding Co., Port Arthur, Ont., and launched by the Prince of Wales during his recent visit.*

developments of the last five years it may be well to cast back for a few moments to the earlier days of the Canadian shipbuilding industry. Before the war Canada was not regarded as a shipbuilding country, at any rate on any worth-while scale; but the fact remains that until about half a century ago this country was among the first ship producing countries of the world exactly as it is today.

What then caused this strange falling off? It was not merely that other countries developed their shipbuilding industry more quickly; there was a falling off almost to vanishing point in Canada.

The cause is no secret. Canada's shipbuilding industry, as it existed prior to five or at most ten years ago, was wholly confined to the production of wooden vessels and the demand for these inevitably fell off with the appearance of the iron and later of the steel ship idea. That was what, temporarily at any rate, killed what was at one time one of this country's leading industries; and that industry revived again just as soon as the Canadian Government and people opened their eyes to their own interests and began to build steel ships of modern size and modern equipment.



*Launching part at the launch of S.S. "Canadian Spinner" by the Canadian Vickers, Ltd., on November 8th last. Mrs. Alex. Johnston, wife of the Deputy Minister of Marine, holds the bouquet and Mr. J. W. Norcross, President of Canada Steamship Lines, Ltd., and other prominent Montrealers, will be noticed.*

As originally established then, the shipbuilding industry of Canada was confined to wooden ships; and on this basis it was exceedingly flourishing. The first vessel launched on the Atlantic coast of the Dominion took to the water at Fish Point in Yarmouth, N.S., away back in the year 1761. It was a shallop of 25 tons or so and was named the "Pompey." It had a bowsprit. It had no shape, or rather its stem and stern were shaped alike. But it was the first ship ever built in Canada.

The first vessel produced on the Pacific coast of the Dominion—eighty years before the Dominion, as constituted today, existed—was the little schooner "North West America," built at Nootka on the West coast of Vancouver Island and launched on September 19th, 1788, the keel being laid on May 13th. She was built by John Meares, a retired lieutenant of the British Navy who had settled in British Columbia and engaged in the fur trade.

From these two little sailing vessels came a long succession of fishing schooners and lumber ships and freight carrying vessels of every kind, so much so that half a century before the present revival Canadian-built ships were known more or less all over the world.

In these days, as now, the St. Lawrence ports were frozen up throughout the winter and there was always a race to get home before the ice barred the way in. The older residents of Quebec—notably Mr. William Power, the veteran lumberman—well remember the "homing" of the great clippers in the fall, beating into port like a flock of giant swallows: and still more beautiful the out-going in the spring, when the great sails were unfurled to the friendly breeze and the home fleet, as it was called, beat its way out of port again. Every spring there were new vessels that started on their maiden voyage; and every fall there were some that failed to make port, because one or other of the tragic perils of the sea had compassed their destruction.

The present article, however, is not immediately concerned with the operating of Canada's ships, but with the building of them. The little shipyard in Yarmouth was succeeded by others that spread round by Shelburne and Lunenburg and Halifax right up to Cape Breton: and round into the Bay of Fundy from Digby to Annapolis and up to Parrsboro and Truro at the head of the Bay. Then more yards came along presently along the New Brunswick coast on the other side of the Bay.

All up the St. Lawrence the sound of hammer and mallet was heard. The busy little ports of the Great Lakes heard the same inspiring music; and away on the Pacific coast the little yard at Nootka that had launched the "North West America" was merely one of many.

The industry grew amazingly as Canada's fish and furs and lumber built up their markets abroad. Naturally there was no export of manufactured goods in those days. As a matter of fact Canada did not have the population to build up manufacturing industries, even for her own needs, but this had its advantages in that the out-going ships could always be assured of return cargoes.

There was one characteristic instance of Canadian enterprise when Great Britain put a prohibitive duty on the import of foreign timber. The lumbermen of Canada, or rather of Quebec, met this by building lumber schooners on the same lines as recently proposed by Mr. John Arbuthnot of Victoria, B.C. They were so constructed that when they arrived in their English port and had discharged their general cargo the ship was practically taken to pieces and sold as lumber.

Another type of vessel that became world-famous was the clipper. These vessels originated in the Quebec yards and were known everywhere for their vast spread of sail and their speed, yet even as their reputation grew the steam-driven vessels that were to drive them off the seas were already being built.

The first steamship built in Canada was produced by the Hon. John Molson of Montreal. This was the ss. "Accommodation," but it was eclipsed half a century later by the "Royal William," built at Quebec, and having a length overall of 176 feet. The "Royal William" inaugurated the trans-Atlan-

tic service between Quebec, London and Liverpool, making the trip in about 25 days, which was "going some" for those days.

The demand for, and the production of, ships acted and re-acted on each other until, as already stated Canada became one of the principal shipbuilding countries in the world. The peak of production was reached about the year 1875, in which year the shipyards of this country launched 188,000 tons of shipping, all wooden ships, of course.

Most of these were fishing vessels. Yarmouth, the originator of Canadian shipbuilding, had formed several companies which owned and operated small steel freighters, but all of these were built in the Old Country, and do not enter into the subject of this review at all. Nevertheless, it was a pity that some of the Canadian shipyards did not follow the lead of their British contemporaries and equip their yards for steel construction. If they had, the development of the Dominion might have been years ahead of what it is.

They missed their opportunity, and it was just at this time that the decline in their shipbuilding industry began. There was a gradual decrease in the annual output of new tonnage, gradual but steadily continued, so much so that, twenty years later, the registered tonnage of the Dominion had gone down from 204,000 tons to 14,000 tons, and the new construction had gone down from 188,000 tons in 1875 to 10,700 tons in 1896. Never was there a clearer case of "the handwriting on the wall," and never was there a case where it was more carelessly flouted.

By 1896 the general development of the country—and particularly of the coastal and fishery trades—had reached a point where an increase in tonnage was inevitable and as it did not, as in the case of the trans-Atlantic routes, offer any particular inducement to Old Country shipbuilders, and American yards, since the Civil War, were in not much better state than those of Canada, the shipbuilders of the Dominion began to get busy again.

But it was only small coasters and fishing schooners they built for many years. Gradually, however, there came into existence a better class of shipyards, such as the Davie Company near Quebec, the Kingston Co. at Kingston, Ont., since absorbed by the Collingwood Company, and later the Western Dry Dock and Shipbuilding Company, since reorganized as the Port Arthur Shipbuilding Company.

The Western Company, located most advantageously at the head of the Great Lakes where Canada's grain concentrates in millions of bushels for shipment to Europe and elsewhere, was at any rate not organized to build either coasters or fishing schooners, but big grain freighters and other steel vessels. One of its most spectacular achievements was the construction of the giant grain freighter "Grant Morden," of 13,000 tons deadweight, 625 feet in length, 59 feet in breadth, and 32 feet in depth, and having a capacity of nearly 600,000 bushels of grain. This was, and remains, the largest vessel ever built in a Canadian shipyard, although within the last week or two the Minister of Marine has forecasted the building of combined passenger and freight boats of 15,000 tons for the national merchant marine. It is also possible that Canada will presently be building warships of much greater tonnage in connection with the proposed Dominion

naval programme, although this has not yet been ratified by Parliament.

Another big achievement of the Western Company, or the Port Arthur Shipbuilding, as it is now called, was the building of the ss. "Noronic," which was launched just prior to the war, and therefore comes within this section of the story of Canada's shipbuilding. It has a length of 385 feet, beam 52 feet, depth 28 feet 9 inches; and it has accommodation for more than 600 passengers.

This fine vessel was put into the water in May, 1914, and may therefore be said to mark the dividing line between the two periods in this industry; and the story now passes on to the account of Canada's shipbuilding during and subsequently to the war.

After the outbreak of hostilities there was immediately a great demand for tonnage, owing to so many mercantile vessels being commandeered for war purposes, and also, later, to losses from submarines. Owing also to so many of the British yards being engaged on war work it was impossible to replace the losses from ordinary perils of the sea and from the more prosaic cause of old age.

Canada felt this demand like other countries and her big business men were not slow to take advantage of it; not only those who were already interested in shipbuilding plants, but many others. Representatives came over from Great Britain with their pockets bulging with contracts, and these were distributed by the shipbuilding section of the Imperial Munitions Board under Colonel W. I. Gear.

During the first three or four years of the war, or, to be exact, until May 1918, contracts were given by the Imperial Munitions Board for 42 steel steamships, aggregating 207,800 tons deadweight, and 42 wooden steamships, aggregating 129,360 tons deadweight; or a total of 84 vessels with a deadweight of 337,160 tons.

Among the companies who received orders for steel ships were the following:

Firm:	No. of Ships.	Aggregate D. W. Tonnage.
Canadian Vickers, Ltd. . . . .	4	28,000
British American Shipbuilding Co. . . . .	2	7,000
Nova Scotia Steel & Coal Co. . . . .	2	4,200
Polson Iron Works . . . . .	6	21,000
Collingwood Shipbuilding Co. . . . .	2	5,800
Port Arthur Shipbuilding Co. . . . .	7	24,700
Midland Shipbuilding Co. . . . .	3	10,200
J. Coughlan and Sons . . . . .	9	79,200
Wallace Shipyards. . . . .	3	13,700
Canadian Allis-Chalmers Co. . . . .	4	14,000
Total steel ships . . . . .	42	207,800

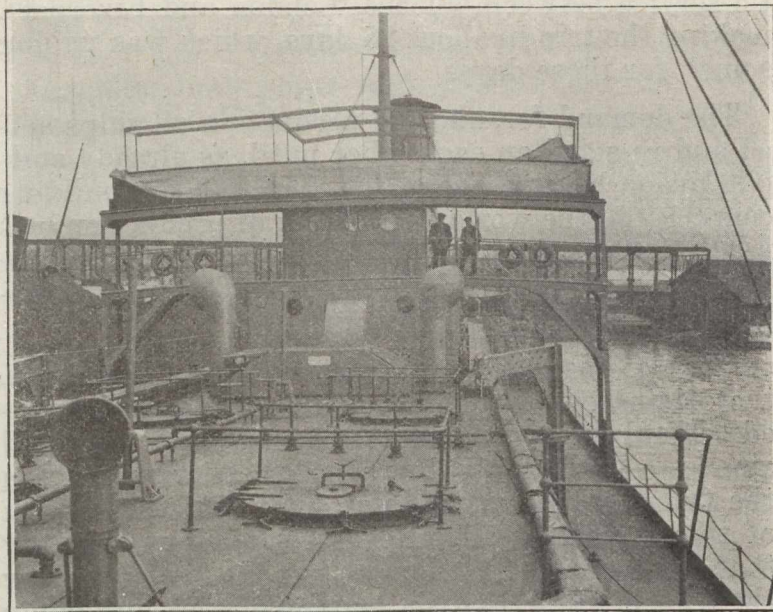
While the companies building wooden ships for the I. M. B. were:

Firm:	No. of Ships.	Aggregate D. W. Tonnage.
Grant and Horne, Moncton, N.B. . . . .	1	3,080
Three Rivers Shipyards, Ltd. . . . .	2	6,160
Fraser, Brace & Co. . . . .	3	9,240
Quinlan and Robertson . . . . .	4	12,320
Quebec Shipbuilding Co. . . . .	2	6,160
Southern Salvage Co. . . . .	1	3,080
Port Arthur Dredging Co. . . . .	1	3,080
Toronto Shipbuilding Co. . . . .	2	6,160
Great Lakes Dredging Co. . . . .	1	3,080

Foundation Company . . . . .	5	15,400
Cameron-Genoa Shipbuilders, Ltd..	4	12,320
New Westminster Construction Co.	3	9,240
Pacific Construction Co. . . . .	2	6,160
Wm. Lyall Shipbuilding Co. . . . .	6	18,480
Western Canada Shipyards, Ltd. . .	5	15,400
Total wooden ships . . . . .		42 129,360
Total steel and wooden ships ordered by Imperial Munitions Board from Canadian shipyards		84 337,160

All of these ships have been launched, completed and delivered to the British Government, and have been assigned to various ship operating organizations in the Old Country, for whom they appear to be doing excellent work. They are recognizable by the prefix "War," as, for instance, the "War Charger," the "War Duchess," etc.

The fulfilment of these contracts effectually placed Canada on the map as a shipbuilding country and it also stirred a determination among her people to build up a great mercantile marine of their

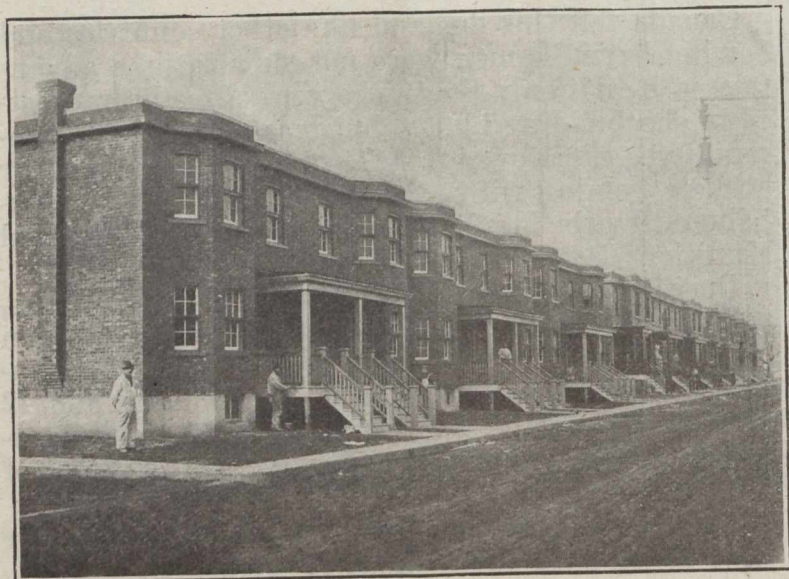


Oil tanker built by the Collingwood Shipbuilding Company of Collingwood, Ont.; President, Mr. Roy M. Wolvin.

ing policy—Parliament has already voted around \$70,000,000, and is likely at its re-assembling in the latter part of this month to vote a further \$15,000,000 or \$20,000,000 in addition to establishing a system of subsidies to encourage the new national industry after the Government ceases to hand out contracts.

That, however, is anticipating the story a little. It was in the early part of 1918, after a great many vessels had been built for the Imperial Munitions Boards, that Colonel Ballantyne on behalf of the Government gave notice to the British authorities to determine the I. M. B. arrangement as and when contracts in hand were filled.

It was in March 1918 that the first contract for the Canadian National Merchant Marine was placed. This was given to the Canadian Vickers, Limited, and was for a 4,300-ton, deadweight, steel freighter with single deck, poop, bridge, and fore-castle, the price per ton being \$207, and the total cost \$890,100. This vessel was launched on November 23, 1918, under the name of the Canadian Voyageur, and is at present running between Halifax and London, Eng.



