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Special Articles

Some Principles of Account Collecting.
By W. W. Swanson.

Comments on Current Commerce.
By E. S. Bates.

Banking and Business Affairs in the United
States.
By Elmer H. Youngman.

Conditions in the West.
By E. Cora Hind.

Editorials:	Page
The Montreal Tramways	1
Customs Valuation	2
The Neutrals	2
A Japanese Question	2
The Conference	2
Some Principles of Account Collecting	3
Altered Conditions in the Wool Industry	3
Shipping Losses in 1916	4
Canadian Produce Association Convention	4
Banking and Business Affairs in the United States	5
Public Opinion	6
Retail Credit Abolished	6
Mentioned in Despatches	7
Comments on Current Commerce	8
Among the Companies	9
Book Review	10
Presentation to Mr. H. T. Ross	11
Business Failures in Canada	11
Montreal Stock Exchange	13
Bank Clearings	13
United States Life Insurance Companies' Investments	14
"A Little Nonsense Now and Then"	17
The Hospital Elevators in the West	18
News of the Week	18-19
Conditions in the West	20
The Egg Market in 1916	21
Commodity Markets	22-23

The Montreal Tramways

THE gentlemen appointed, under an Act of the Quebec Legislature, as Commissioners to consider the question of a new franchise for the Montreal Tramways Company are about to enter upon the work that has been entrusted to them. The tramways question, therefore, again becomes one of much interest and importance. In the discussion of public questions which have numerous sides there is always a danger that the minor matters may command more than their share of attention, and that thus the things of greatest importance may be overlooked or but slightly studied. There is this danger in the handling of the tramways question in Montreal. The subject has many sides. The rates of fares, the character and sufficiency of the equipment, the frequency and regularity of the service, the overcrowding of the cars, the extensions of the lines at present needed, the provision for future extension, the use of the lines for freight service, the removal of snow, the street-cleaning arrangements, all these are in their respective places matters of much importance which the Commissioners will naturally desire to study carefully, and in this study they will probably deem it necessary to call in the assistance of competent persons who have had experience in the handling of tramway problems in other large cities. But all these matters are susceptible of settlement without much difficulty. The question of surpassing importance, to which the Commissioners should be asked to give their closest attention, is that of the capitalization upon which those financially interested in the tramways lines can reasonably claim to be allowed to take dividends. That is the point upon which some trouble is to be expected, and the point upon which it is most necessary that the public interests shall be protected.

It is alleged by critics of the Montreal Tramways Company that a considerable part of the present capitalization is not represented in the property of the Company; that the proceeds of securities issued were not applied to the construction and equipment of the railway, but were distributed among the shareholders, and that the patrons of the tramways are thus paying interest on what is commonly called watered stock. How far this is true may be a question of some interest, but it is not really a matter of importance in the present discussion of tramways affairs. If by past neglect or mismanagement those who were charged with the care of the interests of the citizens of Montreal permitted the patrons of the lines to be taxed in the form of car fares for the payment of dividends on watered stock, the people must for the present pay the penalty of such blunders. A bargain is a bargain. Montreal must be content to live up to its bar-

gain, even if it was a very imprudent one, so long as the bargain stands.

But while this is true as respects the existing franchise, a very different situation is presented when the Company, without waiting for the expiry of the present bargain, asks the people of Montreal to enter upon a new arrangement. Such a request from the Company opens up the whole question for consideration, and it will be strange indeed if the citizens do not avail themselves of the opportunity to profit by the experience of the past.

The Montreal Tramways Company, owners of some street cars, tracks and station houses, are asking to be admitted into a partnership with the citizens of Montreal, owners of the streets through which the Company wishes to run its cars. The question should be considered just as it would be if a large business house were asked to admit a partner. In such a case the volume of debts owed by the applicant would not be regarded as a governing factor in the making of an agreement. He would be told that that was a matter for adjustment by himself and that his interest in the proposed organization would be proportionate only to the value of the property that he could bring in. Applying that principle in the case of the tramways, those who desire to see the interests of the citizens protected should insist that the fair value of the Company's cars, tracks, station buildings and any other property that is necessary or useful in the operation of the system is what the Company are entitled to be credited with in a new contract. The amount of the Company's outstanding securities need not be considered for a moment. Whatever questions there may be in relation to these securities are matters for adjustment by the Tramways Company. It is not upon these securities, but upon the value of the property brought into the new arrangement, that the Company should be allowed dividends. This is the vital point. In such an arrangement the Company should be dealt with in no ungenerous spirit. Upon such actual value they should be permitted to take a liberal dividend, which should be secured to them as a first charge upon the net earnings. If the enterprise earns no more, nobody can complain. There should be no claim for a dollar for the city treasury under such conditions. But if the enterprise under proper management earns more than what is necessary to pay that liberal dividend, the surplus should be divided, in proportions to be agreed upon, between the city treasury and the Company. Such an arrangement would be just and generous to the Company and fair to the citizens. But if the workingmen and the people of moderate means who are the patrons of the tramways are to be taxed in the form of fares to pay dividends on watered stock—on money that is not repre-

sented by the value of the railway property—a grave injustice will be done to the public. There is no reason why anybody should assume that the Commissioners will not protect the people of Montreal against such a manifest injustice.

Customs Valuation

THE Montreal Gazette, in an article which we reprint, calls attention to a serious disadvantage under which importers are placed by the provisions of our Customs law respecting the valuation of goods upon which advalorem duties are imposed. It is no new law that creates the trouble. It is an old law which in former years worked fairly well, but in recent times has proved both embarrassing and burdensome. The value of the goods is held by the Customs law to be the current price in the country of production at the time of the importation. The goods perhaps had been purchased several months before, for delivery at a specified time. Where the fluctuations of prices are but small the law works fairly well. But where, as has been the case in recent years, large increases of prices have taken place in a short time, the importer finds himself in a bad position. Take, for illustration, the part of the clothing trade in which imported cloth is used. The wholesale merchant, having made his purchase of cloths in the markets abroad, computes the amount of duty, freight, insurance and other charges, and on these bases, without waiting for the arrival of the goods, proceeds to sell by sample to the manufacturer of clothing. The latter, having his cost of materials thus established, fixes the selling prices of his manufactured product, and sends out his travellers to the retail trade. Later on the cloth arrives. In the meantime the market prices have largely increased. That fact cannot affect the transaction between the importer and manufacturer. They have made their contract and the importer must live up to it. But the Customs Department steps in and demands duty, not on the cost of the goods, but on the present market price, and as the duties are now quite high the difference between what he had calculated on paying and what the law demands makes the transaction one of substantial loss. In this case it is the importer who suffers. If the manufacturer is himself the importer he has to bear the unexpected burden, for he has sold his clothing in advance to the retail trade at a price that he cannot change. Such a condition of affairs imposes heavy handicaps on legitimate business.

The Gazette's suggestion is that the basis of valuation that has so long existed be changed and that the market price at the time of purchase be taken as the value for duty. It sometimes happens that the remedy offered for a troublesome situation is as bad as the disease. One would like to hear how the suggestion strikes the experienced Customs officials at Ottawa before reaching a conclusion. Some embarrassments might arise under the new method proposed. It would on first view seem reasonable that two parcels of goods of precisely the same character, arriving at the Customs warehouse at the same moment, should be chargeable with the same duty. If one importer is allowed to pay a smaller sum because he bought his goods some months earlier, the other may feel that he is placed at a disadvantage. However, it would be too much to hope that Customs laws can be operated to meet everybody's circumstances or wishes. That there will be some difficulties respecting

valuation under any advalorem tariff system is to be expected. But the Customs laws and their administration should be such as to impose a minimum of inconvenience on business men. The change proposed by our contemporary seems a reasonable way of overcoming the present difficulty and unless there are strong departmental reasons against it, which are not now apparent, it should receive the favorable consideration of the Government.

The Neutrals

PRESIDENT WILSON'S suggestion that all the neutral nations should follow the example of the United States in breaking off diplomatic relations with Germany is not received in Europe with the warmth that he had hoped for. Spain, while not going that far, has at least made a vigorous protest against the German threat of ruthless submarine war. Sweden has been largely pro-German all through the story. Denmark and Norway are sympathetic with Great Britain, but hardly in a position to have an open quarrel with Germany. Switzerland and Holland are much divided in sentiment. They can have little real regard for a government that treats small nations as the Germans have treated Belgium. But there are German influences within both these neutral countries that make any anti-German movement difficult, and no doubt those who are not pro-German feel that Germany is too close to them to admit of their acting independently. In view of the fate of Belgium, Serbia, Montenegro and Roumania, the smaller nations of Europe who are still outside the conflict will naturally desire to avoid, if they can, a quarrel with the big bully nation. But when the bully is soundly thrashed these small nations will experience a feeling of relief, if not in all cases of joy.

A Japanese Question

JUST when Uncle Sam needs a free hand to grapple with very urgent affairs which are facing him he is threatened with some embarrassment through a revival of the old difficulty respecting the immigration of Japanese subjects. An immigration bill which President Wilson vetoed because it contained a literacy test to which he objected has now been passed in both Houses of Congress by majorities large enough to override the President's veto. The bill contains a specific confirmation of all existing laws respecting the exclusion of immigrants. This, it is claimed, virtually destroys the "gentlemen's agreement" which is in operation at present. It may be remembered that while the Japanese Government, in their relations with Canada, would not consent to any treaty limitation of the right of Japanese subjects to come into the Dominion, an understanding was reached to the effect that only a small number would be permitted to come. This good understanding has been fully carried out by Japan and has proved a reasonable settlement of a difficult matter. A similar understanding was subsequently reached with the United States and there too it seems to have worked satisfactorily. It is this understanding — sometimes spoken of as "a gentlemen's agreement" — that is said to be threatened by the language of the new American immigration bill. Perhaps the United States authorities will be able to satisfy Japan that the bill does not disturb the present arrangement. A revival of the troublesome alien labor question at this time would be inconvenient.

The Conference

THE British press and public, while cordially sympathizing with the sentiment that has led to the calling of the Imperial Conference, have had some difficulty in understanding just what is the business to be brought before it. The official invitation to the Overseas Premiers was, perhaps necessarily, very general in its terms, and the same may be said of the mention of the matter in the King's speech at the opening of Parliament. Several members of the British Government have made reference to the Conference, in language calculated to leave the impression that they had no very clear idea of what it is expected to do. The Colonial Secretary, Mr. Walter Long, in a recent speech, seemed to assume that the disposal of the captured German colonies was a matter to be settled entirely by those who represent the British Empire, but the Westminster Gazette points out that before any conclusion on that subject can be reached the Allies of Great Britain will have to be consulted.

It seems clear enough that the Conference has been called as a recognition of the great part in the war that is being played by the outlying sections of the Empire, but that there is even now very little definite idea of what is expected to be accomplished by the meeting. If, however, there is this uncertainty as to what the Conference will do, there is now a very clear statement as to something that it will not do, and not attempt. The group of men in England who have for several years been clamoring for the calling of a Conference always seemed to have in their minds the undertaking of the work of reorganizing the Empire. The need of something of the kind was the burden of their complaint. They will be disappointed to learn, from remarks made by Earl Curzon in the House of Lords, that nothing in the way of reconstruction of the relations between the Mother Country and the Overseas Dominions is to be attempted. This is a wise decision and the early announcement of it may save some embarrassment that would otherwise have arisen. With that large subject excluded, it is not easy to anticipate a programme in which Canada is particularly concerned. Australia, New Zealand and South Africa may feel that they have special interests in the question of the German colonies, and may desire to use the Conference as a means of urging their views on the Imperial authorities. Canada has no special interest of that kind. Her only interest is that which is shared by the Empire generally. The Conference will, of course, be watched with much interest by British subjects everywhere. But in the case of Canada our interest will be more sentimental than practical, since we have no grievance to air and no claim to press.

The energetic men in England whose chief recommendation was that they "do things" are beginning to find the embarrassment that comes from doing things hurriedly. Mr. Anderson, one of the Labor members of Parliament, a member of the Government's Food Prices Committee, stated a few days ago that the United Kingdom would at an early day be put under a ration system. The remark having created much interest, and some protests having been raised, Lord Devonport, the Food Controller, now announces that Mr. Anderson's statement was "unauthorized and incorrect." After all, there is something to be said for the old fashioned idea of thinking first and acting afterwards.

Some Principles of Account Collecting

Real Issues Involved---The Payment of the Account, the Retention of Business, and the Maintenance of Friendly Relations

By W. W. SWANSON.

The collection of accounts is still a matter of great importance for manufacturers, jobbers and retailers, although the tendency towards conducting business on a cash basis has grown greatly in popular favor. It is proposed in this article to deal with some phases of account collecting that will be most interesting, and most valuable, from the retailers' point of view, both in their relation to jobbers as well as to their own customers.

It is too often overlooked that there are debtors and debtors, and that they must be sharply differentiated from one another as to character and ability to pay. Moreover, the collecting side of the problem ought not to confuse the retailer as to the real issues involved—the payment of the account, the retention of business, and the maintenance of friendly relations with his customers. It is therefore essential in approaching delinquents to substitute wherever possible the pronoun "you" for the personal "I". Emphasis should be laid upon the responsibility of the debtor to be not merely honest, but fair, as a man and a citizen. In considering the method of his approach to the problem, the retailer should investigate carefully three important factors—the size of the customer's account, his buying power and repeat business, and the length of time during which the account has been outstanding. It is obvious that if repeat orders are to be secured—and these make up a very important part of the retailer's business—offence must not be given needlessly to the customer.

This point is important also with reference to the relations existing between manufacturers and wholesalers; although in this case the creditor is dealing with a class of men who have debtors themselves, and who, therefore, understand the situation. In this instance rigid business principles largely supplant the question of the mere maintenance of friendly relations. It is quite otherwise, however, with wholesalers who deal with a large number of retailers carrying on business in a modest way. It is not wise or profitable to hasten payment unduly under these conditions, or to send forward a draft as soon as an account just passes its due date.

Difficult Problem.

Retailers have by far the most difficult problem to meet when it comes to a question of debt collecting. Their relations with their customers are much more intimate and personal than is the case in most other lines of business; and they must be particularly cautious not to give offence to their clientele, especially to women. Department stores, in particular, have recognized the importance of the personal element in business, and have made a particular study of this problem. This is seen in their efforts not only to retain trade, but to attract trade by providing rest rooms, tea rooms and even concerts for their women customers. Women are much quicker to take offence than men, and resent the slightest expression that would lend any color to the imputation that they are not honest in meeting their legitimate obligations at the stores they patronize.

In a general way it may be said that there are three classes of debtors—"gilt-edged" customers, who are slow but sure payers, those who for the moment cannot discharge their debts because of misfortune, and those who deliberately attempt to evade their just obligations. The treatment of each class will depend upon the credit policy of the particular firm. Mail houses which sell goods on the instalment plan, and which do not look for repeat orders, are harsh in their treatment of their creditors, a fact which is too often overlooked by the local buyer who is penny wise and pound foolish in neglecting community dealers. The local dealer, however, who must depend upon repeat orders at least as much as upon new business for success, almost invariably affords generous treatment to customers who get behind in their accounts. For that very reason he is too often imposed upon; and as the law stands at present in Canada, it is exceedingly difficult, and undeniably expensive, to collect small debts.

Three Methods.

The retailer, as well as other creditors, may use one, or all three, of the following methods of collecting his accounts: He may rely upon formal letters; or he may make use of personal appeals; or finally resort to some sort of threat—not a brutal threat, but

action that will show that he means business and intends to protect his own interests. Use should be made in the first instance of formal letters, which should be sent with machine-like regularity in order to produce the great psychological effect. Repetition is essential, as it is the drop of water falling insistently and persistently that finally wears away the stone. Care should be taken that these formal letters do not accumulate, and fall like a flood on the delinquent; for, in that case, their very excess will entirely blunt the effect desired. The formal letter should consist of a printed form with blanks for filling in the date, and the specific sum, in question. In that case the debtor will realize that he has not been singled out for special attack, but has been notified merely in the due order or business routine. Nothing should be added by pencil or pen, as no honest man enjoys having his reputation for business probity impugned. Some business houses have been known to add the penciled remark "Please remit"—a remark which has brought a remittance along with loss of business. Department stores in the United States usually send two such formal announcements before they take further action; and, even then, they use a personal collector if they desire to keep good accounts. The ordinary retailer, however, must usually have recourse to a further appeal through the mails.

In that case his second letter may contain a "sympathy" appeal, although it is doubtful whether this kind of appeal carries with it sufficient "punch" and effectiveness. This style of letter generally refers to the large number of small accounts outstanding, which in their total amount prove embarrassing to the carrying on of business. The shrewd retailer, in making use of the sympathy appeal, guards against his customer making excuses by making excuses for him in advance—such as saying that he knows crops have been poor, etc., and that he is aware the account cannot be paid in full, but that he hopes as large a settlement as possible will be made. The danger inherent in this type of letter is that the merchant is compelled by his own argument to carry part of the legitimate burden that should attach to the customer himself.

It is far better to appeal to the customer's sense of justice, and to lay the emphasis upon the quality of goods and service that have been provided, and that these merit a prompt payment of the account. Above all, however, the retailer should not permit himself in any way to imply that the debtor does not intend to pay. Rather should the merchant impress upon his customer that his intention to pay "sometime" should become a reality "now." This type of letter—the "justice" letter—will, with the fair customer, nine times out of ten, bring the desired results.

If this fails, a further letter may be sent appealing to the debtor's self-interest, laying stress on the fact that prompt payment of accounts can alone assure low prices; and that the tying up of capital in outstanding obligations necessarily means poorer service and a smaller stock from which choice can be made. Finally, the merchant may mention that the accommodation granted to the slow payer has been already much greater than that given to others; and that in all fairness he should effect a settlement. Some retailers, as well as wholesalers, have the happy gift of making a humorous appeal to the debtor; which, when it is well done, is one of the most effective ways of bringing about a settlement. This is a dangerous procedure, nevertheless; for, unless well done, such a letter seems anything but funny to the recipient.

Credit Basis and the Law.

In conclusion, it may be said that so long as any considerable part of the retail trade in Canada is conducted on a credit basis, there must be a final appeal to fear or to the law. Some unfair critics have attacked our merchants for making use of the courts to collect debts, and especially small debts, on the contention that merchants should decide personally upon, and thus bear the risk of granting credit. But in many communities it is still not possible to conduct business on a cash basis; and when the community compels the merchant to assume such large risks, it should co-operate with him in seeing that honest debts are paid. If a retailer is convinced that a debtor is seeking to evade his just obligations, he should not hesitate in making a final appeal to the courts to secure justice. Even if the debt is small, its collection, expensive as the process may be, may be well worth while because of its wholesome effect upon the community at large. And in like manner the jobber who has used ever fair means to induce a retailer to pay, even up to the point of having his draft rejected, should not hesitate to make a final appeal to produce the greater psychological effect. Repetition been considering that an important work yet remains to be done to simplify legal processes, so that small debts may be inexpensively collected.

Altered Conditions in the Wool Industry

Far-reaching Effects of the War

Embargoed by every European nation, belligerent, non-belligerent, their colonies and by Japan; a rapidly decreasing yearly crop already insufficient to meet the annual demands; the potential reserve of centuries fast diminishing by abnormal inroads of the war—such in brief is the position of wool in an international sense at the beginning of 1917.

The New York Journal of Commerce, in a recent article on the wool trade, discusses the present difficult situation as follows:

"The universal importance of wool as a commodity is at all times realized, but it is especially striking in times of war. Second only in importance to having an army well fed is to have it properly clothed, and wool constitutes the essential fabric in a soldier's equipment.

