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The Journal of Commerce

Vol. XLII., No. 26

MONTREAL, TUESDAY, DECEMBER 26, 1916

Price, 10 Cents

The Journal of Commerce

Devoted to
CANADIAN INDUSTRY, COMMERCE
AND FINANCE.

Published every Tuesday Morning by
The Journal of Commerce Publishing Company,
Limited.

35-45 St. Alexander Street, Montreal.
Telephone: Main 2662.

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

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

MONTREAL, TUESDAY, DEC. 26, 1916

Special Articles

FINANCING FURTHER MUNITION ORDERS,
By H. W. Eckhardt.

THE GREAT WAR.

THE WORLD'S GOLD PRODUCTION.

PRINCIPAL CONTENTS.

Editorials:

National Service Cards.....	1
Mr. Lloyd George's Speech.....	1
The President's Latest Note.....	1
The Funny Stocks.....	2
The Growth of Prohibition.....	2
Will the Public Learn?.....	2
Oleomargarine.....	2
Financing Further Munition Orders.....	3
The Great War.....	3
Currency Inflation in Germany.....	4
The World's Gold Production.....	4
Commercial Travellers' Association Reports.....	5
National Service Week.....	5
Public Opinion.....	6
Mentioned in Dispatches.....	7
Montreal Grain and Flour Exports.....	8
New Companies.....	8
Among the Companies.....	9
Canadian Bank of Commerce Report.....	10
Bank of Hamilton Report.....	10
Canada's Trade During November.....	10
Bank of Toronto Statement.....	11
Japanese Commerce Shows Great Growth.....	11
Canadian Bank Clearings.....	12
Bank of England Statement.....	12
Montreal Stock Market.....	13
New British Government Offering in Japan.....	14
Royal Bank Report.....	14
"A Little Nonsense Now and Then".....	15
Correspondence.....	15
Hail Insurance in Saskatchewan.....	16
Belgian Information.....	16
Christmas Bells.....	17
The Exporters' Field.....	18
Conditions in the West.....	20
Commodity Markets.....	21-22-23
Shipping News.....	24

The National Service Cards

THE cards designed by the National Service Commission to obtain information respecting the man-power of the Dominion are now being distributed through the agency of the Post Office. It is necessary that all men between the ages of 16 and 65 years shall furnish the desired information by filling in the answers to the questions and mailing the cards to the Director of National Service at Ottawa. The questions have been framed with a view to ascertaining every man's nationality, his physical condition, his present occupation, and his willingness to engage if required in any other line of service that may be deemed more useful for the purpose of prosecuting the war. How far and in what manner the information so furnished may be acted on must, of course, be a question for consideration by the authorities at a later stage. It is, however, very important that there should be a full and reliable record of the number of men available. There should, therefore, be hearty co-operation in the distribution of the cards and in the supplying of the information asked for.

Mr. Lloyd George's Speech

THE speech of Mr. Lloyd George, setting forth the policy of his Government in relation to the war, was, in the main, exactly what everybody expected. It was a firm reiteration of the righteousness of Britain's course, an emphatic refusal to regard the so-called peace proposals of the German Chancellor as entitled to serious consideration, and a vigorous declaration of the determination of Great Britain and the Entente Allies to prosecute the war until the military domination which Germany and her partners have attempted is no longer a menace to the world. There can be no doubt that the new Prime Minister gave expression to the general feeling of the British people, not only in the United Kingdom, but throughout the Empire. Very gratifying too were the speeches of Mr. Asquith, who remains the leader of the Liberal party, and Sir John Simon, the brilliant young statesman who left the Asquith Cabinet because of a difference concerning the question of conscription. Sir John is looked upon as the chief spokesman of a group of members who are particularly hostile to everything in the way of jingoism. His opponents, no doubt, would call him a pacifist and perhaps he would not object to the name. But he realizes as clearly as Mr. Asquith and Mr. Lloyd George that in the present stage of the war there can be no peace with Germany. The unanimity of the British Parliament in the determination to prosecute

the war must satisfy the Germans that their hopes of a premature peace are doomed to disappointment.

The President's Latest Note

THE latest "note" of President Wilson has elicited perhaps more extensive comment than any of his previous documents concerning the war. Among British people generally it has been regarded as, to say the least, inopportune. Realizing as nearly all of them do that the present attitude of Germany makes peace now or in the early future an impossibility, most Britons are inclined to regard Mr. Wilson's move as meddling and entirely useless. Many are ready to assume that his note is intended to be an aid to Germany. For this view, however, there seems to be no good ground. There is every reason to believe that, while the way chosen by him was the wrong one, his note was dictated solely by a desire to do something towards finding a basis for negotiations leading to that peace which, if it were possible, would be the greatest blessing to the world. The passage in the note which states that the objects of the belligerents on both sides are the same has naturally called forth indignant protest. Surely, from our point of view, and from the standpoint of all fair minded men who undertake to judge, the objects with which Britain and her Allies entered the war are not the same as the objects which the German Kaiser and his militarists had in view when, in flagrant violation of their own treaty, they invaded peaceful Belgium. But we must remember that Mr. Wilson was not undertaking to pass judgment on the conduct of any of the belligerents. He was endeavoring, not in the very wisest way, to induce all the nations concerned to meet him in his effort towards peace. If his move was to find any response from the belligerents he must approach them all in a manner that would not antagonize any of them. In a sense all of them claim to have the same objects in view. For the Kaiser is loud in his declarations that his whole policy aims at the glory of God and the good of mankind. We of the British side can properly treat the Kaiser's pretensions in this respect as blasphemy and hypocrisy. But while Mr. Wilson probably feels as we do on that question he is not as free as British subjects are to express his mind; he is officially bound to hold a strictly neutral position, and particularly to do so in a document which invites friendly co-operation from all the belligerents. Hence that passage in his note which grates most harshly on the ears of all friends of the Entente Allies should not be taken as designed to express any view adverse to us or favorable to our enemies. For

the purpose of his note, which aimed at obtaining the co-operation of all the belligerents, he was bound to address them in terms which assumed that the attitudes of all were sincere. But while properly refraining from expressing any view as to the justice or injustice of either side, he should have been more careful to avoid the use of language from which either side could take offence. The passage so indignantly condemned by the friends of the Entente Allies was tactless and stupid.

The President's note may serve no good purpose, but there is no reason for regarding it as unfriendly to the Entente Allies. It is not a proposal of peace terms. It is not even an offer of mediation. It is a suggestion that if each side of the conflict would state clearly the terms on which it is disposed to make peace a groundwork might be laid for further negotiations. The situation hardly admits of this at present. Germany, though through her Chancellor talking of peace proposals, has really proposed no terms. As for Great Britain, one cannot easily see how she can at this stage do more than declare, as Mr. Asquith did and as Mr. Lloyd George does, that there can be no peace until Germany is prepared to make reparation for all the crimes she has committed and to offer something that the world can regard as guarantees for the peace of the future. There will, no doubt, come a time when there will be need of more details of what Great Britain and her Allies will accept. But so long as Germany maintains her attitude of arrogance and her military leaders continue to proclaim their purpose of conquest, there will be no peace, and no peace negotiations that can be seriously considered.

Stocks

GRAND and manifold are the mysteries of the stock markets. In 1914 rumors of war caused quite a financial depression. Then when the rumors proved true and the great war came upon the world there was a panic in which prices melted away and ruin was brought to many doors while to many others very heavy losses came. Peace, apparently, was what was then needed for the maintenance of stock market stability.

Note the changed situation to-day. Not rumors of war but rumors of peace were the cause of the recent severe collapse in the stock market. The prospect of the war coming to an end sent prices down the toboggan slide. Now that the peace movement is found to have no substantial basis, stocks begin to climb again. The stock market, which wept over the breaking out of war in 1914, now sheds its tears when there is a suspicion of peace being within the bounds of possibility.

The Growth of Prohibition

OPONENTS of prohibition of the liquor traffic often claim that where prohibitory laws are adopted experience proves their failure and leads to a desire to repeal them. In only rare instances can ground be found for this contention. In the present day the prohibitory movement shows great strength and where partial prohibition is established there is found a strong desire to have more rigid measures. The Saskatchewan Government some months ago adopted a law which went a long way in the direction of prohibition. So far

as the general sale of liquor was concerned, there was a total suppression of the trade. The law provided, however, that those who still desired to use the condemned beverages might obtain them, under certain restrictions, from a number of stores established by the Government. Further provision was made for a referendum on the question of continuing these Government liquor stores. The vote was taken last week and the people everywhere, by very large majorities, decided against the stores. Thus the business, even in the modified form of the sale by the Government under restrictions, is banned. Saskatchewan, evidently, has found in the partial prohibition of the past few months reason for determining that there shall be complete prohibition.

Prohibition is now in operation, or will be very shortly, in every Province of Canada except Quebec. Even here the growth of the movement has been rapid, and while the immediate enactment of a prohibitory law may not be expected, the Quebec Government and Legislature have adopted measures which impose additional restrictions on the traffic. Probably the new law goes as far as public opinion in the Province now warrants. But the movement for total prohibition will continue. A "dry" Canada may be not far off.

Will the Public Learn?

A BOSTON journalist, Mr. George L. Walker of the Commercial, laments the unwillingness of the public to learn what is good for it. Possibly the result of the Presidential election has something to do with this regret, for our Boston contemporary was not a Wilsonite. But it is not of the Presidency that he writes now. It is on the high prices and the causes of them, and the public's attitude toward them, that he founds his lamentations. Of course, he says, prices are high, but what else could be expected by misguided people? In the high price of coal he sees evidence that the public "is paying for some of its fads." Concerning petitions favoring the prohibition of the export of coal, he writes that "guardians should be appointed for all the people who sign them." The shipment of coal to foreign countries, particularly to South America, is necessary for the enlargement of American trade, and that is urged as a matter of vital importance, not only as respects future trade but also as bearing on South America's ability to supply food-stuffs which the world now needs. Here is the summing up of the arraignment of the public for its stupidity:

"It is almost a total waste of time and blank paper to explain these things, because the public apparently does not want to understand them. It wants to believe that it costs no more to mine coal after wages have been advanced 50 or 100% than it did before; that the railroads which have been ham-strung by the government and restrained from advancing their freight charges should be in a position to buy enough new cars, at double the prices they formerly paid, to haul and deliver the tremendously increased tonnage of coal required by manufacturers and others during this temporary period of unprecedented industrial activity. The public's unwillingness to learn and accept the truth is costing it a lot of money and withholding great opportunities and benefits which it otherwise would enjoy. As long as the individuals who make up the public continue

to be extremely 'reactive' in their business and rampantly ignorant toward everybody else's interests, antagonism will obstruct the industrial progress."

What a simple way it is to solve the question! All that one need do is see that other fellow doesn't know what he is talking about! The fact remains, however, that these perhaps degenerate days the public has acquired, among other privileges, the right to believe that it does know a few things, and to act accordingly. So this old world will have to adapt itself to the new order of things, and let the people have their way. If it is not good for them they will doubtless discover the fact later and become more humble and more willing to listen to the voice of reason.

Oleomargarine

THE widespread demand for the abolition of the long standing prohibition of the importation, manufacture or sale of oleomargarine—a demand created by the very high price of butter—has not unnaturally led some of the dairymen of our country to register a protest against any such change. It is probable that the exclusion of oleomargarine tends to increase the demand, and consequently the price, for butter. In such circumstances, in a world not yet entirely free from selfishness, it would be too much to expect that all who are interested in the production of butter would readily assent to the abolition of the advantage which the present law allows. But there is reason in all things. In the face of the high cost of living now so much complained of, the farmers and dairymen should not place themselves in opposition to any movement calculated to supply any useful commodity at more reasonable prices. Of course, as a reason for opposing the admission of oleomargarine, it is alleged that the article is unwholesome. If the dairymen will rest their case on that ground and take steps to establish the truth of their contention, they will have a strong position. Oleomargarine in times past was often produced under conditions which certainly made the article undesirable. The reasons against oleomargarine were good. If the situation is the same today, if the dairymen can show that the oleomargarine of the market is unclean or unwholesome, they will have public opinion with them in their effort to continue its exclusion from Canada. But it is only fair to say that such objections are now said to be unwarranted. Oleomargarine as sold today is represented to be both clean and wholesome. If this claim is well founded, there will be difficulty in showing good reasons for adhering to the present excluding laws. Canada, we believe, is the only country in the world today which does not allow the sale of oleomargarine. In England, where pure food laws are rigidly enforced, oleomargarine is sold everywhere. That fact creates a fair presumption that the old charge of unwholesomeness can no longer be sustained. If competent authority will show that the article is free from objectionable elements, and if strict provision be made for the marking of it with its proper name, so that the public may be protected against fraud, there will be a good case for abolishing the prohibitory oleomargarine law that has so long been in force. The question is pretty certain to come before Parliament at the approaching session. It would be well for our Department of Agriculture to set on foot now an inquiry which will enable it to be ready with all needed information on the subject.

Financing Further Mmunition Orders

A Few Points in Favor of a British Bond Issue in Canada

By H. M. P. ECKHARDT

It has been generally taken for granted in Canada that the recent action of the Federal Reserve Board at Washington, in warning American banks against locking up too much of their funds in belligerent securities will have a stimulating effect on the munition industry in the Dominion. The warning was timed to appear just after the offering of British and French treasury notes was announced by Messrs. J. P. Morgan and Co., and one of its effects undoubtedly has been to make the Western Allies more determined than before to develop their own capacity in munition making, and that of their Dominions. The Finance Minister and the Chairman of the Imperial Munition Board have intimated that the orders, contracts, etc., for Canadian plants in 1917 will perhaps only be limited by our ability to finance credits for the British Government. This being the case it follows that widespread and general curtailment of unnecessary expenditures, with the object of investing the savings in the war bonds, would have immediate and important effect in increasing our output of shells, etc., and in lessening the economic dependence of the Allies on the United States.

Although the Finance Minister has on several occasions expressed the Government's earnest desire that Canadians should save their money and refrain from investing it in non-Canadian securities, there is yet no official information as to the form or kind of war bonds (designed to facilitate British settlements for munition purchases here) that our investors will be asked to take up. The principal question is whether there will be an issue of British Government bonds or notes made direct to the investment public of the Dominion, or whether our subscriptions will be asked to an issue of Dominion bonds, proceeds of which to be used to enable the Ottawa Finance Department to make further direct loans to the Imperial Munition Board.

In order to discuss the question intelligently it is advisable to review the past financing in connection with British munition purchases here. Apparently one-half of the proceeds of the two domestic war loans has been applied to the purchase of short-date British treasury bills. In other words Dominion bonds to the amount of \$200,000,000 have been issued in the Canadian market and \$100,000,000 of the proceeds were loaned to the Munition Board. Also the chartered banks have loaned a further amount of \$100,000,000 to the Board, on short date British Treasury Bills. Apart from this a few of the banks have advanced \$20,000,000. to Great Britain in connection with grain purchases here. With reference to the sums advanced by the banks, there are no complications. When the Imperial Government redeem the treasury bills the credit transaction with the banks is cleared off.

How Past Orders Were Financed.

The loans to the Munition Board, by the Dominion Government, out of proceeds of the domestic war loans, have however, some peculiar features. As generally understood, the Dominion authorities received \$50,000,000 in British short-date treasury notes in connection with the first war loan, a like amount of \$50,000,000 in connection with the second war loan. Now the first war loan issue consisted of ten year Dominion bonds and the second consisted of fifteen years bonds. So if the British Treasury Bills, held by our Finance Minister, to the amount of \$100,000,000, are paid off, the Canadian Treasury receives \$100,000,000 in cash—the relative bonds issue? there against not being due until 1925 and 1931. In all probability any repayments thus received from Britain will be immediately re-invested in fresh treasury bills representing new contracts for our manufacturers. And of course if the British bills now held are renewed, the question of freshly disposing of the cash payments thereon will be deferred until maturity of the renewals. Sooner or later the British bills will be definitely or finally paid off, and our Government will come into possession of \$100,000,000 cash (or a greater amount if the Dominion Government

loans to the Munition Board are further increased). And the question of disposing of the money will require to be settled. Probably there will be odds and ends of war expenditure to be provided for. There may be for example a considerable floating debt in London requiring attention, and for some time after peace is concluded the abnormal war expenditures will be in evidence. It may be the case that the realizations from British treasury bill holdings will be applied for these purposes; and if so they would obviate new issues of Dominion bonds and in that way straighten out the accounts.

Must Not Overload Banks.

These points all come up for consideration in any discussion of further loans to Britain by Canada. It certainly seems, if the Canadian banks carry \$100,000,000 in this one form of security, that they should not be asked to increase the amount. To overload the banks with British treasury bills would expose our banking system to exactly the same danger as that against which the Federal Reserve Board warned the American banks. As it stands, the bank loan of \$100,000,000 to the Munition Board amounts to more than one-eighth of the total amount of current loans and discounts for mercantile and industrial customs in Canada. So it would seem that the fresh loans by the banks, for munition purposes will probably be confined to the amounts of old loans repaid, thus keeping their investment at or around the \$100,000,000 mark. They might conceivably let the item rise to \$125,000,000, but any increase beyond that amount would appear to be unwise, unless, of course, a batch of old bills was due to be paid off within a very short time.

An Imperial Government Issue.

So one is forced to the conclusion that for the most part the new or enlarged loans to the Imperial Munition Board will require to be made out of funds contributed by Canadian investors. As mentioned above, the method of issuing Dominion bonds here

and using the proceeds, wholly or in part, as loans to Britain, complicates the Dominion finances; and has the disadvantage of exaggerating the amount of the Dominion's funded debt—thus to a certain extent affecting the market for our bonds in the United States. On the other hand, if one or more issues of British Government bonds were made in the Canadian market there would be no undue inflation of Dominion debt and the situation would be simplified generally. Necessarily the British bonds offered here would require to be short-dated (not more than five years' currency) free from the British income tax, and they should bear an attractive rate of interest. The Exchequer 6 per cent bonds due 1920 would appear to suit the purpose very well. They would be more attractive to Canadians if in dollar denominations. And one would think it quite feasible to arrange for an issue of dollar bonds payable at Montreal, Toronto and perhaps New York. If the bonds yielded 6 per cent they would attract investors here, and probably many subscriptions would come in from friendly investors and financiers in the United States—especially if payment of interest and principal at New York also were provided for.

An Experimental Issue.

There are points in favor of trying an experimental issue of say \$50,000,000 in that form. If made early in 1917 such an issue should not militate importantly against the success of a third domestic war loan later in the year. It is advisable to have the British bills mature in a short time, because of Canada's incessant need of capital for development purposes. If Canadians by keeping their productive activity at the maximum and curtailing needless expenditures, are able to absorb \$100,000,000 of British bonds in the course of a year or so, then when the bonds mature and are paid off the effect on our finances would probably be more beneficial than if we imported \$100,000,000 cash capital through borrowing abroad. An issue here of British 6 per cent at par need not necessarily force up the interest rate on a domestic Dominion loan to the 6 per cent level. In view of the prevailing quotations on the Anglo-French "fives" in New York, British bonds here would require to yield at least 6 per cent; Canadians generally would be on more familiar ground in buying Dominion bonds, and probably would be more inclined to invest in a different

The Great War

Of old there was a great and memorable year when the Hebrew nation was renewed and "all things became new," the "great year of deliverance" with its songs of joy and gladness, the sursum corda! (Lift up your hearts) of a people filled with gratitude and praise. It calls for no prophetic vision to read the welcome signs of the times; that 1917 will be the great year of deliverance, of renewal and uplift for the British nation and Empire. That is the fair outlook and the joyous prospect.

"Hope like the gleaming taper's light,
Adorns and cheers our way;
And still, as darker grows the night,
Emits a brighter ray."

That anchorage has not failed when clouds and darkness hung over the clear path of right and duty; the "brighter ray" grew and spread as the searching, trying months passed, today with heart and voice we rejoice in noontide brightness. Although anxious days are doubtless in the way of the confident and triumphant victory, we cannot doubt that the worst has passed and in the glorious triumphs of that past we have the assurance and certitude that they are the prelude of that near day of glorious and most welcome paeans of praise in the glories of blessed peace.

The national mind has been dusted. National duty has been realized and brought home at a terrible cost. Evil, "organized infamy", the menace of generations is at the front of righteous resistance, but deeper the enduring and the eternal.

"Love took up the harp of life
And smote on all the chords with might—
He smote the chord of self."

The true standard of values has been lifted up, eternal law vindicated and through sacrifice of the most precious things, even life itself, that home, country, right and liberty might be made secure; that the glorious heritage bequeathed by sire to son, that distinguished our race and people, shall be unimpaired, be handed on with a more resplendent glory to generations yet unborn.