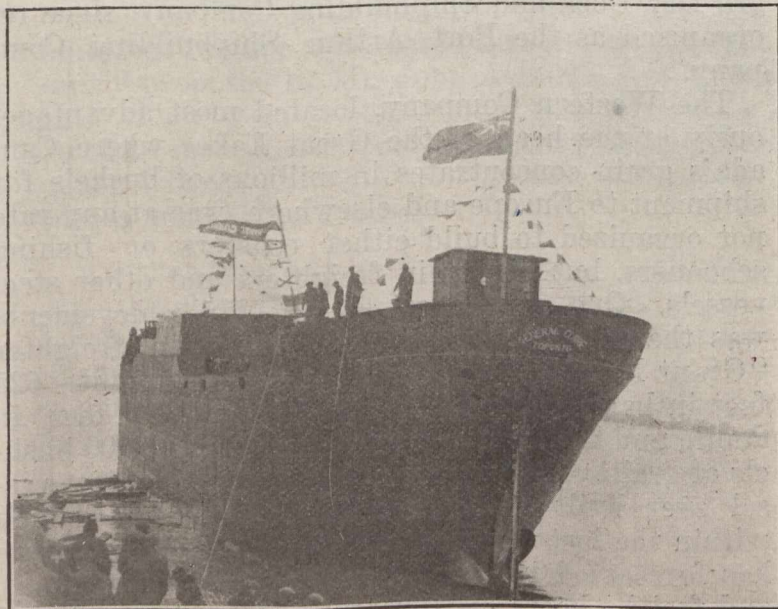
Houses built by the Tidewater Shipbuilders, Ltd., for the accommodation of its employes at Three Rivers, Que. This company is a subsidiary of the Canada Steamship Lines, Ltd.

own rather than to continue hiring cargo space from shipowners of other countries. It may be noted here that prior to the war something like four-fifths of the shipping using Canadian ports was foreign-owned, including the British ships in this category.

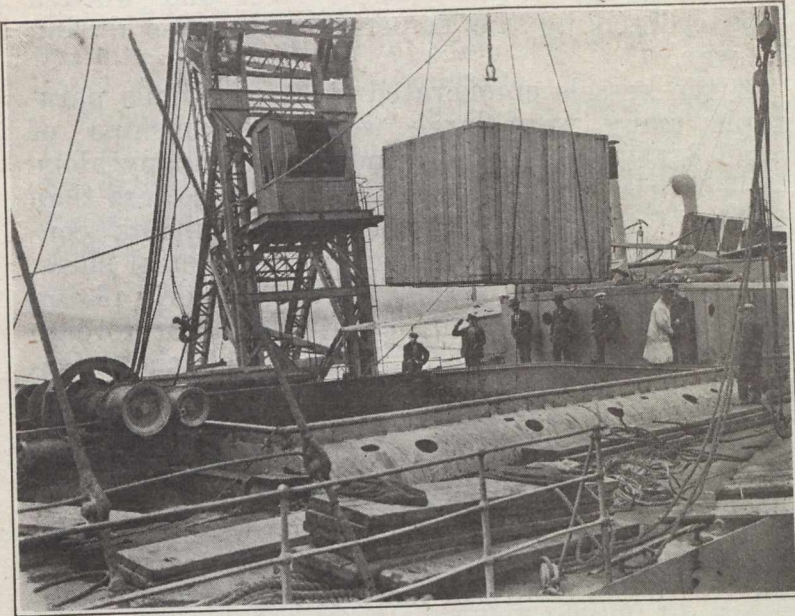
It happened about this time that there was a shuffling of portfolios among the members of the Government, accompanied by the entry of several newcomers to Cabinet rank. The most noteworthy of these was Colonel (now the Hon.) C. C. Ballantyne, who accepted the portfolio of Minister of Marine.

Colonel Ballantyne, being a practical business man, regarded his office perhaps from a different standpoint from some of his colleagues in the Cabinet, who had not had his experience. One of the first questions he asked, according to rumor at Ottawa, was why Canada should build ships for other countries instead of for herself; and from that pointed query originated the present Canadian National Merchant Marine.

For this policy—known as the national shipbuild-



S.S. "General Currie," built by the Dominion Shipbuilding Co., at Toronto, Ont.



Elder Dempster Company's S.S. "Cerro Gardo" loading locomotives for South Africa at the Port of Montreal.

Historians of the future will have a lot to say about this historic vessel, pioneer of the revived industry of shipbuilding in Canada, and it might be well to mention here that the Canadian Vickers Company, an off-shoot of the world-famous British organization of the same name, did not, like so many of the Canadian shipyards, originate during the war. It was planned a year or two before the war, the site being at Maisonneuve on an area of thirty acres which was reclaimed for the purpose, in addition to six acres for the right of way for harbor tracks and roadways.

This gave the Vickers Company one of the finest dry docks and steel shipbuilding plants in Canada and it may be recalled that the company recently launched its seventy first ship, making a total built of rather more than 100,000 tons during the last six years or so, in addition to great activity in major and minor ship repairs, overhauling, etc.

After the giving of the first contract to the Canadian Vickers Company, others followed in quick succession, the present number of ships (all steel vessels) built or building for the Government being fifty-eight, distributed as follows:

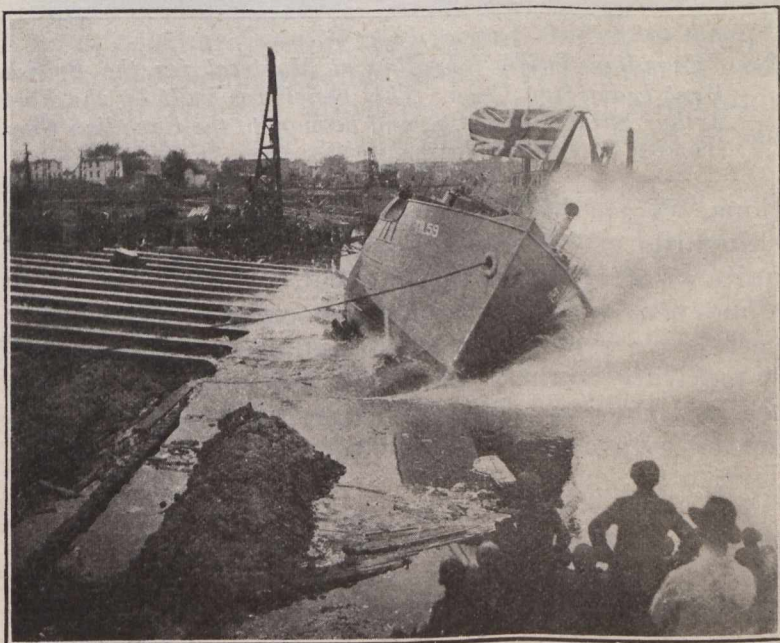
Firm:	No. of Ships.	Aggregate D. W. Tonnage.
Canadian Vickers, Ltd. . . . .	12	90,700
Collingwood Shipping Co. . . . .	7	26,650
Port Arthur Shipping Co. . . . .	7	26,650
J. Coughlan & Sons . . . . .	6	48,600
Wallace Shipyards, Ltd . . . . .	6	29,000
Tidewater Shipyards, Ltd. . . . .	4	20,400
Halifax Shipyards, Ltd . . . . .	4	37,200
British-Am'n Shipping Co. . . . .	2	8,700
Nova Scotia Steel Co. . . . .	2	5,600
Davie Shipbuilding & Repairing Co. . . . .	2	10,200
Dominion Shipbuilding Co. . . . .	2	7,000
Victoria Machinery Depot. . . . .	2	16,200
Prince Rupert Shipbuilding & Engineering Co. . . . .	2	16,200

Total steel ships ordered by the Dominion Government from Canadian shipyards . . . . . 58 343,100

Of these 58 ships, about twenty-three have been launched and most of these have been completed and delivered. They are now in service as part of



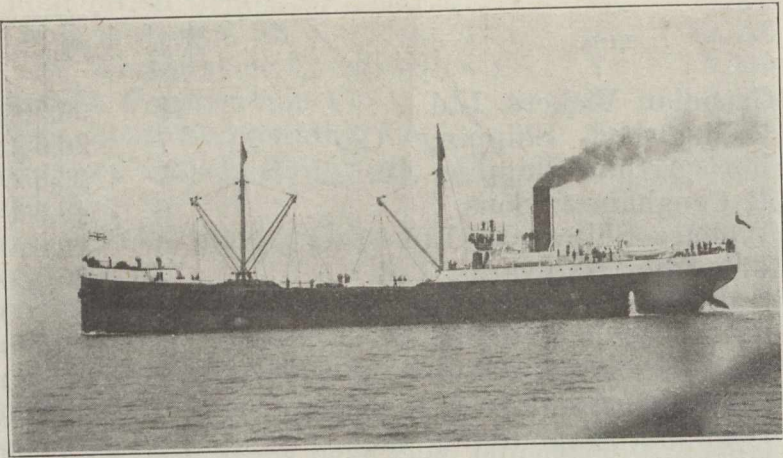
S.S. "Concretia," the first concrete ship built in Canada, designed by Mr. Thomas Hall, President of the Hall Engineering Company of Montreal. This vessel has since been bought by the Canadian Government for coast and river patrol service.



Plant of the Tidewater Shipbuilders, Ltd., at Three Rivers, Que.

the Canadian National Merchant Marine, carrying Canadian products to Great Britain, Newfoundland, West Indies, South America, Australia, Cuba and other countries. Other services planned include one between British Columbia and Great Britain, via the Panama Canal; and it is regarded as likely that China and Japan will presently come within the scope of the Government's operations.

With regard to the future plans of the Government as regards its shipbuilding policy, it may be noted that the appropriation already authorized by Parliament is round \$70,000,000. While no official pronouncement has yet been made it is considered probable in well-informed circles that a further ten or twelve contracts will be distributed, and that these will be followed by the establishment of a system of bonusing, based on \$10 per ton or so and initially covering a period of perhaps ten years.



S.S. "Mariska" after being rebuilt at the Halifax Shipyards. This vessel was formerly a lake freighter and was cut in two to enable her to pass through the Welland Canal, was rejoined by the Davie Shipbuilding Co.'s plant, near Quebec, and was then rebuilt as an ocean-going freighter by the Halifax Shipyards, Ltd.

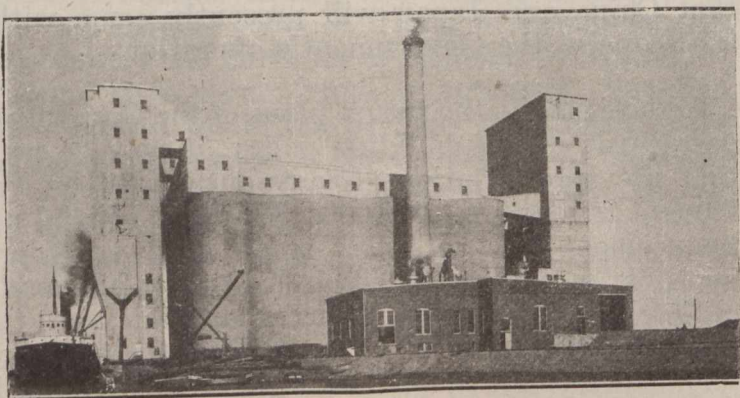
A very interesting announcement was made by the Minister of Marine at the annual dinner of the Dominion Marine Association in Montreal recently. He said that the Government planned to build some combined passenger and freight boats of 15,000 tons gross, as it was considered that there was a profitable field for the use of such vessels. These will be the largest ships ever built in Canada but they may be very much exceeded by other developments that are pending, as shown by the following further extract from the speech of the Minister of Marine on the same occasion:

"If ever the time comes that Canada finds it necessary to build ships of war, I am confident that Canadian shipbuilders will be able to build any war craft that may be required by this country."

Not only may the building of the forecasted 15,000-ships prove a stepping stone to the construction of various types of war vessels, but when Canadian shipbuilders have demonstrated their ability in this way it is probable that they will receive a large share of business from the British-Canadian and Canadian shipping companies which have hitherto ordered their new tonnage from British yards.

No blame is attached to Canadian shipowners in this matter because Canadian shipyards were not equipped to build the type of vessels needed and, furthermore, their prices were prior to the war, too much in advance of those obtained from Britain. The latter of these objections is already almost non-existent and the former will presently be so.

It may be noted also that many of the leading Canadian shipyards have taken, and satisfactorily executed, large orders from France, Norway, Greece, Australia, Belgium, and other countries; in

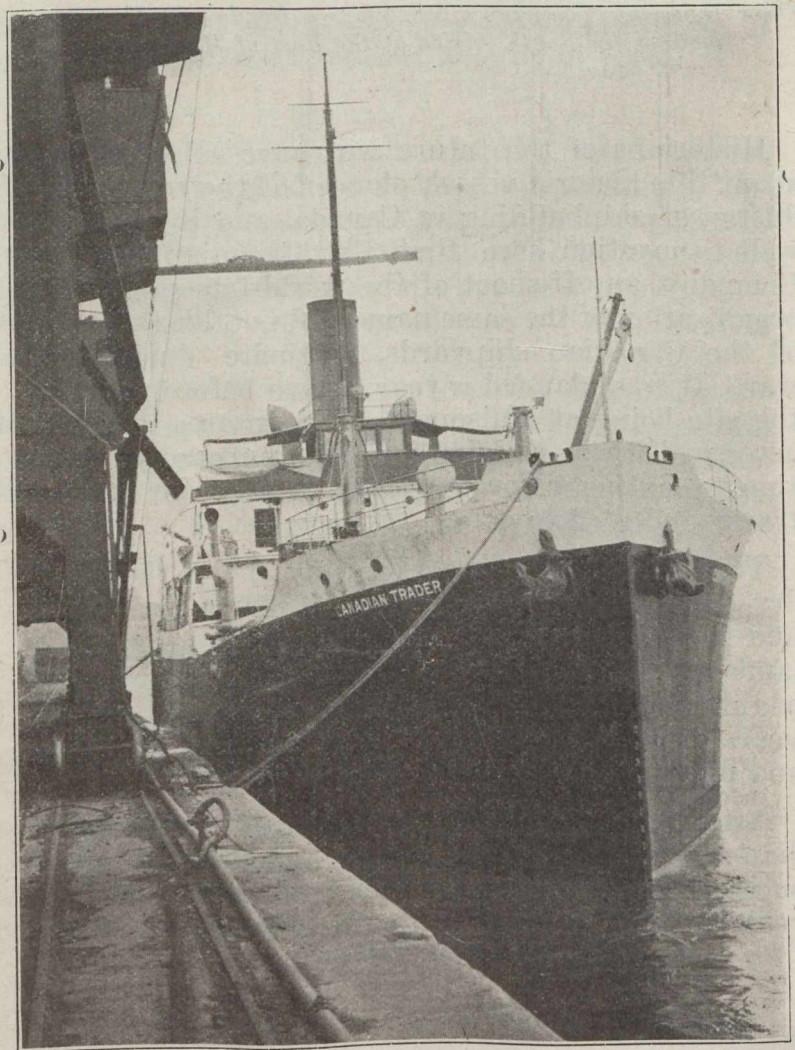


View of Victoria Harbour, showing grain elevators.

addition to the 337,160 tons of steel and wooden ships ordered by the Imperial authorities during the war.

Of the vessels enumerated in the previous paragraph, many were large wooden steamships of round 3,000 tons. The Foundation Company alone—a Victoria, B.C., organization—built no less than twenty of these. The foreign Governments concerned would no doubt have preferred steel ships, but the Dominion Government very properly placed an embargo on steel ship construction for foreign interests during the war. While no official withdrawal of this order has been made, it is now regarded as a dead letter.

With regard to Canada's wooden shipbuilding, this has for some years past been in an extremely flourishing condition, although it was inevitable that there should be a certain slackening in the demand with the return of more or less normal condi-



S.S. "Canadian Trader" loading at Montreal for the British West Indies and Cuba. This vessel was built by the Port Arthur Shipbuilding Co., and belongs to the Canadian Government Merchant Marine.

tions. Nevertheless the hundred and one wooden shipyards of Nova Scotia manage to get hold of quite a lot of business even yet. During last year alone nearly forty freight schooners and fishing vessels were built for Newfoundland—an essentially maritime country which has not yet, like Canada, realized the importance of carrying its exports under its own flag, in ships built within its own borders.