"The two great classes of wool which are most in demand for the manufacture of textiles are merinos and crossbreds. Of less importance are alpaca, mohair and llama wools. Merino is the finest of wools and is the standard by which the fineness of all wools is measured.

World's Wool Markets.

"London still remains the greatest international wool market of the world, but since the war commenced has been outstripped by Boston in volume of distribution. In normal years London handles from five to eight hundred million pounds a year, while this year's figures show Boston at slightly over five hundred millions and London slightly less than this. Boston, however, acts largely as a distributor for the United States, and it is doubtful if that city will displace London in an international sense for some time to come. Other great wool markets are Melbourne and Sydney in Australia, Bradford and Leeds in England, Havre and Marseilles in France, Bremen and Hamburg in Germany, Antwerp in Belgium, Amsterdam in Holland and Philadelphia and New York in

the United States. New York is perhaps the greatest market in the world for the coarser wools from Russia, Asia, Turkey and India. These are used principally in the manufacture of rugs, carpets, coarse blankets and the like.

Effect of Embargoes.

"The normal production of wool in the world amounts to 2,800,000,000 pounds yearly, of which the United States produces one-eighth to one-tenth. This approximates the normal yield of Russia and likewise is equal to the aggregate crop of South America. Australia's crop is normally about twice that of the United States.

"The significant feature about the commodity wool is that although many countries produce it in enormous amounts, an international trade in it is very essential in order to assemble in sufficient quantities the correct percentages of different kinds of wool required to manufacture the various textiles correctly. Here then is a point of far-reaching consequence which many of us have previously overlooked in our consideration of the effect of the British embargo on wool. England's action in regard to wool was taken early in the war and her move has been followed by like decrees on the part of her Allies and later by every other country in Europe. More recently British colonies followed the lead of the mother country. Under the embargo exports of wool are allowed only upon licenses or permits issued by Government authorities. These have been granted in limited numbers by England and her Allies after the requirements of the war have been met. In order to guarantee that none of the wool thus exported shall reach enemy countries all goods shipped under permit are handled in the countries to which they are consigned by specially organized combines such as the Textile Al-

(Continued on page 24).

Canadian Produce Association Discuss Live Topics

Government Petitions for Better Egg Legislation.

At the fifth annual convention of the Canadian Produce Association held last week in Montreal, many interesting speeches were delivered, dealing with the problem of the High Cost of Living in all its phases. The subject under discussion at the Tuesday Session was the "Loss Off" method of buying eggs which was heartily endorsed by the members of the association as the most satisfactory means of dealing with this perishable commodity.

The "Loss Off" system means that instead of the buyer for the wholesale or storage place buying eggs and taking a risk as to their quality that he buys them subject to having them examined, or candled, and not paying for those which he finds broken, rotten, etc.

In the absence of Mayor Martin, who was scheduled to have made the opening address, the session commenced with an address from Mr. C. H. Thacker, President of the Association. In reviewing the present situation in the egg, butter and cheese trades, Mr. Thacker referred to the failure of the Province of Quebec to meet the export demand for eggs. He pointed out the significant fact that although Canada exported 380,000 cases of eggs to Great Britain last year as compared with 279,000 cases in 1915, of this number no less than 245,000 cases were American eggs. The province of Quebec did not produce more than one month's supply of eggs for Montreal alone.

Regarding Ontario butter, President Thacker advocated the appointment of public weighers in Toronto and Winnipeg, so as to provide against shortage of weight when arriving in Montreal, as at present the weight of butter when arriving in Montreal was an unknown quantity. In conclusion, he advocated the opening of produce exchanges in Montreal and Winnipeg, which would be a boon, said he to both buyers and sellers.

Mr. Z. Hebert, president of the Montreal Board of Trade, emphasized the fact that the population of Canada was drifting towards the cities, at the expense of the agricultural industries. Mr. McLean of Toronto spoke of proposed legislation to have a federal law preventing the offer of bad eggs.

Speaking on a method to increase the production of eggs in the Province of Quebec, Mr. A. Trudell said that the production was far from being sufficient for the local and foreign markets. "For many years," said he, "the poultry industry in this province had been more or less neglected by those who had officially the charge of directing agriculture." The Government, however, had lately started a campaign of education.

Mr. H. Fearman, of Hamilton; Mr. A. E. Silverwood, of London; Mr. A. E. Bailey, of Belleville; Mr. J. J. Fee, of Toronto; Mr. W. Coyle, of Winnipeg; Mr. Simmons, of Winnipeg, and Mr. A. S. Duolos, of Edmonton, all spoke of the progress that has been made towards adopting the "Loss Off" system, and efforts that are being made towards having eggs bought by classification, that is, grading them, and paying for them on that basis.

Following the afternoon session a banquet was held at the Ritz-Carlton Hotel, at which the speaker of the evening was the Hon. J. E. Caron, Minister of Agriculture of the Province of Quebec. Looking at the present situation from the point of view of an agriculturist, Mr. Caron stated that what prosperity had come to the farmer was the prosperity that the farmer merited; what the farmer still needed was education, help and sympathy, so that he would not be driven to seek work in factories in the cities, but rather continue his farm, increase his production, enlarge his holdings, and encourage his sons to continue his work.

The minister discussed the scarcity of cattle and of hogs, and said that now was the time to increase and improve. He talked of the dairy industry and the talk of substitutes for butter, but did not believe in such a procedure, for it would be unfair to the farmer. Mr. Caron advocated organization for the greater strength of the farmers in view of the fact that the farmer was the only man to work 365 days in the year, and there should be a relation between the work done and profits, as compared to other sections of the community.

An interesting speech was delivered by Mr. A. A. Ayer, a veteran in the dairy trade of the province, in which he spoke of the industry fifty years ago,

and even referred to the time when cheese sold at five cents a pound and fine butter at 15 cents.

At the second session Mr. J. D. Leclair, superintendent of the provincial dairy school of Ste. Hyacinthe, discussed the advisability of repealing the law prohibiting the use of margarine in Canada. He pointed out that, despite legislation, it had been possible to make butter substitutes appear very like the real article in appearance so as to make for greater profits, to the detriment of the consumer by means of deception.

The question of official weighers was brought up by Mr. T. W. McLagan, advocating their appointment at all shipping points so that buyers could call on these officials and have them certify weights of produce. Mr. McLagan also said that he hoped there would be a standard method of scoring the elements in butter throughout the dominion. While the western system was a splendid one there was no official inspection of butter and cheese in the east.

Speaking on "The Outlook for Exportation of Eggs in 1917," Mr. H. R. Gray said that the production of eggs in Canada was showing marked increase, particularly in Prince Edward Island, Manitoba, Saskatchewan and Alberta. And though home consumption had increased, the production was greater than the consumption and an excellent export market was found in Great Britain. A remarkable reversal was the fact that whereas a few years ago Ontario shipped eggs to feed the West, now Ontario was getting eggs from the West.

On Thursday, February 8, after the close of the convention, a delegation of forty members went to Ottawa by special train to wait upon the Hon. Martin Barrill, Minister of Agriculture, to ask for legislation providing for the standardization and inspection of eggs particularly those for export. In reply the minister said that he recognized the importance of some standardization of eggs for consumer and produce alike, and that his department was giving a great deal of attention to the subject.

The officers of the Association appointed for the ensuing year were, Mr. A. E. Silverwood, of London, Ont., president; Mr. J. J. Fee, of Toronto, first vice-president; Mr. E. J. Smith, of Brockville, second vice-president and Mr. Lorne P. Marshall, secretary. The following board of directors was chosen: Mr. R. B. Caldwell, of Halifax; H. R. Gray, Montreal; Jos. Emard, of Quebec; C. H. Laberge, Ottawa; A. E. Bailey, Belleville; J. K. Richardson, St. Mary's, Ont.; R. J. McLean, Toronto; M. Lemon, Owen Sound; J. T. Madden, Toronto; H. Fearman, Hamilton; J. K. McNabb, Dunganon, Ont.; A. S. Duolos, Edmonton; C. M. Thacker, Montreal, retiring president; T. J. Coyle, Winnipeg; W. Champagne, Montreal; and R. C. Hunter, of St. Mary's. A full report of the resolution with the text of the speech at the convention, will appear in the February 20th issue of the Journal of Commerce.

Shipping Losses in 1916

Figures showing the net results, to the world's merchant marine, of war losses in 1916, have been compiled by the Bureau of Navigation of the Department of Commerce. Taken in connection with estimates of losses from causes based upon records of the past decade, they indicate a net reduction in the world's merchant shipping of approximately 1 per cent. In other words, the net loss in 1916 from all causes, including the war, has approximated 500,000 tons, leaving the total of the world's shipping Feb. 1, 1917, fairly close to 48,200,000 tons.

While it has been difficult for the Bureau of Navigation to obtain official information regarding the output of ships from the yards of the belligerent nations in the past year, owing to the secrecy maintained, especially on the part of the Teutonic allies, estimates based upon sources entitled to credence fix the total merchant shipping then built at 2,505 vessels of 1,988,943 gross tons. This is a reduction of nearly 45 per cent, compared with the record output of 1913, which was 3,332,882 tons, but the difference is substantially accounted for by the fact that the facilities of the shipyards in the belligerent countries were largely occupied with naval construction and repair work.

The losses in 1916 through war causes, which can be accurately stated, have aggregated 1,149 vessels of 2,082,683 gross tons, to which should be added about 300,000 tons representing ships wrecked, sunk in collision or abandoned. The so-called normal loss, as given in these figures, is much less than the average for the past decade. Several reasons account for this:

1. The large tonnage interned has been subjected to deterioration only and not to the risk of total loss.
2. The total destruction from war causes is credited

with a certain tonnage which, had there been no war, would have been lost in other ways. 3. Because of unprecedented freight earnings a large tonnage has been kept in service which, under normal conditions, would have been abandoned. As illustrating the last-mentioned point, the Bureau of Navigation has recently been advised that a large steel cargo vessel, sunk off the coast of Brazil seven years ago and abandoned, has been raised and is now undergoing reconstruction with a view to making her thoroughly seaworthy.

Figures secured by the Bureau from official and unofficial but reliable sources give the distribution of the world's merchant shipbuilding in 1916 as follows:

Built in—	Vessels.	Gross Tons.
United States	1,213	560,239
United Kingdom and British Dominions	510	619,336
Japan	250	246,234
Holland	297	208,180
Italy	30	60,472
Norway	70	44,903
Sweden	35	40,090
France	10	39,457
Denmark	30	37,150
Germany	18	25,950
Spain	4	10,071
China	38	7,861

Total 2,505 1,899,943

The most significant feature of the above table is the relatively large output of the Japanese shipyards, which was nearly three times that of 1915, the increase being accounted for principally by the construction of a considerable number of large cargo steamers, some of which were built for foreign account. The output of the Holland yards would have been much larger but for difficulties encountered in obtaining materials. The total credited to Germany is probably much smaller than the tonnage actually constructed, as the figures here given represent only the work of which information has been received.

Attention is drawn by the Bureau to the increasing measure in which the American shipyards are being devoted to the construction of steel cargo vessels and the following table has been compiled to show the types of steel merchant ships building or under contract Jan. 1, 1917:

Type.	Numbers.	Gross Tons.
Cargo vessels	294	1,002,898
Oil and molasses tankers	76	429,916
Passenger and cargo vessels	7	50,728
Car floats and ferries	8	5,914
Towing vessels	11	2,387
All others	7	4,258

Total 403 1,495,601

It will be seen that cargo vessels constituted approximately 75 per cent of the steel construction on hand on January 1st of this year, and that if the oil and molasses tankers are included in the cargo classification, as they very properly may be, the remainder of the tonnage is negligible.—Iron Age.

CANADA'S TRADE WITH GREAT BRITAIN.

The following official figures issued in London show the great increases that have taken place in all lines of trade between Canada and the Mother Country during the year 1916.

Canadian Exports.	Year '15.	Year '16.
	£	£
Wheat	12,625,344	15,243,758
Wheatmeal and flour	2,735,137	3,669,715
Barley	353,093	1,832,233
Oats	214,431	912,787
Bacon	3,324,511	7,443,584
Hams	418,112	264,151
Butter	167,442	855,536
Cheese	5,241,789	7,432,179
Eggs	584,234	1,173,785
Canned salmon	1,416,583	1,877,788
Canned lobsters	312,877	500,365
Canadian Imports.		
Spirits	418,215	493,093
Wool	288,439	334,975
Pig iron	140,542	239,579
Wire	12,170	14,644
Galvanized sheets	120,696	28,951
Steel bars	83,254	221,972
Lead	27,405	31,789
Unwrought tin	155,379	172,397
Cutlery	63,727	76,875
Hardware	30,096	37,042

Banking and Business Affairs in the U.S.

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

(Special Correspondence of The Journal of Commerce.)

Effect of the Submarine "Blockade" on American Trade.

Germany's attempt to shut Great Britain off from trade with the outside world, if successful, would undoubtedly have an important influence on the overseas trade of the United States. Our foreign commerce at present is made up more largely than ever before of trade with the Entente Allies. Aside, therefore, from the abstract question of protecting our right to trade with the outside world, the submarine "blockade" becomes a matter of grave importance from the purely commercial standpoint. How the matter will ultimately be worked out, may, for the present at least, be left to the authorities. Efforts to institute a comparison between the blockade instituted by Great Britain against certain neutral countries and the German submarine "blockade" have not received much sympathy here, because, as a matter of fact, our trade with the neutral countries embraced in the British blockade has not suffered, but as a whole has markedly increased. This fact has been pointed out in official communications between London and Washington. But the most striking difference, of course, between these two attempts to curtail communication lies in the manner of their application, the British blockade being consistent with humane principles and the German methods at variance with such principles. The contention that, under the circumstances, Germany can adopt no other course is one not recognized as valid here, because that was a consideration that should have been weighed before the world was plunged into war. That measures will be taken to maintain the rights of our ships to sail the seas, irrespective of the submarine threats, seems certain. While a suspension of marine communication with Europe would certainly result in a considerable slackening of industry here, and would be hurtful to our industrial and commercial interests, the self-sustaining character of our resources is such as to make this a matter of comparative indifference. But what is not a matter of indifference, but of vital concern, is the right of our ships to sail the seas without unwarranted hindrances.

Diffusion of Banking Resources.

In reviewing the official statements of the National banks of the country, as of December 27th, which is the latest compilation of the returns made by these institutions, the Comptroller of the Currency points out the following facts:

"The resources of the country banks on December 27, 1916, amounted to approximately seven billion dollars, showing that the country banks now hold more than the total resources of all the National banks, including the vast accumulations in all the Reserve and Central Reserve Cities, plus the country banks, as late as the year 1904.

"Since May 1, 1916, the country banks have increased their resources 759 million dollars, or twelve per cent. In the same period the resources of National banks in the Central Reserve Cities declined seventy-seven million dollars, or two per cent, and the resources of the National banks in other Reserve Cities increased 455 million dollars, or eleven per cent."

A decline of some 186 million dollars in the resources of these banks between November 17th and December 27th, the Comptroller states, was "wholly due to a shrinking in the resources of the National banks in the Central Reserve and other Reserve Cities."

These figures indicate that the process of denuding the large cities of the legal reserves they were carrying for other banks is being effectively carried out by the operations of the Federal Reserve Law. By November of this year—unless the law is amended as proposed to move forward the date—all of the reserves above referred to will be transferred in accordance with the law. Trade movements and the convenience of the so-called "country banks" will cause them to continue to keep large balances in the chief financial centres as heretofore. The reserves which the law requires will be held, of course, in accordance with the law; but beyond this, the banks will doubtless continue to keep their funds at the points considered most advantageous. The fact that they can get interest on their balances with city correspondents will still tend, in addition to the factors above mentioned, toward a considerable accumulation at the financial centres. As to just what the effect of this wider distribution of banking

funds will have upon the banks and the country in general, time alone will show. At present, the banks in the large cities seem never to have been so abundantly supplied with funds; but it is realized that were it not for the abnormal conditions brought about by the war, their coffers might not have been so well filled. The real effect of the transfer of banking reserves cannot be fully measured until normal conditions are restored. Perhaps in the long run it will be found that the expert handling of banking assets counts for more than the mere location of legal reserves, which constitute an inconsequential part of the country's banking funds.

Consumption of Luxuries.

Last year's importation of articles classed as luxuries was more than \$100,000,000 greater in value than for the preceding year, being \$188,182,000 for 1915 and \$298,472,000 for 1916. This increased consumption of luxuries is attributed to the growth of prosperity. The articles defined as imported luxuries comprise art works, furs, ivory, precious stones, silks and liquors. Should the country become involved in war with enforced economies a lessened consumption of such articles would follow, and there would be a still more marked reduction in the use of luxurious articles produced at home. Such economy will not be a hardship, but the reverse, although while the change to a simpler mode of life is taking place some inconveniences to manufacturers and dealers may be experienced.

The expenditure of national and individual incomes can not be confined to the more necessities things of life except under the stress of war or of extreme financial depression. One of war's stern lessons may prove the superfluity of much of current expenditures. The value of this lesson, while very great, is somewhat diminished by the fact that the course which expenditure takes in time of war is hardly less extravagant, in a sense, than that incurred in buying the class of articles enumerated above. Military and naval equipments, under the existing stage of international civilization, seem essential to the preservation of national existence. Were it practicable to get along without such vast outlays for these purposes, the world would have more to spend on food, clothing and shelter, while even what are now termed luxuries might be indulged in without seriously curtailing one's income.

That the people of the United States have added so largely to their expenditures for things not really needed while other nations have been compelled to shorten their consumption of ordinary food supplies, seems anomalous, to say the least. It could hardly have been different, with so large a part of the world engaged in carrying on war while the United States remained at peace. It is the tendency in the economic world for things so to move in the long run as to restore the equilibrium. Possibly a swing of the pendulum in the opposite direction may not be long delayed. If anywhere there may have been a tendency on the part of the outside world to envy the recent "prosperity" of the United States, or a disposition here to exult over it, the course of events in the near future may result in some modification of both these tendencies.

Fears of Foreign Bank Depositors.

When the postal savings bank was established in this country, the chief argument put forth in its behalf was that there were many people of foreign birth, accustomed to such institutions in their native land, who would not trust their savings to any other banks except those backed by the responsibility of the Government. Most of the ordinary citizens of the country were fairly well contented with the banks chartered by State or National authority. But the advocates of the postal savings bank had their way, and Congress sanctioned the creation of such an institution. It has had a reasonably prosperous career, the total of deposits as of June 30th last being \$80,600,000, belonging to some 600,000 depositors. It is a somewhat remarkable fact, however, that in the fact of the recent international situation, certain citizens of foreign birth were the first to take fright and to begin withdrawing their funds from the branches of the postal savings banks. So great was their fear that it required a pledge from the President of the United States to assure them that it was no part of the Government's policy to confiscate these deposits belonging to the subjects of foreign States, or to take any property in defiance of recognized laws and international understandings.

So far as the ordinary savings banks are concerned, they appear to have been under no exceptional demands. As a matter of fact, although these banks are not generally members of the Federal Reserve Banking System, they are virtually able to secure all the currency they may need through other banks. The Federal Reserve Banks can issue to members of the system an amount of fresh circulation that, for practical purposes, is without limit; that is, all that can conceivably be needed. The danger that once existed in the case of perfectly solvent banks, that they might be compelled to suspend for want of power for converting their securities temporarily into a hand-to-hand circulating medium, no longer exists. The time has therefore gone by when a prudently-managed bank, whose assets are good, need suspend for lack of currency. This fact is of great importance as tending to strengthen the country's banking system, for under former conditions the suspension of banks of even insignificant size had a bad effect which in times of financial tension communicated itself to other banks and greatly aggravated the situation.