In the needful but lesser things of life the great year at the door, as fruits of the war, will be in industrial and commercial relations, a larger co-operation and a keener intelligence. Individualism has its place in leadership, enterprise and the onward steps of progress; world conditions make individualism the helper of nationalism. Thus the war in merging interests has been made plain. The dragon spirit is one thing—Germany has evinced it—and the free spirit another. Harnessed in wisdom, seeking the greatest good of the greatest number, the higher claims of the nation can be met without jeopardy to the fullest liberty consonant with the real meaning, aim and end of liberty. Vast changes are inevitable within our Empire. Age long effort has been broadened and deepened by a common sacrifice. The unity was deep in ties as broad as deep as our national life. An overwhelming danger revealed our oneness and Flanders expressed it. The great year will be a new era to emerge, a bond sealed in blood that will be larger, greater than the greatness of the past.

With the expansion and in some outward form the consolidation will be international relations, so wisely so ably enunciated recently by Lord Bryce with "a Federation of Nations." Strange to us that out of strife so vast and a welter of blood so deep should come in a measure the realization of the dreams of poets and the hopes of statement: "There is a Providence that shapes our ends", and out of evil educing the larger good. The moral and social reforms brought to fruition and evolved by the new time be creative of still greater blessing. For all reforms are but stepping stones to greater things. What seemed afar off has been brought within practical experience and the new order, in spirit and purpose, found an abiding place in the upward and onward trend of greater, higher national life. For present good is retained by larger gains.

From the trenches across the seas come many

(Continued on page 16).

Currency Inflation in Germany

Tremendous Expansion of Note Circulation Since Before the War

The German Embassy, apparently embarking upon a new propaganda, has begun the issue of a "commercial bulletin," of which issue No. 1 has just been distributed. The New York Journal of Commerce discusses this bulletin in a recent issue, saying that it is remarked by way of preface that "the mail censorship and the confiscation of German newspapers have lately prevented American business men from keeping in touch with German business life." The new bulletin is intended to "obviate this difficulty," and undertakes to present "the essential facts and figures about German business life as transmitted from reliable Government and business sources." Those presented in the first issue are evidently designed to show that prices are high and business active in most lines and particularly in iron and steel, that the Reichsbank is in a strong and satisfactory position with an adequate stock of gold, above legal reserve requirements, and that financial conditions are quite as encouraging as can reasonably be expected.

This commercial bulletin brings to light some facts not previously realized by the public at large, although known to a considerable circle, while some of the information afforded will probably be new to most people. Taken as a whole, it furnishes a very significant analysis, when discriminately read, of the general commercial and financial situation within the German Empire. It appears from an analysis of the data submitted that the outstanding notes of the Reichsbank, which now amount to \$1,652,271,000, are nearly four times the amount in circulation just before the opening of the war. In addition to these issues, however, a new kind of currency, the "war loan bank certificates," have been put out to the extent of \$603,000,000, besides minor issues of other notes. If the careful reader combines the two main issues with the others he finds that the aggregate is now nearly \$2,300,000,000, or between five and six times the notes of the Reichsbank before the war

although the bulletin figures the increase as only fourfold. As the other issuing banks circulated but few notes, and have made but little change in their circulation since the opening of the struggle, the relative position is as indicated by the figures already given—an increase of from four to six times. An unprejudiced observer must conclude that the note circulation of Germany is inflated almost beyond precedent. The real nature of the situation is the more apparent when it is observed that the gold stock of the Reichsbank has advanced only from \$223,000,000 to \$599,000,000—a withdrawal of only about \$275,000,000 from actual circulation. There has unquestionably been a net addition to the circulation of much more than a billion and a half of dollars. The inflation thus admitted is the more remarkable when we recall that Germany's external trade has been entirely cut off, and that the drawing off of a large part of the population for military operations has necessarily and enormously reduced the volume of current local trade and hence the amount of actual money currently required for exchanges.

It is easy with such a currency expansion as a basis to account for the high prices prevailing in Germany. Goods paid for in an inflated currency, already depreciated in foreign markets, would naturally command a high price regardless of any question of the actual scarcity of necessities. Trade under these conditions would quite likely be brisk in many lines; and profits, despite governmental regulation of prices, large in somewhat like proportion. Another phase of the financial situation is likewise easily understood. Subscriptions to German war loans are reported in this bulletin as having been both abundant and widely distributed. There is no reason to doubt either statement. The loans, however, are of course paid in the inflated currency already described and their proceeds are expended for goods purchased on a price basis

determined by the situation which grows out of this inflation. This is a condition which existed during our own civil war, and which had its consequences after the close of the contest in excessive accumulations of debt ultimately liquidated in gold or its equivalent, notwithstanding the funds originally received by the Government had been paid to it in depreciated currency. The fall from an inflated price level and condition of brisk business to a state of depression and normal prices was very painful, and was endured only through the wonderful development of new natural resources and undeveloped lands which occurred after the close of the war and which produced immense quantities of new wealth and tax-paying power.

The German bulletin makes the argument that there has been an enormous increase of note currency in the countries opposed to her, while a part of her own new notes has been used in Belgium and other occupied territory. Both points are well taken but do not go to the root of the situation. Germany and her allies are the only countries absolutely cut off from the outside world and unable to communicate with neutral financial markets in an effective way. This means that, whereas the innate ability of the Allies to maintain the redemption of their obligations and the soundness and solvency of their economic system generally is being subjected to constant test, the capacity of Germany along similar lines is not. There would, therefore, be unavoidable doubt in the minds of many observers as to whether Germany is in fact on as sound a currency basis as her opponents even if figures indicated a corresponding currency expansion on their part. As tested by rates of exchange she certainly is not so, and this must be taken as the prevailing verdict of the civilized world. The figures as officially put forward from German sources by way of defense are not such as to inspire confidence, but they rather seem to provide a basis for the most serious anxiety regarding the economic situation in the territory of the "Central Powers" after the end of the war. Currency inflation may be masked or explained in a variety of ways, but its effects are likely to be permanent, and, in a multitude of directions, injurious.

The World's Gold Production

World's Production of Gold Doubled in Past Twenty Years, While Silver Production Decreased One Half

The world's gold production in the last quarter of a century equals that of the preceding four hundred years, and the silver output since 1878 equals that of the preceding four hundred years. The gold money of the world has doubled in the last twenty years and the silver money of the world has decreased one-half in the same period. These facts are shown in a compilation by the Foreign Trade Department of the National City Bank of New York, suggested by the exceptionally high price of silver, of which the United States is now the world's largest producer, and the large inflow of gold of which we have imported over \$600,000,000 since the beginning of the current year 1916.

The total world production of gold from the discovery of America to the present time according to this compilation, \$16,500,000,000 in value, and that of silver \$15,500,000,000 in coining value. The gold money of all countries of the world for which statistics were available in 1896 aggregated \$4,144,000,000 and on January 1, 1916, \$8,258,000,000; silver money of the same countries was in 1896, \$4,237,000,000, and in 1916, \$2,441,000,000. The "uncovered paper" money of the countries in question was stated in 1896 at \$2,558,000,000 and in 1916 at \$8,583,000,000, all of these above statements being made upon the authority of the director of the United States Mint.

The production of over \$8,000,000,000 worth of gold in the last quarter of a century, as against another \$8,000,000,000 in the preceding 400 years, has occurred chiefly within the last decade. Down to 1885 the world's gold output never reached as much as \$100,000,000 annually, in 1896 it crossed the \$200,000,000 line, in 1903 the \$300,000,000 line and in 1906 for the first time exceeded \$400,000,000, and has steadily advanced until it reached \$470,000,000 in 1915. Silver production first crossed the \$100,000,000 line in 1880, and in 1893 exceeded for the first time \$200,000,000, making its highest record in 1911, \$292,000,000, and slowly declining to \$232,000,000 in 1915.

The chief gold-producing countries of the world are South Africa, the United States, Australia, Russia and Canada, and the chief silver-producing countries

are the United States, Mexico, Canada and Peru. In 1915 the gold production of South Africa, including Rhodesia, was \$207,000,000; the United States, \$101,000,000; Australia, \$50,000,000; Russia, \$29,000,000, and Canada, \$19,000,000. Of silver, the 1915 product was: United States, \$39,000,000; Mexico, \$21,000,000; Canada, \$15,000,000, and Peru, \$5,000,000.

Of the \$4,144,000 of gold money recorded in 1896, the distribution by principal countries was stated as follows: France, \$772,000,000; Germany, \$675,000,000; United States, \$672,000,000; United Kingdom, \$584,000,000; Russia, \$489,000,000; Austria-Hungary, \$167,000,000; Australia, \$130,000,000; Italy, \$100,000,000. For 1916 the stated distribution is: United States, \$2,230,000,000; France, \$1,384,000,000; Russia, \$1,058,000,000; Germany, \$714,000,000; United Kingdom, \$662,000,000; Italy, \$336,000,000; Austria-Hungary, \$296,000,000; Turkey, \$291,000,000; Australia, \$250,000,000; Argentina, \$229,000,000; Netherlands, \$173,000,000; Canada, \$170,000,000; Spain, \$167,000,000, and Japan, \$143,000,000. The United States shows an increase in the 1896-1916 period of 231.7 per cent. Russia, 116.6 per cent; France, 79.3 per cent; Germany, 5.8 per cent, and the United Kingdom, 13.3 per cent.

The world's consumption of gold and silver in manufactures and the arts is large and rapidly increasing, that of gold exceeding \$100,000,000 per annum, and of silver over \$50,000,000 annually. In the United States alone the gold used in manufacturing and the fine arts in 1915, was over \$38,000,000, of which, however, about \$8,000,000 was old jewelry, plate, etc., making our net consumption for this purpose about \$30,000,000 of gold, while that of silver was about \$12,000,000 in value.

The amount of gold imported into the United States since the beginning of the war is in round terms \$1,100,000,000, and the exports in the same period about \$275,000,000, making the net imports in that period over \$800,000,000, while the product of our own mines in that same period has exceeded \$200,000,000, thus making the additions to our gold stock since the beginning of the war approximately one billion dollars. Of the \$16,500,000,000 gold produced in the world

since the discovery of America, \$3,830,000,000 was produced in the United States; of the \$15,500,000,000 of silver \$1,800,000,000 was produced in the United States. The amount of gold in the United States on December 31, 1916, was \$2,741,669,000, against \$1,877,271,000 at the beginning of the war August 1, 1914.

COST OF CANNING 1916.

In view of the abnormally high prices quoted by Canadian firms on this year's stock of canned tomatoes, the following estimate, submitted by an American canner from Indiana, will be of interest:

Tomatoes used, tons	815.5
Packed, cases	17,500
No. 3 tomatoes, cans	17,500
Average yield to the ton	515
Buckets peeled	14 qts.

Summary—

Cans	\$0.48
Cases . . . . .	.11
Seed and plants . . . . .	.01
Labels . . . . .	.02
Coal, electricity . . . . .	.0175
Leaks, swells and rusties . . . . .	.0075
Insurance . . . . .	.011
Interest . . . . .	.017
General expense . . . . .	.02
Brokerage, commission, discount, etc. . . . .	.06
Labeling, loading . . . . .	.01
Unloading . . . . .	.012
Season men . . . . .	.06
Peeling . . . . .	.095
Factory day labor . . . . .	.14
Tomatoes . . . . .	.42
Depreciation of plant and crates . . . . .	.07

Per case	\$1.56
Per dozen . . . . .	.78

HEAVY SUGAR CROP IN CUBA.

Cuba's sugar yield for 1916-1917 will be a record-breaking one, according to cable advices received by the Federal Sugar Refining Company of New York. The current crop will amount to 3,466,000 tons, as compared with 3,006,000 tons last year and 2,582,245 in the previous season, according to the messages. The large output is attributed largely to favorable weather.

National Service Week

Every Man in Canada Will Have a Card to Fill Out Soon.

National Service Week is drawing very near and the fact that the first week of the New Year bears that title is something in which everyone in Canada has an interest. The men are interested because it is obligatory upon each of them, between the ages of 16 and 65 years, to fill out one of the cards which the Government is sending to them through the Post Office authorities. The women are interested because their co-operation is being invited, in seeing that their men-folk attend to this important duty. The children are interested because their school teachers have explained to them the meaning of National Service and the way in which father and the big brothers-at home have to reply to the various questions.

To write in the answers and return the card promptly is a good New Year's resolution for every man throughout the Dominion and it has the advantage of being easy of fulfilment. It only means a few minutes' careful thought. The postman in the cities gets the hard work, for he has not only to deliver the cards; he is responsible also for their proper return. Prompt mailing of the answers will make the postman's work very much easier.

National Service means that we are to get into that frame of mind which will cause us to think of the needs of the country, to realize that the interests of the State have a greater claim on us than our self-interest. This applies to everyone, from the highest in the land to the lowest. The Prince of Wales' motto: "I serve," may well be the motto of every citizen of the British Empire at this time.

There are many ways of serving the nation besides going to the front. The man on the farm and the mechanic in a workshop may be serving the nation as usefully as the man in the trenches. Every man should be doing the work which represents his most efficient service to his country.

The war is teaching us, or should be teaching us, great lessons. Terrible as are its effects, those who have faith in Canadian manhood hope and believe that the nation will emerge from this experience a stronger and a better people. If the meaning of National Service is thoroughly grasped and properly understood, if the Government's call for information is responded to in the right spirit, the coming year will be the banner year in Canada's history.

HIGHER INDEX NUMBER FOR CANADIAN COMMODITIES.

The Labor Department's index number for November shows another increase in commodity prices, being 198.4, as compared with 187.2 for October and 158.7 for November of last year. The average cost of a weekly budget for food in a workingman's family is now \$10.50, an increase of 65c per week over October, and of \$2.03 over November, 1915.

During the month there were sharp increases noted in the prices of dairy products, fruits and vegetables, grain and in miscellaneous groceries. As compared with a year-ago foodstuffs cost 25 per cent more now. In addition there has been corresponding increases in textiles, boots and shoes, iron and steel and in nearly all other commodities.

As an offset to this, the reports to the Labor Department tell, however, of many increases in wages, particularly in coal mining and transportation. These increases vary from 5 to 10 per cent.

An instance of departmental action under the new high cost of living regulations, whereby one community may be saved from another added burden, is given in a notification just sent by Hon. Mr. Crothers to the milk dealers of Sydney, N.S. These dealers met recently and decided to raise the price of milk from 10c to 12c. The Minister of Labor has notified them that if the price is raised they will be liable to criminal prosecution for having combined to increase their price.

ANGLO-PORTUGUESE TRADE REVIVES.

A movement is on foot to organize an Anglo-Portuguese institute, which will have as one of its principal objects the renewal of the ancient trading relations between the two countries.

Northwest Commercial Travellers' Association

The annual meeting of the Northwest Commercial Travellers' Association was held in Winnipeg on December 16th. The annual report submitted by President J. M. Scott, showed an increase in membership during the year of 247 members. The membership now stands at 5,722. During the year nine members of the association had been killed in action. As to trade conditions the report states that there is reason to be grateful that in spite of the reduction in production of cereals in many parts of the northwest, the financial result achieved by the year's working was eminently satisfactory. The report also pointed out that steps were being taken to prepare for post-war conditions and that the association had joined a number of other organizations with a view to preventing as far as possible any undue stress. "Our main efforts are directed to see that while prosecuting our business as far as possible in a normal way, we also do everything in our power to lend our assistance to the Empire in pushing the war to a successful and speedy conclusion," states the report, and goes on to express pride in the fact that many members of the association are now serving overseas.

The treasurer's report showed an increase in net worth during the year of \$30,877, while patriotic grants to the amount of \$1,500 have been made. In spite of increased expenses incurred by war taxes, surplus and net assets amounting to \$478,700 were shown.

The new officers of the association are: George Bolton who is connected with Campbell Bros. and Wilson, president; O. H. Dingman (Gutta Percha Rubber Co.), vice-president; L. C. McIntyre, treasurer; and F. J. C. Cox, secretary.

Mr. McIntyre enters upon his 21st term of office as treasurer and in recognition of services so well and diligently rendered, he was presented with a diamond set locket. Mr. Cox has been secretary of the association for 16 years and sincere appreciation of his services was expressed by every member present.

Increase in Canadian Coal Production

The Dominion Department of Mines has received from the principal coal operators in Canada, returns of their production for ten months supplemented in most cases with estimates for November and December.

On the basis of the record available, it is estimated that the total production of coal in Canada, during the calendar year 1916 will approximate 14,365,000 short tons (equivalent to 12,825,892 gross tons). The estimate is believed to be fairly close for Nova Scotia and British Columbia. In Alberta, however, there are so many small operators that final returns may show a wider variation from the estimates now made.

By provinces, the estimate is as follows, the figures for 1915 being included for comparison.

	Production of Coal		Increase or Decrease
	1915	1916	
Nova Scotia	7,463,370	6,950,000	513,370
New Brunswick	127,391	135,000	7,609
Saskatchewan	240,107	260,000	19,893
Alberta	3,360,818	4,400,000	1,039,182
British Columbia	2,065,613	2,620,000	554,387
Yukon	9,724	.....	.....
Total	13,267,023	14,365,000	1,097,977

The 1916 production exceeded that of the two previous years the increase over 1915 being about 8 per cent. Nova Scotia is apparently the only province that has not made an increased production, the falling off in this province being a little less than 8 per cent. The increase in Alberta is nearly 32 per cent and in British Columbia nearly 27 per cent. The production in New Brunswick, Saskatchewan and British Columbia is the highest on record. No estimates are available yet as to the Yukon output.

Dominion Commercial Travellers Elect Officers

The annual meeting of the Dominion Commercial Travellers' Association was held in Montreal on December 16th. The financial statement presented showed a surplus of \$571,179. A resolution that mortuary benefits payable to class A members should be reduced from \$1,200 to \$1,000 was defeated by a considerable majority.

The following officers were elected: President, James Armstrong; first vice-president, Romeo Brosseau; second vice-president, John P. Harrison; treasurer, Maxwell Murdock; past president, R. C. Wilkins; directors retiring in 1918; J. M. S. Carroll, J. A. Nadeau, W. Blanchard, A. Leslie Allan and E. W. Charlton. The directors who retire in 1917 are: A. Glackmeyer, W. J. Joyce, P. J. Plante, J. Chas. Shea and John O'Donnell.

At the annual meeting of the Dominion Commercial Travellers' Mutual Benefit Society, the same evening a presentation, consisting of an illuminated address was made to the retiring treasurer, Chas. Gurd, who has acted in this capacity for a number of years. F. S. Cote was elected to fill the position. The society decided to obtain more members, and the following officers were elected: President, M. Salomon; vice-president, W. J. Joyce; treasurer, F. S. Cote; past president, Charles Roberts. Trustees: D. Watson, J. McLeilan, R. Laurence, L. L. Bernard, J. E. Lyall, S. S. Woodward, E. A. Corcoran.

The World's Food Supplies

A recent report published by the International Institute of Agriculture, Rome, under date of Dec. 2, contains a great deal of interesting and valuable information regarding the available stocks of wheat and other grains in the various producing countries of the world. The report takes into consideration the failure of the northern hemisphere harvests this year, particularly those of Canada and the United States; the unreleased crops of Russia owing to the continued closing of the Dardanelles; the extra and unusual consumption of food by the armies; the increased difficulty of raising certain crops; and the fact

consumption increases year by year, partly due to population increases, whereby a crop which does no more than attain to an antecedent average is actually an insufficient one.

The general conclusion of the report, while not favorable, indicates that if every nation, irrespective of those at war, exercises close economy there may be a narrow margin of surplus food left at the beginning of the next harvest year. It is also made clear that should the next harvest be no better than the present the situation will be serious.

The report states: "It is clear that no one can estimate with any precision what may be the actual consumption of the world during the period dividing us from the next harvest." However, it places the consumption of wheat in the Northern Hemisphere countries, and arrives at a total estimated consumption of 3,836,648,364 bushels. Taking into account all existing wheat given this consumption figure the report finds that the wheat surplus by July 31 next will be but 46,281,609 bushels, and that this surplus will exist because of the preceding abundant harvest whereby 345,385,140 bushels of stored wheat were available to add to this year's crop is therefore but 3,491,263,224 bushels, as compared to 4,062,567,000 bushels last year.

The report estimates that stores of Russian wheat so far unavailable for military reasons at a total of 303,580,000 bushels. If this wheat is released at any time within the next calendar year the food situation will be made easier, though not if the next harvest fails.

AMERICAN CHAMBER OF COMMERCE ORGANIZED IN LONDON.

Organization has been effected of the American Chamber of Commerce in London, to further business relations between the United States and the United Kingdom. G. M. Cassat, of the Remington Typewriter Company, is president; James E. Dunning, of the National City Bank, is secretary, and Robert Grant, Boston banker, is treasurer. Ambassador Page and Consul General Skinner are ex-officio members of the board of directors.