For a long time the Canadian Government refused to include any aid to the wooden shipbuilding industry in its national shipbuilding programme, but it has recently agreed, so far as the wooden shipyards of Victoria, B.C., are concerned, to advance up to 75 per cent of construction costs. Vic-

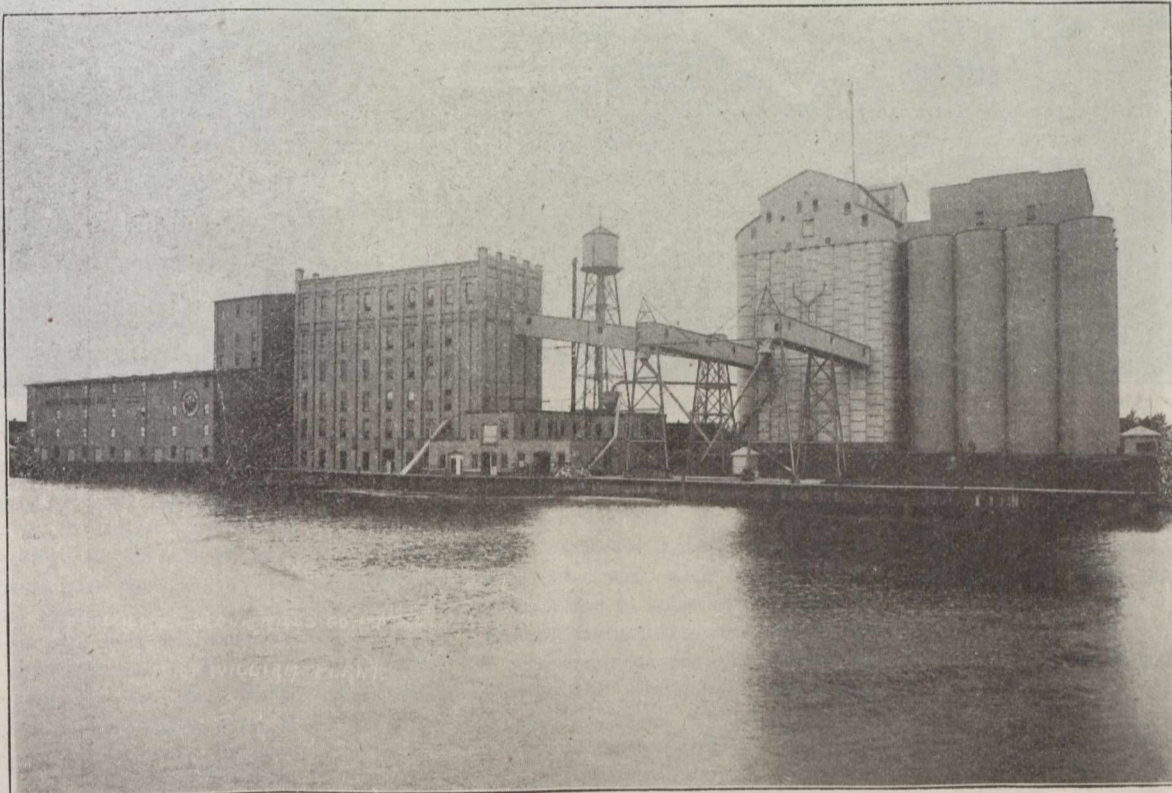
toria is the headquarters of the wooden shipbuilding industry on the Pacific and the decline in the demand for this type of vessel has created a serious state of unemployment there, which the Government is taking steps to improve.

Nothing has yet been said as to Government aid for wooden shipbuilders in other parts of Canada, but it is probable that their claims will be pressed home at Ottawa with no lack of emphasis, and it is difficult to see how the powers that be can refuse equality of treatment all round.

Summing up the prospects for Canada's shipbuilding industry as a whole there is no doubt that, given a reasonable amount of Government encouragement for a few years to come, this country will presently have a really worth-while merchant marine, and will in addition be building ships for many other countries. In both price and quality Canadian shipbuilders now compare favorably with any of their rivals, not excepting the British, whose ratio of cost has risen seriously owing to the increased demands of labor there. It is impossible to

Canada did not possess any facilities for rolling ships' steel, but the arrangement made by the Government with the Dominion Iron and Steel Company has met or will shortly meet this problem. Under this contract the Dominion Company has erected a magnificent \$5,000,000 ships' plate rolling mill at Sydney, N.S., and has contracted to supply 50,000 tons of ships' steel annually for a period of five years. The plant is now practically completed, and will probably be in operation some time in February.

The stage is therefore fully set for a great development in Canada's shipbuilding and ship operating industries. It is beyond doubt that this country has a great future in these lines, having ports on both the Atlantic and the Pacific and a frontage along the whole length of the greatest lake system in the world. The world's shipping will be more and more attracted to Canada—Montreal is already the second port on this continent—and the fact that practically all the leading shipping lines are represented here is bound to lead to the establishment of



*View of Fort William Harbour from which great flour shipments are made.*

order a ship in Great Britain at a less price than \$150 or \$160 per ton, and recent contracts accepted here in Canada are only about \$10 per ton in excess of that figure. Moreover, Canadian shipbuilders have not by any means reached the limit of their possible reductions in quotation.

As this country develops it will inevitably build up a great ship-operating business. Canada lies midway between Europe and the Orient, and it has a great advantage over the United States in that its ports are nearer to Europe and the Orient by hundreds of miles than the ports of the Republic. This, of course, arises from the fact that the American continent is shaped like a triangle with the broad base in Canada.

Canada is under no handicap as regards the possession of the necessary raw materials for steel shipbuilding. It was formerly necessary to import steel plates and shapes from the United States as

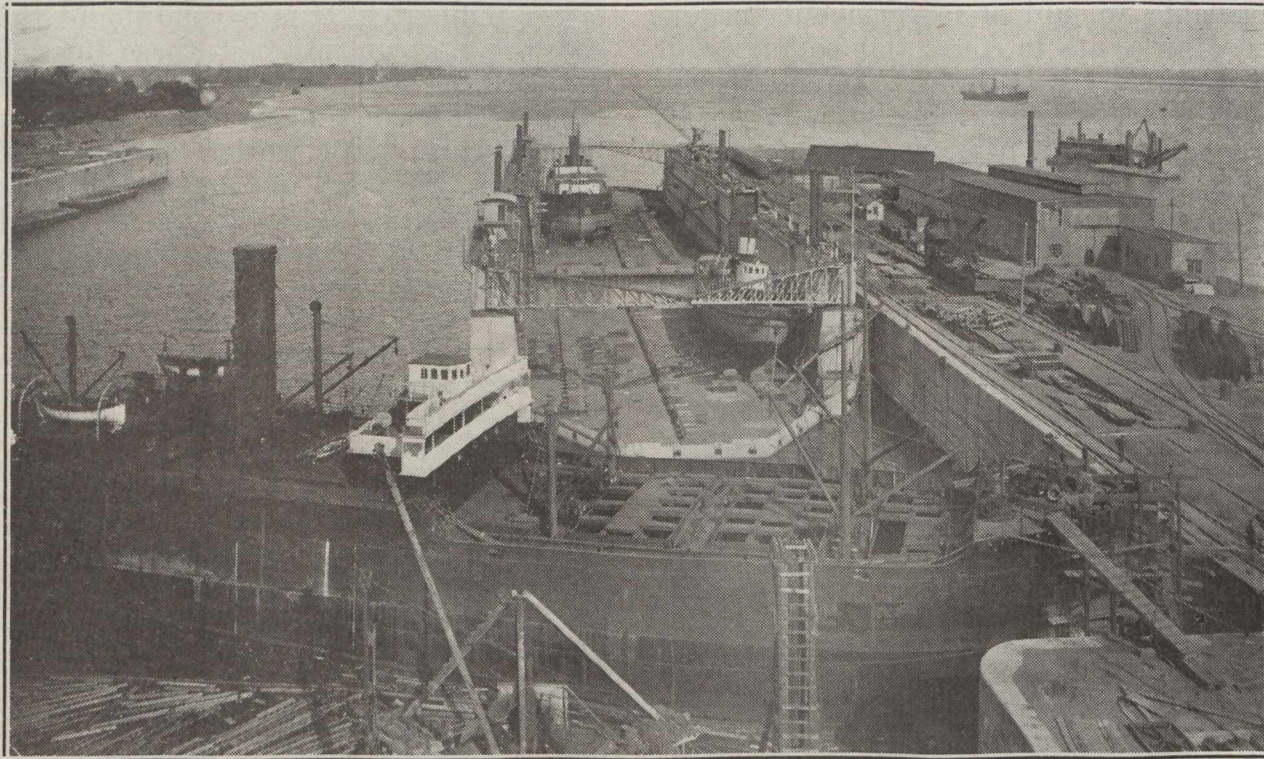
more and more all-Canadian shipping companies.

At present these companies have no option but to buy their new tonnage in Great Britain, but the time is coming, is in fact already here, when Canadian shipbuilders can meet every requirement. It is significant that within the last few weeks the Halifax shipyards has announced plans for an increased number of building slips, capable of handling much larger vessels than have hitherto been constructed in this country; and this policy is likely to be followed by many others in the near future. It may be regarded as certain that within the next few years not only the Halifax shipyards, but also Vickers at Montreal, the Port Arthur Company at the head of the Great Lakes, Coughlans at Vancouver, the Davie Company at Lauzon, Quebec, will be building big passenger liners representing the last word in up-to-date transoceanic travel. Canadian-built freighters will carry the exportable surplus of

her production to all parts of the world, flying the flag of the Canadian Merchant Marine. Her great grain freighters will come down from the head of the lakes in ever increasing numbers. Her wooden lumber ships will take Canadian lumber to the more or less treeless countries of the Orient and to Australia, which grows only hardwoods, and across the Atlantic to the nations of Europe, whose lumber production has been crippled for years to come by the demands of war. Her little fishing schooners will be replaced by great steam-driven trawlers.

She will want oil tankers. She will want freighters for perishable foodstuffs, equipped with the latest methods in marine refrigeration.

And all these ships can be and must be "Built In Canada." Prior to the war something like four-fifths of the shipping using Canadian ports was foreign-owned and the fact that a great deal of it flew the British flag is not and cannot be accepted as satisfactory to the new-found national spirit of the Canadian people. Canada must build her own ships. not hire cargo space in the ships of other countries.



*Dry dock of the Canadian Vickers, Ltd., at Montreal.*





## Do Aliens Come for Profit Only?

The question of aliens in Canada was taken up by the Open Forum in Toronto last week. It is a question which concerns Montreal possibly more than any other place in Eastern Canada. Mr. W. G. Smith, who delivered a paper on the subject, stated that the latest statistics show that less than 40 per cent of the immigrants to Canada take out Canadian citizenship. As one man of every ten in Canada is foreign-born, the conclusion is alarming. They enjoy all the privileges of Canadian freedom, the protection of Canadian laws and a share in the opportunity to develop Canada's natural resources. Canada is a young country and sparsely populated in comparison with the old world; her resources are undeveloped and the number to share the gain of development is so small that the profits are bound to be greater.

A large number of the immigrants come to Canada solely with the idea of making enough money to go back to their native land and end their days in comfort. The greatest offenders along this line are the Italians, only 17 per cent of whom become naturalized Canadians, while over 60 per cent of the Scandinavians become naturalized, showing them to be permanent settlers as a class. Just at the present time anyone who cares to spend a little time around the Windsor Station in Montreal will see large numbers of foreigners on their way back to their native countries; Ukrainians, Poles, Czechs, Austrians and Italians. During the war various men who came from among the races of central Europe, such as Austrians, Poles, Czechs and others, were kept out of the Canadian army because of their doubtful allegiance to the cause of the allies and were in the majority of cases compelled to report themselves as alien enemies at regular intervals. This did not prevent their doing work and towards the end of the war the general shortage of labour made high wages prevail. The consequence is that the foreigner who was an alien enemy during the war had a better opportunity than any other. He couldn't be conscripted and the nature of his work was such that he was not likely to be discriminated against.

It is also interesting to note that the Austrian labourer who was able to earn three or four dollars a day during the war and to live on a small fraction of his wage as compared with what it would cost a Canadian worker to exist, is able to buy Austrian crowns, the money of his native land, at a preferential rate of exchange. He can exchange his Canadian money so advantageously now that more than ever before he is rushing back to Europe.

It is true that a certain number of people will always come into a country, with the idea of remaining and becoming good citizens, who will find conditions unsuitable and so be unable to remain. At the same time the number of immigrants who are coming to Canada and returning to their old countries after amassing a small fortune, is altogether too large. Canada is not nearly as careful about who is allowed to come into the country as the United States is. One out of every 135 applicants at Canadian ports of entry is refused entrance; the United States refuses eight out of the same number. Further than that, the United States impose stiffer conditions for naturalization, and still the percentage of foreigners becoming American citizens is larger than is the proportion becoming citizens of Canada. The situation is such, that it is time the matter was gone into thoroughly and that some answer was found.

As Canada throws open her doors to immigrants from all over the world, there is no question about her right to determine what type of

citizen enters. Mr. Smith says that, "In Western Canada there are three large alien communities which have been allowed to grow up and practically to govern themselves, even to the formation of the laws governing education. Eventually these community centres will have to be broken up, suffering may result, but it is one of the penalties which Canada will have to pay for her leniency in the past."

In 1914 there were more foreigners naturalized in Canada than there were Canadians killed in

## Ontario Builder's Discuss Wages

With the hope of introducing into the building contracting business a considerably larger measure of stability than has been felt for the last couple of years owing to fluctuating prices, a committee was appointed at the eighth annual convention of the Provincial Builders' and Supply Association at Toronto, last week, to report on the feasibility of standardizing wages. The committee was given wide scope to make any suggestions deemed advisable.

The convention opened with a large number of building contractors, building supply men, general contractors and others interested in attendance.

In declaring that some stabilization of wages was absolute necessary, Mr. George Crain, Ottawa, stated that about half of the mechanics in Ottawa had left there last summer as a result of higher wages paid in the Western cities. As another instance, he said Ottawa firms had failed to secure a certain large contract right in their own city which went to a Montreal concern simply because the latter was paying a wage scale of only 55 cents, while the Ottawa contractors paid 75 cents.

Another delegate remarked that in his city the contractors started last year with an agreement with the bricklayers for a scale of 65 cents an hour. Later, through competition started by outside firms, the rate began to jump, subsequently reaching \$1.10 with the contractors outbidding each other every time.

### Stick to Agreements.

Mr. J. Bogue, of Peterboro, asserted that big construction firms which worked on a percentage basis caused much of the difficulty, while Mr. J. Scott, Toronto, thought it would be almost impossible to standardize wages generally as the cost of living varied in different cities. He urged, on the other hand, that it would be better to make agreements for each particular city, and then to stick to those agreements.

Secretary T. R. Wright, of London, declared: "Until we can get labor as an incorporated body under the Government, we can't hold them to anything."

President H. Elgie, of Toronto, strongly endorsed the industrial council plan, stating that it had worked successfully in this city. He instanced the case of Indianapolis, where he said the contractors and their employes co-operated so well that the one protected the other. There, he remarked, a wage agreement had been lived up to faithfully while the contractors in recognition of altered conditions had granted an increase of their own accord.