Losses to the Railways From Idle Cars.

While of late the country has experienced a marked shortage of railway cars, statistics compiled by the American Railway Association show that for the ten-year term ending with December last, the railroads lost \$1,057,957,977 on account of an excess of freight cars, for which there was no demand from shippers, or against a loss of \$78,858,290 from a lack of cars with which to meet demands from shippers. Demand for shipping facilities is not constant, there being sudden spurts of activity and almost equally sudden relapses into dull seasons. The railroads must be reasonably well prepared to meet the active seasons by an adequate investment in car equipment, but they cannot reduce the number of cars in existence when business falls off. The railroads have by no means been insensible to the growing demands upon them, for in the ten years referred to they have increased the actual number of cars from 1,840,000 to 2,518,855, and have replaced many old cars with others of greater carrying capacity. If cars that are now subject to idleness during slack seasons could be temporarily employed, even in a less gainful way than in better times, the railroads would not be subject to the losses they now suffer through enforced idleness of a considerable percentage of their equipment.

New Capital Issues.

New financing on an important scale marked the month of January, the total of domestic issues and foreign loans for the month being \$447,532,400, an increase of \$254,806,200 compared with January, 1916. Of this total \$265,000,000 consisted of loans to foreign governments. Railroad issues show only a nominal increase, the time not having yet arrived for the railroads to embark upon an extension in construction and equipment. The fact that foreign loans constituted about sixty per cent. of the total is of some significance, though it by no means indicates that such loans are permanently to occupy so large a share in American financing. The temporary character of much of the present slender railway financing is shown by the fact that approximately one-half of it is in the form of notes. This is partially explained though by the comparative ease in the short-loan market. That new issues of securities should show a decided increase was to be expected as a result of the long period of industrial and railway activity, a condition strongly demanding extension of plants and equipments. Returns which capital is now receiving have also favored the movement. It has been estimated that industrial dividends for the month of February this year will largely exceed those of the same month of 1916, the increase to a considerable extent coming from new business growing out of the war, but also extending quite generally to other lines.

FIRE WASTE ON FARMS.

The Insurance Department of Minnesota in a recent bulletin listed the following causes for the fire waste on farms:

- Absence of fire-fighting apparatus.
- Absence of lightning rods.
- Defective flues and stove-pipes, and stoves and stove-pipes too near wood.
- Carelessness with matches and the use of the ordinary parlor match.
- Smoking in barns and out-buildings.
- Careless use of lanterns and lamps.
- The use of glass lamps instead of metal.
- Carelessness with gasoline; also with kerosene, which is often used in starting fires.
- The great amount of frame construction.
- The use of wooden barrels for ashes.

Retail Credit Abolished

British Government Plans Radical Changes in Retail Trading.

The British Government is planning the abolishment of credits in the retail trade with a view to curtailing needless expenditure. Forcing cash payment for all purchases, the authorities believe, would lead to marked economy and a conservation of supplies would follow. Window dressing and trade solicitation may also be forbidden.

As a first step, the Suggestions Section of the National Service Department, sent out to retail traders the following proposals with a view to obtaining their criticisms:

(a) Credit accounts between retail trader and public be temporarily discontinued.

(b) Window dressing to be partly or wholly discontinued.

(c) No retail trader to directly or indirectly call or send to any place of residence to fetch orders for any article of food.

(d) That it be compulsory on every retail purchaser of foodstuffs to take away at time of purchase all articles less than fourteen pounds in weight.

The announcement of the plan has already stirred up a storm of protest. The "Times" prints an article giving the tradesmen's views on the question, which reads in part:

"The general opinion was that, in catering for the better class trade, credit was a necessity, as most customers derived their income from investments, rents or annuities, which only paid at intervals. In many cases these people spend carefully, but not with ready money. It was pointed out that if business was entirely on a cash basis, and as most incomes were paid at the same time, there would be an immense rush at certain times and long dull intervals, which would affect the interests of the workpeople rather than of the customers. The deposit system which is in use at many large stores is mainly employed for purchases in the grocery sections, and is said not to be suitable to ordinary drapery business.

"The manager of a high class firm whose business is three-fourths credit said the result of the elimination of credit would be a great decrease of business to firms such as theirs and that people, when they had to pay ready money, would think twice over their purchases. 'Firms such as ours,' he said, 'cater for the strolling shopper with an account. Something pleases her which when she came in she never intended to buy. 'Put it down to my account,' she will say, and perhaps take it away with her. Remove credit and you remove her temptations, our profits, and the paper tax we are now paying at one and the same time.'

"It was suggested in another quarter that to limit the prices of costumes to a certain figure, like the officers' mess, would be a greater economy than to do away with credit."

The Glasgow "Herald" comments on the plan as follows:

"Considerable interest is being taken in the suggestion that credit to customers should be abolished in retail shops till after the war. The proposal has been put forward for the purpose of eliciting opinion upon it, and from views already expressed it does not seem that the idea will meet with anything like unanimous favor. It is true of course that many large shops in London never give credit, and this being their well-known practice all the people who patronize them are ready to pay cash. The people who are not ready to pay cash go elsewhere and get credit.

"It is not clear that a great saving in labor would arise from the general abolition of credit in shops, but one certain result would be the necessity for the circulation of a much greater quantity of coin, as checks would be less frequently used for making payments. Another difficulty is that the abolition of credit might often lead to the indefinite postponement of payment of accounts running at the time the order came into force.

"The proposal, if carried out consistently, would, it need hardly be said, lead to great inconvenience. For instance, the milkman and the newspaper boy would have to be paid at the domestic doorstep every morning and evening. The instalment system of purchase, so generally adopted by working-class people, would also presumably have to cease."

The Nervous Old Lady: "You won't run away with me, will you?"

The Cobby: "Lor' bless you, mum—no; why, I've got a wife and eight kids at home already."—London Sketch.

Public Opinion

FIGHTING FOR THE SMALL NATIONS.

(Philadelphia North American).

Germany insists that she is fighting for the small nations. She can prove it, too. She has got Belgium, Serbia, Rumania, and Montenegro already.

WHO OWNS NEW YORK?

(Ottawa Citizen).

A local contemporary prints a picture of Vincent Astor, who is now doing patrol duty in New York, and seems to consider the case something worthy of a caption. But isn't there more reason for Mr. Astor to shoulder a gun than there is for the man who is getting \$2 a day (some days) for swinging a pick? Who owns New York?

ONSLAUGHT ON A WIFE.

(Vancouver Province).

Even the high cost of husbands is going up. A wife has been hauled into court to compel her to allow her husband \$2 a week out of his pay envelope, when for the past twelve years he has done perfectly well on \$1.50. The court sustained the husband in his request.

FOR KITCHEN GARDENERS.

(Brandon Sun).

It is really remarkable how much you can raise on a small kitchen garden if you confine yourself to essentials and don't try to make an experiment station out of twenty feet square. It is equally wonderful how far the scraps from your dinner table will go towards feeding a few chickens, enough to supply you with eggs to pickle for use during the months when they are most expensive, besides providing a supply for immediate consumption.

THE POOR MAN'S BUTTER.

(Hamilton Spectator).

When butter sells at forty-five cents a pound, and the butter-makers of Canada are unable to produce enough to meet the home and foreign demand, why should not a substitute be tolerated selling for about half the price, and quite good enough for cooking or even for eating, in families unable to purchase and use the higher-priced article as freely as they would like? If the demand is greater than the supply, the butter-makers cannot suffer; their product will continue to command the higher price. It seems almost like a dog in the manger policy for one industry to try to exclude another, neither meeting the need itself nor allowing anyone else to do so.

LIFE'S LITTLE PERVERSITIES.

(St. Louis Post-Dispatch).

Some employees of a stove factory have struck because they say there isn't enough heat on the premises. Whether there is or not, we should say, depends somewhat on the day—whether it is October or August, or Indian summer or Eskimo winter. But that heat is the last thing a stove company would think of, if such is the case—is a curious anomaly bearing an amusing analogy to some other little perversities.

Doctors can't heal themselves. Dentists nearly always have bad teeth. Undertakers rarely die and never bury themselves. Editors can't edit themselves. Financial authorities are always broke. Chefs have no appetite. Tailors are always poorly dressed. Barbers usually need a shave. Bartenders seldom partake unless it be of a cigar, merely to keep the shingles on the roof.

There is no need to multiply instances. In a perverse if not a topsy-turvy world, it accords perfectly with the rule of unreason that a stove factory shouldn't bother about heat and that workers should refuse to work.

WAR BABIES THE BEST.

(Cambrian News).

The judge at a baby show in England has declared that the babies that have been born since the war are heavier, fatter and prettier than babies of the same age before the war. To this testimony an experienced nurse added facts of special interest to people devoting time and attention to infant welfare. "Every year," said the nurse, "we are getting more mothers to learn the lessons of healthy life, which means that fewer and fewer children are improperly fed. Improper feeding is a greater cause of infantile mortality than inadequate feeding."

The matter is of fundamental importance to the future life of the nation, for a nation, like an army, is judged by the inexorable law of existence, not by numbers, but by its effectiveness.

A MEAN ADVANTAGE.

(Ottawa Citizen).

The British committee on electoral reform has dealt a cowardly blow at votes for women by reporting that the franchise should be granted—to all over 30 or 35 years of age.

CLIMBING THE LADDER.

(Detroit Free Press).

"Take a good look at this ladder, my boy."

"What for?"

"And then remember that if it were possible to get to the top at a single bound there would be no need for the bottom rungs."

A GOOD MAN CHOSEN.

(Ottawa Journal-Press).

The unanimous nomination of Mr. Stewart Lyon, managing editor of the Toronto Globe, as war correspondent for the Canadian daily newspapers, is an effective reply to the statement of Sir Max Aitken that the Canadian publishers could not agree upon a man—a statement that was never true.

DON'T PART COMPANY WITH GOOD MANNERS.

(Railway News).

Perhaps you have heard the advice an old railroad superintendent gave to his son. It ran something like this: "Son, you will sometimes have to discipline men, but you can do that without parting company with good manners. It won't lift you up in the estimation of your men to tell a man in the presence of others how many kinds of a d— fool he is. No, no, that good old word discipline comes from the same root as the word disciple, and the definition of the word disciple is follower."

THE LAVISH UNITED STATES.

(New York Times).

Of \$250,000,000 spent, the United States, so innocently proud of its Belgian largesse, has given \$9,000,000. The people of Belgium and Northern France are kept alive by the Allied Governments. These, with a thousand burdens, give them \$14,000,000 a month. The lavish United States, reaping fat profits from the sale of supplies for Belgium and Northern France, has poured out in two years \$9,000,000!

MORE "HOWLERS."

(New York Outlook).

In a general efficiency test conducted recently in a Baltimore school the following answers were given to a series of questions asked of students whose ages ranged from fourteen to eighteen years.

There were no Christians among the early Gauls; they were mostly lawyers.

Geometry teaches us how to bisect angels.

A blizzard is the inside of a hen.

A vacuum is a large empty space where the Pope lives.

A circle is a round, straight line with a hole in the middle.

George Washington married Mary Curtis and in due time became the father of his country.

Sixty gallons make one hedgehog.

Georgia was founded by people who had been executed.

A mountain range is a large cook stove.

Achilles was dipped in the River Styx to make him normal.

Typhoid fever is prevented by fasciation.

THE MONROE DOCTRINE.

(Chicago Tribune).

Successful submarine warfare might destroy the British Empire. We have to consider what the British Empire means to us. The protection of the Monroe doctrine is the British fleet, at present. That protection might have been our own fleet, but we have been content to trust to Great Britain's rule of the seas. We have not felt that it threatened our possessions, principles, or prospects.

We have felt that British and American desires regarding the conduct of affairs in the western hemisphere were identical. We have not been conscious of any antagonism of purpose. Our northern boundary line is the one important undefended boundary line in the world. That is a practical illustration of a deep seated sentiment which may occasionally get expression in superficial irascibility, but which expresses itself essentially in the fact that no preparation of any kind is made or considered against Great Britain.

Mentioned in Despatches

CAPT. THE HON. ORLANDO BRIDGEMAN, who recently met death as an aviator while serving under Gen. Smuts in German East Africa, is a brother of the present Earl of Bradford. Bridgeman accompanied King George when he visited India during the coronation Durbar, and before taking up aviation was active in the navy. The family is an old and prominent one in English history.

CAPT. A. SARTORIS.—Some Americans are not too proud to fight. Capt. Algernon Sartoris, grandson of U. S. Grant, has enlisted in the Foreign Legion. In this case, however, he inherits some fighting qualities, for his grandfather was the man who smashed the Southern Confederacy. Sartoris saw service in the Spanish-American War, serving in the Philippines, but during the last few years has been connected with the American Legation in Central American cities.

DOM PEDRO.—Brazil is the largest of the South American Republics and is the leader in the A. B. C. (Argentine, Brazil, Chili combination), and she has come out flat-footed and declares her intention of protesting to Germany and casting in her lot with the Allied nations. Brazil has suffered a great deal from the war, as she was entirely dependent upon outside bottoms to carry her products to the world's markets. The German submarines have played havoc with her trade, while the war has also stopped her influx of immigrants and foreign capital. Brazil, in a sense, has never lost connection with European politics, partly because Dom Pedro was formerly Emperor of Brazil. Her sympathy with the Allies is probably due to the entry of Portugal, the mother country of Brazil, into the conflict. There are large numbers of German people in Brazil, and also a large amount of German capital invested in that country, but these factors will not outweigh the natural pro-Ally sympathies of the people.

LLOYD GEORGE.—Every other day or two somebody brings to light some new fact regarding the innovations introduced by Lloyd George on assuming the Premiership. The latest is that Lloyd George is the first Baptist, in the whole of British history, to hold the office of Prime Minister. All previous Premiers of Great Britain having been Church of England, the only exception being Sir Henry Campbell-Bannerman, who was a Presbyterian. However, as the Presbyterian Church is the state church, north of the Tweed, Presbyterians are not classed with those who dwell in dissenting darkness, such as Baptists. Lloyd George not only broke all traditions by belonging to a sect which had never before given a prime minister to the country, but he upset another tradition by preaching a sermon in a Baptist Church a few Sundays ago. Another innovation commented upon, in these columns a few days ago, is that the Prime Minister has a lady secretary, a thing unheard of in British history.

STEWART LYON, managing editor of the Toronto Globe, is to go overseas as the Canadian Official Eye-witness, an appointment which should have been given two and a half years ago. Up to the present time Canada has been dependent upon men who were not journalists, but rank outsiders, for the stories of her troops. Stewart Lyon is probably the best all-round newspaper man in the Dominion. He has been associated with the Globe for twenty-eight years, starting in as a cub reporter and working his way up through various positions till he became managing editor a little over a year ago. He is a hard working, conscientious journalist, and has managed to keep his finger on the pulse of every phase of the nation's activities. Lyon works anywhere from eighteen to twenty-three hours a day and expects everyone else around him to do his bit. The very able war summary which appears daily in the Globe is an example of Lyon's versatility. The uninitiated have always regarded this as the work of a military expert, but as a matter of fact it is written by Mr. Lyon, who has studied the topography of every section of the various battle fronts. Mr. Lyon was born in Scotland some fifty odd years ago, and came to Canada as a lad. For a time he was in business, where his radical ideas made him a leader among men. He joined the Globe and has worked on it ever since day in and day out, except for a short time each summer when he goes swimmin'. As far as is known, swimming is his only hobby.

LT. BOBBIE DIBBLE, the champion single sculler of America, has been wounded at the front. Dibble is one of the many sportsmen and athletes who have dropped sporting activities to play the bigger game at the front. He is a young man in the prime of life, and has already achieved great fame as a sculler and made Toronto favorably known to the athletic world. He went overseas with a Toronto battalion.

LIEUT. TRAVERS WILLIAMS-TAYLOR, only son of Sir Frederick Williams-Taylor, general manager of the Bank of Montreal, has been wounded in Mesopotamia, where he is serving with his regiment, the 13th Hussars. Young Taylor was studying at the Royal Military College, Kingston, when the war broke out, and immediately joined the Canadian Army and went overseas with the first contingent. About a year later he was transferred to the Imperial Army, and some months ago was sent to Mesopotamia.

COUNT TARNOWSKI DE TARNOW, Austrian Ambassador to the United States, has spent several weeks in trying to get safely across the Atlantic. Now that he has reached his destination, it looks very much as if he were to be chased back again. It seems altogether likely that Austria-Hungary will stand by her ally, and adopt a similar submarine policy to that of Germany. If she does Count Tarnowski De Tarnow will get his walking papers, so that it looks very much as if his stay on this side of the water would be extremely short.

RODMOND WANNAMAKER.—Itch men can afford many and various kinds of hobbies. One of the most expensive of hobbies is that of running a newspaper. Rodmond Wannamaker, of Philadelphia, son of John Wannamaker, the great merchant of that city, has just purchased the Philadelphia Press and intends to lift it out of the Slough of Despond, and make it a great paper. Rodmond Wannamaker first attracted the attention of the public through the construction of a giant hydroplane, which was to sail across the Atlantic, but the outbreak of hostilities prevented the undertaking. Young Wannamaker is something of an exception to the generally accepted idea of a rich man's son, in that he takes life seriously. He will inherit an immense fortune from his father.

SIR MELBOURNE TAIT, formerly Chief Justice of the Superior Court of the Province of Quebec, died a few days ago at his home in Montreal in his seventy-fifth year. The late Chief Justice was born at Melbourne, Quebec, in 1842, and was educated at McGill, where he graduated in Law in 1862. For a number of years he was a law partner of the late Sir John Abbott, but was appointed a judge of the Superior Court in 1887, and was knighted ten years later. He retired some four years ago, after serving twenty-five years as a judge. Apart from his interest in legal matters, he took a very keen interest in the work of the Masons, being a former grandmaster of the Quebec Lodge, was also interested in military matters, and served through the Fenian Raid. He also took a prominent part in the activities of the Anglican Church.

THE DUKE OF NORFOLK, who died on Sunday last, in his 71st year, was the premier peer of Great Britain, and the acknowledged lay leader of the Roman Catholic Church. He was one of England's most distinguished men and occupied a large place in her Parliament, as an army officer and as a man of affairs. The late Duke was made Postmaster-General in 1895 and while occupying the post contributed in no small measure to the success of Imperial Penny Postage. As a military man he served with distinction through the South African War. During the past two and a half years he acted as chairman of the Belgian Relief Committee. He was perhaps best known as a prominent Roman Catholic, representing Queen Victoria at the Jubilee of Pope Leo in 1887. To his credit it must be said that he did nothing to aggravate the religious differences of the nation, but was unusually tolerant and broad-minded in all religious and racial matters. As premier peer of Great Britain he officiated at the Coronation of King George. He is succeeded by an 18 year old son who in addition to many titles will have the task of spending a yearly income of £260,000.

CUSTOMS LAW.

(From the Montreal "Gazette").