Eight life members were elected at the first meeting. It is understood that the organization will have the support of both Governments.

Public Opinion

THE THREAT OF PEACE.

(Boston News Bureau.)

The stock market setback this week was, for the peace of this country, one of the best of recent happenings. It advertised to investors, speculators, bankers and business men that they have prospered from the war and that they must be conservative in their commitments.

It will also emphasize to many the real issues at stake in Europe. People who believe in the "threatened" peace of Germany should now look at the map and see what Europe is fighting over.

For a generation the struggle in Europe around the Balkan states has been over the question of who would dominate, at Constantinople, the southern water way to Russia and the overland route to India.

Germany fifty years ago conquered Austria, annexed her politically, picked a quarrel with France in 1870, took Alsace-Lorraine and endeavored to make for herself a new and impregnable western boundary.

Then she built her steamers, got her base in China, intrigued with the Turk, imposed her will by commercial treaties on Russia after the Japanese war, secured the Bagdad Railroad building toward the Persian Gulf, got Austria to snatch Bosnia and Herzegovina, allied with Italy; built her navy, her zeppelins and her submarines for the conquest of England if England would not with her divide the world.

She has demanded dominion over the Balkan nations and the control of the route to the Persian Gulf, to India and the East.

Her audacity was so preposterous as to be unbelievable. Yet she has now physically accomplished her purpose. She has bisected Europe, and with the Turk and the Austrian is in temporary control from the Baltic Sea to Constantinople and the East.

She threatens terms of peace by keeping what she has, making Poland a barrier against Russia and yielding up a devastated Belgium and northern France for the return of her colonies.

Thus war has only been equaled by this most audacious threat of peace. Germany declares "Grant me this, or, before high heaven, you are responsible for the further flow of blood!"

And the American stock market wilts before this threat of peace.

SUBSTITUTES FOR BUTTER.

(Toronto Globe.)

Agitation for relief in the manufacture of oleomargarine should be conducted in the light of current experience. If we continue under a tariff more burdensome economically than war the right to manufacture may confer no general advantage. A combine or gentlemen's agreement could easily advance the price to the level of genuine butter if the people were restricted to local producers. Domestic production could not afford relief as in the case of excessive charges for bread. The substitute for butter must be made on an extensive scale, and men engaging in the enterprise naturally seek the best possible returns. They must be expected to sell not as cheap but as dear as possible. The greatest triumphs in chemistry, in mechanics, or in any line of production may be rendered of no use by bad economic legislation. It would be a piece of unpardonable stupidity to revise the law regarding oleomargarine and leave the public no better off than at present.

LOST MORE THAN SHE HAS GAINED.

(New York World.)

In submitting peace proposals the German government is in reality re-opening the negotiations which it closed when the Chancellor declined to accept Sir Edward Grey's suggestions. Germany in the meantime has had her war. Even her Junkers and her Bernhards and her Tirpitzes and her Crown Prince party have had their fill of it. And what has Germany to show for it, in spite of the hostile territory occupied by her armies? Nothing but death and devastation and a reputation for bad faith which will require a century of right living to obliterate.

POTATOES AND PEACE.

(The Wall Street Journal.)

Men who have been raised in rural communities, especially in the South, are well acquainted with tricks of the raccoon. Where plentiful, this animal is a nuisance through destruction of unharvested corn, with occasional forays on the hen roost. Farm boys organize 'coon hunts by night.

Bobby Coon is a savage fighter so long as he is getting the best of it, but as soon as he feels the dogs have the advantage, he tries for the tree again. If this escape is barred, he invariably sets up a cry which hunters have translated into "Don't tear my coat; don't tear my coat!" The cry now coming from central Europe bears a resemblance to that same shriek of despair.

Several reasons have combined to bring out this cry. The humble potato, among other things, is part in making Germany hungry for peace. This is because Germany is hungry for potatoes. This food product has been of inestimable value to Germany the past two years. One abundant harvest of them saved the people from famine. It was used to make up deficiency in wheat for bread-making, and eked out the general shortage of all foods. Shut off as the empire has been from supplies of petroleum for gasoline purposes, the potato probably furnished alcohol as a substitute.

Crop news from Germany has not been plentiful since the war. But from information from nearby neutral countries, it would appear that harvests of the central powers are small. It would be also a reasonable inference that Germany would be affected by the same climatic conditions that resulted in crop failures in surrounding countries. The livestock situation makes their position still more acute. In 1915 swine had decreased 32 per cent in two years and sheep 8 per cent. Add the fact that Germany was a heavy importer of fats, oils, meats and other animal products, and hardships in this direction can be imagined.

Our own potato crop is the smallest harvested in years. The same seems to be true in other countries that produce them in abundance. Weight, therefore, can be given to reports that Germany's potato crop, its mainstay, is about 40 per cent of last year's. The chancellor may talk about abundant food, but cannot put an extra potato on an empty pantry shelf.

Before an empty stomach even kings must bow. The chancellor's speech may sound like a defiant war cry, but running through it is another note that sounds like "Don't tear my coat; don't tear my coat."

BOSTON AND "BILLY" SUNDAY.

(New York Herald.)

New York might as well accept the inevitable and be good. Boston, which has always defined Hades as a state of mind, has quickly accepted the Rev. "Billy" Sunday's positive assertion that it is a place and that the place is not far from the Hub. This is important because Mr. Sunday is coming here in April, and there is a suspicion he may surprise us by unearthing a Gehenna in this good city, where nobody ever suspected such a thing, or place, or state to exist.

If Boston, where a Lowell speaks only to a Cabot and a Cabot only to God, succumbs so readily to Mr. Sunday's appeals couched in a language which its effete citizens are supposed not to understand, what chance has New York, the fount of American slang, to escape from "hitting the trail?" New York might preferably begin at once to practice howling to the inevitable.

DIDN'T SULK WHEN "SCRAPPED."

(New York Sun.)

In England there is a soldier who must be intensely interested in the report that the old hero Joffre will be withdrawn from active circulation on the western front. The name of the Englishman is John Denton Pinkstone French, late commander-in-chief of the expeditionary forces in France, who did such memorable work with the first one hundred thousand and who did not sulk in his tent when he was "scrapped," but set about reorganizing and training the home army. He has made a fine job of it.

WHEN TANK MEETS TANK.

(Boston News Bureau.)

News from Roumania of a new German armored automobile, 25 feet long, with wheels a foot wide, encased in solid rubber, propelled by a 100 horsepower engine, capable of carrying ten men and machine guns, is proclaimed with an assurance intended to give impression that this monster is calculated to outtank the British tank.

Asserted speed of 25 miles an hour may show superiority in this respect over the snail-like English tank; but can it cross trenches, bridge chasms, knock down and clamber over buildings?

These inventions are symptomatic in one respect, at least, of English and German mental characteristics — the one a leader in inventive genius, the other an able imitator with clever adaptability.

Of 70 odd basic inventions of world-wide importance, conceived since about the middle of the 17th century, the Teutonic allies have been but small contributors. Bulgaria and Turkey furnished none; Austria, one; and Germany four—a total of five. Entente allies are credited with 34, of which Italy boasts two, France, 12, Great Britain, 20.

"Yankee ingenuity," moreover, gives added evidence of superior capacity for great invention among English-speaking peoples, for during the past 250 years Americans have originated nearly as many great inventions as all the rest of the world. Among these are the cotton gin, successful steam navigation, friction matches, typewriter, electric telegraph, sewing machine and the telephone.

Whether or not protracted war stimulates invention, it is noteworthy that nearly a fifth of our great inventions were brought out from 1861 to 1866, including the iron-clad steam battery, gatling gun, automobile torpedo, etc. About two-thirds of the great English inventions in the last 2½ centuries were conceived during war times.

DEPENDS ON LLOYD GEORGE.

(New York Times.)

If the British people have made change for the better we trust that their decision will be speedily justified. It all seems to depend upon Lloyd George, the head of the ministry. His capacity is great, his energy seems to have no limits, his efficiency has been demonstrated. But his responsibility is also immeasurable. Just as Lord Northcliffe, who is looked upon as the man chiefly responsible for the change of ministry, must bear great responsibilities, and must also assume their correlative risks, so the new ministry, and in particular the war council, is under the deepest obligation to pluck success from seeming failure in the prosecution of the war. It must succeed, the alternative it cannot face.

PATIENCE IS REWARDED.

(Wall Street Journal.)

There are few, if any, groups of stocks which have not participated to some extent in the recent rise, and most of these have at one time or another been tipped in rooms of Exchange houses during the last two months.

There has not been so much money made in a great many cases, owing to a lack of patience, and it is remarkable how many customers complain of having gotten into a stock only to tire in a week or so and get out just before the substantial advance.

A well-known trader says this is part of the psychology of watching the tape too closely. One buys a stock on what is believed a "good tip" and the stock is certainly in line for an advance in view of earnings, etc. It does not rise immediately, but dozens of other issues show big gains daily. Meanwhile the particular stock you bought is not only not going up but actually is dull and heavy. One fine day you get a tip on another issue and, being tired of the stock you hold which refuses to budge, you switch. In nine cases out of ten within a few days, sometimes hours, the stock you got out of is one of those which enjoys a substantial rise and you are still holding a dead one.

NO TABLE STAKES HERE.

(Wall Street Journal.)

In the great game of poker which she herself inaugurated, Germany has the greater part of the counters on the table and is now willing to cash in. She forgets that she is playing opponents with inexhaustible resources in a game without a limit, which cannot, moreover, be called without the consent of all the players.

Mentioned in Despatches

Marquis Guiseppe Salvago-Raggi.—Italy's new ambassador to France is the Marquis Guiseppe Salvago-Raggi. The new Italian ambassador has had a lengthy diplomatic career, serving among other places in China, where he distinguished himself by his bravery and resourcefulness during the Boxer rebellion. He is regarded as one of the ablest of the Italian diplomats and readily deserves the blue ribbon among ambassadorial posts.

William Gray, Member of Parliament for London, Ont., has just died after a long illness. The late member was born at Newcastle in 1862, educated at Guelph and Galt, and then went into business as a financial agent. He was president of several corporations and an ex-president of the Commercial Travellers' Association in London. He was first elected to the House of Commons at a by-election in 1915 as a Conservative member in succession to the late Major Thomas Beattie.

Dr. A. B. Macallum, who has been appointed head of the Industrial and Scientific Research Bureau, is a professor at the University of Toronto. "Andy," as he was known to his students, is a scientist of world renown, and has brought not only himself but his Alma Mater into prominence as a result of his scientific investigations. He was born at Belmont, Ontario, in 1859, educated at the University of Toronto and Johns Hopkins. He has been on the staff of the University of Toronto for upwards of thirty years.

Professor Hugo Munsterberg, the mouthpiece of the pro-German element in the United States, dropped dead at Harvard while delivering a lecture a few days ago. Munsterberg has defended everything that Germany has ever done from the violation of Belgian neutrality to the sinking of the Lusitania and the deportation of Belgian workmen. He was born in Germany in 1863, and came to Harvard a quarter of a century ago. A few years ago he returned to Germany as the Harvard Exchange professor at the University of Berlin, but a few years later returned to Harvard and again took up his duties. He was a typical German professor, totally subservient to Prussian military oligarchy and consequently totally incapable of grasping any other viewpoint.

Brig.-Gen. Maude.—Canadians will be doubly interested in the news from Mesopotamia at the present time owing to the fact that the man in charge of military affairs there is Brig.-Gen. Maude, who was stationed at Rideau Hall from 1901-1904 as military secretary to the Governor-General. Maude is the son of a general, and thereby inherits a tendency to military matters, although in Canada he was best known for his strictness in regard to deportment and form. He was born in England in 1864, a son of Gen. Sir F. Maude, and was educated at Sandhurst. He saw service in a half score border wars, as well as the South African War, and is generally regarded as being one of the best and most experienced generals Britain has in her service. It is to be hoped that he will win out where the others failed to get through.

The Hon. Robert Mackay, Dominion Senator, director of a score of corporations and a prominent figure in the political and business life of Canada's commercial metropolis, has just died in his seventy-seventh year. The late Senator Mackay was of Scottish birth, but came to Canada as a boy of sixteen and went into the wholesale dry goods business with his two older brothers, in which he amassed a fortune. He retired from the wholesale dry goods business some years ago, but retained a close connection with the business world through numerous directorates. These included the Canadian Pacific Railway, the Bank of Montreal, Dominion Textile Company, the Dominion Steel Corporation, City and District Savings Bank, the Montreal Light, Heat and Power Company, Canada Paper Company, Paton Manufacturing Company, and the Shedden Forwarding Company. He was also a former head of the Montreal Harbor Commission, and an ex-president of the Montreal Reform Club. The dead Senator also took a keen interest in militia matters, being honorary colonel of the 5th Royal Highlanders of Montreal. He was called to the Senate in 1901 by Sir Wilfrid Laurier. The late Senator maintained a summer home at St. Andrews.

Senator Tittoni, Italian Ambassador to France, has retired from the post as a result of ill-health. Tittoni is said to be very unpopular in Italy except with the King, and would have lost his post years ago had it not been for the friendship of Victor Emmanuel. Tittoni was educated at Oxford and at Liege. At the former place he took a brilliant course and made a big name for himself as a speaker, writer, and as an athlete. On his return to his native country, he gave great promise of achieving every possible success, but domestic and financial difficulties rather spoiled his chances and made a great many enemies for him.

Lt.-Col. (Doctor) Andrew R. Gordon, a Toronto physician and brother of "Ralph Connor," has just died at his home in the Queen City. The Doctor was himself on active service, but was invalided home some months ago. He has three brothers at the present time on active service and a nephew, while a brother-in-law was killed a few days ago. He was a doctor rather than a military man, and enjoyed a very extensive practice in Toronto when the call for physicians came from the front. He went over in charge of one of the military hospitals and performed almost superhuman feats in ministering to the wounded, which brought on an illness from which he died.

Sir Leo Chiozza Money, M.P., and as his name suggests a brilliant economist, is the latest prominent British writer to take issue with the United States for her policy during the war. In a special article entitled "Trustees of Civilization—The United States as Judge of the Supreme Court" he gives many reasons why the United States should have entered the war on the side of the Entente Allies. Such co-operation would have made for a prolonged world peace. Money was born in Genoa in 1870, and for many years was managing editor of the Commercial Intelligence. He has written scores of books and articles on trade and tariff matters, and on social and economic questions, and ranks with Paish and Hirst as the ablest writers on economic matters in Great Britain.

Sir Alfred Mond.—The Westminster Gazette is coming in for some severe criticism because of its suggestion that the British consider Germany's peace proposals. The Westminster Gazette is owned by and is the mouthpiece of Sir Alfred Mond and in pre-war days was generally regarded as the advocate of closer relations between Germany and Britain. Mond, who was born in England, is a son of a naturalized German. He is known as the "Nickel King," through his ownership of nickel mines in the Sudbury district and his smelter at Swansea, Wales. He is intensely radical, very democratic and a man of unusual force and ability. It is somewhat surprising that a man of German descent should be given a place in the Lloyd George Cabinet, especially when several members of the Asquith Cabinet were thrown out because of their alleged pro-German sympathies.

Father Lacombe, the Jesuit missionary, whose death has just occurred at Calgary, was probably the last of the famous French priests who made the Canadian Northwest famous. In the early days of Canada's history the priests were the pioneers, and divided with the fur trapper the honor of exploring the unknown. Father Lacombe was born in the Province of Quebec in 1827, and was educated at L'Assomption College. For nearly three-quarters of a century he wandered up and down through the Northwest Territories establishing schools and colleges, and preaching to the Indians, the half-breeds and the pioneer settlers who had ventured into the unknown. Throughout the entire West his name became a household word, the aged priest being held in the highest reverence. Father Lacombe used to tell a story about going up to the Windsor Station when Lord Shaughnessy was named president of the C. P. R. "I went up to see my dear friend Shaughnessy, telling him that I was glad that one of our own good Catholics was at last at the head of the Canadian Pacific. Then I asked a favor, but he looked at me very gravely and said: 'Father Lacombe, I dare not; they are watching me.'" "Why," added the venerable missionary, "I can get more out of my Orange friend, Mackenzie-Bowell."

Capt. Albert Ball is the champion British air fighter, as he has just brought down his twenty-ninth German machine. He joined the army as a private when only seventeen years of age, but later was given a commission and then transferred to the Flying Corps. He has taken part in no fewer than eighty-four air fights and has won the D. S. O., the Military Cross, and pretty nearly every other decoration that can be conferred upon him by a grateful country. Despite his marked success he modestly ascribes most of it to luck, saying that his German opponents did not have the luck he has had.

The Hon. W. J. Hanna, Provincial Secretary of Ontario, who has resigned, was the strong man of the Ontario Cabinet. As a matter of fact, Hanna was the ablest man in public life in Ontario, as has been shown by the excellent administrative work carried on in his department, which included the supervision of prisons and reformatories. He was born in Western Ontario in 1862, educated as a lawyer, and practised his profession at Sarnia. While taking a keen interest in political affairs he has maintained at the same time a large connection with financial and industrial corporations, being director of the Sterling Bank, vice-president of the Empire Oil Company. He was first elected to the Ontario House in 1902 for West Lambton, and made Provincial Secretary in 1905.

Field Marshal Prince Oyama, Commander-in-Chief of the Manchurian Army in Japan during the Russo-Japanese War, has just died in his seventy-fifth year. Oyama was a remarkable type of Oriental and was one of the first of the Japanese to investigate Western military affairs. He was attached to the Prussian staff during the Franco-Prussian War, and then returned to Japan, where he put into practice many of the methods he learned in Europe. He was successful in putting down a rebellion in Japan, defeated China in the war of 1894, and then in the great war with Russia was Commander-in-Chief of the Japanese forces and won a series of brilliant victories. In many respects he was the grand old man of Japan.

Sir Edward Carson was provided by Lloyd George in the selection of his cabinet was the choosing of Sir Edward Carson as First Lord of the Admiralty. A. G. Gardiner, writing the Government before the war to co-operate with the support of the Government after war broke out, as a case of the poacher turning game-keeper. Carson was the mouthpiece, leader and fire brand of the Ulsterites in their opposition to Home Rule, and openly defied the Government on many occasions, declaring that he would break any and every law rather than submit. In the early days of the Coalition Cabinet he accepted a Portfolio, but was unable to agree with his colleagues over the Irish question and quit. Now he is back again in harness, but to the ordinary outsider or layman he looks somewhat out of place. However, Lloyd George has upset many traditions, and the inclusion of Carson is but another in the long list.

John Hodge.—One of the most significant features of the Lloyd George Cabinet is the large place given to labor. Nobody knows the importance of securing the co-operation of the labor element better than Lloyd George himself. In his uphill fight as Minister of Munitions he at time upbraided the labor men and at other times praised them, but finally won their support and co-operation. He recognizes that the war is to be won by big guns and plenty of shells and hopes by giving the labor a big voice in the direction of affairs to secure ample munitions of war. John Hodge, who enters the cabinet as Minister of Labor, is Member of Parliament for one of the Lancashire divisions and secretary of the British Smelters Association. He was born in Scotland and after a good education became an iron worker, but later organized the association of which he is now secretary. He is a man of great force and, with such a man as the Hon. Arthur Henderson, will be able to keep the labor party in control. Another labor member is George N. Barnes, who is Minister of Pensions. He represents a Glasgow division in Parliament, and in the cabinet he will have charge of the important work of seeing that adequate provision is made for the soldiers and sailors who are fighting the battles of the Empire. This will still further solidify the labor element.

Montreal Export Flour Trade

The following table shows the exports of flour, oatmeal and rolled oats from the port of Montreal to the different foreign markets for the season 1916, with comparisons:

Table with columns for 1916 and 1915, sub-columns for Flour, Meal, Rolled Oats, and Oats, and rows for various ports like London, Glasgow, South Africa, etc.

NEW COMPANIES.

The following companies obtained Federal incorporation last week: Metal Foundries of Canada, Ltd., \$50,000; Golden Bay Fishing Co., Ltd., \$20,000; British Cordite Co., Ltd., \$50,000; Dominion Iron & Wrecking Co., Ltd., \$50,000 all of Montreal.

Gibbons Motor Car Co., Ltd., \$1,000,000, and the Talbot Ranch Ltd., \$60,000, all of Toronto.

The St. Louis Auto Machinery Co., Ltd., \$40,000, Windsor, Ont.; Three Rivers Industrial Co., Ltd., \$45,000, Three Rivers; Progressive Farmers' Association, Ltd., \$50,000, Ottawa; Ardis Candy Co., Ltd., \$40,000, Ottawa R.; Stewart & Son, Ltd., \$50,000, Ottawa; the Northern Bolt Screw & Wire Co., Ltd., \$500,000, Owen Sound, Ont.; Big Three Co., Ltd., \$10,000, Winnipeg; Hurd & Co., Ltd., \$40,000, Ottawa.