The general attitude taken by those who entered into the discussion was not an opposition to the employes securing the wages, but to the unsettling of the whole situation caused by counter-bidding between contractors for workers. It

Europe. There were 13,017 deaths overseas during that period and there were 13,065 aliens admitted to citizenship. This will give the reader something of a shock, in view of the fact that a very large percentage of these were from enemy countries. It showed, however, that Canada was willing to redeem her promise given before the war—that if they lived in Canada three years they could become naturalized. During the first year of the war 8,864 aliens entered Canada, many of them Germans, Austrians, Hungarians and Poles.

Canada is very shortly to start a campaign for more immigrants, but it would be well if some consideration were given the problem of making Canadian citizens out of the ones we already have.

was claimed that as a result it was impossible to prepare anything like definite estimates on work, and serious delays were caused in construction owing to sudden losses of workmen.

### Accumulation of Work.

President H. Elgie, in his address to the convention, prophesied that it would take ten years to catch up with the work accumulated during the five seasons of the war, and he pointed out that as a consequence builders need not fear a shortage of work to do. He urged that a high standard of honor should be fostered, the builder having to live up to as real a code of ethics as the business or professional man. He hoped that something might be done to stabilize prices of materials, etc., for periods of a year at least in order to allow some certainty in estimating.

Mr. Elgie touched briefly on the immigration problem, asserting that Canada should not allow foreigners to enter the country unless she was prepared to see that they were given a good education to fit them for something resembling Canadian standards of living. He also called attention to the need for building regulations with a general application. Many towns and villages, he said, either had imperfect ordinances or none at all, and many buildings in these places were dangerous to human life.

### How France Does It.

Rent profiteering has become so rampant in France that the Government has been forced to stern measures. A Paris despatch states that after months wasted in appeal to the good feeling and patriotism of landlords to rent vacant houses and not hold them for higher figures, the French Government has decided to take stronger measures. A new law is being introduced by the Minister of Hygiene to compel landlords of vacant houses to advertise them or incur a fine of from 500 to 2,500 francs.

While even the new Deputies are among the thousands who cannot find homes and profiteering landlords have been raising rents from 50 to 100 per cent., it has been found that 25,000 apartments are being held vacant. In some cases the reason is the law's delay in dealing with the property of those who disappeared in the war, but in most cases the owners are simply holding out for higher rents.

The latest move of these profiteers is partly, to furnish apartments with the intention of renting them at an enormous profit to the Americans who are expected in the summer to visit the battlefields. Hotel accommodations it is expected will then be strained to overflowing and many who propose to spend some months in Europe will be glad to rent an apartment. That is the moment for which these profiteers are waiting. —The Halifax Chronicle.

## Banks, Bankers and Banking

### Wall Street Opinion on Exchange

All that is necessary for the restoration of normal trade relations between America and Europe is a recognized standard relation between the dollar and the pound, franc, lira, etc. Normal trade would be just as possible if the pound were recognized as worth only \$3.50 in gold, as it would at a valuation of \$4.86. The Argentine peso, for example, is nominally worth 96 cents in American money, but the peso exchanges against gold in Argentina at about the equivalent of 42½ cents in American money. Its depreciation has become standardized around that figure and our trade with Argentina proceeds smoothly on that basis.

For a dozen years after the Civil War our paper money was worth less than gold. But that fact did not interfere with our foreign trade. The amount of depreciation was recognized and recorded daily on both sides of the Atlantic, and our foreign trade quickly adjusted itself to that condition.

Prices are, of course, a state of mind, since the sale of any article depends entirely on what the buyer is willing to pay and the seller is willing to accept. Economic conditions can affect prices only through the minds of buyers and sellers.

From those who do not fully understand foreign trade relationships, there have been loud calls for the "stabilization" of foreign exchange—something which is entirely impossible except as a purely temporary measure. But foreign exchange rates will eventually stabilize themselves, not at a nominal par, but at actual values.

You can't "stabilize" the price of wheat permanently at \$2.00 or at any other price, when there are twice as many people ready to sell at that price as there are people willing to buy. You may hold the price there for a time, but you will be annoyed by a constant piling up of surplus wheat which cannot be sold at your fixed price. Joseph Leiter and others have had exactly this experience in attempting to maintain an artificial price for wheat.

The same is true of foreign exchange. There is a market price for it, fixed by the requirements of buyers and sellers, and that market price will stabilize itself around the level of actual relative values.

Since it is impossible to see how European money can return to its normal gold value at any

early date, it is likewise impossible to see how foreign exchange can return to normal. What will happen will be the gradual stabilization of the exchange rates at some discount which comes to be recognized as reasonably representing the gold value of the various currencies.—"Foreign Exchange. Discounts and Depreciated Currencies," by G. C. Selden, in "The Magazine of Wall Street."

#### Bradstreet's Weekly Report

Bradstreet's Report on Montreal trade is as follows:

"The wholesale trade continues to be active. Some of our wholesale grocers have been very busy taking an inventory. The labor trouble in Cuba is one of the principal features of the condition of the raw sugar market, curtailing the shipments to our local refineries who have only very light stocks of raw on hand, this being one of the reasons why refined sugars are so scarce. Molasses and syrups show a further advance in prices during the week. Market conditions in most of the grocery lines show prices holding firm with the prospects of further advances in some lines.

A feature of the butter trade is the cable received this week from the British ministry of food advising our local commission not to make any more purchases without further sanction. The cheese trade is very quiet, the exports being almost nil. Hay exporters have also received advices from their English houses to stop shipping, the stopping of exports in all cases being due to the exchange situation. Egg prices rule easier with the advancing season.

More moderate weather conditions was the means of increasing the receipts of potatoes from country points, which has caused an easier feeling in the market. The offerings of live stock this week were of inferior quality and prices sagged 50 cents to \$1.00 per hundred. Liquidation in all lines of grain was the cause of prices dropping to new low records.

A branch of The Canadian Bank of Commerce has been opened at No. 304 Notre Dame Avenue, Winnipeg, in charge of Mr. J. McL. McGown.

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Incorporated 1855.  
Capital and Reserve . . . \$9,000,000.00  
Over 120 Branches.

Every business man needs a banking service that is rapid and efficient and affords him reasonable credit for ordinary requirements or special commitments.

Our Managers invite confidential interviews.

Head Office . . . Montreal.  
EDWARD C. PRATT,  
General Manager.

#### Commission of Conservation Meet.

The annual meeting of the Commission of Conservation is being held this year in Montreal, at the Windsor Hotel. A large attendance of the members of the Commission is assured. Reports of the officers will be presented and plans developed for future efforts.

On Thursday and Friday, Feb. 19th and 20th, a conference will be held to take into consideration the all-important subjects of the fur industry, fur-farming and the protection of wild life. Representative fur traders, fur-farmers, trappers, sportsmen and fur dealers will be present, and it is expected that much benefit will result from the papers presented and the interchange of experience.



**S**ERVICE.—Our highly-developed service is available at all times for the benefit of our customers. Every well-grounded business man appreciates the importance of the co-operation, guidance and information on financial matters of his Banker.

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**STANDARD BANK**  
OF CANADA

MONTREAL BRANCH  
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E. C. GREEN, . . . MANAGER

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Paid-Up Capital  
\$9,700,000



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

TOTAL ASSETS OVER \$220,000,000

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**THE BANK OF NOVA SCOTIA**

**Banks, Banking and Bankers**

**Are Bank Dividends Too High**

**Should Not the Reserve Funds as Well as the Nominal Capital be Remunerative**

The Farmers' Sun has apparently decided to revive the campaign against the banks, which is old and familiar material to seekers after political popularity in certain sections of the community, but has not been so frequently heard in the last few years. Mr. Clarence Bogart, general manager of the Dominion Bank, said at his annual meeting the other day, that the banks were not receiving adequate compensation for the services which they render, which is substantially true. The Sun takes exception to this statement, and backs up its criticism by the following:—

"The Canadian banks constitute the biggest trust operating in Canada to-day. The banks invariably earn very large profits and pay out very handsome dividends to their shareholders. The lowest dividend paid by any bank is 9 per cent and the highest 16 per cent. Most of the banks pay 12 per cent and over in dividends to their shareholders."

This is the customary line of argument advanced by the anti-bank orators, and when uttered from a soap-box or the editorial chair of an insignificant rural weekly it may usually be pardoned on the ground of ignorance. The Farmers' Sun, however, must be perfectly aware that any such statement, while literally true, is effectively misleading, because it suggests that the stock's par value is the investment by which the dividend is properly to be measured, whereas the real investment of the shareholders is immensely greater—usually double or more than double the par value of the stock. The Dominion Bank, the case in point, has \$7,000,000 of reserve in addition to its \$6,000,000 of capital, so that the investment represented by one share is \$216.66, and the dividend of \$13 represents only 6 per cent. The bank quoted as paying 16 per cent has a reserve of \$18,000,000 on \$9,700,000 stock, so that its shares represent an investment of almost \$300 each, which investment earns little over 5 per cent.

The Sun promises that one of the first measures of the Farmers' Government, which "before many years is going to be in power at Ottawa" will be a "thorough consideration of the Bank Act." If that consideration is performed by men who have

been taught to believe (and whose constituents have been taught to believe) that a \$16 dividend is "very handsome" on an investment representing about \$300 of the investor's money, and if it leads to an attempt to reduce that "very handsome" remuneration, it is greatly to be feared that instead of there being more bank service available for the farmers and other business men of Canada there will soon be a good deal less.

The reasons for putting a large part of the shareholder's investment in the form of reserves or rest accounts, instead of capital stock, are well known to those familiar with the banking business. They are concerned chiefly with the fact that every dollar of capital carried with it a double liability on the part of the shareholder in the event of disaster to the bank. It is, therefore, much more re-assuring to the shareholder to have his \$200 investment in the form of \$100 of capital (double liability) and \$100 of rest (no double liability), than to have it all exposed to a possible second claim by the creditors.

**Buy Red Clover Seed Early**

Prime red clover seed was quoted at \$35.55 per bushel on the Toledo market on February 6. Toronto prices then ranged about \$3.00 per bushel in advance of Toledo prices. Clover seed that would grade "Prime" on the Toledo market could be bought in Toronto at \$38.50 and, because of exchange conditions, delivered to United States points at approximately \$33.00 per bushel, or about \$2.50 less than the Toledo price. The money situation, short supplies, and an earlier demand in the United States will explain the heavy exports of clover seed.

The price of red clover seed has advanced almost \$14.00 per bushel on the Toledo market since May last. The world supply will not be sufficient to meet normal requirements. "In these circumstances," says Mr. George H. Clarke, seed commissioner at Ottawa, "Canadian farmers who delay the purchase of their red clover seed requirements until seeding time may be unable to obtain supplies at any price."

**THE MERCHANTS BANK**

Head Office: Montreal. **OF CANADA** Established 1864.  
 Paid-up Capital .. \$7,000,000 Total deposits Oct. 31, 1919 \$165,000,000  
 Reserve Funds .. \$7,574,043 Total Assets Oct. 31, 1919 \$198,000,000

President: Sir H. Montagu Allan, C.V.O.  
 Vice-President: K. W. Blackwell.  
 General Manager: D. C. Macarow.  
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This Bank is prepared to make advances to individuals, partnerships and companies against approved trade paper on favorable terms.

Do not hesitate to discuss with us the requirements of your business.

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 PAID-UP CAPITAL . . . . . \$15,000,000  
 RESERVE FUND . . . . . \$15,000,000

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Incorporated 1869.  
 Capital paid up . . . . . \$ 17,000,000  
 Reserve Funds . . . . . 3 18,000,000  
 Total Assets . . . . . \$533,000,000

HEAD OFFICE: MONTREAL.  
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ENGRAVERS AND PRINTERS  
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 and other MONETARY DOCUMENTS.  
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## Canada's Mining Industry

# Mines Plan For Coming Year

Loss on Last Year's Operations—Sylvanite Gold Mines are Optimistic—Report of Shipments for January Show Satisfactory Output from Cobalt

The annual meeting of the shareholders of the Tough-Oakes Gold Mines, Limited, was held in Toronto last week, when it was reported that the mine had not yet come to a profit-making stage, although better things were hoped for very soon. The financial statement for the year just closed showed that the operations had resulted in a net loss of \$105,934. The strike in the Kirkland Lake district seriously affected the mine. There had been spent in mining development during the year \$41,586. Cash accounts receivable and supplies stood at \$85,063, while current liabilities are \$11,377. A resolution was adopted that the auditors and directors' reports be printed and sent to the shareholders. Harry Oakes and Dr. R. J. Robbins were re-elected directors together with Albert Burt, John B. Holden and James Y. Murdoch.

The shareholders of the Sylvanite Gold Mines, Limited met in annual meeting at Toronto last week and heard cheering reports from the directors. Although no mill has been erected on the property, which is in the Kirkland Lake, considerable development work has been done with promising results, according to reports from the Boston Creek district. It is stated unofficially that some very rich ore has been encountered in a diamond drill hole, commercial ore extending over more than twenty feet in width.

A report from Cobalt states that in the No. 4 workings of the Chambers-Ferland mine a substantial amount of low-grade ore is being developed. Other work consists of continuing the cross-cut south through that part of the property lying between the Nipissing and La Rose. In this work no veins have so far been encountered, with the exception of small stringers. It is proposed, however, to add another machine, and thus make more rapid headway in driving the cross-cut. A contract for sampling the tailings

has been let to M. P. McDonald, and the work is under way. The option on the tailings is held by H. Cecil and his associates, the option price reported as being about \$55,000.

Four Cobalt companies shipped an aggregate of approximately 359,270 pounds of ore during the week ending Jan. 30. The Coniagas was the heaviest shipper with two cars of 176,630 pounds; O'Brien shipped one car 61,030 pounds; Hudson Bay, one car, 61,610 pounds; Dominion Reduction, one car, 58,000 pounds. During the week none of the mines shipped bullion, the only consignment of refined silver being sent out by the Dominion Reduction Company as a result of treating custom ore.

It is reported from Cobalt unofficially, that the Coniagas Mines have secured an option on the Thompson-Gamble property in the Gowganda district, situated in the vicinity of Miller Lake, and that exploration work will commence at an early date.

Drifting operations at the McIntyre mine, along the 1,000, 1,125, 1,350 and 1,500-foot levels continue to increase ore reserves, and it is said that some very rich ore is being taken from the deepest level. An increase in mill capacity is needed and this will likely be installed shortly.

The annual meeting of the Temiskaming will be held early in March, and the annual report will be issued a couple of weeks in advance. It is believed that the report will indicate a material increase in ore reserves over a year ago. At the present time a large tonnage of good grade ore is being developed on several levels, principally the 200 and 500-foot levels. The mill is working at capacity and a high recovery is being obtained. It is anticipated that shipments this year will be very much more regular than in previous years.

## Miners ask Drury for Gowganda Rly.

Premier Drury has been asked for an expression of opinion as to the possibilities of the Ontario Government taking up the question of rail transportation for Gowganda, with a view to extending the Elk Lake Branch of the T. & N. O. Railway. The opinion of leading operators and claim holders has also been sought. Premier Drury made this statement: "The matter to which you refer is under consideration, but at the present time I am unable to express an opinion on the question. It is a matter of such importance that I should not express an opinion until I have fully gone into the facts of the case and had an opportunity to view it from all angles."