The Customs law makes the value for duty of imported goods the price at which similar goods are sold for consumption in the country whence exported to Canada at the time of shipment. This has been the basic principle of the law for forty years or more. In normal periods no difficulty has arisen by reason of the value for duty being market value at date of shipment, because fluctuations in price between time of purchase and shipment have been so trivial as to be negligible. War conditions, however, have produced such large and continuous increases in prices of commodities, as to render the operation of the customs law a grievous and serious hardship to importers. Many kinds of goods are bought on sample for future delivery. When purchased by the Canadian merchant the goods have not even been produced. In turn the Canadian merchant sells from sample, basing his price upon cost, duty, freight, incidentals and the ordinary profit. But when he comes to make entry of the goods at Customs and pay the duty, he has found during the last year or more that the duty greatly exceeds the amount upon which he had fixed his selling price, and not only is his profit thereby curtailed, but an actual loss in the transaction has, in more than one instance, been sustained. To illustrate: An article may be purchased in January at \$1 per yard for delivery the following June or July. The importer, in fixing his selling price adds duty upon \$1, but the foreign market value of the goods having risen to \$1.25 when shipment comes to be made, duty has to be paid not upon \$1, but upon \$1.25, and the importer suffers a corresponding loss. So acute did this question become last year that several deputations waited upon the Minister of Customs to seek a remedy and devise relief from an awkward and unfair condition. The Minister, however, could do nothing. His hands were tied by the law which is superior to ministers and orders-in-council, and the only comfort that could be given importers was the assurance that when commercial conditions changed and prices declined they would pay duty on a lower value than the actual purchase price.

This being the condition the question arises how to remedy it. The law should be amended. Instead of assessing duty on fair market value at time of shipment, duty should be assessed on fair market value at time of purchase. There are three considerations to be taken into account: first, the interest of the importer; second, the interest of the revenue; third, the application of the dumping clause. Now as to the interest of the importer. He is fairly entitled to know upon what cost he is to base his selling price, and to ascertain this he must know the amount of duty required to be paid. To enable him so to do, the duty should be levied on his purchase price, always assuming that this price represents fair market value of the goods at the time of purchase as similar goods are sold for home consumption in the country of export. That is not merely a reasonable proposition; it should be made the basic principle of the Customs law. Knowing the amount of duty to be paid, the importer can price his goods accordingly. Then as to the revenue. The suggested change in the Customs law will not affect the revenue in any degree. There may be more money collected to-day under the present law, but there will be less money collected tomorrow, when prices slump, and precisely the same rule will operate if the value for duty is made current price at date of purchase. And lastly, in respect of the dumping clause. The special duty, or "dumping duty," as it is popularly known, applies only in the case of goods of a class or kind made in Canada, when the same are sold for export at a lower price than sold for home consumption. But the Customs regulations already provide that the dumping duty shall not apply when the difference between selling price to the Canadian importer and the price to buyers in the country of export is caused by fluctuations in market value. So that the making of fair market value at time of purchase the basis upon which duty is to be assessed does not in any respect disturb the object and operation of the dumping clause. It would appear, therefore, that in the interest of importers, and without prejudice to the revenue, the Customs law should be so amended as to make the value for duty of imported goods the fair market value of the same at the date of purchase, and not at the date of shipment.

J. H. RAINVILLE, M.P., recently appointed Deputy Speaker in the House of Commons, was first elected to Parliament in 1911 for Chambly and Vercheres. He is a native of Buebec Province, born in 1875, and practices law in Montreal. Rainville went in on the anti-reciprocity movement of six years ago, and is regarded as one of the ablest of the younger Conservative members from the Province of Quebec.

Comments on Current Commerce

By E. S. BATES

Canadian Wool Prospects: Judging from the enthusiastic manner in which the Canadian Sheep Breeders' Association has taken up the work of bettering the wool production of this country, a new era of development will be instituted which should result in placing Canada's wool trade in such a position that it will be a factor in the world's markets. During recent years the wool production of this country has declined rapidly under a haphazard system of production. The sheep-raising industry has lost prestige, among our agricultural classes, principally because of the lack of knowledge of the methods of production of marketable wool and mutton. On the other hand, Ontario farmers, during this time, have established an enviable reputation as breeders of pure bred sheep and have established the fact, that Canadian conditions are entirely suitable to the production of the very highest grades of mutton and wool. Their success is notable, but their efforts have heretofore had narrow application. About three years ago co-operative methods were applied in certain sheep raising districts, in Quebec. This work has been developed until, last year, nearly two million pounds or 25 per cent of the domestic wool clip, was handled co-operatively, with notable success. The movement has now received the endorsement of the Sheep Breeders' Association, and the members have pledged themselves to spread the movement throughout all Canada. Means will be provided to encourage and educate our farmers in sheep-raising. A country-wide marketing system will be developed, especially for wool which will be collected and graded and sold co-operatively at central points. The Canadian woolen industry has given the scheme its hearty approval.

The High Cost of Wool: Wool, tons and woaden yarns are now selling at the highest prices touched, by these commodities, in the last 35 years. Prices range from 25 to 100 per cent higher than before the war, with the most important qualities, namely, merinos and crossbreds at the top. These prices are due entirely to the abnormal demands for the wool fibre for the manufacture of army clothing and supplies. The demand for this fabric has been so great that the British Authorities have been compelled to requisition the entire woolen industry of Great Britain, the wool production of the United Kingdom and recently the wool production of Australia and New Zealand. War demands first, and the regular trade after, is the policy, and the carrying out of this policy has reduced the world's stocks of woadens to the barest possible minimum. The United States, ordinarily a large user of imported wool, in addition to her own production, will be allowed only a small portion of her regular requirements of Australasian woads. South American woads are available but there is not sufficient tonnage available to convey it to the American markets in adequate quantities. Increased shortage of wool during 1917 is anticipated by American manufacturers. Canada is well taken care of by the British authorities, but, here also, the woaden mills are compelled to neglect ordinary trade in favor of army requirements. Peace will bring about the cessation of this army demand. But the demands for clothing for the returning soldiers, the ordinary and abnormal trade demands to fill depleted stocks, the demands of Germany and her allies and of Russia and France, combined with a big decline in the world's population of wool producing animals will tend to maintain prices at a high level for some years. Woaden manufacturers anticipate that the present year will be memorable in the annals of the woad trade.

Government Order for Flour: The difficulties that have existed in the Canadian flour trade, since the order of the British Government, prohibiting the manufacture of other than 81 per cent flour in the United Kingdom, may be removed by the new order for 500,000 bags of ordinary export grades, placed last week by the Canadian Government, with the millers of this country, for export to France and Belgium, to fill British army requirements. Since the British authorities placed the restrictions on flour manufacture and imports, some of the smaller Canadian mills have manufactured a 76 per cent flour, for the English trade. But to the large mills this would mean expensive reorganization of their plants, and none of them have turned over. The industry has been in

communication with the British authorities, and although their representations met with severe opposition from the British millers, the present action appears to indicate, that the Canadian millers have won out. At any rate their case is a very strong one. In competition with the British millers, they have to face a much higher freight rate on flour than on wheat; the manufacture of the low grades in Canada would leave little offal for sale in Canada, and there is no shortage of wheat here. The action was plainly discriminatory, so that the market in France for our better grades of patent flour will be welcomed.

Ontario's Land Settlement Scheme: Naturally, the first concrete proposal, in connection with the settlement of returned soldiers, on the land in Canada, has come from the Province of Ontario. That Province has furnished the Federal authorities, with a scheme to provide for settlement, in the Clay-Belt of Northern Ontario, along the N. T. R., T. & N. O. and Algoma Central railroads. The proposals comprise the institution of facilities for training all soldiers desirous of going on the farm, at an experimental farm, in Northern Ontario; the settlement of these men, after training, in community districts, on farms of 80 acres each; the provision of social, educational and other facilities in these communities; assistance to these soldiers, in the form of loans at reasonable rates and easy payment; the provision of machinery, horses, seed and other assistance, as well as co-operative stores, in each community, and what is equally important the payment of the soldiers during the time of training, and provision for married men to have their families with them at as early a date as possible. This is merely a summary of the plan, but it is sufficient to indicate that the Ontario authorities have approached the matter on a thoroughly practical basis. The scheme should assure the country being settled by practical men, and would eliminate speculation in soldiers' scrip. It also eliminates the charitable aspect which is the abomination of all returned soldiers.

A Food Commission: Although from all outward appearances, Canada is scarcely feeling the pinch of high prices, there is a good deal of unnecessary hardship and discrimination caused, by our failure to regulate prices and distribution of commodities, to any adequate extent. The Order-in-Council, controlling prices is being found unworkable, in that it discriminates against our greatest element in distribution, the retailers, and there are too many loopholes for escape. A delegation, representing influential bodies, waited on the Government, last week, and asked for the establishment of a tribunal, somewhat after the plan of the Railway Commission, before which the producing, distributing and consuming interests of the country could go, in an effort to correct any grievances or discriminations that arise in connection with the price and distribution of foodstuffs and marketable commodities in general. High prices are unavoidable in such times as these. But such conditions, as now exist, provide, innumerable opportunities for producers and distributors to inflate prices and to invoke conditions which cause hardship. These cases upset commerce, and will prove disastrous, unless some more efficient medium of control is evolved, than exists at present. The regulation of prices is hardly necessary in Canada, and under proper administration of existing laws we should not have to resort to such drastic methods. But steps must be taken to prevent the conditions that will undoubtedly make such control necessary, and this may be brought about through such a tribunal. The investigation of the high cost of living as now conducted is a farce. It would be vastly better for the authorities to institute some more effective Commission as is now proposed.

Milch Goats in Canada: An attempt is being made to establish milch goats on the farms, of British Columbia. At the present time there are about 250 of these animals, of the Swiss and Nubian varieties, in the Province, and it is understood that an association will be formed, shortly, to set established conditions of breed, pedigree, etc., in order to place the industry on a commercial basis. Those behind the plans for developing the industry, are confident of success. Goat milk is most desirable from many

viewpoints, one of the most important being that the milk is absolutely free from tubercular indication. It is just as palatable as cow's milk, and the conditions, in British Columbia, are favorable to the health of the animals. Accurate records, kept, during the last year or so, have shown an average of 1,200 lbs., or 120 gallons of milk per goat per year, and this production compares, favorably, with that of the Swiss and Austrian records. The Prairie Provinces offer a big market for the product, and as a speciality in that market the industry should meet with success.

The Coal Shortage: The coal famine in Eastern Canada, and especially in Ontario and Quebec, has reached such proportions that drastic action, may be found necessary, to relieve the situation. The conditions, around Toronto and points north and west of that city, are most serious. Not only have many industries been compelled to restrict operations, but in many districts there is scarcely sufficient coal coming through for domestic uses. The condition appears to have been brought about through the inability of our railroads to handle the freight from points across the border. The severe winter and the heavy movement of freight to the Eastern seaboard has taxed the railroads to the limit of their capacity. Apparently, there were delays in moving the coal from the mines, in Pennsylvania, into Canada, last fall, and earlier in the winter, and many critics are accusing the railroad companies of working, hand in hand, with the mine-owners, in order to boost prices. This hardly seems just. However, the situation certainly demands immediate and drastic action, and later, investigation. A group of coal dealers have advocated suspension of passenger traffic, for a few days, to allow the railroad to put all their efforts into the movement of coal. Passenger traffic has already been cut down to the barest minimum, and further reduction in these facilities would undoubtedly disorganize business. What appears more reasonable is for greater co-operative effort. The railroads now appear to have the situation in hand, and it is hoped that conditions will improve steadily. The freight embargoes, imposed by the railroads, allowing coal, live-stock and perishable freight through, will undoubtedly suffice to correct the situation. The trouble has demonstrated, however, that more rigid control must be exercised by the Railway Commission over our freight movement, so that, in times like the present, the railroads shall act in unison and the interests of the people will be assuredly protected against discrimination. That, with more international bridges, should prevent the re-occurrence of these difficulties.

OLD-TIME PRICE RECORDS.

Old-time price records, which make present prices appear comparatively moderate, were, \$1.41½ for corn in the U. S. in November, 1864, and 90 cents for oats in May, 1867, in which year, during the first ten days of that month, Spring wheat in round lots sold in Chicago at \$2.75 to \$3, and carload lots at \$3.05 to \$3.10. Gold at that time was worth about \$1.35 in greenbacks, which would make the relative wheat price on a gold basis about \$2.20. Spring wheat flour sold at wholesale here at \$12.50 to \$15 in May, 1867, and white Winter wheat flour at \$16 to \$18.50. Retail prices were about \$1.50 to \$2 per barrel higher. On the other hand, in 1859, Spring wheat sold at 48 to 53 cents, with corn at 62 to 63 cents and oats at 28. In October, 1861, corn sold at 17 to 20½c, and in June that year oats at 13 cents. In 1895 wheat sold as low as 48¢, the range for the year being 48¢ to 85¢. Corn in that year sold as low as 19½¢ and oats 14¢.—The Annalist.

DOMINION STEEL CORPORATION.

Up to December 31st last, covering the first nine months of the company's fiscal year, Dominion Steel Corporation earned a surplus of slightly better than \$7,500,000, against \$3,015,000 for the full year 1915-16, the record to date. At that rate the estimate made some time ago that the full year's surplus would approximate \$10,000,000, or in excess of 30 per cent, on the common shares, is not likely to prove far astray and may be exceeded.

AMONG THE COMPANIES

A. MACDONALD CO.

Immediate steps are to be taken by the A. Macdonald Co. to re-open a transfer office and maintain a registrar here, according to a statement made to a number of shareholders by Mr. H. W. Hutchinson, a director of the company. The decision will meet the wishes of the Montreal Stock Exchange, obviating the necessity of enforcing the rules and striking Macdonald stock from the list, as it was proposed to do by April 1st.

At an informal conference, Mr. G. D. C. Dobbin and A. P. B. Williams, who last year organized the committee that successfully opposed the plan to reduce the common stock of the Macdonald Company from \$3,000,000 to \$1,000,000, explained why the shareholders considered that a fresh hardship would be imposed on them by striking the stock from the list. They also expressed the fear that the stock reduction plan would come up again.

On both points Mr. Hutchinson gave immediate assurance that the directors proposed to meet the wishes of the shareholders. A transfer office would be opened and a registrar appointed so as to maintain listing privileges on the Montreal board. Mr. Hutchinson further explained that while the directors originally thought they were acting in the best interests of the company in proposing to reduce the capital, they had no intention to try to impose their views on the shareholders. The plan could be considered as definitely abandoned.

Mr. Hutchinson's review of the present position of the company was considered highly encouraging. Business for 1916 showed a considerable increase over 1915 and the prospects for the current year were good. The company had paid off its notes, had no mortgage obligations and was generally in a vastly improved position.

While no official intimation is made in this connection, it is believed that within the next six months some plan will be considered relative to the three years' accumulation of dividend arrears on the preferred stock.

TORONTO RAILWAY COMPANY.

Apparent the shareholders, who attended the meeting of the Toronto Railway Company in larger numbers than usual for the purpose of obtaining more information than is given in the report, went away quite satisfied with the explanation of the president that the books were open for examination by any shareholder. There was no doubt that at the conclusion of the meeting it was the consensus of opinion that no information be given that would be used improperly to prejudice the rights of the shareholders under the terms of one of their franchises, which expires in 1921.

Toronto Railway Co.'s statement for 1916, shows a fair recovery in earnings as compared with 1915, gross income being \$279,025, or 4.9 per cent. higher, net earnings after operating and maintenance costs, \$178,980, or 7.3 per cent. higher and surplus available for dividends \$148,305, or 12.4 per cent. higher. Gross income still remained somewhat below that of 1914, although the balance before dividends was higher. But as compared with the banner year of 1913, when the company earned about 15 per cent. on the capital then outstanding, against 11.2 per cent. last year, there was a shrinkage of close to \$300,000 in the balance available for dividend distribution.

Comparisons of the income statements of the past three years follow:

	1916.	1915.	1914.
Gross.	\$5,973,161	\$5,694,136	\$6,127,096
Expense	3,350,657	3,250,611	3,529,546
Net.	\$2,622,504	\$2,443,524	\$2,597,550
Interest.	156,122	167,356	182,499
Balance	\$2,466,332	\$2,206,168	\$2,415,050
Paid city	1,125,588	1,083,679	1,147,390
Balance	\$1,340,794	\$1,192,489	\$1,267,659
Dividend	958,826	957,952	923,901
Surplus	\$381,968	\$234,537	\$343,758
Pv. surplus.	5,026,907	4,792,369	4,448,611
Total surp.	\$5,408,875	\$5,026,907	\$4,792,369

The company now carries in surplus account a total equivalent to about \$45 a share on the stock.



LANCE CORPORAL JOHN W. McINNIS, of Cobalt, Ont., who has been killed in action.

BELDING-PAUL-CORTICELLI CO.

Manufacturing profits of \$225,126, reported by Belding-Paul-Corticelli, Limited, for the year ended November 30th last, are not only a new high record, but represent a striking reversal from the indifferent showing made by the merger in the four other years of its existence.

Its best previous year had been 1912, when earnings before depreciation and charges amounted to \$134,470; they fell as low as \$102,393 in 1914. Against that the company reports \$225,126 for 1916. After providing for interest, sinking fund, depreciation, profits tax and bond discount the company showed net earnings of \$135,984 against only \$18,128 the previous year.

Net as shown, after allowing for a full year's dividend on the preferred stock, would represent slightly better than 10 per cent. on the company's common stock.

Satisfactory earnings and the withholding of dividends materially improved the company's financial position within the year. Current liabilities were reduced from \$448,955 to \$352,822, while current assets were increased from \$1,015,284 to \$1,054,740; the surplus representing working capital rose to \$701,918, against \$566,329 the previous year, and \$500,676 at the end of 1914.

The general improvement in earnings and position explains the decision of the directors since the close of the company's year to pay off 3½ per cent. on account of dividend arrears amounting to 24½ per cent. and gives reasonable hope for further payments through the current year.

Profit and loss figures for three years compare as follows:

	1916.	1915.	1914.
Profits	\$225,126	\$120,474	\$102,393
Less:			
Deb. interest	36,976	37,078	37,220
Sinking fund	14,790	14,790	14,888
Depreciation	11,124	9,679	8,001
Written off.	26,250	29,317
Reserve	11,480
Total deduct.	\$89,141	\$102,345	\$60,109
Balance	135,984	18,128	42,283
Prev. bal.	96,193	78,065	35,782
Total bal.	\$232,178	\$96,193	\$78,065

Mr. A. O. Dawson notes in his report as president that the company's sales increased \$442,000 last year. He adds: "The outlook for the ensuing year is encouraging, and it is expected that the position of the company will continue to improve. A good supply of raw material has been secured at favorable prices, and the help situation shows some slight signs of improvement."

The retiring board of directors was re-elected with the addition of Mr. D. R. Kennedy, secretary of the company, who replaces the late Mr. F. Paul.

DETROIT UNITED RAILWAY.

Final figures for the year 1916, submitted to shareholders of Detroit United Railway at the annual meeting held a few days ago, were slightly in excess of optimistic forecasts, the company's total net income after charges, but before depreciation, amounting to \$2,880,792, an increase of \$920,030, or 46.9 per cent. over 1915, and equal to 23 per cent. earned on the capital stock against 15.6 per cent. the previous year.

After setting \$800,000 aside to reserve for depreciation and paying the year's dividends, there remained a balance of \$1,237,042, or just a little short of 10 per cent. of the total capital. This balance was transferred to surplus account, bringing it up to \$7,871,462 or the equivalent of \$73 per share of capital stock.