The Western Electric Co., Ltd., is increasing its capital stock from \$1,000,000 to \$7,500,000.

The following Provincial charters were granted:

ONTARIO: Porcupine V.N.T. Gold Mines, Limited, Toronto, \$3,000,000; South Bay Power Co., Ltd., Toronto, \$1,000,000; Empire Brush Co., Ltd., Toronto, \$40,000; The Rosedale Motors, Limited, Toronto, \$200,000; Britnell-Jennings Garage, Limited, Toronto, \$40,000; The Equity Sales Corporation, Toronto, Limited, \$150,000; The Chartered Investments, Limited, Toronto, \$100,000; The St. Catharines Machinery Co., Ltd., St. Catharines, \$40,000; The Groch Centrifugal Flotation, Limited, Cobalt, \$25,000; The G. W. Stout, Limited, Hamilton \$40,000; The Trusty House, Limited, Hamilton, \$48,000; The Cavan Rural Telephone Co., Ltd., \$3,500; The Dalyle Lamp Co., Ltd., Guelph \$200,000.

BRITISH COLUMBIA: Dickinson & Buckerfield Limited, Mission City, \$20,000; General Machinery & Equipment Co., Limited, Vancouver, \$10,000; Provincial Canning Co., Ltd., Victoria, \$35,000.

QUEBEC: La Compagnie Fortin Limitee, Roberval, Que., \$20,000; La Compagnie Immobiliere du Parc Amherst Limitee, Montreal, \$49,000; La Compagnie d'Aqueduc de Sainte-Rose du-Degele, Ste. Rose du Degele, \$20,000; A. Henderson Limited, Shawbridge, \$10,000; R. M. K. Novelty Manufacturing Company, Montreal, \$19,000; Majestic Theatre Co., Ltd., Montreal, \$250,000.

MONTREAL GRAIN EXPORT TRADE.

The heavy totals attained in the grain export trade from the port of Montreal indicate a prosperous season just closed. The total exports of all kinds of grain amount to 71,589,016 bushels, as compared with 43,166,771 bushels in 1915, a gain of 65%. The gain appears to be almost entirely in coarse grains as wheat totals are practically identical, being 24,667,656 bushels for 1916 and 24,319,628 for 1915.

From a monetary point of view it has been a good season for exporters, as prices on the whole have been on a higher level than in the previous year. The wheat markets have been the scene of wild speculation, and prices have consequently risen and declined at times in the most sensational manner.

An important action was taken by the British Government on October 9, 1916, when they decided to take over all the imports of wheat into the United King-

dom, which practically shut out exporters from doing any further business in the standard grades of that grain for the balance of the season.

Freight rates fluctuated considerably during the year. A sharp drop from 18s to London in May down to 3s.6d to London and Liverpool in June is an outstanding feature. In 1915 the highest rate was 13s 9d and the lowest 5s 3d. Since the close of navigation this year as high as 23s has been paid, freights being so scarce at the present time that export business is considerably curtailed in all lines.

Table showing fluctuations in ocean grain freights from the port of Montreal to Liverpool for the season 1916, with columns for month and rates in s. d.

Total shipments of wheat from the port of Montreal amounted to 34,668,656 bu. for 1916, as compared with 34,319,628 bu. for 1915 and 60,618,057 bu. for 1914. Shipments of corn amounted to 5,201,056, bu. for 1916 and 166,375 bu. for 1915; oats totalled 26,616,786 bu. for 1916, 7,265,560 bu. for 1915 and 8,408,130 bu. for 1914; barley, 4,000,120 bu. for 1916, 1,397,014 bu. for 1915 and 4,403,015 bu. for 1914; rye, 685,406 bu. for 1916 as compared with 366,460 bu. for 1914. Total exports of grain amounted to 71,589,046 bu. for 1916, as compared with 43,166,771 bu. for 1915 and 74,068,938 for 1914.

PIG IRON AND STEEL IN 1916.

The Dominion Department of Mines has received from the producers a record of the production of pig iron and of steel ingots and castings during the first eleven months of the year which together with estimates for December show a probable production of pig iron in Canada during the twelve months ending December 31, 1916 of 1,171,727 short tons (1,046,185 gross tons) and a probable production of steel ingots and direct steel castings of 1,454,124 short tons (1,298,325 gross tons), of which 1,423,485 short tons were steel ingots and 30,639 short tons were direct castings.

The production of pig iron in 1915 was 913,775 short tons and of steel ingots and castings 1,020,896 short tons, showing an increase in the production of pig iron in 1916 of about 28 per cent and an increase in production of steel ingots and castings of over 42 per cent.

The 1916 production was greater than that of any previous year, the second largest production of pig iron having been 1,128,967 short tons in 1913 and of steel ingots and castings 1,168,993 short tons also in 1913.

The production in 1916 during the first six months and monthly during the last six months was as follows in gross tons:

Table showing production of Pig Iron, Steel Ingots, Dir. Castings, and Total Gross Tons for six months ending June, July, August, September, October, November (partly estimated), and December (estimate).

Of the total production of steel ingots and castings in 1916, about 43,790 short tons (39,098 gross tons) were made in electric furnaces. In 1915 only 61 short tons were reported as having been made in electric furnaces.

GOOD FLOUR FROM LOW GRADE WHEAT.

Investigations of the quality of various low grades of wheat in their relation to flour production have been conducted recently by Dr. Birchard of the Dominion Grain Research Laboratory at Winnipeg. The tests show that there is very little difference in the quantities of flour produced from the various grades and the appearance of the bread, only an epicure could point out which is the better loaf.

The tests have been made with the view of furthering the sale of the low grades of wheat for milling purposes. The regular grades show more flour than the specials.

The following is the list of tests: Bran and Clean—

No. 3 northern—Bran and cleaning, loss, 24.5; No. 4 regular, 26; special No. 4, 27; No. 5 regular, 27.5; special No. 5, 31.

Coarse shorts—No. 3 northern, 2.5; No. 4 regular, 2; special No. 4, 3; No. 5 regular 5; special No. 5, 2, Fine shorts—No. 3 northern, 3; No. 4 regular, 3.5; special No. 4, 3; No. 5 regular, 4.5; special No. 5, 4.5.

Amount of flaw—No. 3 northern, 70 per cent; No. 4 regular, 68.5 per cent; special No. 4, 67 per cent; No. 5 regular, 63 per cent; special No. 5, 62.5 per cent.

"BUFFALO BILL".

Col. W. F. Cody, better known as "Buffalo Bill", is seriously ill and all hopes have been given up of saving his life. The famous hunter, scout and showman was born in 1846 and after serving in the Civil War, became a Government scout and guide. He achieved his fame through a contract to furnish the Kansas Pacific Railway construction gangs with sufficient Buffalo meat to keep them going. In eighteen months (in 1867-8 he killed 4,280 buffaloes from which he earned the name of "Buffalo Bill"). Later he took part in several frontier engagements, but for the last few years has been a showman, putting on what is known as Wild West shows

AMONG THE COMPANIES

PULP AND PAPER SECURITIES

Messrs. Thorton Davidson & Co., of Montreal, discussing the investment market for Canadian industrials incident to the decline of prices during the past week or so, have the following to say regarding the paper industry:

"The break was felt throughout the list, paper and textile shares, particularly the former, coming in for a big drop. The decline in the papers was probably helped along by the fact that investors feared legislation on the part of the United States Government that would curtail profits. But this view is not held seriously by paper manufacturers. The rise in prices has been due simply to a shortage in the supply of paper, and Canadian mills are benefitting at the expense of American consumers. These prices are far from being fictitious, and in the opinion of best known authorities are likely to rule for some time after peace is restored. Norway and Sweden cannot begin immediately peace is restored, to export sulphite in any great quantities. At the same time it will take Germany many months to effect such reconstruction as to allow her to manufacture for export.

"Canadian concerns are greatly strengthening their ability to compete with these countries, and it is doubtful if European competition will ever again be strong enough to oust Canadian pulp and paper from the American and other foreign markets. The greatest danger will be too rapid development of the industry here in Canada. But it will be well into 1918 before there can be any great increase over our present production, and after the war decreased freights and better ocean shipping facilities will greatly extend our markets. These conditions had effected a rapid advance in paper securities during recent months, perhaps, too rapid to allow of proper distribution, but the prosperity of the industry surely warrants much greater strength among the securities than was evidenced last week."

BROMPTON PULP AND PAPER CO.

In their last circular Greenshields and Co. say: The Brompton Pulp and Paper Company has valuable timber limits situated adjacent to the St. Francis River and the physical position of the property is such that delivery of lumber at the mill can be made at low cost.

The water-powers owned and operated by the Company at East Angus and Brompton are extremely valuable, while the mills at both places are of the latest and most efficient type. Earnings for the year which ended October 31, 1916, amounted to \$650,000, which is equivalent to 5 per cent on the common stock issue. Earnings for the first month of the fiscal year under the new regime were at the rate of approximately 20 per cent on the common stock.

T. McAvity Steward of Montreal, and Horace Munro, of Auburn, Me., recently joined the Board of Directors.

ASBESTOS CORPORATION OF CANADA.

Net profits of the Asbestos Corporation of Canada, Ltd., for ten months amounts to \$437,318 against \$386,377 for the full twelve months a year ago and \$343,236 for 1914. After deducting \$146,575 for renewals and betterments in the 10-month period—against \$142,732 for all 1915—and allowing \$125,000 for bond interest, the ten months' surplus was \$165,743, against \$93,594 for 1915 and \$68,183 for 1914. The surplus of \$165,743 for ten months represents earnings at the rate of 4.97 per cent per annum on the preferred. The above figures were furnished when the stock was listed a few days ago.

F. N. BURT CO.

Further evidences of prosperity were shown recently when the directors of the F. N. Burt Co. decided to pay a dividend of 1½ bringing the total disbursement for the year up to 6 per cent on the common. Three dividends of 1 per cent each have been paid this year.



MR. W. G. ROSS,
President Asbestos Corporation of Canada whose securities have been listed on the local exchange.

EXPRESS COMPANY INCREASES WAGES.

The Dominion Express Company has announced a ten per cent wage increase to all its employees now receiving less than \$2,000 a year and having been six months in its employment. The increase amounts to half a million dollars added to wage list.

LAURENTIDE DIVIDEND.

Laurentide directors declared the regular quarterly dividend of 2 per cent payable January 2nd to stock record of December 26th.

NEW BANK DIRECTORS.

At a special meeting held recently two new directors of the Bank of Hamilton were elected to fill vacancies on the board caused by the death of George H. Rutherford, and the illness of C. H. Newton, Winnipeg, W. E. Phin, Hamilton, and I. Pitblado, K.C., Winnipeg, were elected.

NIPISSING MINES.

In addition to the regular dividend of 5 per cent, the directors of the Nipissing Mines Company have declared a bonus of 5 per cent, both being payable on January 20th. The Nipissing financial statement as of December 16th shows cash \$1,231,776; bullion and ore in transit, \$458,367; ore and bullion at mines, 591,362; total cash assets, \$2,281,505.

CANADIAN LOCOMOTIVE CO.

It is announced that the number of locomotives now being built by the Canadian Locomotive Company for the Russian Government is eighty, an order recently placed having been for fifty.

RIORDON PULP AND PAPER CO.

The management of the Riordon Pulp and Paper Co., Ltd., is now in a position to state that the net profit of the Ticonderoga Pulp and Paper Company for the current year, after allowing for Bond Interest, Sinking Fund and Preferred Dividends, will exceed one hundred per cent on the outstanding common stock.

INTERNATIONAL PAPER.

Net profits of the International Paper Co., in October were \$850,000; largest for any month in the company's history.

DOMINION BRIDGE COMPANY.

The annual statement of the Dominion Bridge Company presented at the annual meeting of the shareholders a few days ago, showed net profits for the year, including interest and dividends on investments after deducting depreciation on plant, machinery, etc., amounting to \$2,776,390, which, added to the balance at credit of profit and loss on November 1, 1915, of \$949,100, making a total of \$3,525,491.

The reserve account shows written off for depreciation and renewals \$386,704 accidents in erection \$181,358.

Phelps Johnson, the president, in his remarks to the shareholders says that the St. Lawrence Bridge Company, Limited has been awarded a contract for the machine of 100,000 9.2 shells. The company has received large orders for munitions, and the Lachine works have been chiefly occupied in the manufacture of the same.

The net profits a year ago were \$1,344,347.

DUNDEE JUTE MILLS SOLD UP.

The British government has just placed orders which will mean the appropriation of fully one-half the Dundee jute cloth production. This is the largest demand that has been made on the jute industry during the war. It engages the works extensively until the end of April. The Government itself supplies its raw material. Supplies of jute goods now available for general trade are not large.

DOMINION GLASS COMPANY.

The annual meeting of the Dominion Glass Company was held a few days ago when it was shown that the net profits were slightly above \$454,000 compared with \$353,387 in 1915, and \$625,748 in 1914. The balance at credit of profit and loss is now stated to be slightly in excess of \$1,000,000. A surplus of \$238 was added representing the surplus from the past current years profits.

At a meeting of the new board of directors of the Dominion Glass Co., A. H. Grier was elected to fill the vacancy caused by the death of his father, the late president of the company, G. A. Grier. C. B. Gordon was elected to fill the vacant presidency and Abner Kingman, the vice-presidency. The other directors are C. B. Gordon, Abner Kingman, T. B. Macaulay, W. McMaster, D. A. Gordon, Hon. Lionel Guest, Sir Wm. Wiseman, Bart., Frank W. Rosa.

DETROIT UNITED RAILWAY.

The annual meeting of the shareholders of Detroit United Railway will be held at Detroit on February 6th. At this meeting the shareholders will be asked to approve a resolution authorizing an increase in the capital stock of the company from \$12,500,000 to \$25,000,000.

The reasons given by the directors for the increase in capital are that it will be necessary to incur obligations and expend considerable amounts of money in the acquisition and construction of additional lines of railway, etc., as well as in betterments and improvements, the cost of which would be properly chargeable to capital account. The directors ask authority to issue the new stock from time to time as required.

PENMAN'S LIMITED.

Extraordinary activity in the Canadian woolen manufacturing industry is again brought to notice by the declaration of a second bonus of one per cent on the shares on Penman's in addition to the regular quarterly distribution of 1 per cent, making the distribution for the year 6 per cent, a record for the company. The regular quarterly on preferred was also declared. The other bonus was paid last February.

CANADIAN BANK OF COMMERCE.

The annual statement of the Canadian Bank of Commerce for the year ended November 30th makes several new high records for this well known financial institution. Net profits for the year amount to \$2,439,000 as compared with \$2,252,000 for the previous year. These figures are at the rate of 16.3 per cent on the paid up capital against 15.7 per cent in 1915. The 1916 figures, however, are slightly below the record of 1914. Comparisons for three years follow.

	1916.	1915.	1914.
Profits	\$2,439,415	\$2,252,035	\$2,663,233
Prev. bal.	461,592	1,117,763	384,529
Total	\$2,901,007	\$3,469,798	\$3,052,763
Less -			
Divid.	\$1,500,000	\$1,500,000	\$1,500,000
Bonuses	300,000	300,000	300,000
War tax	117,288	122,906	.....
Pens. F.	80,000	80,000	80,000
Pat., etc.	71,700	5,000	55,000
Deprec. ....	.....	1,000,000	.....

Total ded.	\$2,098,988	\$3,007,906	\$1,935,000
Balance	\$ 892,319	\$ 461,892	\$1,117,763

Comparisons of some of the leading features of the balance sheet follow:

	1916.	1915.
Circulation	\$ 19,259,347	\$ 16,397,907
Deposits dem.	62,481,972	52,964,795
Do. not	167,412,979	141,558,283
Do. total	229,894,951	194,523,078
Public liabilities ..	258,598,176	220,932,234
Total liabilities ..	288,427,579	250,421,840

	1916.	1915.
Cash	\$ 46,291,005	\$ 39,991,993
Balances	18,591,616	15,850,039
Securities	27,875,334	13,256,913
Call loans Can.	11,725,133	12,847,521
Do., abroad	21,141,335	18,531,329
Total liquid	129,344,420	101,173,357
Curr. loans Can.	133,738,131	130,893,064
Do., abroad	16,504,118	10,027,802
Total assets	288,427,579	250,421,840

Among larger increases in the balance sheet other than those already referred to is an increase from \$1,719,258 last year to \$1,782,911 in "British foreign Canadian munitions." The French trade to include \$13,500,000 British Treasury bills and reflects in part the bank's participation in the arrangements for the financing of British munitions purchases in Canada. Total assets at \$288,427,579, stand thirty-eight millions higher than a year ago and forty-three millions higher than two years ago.

Current loans and discounts in Canada stand practically at last year's level. The amount of assets carried by the Commerce in this form—mostly representing credits granted to the farmers, merchants and manufacturers of the country—is considerably larger than shown by any other banking institution in the Dominion; and the circumstance illustrates the bank's very close connection with Canadian industry and trade. As nearly half of the assets come under this description, these loans and discounts furnish the bulk of the earnings.

BANK OF HAMILTON.

The Bank of Hamilton's annual report for the year ended November 30th just issued indicate that a profitable year's business was conducted during the past year. Total assets, quick assets, deposits and current loans are all at highest levels in its history, and show gains as follows:

	Increase	Percent.
Notes in circulation.	\$ 919,521	26.00
Total deposits	7,319,210	19.25
Quick assets.	4,870,137	20.00
Current loans.	3,876,836	13.00
Total assets	8,908,525	18.4

Deposits bearing interest increased \$4,700,000 and those not bearing interest \$2,600,000. Canadian and British securities held amount to \$6,635,000 or about \$3,500,000 more than a year ago, representing mainly purchase of supplies in Canada on account of Imperial Government.

Profits amount to \$442,525 or 14.75 per cent before war tax, of 13.75 per cent after payment of war tax, which was distributed as follows: Profits, \$442,528; brought forward from previous year, \$175,821, total—\$618,349.

Deduct: Dividends, \$360,000; war tax, \$30,000; pension fund, \$18,790. Total, \$408,790. Balance forward to new year \$209,557, increase \$33,735.

BANK OF MONTREAL

Established 1817

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

BOARD OF DIRECTORS:

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

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

Head Office, MONTREAL

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

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

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

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

A GENERAL BANKING BUSINESS TRANSACTED

EFFECT OF ADVANCING PRICES.

The volume of traffic on our railroads and lakes indicates, says the December letter of the Canadian Bank of Commerce, very large shipments of Canadian produce to foreign markets. During November they were exceptionally heavy, and prices of the principal farm products advanced very substantially. For instance, No. 2 northern wheat at Winnipeg at the close of October was quoted at \$1.84 1/4 per bushel, about the middle of November it advanced to \$1.95, and towards the end of the month declined slightly to \$1.88. The average price in November, 1915, was approximately \$1 and the average for the entire year was \$1.25. Towards the end of October No. 3 Canadian western oats were readily marketable at Winnipeg at 64 cents per bushel. The average price last year was 51 cents, and for the month of October about 40 cents. The price of No. 4 Canadian western barley in November was \$1.03, as compared with 64 3/4 c a year ago. A comparison is appended of the value of the chief cereals, wheat, oats and barley, produced in the four chief grain Provinces of Manitoba, Alberta, Saskatchewan and Ontario:

	1915.	1916.
Manitoba	\$113,085,000	\$ 80,310,620
Saskatchewan ..	206,757,000	224,400,590
Alberta	72,105,000	121,778,340
Total	\$391,947,000	\$426,489,550
Ontario	84,719,000	79,566,330
Total	\$476,666,000	\$506,055,880

For the year 1915 the values given above are those published by the Census and Statistics Department; those for 1916 are based upon the prices of western grain at Fort William and of Ontario grain at Toronto on November 25.

CANADA'S TRADE DURING NOVEMBER.

The aggregate trade of Canada for the month of November last, exclusive of coin and bullion, amounted to \$182,249,741, as against \$138,149,475 for the same month of 1915. For the eight months of the fiscal year the total trade was \$1,266,444,925 as against \$717,595,248 for the same period of last year or a gain for the eight months of over five million dollars or as much as the total Canadian trade only about a decade ago. By the end of the fiscal year the total trade will reach nearly the two billion dollar figure.

The exports for the month were \$109,558,950 as against \$92,931,916 in 1915 and the imports were \$72,690,791 against \$45,217,559 in November, 1915. For the eight months the total exports were \$731,592,639 against \$419,362,646 in 1915 and the imports were \$534,852,286 against \$298,232,602 in the same period of 1915. There were increases in the export of all Canadian products, although the largest were in manufactures and agriculture products. For the eight months the exports of agricultural products were \$270,237,892 against \$153,117,173 in 1915.