It is stated from Porcupine that the gold mining companies of Northern Ontario are to-day receiving about \$4 an ounce premium on the gold produced. This added revenue is due to the sale of their product at a premium of 18 per cent in the United States. It is pointed out that this increased revenue is of considerable importance to the gold mining industry in the north. In the case of the Hollinger, where about \$24,300 is being produced daily, the receipt of \$3.70 per ounce premium amounts to an extra \$136,738.12 month-

ly, or an added net revenue at the rate of \$1,640,857.50 annually. By holding costs within their present limits and receiving such a premium, the margin of net profit in the gold mines may be expected to increase considerably.

A rather extensive program of exploration on claims acquired last fall in the township of Butt, in the district of Nipissing by the Mining Corporation of Canada, is under consideration. It will be recalled that the discovery of radium-bearing ore on claims in that district attracted widespread attention late last summer and fall.

Renewed interest in the Hunton-Kirkland is due to negotiations now under way and which appear likely to result in sufficient finances being raised with which to carry on a more or less extensive program of development work. Provided the negotiations terminate successfully, the Hunton will be added at an early date to the important developments in the Kirkland Lake camp.

The annual statement of the Timiskaming Mining Company is expected to be issued the latter part of February. Among other things expected to be shown is that net earnings were such as to

add materially to the surplus and ample to cover the dividend disbursement of 4 per cent without drawing from the previous surplus of some \$900,000.

### Hopeful Chap.

Superintendent of Agencies.—Have you met the new agent we put to work in your territory?

Assistant Superintendent.—Yep. And if he can suck as hard as he can blow he'll soon have all the business drawn his way, all right.

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## Canada's Mining Industry

# New Mining Organization Forming

According to Hamilton B. Wills' report, the examination of the Moneta property by engineers on behalf of Porcupine Crown was completed this week, and reports will be submitted as quickly as possible. It is reported in the camp that the 100-foot level showed up very well with a quantity of mineralized quartz and schist, similar in appearance to that of the Hollinger, which directly adjoins the Moneta. Everything is in readiness to resume operations in the milling plant. The annual meeting is called for Feb. 25, and it is expected the mill will be running to full capacity before this date.

A marked speeding up on production is occurring this month at the Hollinger Consolidated. A new 105-drill compressor is now being added to the equipment plant, and when in operation will provide a total capacity of 220 drills. A new mechanical mucking plant was tried out last week and proved highly successful, inasmuch as within 30 minutes 40 cars of ore were loaded equal to four men working eight hours. The Hollinger mill is now handling between 2,400 and 2,500 tons daily with heads running about \$9.50 per ton. A new battery of stamps was placed in operation about ten days ago, and another is now ready, so that before long over 3,000 tons will be treated each day.

According to the annual report of the Porcupine Crown Mines, Limited, surplus was reduced \$54,166, bringing the account to \$224,610 and comparing with an addition in 1918 of about \$13,000. Mine operating account development, etc.; during the year, totalled \$46,736, with administrative and other expenses responsible for the balance of \$7,429. Sir John Carson, the president, referred to the way in which operations on the Canadian Kirkland, one of the options of the company, had been hampered by labor troubles. Notwithstanding this, however, development had proceeded satisfactorily, and progress was also being made on the company's own Porcupine property.

Three incorporations of companies representing a total capitalization of \$8,500,000 are reported from Cobalt. They are as follows:

The Libel-Crystal Lake Gold Mines, Limited, with head office at Kirkland Lake, and having an authorized capital of \$3,000,000 at par value of \$1.00.

The Swedish-Canadian Mines, Limited, also with a capital of \$3,000,000 with head office at Toronto.

The Hughes-McElroy Gold Mines, Limited, (previously reported) with head office at Toronto. This company has an authorized capital of \$2,500,000, and it is proposed to issue preferred as well as common stock. Their mining claims include a group in the Boston Creek district.

According to the Mining Digest, issued by F. C. Sutherland & Co., Toronto, while large bodies of commercial ore have been opened up on the 100, 200 and 300-foot levels at the Davidson Consolidated, the bulk of development has taken place on the 500-foot level, where the company is at present stoping some very fine ore. Reports from the mine just to hand, tell of the opening up of a new vein, 20 to 27 feet in width on this level, carrying free gold in abundance. A cross-cut at 550 feet has also encountered a vein of great width and high values. It is pointed out that it is of particular significance that the strike of these veins, which is north-east and south-west, conforms to the same general direction as the ore bodies of the Hollinger and the McIntyre.

In a recent interview the president of the Davidson Consolidated stated that important financial negotiations are in progress and should these result favorably, as is now indicated, the company would be placed in a position which would allow of the erection of a large mill and other development.

The diamond-drilling program on the Herrick has been completed. The vein has been tested to a depth of 800 feet along its lateral extension and the existence of a substantial body of excellent commercial ore has been demonstrated. A development plant is now on the way to the property and a considerable number of additional buildings are now under construction. It is confidently expected that a sufficient tonnage of ore will be available shortly to justify the erection of a mill. The company has been financed privately and will soon have \$140,000 in the treasury which will ensure freedom from financial worries.

It is stated that the annual report to be issued shortly by the Hollinger Consolidated will show a reduction in costs during 1919 to about \$4.41 a ton, treated as compared with \$4.93 a ton during 1918. It is understood that about 25,611 feet of underground work was done during 1919, amounting to not far under five miles. In addition to this some 37,000 feet of diamond drilling was done.

### The U. S. A. Senate and Publicity

An American born and a Canadian born were discussing the tie-up at Washington.

"Ratify?" said the Canadian, "Why should the Senate ratify? A lot of small bore gentlemen have been playing stellar roles for a long time. Do you suppose they will give them up and join the chorus? No siree. It isn't human nature. So long as they are big in the headlines and they're on the first page day after day and on the editorial page, too, and the question before the public is what they do or what will they not do, they'll do it and it is keep in the centre of the stage.

"You people take this matter too seriously. If the newspapers didn't make a mention of the League of Nations' fight for a week and didn't print a senator's name for a week there would be a settlement of the whole affair the following week.

"You may not appreciate it, but Senator La Follette's heart nearly was broken when the newspapers stopped printing his name. He was ready to crawl on his stomach from the Capitol to 14th Street to beg the newspaper boys to forgive him before the ban was lifted.

"Americans make the mistake of treating legislators as statesmen. They're not. They're actors."

### Trade Envoy to South Eastern Europe

L. D. Wilgress, who is leaving for South Eastern Europe to investigate trade conditions, interviewed many Montreal merchants and manufacturers, at the offices of the Canadian Manufacturers' Association, last week. The question of trading with Russia by barter has been favorably reported on and the same method may be of use in the countries Mr. Wilgress will visit.

## MAPS OF PORCUPINE and COBALT

The most accurate and up-to-date maps of these camps, which I have compiled without regard to cost, are now ready for distribution. Every investor should have these maps.

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## Insurance News and Views

# Says Customs Ruling Undoes Preference

By T. B. MACAULEY, President of the Sun Life

We are supposed to give British manufacturers a preference over Americans of about one-third of the duty, but are we really doing this now? Will I be believed when I say that on the contrary our customs regulations have actually wiped out entirely that supposed preference to Britain and have replaced it by a preference in favor of the United States? If the rate of duty be thirty per cent. with one-third preference, one would naturally suppose that a Canadian merchant would pay a duty of \$3,000 if he purchased from the United States, and but \$2,000 if he purchased from Britain. That is the clear intention of our preference. But what does actually happen? Although both purchases would cost him precisely the same amount in Canadian money, if he buys from the United States he pays duty on only \$8,333, while if he purchases from Britain he pays duty on \$13,900. Under the rules of the Customs Department the pound sterling is assumed to be worth \$4.86 2-3, though its real value is, of course much less. On the basis of exchange which we have assumed, the invoices on British goods are arbitrarily and wrongfully increased by thirty-nine per cent beyond the real amount paid for the goods in Canadian currency. We patriotically claim that we are giving to the Mother Country a preference of thirty-three per cent, and then overcharge her thirty-nine per cent. On the other hand the Customs Department, with equal arbitrariness, assumes that the American dollar is worth no more than the Canadian dollar. By overcharging duties in the one case and under charging in the other, we give the American exporter a very

substantial preference over Britain and we wonder then how our British imports do not increase as they should, and that sterling exchange is so low.

"It was quite reasonable to assume for Customs purposes the nominal gold values of the currencies of other lands when real values were always close to par. This has been the practice in the United States as well as Canada. Now, however, the situation is entirely changed. The failure to recognize the actual present values of the pound sterling and of the American dollar is defeating the British preferences, playing into the hands of the United States, handicapping the Mother Country, increasing the premium on New York funds, and lowering the value of sterling. It is one cause of the possible collapse of British exchange with which we are now threatened. The Department of Customs should immediately rule that sterling be taken at its actual value, and that the customs due on invoices from the United States should be paid by drafts on New York, and not by Canadian funds. If the Department wishes to avoid the trouble of naming the rate of exchange from day to day, it could do so by agreeing to accept payment of duties on British goods by draft on London for the percentage of the sterling invoice. That some remedy be devised at once is essential for the safety of the nation, and will in any case be a mere act of justice. The interests of the Mother Country and of Canada in this matter are identical, and we can do much to help each other.

## Mutual Life's New President

Major Hume Cronyn, M.P., London, vice-president and general manager of the Huron & Erie Mortgage Corporation and managing director of the Canada Trust Company, was elected president of The Mutual Life Assurance Company, to succeed Mr. E. P. Clement, K.C., who because of continued ill-health has resigned from that position.

This flourishing policy-holders' company, which this year celebrates its golden jubilee in the Canadian field of life insurance, has, in choosing its new president, selected a man who has placed in the front ranks of Canada's strong financial institutions the two Companies of which he is general manager.

Major Cronyn has been a director of The Mu-

tual Life for over twelve years and is well qualified for so important a post. He received his education at Dr. Tassie's famous Grammar School at Galt and at the Toronto University from which he graduated with the degree of B. A. For the next eighteen years he practised Law in London, Ontario. In 1907 he gave up his practice to accept the post of General Manager of the Huron & Erie Mortgage Corporation. This well-known institution reports remarkable progress for 1919—having increased its assets from \$18,207,750 to \$20,435,520.

The Mutual Life Assurance Company which now has \$170,706,305 of Assurance in force can be depended upon to hold a leading place among Canada's strong Assurance Companies.

### Municipal Water Softening.

One of the reasons frequently advanced in favor of a water-works system in a municipality, instead of the numerous wells, is that a single source of supply makes control as to purity easy and positive. Why should not the same argument apply to softening? Municipal water softening is but in its infancy, yet it is sure to grow as soon as water users realize the ease with which the softening process may be carried out and the economy of operation.

Temporary hardness of water is due to the presence of free carbon dioxide. The addition of lime water in proper quantities results in the union of the added lime and the free carbon dioxide, causing the precipitation of calcium and magnesium carbonates. Permanent hardness

can be more economically treated by the use of lime and sodium carbonate. With so many Canadian municipal water supplies afflicted with hard waters, it is surprising that more thought has not been given to the problem.

Savings due to proper water softening are difficult to estimate. The following are a few of the more evident: A reduction in the plumbing bill; less hot water, furnace, and tap trouble; less water is required, as results with softened water are more quickly attained; the saving in soap and the saving in wear and tear in washing of fabrics frequently amount to more than one-half the water rate. To these three may be a fourth—the saving in human life. Sickness is not so prevalent where you have a palatable crisp, refreshing water, and a greater cleanliness is bound to prevail when you have a soft, clear bathing water.

## Solid Growth

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.

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

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

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"Solid as the Continent" policies, coupled with liberal dividends and the great enthusiasm of all our agents is the answer.

If you want to associate yourself with a Company that offers its representatives real service, write us. Some good agency openings are available.

Correspond with E. J. Harvey, Esq., Supervisor of Agencies.

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"Solid as the Continent"

HEAD OFFICE . . . . TORONTO

## Commercial Union Assurance Company Limited

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The largest general Insurance Company in the World.

Capital Fully Subscribed . . . . \$14,750,000

Capital Paid Up . . . . . 4,425,000

Life Fund & Special Trust Funds 75,578,630

Total Annual Income Exceeds . . 64,000,000

Total Funds Exceed . . . . . 172,000,000

Total Fire Losses Paid . . . . . 215,897,380

Deposit with Dominion Govern-

ment (as at 31st Dec., 1918) . . 1,401,333

Head Office, Canadian Branch:

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W. J. Jopling, Manager Canadian Branch.

# Jubilee Year of Mutual Life

Company With Assets Little Over Six Thousand in 1870  
Now Has Over 38 Million—After Heavy Losses,  
People Awaken to the Value of Insurance

The Golden Jubilee Year of The Mutual Life Assurance Company of Canada is just commenced and after the particularly good year of 1919 the prospects look very encouraging. The amount of assurances in force in 1918 was \$137,640,614 and in 1919 this was increased to \$170,706,305 showing an increase of \$33,065,691. Like most of the other Canadian companies the Mutual was ready for the idea which has gripped Canadians, ever since the influenza epidemic, that life insurance is a good nest-egg to leave behind for the provision of one's dependents. The increase in new business for the year was nearly 90 per cent.

The statement of comparative growth issued by The Mutual Life shows that in 1870 their income was \$4,956 and their assets were \$6,216. In 1880 the income was \$88,691 and their assets were \$225,695. The progress was certainly remarkable, but has not been less so for this last ten years. In 1870 and for the first ten years the Mutual Life did not have the competitors they have to-day, yet this last ten years shows just as great an increase, considering all the conditions. In 1910 the income was \$3,020,996 and the assets of the company were \$16,279,562. In 1919 the income was \$8,583,404 which shows the

increase in income to be \$5,562,408 and the assets of company \$38,020,949 showing the increase in assets to be \$21,741,377. This is certainly a record of remarkable growth which any financial institution in the country might well be proud of.

Notwithstanding a year of heavy losses from influenza and the war, the surplus earnings in 1919 were \$1,302,801, an increase over the previous year of 60 per cent. It is one of the peculiarities of history that the most determined attempt to kill anything causes it to become stronger than ever. Just when the insurance companies of Canada were called upon to pay out tremendous sums in death claims, the idea took firm root with all classes that life insurance was a very fine thing to have and the old idea that a young man's tenure of life was secure was knocked on the head by the extremely large casualties among young people from influenza. The result was less procrastination in making provision for dependents. The live, wide-awake life insurance company with its staff of solicitors succeeded in making more headway last year against the apathy of the public towards life insurance than in any year before. The result is that in spite of the heavy death claims the companies are stronger than ever.

## New Technical Library in Montreal

The new Mechanics' Institute on Atwater Avenue will certainly offer great advantages to the young tradesman in the way of books and lectures on the trade he is learning. There is no particular section of Montreal exclusively devoted to manufacturing plants but possibly the largest district of this kind is St. Henry, from which people will be able to reach the institute very readily.

Mr. William Hamilton, who supervises the work, has had many years' experience in the old institute on St. James Street. He is very busy just now catalogueing new books coming in and choosing for future shipments. He stated that as he is not a mechanic he is always appreciative of any suggestions coming from tradesmen using the library, and where at all possible, any suggested book is specially procured. A few test requests for technical books, such as books on the tanning industry, brought down a better assort-

ment from the shelves than was procurable in other Montreal libraries.