It was announced from Detroit after the meeting that the stockholders gave approval to a recommendation by the directors that the company's authorized capital stock be increased from \$12,500,000 to \$25,000,000, the proceeds from sale of new stock to be used in providing funds for improvements, betterments and future extensions of lines. Following the stockholders' meeting, the directors authorized the issue of \$2,500,000 of the new stock, which is to be offered stockholders of record on February 16th at par, at the rate of 20 per cent. of their holdings on that date. This gives the stockholders the right to subscribe for one share of new stock for each five shares in their name on the date specified.

The directors also declared the usual quarterly dividend of 1¼ per cent., payable March 1st to stockholders of record February 16th, thus disposing for the present of reports of an increase in the dividend from a 7 to an 8 per cent. basis.

Income account figures for the year, with comparisons from the previous year's return, follow:

	1916.	1915.
Gross earn.	\$16,036,669	\$13,235,551
Expenses	11,215,807	9,331,803
Net earnings	\$4,820,867	\$3,903,747
Other income	351,334	286,814
Gross income	\$5,172,201	\$4,190,562
Interest	2,291,409	2,229,801
Net income	\$2,880,792	\$1,960,761
Reserves	800,000	750,000
Balance	\$2,080,792	\$1,210,761
Dividend	843,750	750,000
Surplus	\$1,237,042	\$460,761

It was reported that the business of the meeting was largely routine, including the re-election of all the old officers. Owners of 102,000 of the 125,000 outstanding shares of stock were represented in person or by proxy the meeting showing the largest representation of stock of any in the history of the company.

SUN LIFE ASSURANCE CO.

The record of the Sun Life Company of Canada for 1916 should give great satisfaction to the Company's shareholders and certainly reflects the highest credit upon the Directors and Officers of the company. The company's statement of 1916 results, which appears elsewhere in this issue shows assurances issued and paid for over \$42,750,000 the largest amount of new business ever written by any Canadian life company in any year. Assurances in force now total over \$280,000,000. Assets increased by over \$8,500,000 to practically \$83,000,000, the largest assets ever attained by a Canadian company. Cash income totalled nearly \$18,500,000 an increase of over \$2,500,000 over that of 1915. Payments to policyholders exceeded \$7,500,000 bringing total payments to policyholders since organization to over \$60,230,000.

The growth of the Sun Life over a period of years is epitomized in the following table:

Year.	Income.	Assets.	Life Assurances in Force.
1872	\$ 48,210	\$ 96,461	\$ 1,064,350
1886	373,500	1,573,027	9,413,358
1896	1,886,258	6,388,144	38,196,890
1906	6,212,615	24,292,692	102,566,398
1916	18,499,131	\$2,948,996	231,434,699

BANK OF MONTREAL

Established 100 Years (1817-1917)

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

BOARD OF DIRECTORS:

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

R. B. ANGUS, Esq.
A. Baumgarten, Esq.
Wm. McMaster, Esq.

E. B. Greenshields, Esq.
Lord Shaughnessy K.C.V.O.
H. R. Drummond, Esq.
Capt. Herbert Molson.

Sir William Macdonald.
C. R. Hosmer, Esq.
D. Forbes Angus, Esq.
Harold Kennedy, Esq.

Head Office, MONTREAL

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

Bankers in Canada and London, England, for the Government of the Dominion of Canada.
Branches established throughout Canada and Newfoundland; also in London, England, New York, Chicago, and Spokane.

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

A GENERAL BANKING BUSINESS TRANSACTED

Book Reviews

FOR THE STUDENT OF BUSINESS.

An Approach to Business Problems, by Arch. W. Shaw, Cambridge. The Harvard University Press price, \$2.00.

The student of business will find much in this systematic and dispassionate survey of business methods. Mr. Shaw, who is editor of "System", in addition to being a lecturer at Harvard on business policy, treats his subjects from a detached point of view. He says that the business man is likely to be too hide-bound by convention and too close to his subject to be able to look at it from all angles and to these conditions he attributes small profits and failures. In his own work, he shows how a business man can keep close to his subject and yet not lose the sense of proportion and detachment so essential to "the fresh idea."

Mr. Shaw's chapter on labor is very timely although he offers no revolutionary treatment of the question. He is not opposed to union labor although he points out some of its disadvantages. He says unless he is blind or obstinate, the business man of today must realize that he is no longer autocrat of a private undertaking, able to base his policies on personal whim or desire or an entirely selfish conception of business. Just as society is asking of its college men what return in community service they are making for the exceptional training advantages accorded them, public opinion is beginning to put the same query to business men in sharper and more specific fashion. He further says the public has been applying more and more inclusively the basic test of purpose to the activities of business men. It has come to feel that the large margin of profit hitherto

allowed permits them to practice many of the mere "arts of commerce". It has sensed the existence of useless motions, observed the needless duplication of essential functions, and in some cases, as, for example, the establishment of a government parcel post to carry package freight in competition with the express companies, it has sought a drastic short cut to a fairer balance between service and cost.

He points out that in determining the policies which shall govern his relations with the general public, the business man will recognize three modifying influences—or three phases of the same powerful influences—to which he must accommodate his activities. Mr. Shaw says, of these the hardest to understand, yet the real force to reckon with is, public opinion, the reaction of contemporary thought on business and the conditions under which they are carried on.

He puts the law in the second place and calls it "the crystallization of public opinion into a definite enactment"; the third influence being the government which he defines as an administrative agency for putting this formulated public opinion into effect.

He points out what is no doubt quite true that the average business man is so submerged in the details of his undertaking that he either fails to catch the drift of public opinion or does not realize its vital bearing on his business so that until the law formulating this public opinion is enacted or is about to be enacted the business man does not awake to its purport. Then he discovers that the people through various civic organizations, have been studying the underlying question much more eagerly than he suspected. Public opinion is the fundamental force.

Watching all the legislative, judicial, and administrative machinery in motion, the manager of a business may too readily conclude that his important external problems are concerned chiefly with it, not

with smoking car debates, the gossip of a switch shanty or the discussion of a woman's club. But it is this talk and the convictions which emerge from it that are the things he must consider.

ECONOMIC PROBLEMS.

Current Economic Problems, by Professor Walton Hale Hamilton, published by the University of Chicago Press, at \$3.00 net (789 pages), differs from other books in this field, in that it does not aim to cover the whole body of economic principles, but concentrates its material to illustrate problems in the control of industrial development.

This valuable contribution is a series of readings and the theories of authoritative spokesmen, of the past and present, as well as of all ideas and all schools, are well represented. This book will prove as useful for reading and reference as for the instruction of students.

Evidently Prof. Hamilton is a moderate progressive, as the following quotation shows. "With the re-action from individualism has come a protest against our habit of considering the particular apart from the general. We are beginning to learn that things in general matter; and that the reality of our problems lies in their connection with social life in its varied and multifarious aspects. We are realizing that specialization, to be anything more than clerical, must have a broad basis. We are coming to see that the whole is something quite different from the sum of its parts; that society is not a mere aggregation of individuals."

TAXATION OF LAND VALUES.

The Taxation of Land Values. A study of certain discriminatory taxes on land, by Yetta Scheffel and published by Houghton Mifflin Co. (\$2.00 net) is one of the series of books which owes its existence to the generosity of Hart, Schaffner & Marx of Chicago who have shown a special interest in trying to draw the attention of the youth of America to the study of economic and commercial subjects. This is one of the prize essays. In this series are the Canadian Iron and Steel Industry, by W. J. A. Donald and Socialism: A Critical Analysis, by Prof. Skelton of Queens University.

The author is not an advocate of the taxation of land values but tries to differentiate between the tax land values and the Single Tax, to define the first-named tax and its underlying principles, and to present fully the experience with the system of the Countries which have introduced the tax.

The ten chapters are filled with information of value to a student of the problem of taxation. There is an exceptionally complete bibliography.

SCIENTIFIC DISTRIBUTION.

Scientific Distribution, by Charles Frederick Higham, (Nisbet & Co., Ltd., London, G. B. 12/6 net), reviews the history of advertising which is held to be not only a selling force but the force which should work the scientific distribution of all forms of intelligence. The author is one of the leading authorities on selling in Great Britain. He claims goods have seldom been manufactured to supply a conscious demand. The demand as well as the goods, has been created and this demand or market has been organized. Had the inventors and business men waited for the public to say: "That's just what we want; come on!" the world would be poorer by millions of pounds than she is today.

CIVIC INVESTMENT AND INDUSTRIAL CO.

Civic Investment & Industrial Co., which completed its first half year of operations on January 31st last, is understood to have earned a surplus for that period of well on to \$2,500,000, which would come close to a full year's dividend of 4 per cent on the \$65,000,000 stock of the consolidation.

It is understood that the consolidation is to follow the old financial year of Montreal Light, Heat & Power Co., which began on May 1st. The first statement in that case might cover a broken period, as the old companies continued in operation in the old form from May 1st to August 1st. But for the first nine months of the company in its present form, it is believed that surplus earnings after all charges and depreciation should represent in the vicinity of at least 6½ per cent on capital stock for a full year.

The Home Bank of Canada has opened a branch at Battum, Sask., sub to the branch already established at Cabri, Sask.

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

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BRANCHES IN CANADA

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

BRANCHES AND AGENCIES ELSEWHERE THAN IN CANADA

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

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

SAVINGS DEPARTMENT

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

BANK OF ENGLAND STATEMENT.

Proportion of Reserve to Liability Falls From 16.63 to 13.34 Per Cent.

The weekly statement, published February 8, of the Bank of England shows the following changes: Total reserve increased £325,000, circulation decreased £66,000, bullion increased £259,702, other securities increased £2,852,000, other deposits increased £57,692,000, public deposits decreased £2,502,000, notes reserve increased £291,000, Government securities increased £52,023,000. The proportion of the bank's reserve to liability this week is 13.34 per cent; last week it was 16.63 per cent. Rate of discount, 5½ per cent.

RITZ-CARLTON CO.

The annual meeting of the Ritz-Carlton Hotel Company of Montreal was held last week, when the directors reported that the business of the hotel had shown a very gratifying increase during the past year. The profits were considerably larger than in any other period, but were lessened by the constant increase in the cost of supplies, and the difficulty experienced in obtaining help. The outlook for the current year was described as encouraging.

SASKATCHEWAN'S RAILROADS.

The annual report of the Saskatchewan Department of Railways for 1916 has just been published. It contains several interesting statements indicating the growth of railway mileage in the Province since its inception, also branch line equipment. The statements indicate that for the period prior to the commencement of war very great expansion in railway construction took place and that the Province today enjoys a record unequalled in any other Province in the Dominion. The total railway mileage in the Province to-day is 6,101.46, divided as follows: C. P. R., 2,762.75; C. N. R., 2,206.78; G. T. P. R., 1,131.93.

BUSINESS FAILURES IN CANADA.

So far as failures indicate, Canada in 1916 had apparently recovered from the shock caused to business by the war, because the failures, 1,772, showed a decrease of not only 32.5 per cent from 1915 and of 38 per cent from 1914, but also of 3 per cent from 1913. Liabilities, which aggregated \$15,747,175, were less than half those of 1915, 48 per cent below those of 1914, and 54 per cent below those of 1913. Of the causes of failure in 1916, the individual was charged with 71 per cent of the responsibility, as against 64.7 per cent in 1915 and 73.4 per cent in 1914, considerably lower percentages than ruled in the United States. Lack of Capital was the leading cause, with a percentage of 38.9, as against 30.1 per cent for Specific Conditions, which fell to second place after occupying the first position during 1915, owing to conditions growing out of the war. In 1915 the percentages were only 30.3 for Lack of Capital and 35.9 for Specific Conditions, while in 1914 the respective proportions were 35.8 and 14.4. Incompetence, the third most fruitful cause of failure, accounted for 13.4 per cent in 1916, 17.9 per cent in 1915 and 18.7 per cent in 1914. Inexperience and Unwise credits showed smaller percentages in 1916 than in the preceding year, while Neglect, Speculation and Fraud were more hurtful. Lack of Capital caused 39 per cent of the liabilities, Specific Conditions 23.3 per cent., Speculation 13.7 per cent, and Incompetence 11 per cent., the important increases over 1915 being shown in Lack of Capital and Speculation, while Specific Conditions lost heavily in importance.—Bradstreet's Review.

BANK OF FRANCE STATEMENT.

The weekly statement of the Bank of France, published February 8, shows the following changes:

	Francs.
Gold in hand Dec.	2,451,000
Silver in hand Dec.	2,493,000
Notes in circulation Inc.	185,425,000
Treasury deposits Inc.	3,448,000
General deposits Inc.	1,415,000
Bills discounted Dec.	80,875,000
Advances Dec.	123,900

PRESENTATION TO MR. H. T. ROSS.

The Finance Department Honors a Retiring Official.

Mr. H. T. Ross, LL.B., K.C., having accepted the Secretaryship of the Canadian Bankers' Association, after a service of ten years as Assistant Deputy Minister of Finance of Ottawa, was on February 5th presented with a beautiful silver tea service, the gift of the Minister and staff of the Department as a token of esteem and goodwill. Sir Thomas White, in making the presentation expressed his high regard and appreciation of the valued service Mr. Ross had so loyally and faithfully rendered. Two marked traits he had especially evinced—character and ability—expressed in willing and faithful service. With regret he accepted the resignation of Mr. Ross, but knowing that he was called to a position of greater financial benefit he could not blame him. In the name of the Department he had the utmost pleasure in presenting this beautiful service as the expression of their great regard and sincere appreciation of the many excellencies of head and heart so graciously manifested as a greatly honored member of the staff. Mr. Ross, in expressing his gratitude and thanks for the kind gift, made a most felicitous speech. He was glad that his relations with the Deputy Minister and the staff had been most cordial, and that he was enabled to express without reserve the loyalty and fidelity of all. It had been a pleasure to him to render what service he could to the present Minister and his predecessor, both of whom had given ideals so worthy of the eminent position occupied.

He was pleased that Mr. J. C. Saunders had been chosen to succeed him, being so worthy of the position both as to character and ability.

ONTARIO GOOD ROADS ASSOCIATION.

The annual meeting of the Ontario Good Roads Association takes place in the York County Building on February 27, 28 and 29, when among the subjects discussed will be the proposed legislation regarding a Provincial system of highways.

Of interest to county road superintendents and engineers is the annual conference on road construction, which will be held at the Parliament Buildings, March 27 to 30.

THE DOMINION BANK

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

C. A. BOGERT, General Manager

The London, England, Branch
of
THE DOMINION BANK
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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 1836
Incorporated by Royal Charter in 1840.

Paid up Capital..... \$4,368,533.63
Reserve Fund..... \$3,017,333.33

Head Office: 5 Gracechurch Street, London
Head Office in Canada: St. James St.
Montreal

E. B. MACKENZIE, General Manager

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

F. N. BURT CO.

An increase in profits amounting to \$107,348, or 48 per cent, is shown by the annual statement of F. N. Burt Company. This compares with the previous year in detail as follows:—

	1916.	1915.
The balance, December 31, 1915.....	\$161,266	\$152,263
Profits for the year	329,515	222,267
	\$490,781	\$374,530
Dividends on preference stock	138,264	138,264
Dividends on common stock	45,000	30,000
Transferred to ready and plant reserve	75,000	15,000
	\$258,264	\$213,264

Balance to carry forward to 1917... \$258,264 \$161,266

The directors will ask the shareholders to approve a by-law to increase the authorized capital stock by \$1,000,000. Considerable fighting in Gorizia Sector, where

AMERICAN SALES BOOK CO.

Profits of the American Sales Book Company for the year ending December 31, 1916, aggregated \$341,945, an increase of \$161,127, or 47 per cent, over the previous year. The profits on the common stock were better than 4 per cent.

The profits, after payment of bond interest of \$31,183.50, amounted to \$310,761.74, which are the largest in the company's history. These have been retained in the business, and have been used chiefly for increased working capital and in reduction of liabilities. A transfer of \$71,460 has been made from the profit and loss account to the reserve for depreciation, thus bringing that account up to \$300,000. It is not expected that this company will have to pay any tax under the business profits war tax act.

The directors feel justified in resuming dividend disbursements of 15 per cent quarterly on the preferred stock.

WM. A. ROGERS CO.

Net profits are shown by the annual report of the William A. Rogers Co. for 1916 to be \$240,648, as compared with \$189,810 a year ago, an increase of over 12 per cent. The rate on the common stock is 16 per cent.

The profits are \$50,838 greater than those in 1915. This result was produced in spite of extreme difficulty of securing supplies of metals and other materials, and extraordinary increases in prices thereof. The sum of \$50,000 has been transferred to ready and plant reserve account.

GREAT WEST LIFE ASSURANCE CO.

The Great West Life Assurance Company reports business issued in 1916 as \$25,575,373, an increase for the year of \$1,117,444. Business in force December 31st totalled \$133,016,448, an increase for the year of \$13,550,381.

The company's income for 1916 was \$5,594,041, an increase of \$814,551, while assets on December 31st were \$21,702,570, an increase for the year of \$2,498,024.

DOMINION STEEL CORPORATION.

President Workman stated at the close of the Directors' meeting, held here last week, that the Dominion Steel Corporation had at the present time on its books the largest unfilled tonnage in the history of the company, being sold out to the end of 1917.

The regular half yearly dividend of 3½ per cent on Dominion Iron and Steel preferred was declared, payable April 1st, to holders of record March 15th.

DOMINION STEEL FOUNDRIES.

The directors of the Dominion Steel Foundries have declared an additional dividend of 5 per cent on the common stock, bringing the total for the year to date to 25 per cent on the common stock, bringing the per cent on the common stock. The regular quarterly dividend of 1½ per cent on the preferred stock was declared. The dividends are payable March 1 to record February 22. The books close from February 23 to February 28, inclusive.

EMBARGO SOON TO BE LIFTED.

The embargo declared on January 25 by the C. P. R. on all shipments from the West, all points in Quebec and the Maritime Provinces, and from such Ontario cities as Windsor, Chatham, Hamilton and St. Thomas, destined to Montreal, is still in effect. Both the C. P. R. and Grand Trunk have embargoes on all traffic originating in the United States with the exception of coal, coke, live stock, perishable goods, munitions and raw materials. The Canadian Northern Railway will only accept shipments to points on their line.

The effect of these embargoes has been widespread, and many industries are running very short of supplies. The severe cold weather and heavy snow storms greatly hampered the work of clearing up the yards which otherwise was progressing favorably.

The length of the embargoes existing at Montreal as well as at other points is entirely dependent on weather conditions, and thus it is impossible for the railways to give any idea of how long present unsatisfactory conditions will last.

PRINCE EDWARD ISLAND PRODUCE ASSOCIATIONS.

According to reports submitted at the recent annual meeting of the Prince Edward Island Co-operative Egg and Poultry Association, \$12,595 dozens of eggs and a quantity of dressed poultry, were collected by 51 Egg Circles with a membership of 2,700 farmers. The volume of business transacted was about \$250,000.

At the annual meeting of the Central Farmers' Institute the question of co-ordinating all the Farmers' Associations, including the Poultry Association, Fruit Growers, and Dairymen into one general co-operative body was discussed, and a committee appointed to prepare a working plan.

Resolutions were passed asking for the appointment of a Market Man to study the markets abroad, and for the organization of a Potato Growers' Association. A committee was appointed to confer with the United Farmers of Ontario, the Dominion Council of Agriculture, and other co-operative bodies in Canada with a view to a union with them in action.

The Mutual Life & Citizens' Assurance Company, has subscribed one million Pounds to the fourth Commonwealth war loan -- the total subscriptions of the Company to these war loans being over twenty million dollars (\$20,000,000).