On the other hand for the month of November exports of agricultural products showed a decrease of seventeen million dollars. For the eight months the increase in exports of manufactures was \$263,580,480, against \$97,588,572 last year. There were large increases in exports of products of the mine and forest.

A six-weeks-old calf was nibbling at the grass in the yard, and was viewed in silence for some minutes by the city girl, says Harper's. "Tell me," she said, turning impulsively to our hostess, "does it really pay you to keep as small a cow as that?"

ESTABLISHED 1832

Paid-Up Capital
\$6,500,000



Reserve Fund
\$12,000,000

TOTAL ASSETS OVER \$100,000,000

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

THE BANK OF NOVA SCOTIA

The Canadian Bank of Commerce

ESTABLISHED 1867

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

BOARD OF DIRECTORS

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

BRANCHES IN CANADA

44 in British Columbia and Yukon. 83 in Ontario. 81 in Quebec. 129 in Central Western Provinces. 23 in Maritime Provinces.

BRANCHES AND AGENCIES ELSEWHERE THAN IN CANADA

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

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

SAVINGS DEPARTMENT

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

THE BANK OF TORONTO.

The annual statement of the Bank of Toronto for the year ended November 30th shows net profits amounting to \$730,954 against \$663,074 a year ago, an increase of \$67,880. This total, with the balance of \$539,382 carried forward from the previous year, made \$1,170,336 available for distribution. Dividends amounted to \$550,000, war tax on circulation to \$49,096, officers' pension fund allowance to \$25,000, and patriotic and other subscriptions to \$38,250, leaving a balance to be carried forward of \$507,989.

The balance sheet shows a large proportion of quick assets, including more than \$10,400,000 in gold and silver coin, Dominion notes, and deposit in the Central Gold Reserve. This compares with \$8,651,035, in 1915. Commercial loans in Canada exceed \$42,000,000 and call and short loans amount to \$3,361,276. The value of various securities held amounts to more than \$8,170,000.

Deposits bearing interest are shown to be \$41,175,722, and non-interest-bearing deposits, \$13,717,785, a total of \$54,893,507. Notes in circulation total \$5,649,133.

GERMAN BANK STATEMENT.

The statement of the Imperial Bank of Germany issued December 15th shows the following changes: Total coin and bullion increased 308,000 marks; gold increased 114,000 marks; Treasury notes decreased 35,973,000 marks; notes of other banks increased 2,502,000 marks; bills discounted decreased 63,121,000 marks; advances increased 1,328,000 marks; investments decreased 2,120,000 marks; other securities increased 82,481,000 marks; notes in circulation increased 69,639,000 marks; deposits decreased 128,687,000 marks; other liabilities increased 44,453,000 marks. Total gold holdings, 2,518,872,000 marks.

Mrs. Comler (on a tour of inspection in her friend's house)—Gracious! Why do you have such a high bed for your little boy?

Mrs. Housler—So we can hear him if he falls out. You have no idea what heavy sleepers my husband and I are.—Chicago News

JAPANESE COMMERCE SHOWS GREAT GROWTH.

A review of the foreign trade of Japan for the first nine months of the current year shows a striking increase over pre-war times. The increase is most pronounced in trade with China, Russian Siberia, British India, the Straits Settlements, French Indo-China, the Dutch Indies and the Philippines. Although trade with the Central Powers naturally decreased to a minimum, there was a remarkable increase with the Allies; and the same may be said of the United States, Australia, Canada and South America, as well as South Africa. It is interesting to note that Japan's trade with the Orient and the South Seas, to which field she has been devoting her chief attention since the war began, has increased 46 per cent in exports and about 20 per cent in imports.

Exports to Europe increased some 40 per cent and imports about 30 per cent. This ratio is small, however, compared with increase of trade with the Americas, which shows a 79 per cent increase in exports for North America and a 73 per cent increase in imports. The figures for South America indicate yet further expansion, being 139 per cent for exports and 150 per cent for imports. The increase in Japanese exports to South Africa was some 310 per cent, with 57 per cent in imports.

Taking twenty-two of Japan's principal items of export, nineteen show an increase in value, while such important lines of export as dried cuttlefish, tea and habutae indicate a falling off, which is rather remarkable. The decline in tea is due to a reduction in price, for the decrease is in the value and not the quantity of the export; while the decline in silk habutae is on account of decreased exports to Europe and the British colonies. The disturbances in China naturally affected Japan's export of dried fish to that country.

The most conspicuous increases are in raw silk, cotton hosiery and underwear and cotton textiles, ranging from 10,000,000 to 86,000,000 yen. Copper, porcelain, waste cotton, matches, timber, camphor, coal and silk handkerchiefs increased between 1,000,000 yen and 9,700,000 yen. Exports of sugar, matting, fish oil, braids and umbrellas also showed a remarkable increase. While most of the silk export went to the United States, the cotton waste went for the most

part to France and Italy, and the cotton hosiery to Great Britain, British India, the Straits Settlements, French Indo-China, the Dutch Indies and the Philippines. The export of cotton-textiles to China showed an increase of 14,000,000 yen, while that to Britain and the colonies was valued at 15,500,000 yen.

LONDON BANKER DIES.

George H. Pownall, president of the Institute of Bankers is dead at the age of sixty-seven years. He was formerly manager of William Deacon's Bank Limited, and was a prominent writer on financial subjects since the opening of the war. Mr. Pownall had been a member of the American Dollar Securities Committee and had a large part in all the war financial adjustments between the Entente Allies and the United States.

WHOLESALE PRICES IN NOVEMBER.

Wholesale prices in Canada during November were again steeply upward, according to a report of the Department of Labor. The rise was most marked in grain, dairy products, fruits and vegetables, and in miscellaneous groceries while in materials, textiles, hides, leathers, boots and shoes, iron and steel they were considerably higher. The average cost of a list of 29 staple goods in sixty cities in Canada was \$10.05 for November as compared with \$9.30 at the middle of October and \$8.02 in November, 1915. The index number of wholesale prices, based on the prices of 272 commodities, rose to 198.4 for November as compared with 187.2 for October, 158.7 for November, 1915, 137.5 for November, 1914, and 135.8 for November, 1913.

Count Tschinsky und Bogendorff, German Ambassador to Austria, "the man who caused the war" has just died following a minor operation. It is now universally admitted that were it not for German influence Austria would have accepted the concessions made by Serbia and submitted the whole matter to the Hague Tribunal, as suggested by Great Britain. The German Ambassador to Austria acting under instructions from the Kaiser refused to let Austria accept the conditions, with the result that the war broke out.

CANADIAN BANK CLEARINGS.

The total clearings of Canadian banks for the week ending December 21st, amounted to \$260,399,406 an increase of \$46,289,350 or 7.2 per cent. above the corresponding period last year. Last week's returns as compared with the same week last year, and the change per cent are as follows:

Cities.	Same date		P.C. Change
	Last Week	last year	
Montreal	\$90,337,611	\$67,296,778	34.3
Toronto	61,595,950	50,457,031	22.0
Winnipeg	55,702,525	54,460,577	2.3
Calgary	6,496,522	5,230,077	24.2
Vancouver	6,945,428	6,167,289	12.6
Ottawa	6,146,188	5,081,636	35.3
Hamilton	5,097,460	3,345,953	52.3
Quebec	4,856,129	3,299,254	46.8
Regina	3,532,835	2,663,986	32.6
Edmonton	2,782,918	2,233,031	24.6
Halifax	2,809,699	2,067,693	35.6
London	2,154,957	1,818,169	18.6
St. John	2,089,702	1,651,825	26.5
Saskatoon	1,977,816	1,584,753	24.8
Victoria	1,518,854	1,420,736	6.9
Moose Jaw	1,481,923	1,360,061	1.5
Lethbridge	1,016,943	730,892	43.2
Brandon	770,064	581,629	32.1
Brandon	720,422	689,974	6.5
Medicine Hat	715,123	517,297	38.5
Peterboro	624,607	502,700	24.2
Sherbrooke	697,177	.....	.....
Kitchener	672,386	.....	.....
Fort William	700,389	613,201	12.3
New Westminster	394,350	235,471	29.3
Total	\$260,399,406	\$214,110,916	7.2

CALGARY LEADS THE WAY.

Calgary has voted by a 2 to 1 majority in favor of proportional representation as the method of electing the city council. Unlike Ottawa, the city of Calgary can now go ahead, instituting the electoral reform as the citizens have willed. The people of Ottawa last year voted in favor of electing the Board of Control by proportional representation, but the Ontario Reichstag at Toronto treated the will of the people of this city with contempt and refused to allow of being the first big Canadian city to institute proportional representation; an honor properly due to progressive Ottawa.—Ottawa Citizen.

LAND THE SOLDIERS FOUGHT TO DEFEND.

We want both land and work for our returned soldiers. Yet the government says in effect to the big loafing landholders: "You needn't use your land, or sell your land. We'll make it easy for you to retain it in its inadequately-productive state, and, further, we'll see that by keeping your land idle you'll keep the returned soldiers idle when idleness will mean starvation." Boiled down to the bitter, brutal truth, that is the government's attitude when it exempts the big landholder from the increased taxation.—Austrian Worker.

"FOOD DICTATOR".

To the people of Great Britain accustomed to live on the fat of the land the appointment of a food dictator is a somewhat radical change. England has been accustomed to bring food stuffs from every part of the world, and the popular idea was that British people were almost an over-fed people. Now Lord Devonport is the food dictator. Devonport is admirably fitted for the "job" as he has been somewhat of a dictator for a good many years. As head of the port of London his work has been that of a dictator. Four years ago when the big docker strike took place in London and the shipping business of the port was threatened, Devonport absolutely refused to yield to the demands of the strikers and despite the onslaughts of Ben Tillett, who advocated the assassination of Devonport, the latter won out, his claim being that the port of London was of too great importance to be at the mercy of professional labour agitators. Devonport is one of Lloyd George's proteges, being formerly parliamentary secretary when the premier was in the cabinet, and later he was made secretary of the Board of Trade. Later he was made secretary of the excellent work he did as parliamentary secretary and since that time additional have been placed on his shoulders.



MR. C. E. NEILL,
General manager Royal Bank of Canada whose annual report appears elsewhere in this issue.

BANKING PROFITS.

Up to the present time eight Banks have reported on business for the year 1916. These show total profits of \$9,600,000 as compared with \$9,000,000 for 1915, and \$10,100,000 for 1914.

Considering the fact that Canada has been engaged in the world war, that Commercial loans have been contracted, and many ordinary channels of trade cut off, the showing made by our banking institutions is a most creditable one.

A comparison of profits with a percentage of earnings on capital stock follow:

	1916		1915		1914	
	Profit	P.C. earned on stock	Profit	P.C. earned on stock	Profit	P.C. earned on stock
Montreal	\$2,200,471	13.8	\$2,108,631	13.2	\$2,496,451	15.4
Commerce	2,439,415	16.3	2,352,035	15.7	2,668,233	17.8
Royal	2,111,307	17.9	1,905,576	16.3	1,886,142	16.3
Toronto	730,954	14.6	663,074	13.3	829,528	16.7
Molson's	582,356	15.2	556,193	13.9	608,196	15.2
Ottawa	591,205	14.8	531,268	13.3	620,691	15.5
Hochelega	546,011	13.7	530,237	13.3	566,614	14.2
Hamilton	442,525	14.7	424,274	14.1	485,265	16.2
Total	\$9,644,244	14.1	\$9,071,388	14.1	\$10,161,120	14.7

BANK OF ENGLAND STATEMENT.

The weekly statement of the Bank of England shows the following changes: Total reserve, decrease £2,025,000; circulation, increase £1,267,000; bullion, decrease £758,124; other securities, increased £621,000; other deposits, decreased £2,481,000; public deposits, decreased, £3,931,000; notes reserve, decreased £1,875,000; Government securities unchanged.

The proportion of the bank's reserve to liability this week is 20.65 per cent.; last week it was 21.70 per cent. Discount rate, 6 per cent.

	Week ending—	
	Dec. 22, 1916.	Dec. 22, 1915.
Circulation	£39,224,000	£35,097,000
Public deposits	53,580,000	53,134,000
Other deposits	109,007,000	98,733,000
Gov't securities	42,187,000	32,840,000
Other securities	104,680,000	102,450,000
Total reserve	33,573,000	34,443,000
Bullion	54,347,000	51,091,000
Prop. of res. to liability	20.65%	22.70%

BANK OF FRANCE REPORT.

The weekly statement of the Bank of France shows the following changes: Gold in hand, increased 10,612,000 francs; silver in hand, decreased 8,882,000 francs; notes in circulation, increased 116,706,000 francs; Treasury deposits increased 158,398,000 francs; bills discounted, increased 18,770,000 francs; advances decreased 13,390,000 francs.

The Russian Government has fixed a list of maximum prices for the heavier classes of dressed leather both in skins and cut, such as sole, strap, harness, carriage leather, sides, etc. Box-calf and chevreau for the uppers of boots and shoes are not included in the order as these classes of leather are not made in Russia.

... THE ...
Molson's Bank

Incorporated by Act of Parliament 1855.

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

HEAD OFFICE: MONTREAL

BOARD OF DIRECTORS

Wm. Molson MacPherson - President
S. H. Ewing - Vice-President
Geo. E. Drummond - F. W. Molson
W. A. Black - Wm. M. Birks
E. J. Chamberlin

Edward C. Pratt, - General Manager

THE HOME BANK
OF CANADA ORIGINAL CHARTER 1854

Branches and Connections Throughout Canada.

HEAD OFFICE AND NINE BRANCHES IN TORONTO

Montreal Offices:
Main Office, Transportation Building, St. James St.
Bonaventure Branch, 523 St. James Street.
Hochelega Branch: cor. Cuvillier and Ontario St.
Verdun, Que.

ESTABLISHED 1872

BANK OF HAMILTON

Head Office: HAMILTON

CAPITAL AUTHORIZED..... \$5,000,000
CAPITAL PAID UP..... 3,000,000
SURPLUS..... 3,475,000THE
Royal Bank of Canada
Incorporated 1869Capital Authorized - - - \$25,000,000
Capital Paid up - - - \$11,820,000
Reserve Funds - - - \$13,236,000
Total Assets - - - \$236,000,000HEAD OFFICE: MONTREAL
SIR HERBERT S. HOLT, President
E. L. PEASE, Vice-President and Managing Director
C. E. NEILL, General Manager320 Branches in CANADA and NEWFOUNDLAND; 44
Branches CUBA, PORTO RICO, DOMINICAN REPUBLIC
COSTA RICA and BRITISH WEST INDIESLONDON, Eng. NEW YORK
Princes Street, E. C. Cor. William and Cedar Street

SAVINGS DEPARTMENTS at all Branches

SASKATCHEWAN SELLS BONDS.

The Province of Saskatchewan has just sold \$500,000 of Government bonds. The bonds are 5 per cent, extending over a period of fifteen years. Offers were received from twelve firms, the best being from the Harris Trust and Savings Bank of Chicago. The price obtained involves an annual interest cost of 5-13 per cent.

NEW PRESIDENT HOME BANK

At a recent meeting of the Directors of the Home Bank of Canada, M. J. Haney, C.E., was elected to the Presidency; Senator James Mason, the former president, being made Honorary President of the Bank. Mr. R. P. Gough of the Board of Directors succeeds Mr. Haney as Vice-President.

MONTREAL'S CUSTOMS RECEIPTS.

The following figures show the Montreal customs receipts for the seven months of the season, as compared with the two previous seasons:

	1916.	1915.	1914.
May	\$3,226,108	\$1,855,000	\$2,012,153
June	2,827,827	1,925,575	1,820,254
July	2,666,150	1,657,479	1,787,261
August	2,815,680	1,809,775	1,941,356
September	2,779,447	1,900,774	1,510,630
October	2,929,357	1,671,153	1,229,438
November	3,017,253	2,187,490	1,317,616
Total	\$20,261,824	\$13,007,248	\$11,618,710

CHRISTMAS NUMBER OF "LIFE."

The Christmas number of "Life," the organ of the Canada Life Assurance Company, in addition to regular features, contains a fine record of the members of the Company's staff who have enlisted for service of King and Empire. The photographs of the thirty-eight head office employees who are on active service are reproduced in a special insert. The number is attractively arranged. President H. C. Cox writes the following as a foreword: "Duty well done brings a sense of happy comfort, therefore I wish for you the fullest enjoyment of the happiness to which your success gives you title. In the pleasure of achievement let us not forget our comrades whose duty has pointed the way to honorable service for King and Empire, and to whom we are in large measure indebted for our opportunity."

LANDSLIDE IN WHEAT.

Since the middle of November when wheat options sold at the highest point for the year, and incidentally the highest since 1888, prices have dropped precipitately. In approximately four weeks' time December wheat depreciated more than one-fourth its value. The demand for an embargo on wheat in the United States and the congestion on railroads and at the seaboard were at first responsible for the start downwards. German peace proposals brought forth another flood of liquidation, sending the market to a low level on Friday, December 15, almost 50c under the high point.

The following tabulation shows the high and low point and the decline:

	High	Low	Decline.
Chicago:	Nov. 23.	Dec. 15.	
December	192%	142½%	49%
May	195%	153½%	42%
July	162	131½%	30%
Winnipeg:			
November	205½%	157¼%	38%
December	195%	157¼%	38%
May	194-6	163%	32%

THE MONTREAL STOCK MARKET.

The past week was characterized by continued liquidation: in fact on one or two days stocks were tumbled overboard in a manner to suggest a real panic. The result of the heavy selling was to eliminate all the week accounts and to-day the market is technically in a much sounder condition than was the case a couple of weeks ago.

The peace rumors of a fortnight ago started the selling it was further accelerated by the illtimed note of President Wilson and the still more senseless "explanation" made by Secretary Lansing. The market has now settled down and while it will take a few days to recover from the "spree" there is a general feeling that bottom has been reached.

Every stock on the list with one or two minor exceptions crumpled up under the deluge of selling orders. Nova Scotia was off 19 points on sales of over 5,100 shares. Canada Forgings led with a decline of 24½ points, Dominion Iron on sales of 41,700 shares, lost 6¼ points while Steel of Canada on transactions of 32,100 shares re-acted 11½ points.

Naturally the war stocks such as the steel and iron issues suffered the most but paper stocks and other issues which cannot be classified as war babies also came in for a share of the collapse. Riordon was off 11½ points Wayagamaek down 7 and Brompton 8 points. A good deal of criticism is heard on the "street" regarding the way in which the brokerage house who had charge of the Brompton issue handled the stock. The stock was traded on the curb for a few days and then placed in the unlisted department just as the slump came. No support was offered although the house made enormous profits out of the issue.

They simply left the subscribers to take whatever precautions they could to keep their holdings from the bears. Once a stock is listed and becomes properly distributed the responsibility of an issuing house ends but it hardly seems fair to an issue to cast it forth to the wolves without the slightest effort to safeguard it.

Brompton should have been an attractive issue as it has real merit behind it but its listing has been so badly managed that the stock has been given a bad name from which it will take some time to recover.

The volume of business in the past two weeks was virtually the same, amounting to 135,061 listed shares last week, against 136,615 in the preceding six days. Comparisons follow:

	Week Ended	
	Dec. 23.	Dec. 16.
Shares	135,061	136,615
Mines	3,200	1,000
Bonds	\$167,500	\$203,800
Unlisted	4,287	15,019

WINNIPEG FINANCING.

Another \$5,000,000 block of Winnipeg debentures held in London will be transferred to New York. The required by-law was passed by council. This will bring total amount being transferred from London to New York to approximately \$8,000,000. Council at previous meeting authorized controller and city treasurer to open negotiations with J. P. Morgan & Co. for another conversion of stock to this side of the Atlantic.

Gold to amount of \$10,000,000, consigned to J. P. Morgan & Co. from Canada, is being delivered at Philadelphia Mint. This makes total of \$626,700,000 gold received from all sources since January 1st.

ESTABLISHED 1875

Imperial Bank of Canada

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

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

Head Office: Toronto

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

THE DOMINION BANK

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

C. A. BOGERT, General Manager

The London, England, Branch

THE DOMINION BANK

at
73 CORNHILL, E.C.

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

THE BANK OF BRITISH NORTH AMERICA

Established in 1838
Incorporated by Royal Charter in 1847.

Paid up Capital \$4,866,666.66
Reserve Fund \$3,017,333.33

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

Advisory Committee in Montreal:
SIR HERBERT B. AMES, M. P.
W. R. MILLER, Esq. W. R. MACINNES, Esq.

This Bank has Branches in all the principal Cities of Canada, including Dawson (Y.T.), and Agencies at New York and San Francisco in the United States. Agents and Correspondents in every part of the world.