The building is not only attractive to look at and to read in, but there are a number of features not ordinarily found in our libraries, such as a smoking room, a technical journal room separate from the room containing periodicals, lecture rooms, and a rest room for the staff of the institute. It is planned to have lecture courses and also to loan rooms to any group of tradesmen, not meeting to further union proceedings, but to discuss better ways and means of doing their work.

The Mechanics' Institute has had a worthy history among the institutions of Montreal, and deserves general support. The intelligent furthering of the working man's technical knowledge is greatly to be desired, yet a very difficult problem.

### Record Commodity Price Level

While the past fortnight has brought downward price revisions in some quarters where buoyancy had previously been the predominating condition, yet the current month opened with another new high record in Dun's Index Number of wholesale commodity quotations. At \$253.748 the February 1 total discloses the fourth consecutive monthly increase and an advance of 2.6 per cent beyond the former top mark of 247.394 of January 1, 1920, while there appears a rise of 15.3 per cent over the \$220.050 of February 1, 1919, when a considerable decline was witnessed. Carrying the comparison back to the time of the outbreak of the world war, or to August 1, 1914 when \$120.740 was shown, the index number is

higher by 110.1 per cent. Of the seven divisions into which the compilation is separated, dairy and garden products alone were lower on February 1, this year, than a month earlier, and only in meats is there any recession from the figures of February 1, 1919. Whether the present index number of \$253.748 for all classes will stand as the highest point ever recorded, remains to be determined; but the fact is being more widely recognized that reaction must ultimately follow, and the recent significant movements in European exchange have led to some predictions that the beginning of a general lowering of commodity prices is not now far distant. Yet demands still exceed available supplies in not a few instances, and it is conceivable that some prices may go even higher before the inevitable decline develops.

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ASSURANCE COMPANY**  
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### A Change Needed.

"One new clause should be added to the policies of the present."

"What is that?"

"That a policy-holder is not to drink any liquor offered for sale by a bootlegger until he has had it analysed by the company's physician to see if it contains wood alcohol."

## The Pulp and Paper Industry

# Have to Refuse Export Trade

Orders for Paper from Great Britain, Australia and New Zealand, as well as from the United States, Have Been Refused

Withdrawals of price lists and their replacement by new quotations continue to be the order in the paper trade, while the past week has shown no change in the situation as far as the disparity between supply and demand in all lines of paper is concerned. Enquiry among the representatives of the mills and among the dealers who pass on the commodity to the consumer reveals the fact that there is a real shortage in most lines of paper and the rising tendency of prices keeps up, as is shown by the new and short-lived price lists. This week saw another half cent a pound added to coated book, the ruling price now being 12¼c f.o.b. mill, plus 40c per hundred pounds for cases and orders on this basis are taken subject to the price that will prevail at the time the shipment is made. There is a scarcity of this line and the mills and dealers are a long way from being able to meet the demand, although in bonds prices are firm and a little freer in delivery. Kraft paper is up half a cent a pound in carload lots for both glazed and unglazed and the re-sale price has advanced accordingly. No orders are being booked for this line of goods, the mills being approximately nine months behind now, with no prospect of the situation easing up for some months to come.

Shortage of newsprint continues to feature market conditions and the situation hasn't been improved any by the loss of tonnage consequent upon the temporary shut-down of some of the mills through loss of power. January was an unusually severe month and a number of the mills which depended on power generated from water had to cease operations for days at a time owing to the unusual depth to which the water was frozen. This was responsible for a considerable reduction of tonnage during the month, but it is thought that the worst of these conditions is now over. At the present time it is taxing most of the mills to keep up with the home demand, and a lot of very profitable export business is necessarily going by the board. One Toronto paper dealer this week was in receipt of a definite order for one hundred tons of newsprint from the States at ten cents and the reply was sent that at double the price it would be impossible to assemble that quantity of paper for shipment out of the country. Similar offers for other lines of Canadian made papers are coming in almost daily from Great Britain, Australia and New Zealand at prices considerably in advance of home trade prices and the reply invariably is that the mills are being taxed to look after the domestic trade. The stocks of all lines of paper in the Toronto warehouses are low and in many instances shipments from the mills are re-loaded almost as soon as they are received and shipped out to meet long-standing orders.

There is a continued shortage of book papers

and the situation in this respect, as far as the cheaper grades are concerned, is not likely to be improved by some changes now being effected at the Kinleith Paper Company's mill where the company are dropping the cheaper grade and changing one of their machines to their water leaf stock. This will naturally affect the tonnage of cheap book.

Although hampered through inability to get sufficient paper stock, the stationery and specialty manufacturers are all busy and report an increased demand for their product. Specialty manufacturers and envelope makers complain of a shortage of skilled help, particularly female labor, and are anxiously looking for immigration to open with a view to getting more help. Some firms are anxious to secure girl help in line with their policy to train them into skilled workers.

### Effect of the Drouth.

Agent.—Are you carrying all you think you can?

Prospect.—What—oh, yes, I know now what you refer to. You mean insurance. No. I'm not. Since I had to quit seeing how much of the other I could carry, I think I can take about five thousand more of your line of goods.

The Poultry Association, which is a branch of the Canadian Farm Products, Ltd., handled about one-third of the eggs sold from Prince Edward Island last year. The sale of 892,658 dozen eggs was transacted by the association, an increase of 58,000 over the previous year. The total revenue from sales was \$367,500.

## St. Maurice Paper Company Limited

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MANUFACTURERS OF  
NEWS PRINT, SULPHITE,  
KKAFT, GROUNDWOOD  
also Sawn & Dressed Lumber

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St. Gabriel de Brandon,  
Three Rivers.

## The Spanish River Pulp and Paper Mills, Limited

Sault Ste. Marie - - Ontario

### Daily Capacity.

500 Tons Newspaper  
400 Tons Groundwood  
220 Tons Sulphite  
35 Tons Board

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MANUFACTURERS OF  
Spruce Lumber, Lath, Cedar Shingles, Ties,  
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Pulp, Newspaper, Cardboard, &c.

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Matane      Salmon Lake      Saguenay District

#### PAPER AND PULP MILLS:

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Howard S. Ross, K. C.

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New Theatres**

Famous Players Canadian Corporation now operates 16 Canadian Moving Picture Theatres.

The entire proceeds of the issue of the Corporation's 8% Cumulative Preferred Shares are to be used for the construction and acquisition of additional Theatres.

This should give the Corporation 31 Theatres; with seating capacity of 30,000 by the end of this year, and 45,000 by the Spring of 1921.

It will be the greatest chain of up-to-date Motion Picture Theatres in Canada.

Nothing else need be said to far-sighted Investors, except—write at once for a complete prospectus and terms.

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MONTREAL

Toronto    Halifax    St. John, N.B.  
Winnipeg    London, Eng.

## The Pulp and Paper Industry

### N.Y. Newspaper on Pulpwood Embargo

It is regrettable to find so sound and well-informed a newspaper as the New York Journal of Commerce expressing itself as follows on the prohibition of export of unmanufactured pulpwood from the Crown lands of various Canadian provinces:—

"Restoration of the free exportation of pulp wood from Canada which existed before 1910 would relieve the situation. To permit the exportation of such wood from the lands which had been bought or leased by American manufacturers prior to that year would be no more than the barest measure of justice. The action of the Canadian provinces, and particularly of Quebec, in prohibiting the shipment of the pulp wood was equivalent almost to the confiscation of large investments made in river improvements, leases and wood preparing plants by our manufacturers who, foreseeing the scarcity of paper material, had endeavored to protect themselves and the public against the danger of shortage."


The coincidence that certain owners of pulpwood in Canada are also owners of mills in the United States is no concern of any Canadian government. To see the falsity of the New York Journal of Commerce's reasoning, one has only to reverse the situation and apply the same princi-

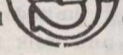
ples. Suppose that Canadian interests, owning pulp lands here and finding it, for reasons of transportation or something else, more advantageous to manufacture in the United States, had bought or built an American mill. And suppose that the American government had decided on a policy of taxing the imports of raw pulpwood so as to compel mill owners in the United States to use domestic pulpwood. Would the Canadian owners be regarded by the American government and people as having a vested right to a perpetual continuance of the state of things which existed when they bought their American mill, namely, free access for their Canadian pulpwood to that mill? The suggestion carries its own answer on its face. Such a claim would be laughed out of court—or rather out of the legislative halls of the Republic. However this is a presidential year, and a good many politicians and some statesmen in the United States will doubtless seek popularity by the method adopted by Senator Underwood in this instance, in making the proposals which are now approved by the New York Journal of Commerce.

Presumably if some Canadians were to buy an American coal mine they would have a right to insist on perpetual free export of the coal to Canada. Anyhow, it might be worth trying.

Like The Hall Mark On Silver  
Is The Watermark On Paper

**THIS WATERMARK**

Guarantees  Quality

Look for it in all  our Stationery

**Howard Smith Paper  
Mills, Limited**

Montreal

**Interlake Tissue  
Mills, Limited**

Manufacturers of a full line of White and Colored M. G. Tissues, Brown and Colored Light Weight M. G., Kraft, White and Colored Sulphate Wrap, all grades of fruit Wraps, Dry Proof Paper. A full line of Toilet Paper, Paper Towels, Paper Napkins, Decorative Crepe Rolls, Lunch and Outing Sets.

Head Office, 331 Telephone Building  
**TORONTO**      Mills at Merritton

#### Rainy River Pulp and Paper Company

Inside of the next ninety days it is planned to begin operations at the Rainy River Pulp and Paper Company's plant, at Point Mellon, B.C. This plant has been idle for some time but financial arrangements have now been made whereby the company becomes the property of Mr. Everly M. Davis, of New York, and his associates, who are composed of Toronto capitalists.

It is estimated that there is 8000 h. p. which may be developed from the Rainy River, and this permits the operating of the plant at a minimum cost. It is understood the new company has purchased 20,000 acres of crown granted timber and coal lands near Point McNeil, on Vancouver Island. The acreage on Vancouver Island has 550,000,000 feet of timber, and this with the three limits tributary to the mill will give raw material to the plant for several years to come. At the present time the plant has a capacity of 20 tons of sulphate or craft pulp per day. New machinery will be introduced which will bring this up to 40 tons per day.

The opening of this plant will mean another big pulp industry for British Columbia and this without doubt is only one of several new ones which will be in operation at no late date.

#### Payment in U.S. Funds.

All future dividends on the preferred stock of the Illinois Traction Company will be paid in U.S. Funds to shareholders all over the world, whether they are residents of the United States or not.

Of the six honey divisions of British Columbia, the Fraser Valley won the year's banner for gross output, but the Kootenay took the lead for average production per hive. The total of the Slo-can section was 122 pounds, and the second hive average was Nelson with 75 pounds.

#### BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of THREE per cent. upon the paid up Capital Stock of this Institution has been declared for the current quarter payable on and after Monday, the FIRST DAY OF MARCH next, to Shareholders of record of 31st January, 1920.

By order of the Board.  
FREDERICK WILLIAMS-TAYLOR,  
General Manager.  
Montreal, 20th January, 1920.

#### HOLLINGER CONSOLIDATED GOLD MINES (No Personal Liability)

Dividend No. 7.  
A dividend of 1% upon the outstanding capital stock has been declared payable 25th February, 1920, on which date cheques will be mailed to shareholders of record at the close of business on 14th February, 1920.

D. A. DUNLAP,  
Dated February 7th, 1920.      Treasurer.



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 MONDAY, 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,  
Montreal, 10th February, 1920.      Sheriff.

# Dominion Textile Company, Limited

Manufacturers of  
**COTTON FABRICS**

MONTREAL  
TORONTO WINNIPEG

# The Dominion Bank

Careful attention is given to *Foreign Exchange Business* Cable and Mail Transfers, Drafts and Letters of Credit issued. A General Banking Business transacted.

N. S. BOGERT,  
Manager.



### WATCH YOUR TAX PAYMENTS

Enter the particulars of your Tax payments amounts and when due, in the page provided in the Home Bank's Thrift Account Book. The details will then be in a concise form for ready reference and the dates of payment will not be overlooked. Ask for a copy of the Thrift Account Book at any branch of the Home Bank.

## The Home Bank of Canada

Branches and Connections Throughout Canada

Transportation Bldg. 120 St. James Street  
2111 Ontario St. East Cor. Davidson Street  
1318 Wellington Street, Verdun

According to J. W. Jones, M. L. A. for South Okanagan, that district saw great development in the past year and fruit lands increased in price to \$1,500 per acre. The outlook, he says, is far better for 1920. A striking instance of the growth in value of lands here is shown where one farmer in the valley purchased his farm of forty acres a few years ago for \$400 per acre, and sold the 1919 crop for \$40,000.

## About Things In General

The production of butter for the season 1919 in the province of Ontario was 31,900,000 lbs. at an average price of 55 cents per lb., or a total value of \$17,545,000. The cheese production totalled 102,700,000 lbs. which netted an average price of 27 cents per lb., or an aggregate of \$27,729,000.

The Canadian Wool Growers, a farmers' co-operative organization which handles the sale of most of the wool produced in Canada, has now 1,923 shareholders. Of these, 800 are in the west; 254 in Manitoba; 313 in Saskatchewan; and 233 in Alberta. The total amount of wool contributed by the west last year was 2,803,443.

Commissioner Wallace of Northern Manitoba states that the province will have the biggest fur season in its history. Last year's catch was worth \$1,800,000 and he believes that the present season's should double this. Fishermen, Indians, even miners are engaged in trapping, and all pelts are of excellent quality.

The province of Manitoba issued 29,313 motor licenses during the year 1919, which was an increase of twenty-five per cent over the previous year. In the year 1908 there were only 418 automobiles in the province, whilst last year 162 different makes were sold.

The Three Rivers Shipyards Co. has received a contract from the French government for the construction of six steel vessels.

The dairymen of British Columbia have won three Dominion honors, Ayrshires, Holsteins, and Jerseys each winning first and second prizes in milk and butter fat production.

Marysville, in the East Kootenay, British Columbia, has a rich copper strike, according to reports. Erosion has broken down thousands of tons of ore ready for the concentrator. It is claimed that there are two million tons in sight, worth thirty million dollars.

There were one thousand more carloads of fruit shipped from the Okanagan Valley during 1919 than 1918. The total freight and express shipment was 3,648 carloads. The values of the fruit production of the district is set at \$4,537,250, to which is added \$235,000 for fruit by-products, making a grand total of \$4,772,250.

The Salmon Arm shipments of 225 carloads had an estimated value of \$310,750, being divided as follows:—apples, \$3,550,000; crab-apples, \$175,000; pears, \$73,750; peaches, prunes, plums, apricots and cherries, \$335,000.

## Increasing Consumption of Eggs At Home and Abroad

By W. A. BROWN, Chief of Poultry Division, before the Canadian Produce Association, February 10th, 1920.

Eggs have been an important article of diet from the earliest ages. Perhaps no article of food is more commonly eaten or served in a greater variety of ways than eggs. Commercially, eggs have become an important factor in the business of the world. In late pre-war years the world's egg production increased rapidly. Great Britain alone, in 1913, imported eggs from fifty-five different countries, while Germany, in the volume of her imports was a close second.

During the war poultry production in most countries was seriously disturbed owing to the scarcity of and rapid increase in the cost of feed. The first effect was a curtailment in poultry flocks practically the world over. In Canada the heaviest movement of laying stock to market took place in the fall of 1915. In England and other countries the feeding of many cereals was prohibited. For a time the outlook was dark, but soon a distinct reaction occurred which gave poultry and egg production the greatest momentum it has ever received. The effect of the universal tendency towards increased production may not be pronounced this year, but in a year or two it is clearly evident that the world's trade in eggs will be called upon to handle a volume of supply well in excess of the present demand. What then will be the outcome? Will the price to the producer be allowed to drop beyond the point of economical production, or will those interested in the world's egg trade be prepared to undertake such a comprehensive campaign of salesmanship and advertising as will insure a demand well in excess of the supply.