A humane society had secured a shop window and filled it with attractive pictures of wild animals in their native haunts. A placard in the middle of the exhibit read: "We were skinned to provide women with fashionable furs." A weary-looking man paused before the window, and his harassed expression for a moment gave place to one of sympathy. "I know just how you feel," he muttered. "So was I."

MAKE YOUR DOLLARS FIGHT AT THE FRONT. BUY DOMINION OF CANADA THREE-YEAR WAR SAVINGS CERTIFICATES

\$ 25.00 FOR \$21.50
50.00 " 43.00
100.00 " 86.00

INDIVIDUAL PURCHASES LIMITED TO \$150.

FOR FULL PARTICULARS APPLY AT ANY BANK
OR ANY MONEY ORDER POST OFFICE

JAN. 9, 1917

FINANCE DEPARTMENT
OTTAWA

MONTREAL STOCK EXCHANGE.

An examination of the stock quotations for the past week shows that substantial gains were recorded in nearly every issue traded in on the local exchange, the advances varying from 1 to 2 points to as high as 7. There were fewer transactions, however, than a week ago, the comparisons being 96,000 listed securities for the week ended February 3rd as compared with 49,000 shares for the week ended February 10th.

As an offset to the fewer transactions, the better tone and the display of strength shown is an encouraging feature. The chief activity was centered in Dominion Steel Corporations which gained 4 points on transactions of over 10,200 shares. Steel Company of Canada gained 4 1/4 points on transactions of 8,900 shares. Quebec Railway was also a leader with 5,300 shares traded in, while Detroit United, Civic Power and Smelters were other active features. Bonds showed a big increase over the previous week, the comparative figures being \$581.00 as compared with \$229.00.

The volume of local business in stocks fell off about 50 per cent last week, but transactions in bonds were more than double the total of the previous week. Comparisons follow:

	— Week Ending —	
	Feb. 10.	Feb. 3.
Shares	49,038	96,743
Mines	4,200	4,200
Bonds	\$581.00	\$229.525
Unlisted	2,403	3,664

RISE IN CANADIAN REVENUE.

An increase of \$50,000,000 in the revenue of the Dominion for the last ten months is shown by the financial statement covering that period issued in Ottawa, on Friday. The total for the ten months was \$187,903,565. The increase for the month of January, when \$21,047,216 was taken in, was about \$4,000,000.

The increase in general expenditure during the ten months was about \$10,000,000, the total expenditure on capital and war accounts being \$215,521,914 for the ten months, and \$26,318,529 for January. On consolidated fund the expenditure for the ten months was \$187,903,565 and \$18,882,897 during January.

In the ten months' total the principal items of revenue were \$108,868,302 from customs, \$20,561,709 from excise, \$15,881,627 from post office revenue, and \$21,701,730 from railways, canals and public works. There was an increase of some \$23,000,000 in the net debt, which is now \$745,438,869.

SEED WHEAT SHORTAGE.

One of the serious results of the Spring wheat crop failure is the scarcity of seed wheat for the next crop. In the American Northwest there is not enough seed wheat to go around, it is said, at any price. No other section of the country produces wheat that will grow satisfactorily in Minnesota and the Dakotas, where the quality of this year's crop was poor. Ordinarily, in such case the seed wheat could be imported from Canada into the States, but our Northwest Provinces also raised poor quality wheat this year, and we have a seed-wheat problem of our own. There is no other place in the world where proper seed wheat for our Northwest can be obtained except Russia. Farmers' organizations in United States have made representations to Washington to arrange, if possible, for the release of some Russian seed wheat. The farmers expect to pay as high as \$2.50 or more for their seed wheat.

BANK CLEARINGS.

Bank clearings for the week ending Thursday last, run up a total of \$214,348,766, compared with \$157,547,907 a year ago. The spectacular feature of the high return is the total shown by Montreal which represents a gain of 26 millions over this week a year ago. Toronto's figures represent an increase of 14 millions, and Winnipeg supplies the major portion of the Western gain with an increase of 12 millions.

Comparative figures follow:

Montreal	\$81,715,255	\$55,558,925	47.6
Toronto	57,034,118	42,494,062	34.6
Winnipeg	38,723,968	26,906,921	45.4
Vancouver	5,824,281	4,618,011	26.2
Ottawa	4,939,424	3,787,138	31.1
Hamilton	4,189,058	3,188,617	32.3
Quebec	5,968,642	3,924,951	31.4
Calgary	3,861,545	3,295,029	17.7
Halifax	2,595,660	2,309,505	12.4
London	2,314,133	1,748,648	33.2
Regina	2,185,448	1,470,736	48.7
St. John	2,030,291	1,600,830	26.8
Edmonton	1,967,143	2,023,877	2.8
Victoria	1,324,146	1,128,778	17.4
Saskatoon	1,202,873	1,006,906	19.5
Brantford	732,579	637,401	15.1
Lethbridge	592,787	385,022	58.9
Sherbrooke	574,674
Port William	536,320	339,216	58.1
Peterboro	522,037	400,068	30.5
Kitchener	499,746
Brandon	367,438	419,049	11.4
Medicine Hat	355,346	250,235	42.0
New Westminster	235,044	158,933	48.3
Total	\$217,217,336	\$157,549,907	38.6

FIGHT OR PAY.

Estimate of Commitments and Expenditures of the Canadian Patriotic Fund for the Third Year of the War to Support the 70,000 Families now on the Fund is \$13,500,000. The Canadian Red Cross Society Requires for Year 1917, \$1,368,890.

During 1914, the Patriotic Fund was called upon to provide in all \$511,000. In 1915 there was a monthly demand amounting to \$225,000. By the end of the year this had increased to \$580,000 per month. 1916 began with a monthly disbursement of approximately \$600,000. By August of last year the pay-roll reached \$950,000 per month. This has been the figure for the past six months. Needs today, therefore, are 50 per cent greater than a year ago. The county councils of Ontario, which in 1916 gave by way of grants \$1,350,000, have authorized payments during 1917, amounting to \$2,000,000. From the Province of Quebec, through the Provincial Government, a million dollars will be this year contributed to the Patriotic Fund.

All Canada, including Manitoba, is asked for \$13,500,000 to cover the needs of 1917.

Red Cross.

Some of the larger grants and expenditures made during 1915-1916 by the Canadian Red Cross Society were:

Equipment of hospitals and homes, \$335,000; money grants, \$280,000; for 2,196 Canadian prisoners of war in 91 German camps, \$263,520 a year; in the year ending 31st October, 1916, spent on materials (flannel, cotton, wool, etc.), \$197,369; Princess Patricia's Hospital, \$3,000; cases shipped to England, including supplies from branches, 6,479.

... THE ...
Molsons Bank
 Incorporated 1855.

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

HEAD OFFICE : MONTREAL

96 Branches Scattered
 Throughout Canada

Edward C. Pratt. - General Manager

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

Careful attention to
 Current accounts and efficient
 service in the making of collect-
 ions are assured to Merchants
 and Manufacturers.

119 Branches in Dominion of Canada.

THE
Royal Bank of Canada
 Incorporated 1869

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

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

360 Branches in CANADA and NEWFOUND-
 LAND; 48 Branches in CUBA, PORTO RICO,
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SAVINGS DEPARTMENTS at all Branches

ESTABLISHED 1872

BANK OF HAMILTON

Head Office: HAMILTON

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

THE
STANDARD BANK
 OF CANADA
 HEAD OFFICE - TORONTO

This Bank offers every facility in
 the conduct of accounts, of manu-
 facturers, farmers and merchants.

SAVINGS DEPARTMENT at every Branch. 235

MONTREAL BRANCH
 E. C. GREEN. Manager 136 St. James Street

UNION ASSURANCE SOCIETY LIMITED

OF LONDON, ENGLAND

FIRE INSURANCE SINCE A.D. 1711

Canada Branch, Montreal:
T. L. MORRISSEY, 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	342,746	4,849,287
1895	581,478	105,712	2,509,518	15,779,385
1905	1,660,064	538,827	6,968,014	37,580,047
1915	2,749,951	1,386,925	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 1801

THE LAW UNION AND ROCK INSURANCE CO. LIMITED

OF LONDON

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

Canadian Head Office:

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Agents wanted in unrepresented towns in Canada.

J. E. E. DICKSON, Canadian Manager.
W. D. AIKEN, Superintendent Accident Dept.

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Offers Liberal Contracts to Capable Field Men

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UP A PERMANENT CONNECTION

WE PARTICULARLY DESIRE REPRESENTATIVES
FOR CITY OF MONTREAL

Chief Office for Canada:
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ALEX. BISSETT - - - Manager for Canada

WESTERN ASSURANCE COMPANY

INCORPORATED 1851

Fire, Explosion, Ocean Marine
and Inland Marine Insurance.

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

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

HEAD OFFICE - - - TORONTO, ONT.

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

QUEBEC PROVINCE BRANCH:
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ROBERT BICKERDIKE, Manager

The Independent Order of Foresters

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

Policies 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. W. CHIL, Secretary. ELLIOTT G. STEVENSON,
President.

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

UNITED STATES LIFE INSURANCE COM- PANIES INVESTMENTS.

The substantial change recorded during a decade in the relative amounts of the different classes of investments held by life insurance companies of the United States is shown by an original report attached to the tenth annual proceedings of the Association of Life Insurance Presidents, which is now being issued.

This report, which was prepared by Orlow H. Boies, the association's statistician, is entitled, "Life Insurance Companies' Investments of the decade 1904-1914, analyzed, classified, compared and shown in their relation to the general economic progress of the United States during the same period."

Real estate mortgage loans on farm and city property have supplanted railroad bonds as the largest single class of investments held by life insurance companies. They have increased in the ten year period noted from 27.37 per cent of the assets of American companies to 34.46 per cent. The amount of these loans at the end of 1914 was \$1,660,000,000, out of total assets of \$4,830,000,000. In 1904 these loans amounted to \$680,000,000.

Investments in Railroads.

Railroad bonds have decreased from 30.16 per cent of the life insurance assets in 1904 to 26 per cent in 1914. In actual amount, however, the holdings of life insurance companies in railroad bonds increased during the decade from \$750,000,000 to \$1,250,000,000 -- or 67.32 per cent. The wide apparent variation between the decrease in percentage and the large actual increase in amount, in the case of railroad bonds, is explained in part by the fact that the assets of life insurance companies were doubled during the decade referred to.

In striking contrast to the reduction in the proportion of railroad securities held by life insurance companies, states the report, is the increase in the holdings of such securities by savings banks from \$291,000,000 to \$878,000,000 in the same decade. This is an increase of about 200 per cent, or more than

three times the rate of growth of the life insurance companies' increase in such securities.

The largest relative increase in any single item of investments held by the life companies (outside of policy loans, over which they have no control) is in the class comprising state, county and municipal bonds. Their holdings in these securities increased from \$160,000,000 to \$530,000,000 during the decade. The rate of increase was 227 per cent. The percentage that such securities bear to total assets of life insurance companies increased from 6.57 to 11.06.

Investments in Policy Loans.

In the case of policy loans, which the companies are obligated to make upon the application of policyholders, the largest relative increase of all is noted. They jumped from \$187,000,000 to \$722,000,000 or 284 per cent. Their increase in percentage to total assets is from 7.54 to 14.94.

For the year 1904 the investments of 63 of the 93 companies then doing business are analyzed, being 67.75 per cent of the number of companies, but holding over 99½ per cent of the total admitted assets of that year.

LABOR READJUSTMENTS AFTER WAR.

According to the report of the committee on British labor problems after the war, from six to eight million people now in the employment of the Government will have to be discharged at the end of the war. This number represents half the wage earning population of the United Kingdom. All these workers will not be discharged simultaneously, but it is probable that within two months after peace has been declared, some two or three million workers will be turned off.

Regarding the army demobilization, the committee calculates that the rate of disbandment cannot exceed five thousand daily, at which rate six months would be occupied in demobilizing less than one million of the huge army.

THE DALTON ADDER and Calculator---



—a wonderfully versatile adding machine.

—So versatile that a single machine is all that is required to handle the varied and complicated figure work of an exacting business office.

It will meet YOUR general requirements as well as YOUR special needs.

**Unequaled Speed--Accuracy--
Simplicity**

--With Only 10 Keys--

A "Dalton" saves the purchaser the expense of buying separate machines to handle satisfactorily the various kinds of figure work in his office. For simplicity and speed the Dalton won the Gold Medal at the Panama-Pacific Exposition.

Write for FREE descriptive booklet.



UNITED TYPEWRITER CO., LIMITED

109 Notre Dame St. West,
MONTREAL, Que.

Head Office - - - Toronto, Ont.

BRANCHES IN ALL CANADIAN CITIES.

SASKATCHEWAN FIRE LOSS.

The total loss by fire in Saskatchewan from January 1 to October 1, 1916, as reported to the Fire Commissioner, were as follows:

Total urban loss \$648,890.39
 Total rural loss 152,411.74

Total loss \$801,302.13

Urban insurance involved \$4,808,041.58
 Rural insurance involved 160,305.10

Total insurance involved \$4,968,346.68

FOREST FIRES ARE EXPENSIVE.

A statement of expenditure under Governor-General's warrants during the current fiscal year as tabled in the Commons, Ottawa, shows that the Government appropriated and expended \$100,000 for the relief of sufferers from forest fires in Northern Ontario last summer, and \$500,000 for the purchase of seed grain for farmers in distress in Manitoba, Alberta and Saskatchewan.

HEREDITY AND CANCER.

Reviewing 20,000 applications for life insurance a president of a life insurance company found that there were 122 times as many cases in which one parent had died of cancer as of those in which both parents had succumbed to the disease. From this investigation it also was shown that out of 234 persons who died of cancer only two of their parents died of that disease. Among 175 sons and daughters whose parents had both died of cancer no deaths took place from that cause, and 156 of the number attained the average age of 53, 93 being alive at the average age of 59, with the average age of death from cancer at 55. Many persons have feared cancer as a hereditary disease. From the results of the above report such fears seem groundless.

Friend (examining photograph): "Aye, it's no' so bad, Donald, but you're looking so dour, mon; why didna ye smile a wee bit?"
 Donald: "Smile! D'ye ken I had to pay twa shillings for 'em?"—The Tatler.

PROSPEROUS and PROGRESSIVE

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

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

SUN LIFE ASSURANCE COMPANY OF CANADA
 HEAD OFFICE—MONTREAL

Commercial Union Assurance Co. LIMITED OF LONDON, ENG.

The largest general Insurance Company in the world
 Capital Fully Subscribed \$14,750,000
 " Paid Up 1,475,000
 Life Fund and Special Trust Funds.... 74,591,540
 Total Annual Income Exceeds 47,250,000
 " Funds Exceed 142,000,000
 " Fire Losses Paid... .. 123,366,690
 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. JOPLING - - - - Asst Manager

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.

An Estate Free of Debt
 Many investors purchase real estate by means of instalments, payable monthly or yearly; thus making absolute ownership possible in time.
 In the event of death before the payments are completed, however, the estate is bequeathed encumbered with debt, and the heirs may not be able to continue the payments.
 And it might easily result that the whole of the investment would be lost to the beneficiaries.
 Life insurance also constitutes an estate payable by instalments, but death ends the obligation to make payments, and the estate is handed down intact.
 Every man who has dependent relatives or friends should have a substantial portion of his investments in the form of life insurance, since the payment of the first premium creates for them an estate free of debt.
THE MUTUAL LIFE ASSURANCE Company of Canada
 WATERLOO ONTARIO

THE MINISTER OF FINANCE
REQUESTS
 THE PEOPLE OF CANADA TO
BEGIN NOW
 TO SAVE MONEY FOR THE
NEXT WAR LOAN
 DEPARTMENT OF FINANCE
 OTTAWA
 JAN. 9, 1917

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.




Help to Man the
 "Victory Tank"
PATRIOTIC FUND
 AND
RED CROSS

At least \$13,500,000 needed from Canada for 1917
 At least \$2,500,000 needed from Montreal for 1917

WHAT WILL YOU GIVE

- This Campaign Provides:**
1. Comfort for the Soldiers' Families.
 2. Hospital Supplies for the Wounded.
 3. Food for Canadian Prisoners of War.

*The boys left for the front trusting to YOU
 Don't fail them now that their needs are greater*

Renew and Increase your Subscription

**Each bill you give is as a shell
 Shot at the German's Heart;
 Shoot, shoot, and shoot until that Hell
 Is shot and rent apart.**

The authorized canvassers carry an identification card. If they miss you send your cheque to

**The Hon. Treasurer
 Patriotic Fund and Red Cross Joint Campaign
 303 DRUMMOND BUILDING, MONTREAL**

BLACK DIAMOND
FILE WORKS

Established 1863 Incorporated 1897

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

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PROFESSIONAL

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

HOWARD S. ROSS, K.C. EUGENE R. ANGERS
ROSS & ANGERS
BARRISTERS and SOLICITORS
Coristine Building, 20 St. Nicholas St., Montreal

DIVIDEND NOTICE.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND of TWO-AND-ONE-HALF per cent., upon the paid up Capital Stock of this Institution, has been declared for the current quarter, payable on and after Thursday, the FIRST DAY OF MARCH next, to Shareholders of record of 31st January, 1917.
By order of the Board.
FREDERICK WILLIAMS-TAYLOR,
General Manager.
Montreal, 23rd January, 1917.

Laké of the Woods Milling Company Ltd.

DIVIDEND NOTICE.

Notice is hereby given that quarterly Dividends of 1% on the Preferred Stock and of 2% on the Common Stock of Laké of the Woods Milling Company, Limited, have been declared, payable on March 1st, 1917, to Shareholders of record at the close of business on Saturday, February 24th, 1917.
By order of the Board.
R. NEILSON,
Secretary.

Hollinger Consolidated Gold Mines, Ltd.

(No Personal Liability).
DIVIDEND NO. 57.

The regular four-weekly dividend of 1% upon the outstanding capital stock has been declared payable 26th February, 1917, on which date cheques will be mailed to shareholders of record at the close of business on 17th February, 1917.
Dated 10th February, 1917.
D. A. DUNLAP,
Secretary-Treasurer.

ILLINOIS TRACTION COMPANY

NOTICE OF DIVIDEND NO. 16.

A Quarterly Dividend at the rate of three per cent (3%) per annum on the common stock of the Illinois Traction Company has been declared for the Quarter ending January 31st, 1917 payable February 15th, 1917, to Shareholders of record January 31st, 1917.
By Order of the Board,
GEORGE M. MATTHEW,
Treasurer.
Champaign, Ill.

"A LITTLE NONSENSE NOW AND THEN."

First Stenographer: "How do you like your new boss?"
Second Stenographer: "Fine. He doesn't know any more about spelling than I do."—Puck.

Caller: "As an advertising medium your newspaper isn't worth shucks. I put an ad in last week and didn't get a single answer, not one."
Advertising Manager: "That's too bad! How was your advertisement worded?"

Caller: "A poor young man wants a pretty wife who can do her own housekeeping."

William Wilberforce, the slave-liberator, had a sister who was a hustler. She hustled for William at the hustings and succeeded in getting him elected to Parliament. On one occasion, when she had concluded her stump speech, some enthusiasts in the crowd shouted:

"Miss Wilberforce forever!"
The lady stepped forward.
"Gentlemen, I thank you," she said, "but, believe me, I do not wish to be Miss Wilberforce forever."