Agents for the Colonial Bank, West Indies. Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

SAVINGS DEPARTMENT AT ALL BRANCHES

G. B. GERRARD, Manager, Montreal Branch

It is reported from New York that Great Britain will shortly float another large loan in the United States. The amount will be in the neighborhood of \$250,000,000, and will be placed by Britain alone instead of in conjunction with France.

LLOYDS BANK LIMITED

HEAD OFFICE: 71, LOMBARD ST., LONDON, E.C.

Capital Subscribed	- -	£31,304,200
Capital paid up	- -	5,008,672
Reserve Fund	- -	3,600,000
Deposits, &c.	- -	133,958,678
Advances, &c.	- -	56,535,897

THIS BANK HAS 900 OFFICES IN ENGLAND AND WALES.
Colonial and Foreign Department: 17, Cornhill, London, E.C.
London Agency of the IMPERIAL BANK OF CANADA.

French Auxiliary: LLOYDS BANK (FRANCE) LIMITED,
with Offices at PARIS, BORDEAUX, BIARRITZ and HAVRE.

Royal Bank Report

An unusually favorable report has just been presented by the Royal Bank. There are gains in net earnings, deposits, total assets and in all departments of the bank's activities. The gain in total assets is over \$55,000,000, and in net earnings \$205,000.

Comparisons of profit and loss figures for three years are given in the following table:

	1916.	1915.	1914.
Profits	\$2,111,307	\$1,905,576	\$1,886,142
Prev. bal.	676,472	614,062	1,015,119

Total \$2,787,779 \$2,519,638 \$2,901,262

	1916.	1915.	1914.
Divid.	\$1,417,207	\$1,387,200	\$1,387,200
Pension F.	100,000	100,000	100,000
Premises	250,000	250,000	250,000
War tax	118,226	105,966	.....
Deprec. . . . .	.....	.....	500,000
Patriotic F.	50,000	.....	50,000

Total ded. \$1,935,433 \$1,843,166 \$2,287,200
Bal. P. and L. \$852,346 \$676,472 \$614,062

Some leading comparisons of the balance sheets of the past two years follow:

	1916.	1915.
Deposits dem.	\$ 59,365,396	\$ 37,456,997
Do. notice	140,862,199	117,519,330
Do. total	200,227,595	154,976,327
Circulation	18,178,228	14,224,866
Public liab.	227,484,469	173,148,927
Total liab.	253,261,427	198,299,123

	1916.	1915.
Specie	\$ 16,072,763	\$ 15,946,289
Dom. notes	14,249,110	12,977,390
Cent. gold res.	6,500,000	3,000,000
Total cash	36,821,873	31,923,680
Securities	30,506,068	18,629,041
Balances, etc.	20,756,339	14,811,280
Call loans, Can.	11,076,005	9,136,509
Do. abroad	21,372,026	9,815,950
Do. total	32,448,031	18,952,459
Total liquid	121,127,663	84,894,462
Curr. loans Can.	86,936,631	82,004,872
Do. abroad	37,928,027	24,547,762
Do. overdue	466,640	517,865
Do. total	125,331,299	107,070,499
Total assets	253,261,427	198,299,123

NEW BRITISH GOVERNMENT OFFERING IN JAPAN.

It is announced from London that an issue of British Government Exchequer Bonds to the amount of 100,000,000 yen (£10,000,000) will be made in Japan. The object secured by this issue is the provision of dollars by remitting the proceeds to America, and so taking advantage of the present state of exchange between Japan and New York.

The Japanese Government in July last provided the British Treasury with \$50,000,000 on British Treasury bills. Now it is the Japanese public that is providing the fund, and a syndicate of eighteen Japanese banks, headed by the Yokohama Specie Bank, was formed under the auspices of the Japanese syndicate. The result was that only one exchange of views between the governor of the Bank of England and the Financial Commissioner of the Japanese Government in London sufficed to conclude the whole arrangement, which is settled on the most favorable terms to the British Government.

The Japanese syndicate asked for no collateral for the loan, and are undertaking the issue simply for the actual costs. The Japanese Government, in co-operation with the Bank of Japan and the Yokohama Specie Bank, has undertaken to remit the whole proceeds of the loan for the British Government to America.

"The British Government Yen Exchequer Bonds," which are of three years' currency, will be on the basis of 6 per cent per annum, and will be issued at par. The first instalment of payment by subscribers on December 15 will be 30,000,000 yen, and the balance will be paid on January 15. The service of the loan will be effected at the offices of the Yokohama Specie Bank in Japan without deduction for any British taxes, present or future.

Advices from Tokyo state that the loan is most popular, and that one-third the amount required was subscribed in the first six hours.

Forty-Seventh Annual Statement

OF

The Royal Bank of Canada

GENERAL STATEMENT

30th November, 1916.

LIABILITIES.

TO THE PUBLIC:	
Deposits not bearing interest	\$59,365,396.12
Deposits bearing interest, including interest accrued to date of statement	140,862,199.46
	\$200,227,595.58
Notes of the Bank in Circulation	18,178,228.49
Balances due to other Banks in Canada	\$1,464,467.85
Balances due to Banks and Banking Correspondents in the United Kingdom and foreign countries	6,683,108.63
	8,147,576.48
Bills Payable	478,392.16
Acceptances under Letters of Credit	452,677.26
	\$227,484,469.97
TO THE SHAREHOLDERS:	
Capital Stock Paid in	12,000,000.00
Reserve Fund	\$12,560,000.00
Balance of Profits carried forward	852,346.28
	13,412,346.28
Dividend No. 117 (at 12 per cent, per annum), payable December 1st, 1916	\$359,840.71
Dividends Unclaimed	4,770.25
	364,610.96
	\$253,261,437.21

ASSETS

Current Coin	\$16,072,763.38
Dominion Notes	14,249,110.25
	\$30,321,873.63
Deposit in the Central Gold Reserves	\$6,500,000.00
Deposit with the Minister for the purposes of the Circulation Fund	595,340.00
Notes of other Banks	3,857,573.80
Cheques on other Banks	11,805,598.55
Balances due by other Banks in Canada	1,199.79
Balances due by Banks and Banking Correspondents elsewhere than in Canada	5,092,067.54
Dominion and Provincial Government Securities, not exceeding market value	1,029,374.10
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian, not exceeding market value	14,012,089.69
Railway and other Bonds, Debentures and Stocks, not exceeding market value	15,464,604.22
French Bonds, Debentures and stocks	11,076,005.90
Loans elsewhere than in Canada	21,372,026.45
	\$121,127,663.67
Other Current Loans and Discounts in Canada (less rebate of interest)	86,936,631.39
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest)	37,928,027.25
Overdue Debts (estimated loss provided for)	466,640.93
	\$125,331,299.57
Real Estate other than Bank Premises	1,095,473.24
Bank Premises, at not more than cost, less amounts written off	5,138,398.14
Liabilities of Customers under Letters of Credit, as per contra	452,677.26
Other Assets not included in the foregoing	115,915.33
	\$253,261,427.21

H. S. HOLT, President. EDSON L. PEASE, Managing Director. C. E. NEILL, General Manager.

AUDITORS' CERTIFICATE
That in our opinion the transactions of the Bank which have come under our notice have been within the powers of the Bank.

That we have checked the cash and verified the securities of the Bank at the Chief Office at 30th November, 1916, as well as at another time, as required by Section 56 of the Bank Act, and that we found they agreed with the entries in the books in regard thereto. We also during the year checked the cash and verified the securities at the principal branches. That the above Balance Sheet has been compared by us with the books at the Chief Office and with the certified returns from the Branches, and in our opinion is properly drawn up so as to exhibit a true and correct view of the state of the Bank's affairs according to the best of our information and the explanations given to us and as shown by the books of the Bank.

That we have obtained all the information and explanations required by us.
JAMES MARWICK, C.A.,
S. ROGER MITCHELL, C.A., Auditors,
of Marwick, Mitchell, Peat and Co.

Montreal, Canada, December 18th, 1916.

PROFIT AND LOSS ACCOUNT.

Balance of Profit and Loss Account, 30th November, 1915	\$676,472.16
Profits for the year, after deducting charges of management and all other expenses, accrued interest on deposits, full provision for all bad and doubtful debts and rebate of interest on unmatured bills	2,111,307.65
	\$2,787,779.81

Appropriated as follows:—	
Dividends Nos. 114, 115, 116 and 117, at 12 per cent. per annum	\$1,417,207.02
Transferred to Officers' Pension Fund	100,000.00
Written off Bank Premises Account	250,000.00
War Tax on Bank Note Circulation	118,226.51
Contribution to Patriotic Fund	50,000.00
Balance of Profit and Loss carried forward	852,346.28
	\$2,787,779.81

H. S. HOLT, President. EDSON L. PEASE, Managing Director. C. E. NEILL, General Manager.
Montreal, 18th December, 1916.

"A Little Nonsense Now and Then"

An Iowa incident that is lacking in details is related by the Mercyville Banner as follows: Clare Duffy, the efficient foreman of our powder mill, went up Thursday.

Recently a visitor at a manse noticed the good behaviour of a child and said to her: "Are you always such a good little girl?" In answer to the query she reflected a moment and replied very seriously: "No, sir, sometimes I am very bad." "Indeed!" responded the visitor. "And what do your parents do when you are very bad?" "They spank me—they spank me behind my tummy!"

In a recent examination paper for a boy clerk's post in England was this question: "If the premier and all the members of the cabinet should die, who would officiate?" Robert, a boy of fourteen, thought for a time, trying in vain to recall who came next in succession. At last, however, a happy inspiration came to him, and he answered: "The undertaker."

Sir John Simon relished a good story, and one told concerns a group of Scots lawyers who met convivially at an Ayrshire inn one cold evening, according to the New York American. The conversation turned on pronunciation. "Now I," said one of the barristers, "always say neether, while John here says nyether. What do you say, Sandy?" The hot tippie had made Sandy doze, and at the sudden question he was aroused, and replied, "I? Oh, I say whusky."

A colored congregation in Louisiana, hearing that a college in Kansas was conferring the degree of D.D. for the reasonable "consideration" of fifty dollars, decided to add to their prestige by raising the required sum and having their pastor decorated with those dignified initials, relates Harper's. Strenuous effort failed to raise more than half the amount; but nothing daunted, they forwarded twenty-five dollars, with the request that the college would forward the first "D," so that they could begin addressing the reverend gentleman as Doctor, a favor which they were sure would assist them very much in collecting the price of his "Divinity."

Murphy was taking a day off, says an English weekly, and wishing to enjoy himself thoroughly, he walked round to watch "the boys." He was surprised to see his friend Kelly working as if carrying a hodful of mortar up and down a ladder was the only thing he took any real pleasure in.

"It's yourself that's working mighty hard to-day, Kelly!" expostulated Murphy.

"Whist! I'm just making a fool of the boss!" said Kelly, winking slyly.

"And how are you doing that, Kelly?"

"Sure, Murphy, it's as easy as kissing your hand! He sees me going up the ladder with my hod full of mortar and he thinks I'm working. But, Murphy, my boy, it's the same hodful I'm carting up and down all the time."—Youth's Companion.

A country vicar advertised for an "ineligible" to make himself useful, etc., in his grounds and garden. A likely candidate turned up and, after being questioned upon several points, the vicar said to him:

"You know, we are all vegetarians here and if I engage you I should like you to conform to our rules. Could you?"

The applicant entered into a brown study, and then at last he replied:

"I think so, sir. But I should like to ask an important question first. Do you reckon beer a vegetable?"

A lady called on a fire insurance agent, and inquired how much it would cost to insure her house for \$5,000.

"Twenty-five dollars for a three years policy, Madam," said the agent.

"And if the house burns, do I get \$5,000?"

"Certainly, Madam."

"And do you make any inquiries as to the cause of the fire?"

"Why yes; we make a full investigation in every case."

"Ah!" said the lady, with a toss of her head, "I thought there was some catch about it!"

Correspondence

U. S. WAR PROSPERITY.

Editor, JOURNAL OF COMMERCE:

The following is from a leading London journal.

"The influx of gold and the abnormal export trade of the United States is causing some alarm to American financiers and economists. The world's total supply of gold will, it is calculated, go into a sixty-foot cube, and the United States now holds between one-third and one-half of the total visible gold supply of the world. This, it is felt, creates an artificial basis of credits, which might collapse if the war caused the abandonment of the gold standard. During the last two years the United States has sent gold valued at £1,400,000,000 abroad, and has only imported goods of about half that value. The difference—£600,000,000—has been paid in gold, in the return of American securities and in bonds. The net import of gold has been £126,000,000. Brother Jonathan is getting fearful lest he should become a modern Midas, turning everything he touches into gold, only to find that the metal has lost its purchasing quality.

That is one side of the shield. There is another, and that apart from possible inflation, with a disastrous collapse in some directions, and that is the present struggle owing to the greatly increased cost of living.

While the leading industries have increased wages, a very large number of people see the purchasing value of the dollar decreasing and no increase in the income. Hence the cry in some quarters for an embargo on exports of foodstuffs, to arrest the growing increased cost of living and for other reasons not so supervident. One sees in the embargo movement the hand of the Pro-German, and the Anti-British. That may be. The one thing manifest is that the flow of gold has caused a big unrest; that war-prosperity, being abnormal, has created abnormal conditions.

As to any embargo that is a question too complicated and too large to elucidate here, except to say the impression is that Congress will go slow where such vast clashing interests are involved.

"Feed America First" is a cry against which who can complain? As a domestic policy it is reasonable, presuming that this is the real motive. The shortage in last year's crop is admitted. That, with a world-wide increase in values, and the great demand combined, have been and are leading factors in creating present conditions with our great neighbor.

As neighbors, active in the war, which is our war, the embargo movement concerns us. We and the Allies, in this conflict, are one. Any embargo as "a weapon" to get back at "Great Britain," for black-listing American merchants, means "a weapon" against Greater Britain. Washington is apt to overlook that.

We are too near Christmas to add another faggot to the world's blaze. The wish is that no embargo may ensue save as to what may be created by necessity.

PROSPEROUS and PROGRESSIVE

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

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

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE—MONTREAL

THE Dominion Savings AND Investment Society

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

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

Dominion Savings Bldg.
LONDON, CANADA.

AN IDEAL INCOME

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

Union Mutual Life Insurance Company,
Portland, Maine

on its

MONTHLY INCOME PLAN

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

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

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

Commercial Union Limited OF LONDON, ENG.

The largest general Insurance Company in the world

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

(As at 31st December, 1915.)

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

Applications for Agencies solicited in unrepresented districts.

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

A Free Course in "Salesmanship"

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

A GOOD LIVING WAGE
A PROFITABLE FUTURE
A PROVISION FOR OLD AGE
We teach a man the Insurance Business, which offers permanent success, does not fluctuate, is a professional occupation, and has been truly named "The best paid hard work in the world."

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

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

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

All correspondence strictly confidential.

CANADA LIFE ASSURANCE COMPANY

Head Office, Toronto.



Hail Insurance in Saskatchewan

panies.
Past Season Disastrous for Insurance Com-

According to the reports filed with Mr. Arthur E. Fisher, superintendent of insurance, by the companies engaged in the hail insurance business during 1916 in Saskatchewan, the hail loss ratio approximates on the average 132 per cent of the premium income. When to this percentage is added the underwriting expense, which covers commissions, adjustments and general office expenditure and which averages 30 per cent, it will be seen at a glance how disastrous for the stock companies has been the hail season of 1916. In short, the companies have not only paid out the total amount of money received by way of premiums, but they have also paid from their reserves an additional amount equal to 62 per cent of the 1916 premium income.

The following tabulated report shows the gross income and gross losses of each company operating in the province this year. Many of the companies accepted notes in payment of premiums and in this schedule the note premium has been considered on the cash basis.

	Premiums.	Losses.
St. Paul Fire and Marine Insurance Company	\$54,802.10	\$86,251.54
Middle West Insurance Company	39,662.35	49,690.94
Excess Insurance Company	102,437.75	130,739.14
Acadia Fire Insurance Company	31,860.86	66,593.02
Canadian Indemnity Company	82,582.10	124,728.45
Canada Hail Insurance Company	72,542.95	95,127.67
Canada National Insurance Company	95,685.18	193,055.43
Rochester Underwriters Agency	20,909.56	29,243.26
British America Assurance Company	48,176.13	64,539.13
ceding market value	40.96	3,887.50
Nova Scotia Fire Underwriters	9,657.87	11,686.87
Home Insurance Company	102,646.13	176,608.61
Canada Security Assurance Company	70,898.97	83,934.80
British Crown Assurance Corporation	193,517.89	213,330.37
Canada Weather Insurance Company	21,420.63	17,391.56
American Central Insurance Company	18,155.41	49,823.07
Connecticut Fire Insurance Company	13,553.45	24,312.05
Hartford Fire Insurance Company	96,360.96	112,592.95
New York Underwriters Agency	26,192.80	30,023.13
Great North Insurance Company	60,474.21	56,780.99
Northwestern National Insurance Company	111,751.48	114,692.84
Dominion Fire Insurance Company	37,282.47	26,439.05
Glens Falls Insurance Company	80,987.46	76,827.06
Westchester Fire Insurance Company	23,143.54	34,209.32
	\$1,417,853.21	\$1,872,408.57

In compiling the above figures no account has been taken of the matter of reinsurance, hence official figures, which will be obtainable at a later date, will show a large difference in the actual loss sustained by each company, although the gross amount of loss will remain practically the same.

A Comparison.

The experience of the companies in former years as compared with 1916 gives some idea of the severity of the hail season of this year.

Year.	Premiums.	Losses.
1913	\$783,194.42	\$485,305.79
1914	747,838.63	173,443.44
1915	1,363,001.66	438,619.57
1916	1,417,853.21	1,872,408.79

BELGIAN INFORMATION.

October 25, 1916.—The Liege manufacturers' patriotism.—A Belgian paper published in Mestricht, quotes an example of the splendid patriotic energy of the manufacturers of the city of Liege. The Germans having occupied the plant of the Orban Freres company, at Tilleur, to which the Societe Anonyme d'electricite of the Liege district supply the current power, the Managing Board of the latter firm immediately cut off all communications with the sawing-mill which was thus deprived of both light and motor force. As a punishment, the Electric Plant was put under closure and sequestration.

A few days previously, the proprietors of the Orban saw-mill had been expelled from their own plant, in order to punish them for their opposition. Out of a working staff of 52 employees, only two had consented to lend their services to the foe.

The same fate was in store for the Robert Collette Saw Mills, on de Fragnee street, in Liege; they are presently under seals affixed, for having refused to co-operate with the invader.

The employers and the employees of the Zinc Works of Ongreer, having refused to submit to the German arbitrary demands, have been driven out of the establishment, and the foe have occupied it.

The manager and the principal employees of the Metallurgic Works of Lamarche, in Liege, have been subjected to an even harder fate: their patriotic obstinacy has caused them to be lodged in jail, at St. Leonard, where they are serving a term of captivity for an indefinite period.

October 30, 1916.—A new seizure in occupied Belgium.—The seizures keep on and go on increasing and multiplying, in occupied Belgium. On September 30, 1916, Governor-general von Bissing modified, but in a more severe sense, his decree of April 22, 1916, concerning the seizure of metals. The alterations comprehend all goods relating to manganese or wolfram (tungsten), etc., in as much as they are connected with Wolfram steel, having at least 1% tungsten (wolfram). Consequently, all quick steel of every kind and denomination, are seized, especially standard steels; Novo, Capital, New Capital, Tireless, Mushet, Bohler-Rapid, Becker-Rapid, Torne, Velocitz, Golant, Clifton, Armstrong, and others.

The quick steel are seized, on whatever form they can be made or seen.

Declarations must be made in Brussels, at "Abteilung fur Handel und Gewerbe," in writing, on October 31st, the latest.

Every corporation, manufacturing, commercial, private or communal corporations, are compelled to make such a declaration.

It is forbidden to utilize, work up on or modify any object to seizure and, if the use of steel tools is temporarily authorized, in as much as such tools were then in use when said decree was published, their utilization may be prohibited by the German authorities.

Sentences against possible offenders are severe. The War Councils may sentence the guilty (sic) parties to 25,000 M fine and 5 years in jail, outside the seizure of all steels not declared. Naturally, the German military boards will judge the offenders.

And here is one of the latest measures imagined by Mr. von Bissing, in order to insure the revival of the economic living in the country.

THE GREAT WAR

(Concluded from page 3).

voices. Realities are seen, known and felt. Beneath the silent stars are thoughts too big for words. God and the human soul are brought face to face. Isms have a place in thought but there are central suns and in life's deepest needs men turn to them. The comradeship, the stress and strain of the battlefield have changed the outlook, thought and spirit of our heroic defenders, giving clarity to vision and imparting that "charity which never faileth."

In the new time of the dawning year, and far beyond, the fuller, broader spirit and thought will be felt and experienced. It is good to live today, to mark the leading of the God of all the years; and as on the fields so deeply stained with blood, it is good when one sets sail on a new strange sea, to steer by old stars; not forgetting that above all is one leading star "the hope of all the nations."