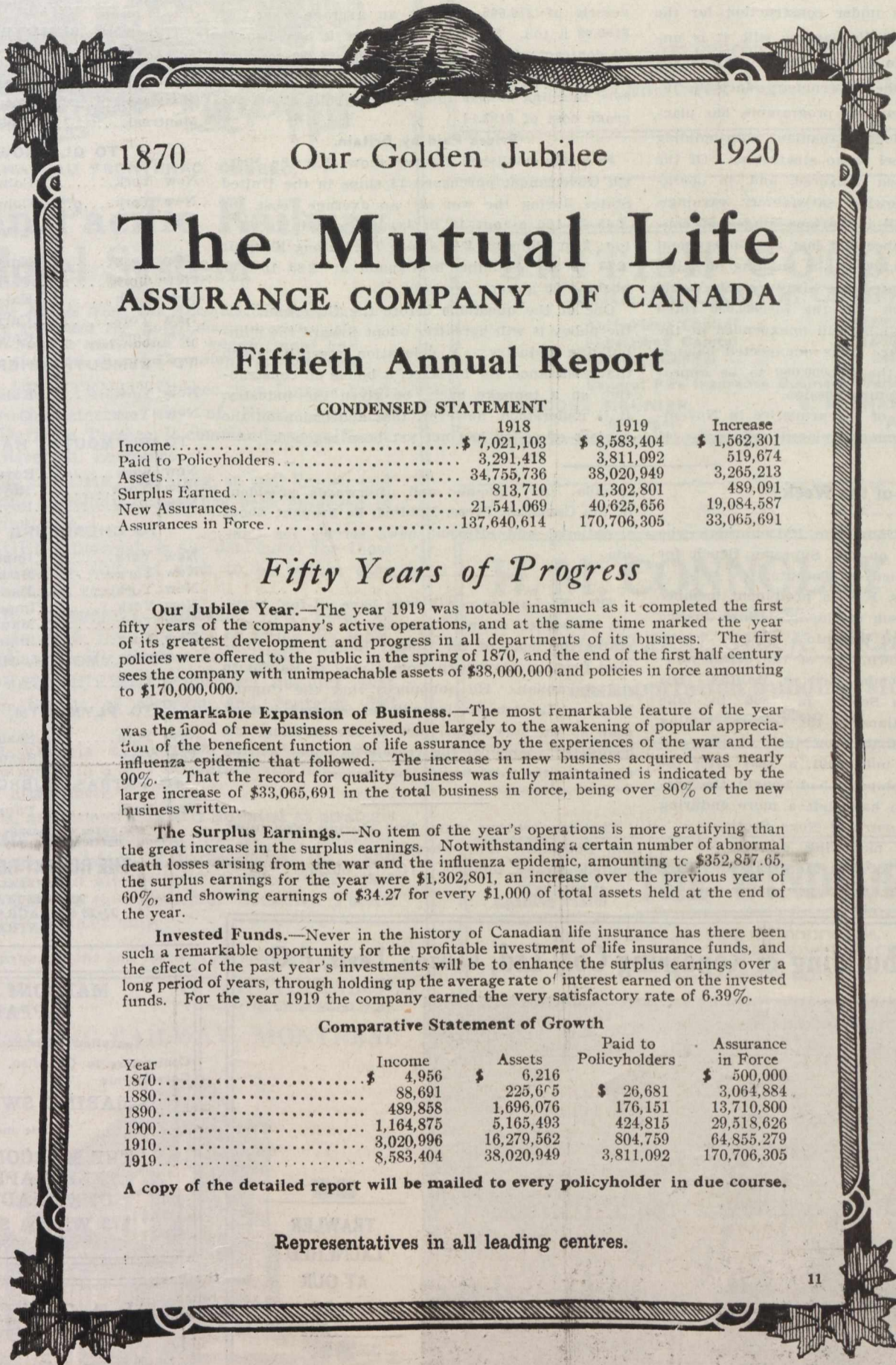
Eggs are one of the most palatable, most nourishing and most convenient of foods. In chemical composition eggs closely resemble meat. In nutritive value, they stand between cheese and milk, while in real intrinsic value eggs stand on a pedestal far above their value as ordinarily

raised. Investigations conducted under the "New Nutrition" classify foods on a basis of their growth-promoting, disease-resisting powers. In other words, only a limited number of natural foods such as eggs and milk have been found to contain those vitamins absolutely essential to the proper growth and development of the human body and for the repair of tissue so essential in the resistance of disease. Eggs and milk are natural foods, the only foods, in fact, that contain all the elements for the growth of the young. A chick hatches from and will live for days upon the content of the original egg. A nation's greatest asset is a high degree of public health. Eggs and milk have those elements absolutely essential to a high degree of public health.

The average housewife views eggs with suspicion. The desire and craving for eggs is held back, dwarfed and blighted by the uncertainty surrounding the quality of the supply. Eggs as laid are one of Nature's most uniform products. No amount of handling or manipulation can improve their quality. The real cause of the uncertainty as to quality is failure to conserve that quality which nature has given. Actual misrepresentation in sale and lack of confidence on the part of the consumer as regards quality, combined with the high price for a variable article, are the factors that tend most to retard consumption.

### Canadian Egg Exports 1920.

	Cases.
January 1st to 10th .....	100
January 11th to 17th .....	500
January 18th to 24th .....	300
January 25th to 31st .....	Nil
	900
February 1st to 7th .....	Nil
Total to date 900 cases (27,000 dozens).	



1870 Our Golden Jubilee 1920

# The Mutual Life

## ASSURANCE COMPANY OF CANADA

### Fiftieth Annual Report

#### CONDENSED STATEMENT

	1918	1919	Increase
Income.....	\$ 7,021,103	\$ 8,583,404	\$ 1,562,301
Paid to Policyholders.....	3,291,418	3,811,092	519,674
Assets.....	34,755,736	38,020,949	3,265,213
Surplus Earned.....	813,710	1,302,801	489,091
New Assurances.....	21,541,069	40,625,656	19,084,587
Assurances in Force.....	137,640,614	170,706,305	33,065,691

### *Fifty Years of Progress*

**Our Jubilee Year.**—The year 1919 was notable inasmuch as it completed the first fifty years of the company's active operations, and at the same time marked the year of its greatest development and progress in all departments of its business. The first policies were offered to the public in the spring of 1870, and the end of the first half century sees the company with unimpeachable assets of \$38,000,000 and policies in force amounting to \$170,000,000.

**Remarkable Expansion of Business.**—The most remarkable feature of the year was the flood of new business received, due largely to the awakening of popular appreciation of the beneficent function of life assurance by the experiences of the war and the influenza epidemic that followed. The increase in new business acquired was nearly 90%. That the record for quality business was fully maintained is indicated by the large increase of \$33,065,691 in the total business in force, being over 80% of the new business written.

**The Surplus Earnings.**—No item of the year's operations is more gratifying than the great increase in the surplus earnings. Notwithstanding a certain number of abnormal death losses arising from the war and the influenza epidemic, amounting to \$352,857.65, the surplus earnings for the year were \$1,302,801, an increase over the previous year of 60%, and showing earnings of \$34.27 for every \$1,000 of total assets held at the end of the year.

**Invested Funds.**—Never in the history of Canadian life insurance has there been such a remarkable opportunity for the profitable investment of life insurance funds, and the effect of the past year's investments will be to enhance the surplus earnings over a long period of years, through holding up the average rate of interest earned on the invested funds. For the year 1919 the company earned the very satisfactory rate of 6.39%.

#### Comparative Statement of Growth

Year	Income	Assets	Paid to Policyholders	Assurance in Force
1870.....	\$ 4,956	\$ 6,216		\$ 500,000
1880.....	88,691	225,675	\$ 26,681	3,064,884
1890.....	489,858	1,696,076	176,151	13,710,800
1900.....	1,164,875	5,165,493	424,815	29,518,626
1910.....	3,020,996	16,279,562	804,759	64,855,279
1919.....	8,583,404	38,020,949	3,811,092	170,706,305

A copy of the detailed report will be mailed to every policyholder in due course.

Representatives in all leading centres.

# Programme of Shipbuilding

## Twenty Millions Will be Asked for at the Approaching Session of Parliament—What Will be the Future Attitude of the Government?

To complete ships under construction for the Dominion Government Parliament will, it is understood, be asked to vote \$20,000,000 at the approaching session. The Government, since the initiation of its ship-building programme, has placed orders with various Canadian ship-building companies for 60 steel cargo steamships. Of the number, 23 have been delivered, and, in operation, have been showing satisfactory earnings. Thirty-seven are still in various stages of construction. To December 31st last the Government had expended \$40,328,220 on the building of ships. In all, it was calculated the sixty vessels would cost about \$70,000,000. Of the \$40,000,000 voted last session some will be still unexpended at the end of the fiscal year. This unexpected balance will be included in the \$20,000,000 to be appropriated during the coming session.

Before the signing of the armistice in November, 1918, the Government placed orders for 45

vessels of 276,665 tons at an average cost of \$199.63 a ton. Since the armistice it has awarded contracts for 15 ships, totalling 88,280 tons, at an average cost of \$173.17 a ton. The sixty vessels, totalling 364,945 tons, will be built at an average cost of \$193.14.

### Prices Paid by Britain.

Recently published figures show that the British Government purchased 13 ships in the United States during the war at an average cost of £45 7s 10d a ton; 19 in Japan at £44 17s 8d a ton; 3 in China at £41 a ton; 11 in Hong Kong at £33 1s 9d; 44 ships in Canada at £39 10s, or about \$190 a ton.

One of the questions before the Government is the policy it will hereafter adopt toward the ship-building industry. A delegation recently urged that assistance, for instance, a bonus on construction on a tonnage basis, be given the industry. It is understood, however, that a decision on the subject of policy has not yet been reached.

### Deaths of the Week

Chief Justice Sir Glenholme Falconbridge who has occupied a seat on the Supreme Bench for thirty-three years, died at Toronto.

Lt.-Col. J. H. Moss, K.C., a prominent member of the Ontario bar, son of the late Chief Justice Thomas Moss, died at Toronto.

Richard Henry Brown, one of the oldest mining engineers in Canada, died at Halifax. His father came to Nova Scotia in 1826 to take charge of the operations of the General Mining Association. In 1864 the son took charge and controlled the work until 1901, a year after the Nova Scotia Steel Company had bought the properties. No two men have left a more enduring mark on the coal industry of Nova Scotia.

Edward F. Slack, managing director of the Gazette Printing Co., died at Montreal. Mr. Slack was one of the best known newspaper men in

Canada. As manager and afterwards president of the Canadian Press, Limited, he brought about a national and efficient news service for Canada.

"The St. Lawrence will soon have oil-fuel burning passenger steamers coming up to Montreal," states the head of the Robert Reford Ltd. shipping firm, on his return from a visit to Baltimore and Savannah. He announces that the Cunard Montreal-London service will be resumed just as soon as the new ships, now in the building, are completed. Some of the vessels he hopes will be ready for the next navigation season.

Customs returns state that during November and December, 1919, wheat from Canada to the United States totalled 1,448,877 bushels valued at \$3,204,746.

## CUNARD ANCHOR ANCHOR-DONALDSON

### REGULAR SERVICES TO GLASGOW.

From—  
Portland .....Saturnia .....Mar. 6  
Portland.....Cassandra .. .. .April 9

### SUMMER SAILINGS

Montreal.....Saturnia .. . . .May 1  
Montreal.....Cassandra .. . . .May 15  
Montreal.....Saturnia .. . . .June 5  
Montreal.....Cassandra .. . . .June 19

### TO GLASGOW via MOVILLE

New York.....Columbia .. . . .Mar. 13  
New York.....Columbia .. . . .April 17

### TO LIVERPOOL.

New York.....Kais. Aug. Vict. . . .Apr. 3  
New York.....Carmania .. . . .Apr. 6  
New York.....Kais. Aug. Vict. . . .May 4  
New York.....Carmania .. . . .May 11  
New York.....Kais. Aug. Vict. . . .June 5

### TO PLYMOUTH, CHERBOURG & LIVERPOOL.

New York.....Kais. Aug. Vict. . . .Mar. 2  
New York.....Carmania .. . . .Mar. 2

### TO PLYMOUTH, HAVRE, SOUTHAMPTON.

New York.....Royal George .. . .Mar. 9  
New York.....Royal George.. . .Apr. 14  
New York.....Royal George .. . .May 19

### TO CHERBOURG & SOUTHAMPTON

New York.....Imperator .. . . .Mar. 6  
New York.....Mauretania .. . . .Mar. 20  
New York.....Mauretania .. . . .Apr. 17  
New York.....Imperator .. . . .May 1  
New York.....Mauretania .. . . .May 15  
New York.....Imperator .. . . .May 29

### TO PLYMOUTH, HAVRE & HAMBURG

New York.....Saxonia .. . . .Feb. 21

### TO PLYMOUTH, HAVRE, LONDON.

New York.....Saxonia .. . . .Mar. 30  
New York.....Saxonia .. . . .May 8

### TO PATRAS, DUBROVNIK AND TRIESTE

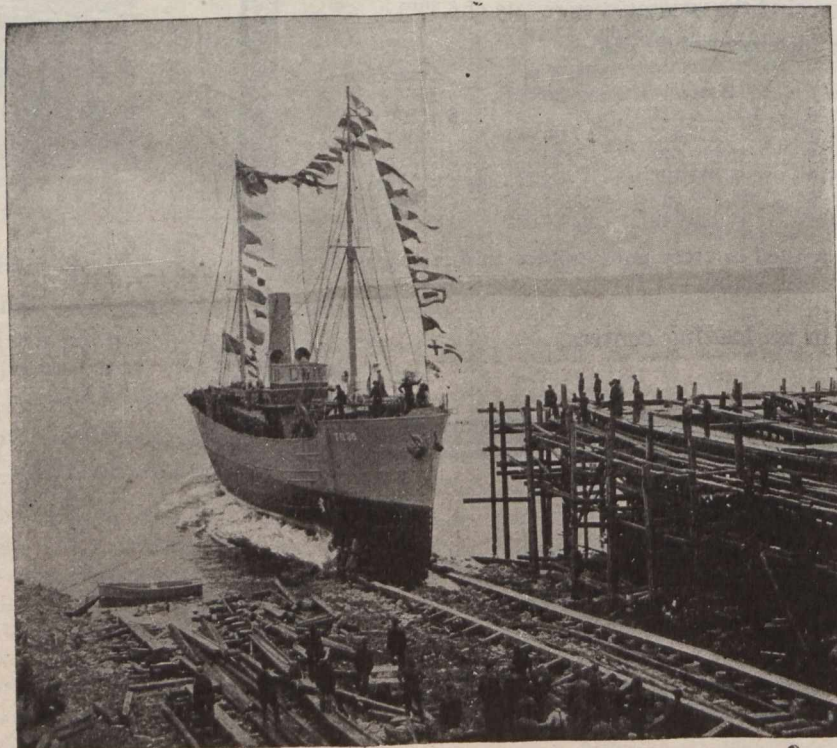
New York.....Pannonia .. . . .Mar. 31

For rates of passage, freight and further particulars apply to local agents or

### THE ROBERT REFORM CO., LTD.

GENERAL AGENTS  
20 HOSPITAL STREET  
23-25 ST. SACRAMENT STREET  
MONTREAL, P. Q.