Jake Johnson, a native of Georgia, was summoned to court on an assault charge. The state brought into court the weapons used—a huge pole, a dagger, a pair of shears, a saw and a gun. Jackson's counsel produced as the complainant's weapons an ax, a shovel, a scythe, a hoe and a pair of tongs. The jury was out but a short while and returned with this verdict: "Resolved That we, the jury, would have given five dollars to see the fight."—Santa Fe Magazine.

DIVIDEND NOTICE

THE
HOME BANK OF CANADA

NOTICE OF QUARTERLY DIVIDEND

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

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

J. COOPER MASON,
Acting General Manager.

TO INVESTORS

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

DOMINION OF CANADA DEBENTURE STOCK

IN SUMS OF \$500, OR ANY MULTIPLE THEREOF

Principal repayable 1st October, 1919.

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

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

Proceeds of this stock are for war purposes only.

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

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

DEPARTMENT OF FINANCE, OTTAWA
OCTOBER 7th, 1916.

The Hospital Elevators in the West

A Strong Plea for Their Continuance

To the Editor of The Journal of Commerce:

It is necessary to go back seventeen years in order to find the origin of the hospital elevator in Canada, when the old Canadian Pacific elevator at Port Arthur, the first terminal house on the lakes at a Canadian port, was converted by the late Joseph G. King into a hospital for treating damaged grain. For several seasons the western farmers had been losing a considerable portion of their harvest through exposure to the weather, for even then the practice of leaving the grain in the stack, instead of stacking it, was coming into vogue, and much of this grain, when placed in the granary, heaved and spoiled, while layers refused to accept it for storage with dry grades. The King elevator was a true hospital, and was designed to treat grain that was suffering from some injury, being equipped with driers, coolers and cleaners of every description, and it was expected to take the wheat, consigned to it by the farmer, and give it back to him in a merchantable condition in a figure sufficient to defray the cost of its processes involved.

But, for some reason or other, this elevator, in spite of the fact that Mr. King worked hard to disseminate knowledge of its capabilities, did not succeed in putting an end to the evil and was not utilized to the full capacity by individual grain growers, while seasons' years in which weather conditions rendered the activity of a drier house unnecessary left the plant idle during whole seasons. It had, however, demonstrated the feasibility of treating the off-grades of grain, and, although the grain grower did not avail himself of its services as much as had been hoped, this experiment opened the way to the establishment of a new branch of the grain business, which, for lack of a better name, was dubbed the "hospital elevator" business, which has developed to fairly large proportions to-day, but under circumstances which are extremely peculiar. It was found by some enterprising dealers that, without engaging the individual farmer to have his grain dried at a certain figure, it could be made a profitable undertaking to purchase the damaged grain at its market price, put it through the drying and other renovating processes, and dispose of it on sample to buyers either in eastern Canada or elsewhere. They purchased the grain outright, sold it and made their profit. This is the business which has developed until it now has fourteen elevators engaged in it, with a storage capacity of about four million bushels. And it is this business which the recent order of the grain board, prohibiting mixing, or blending, of grain in hospital elevators, is threatening with extinction or paralysis.

It is necessary to digress for a moment in order to fully understand the situation as it is to-day, and to consider the action of the Governments of Canada in the past towards the grain business of the west. The policy was and always has been, to maintain the standard of Canadian grain in the markets of the world, and for this purpose an elaborate system has been gradually developed by which the grades of Canadian wheat are certified to by Government inspectors and the correct weight guaranteed by Government weighmen. As a result of this, western Canada is in the proud position of being able to sell wheat in Liverpool on the strength of certificates issued in Fort William, and the markets of the world will accept these certificates as sufficient assurance of quality. In order to maintain the reputation of Canadian grain, and to safeguard its own guarantees, the Government placed stringent restrictions upon the mixing of grain, it being very evident that, if grain could be mixed with higher or lower grades while in the terminal elevators, no guarantee of grade could be effective. Hence developed the Grain Act, with its clauses prohibiting the mixing of grain in elevators, providing that only grain of one grade might be placed in the same bin, and also forbidding the control of terminal elevators by parties engaged themselves in the buying and selling of grain.

Meanwhile, side by side with the bigger terminal houses, there were growing up the hospital elevators, so called, the operators of which owned the grain which they handled, and who carried on the practice of mixing various grades of grain in whatever manner it appeared to them, as experts, would yield the greatest profit. In the Grain Act of 1912, prepared by one Government, and practically adopted by its successor intact, mention is made of the hospital elevators, but only in a loose manner, the Act

merely stating that their number may be determined by the Board of Grain Commissioners established by this Act, and that they shall be governed by such regulations and restrictions as are imposed by the Board. In this manner, from 1912 to 1917 the hospital elevators multiplied, did business, made money and flourished under the tacit sanction of the Grain Commission.

It may have been known, but it was at any rate not acknowledged, that, according to the letter of the law, these hospitals, situated at terminal points, came under the Grain Act as terminals, and that section 94 of the Act applied to them as well as to the public terminals. This provided that all grain of the same grade shall be kept together and stored only with grain of a similar grade, and a selection of different qualities of the same grade is prohibited. That is to say, that the blending of various grades of grain has for the past five years been carried on illegally, but silently permitted to exist by the Grain Commission. Allusion may be made here to the well known and much debated clause 57, of the same Act, which would, if brought into effect by proclamation, establish sample markets in Canada and make legal the blending of grain. The advisability or not of establishing these sample markets is still a matter of dispute between the grain growers, the grain trade and the railways.

It is sometimes erroneously argued that the carrying out of the recent order of the grain board would automatically wipe out the hospital grain business. This is not a fact, but it would undoubtedly paralyze it. Since the owners of the elevators are also owners of the grain which they receive and handle, no Act of Parliament can prevent them from doing what they will with their own. What the commission can do, however, is to cancel their licenses, and thus deprive them of the benefit of the use of Government certificates of grade and weight. As they do business, both in buying and selling, almost entirely on sample, the inspection for grade is not very material, but both the farmer in the West and the buyer in the East have become so accustomed to depend upon Government weights that the withdrawal of the official weighmen would, for a time at least, be a serious drawback. It might, of course, be possible for the hospital grain merchants, after the lapse of some time, to evolve a weighing service of their own which would become as reliable as that of the Government, but it would involve time and the education of both farmers and buyers. If, however, the system now in vogue has become an essential part of the grain business, there is no doubt that it will continue in operation, no matter how hampered by Government regulations.

There is no reason for considering the position of a few grain dealers when debating the question of what is to be done in the matter. Only two courses lie open, dependent upon the conclusion reached. Either the process of mixing grain that has been so far illegally tolerated is a detriment to the Dominion and against the interests of Canada as a grain-producing country, in which case it should be stopped as far as Government rules can do it, or it is a natural outgrowth of the trade, carrying with it benefits for all parties interested, in which case the absurdity of carrying it on contrary to law should be done away with, by the alteration of the law.

In the first place, the hospitals are not allowed to buy or handle the higher grades of wheat. This, of itself prevents any possibility of complaint that the high character of our number one wheat may be lost on foreign markets. In the handling of the lower grades, the aim of the hospital owner is to make money, hence to turn out a more valuable grain than he takes in. If he succeeds in doing this, then he has raised and not lowered the standard of the Canadian grain he is handling. Between the different grades of wheat there is a spread in value of several cents per bushel, but, when grain is sold on grade, the number four wheat, which is almost a three, commands no higher value on the market than a number four which just escapes being a five. Both are grade four and sold at four price. The hospital buyer, who purchases on sample, can afford to and actually does pay more for the better wheat, which, with a little addition of a higher class grain, he can sell at a number three figure. The farmer gets more for his grain, and value which would otherwise be an unearned bonus to some foreign buyer remains in Canada, the grain grower reaping the benefit. The

hospital elevator also does good work in purchasing grain that would otherwise be unsaleable, working it over and blending it until it becomes marketable, instead of, as often occurred heretofore, being dumped on to the farm manure pile. If off-grade wheat can be thus handled to advantage, instead of being wasted, the gain to the community is inestimable. In recent tables issued by Prof. Ladd, of North Dakota, he shows that the miller can make more money out of low-grade wheats than he can out of the higher grades, but these low-grades must be secured for him and presented in merchantable shape. This is a function that is already being carried out by the hospital elevators. The late chairman of the Dominion Grain Commission, Dr. R. Magill, was wont to say that the sample market meant dealing in grain, whereas the selling on grade was trading in paper. That it would be to the advantage of the grower to sell his actual grain rather than a Government certificate has been proved time and again by the benefit received by the grain grower on the spread in price.

While the establishment of a sample market at the points specified in section 57 of the Grain Act would seem to be the simplest solution, this action on the part of the Government is being opposed, largely by the railways, who claim that it would tie up their cars and necessitate enormous receiving yards. That this would be an immediate result is denied by those who know the conditions of the trade, who claim that a sample market cannot be suddenly created, (like Minerva, fully-armed from the head of Jove), but will be an evolution, and that all that will be required for a time will be a lead track, to be known as the sample track, such as is now established for each terminal elevator. When the need for enormous terminal yards arises the development will have become great enough to warrant them. Every requirement for carrying on the grain business along the lines on which it has developed is contained in the sample market clause, with the possible exception of the abolishing of the antiquated term "hospital", and issuing a merchant's rather than a hospital license.

In any event, if, as seems apparent, the hospital elevator is serving a useful and legitimate purpose in the grain trade, it is only right that it should be legitimized and allowed to carry on, with all the privileges that Government sanction can bestow, including weighing and inspection, instead of being pronounced illegal and compelled to commence from the beginning again and evolve a subsidiary grain business alongside the officially lawful one, which would be the probable outcome, if the order, that took effect on Feb. 1st, were to be enforced against it.

L.

News of the Week

Monday, February 5.

Kut-el-Amara is now under control of British. Considerable fighting in the region of the Somme. Dutch steamer Gamma shelled and then sunk by bombs. Nine steamers, mostly flying neutral flags, sunk. Three British ships sunk. Turkish Grand Vizier resigns and Talaat Bey forms new ministry. Seventeen German vessels interned in Manila Bay were seized by United States authorities. Seven survivors of the Shackleton party stranded on Elephant Island, in the Antarctic, have been rescued by the relief ship Aurora. In a rear-end collision of a passenger extra on the C. N. R. with a snow plough train, near Saskatoon, three men were killed and six injured. 300 persons perished by drowning or exposure when Japanese vessel grounded near Che Foo, Shantung Province, China.

Tuesday, February 6.

Occupation of about a thousand yards of German trenches by British in the region of the Somme, represents greatest gain by any of the opposing forces in the last week's fighting. British and French also entered enemy trenches at several other points on western front. In addition the British have gained further big successes in Mesopotamia. In Galicia Teuton attacks against Russian positions fail. Quiet prevails on other fronts. U. S. cabinet still awaiting warlike moves. Germany holding Ambassador Gerard until satisfied as to treatment of Bernstorff. Switzerland will remain neutral. Tuesday's reports show seven neutral and eight belligerent vessels sunk.

(Continued on page 19).

Sun Life of Canada Sets New Records

RESULTS secured during the year 1916 re-affirm the position of the Sun Life Assurance Company of Canada as the leading life assurance organization in the Dominion. Once more it leads the field among Canadian Companies in each of the following respects:

Largest New Business. Largest Business in Force. Largest Assets.
Largest Surplus Earnings. Largest Net Surplus. Largest Income.
Largest Distribution of Life Assurance Benefits.

THE YEAR'S RESULTS

The following large and uniform increases registered during the year 1916 clearly demonstrate the strength of the Company's position and the confidence and prestige it enjoys in the public mind:

	1916	1915	INCREASE
Assets as at December 31st.	\$ 82,948,996	\$74,326,428	\$8,622,573 (11.6%)
Cash Income	18,499,131	15,972,672	2,526,459 (15.8%)
Surplus paid or allotted to Policyholders.	1,110,900	985,487	125,413 (12.7%)
Net Surplus as at December 31st.	8,509,865	7,545,591	964,274 (12.8%)
Total Payments to Policyholders.	7,578,016	7,129,479	448,537 (6.3%)
Assurances Issued and Paid for in Cash.	42,772,296	34,873,851	7,898,445 (22.6%)
Assurances in Force	281,434,700	257,404,160	24,030,540 (9.3%)

Coincident with the above increases, the Company succeeded during the year in effecting a substantial and important reduction in the ratio of expense, a feature which favourably affects earnings on policyholders' account.

The Company's Growth

YEAR	INCOME	ASSETS	LIFE ASSURANCES IN FORCE
1872	\$ 48,210.73	96,461.95	1,064,350.00
1886	373,500.31	1,573,027.10	9,413,358.07
1896	1,886,258.00	6,388,144.66	38,196,890.92
1906	6,212,615.02	24,292,692.65	102,566,398.10
1916	18,499,131.62	82,948,996.06	281,434,699.94

SUN LIFE ASSURANCE COMPANY OF CANADA

1871

HEAD OFFICE MONTREAL

T. B. MACAULAY, President.

1917

NEWS OF THE WEEK.

Wednesday, February 7.

The British passenger liner, California, Anchor Line, sunk off coast of Ireland.
 Battle on Riga front rages in spite of extreme cold.
 British compel the Germans evacuate village of Grandcourt on right bank of Ancre River.
 The French carried out successful operations on River Meuse.
 British and French brought down six enemy airplanes during day.
 Peruvian boat torpedoed in territorial waters.
 Thirteen craft, including eleven British sunk.
 Vatican protests to Germany against new submarine policy.
 Spain, Argentina, and Cuba protest against sub warfare.
 Dynamite factory near Cologne blown up, 200 persons killed.
 Norway, Sweden and Denmark have refused to break with Germany.

Thursday, February 8.

British gained much ground in Grandcourt advance, in Somme region.

On other fronts in France and Belgium the fighting continues by means of artillery and small attacks by raiding parties.

On eastern front comparative calm prevails from Baltic to line in Roumania. In Carpathians, near Kirlibaba, however, Russians captured first line Teutonic trenches, which were held despite counter-attacks.

Rome reports failure of an Austrian attack against Italians in the Sugana Valley, and smashing by big guns of Italians of Austrian batteries on several sectors.

Chile and Uruguay both reply to Berlin that a sub-war cannot be accepted.

Over 300 German officers in Mexico ready to strike at United States.

Nine more ships sunk, six of them British.

Grand Trunk Pacific train carrying 233rd Battalion of French Canadians, wrecked, near Winnipeg. No loss of life.

Friday, February 10.

Except for raids and artillery bombardments in the Somme and Ypres sectors, there has been little activity on the battlefields of Europe.

French troops have carried out successful attack

east of Rheims, returning with some prisoners. In eastern and Macedonian theatres all has been quiet except around Stanislav, Galicia, which Petrograd reports, has been under bombardment of Austro-German guns.

Five vessels, victims of subs, four of them neutral.

Civilians from Canada barred from United Kingdom.

Saturday, February 10.

Saturday night a strong system of trenches to north of Beaumont-Hamel, in Ancre region extending over front of more than three-quarters of mile, was captured and 215 Germans made prisoners. Near Pys, other trenches were taken and German attempts to recapture their lost positions south of Sully-Saillisel were frustrated by British guns.

In Mesopotamia British in operations against Turks have occupied new front of more than six thousand yards, pushing back Turks for a depth varying from 800 to 1,000 yards.

Considerable fighting in Gorizia sector, where Austrians entered Italian trenches, at one point.

German troops on Dutch border.

Duke of Norfolk dies.

Conditions in the West

United Farmers of Alberta Hold Convention---Hospital Elevators Virtually Closed, but Order Likely to be Rescinded

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

A great many things have happened in the West since my last letter. The week ending January 21st I spent in Edmonton attending the Convention of the United Farmers of Alberta, an organization which has now some 17,000 members.

During the past year the Co-operative Elevator Co. of Alberta, which is an off-shoot of this organization, really the commercial end of it, amalgamated with the Grain Growers Grain Co., at Winnipeg, and thus increased the potential strength of the United Farmers of Alberta enormously. Whether the Grain Growers Grain Co. will not ultimately swallow the Alberta Co-operative is a nice question now.

The Grain Growers Grain Co. was the first of the commercial organizations to be established by the Grain Growers associations of Manitoba and Saskatchewan. It is purely a joint stock company, and to the outside it looks as if the Alberta Co-operative Elevator Co. had largely lost its opportunity to develop a true spirit of co-operation by merging its interests with the other which is not co-operative in any sense. The only difference between the Grain Growers Grain Co. and the ordinary joint stock company is that all of the stock of the Grain Growers Grain Co. must be owned by farmers or their wives, and the amount of stock which may be owned by any one individual is limited.

The original scheme extended to the amalgamation of not only these two bodies mentioned, but also of the Saskatchewan Co-operative Elevator Co. The latter, however, refused to go in. Whether the question of this amalgamation will be revived at the annual meeting of the Saskatchewan Grain Growers Association, which is to be held in Moose Jaw, beginning February 13th remains to be seen.

Another matter of importance dealt with by the Alberta convention was the question of Rural Credits. The three Western Provinces have been diligently working on something like a uniform Rural Credits Bill. The Hon. Edward Brown, provincial treasurer of Manitoba spoke before the Manitoba Grain Growers, on this subject, last month, at their annual gathering, while at Edmonton the Hon. C. R. Mitchell, provincial treasurer for Alberta explained the Bill.

There is one difference between the Bill for Manitoba and the Bill for Alberta which was rendered necessary by the difference of local conditions. That difference is, that whereas Manitoba proposes to utilize the rural municipal organizations in passing on loans and holds that the municipalities should be responsible to the board that administers the Rural Credits system, to the extent of five per cent of the value of the loans in the municipality, Alberta, mainly owing to the fact that Alberta has not a uniform Municipal Organization, will not adopt this system but everything will be done from a central board. Alberta has really three forms of government, a moderate number of organized municipalities, a number of local improvement districts and a very large area of unorganized territory.

Lacking municipal organization, it is likely that Alberta will also drop the scheme of selling shares, which is part of the Manitoba Bill. Probably Alberta will have a lower maximum of loan than Manitoba where the maximum is \$10,000. One feature of the long term mortgage, will be the same in all three provinces, namely, the length, thirty years, and mortgages will be paid on the amortization plan.

In the three provinces the rate of interest will be the rate at which it will be possible to borrow the money, plus 1 per cent for handling.

The scheme, as presented to the United Farmers was discussed at considerable length, and unanimously endorsed. At the same time it was made very clear that, while the Province was willing to go into this scheme in order to insure cheap money to the farmer, it was not by any means seeking to do a general provincial loan business.

Rural free hospitals and mutual hail insurance were two other subjects dealt with, at considerable length.

In connection with the Patriotic Fund, a very strong resolution was passed, suggesting that the Patriotic Fund be raised by Federal taxation. In order to raise the fund with the least possible expense it was further suggested that the municipalities

be empowered to collect this tax for the Federal Government.

Hospital Elevators.

The first of February was the date set by the Dominion government for the closing of the hospital elevators at the head of the Lakes. This put a stop to any mixing of grain.

As there have been many complaints sent in to Ottawa and the Canadian Council of Agriculture, the Canada Grain Commission met in session to discuss the matter and passed the following resolutions: Whereas the Canada Grain Commission has been since its creation granting licenses to hospital elevators at the lake front to handle "out-of-condition" and various grades of grain; and whereas the grain commission has issued an order effective February 1, 1917, prohibiting mixing of any grades in such elevators which order has closed up all the hospital elevators at the lake front; and whereas these licenses were granted on the understanding that they would be continued until the end of the present license year, and because of the large amount of low grade grain this year, the outlet afforded by these houses is particularly beneficial to the producer, therefore be it resolved that this council recommends the grain commission, to rescind the above mentioned order and permit these hospital elevators to continue in operation, as before, until their status is definitely determined by legislation.