"Star unto star speaks light and world to world
Repeats the passage of the universe
To God; the name of Christ—the one great word,
Well worth all languages in earth or heaven."

UNION ASSURANCE SOCIETY LIMITED

OF LONDON, ENGLAND

FIRE INSURANCE SINCE A.D. 1714

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

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

AGENCIES THROUGHOUT THE DOMINION

Success and Progress

These are two outstanding features of the history of the North American Life over the past 30 years.

Year.	Income	Payments to Phldrs.	Assets.	Assurance in Force.
1885	153,401	38,016	343,746	4,849,287
1895	581,478	105,712	2,300,518	15,779,385
1905	1,660,064	538,827	6,968,014	37,580,047
1915	2,749,951	1,386,025	15,716,889	56,245,318

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

NORTH AMERICAN LIFE ASSURANCE COMPANY

"Solid as the Continent."

Head Office, Toronto, Ont.

Founded in 1808

THE LAW UNION AND ROCK INSURANCE CO. LIMITED OF LONDON

ASSETS EXCEED \$48,000,000.
OVER \$12,500,000 INVESTED IN CANADA.
FIRE & ACCIDENT RISKS ACCEPTED.

Canada Head Office:

57 Beaver Hall Hill, MONTREAL
Agents wanted in unrepresented towns in Canada
J. E. DICKSON, Canadian Manager.
W. D. AIKEN, Superintendent Accident Dept.

The Independent Order of Foresters

Policies issued by the Society are for the protection of your family and cannot be bought, pledged or sold.
Benefits are payable to the beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

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

FRED. J. DARCH, Secretary.
ELLIOTT G. STEVENSON, President.
S. H. PIPE, F. A. S., A. I. A.,
Actuary.

WESTERN ASSURANCE COMPANY

INCORPORATED 1851
Fire, Explosion, Ocean Marine
and Inland Marine Insurance.

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

Losses paid since organization, over - - - 63,000,000.00

HEAD OFFICE - - - - TORONTO, ONT.

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

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

The London & Lancashire Life and General Assurance Association, Limited

Offers Liberal Contracts to Capable Field Men
GOOD OPPORTUNITY FOR MEN TO BUILD UP A PERMANENT CONNECTION

WE PARTICULARLY DESIRE REPRESENTATIVES FOR CITY OF MONTREAL

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

ALEX. BISSETT - - - Manager for Canada

BLACK DIAMOND

FILE WORKS

Established 1863

Incorporated 1897

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

G. & H. Barnett Co.

PHILADELPHIA, Pa.

Owned and Operated by
NICHOLSON FILE COMPANY**PROFESSIONAL**

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

HOWARD S. ROSS, K.C.

EUGENE R. ANGERS

ROSS & ANGERS

BARRISTERS and SOLICITORS

Coristine Building, 20 St. Nicholas St., Montreal

Bank of Nova Scotia

Notice is hereby given that the Annual General Meeting of the Shareholders of this Bank will be held in the Banking House, Hollis Street, Halifax, on Wednesday, the 24th January next, at Eleven o'clock, a.m., for the purpose of receiving a statement of the affairs of the Bank, for the election of Directors and for other business.

By order of the Board,

H. A. RICHARDSON,

General Manager.

Halifax, N.S., December 15th, 1916.

DIVIDEND NOTICE.**Illinois Traction Company****NOTICE OF DIVIDEND No. 48.**

The regular dividend of one and one-half per cent (1½%) on the preferred stock of the Illinois Traction Company will be paid January 1st, 1917, for the quarter ending December 31st, 1916, to shareholders of record December 15th, 1916.

By order of the Board,

GEO. M. MATTIS,

Champaign, Ill.

Treasurer.

DIVIDEND NOTICE**THE STANDARD BANK OF CANADA****QUARTERLY DIVIDEND NOTICE No. 105**

Notice is hereby given that a Dividend at the rate of THIRTEEN PER CENT PER ANNUM upon the Capital Stock of this Bank has this day been declared for the quarter ending 31st day of January, 1917, and that the same will be payable at the Head Office of this City, and at its Branches on and after THURSDAY, the 1st day of February, 1917, to Shareholders of record of the 22nd of January, 1917.

The Annual General Meeting of Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, the 28th of February next, at 12 o'clock noon.

By Order of the Board,

G. P. SCHOLFIELD,

General Manager.

The Bank of Nova Scotia**DIVIDEND NO. 188.**

Notice is hereby given that a Dividend at the rate of fourteen per cent. per annum on the paid-up Capital Stock of this Bank has been declared for the quarter ending December 31st and that the same will be payable on and after Tuesday, the 2nd day of January next, at any of the offices of the Bank. The Stock Transfer Book will be closed from the 18th to the 31st proximo, inclusive.

By order of the Board,

H. A. RICHARDSON,

General Manager.

Halifax, N. S., November 16th, 1916.



SEALED TENDERS addressed to the undersigned, and endorsed "Tender for Completion of the Public Building, Three Rivers, P.Q." will be received at this office until 4 p.m., on Wednesday, January 3, 1917 for completing the construction of the building mentioned.

Plans, specification and form of contract can be seen and forms of tender obtained at the office of the Chief Architect, Department of Public Works, Ottawa, of the Overseer, Central Post Office, Montreal, and at the Post Office, Three Rivers, P.Q.

Persons tendering are notified that tenders will not be considered unless made on the printed forms supplied, and signed with their actual signatures, stating their occupations and places of residence. In the case of firms, the actual signature, the nature of the occupation, and the place of residence of each member of the firm must be given.

Each tender must be accompanied by an accepted cheque on a chartered bank payable to the order of the Honorable the Minister of Public Works, equal to ten per cent (10%) of the amount of the tender, which will be forfeited if the person tendering declines to enter into a contract when called upon to do so, or fail to complete the work contracted for. If the tender be not accepted the cheque will be returned.

The Department does not bind itself to accept the lowest or any tender.

NOTE.—Blue prints can be obtained at the office of the Chief Architect, Department of Public Works, by depositing an accepted bank cheque for the sum of \$20, made payable to the order of the Honorable the Minister of Public Works, which will be returned if the intending bidder submit a regular bid.

By order,

R. C. DESROCHERS,

Secretary.

Department of Public Works,

Ottawa, December 13, 1916.

Newspapers will not be paid for this advertisement if they insert it without authority from the Department.

IN THE SUPERIOR COURT.

Province of Quebec, District of Montreal, No. 45.—The Rochon Express Company, Limited, body politic and corporate, having its principal place of business in the city and district of Montreal, plaintiff, vs. Paul J. Vallentine, heretofore of Montreal, and presently absentee of the Province, defendant.

The defendant is ordered to appear within one month.

Montreal, 21st December, 1916.

T. DEPATIE,

Dep. Prothonotary.

UNITED STATES FALL WHEAT PLANTED.

The acreage under fall wheat in the United States this year is reported by the United States Department of Agriculture to be 21.3 per cent greater than in the autumn of 1915. The present area seeded, 40,090,000 acres, is the greatest ever planted, with the exception of the 40,452,000 acres seeded two years ago, and is more than 10 per cent greater than planted in any year prior to the fall of 1914.

CHRISTMAS BELLS.

"I heard the bells on Christmas Day
Their old familiar carols play,
And wild and sweet the words repeat
Of peace on earth, good-will to men!"

While "these are times that try men's souls", on this our third war-Christmas we have reason to rejoice and to welcome the glad message of the Christmas bells. We have passed the crest of the hill and near coming days are bright with a golden vision of glad and glorious victory. Becoming is the heart-felt exclamation: "What hath God wrought!" Gratitude, praise and thanksgiving fill the cup of joy on this another observance of earth's greatest home and national festival. Although so sadly tinged with darkening shadows when, unbeckoned, "Thoughts! that like spirits, trackless come and go," for "Love is life", and the vacant chair has its own voice, its own message made vivid by the hallowed scenes, joys and memories of welcome Christmastide. Shot through the shadows are the bright rays of immortal hopes, the gracious fruitage of eternal thoughts of loyalty to God and right; to home and country and of blessed reunion in the land that is fairer than day. "The hope! Religion pillows on the heart," at all times precious, is inestimably so as the heart craves for a grasp of "the vanished hand and the sound of a voice that is still." In a dark and cloudy day the men of old followed the gleam.

We have seen His Star:

"As with gladness men of old
Did the guiding star behold,
As with joy they hailed it; light
Leading onward, beaming bright,
So, most gracious Lord may we,
Evermore be led by Thee."

In the past "our land of renown":

"England sent her men, of men the chief,
To plant the Tree of Life, to plant fair Freedom's Tree."

"Evermore led by Thee." By sacrifice by service, is the voice of Bethlehem, Bethany and Calvary. An inward spirit, as deep as broad, as life; manifest in deeds, the real self, greater than thought, summed up in one word—Christ; the joy of the Christian "Way" and the crown and glory of the Christian faith.

Christmas bells impart the gracious message of good-will:

"At Christmas-tide the open hand

Scatters it

And none a

For love is heaven and claims its own."

From the trenches of far-off Flanders comes the other word of the Christmas bells: "They went to war for the sake of peace and they died without hate that love might live." The security of peace is in righteousness: "King of righteousness"; "Prince of Peace."

After the storm came the rainbow and the dove; and the Apocalypse... "a throne was set in heaven... and there was a rainbow round about the throne."

At this season we are called especially to remember that the rainbow, the dove and the olive-branch symbolize: God is Love; and the Nativity.

"Love Divine all love excelling,
Joy of heaven to earth come down."

"For unto you is born this day in the city of David a Saviour who is Christ, the Lord." In Christian thought that is the gracious meaning of Christmas; a festival of joy, hope and peace. For the home of the heart, where grow the fair flowers of affection; that beauty of spirit may be the garment of praise and goodness the treasure-house of life; "for goodness is alone immortal."

Out of another world comes Christmas; year by year with the thought the spirit of Eternal Love, Eternal Beauty, and Eternal Grace to crown the closing year with Divine goodness, to dower the opening year with divinest glory, as we pray: "Thy Kingdom come."

"When knowledge hand in hand with peace,
Shall walk the earth abroad;
The day of perfect righteousness
The promised day of God."

Never, perhaps, has there been so broad so deep a spirit of sacrifice and service as today; not counting life dear that right and liberty may still be the great glory of a free people.

"We must be free or die who speak the tongue
That Shakespeare spake; the faith and morals
hold
Which Milton held."

"Man," remarked Sandy, as quoted by Tit-Bits, "I did a thing last night what I've no dune this twenty year. I went to ma bed pairfectly sober, but I'm richt thankful to say I got up this mornin' none the waur!"

THE EXPORTER'S FIELD

UNITED STATES PAPER EXPORTS.

While Canada has greatly increased her exports of newsprint paper to the United States during the past two years, the exports of all kinds of paper from the United States during the calendar year ending this month have surpassed all previous records. It is estimated they will be valued in the neighborhood of \$40,000,000.

The largest individual items contributing to the large exports of the year and the values of their exports in comparative ten-month periods of 1915 and 1916 are: Books, maps, etc., \$8,330,000 in 1916, against \$6,600,000 in 1915; newsprint paper, \$3,430,000 against \$2,260,000; other printing paper, \$6,000,000 against \$1,610,000; wrapping paper, \$3,340,000, against \$1,360,000; writing paper \$1,890,000, against \$992,000; straw board, paper board, etc., \$1,640,000, against \$660,000; bags, \$750,000, against \$393,000; carbon paper, \$475,000, against \$340,000; boxes and cartons, \$725,000, against \$350,000; wall paper, \$400,000, against \$224,000, and playing cards, \$370,000, against \$229,000.

Nearly half of the newsprint paper exported during the ten months to October 31 went to Latin America. Of the \$3,430,000 worth sold to foreign countries in that period \$905,000 went to Argentina, \$365,000 to Cuba, \$165,000 to Mexico, and \$175,000 to Chile. Australia took \$302,000 worth, the United Kingdom \$233,000, and Canada \$36,000.

American books naturally go chiefly to English-speaking countries. Thus we sold to Canada in the period under review \$4,147,000 worth, to the United Kingdom \$955,000 and to Australia \$379,000 out of a total of \$8,330,000. Mexico took \$467,000 worth, Cuba \$262,000, the Philippine Islands, \$210,000 and Brazil \$116,000. France has not in recent years offered any considerable market for American paper. Last year the entire exports of that group of manufacturers to France were only about \$32,200 in value.

ITALY OFFERS GOOD MARKET FOR AGRICULTURAL MACHINERY.

The American Consul at Milan states that the reason that American manufacturers of agricultural machinery have not met with better success in that market, is that they endeavor to sell an article suitable to conditions in the United States, rather than study the needs of the consumers themselves. A few American seed drillers have been sold, but as in the case of other agricultural machinery the Continent has been Italy's principal source of supply. As this information is equally interesting to Canadian manufacturers of agricultural machinery we quote the consul's report verbatim in part: "Harvesters, binders, and mowers are almost all of American make, although a few of European make have been in use, especially in the case of mowers. On account of the cost of coal, a market is promised here for motor tractors driven by kerosene oil. Italy also presents an excellent market for hand tools for agricultural work.

"Thrashing machines are in demand, although those sold here are chiefly German or English. The American machine does not seem to clean the grain well enough or grade it as other makes do. Our machines also break the straw. The Italians put the plant in sidewise, instead of head first as in the case of American machines, and bind it afterwards, thus saving the straw for other purposes.

"There should be a good demand for American milking machines. Many Italian farms stock as many as 120 cows, requiring a force of eight men to milk them by hand. Milkers constitute the class of labor that it is most difficult to procure in Italy. They are independent and have the owners at their mercy. Milking machines when used reduce the number of men, and skilled attendants are not required, thus making the cost of labor much less and the owner freer. A machine that could be attended by one man would sell here. There is no market at present for cream separators.

"Information received at the American consulate indicates that there is a large amount of business in Italy for American hardware of all kinds. Several lines of American goods have appeared here, and although costing more than Continental goods they are beginning to be appreciated, because they are of superior materials and last much longer."

LIMITED MARKET IN ARGENTINE FOR PAPER BOXES AND LABELS.

According to a report recently received from the American Consul at Rosario, there is very little demand in Rosario at present for paper boxes and labels for druggists and similar lines. Before the war the market was considerably better and boxes were imported from Germany, France, and the United Kingdom; while British, American, German, and French labels were used.

The report continues in part: "The total imports of pasteboard boxes of all kinds into Argentina in 1913 were officially valued at a little under \$100,000. Imports of paper and pasteboard labels were valued at about \$66,000. Boxes and labels are made in Argentina, which has numerous lithographic establishments. The difficulty of securing foreign merchandise promptly, as well as high freight rates, has given the Argentine industry a new advantage and its relative share of the market has been considerably increased by the war. Imports of boxes into Argentina in 1915 were valued at about \$37,000. High freight rates naturally fall more heavily on boxes, which occupy more space. Probably less than 10 per cent of imports of boxes and labels are entered at Rosario or elsewhere in this district. On the other hand a considerable proportion of the articles entered at Buenos Aires eventually find their way into the interior."

CANADA EXPORTS POTATOES TO CUBA.

Canadian shippers of potatoes are beginning to realize the importance of the Cuban potato market, and within the last year or two, have given more attention to the sorting, packing, and transportation of the stock, with the result that Canadian potatoes are now arriving in fine condition and are in demand all over the island, consumers claiming the flavour of the Canadian potato cannot be excelled. Out of weekly receipts of 25,500 sacks of potatoes in Havana, Canada has supplied over 21,000, the remainder being imported from the United States. The total value of Canadian shipments from September 1st to December 1st have reached over \$1,000,000, dollars.

EXPORT PARAGRAPHS.

The Japanese Government has instituted a system of inspection of all exports so that Japanese goods will not disappoint foreign purchasers to whom they are consigned. The plan is to have inspectors attached to every Japanese trade guild.

On the termination of the war, many thousands of the motor tractors now being used in France and elsewhere for exclusively military purposes will become available at low prices, and there seems every probability of large numbers of them finding purchasers in South Africa. The standard types of motor tractors used in Europe are perfectly adapted to town work in the Union and Rhodesia, and there is always a great and growing demand for them.

The attacks recently made on Norwegian ships by German submarines have caused a good deal of dislocation in the British pit prop trade. Prices have been advanced enormously by shippers, and tonnage is difficult to procure. It is evident that pit props will be much dearer this winter than they were twelve months ago.

Holland may mobilize her entire mercantile fleet for bringing foodstuffs from overseas. Monthly requirements for human food and fodder amount to 200,000 tons capacity, which owing to the delay of voyages and other causes involves the regular employment of 470,000 tons of shipping. The interests of the regular passenger liners will be consulted as far as possible.

The action of the U. S. Department of Justice in excluding the public and the press from hearings and in discouraging further agitation may be regarded as an admission of failure to find cause for special action and as evidence of its belief that the agitation as conducted by the press has been harmful to legitimate interests.

: Foreign Inquiries :

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FELTPAPER, on rolls, 450/1000 Gr. M2.
DUPLEX- and CHROMOBOARDS.
and asks for offers.

PARCEL POST ADVOCATED BETWEEN RUSSIA AND U. S.

At the request of the Retail Merchants' Association, New York, the United States Government has under negotiation with Russia a Parcel Post Convention. In case the negotiations prove successful, the Convention will be of much assistance in facilitating business between merchants of this country and Russia.

CHANGE IN POSTAGE RATES TO CHINA,

The Imperial penny postage rates no longer apply to mail destined for China ports and Hong Kong,

THE CANADIAN BANK OF COMMERCE



Statement of the Result of the Business of the Bank for the Year Ending 30th November, 1916

Balance at credit of Profit and Loss Account brought forward from last year	\$ 461,892 25	Dominion and Provincial Government Securities, not exceeding market value	2,781,960 86
Net Profits for the year ending 30th November, after providing for all bad and doubtful debts	2,439,415 17	British, Foreign and Colonial Public Securities and Canadian Municipal Securities	17,282,911 96
	\$ 2,901,307 42	Railway and other Bonds, Debentures and Stocks, not exceeding market value	7,810,461 73
This has been appropriated as follows:		Call and Short Loans (not exceeding 30 days) in Canada on Bonds, Debentures and Stocks	14,725,133 07
Dividends, Nos. 116, 117, 118 and 119 at ten per cent. per annum	\$ 1,500,000 00	Call and Short Loans (not exceeding 30 days) elsewhere than in Canada	21,141,335 85
Bonus of one per cent. payable 1st June	150,000 00	Deposit with the Minister of Finance for the purposes of the Circulation Fund	806,964 42
do do 1st December	150,000 00		\$129,341,420 42
War tax on bank-note circulation to 30th November ..	147,288 33	Other Current Loans and Discounts in Canada (less rebate of interest)	133,738,131 21
Transferred to Pension Fund (annual contribution) ..	80,000 00	Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest)	16,504,418 23
Subscriptions:		Liabilities of Customers under Letters of Credit, as per contract	sign as \$11.00 per cent.
Canadian Patriotic Fund	\$50,000 00		
British Red Cross Fund	5,000 00		
British Sailors' Relief Fund	5,000 00		
Sundry subscriptions, including Northern Ontario Fire Relief Fund and War Hospitals, etc.	11,700 00		
	71,700 00		
Balance carried forward	\$ 2,901,307 42		

GENERAL STATEMENT 30th November, 1916

LIABILITIES

To the Public:	
Notes of the Bank in circulation	\$ 19,259,347 68
Deposits not bearing interest	\$ 62,484,072 27
Deposits bearing interest, including interest accrued to date	167,412,079 88
	229,896,152 15
Balances due to other Banks in Canada	141,317 42
Balances due to Banks and Banking Correspondents elsewhere than in Canada	5,021,882 49
Bills Payable	2,186,836 68
Acceptances under Letters of Credit	2,092,640 13
	\$258,598,176 55
To the Shareholders:	
Dividends Unpaid	2,084 12
Dividend No. 119 and bonus, payable 1st December ..	525,000 00
Capital Paid up	\$ 15,000,000 00
Rest Account	13,500,000 00
Balance of Profits as per Profit and Loss Account	802,319 09
	29,302,319 09
	\$288,427,579 76

ASSETS

Gold and Silver Coin Current	\$ 20,975,529 83
Dominion Notes	19,315,476 00
Deposit with the Central Gold Reserves	6,000,000 00
	\$ 46,291,005 83
Notes of other Banks	1,630,360 00
Cheques on other Banks	9,668,098 71
Balances due by other Banks in Canada	1,389 86
Balances due by Banks and Banking Correspondents elsewhere than in Canada ..	7,201,798 13
	18,501,646 70

including the unsold balance of former premises of the Eastern Townships Bank)	\$ 1,264,458 34
Less mortgage assumed	100,000 00
	1,164,458 34
Mortgages on Real Estate sold by the Bank	389,411 53
Bank Premises at cost, less amounts written off	5,139,457 26
Less mortgage assumed on property purchased	300,000 00
	4,839,457 26
Other Assets not included in the foregoing	126,904 34
	\$288,427,579 76

B. E. WALKER, President. JOHN AIRD, General Manager.

Report of the Auditors to the Shareholders of The Canadian Bank of Commerce.