## Davie Shipbuilding & Repairing Co., Ltd, Lauzon, Levis, P.Q.



TRAWLER  
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AT OUR  
YARD

### MARCONI WIRELESS APPARATUS

Installed—Operate—Maintained  
Contractors to Canadian, Newfoundland and British Governments

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Made and installed

THE MARCONI WIRELESS  
TELEGRAPH COMPANY  
OF CANADA, LIMITED,  
173 William Street, Montreal.

## 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.



CHATEAU FRONTENAC, QUEBEC.

## Canadian Pacific Railway Hotel System

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

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

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

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

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

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

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

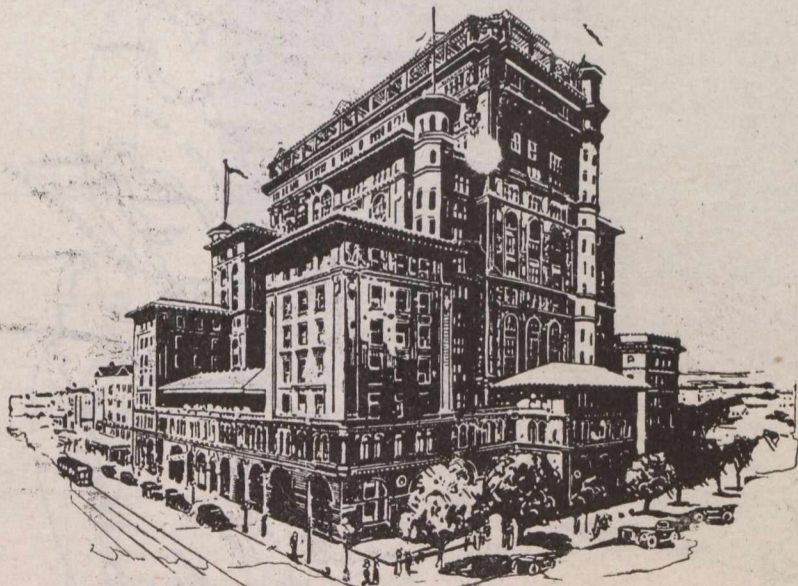
The above hotels, and others similarly situated at strategic points on the main transcontinental line of the Canadian Pacific Railway at McAdam, N.B., Sicamous, B.C., and Penticton, B.C., are open all the year round. Six other hotels, including four in the wonderful Canadian Pacific Rockies, are open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

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

C. E. E. USSHER,  
Passenger Traffic Manager

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

CANADIAN PACIFIC RAILWAY, MONTREAL.



HOTEL VANCOUVER, VANCOUVER.

## The Hartt & Adair Coal Co.

DEALERS IN THE  
DELAWARE & HUDSON COMPANY'S  
LACKAWANNA COAL

TELEPHONE MAIN 5645

146 Notre Dame Street West - MONTREAL

## BRITISH COLONIAL FIRE INSURANCE COMPANY

Authorized Capital . . . . . \$2,000,000.00  
Subscribed Capital . . . . . 1,000,000.00  
Paid-up Capital . . . . . 247,015.79

General Fire Insurance Business Transacted.  
THEODORE MEUNIER, Manager. B. A. CHARLEBOIS, Assistant Manager.

## H. M. CONNOLLY & CO.

MEMBERS  
MONTREAL STOCK EXCHANGE

Transportation Building, Montreal  
Telephone Main 1345

Canada's **THE WINDSOR** Dominion Sq.  
Leading Hotel MONTREAL

HEADQUARTERS FOR CONVENTIONS, BANQUETS,  
PRIVATE DANCES, RECEPTIONS & SOCIAL EVENTS

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Centrally situated in the heart of the shopping and theatrical district. Service unsurpassed

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HIGHEST QUALITY TANK GLASS PRODUCTIONS  
Flint, Light Green, Dark Green, Blue, Opal, Amber

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Dominion Glass Company, Limited

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Factories: MONTREAL TORONTO HAMILTON WALLACEBURG REDCLIFF

# See NEWFOUNDLAND

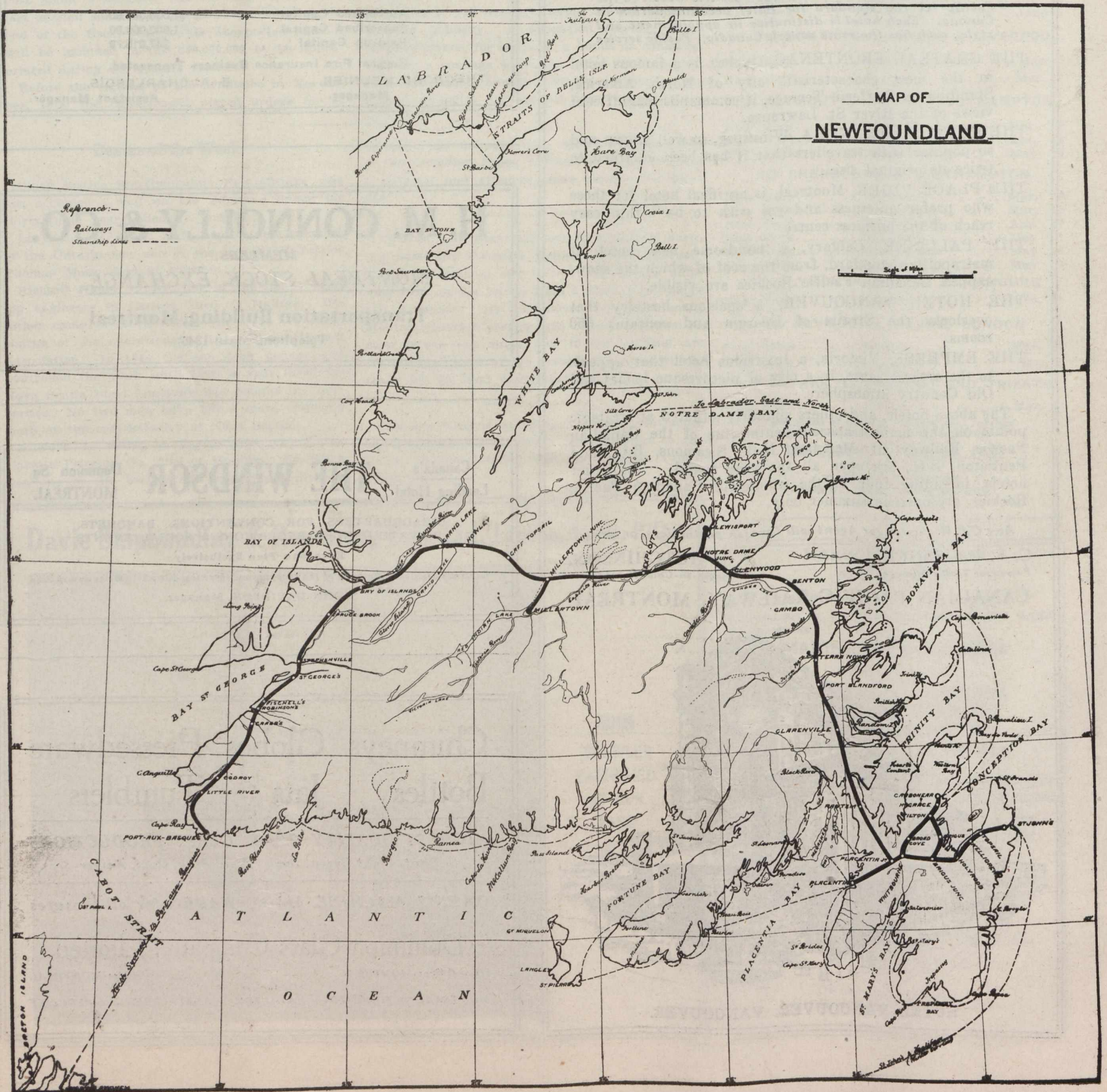
(BRITAIN'S OLDEST COLONY)

For the Winter Months, an Express Train with Dining and Sleeping Cars will leave St. John's on Sundays, Tuesdays and Thursdays only.

Connection from Canada and United States' points will be made at North Sydney, after arrival of the Canadian Government Railway Express, No. 5, on Tuesdays, Thursdays and Saturdays, the steamer arriving at Port aux Basques on Wednesday, Friday and Sunday morning, there connecting with Express Train for points between Port aux Basques and St. John's.

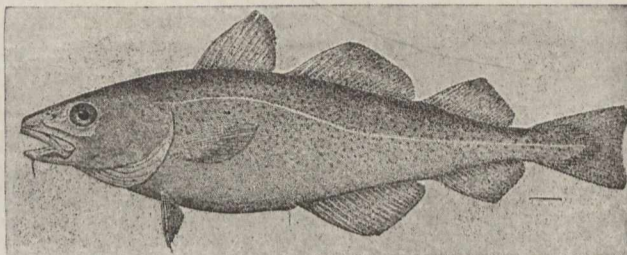


For further information, apply to  
**F. E. PITMAN**, General Passenger Ticket Agent,  
**REID NEWFOUNDLAND COMPANY,**  
**ST. JOHN'S, NEWFOUNDLAND.**



# Where the Codfish Come From

The climate of Newfoundland is more temperate than that of the neighboring Maritime Provinces; the thermometer rarely sinks below zero in winter, while the summer range rarely exceeds 80 deg. F.



Newfoundland Crown lands for farming purposes may be had for thirty cents an acre. The Island's agricultural development is going ahead by leaps and bounds.

WHETHER YOU WISH TO FISH FOR SPORT OR FOR PROFIT  
 :-: COME TO NEWFOUNDLAND :-:

**H**ER fishing resources for either the commercial fisherman or the sportsman are the greatest in the world. They now produce well over fifteen million dollars of wealth per annum, and they are only beginning to be developed.

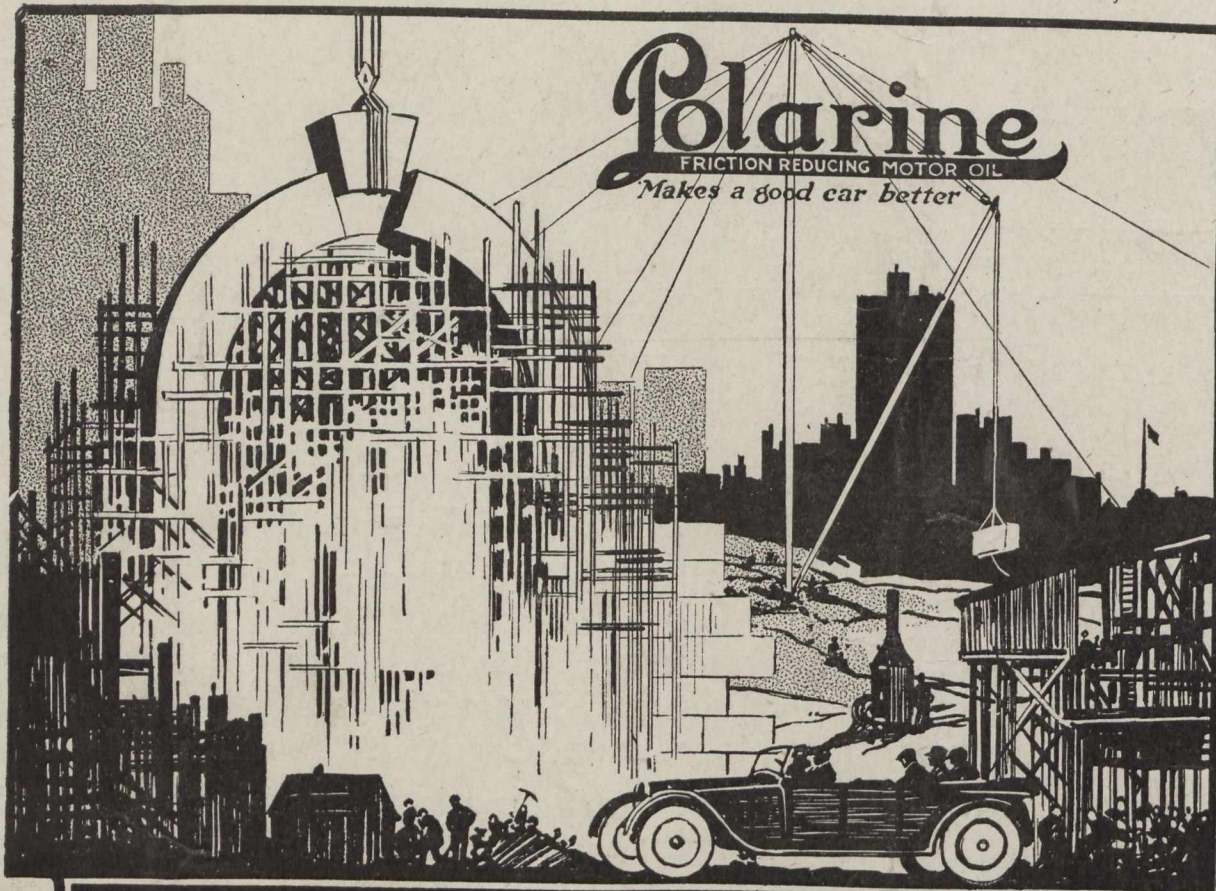
Newfoundland is the home of the cod fish and this forms the largest item in her fish production. But the island also produces large quantities of herring, salmon, lobster and many of the lesser fishes.

Heretofore these have come on the markets of the world in the dry-salted and pickled condition. But the frozen fish industry is rapidly developing. The latest reports from the British markets affirm that "the recent arrival of Newfoundland frozen fish was superior to the fresh fish often received from the Iceland grounds."



Newfoundland's forest wealth is large. The mineral resources are only partially known, although the iron mines on Bell Island have an output of 1,500,000 tons, and the industrial possibilities are attractive from every point of view.

The Government of Newfoundland gives generous aid to agricultural development. The value of agricultural products now approximates over \$4,000,000. Sheep raising is being encouraged and the progress in that direction is remarkable.



### Like the Keystone in the Arch

Correct lubrication is as important to your motor car as is the Keystone to the arch. Without correct lubrication your motor will not last or give you the full service built into it by the maker.

Imperial Polarine is the ideal winter lubricant for all motors. It lubricates freely, even at low temperatures—is fluid enough to flow between rubbing parts of the most delicate mechanism—preventing friction, minimizing wear and efficiently lubricating.

Correct lubrication by means of Imperial Polarine means a smooth running motor, instant acceleration and dependable power. By using Imperial Polarine you get more miles per gallon of gasoline, have fewer repair bills and use less oil. Every ounce gives full lubrication value.

Three grades for cylinder lubrication

**IMPERIAL POLARINE** **IMPERIAL POLARINE HEAVY** **IMPERIAL POLARINE A**  
*light medium body*      *medium heavy body*      *extra heavy body*

each the same high quality, but formulated specially for varying engine designs.

There are also special Imperial Polarine greases for transmission and differential lubrication.

Imperial Polarine is sold in six sizes—half-gallon, gallon, and four gallon sealed cans, 12½ gallon steel kegs and half-barrels and barrels. You can get the grade best suited for your car from dealers everywhere.

# IMPERIAL OIL LIMITED

Power ~ Heat ~ Light ~ Lubrication  
 Branches in all Cities