In accordance with the provisions of sub-sections 19 and 20 of Section 56 of the Bank Act, 1913, we report as follows:

We have audited the above Balance Sheet and compared it with the books and vouchers at Head Office and with the certified returns from the branches. We have obtained all the information and explanations that we have required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank.

We have checked the cash and verified the securities representing the investments of the Bank at its chief office and principal branches at a date other than, and in addition to, the verification at 30th November, 1916, and found that they were in agreement with the entries in the books of the Bank relating thereto.

In our opinion the Balance Sheet is properly drawn up as to exhibit a true and correct view of the state of the affairs of the Bank according to the best of our information and the explanations given to us, and as shown by the books of the Bank.

T. HARRY WEBB, C. A., of Webb, Read, Hegan, Callingham & Co.
JAMES MARWICK, C. A., of Marwick, Mitchell, Peat & Co.
Auditors.

Conditions in the West

Freight Situation Critical -- Sample Grain Markets to be Inaugurated at Winnipeg

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

The week has had some exciting moments so far as the markets are concerned, and on December 20th there was a fluctuation of practically 12 cents on the Winnipeg market. The market opened that day at 5 cents below the previous close and it was claimed that the rapid advance was due to heavy covering by shorts and also by buying for government accounts. This latter was difficult to trace and it was generally supposed that all of it was not for the allied governments. The slumps from time to time were directly traceable to peace rumors, and so far as Winnipeg markets were concerned, it was a case of following Chicago.

It seems impossible for the American mind to divest itself of the idea that the United States is going to be an important factor in bringing about peace. It will take more emphatic and more pointed snubs than they have yet received from Britain and her Allies to convince them that their intervention is not regarded favorably in peace proposals; the extreme statement of Secretary Lansing had little, if any, effect on our market. The last two days there was a steadying of prices, and evening up of trades, and when the market closed today for the Christmas Holidays, it was freely stated that only the very largest houses had any quantity of trades on either side of the market.

Receipts at country points have been very small, due to the extremely cold weather, and movement forward has been materially retarded by the territorial embargoes on the Canadian Pacific Railway which have existed for several days, and today a complete embargo on Eastern movement was inaugurated by the Canadian Northern. The freight situation in the West at the present time is extremely critical, the two weeks of exceptionally cold weather that have preceded Christmas add-

very serious conditions, and western movement of perishable goods out of Winnipeg has been stopped up by the taking off of heated cars on a number of the lines.

Sample Markets.

On top of the existing difficulties, the announcement of the Hon. Robert Rogers that the sample markets at Winnipeg and Fort William were to be inaugurated immediately, came like a clap of thunder in the clear air. The changes in the Grain Act suggested by the deputations which waited on Sir George Foster some little time ago with regard to the question of licensing of "hospital" or private elevators at the head of the lakes were to have been discussed by the various grain exchanges, cooperative elevator organizations and the like, and a report sent to Sir George Foster. Evidently in the absence of his colleagues, the Hon. Robert Rogers has been 'putting one over' on them. He has always been, or professed to be, in favor of sample markets, but if the truth were known his present action is probably due to the impertunity of his friends who are interested in some of the larger of the so-called "hospital" elevators, and who see in the amendments to the grain act, which would permit of mixing in all of the houses at the head of the lakes, a menace to their extremely profitable business, and who have apparently suggested that by utilizing the power already conferred upon the grain commission and instituting a sample market, they will be spared the discussion of this matter in Parliament, where more things might come out than are altogether desirable.

It is understood that Sir George Foster told the delegation that waited on him, that if they could assure him of the unanimity of desire for these amendments, that he would submit them, but that he would not submit anything that would raise controversial questions in regard to the grain act at the coming session, which was really a war session of the house.

The farmers' organizations are just as firmly opposed to the idea of the sample market as they have ever been, and are sending in urgent petitions that matters be stayed.

So far as the railway companies are concerned,

they also are protesting, and with reason; the congested condition of traffic at the present time is bad enough, and if it is to be accentuated by the holding of cars in order to take samples and the like, it will add to the confusion.

The full texts of the defence for amendments to the grain act, oddly enough, are not available, the statement was that they were put in hurriedly, and only one copy was made, and this was filed with Sir George Foster. In view of the importance of the whole matter and its vital effect on the country's basic industry, it seems a little remarkable that those who defended these amendments should be so unwilling for the public to have the full text of that defense.

It is to be hoped that when parliament sits, some western member will have the 'savvy' and the courage to ask for the reports which the Grain Commission have made to the Department of Trade and Commerce on the work of these "hospital" elevators. There is somewhere in the pigeon-holes of the department of the Minister of Trade and Commerce, these detailed reports, and they would make mighty interesting reading.

It is rather remarkable that in view of the fact that all terminal elevators are obliged to publish every detail of their business, that these "hospital" elevators, who claim to have handled over one quarter of all grain reaching the head of the lakes last year, should give no account whatever of what business they have done, or how they have done it.

NEW MORGAN PARTNER.

Sixteen years ago Thomas Cochran arrived in New York penniless. On January 1st, 1917 he will take his place as a partner in the firm of J. P. Morgan & Company of the Liberty National Bank. Cochran is only forty-four years of age. Among his achievements he worked his way through Yale University. He went to New York "broke", but with a determination to succeed. He did all kinds of work in New York finally meeting Henry P. Davison, one of the Morgan partners, who was impressed with his ability, and the result is that Cochran joins the firm at the beginning of the New Year.

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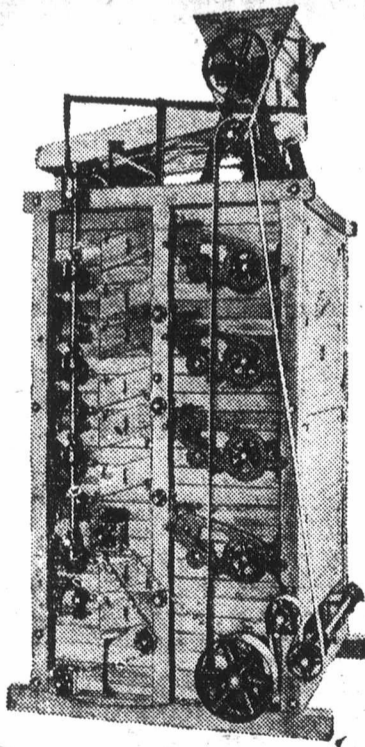
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COMMODITY MARKETS

Week's Wholesale Review

The clear cold weather last week coupled with a general feeling of prosperity, created happy conditions for this year's holiday trade. Retail dealers report an unusually satisfactory season as the volume of trade reached a new record point. Last week was quiet in wholesale circles, as deliveries of holiday goods in most lines were made in the preceding weeks. Dry goods orders continue to come in steadily by mail, although most of the travellers are home for the holidays. Cotton mills are very busy. Prices on imported textiles continue to advance. Manufacturers of hard rubber and mechanical rubber goods have withdrawn quotations. The leather market is quiet but very firm with further advances in some lines. Boot and shoe makers are finding difficulty in securing adequate supplies of leather. Hardware is quiet as is always the case at this season.

Gross earnings of all Canadian railroads so far reporting for two weeks in December show an increase of 6.3 per cent as compared with the corresponding period a year ago. Commercial failures in the Dominion of Canada this week numbered 28, as against 24 last week and 51 the same week last year.

COUNTRY PRODUCE.

EGGS: The market for eggs is steady, although prices are quoted slightly under last week's level. This is doubtless due in part to the fact that the export trade is now over. One or two dealers lowered prices slightly and the others followed suit to meet competition. Stocks in Montreal are not heavy. There have been offers of eggs from Chicago houses during the week. There will not be much advantage in bringing in eggs from the West as far as price is concerned. Eggs are quoted to-day at 31c in Chicago, to which must be added freight, duty and the war tax which will bring them to 39c to 40c laid down in Montreal. The quality of Chicago eggs is not considered equal to our own. Laid eggs are also scarce in the West and as we are having similar weather conditions as in Montreal there will hardly be any available until the latter part of January. Hens are not starting to lay as early this year as last.

POULTRY: Deliveries of dressed poultry during the past week have been fairly satisfactory, but generally there has been sufficient for the demand. The market is steady and firm, at unchanged prices. People have not been buying as freely this year owing to the high prices asked.

POTATOES: The potato trade continues mainly on a hand to mouth basis. Offerings have been made as low as \$1.60 per 90-lb. bag.

Eggs:—	
Special New Laid ..	0.60 0.70
Extras ..	0.42
No. 1 ..	0.38

Poultry—Live:	
per pound.	
Fowls, 5 lbs. and over ..	0.18 0.17
Fowls, small ..	0.13 0.14

Fresh Killed Poultry:	
Turkeys ..	0.29 0.30
Old Turkeys, cocks ..	0.27 0.28
Do., Roasting ..	0.29 0.30
Fowls, hens ..	0.15 0.16
Do., roosters ..	0.14 0.15
Broilers, 2½ to 3 lbs., per lb ..	0.20 0.22
Do., 2 to 2½ lbs., per lb. ..	0.21 0.23
Squabs ..	0.35 0.45
Geese ..	0.16 0.17
Ducks ..	0.17 0.18

Maple Products:—	
Pure maple syrup, quart cans ..	1.00 1.10
Pure maple syrup, 9-lb. tins ..	1.25 1.30
Extra choice syrup, 13-lb. tins ..	1.25 1.30
Pure Maple sugar, per lb. ..	0.13 0.14

Potatoes:—	
Green Mountains, per bag of 80 lbs. ex-track ..	1.75
Do., to jobbers, ex-store, per 80lb. bag ..	2.10 2.20
Quebec's, per bag of 80 lbs, ex-track ..	1.65
Do., to jobbers, ex-store, per 80 lb. bag ..	1.75 1.85

Beans:—	
Can. hand-picked car lots ..	6.75 7.00
Three-lb. pickers ..	6.50 6.65
Five-lb. pickers ..	6.00 6.25
Six to seven-lb. pickers ..	5.00 5.90

FRUIT AND VEGETABLES.

FRUIT: A few apples are coming in from Maine and New York State. Generally speaking the sale of apples this year is slow and prices show a slight decline from our previous quotations. Lemons are lower owing to heavier shipments from California which has brought down the price of the foreign article. Very few Almeria grapes are arriving. Stocks are light and the market is steady. The demand for cranberries is less than usual this year as turkeys are so high in price that many people are celebrating without the festive bird. Prices on cranberries are holding steady as supplies are light. The orange market is lower owing to heavy receipts.

The price of bananas is practically unchanged. Importations from the Tropics are comparatively light, due to the scarcity of the fruit, and consequently there is a tendency for prices to go to higher levels than is generally the case at this season of the year. It may be noted that bananas are now one of the few staple articles of food of general consumption, the price of which has not tended to swell the already long list of the "high cost of living."

VEGETABLES: Red onions are in light supply, and with the increased demand prices are likely to go higher. Very limited supplies of Spanish onions are arriving. Curly lettuce has advanced sharply in price. Cabbage and celery are also scarce and dear.

Current quotations are as follows:

Apples:	
Cranberries, per bbl.	11.00
Cranberry, pippin, per bbl.	5.00
Greenings, per bbl.	5.50 6.00
Pewawukies, per bbl.	4.00 4.50
Mackintosh Reds, per bbl.	5.50 7.00
Fameuse, per bbl.	6.00 7.00
Bananas, per bunch ..	2.50 3.00
Grapes, Almeria, per keg ..	5.00 7.50
Do., Jamaica ..	3.00
Lemons, Palermo, per box ..	2.75 3.25
Limes, per box ..	1.75
Oranges, California, Navel, per box ..	2.75 3.50
Grapefruit, Florida and Cuban ..	3.25 3.50
Pears, Winter Nellis, per box ..	4.50 5.00

Vegetables:	
Artichokes, per bag ..	1.25
Beets, per bbl.	1.25
Beans, American ..	1.25

Boston:	
Do., curly, per case ..	5.75 6.00
Onions, Spanish, per case ..	5.75 6.00
Potatoes, Quebec, per 80 lb. bag ..	1.80
Do., Green Mountains, per 80 lb. bag ..	1.90
Do., Sweet, per basket ..	2.25
Parsley, per doz. bunches ..	0.50 1.00
Salsify, per doz. bunches ..	0.60
Turnips, per bag ..	1.00
Tomatoes, hothouse, per lb. ..	0.25 0.30

FLOUR, CEREALS AND MILLFEED.

The flour business is very quiet at the present time. Mills are generally working on old orders, but it is only a matter of time when they will feel the lack of new business coming in during the past few weeks. This lack of activity will tend to decrease supplies of millfeed for which there continues to be a good demand at constantly increasing prices. Shorts are particularly sought after.

As regards export business the week seems to have brought us no farther on. There appears to have been no lack of cables and letters on the interesting topic of straight run flour, but the information from the various British houses is so varied and indefinite that some Canadian millers are regarding the solution of the problem as a hopeless task. In any case the greater part of the Canadian export demand, is for army purposes, which is chiefly for white flour the same as previously supplied. There is a certain amount of demand at present, but it is limited by lack of ocean room. Freight rates have advanced 10c, making a current rate of 65c.

Many prominent members of the milling fraternity spent last Wednesday in Ottawa on "important business" and many also came back with nothing but bad humor for their pains. Some of the mills booked orders for white flour from the Government,

but the majority were unwilling to meet the prices offered.

In sympathy with the renewed strength in the market for the raw material, millers advanced the price of spring wheat flour 30c a barrel on Friday last, making \$9.50 for first patents per barrel. Winter wheat flour is very quiet, as practically no quotations are coming in from Ontario mills. Prices are unchanged, but are firm in sympathy with wheat. Rolled oats are in fair demand. Prices are easy though unchanged.

		Montreal.	Toronto.
		Per 96-lb. bag.	
Flour:			
First patents ..	4.75	4.70	
Strong patents ..	4.50	4.45	
Strong Bakers ..	4.40	4.35	
Feed Flour ..	2.85	2.70	2.80
Winter wheat flour, 90 per cent.	4.10	4.25	
Cereals:			
Rolled Oats, 90-lb. bag.	3.40	3.55	
Oatmeal, 98-lb. bag.	3.85	3.90	
Graham flour, 98-lb. bag ..	4.90		
Rolled wheat 100-lb. b. 3.60 ..			
Rye flour, 98-lb. bag 3.40 ..	3.55		
Feeds:			
		Per ton.	
Bran ..	32.00	33.00	
Shorts ..	35.00	36.00	37.00
Middlings ..	39.00	41.00	40.00
Moullie, pure grain grades ..	46.00	50.00	
Do., mixed ..	44.00	47.00	
Barley feed ..	41.00		
Crushed Oats ..	45.00		
Oatfeed ..	46.00		
Hay, No. 2 ..	13.00	9.00	10.50

An extra charge of 30c is made for barrels.

LIVE STOCK.

MONTREAL: Although offerings of live stock were heavy at last week's sales, the quality showed a general improvement, which warranted an increase of 50c to 75c per 100 lbs. for choice cattle. Extra choice cattle offered on the market for the Christmas trade, brought as high as \$11.00 per

the market shared quotations being market the previous week's level, ing forward, though so usual, was readily absorbed by

TORONTO: Receipts of live stock from the Toronto stock yards last week amounted to 7,000 cattle, 1,175 calves, 13,043 hogs and 2,751 sheep and lambs. The high prices of the week before last induced drovers to go after more Christmas beef cattle, and results proved rather disappointing. Best butchers dropped 25c to 50c, and in some cases medium cattle declined as much as 75c per cwt. Small meats on the contrary were very active and prices for lambs rose to new levels. Choice spring lambs went as high as \$13.25. Calves were steady under a good demand. Hogs advanced 15c to 25c during the week, but were easy at the close.

Current prices are as follows:

		Per cwt.	
		Montreal.	Toronto.
Butcher steers, best ..	9.50	9.75	8.75 9.25
Do., good ..	9.00	9.25	8.00 8.75
Do., fair ..	8.50	8.75	8.30 8.60
Do., medium ..	7.50	7.75	7.50 8.00
Do., rough ..	7.00	7.25	6.25 6.75
Butchers' cows			
Choice ..	7.50	7.75	7.00 7.25
Do., good ..	7.00	7.25	6.50 6.80
Do., fair ..	6.50	6.75	5.00 5.50
Butcher bulls, best ..	8.25	8.50	7.25 7.50
Do., good ..	7.75	8.00	6.00 6.50
Do., medium ..	7.25	7.50	5.40 5.80
Canners' cattle, bulls ..	5.50	5.75	4.10 4.30
Do., cows ..	4.50	4.75	
Heavy Sheep ..	8.25	8.50	7.50 8.50
Light Ewes ..	8.75	9.00	8.50 9.50
Culls ..	7.75	8.00	3.00 5.00
Lambs ..	12.50	13.50	8.50 13.25
Calves, milkfed.	10.00	11.00	11.00 12.00
Do., grassfed.	6.50	7.50	5.00 6.00
Hogs, selects, weighed off cars ..	12.90	13.00	
Do., heavy weights ..	12.50	12.60	
Sows ..	10.90	11.00	

JUTE AND HEMP.

Higher prices than ever are looked for in the jute market in the New Year, owing to the sinking of a jute laden ship and the commandeering of six weeks' burlap production at Dundee, beginning January 1st.

Following the gradual advance of 3c a pound in fair current Manila hemp recently, the price of Yucatan sisal was advanced a further 3c last week.

Current prices in the New York market are as follows:

Table listing prices for Manila Hemp, Isthmian Hemp, and Jute. Columns include item name and price per 100 lbs.

GROCERIES.

The grocery market was quiet last week, for as far as wholesalers were concerned the Christmas rush was over the week before.

There is an easier feeling to the absence of the prevailing high prices, coming at \$1.25 today, a drop of 15c under the lowest issued on the new crop.

The long talked of advance in soaps has come to pass, all varieties having been marked up 30 cents a case.

We are informed that coffee is likely to advance early in the new year about a cent a pound. This will be to a great extent the outcome of speculation on the outcome of peace, and the heavy demand that would ensue from the Central Powers.

Table showing sugar quotations for Granulated No. 1 and Yellow No. 1.

Table listing prices for Special icing, Powdered, Paris lumps, Crystal Diamonds, and Assorted tea cubes.

THE GRAIN MARKETS.

The peace situation entirely overshadowed all other features in the wheat market at the beginning of last week, and while more or less attention was given to factors which ordinarily can be counted upon to bring about pronounced fluctuations, they had in reality little influence on the market.

As regards the Montreal market, business has been very quiet in all lines of grain owing to the embargoes on American and Canadian railway lines.

Current cash prices are as follows: Montreal per bushel, Toronto per bushel.

Table showing current cash prices for various grain types like No. 3 C. W., Oats, Barley, etc.

MONTREAL PRODUCE RECEIPTS.

Receipts of the principal commodities at Montreal for the past two weeks follow:

Table showing receipts of principal commodities at Montreal for Dec 23 and Dec 16.

ONLY RESULTS DIFFER.

A submersible comes to the surface, shoots a torpedo which destroys a ship and then sinks out of sight. If American lives or property have been lost, our state department comes into view for a moment, shoots a note and then the whole matter drops out of sight.

DRIED FRUITS AND NUTS

DRIED FRUITS: A heavy trade was done at Canadian centres last week to meet the demand for the holiday season. Dealers shipped heavily, especially at the beginning of the week.

There is very little activity in prunes at the present time owing to the car shortage on the lines from California, which is showing little improvement as yet.

NUTS: Stocks of Brazil nuts were nearly exhausted a week ago, and the Christmas trade has pretty much cleaned up the remainder.

Table listing prices for Dried Fruits (Apples, Apricots, Peaches, etc.) and Nuts (Walnuts, Pecans, etc.).

WINNIPEG GRAIN RECEIPTS.

The receipts of grain at Winnipeg for the week ended December 23, 1916, compared with last week and the corresponding week a year ago were as follows:

Table comparing grain receipts at Winnipeg for Dec 23, 1916, Dec 16, 1916, and Dec 23, 1915.

CHICAGO'S PLANS.

Detailed plans for a new transportation system for Chicago which will provide adequate service for population of 5,000,000 at cost of \$490,000,000 in 1960 have been sent to the city council by the Chicago traction and subway commission.