News from the Lake declares that so far the houses are running, though the small inland houses are practically doing no business owing to car shortage. There seems to be a general idea that the order will be rescinded and the licenses issued for another year. The very last word from Fort William was that the mixing houses are operating in the face of the Order in Council.

Livestock.

Livestock prices have been making new records during the month of January. During the first week of the month the top price for steers was \$8.00, during the second week it had jumped to \$8.50 by the end of the third week it was \$9.10, while during the last week in the month it was \$9.75 until the last two days of the month when the price jumped to \$10 per cwt. The average price for the entire month of January during 1916 was \$6.59; 1915, \$6.53; 1914, \$7.14, and in 1913, \$5.45. But while beef has been high, hogs have made the most sensational records. The top price in hogs first week of January, \$12 per cwt., the second week, \$12.40, while during the third week they touched the high water mark, \$13.25. There was a slight falling off in the fourth week, the price at the top of the market being \$12.50. In 1916 the average price for January was \$8.95; 1915, \$6.88; 1914, \$8.02; 1913, \$8.20.

The movement of livestock has been quite heavy all month and there has been an active campaign of buyers from the east. In fact, Eastern buyers have been a feature of the markets during the entire month. A new feature which has developed this year is the taking out of hogs to feed, this has never been done excepting in very few instances, until the present season. Now it is quite common for a man to bring in a carload of finished hogs and take out a car of feeders. So far they have not obtained the lower rates for feeder hogs which they have for cattle, but there is to be a conference of agricultural interests with the railway to-morrow, and it is quite possible that this matter will then be adjusted. This conference is interesting from the fact that the railroad freight department have sent out and invited the various agricultural organizations to come in and lay their various matters before them and have a frank discussion of what can or what cannot be done to improve conditions. This is certainly a move in the right direction, and is likely to be the production of much good.

TORONTO RAILWAY CO.

The earnings of the Toronto Street Railway for the month of January make an excellent showing by comparison with January, 1916, the increase being 7.6 per cent., as follows: January, 1917, \$510,052; January, 1916, \$473,784. Increase, \$36,268, or 7.6 per cent.

Empire Cotton Mills Welland, Ontario **Limited**

Manufacturers of

Textiles, Sail Duck, Bag Cloths
and
Seamless Bags

Write for Quotations

MERCHANT TONNAGE REDUCED.

Many interesting facts and figures connected with the world's shipping industry were discussed at the Foreign Trade Convention held recently in Pittsburgh. Some statistics embodied in the report of the National Foreign Trade Council on "World Shipping Conditions," are especially noteworthy. The merchant shipping of the world was put at 85 or 90 per cent to-day of what it was when the war broke out, and it is estimated that only slightly more than 50 per cent of the whole mercantile fleet of the world is now available for peaceful trade. British yards in 1913 turned out about 1,975,000 tons of shipping. Last year their output was reduced to 580,000 tons. In the United States last year, including vessels built on foreign account, 560,000 tons were launched. On December 1, 1916, steel ships ordered from American yards stood on the books at 1,428,000 tons, and in the United Kingdom 1,800,000 tons were then in various stages of completion.

The report included significant figures as to the percentage of vessel tonnage on the Pacific coast operated by different countries before the war and now. American, 26.10 per cent, now (after the La Follette bill), 1.97 per cent; British, 29.38 per cent, now 37.09 per cent; German, 18.47 per cent, now 0; Japanese 26.05 per cent, in May last 50.90 per cent.

TEN SECONDS FOR SAFETY.

Is it worth ten seconds of your time to keep from being injured or killed?

Thousands of persons every year are crippled or killed because they fail to place a value of ten seconds upon their safety.

Men were recently assigned to watch and report the conduct of people approaching and passing over tracks at important highways. Of 17,000 drivers of motor or other vehicles, 3,300 ran at reckless speed and 11,815 didn't care enough for their own lives and the lives of those in their charge to look in either direction to see if a train was approaching.

It's this disregard of common sense precautions that is bringing sorrow and suffering to so many homes.

The next time, and every time, you are about to cross a track, just say to yourself "ten seconds for safety." Then slow down so you know you can stop, if necessary, a safe distance before reaching the track, and look and listen. That's all that's ordinarily necessary and it won't take more than ten seconds of your time whether you are driving a horse, an automobile or a motorcycle, and if you are walking it won't take any time. Just a glance in each direction as you near the tracks will insure your safety.

Help prevent accidents.

GRAND TRUNK RAILWAY SYSTEM.

THE HIGH COST OF EVERYTHING.

As a result of unprecedented activity in the grain and provisions markets, American Board of Trade memberships have advanced in value sharply. Transfers have been made at \$7,300 each. For years the price ranged from \$2,000 to \$2,500, and during the early nineties a membership sold as low as \$550. More than a generation ago the price ran up during a period of speculative excitement to \$4,500, the high record for a long time. — The Annalist.

The Egg Market in 1916

The year 1916 was one of unusual activity in the egg trade as is clearly shown by the remarkable totals of exported eggs as well as resulting high prices at the end of the year. The direct cause of the present unprecedented price levels was the heavy demand in the British market for the Canadian product. These abnormal conditions have aroused much interest in the egg and poultry industry on the part of the consuming public, and therefore the following extract from a recent speech delivered at the Ottawa Winter Fair, by W. A. Brown, M. S. of the Live Stock Branch, Ottawa, is of much value.

Reviewing the trend of events that led to the present scarcity of eggs, Mr. Brown stated that Canadian storage holdings at the beginning of the year 1916 were not of sufficient quantity to supply the domestic demand, owing to the relatively large shipments of Canadian eggs, during the fall of 1915, and the result was a considerable movement of the United States eggs into Canada for consumption during January, February and March. "At first these imports consisted wholly of storage eggs," he continued, "but even before the end of January considerable quantities of fresh-gathered United States eggs were being offered on the larger Eastern markets. These came, for the most part, from the Southern States of Oklahoma and Tennessee, and were offered as early as the 15th of January on the Toronto Produce Exchange, at 36c, freight and duty paid. The market generally held firm throughout January, but, owing to the increasing receipts of fresh-gathered stock declined rapidly throughout February and early March. Occasionally at times the lowering price had the effect of stimulating consumption, and this would be apparent in a slightly firmer tone, although the general tendency was downward from a price of about 30c the first week in February to 25c and 27c the latter part of the month, until the lowest price of the year was reached about the third week in March. The market took a very radically downward turn about the 9th of March. This was a direct reflection of the sharp reaction occurring on the Chicago market about that time."

During the two weeks following, a very uncertain market prevailed. The tendency of the trade is to buy at the lowest price possible, and sell at the highest. Generally, early in March, with the opening up of the storage season, the probable future storage sales price is the basis which regulates the price of eggs. The tendency in the States last spring, following the heavy production of the previous year, was to keep the price down to below 20c. The visit to Canada and the Eastern United States markets along this time, of representatives of the largest British importing houses, however, and the general feeling of confidence created by their presence, and prospective buying, gave the market a very buoyant feeling, and the result was that, while some endeavored to keep the price down to its usual level, the general prospects for lucrative sale were so favorable that there ensued the wildest scramble for eggs on the part of the trade generally, that this country has ever seen.

The lateness of Easter week in 1916 also gave the market a firm tone at a time when it is generally weak. From a price of 20 to 21c in the last of March and the first of April, a steady advance took place throughout April and May, the price to producers advancing from 21 to 22c early in April to 25c the end of May throughout the Eastern markets generally. With the advent of hot weather, it was confidently expected that some reaction would take place, but the persistent export enquiry, and the generally favorable weather through June offset this, and prices continued steadily upward, and June eggs, and even early July eggs, were picked up quickly and placed in storage.

While the export movement of fresh-gathered eggs early in the spring was not large, several shipments aggregating from thirteen and fifteen hundred cases each went forward, and the price received was such as to further stiffen the market. In fact, during the latter part of June Canadian prices reached such a point that at least one car of fresh-gathered United States eggs were brought to Toronto for local consumption, and sold at a profit.

Despite the hot weather of July, prices continued to advance, 26 to 27½c being the prevailing quotation. Receipts of eggs continued large, many local points, in fact, reporting an increase over the previous year, but, on the other hand, however, local consumption was higher than ever before. In fact, one is safe in stating that the per capita consumption of eggs in Canada during 1916 was very much increased over previous years. This was due, without doubt, to the high price of meats and other ani-

mal food products, and the fact that, in many of the smaller villages and rural districts, it was practically impossible to get good fresh meat at any price during the hot weather. Another instance of this was evident in the Western Provinces this fall, when the meat ration of the majority of the threshing gangs consisted largely of eggs.

Fortunately for Canada, no attempt was made to move many Canadian eggs to the Old Country during the hot weather. Some went forward as late as the second week in July, but those that were shipped between that time and the first of September were largely United States eggs repacked in Canada. For the most these arrived in bad shape and the direct result has been that Canadian eggs have, for the last four or five months, been quoted on the British market at from five to ten cents a dozen above the United States product.

The heavy movement of Canadian eggs for export commenced about the last week in August, and gradually increased from a few thousand dozen per week until the maximum was reached during the last two weeks of October and the month of November. The exports for that time ran from eight hundred thousand to a million and a half dozen per week from the Port of Montreal alone.

Accurate information is not yet available as to the exact proportion of Canadian and United States eggs that went forward. It is common knowledge, however, that hundreds of cars of United States eggs were shipped which would undoubtedly have been Canadian product had the eggs been available in this country.

The export prices received were very high, ranging from a contract price of 33 or 34c for early fall shipments to as high as 42c, and even higher, for later shipments, and the general verdict with respect to the quality of the Canadian product has been very favorable indeed.

The large percentage of the Canadian holdings exported, and the phenomenal home demand for eggs had the effect of reducing the stocks in Canadian storage houses to a point far below the minimum usually held toward the latter part of the year. This condition, combined with the slackness of current receipts, owing to the lateness of the pullets of 1916, has had the result of giving Canada unprecedented winter prices this year, as high as a dollar a dozen being asked and paid for guaranteed new-laid eggs on some of the larger Eastern markets.

Conditions with respect to production improved a little during Christmas week and the first week in January of this year, but the continued cold weather since has given production somewhat of a setback. Although mild conditions have prevailed generally throughout the Southern States, their production this year is not nearly as large as last, the result is that the market generally in Canada continues firm, with the possible exception of British Columbia, where receipts of California eggs have brought the price down to about 45c.

Naturally, following such a season and the fact that the export demand still continues, the outlook for 1917 is particularly favorable. Of course, the continuation of high prices is more or less contingent upon the conclusion of the war but, even so, it is not expected that in the matter of live stock and live stock products any serious reaction will occur and any falling off occurring in prices will probably be gradual.

FLOUR MILLS OPPOSE C. P. R.'S FREIGHT PROPOSAL.

Montreal flour millers are actively opposing the new order issued recently by the C. P. R., cancelling the milling in transit arrangement now in effect at Montreal when the product, flour, meal, etc., is re-shipped from Montreal on Canadian Government Railways, either for domestic consumption in the Maritime Provinces or for consignment to Halifax for export.

As far as the railway is concerned the change is simply a matter of obtaining adequate rates for carrying the freight. To the flour millers of this city, however, it is a far-reaching matter. In view of the fact that the cancellation of these privileges will give the Ontario mills a distinct advantage over the Montreal industry, the local millers have referred the matter to the Railway Commission. The decision of the Commission will likely be announced sometime before March 3 when the new regulations go into effect according to the present ruling.

MONTREAL DAIRY PRODUCE STOCKS.

Stocks of creamery butter in store in Montreal on February 1, amounted to 48,763 packages, a decline of 10,790 packages for the month of January. As local holdings to date amount to nearly one thousand packages over last year's at this time, in spite of the fears that supplies would be insufficient to see us through the winter, it is obvious that the prevailing high prices are curtailing consumption. The following statistical review of the consumption of butter in the beginning months of 1916, let in a little light on present conditions.

	Jan. 1916	Feb. 1916	March 1916	April 1916
	pkgs.	pkgs.	pkgs.	pkgs.
Stock on first of month	69,584	51,303	35,721	15,388
Receipts	4,213	2,567	3,794	18,323
Local distribution	21,341	16,076	25,667	21,369

In January 1916, receipts of butter to Montreal amounted to 4,213 packages, which with the decrease in holdings of local distribution to 17,916 pkgs. Whether the amount of consumption will be sufficient to influence prices depends entirely on the demand from outside points, which dealers are counting on this month.

Cheese stocks both in Canada and England have declined materially as indicated by the following tables.

Montreal Stocks.			
	Jan. 1, 1917.	Feb. 1, 1917.	Feb. 1, 1916.
Butter—	1917.	1917.	1916.
Creamery, pkgs.	48,763	59,553	47,976
Dairy, pkgs.	1,410	1,625	3,327
Cheese, boxes	17,807	64,784	24,336
Eggs—			
Fresh, cases	359	701	191
Cold storage	5,180	30,707	8,192
English Cheese Stocks.			
CANADIAN.			
	Feb. 1, 1917.	Jan. 1, 1917.	Feb. 1, 1916.
	boxes.	boxes.	boxes.
Liverpool	21,000	63,000	32,000
London	51,000	81,000	60,000
Bristol	28,000	29,000	32,000
Total	100,000	173,000	124,000

THE METAL MARKETS.

Business in metal circles has been restricted of late owing to the shortage of materials including certain finished steel products, coal and oil. Considerable difficulty is being met with in obtaining package goods. Still further advances are taking place in the price of steel commodities. A rise is already reported in the price of bolts, and another advance is looked for in connection with iron pipe and horseshoes. Quotations on imported sheets and plates are nominal as stocks are so low that a premium is asked for large orders. Norway iron has been advanced 10c a pound by one leading firm. American mills appear to be falling behind owing to the difficulty in securing supplies. Coke in particular is scarce, for which fancy prices as high as \$10 or \$12 are being paid today, although some of the mills are holding contracts as low as \$3 or \$4. Restricted output naturally is having the effect of keeping the market for pig iron very firm and quotations are purely nominal. Jobbers who are fairly well stocked up are now reaping the benefit of their foresight, as traffic conditions are likely to hinder the mills in making deliveries for some time. There appears to be more or less a disposition to watch the trend of affairs at present without making any forecast as to the future.

Recent advices from Pittsburgh are to the effect that the car shortage is materially hampering trade. General conditions in the steel trade have quieted considerably. Buying is light, and specifications against contracts in some lines—notably sheets and steel bars—have fallen off. Reports are also that some large contracts for rolling-mill and steel-works equipment have recently been postponed and that little new business of this kind is being placed. One Eastern steel company is reported to have canceled or postponed about \$5,000,000 worth of steel-works equipment, including a plate mill that was to have cost over \$2,000,000. For the first time in many months, it is believed that shipment of some mills are possibly slightly in excess of new orders. The supply of semi-finished steel is still much below the needs of the trade, and likely will be for some time. Prompt semi-finished steel can hardly be had at any price, and consumers are suffering because of slow deliveries by the mills. There was little change in prices the past week, and the market on everything is as strong as it has been, with the exception of scrap, which is neglected.

COMMODITY MARKETS

Week's Wholesale Review

The regular movement of trade during the past week was further hampered by heavy storms which seriously impeded railway traffic. Freight cars have been snowed in at the yards and even express passenger trains have been many hours late. Travellers on the road have been compelled to keep to their hotels, as travelling in the interior is very difficult. The coal situation is becoming acute, both from the manufacturers' and householders' standpoint. Bituminous coal is so scarce that a number of factories have been forced to close down. The question of carting bituminous coal is a real problem, as the men prefer carting snow, for which the municipalities have been employing small armies of laborers.

Satisfactory returns are being received from dry goods travellers who report a disposition to purchase all over the country in spite of advancing prices. All British manufacturers of carpets have withdrawn quotations, and advances are reported in Nottingham hosiery, hosiery, quilts, etc. Deliveries of domestic prints are delayed, partly owing, it is said, to some trouble among the skilled printers. The wholesale spring millinery openings are fixed for the 26th inst. The cloak and garment workers' strike still continues, no concessions having been made by either side. We are informed that in addition to about 3,000 workers already on strike several thousand more will stop work this week. The raw hide market is firmer, values being up a cent under a good demand. Stocks of leather are low on account of the railway situation. Boot and shoe men are working on spring orders and are fairly busy. Hardware men report a fair movement in shelf goods with higher values in many lines including cordage and lumbering tools. Sports goods are higher. Leads and paints are in good demand for spring shipment.

In grocery circles sugar is quiet. An advance of 2d per lb. on Ceylon teas in the primary market has taken place. Potatoes are firm at \$3.00 per 90 lb. bag, a record figure in Canada. Supplies of eggs are low and therefore prices are firmly held. Canadian beans are higher. A good fish trade is anticipated in Lent.

DAIRY PRODUCE.

CHEESE: The past week has been uneventful in cheese circles. Owing to the embargo still existing on the Grand Trunk and C. P. R. and the scarcity of ocean freight, it has been impossible to ship any cheese. Of the incoming receipts, the greater part are American goods, the few small lots of January foddors arriving being of poor quality, and bringing only 20c to 21c on the market. The Liverpool public cable shows further advances, being quoted at 151s for finest colored cheese and 153s for finest white, record figures in the trade. It is predicted that new milk cheese will commence this year in March, and the production in that month and April will be larger than usual. Farmers are making every effort to meet the heavy demand from Great Britain, and take advantage of the remarkably high prices prevailing.

BUTTER: The butter market is confined to the local demand with a few lots being taken for outside points. The arrival of two cars of butter from Winnipeg and a part carload from Ontario are reported. Prices are higher in New York, being now on a parity with Montreal.

We quote unchanged prices:

Butter:—	
Choice Fall Creamery Solids	0.43 0.43½
Winter Creamery	0.42 0.42½
Undergrade Creamery	0.40 0.41½
Dairy butter	0.37½ 0.38
City Selling Price to grocers:	
Creamery Solids	0.44 0.45
Do., Prints	0.45½
Do., No. 2	0.43
Do., Prints	0.42½
Cheese:—	
Finest Western	0.25½ 0.26
Fine Eastern	0.24 0.24½
Winter Make	0.20 0.22
City Selling Prices to grocers:	
Stilton cheese	0.26 0.27
Large	0.25 0.26
Twins	0.25½
Quebec Cheese	0.25
Canadian Strong Cheese	0.26 0.27
Roquefort	0.65

COUNTRY PRODUCE.

EGGS: Stocks of storage eggs in Montreal are practically exhausted. Fortunately, Edmonton, Calgary, Winnipeg and Vancouver have a surplus and are sending a number of cars to this market. Dealers report the quality of these eggs as very good for the season and that they compare favorably with Eastern Canada eggs. Expectations are that the cars of Chinese eggs already referred to will be shipped direct to New York in bond in order to escape the duty of 3c in this market. New laid eggs are becoming more plentiful, and are now selling at 50c to 52c less express. Prices are holding up much later than usual this year on account of the stormy weather, but the market will be uncertain during the next few weeks.

POULTRY: There is little or no dressed or live poultry arriving at present. Stocks of storage poultry are not as large as at this time last year. The demand, however, is very good. Prices are a shade higher than last season. Enquiries continue to come forward from Great Britain for storage chickens and fowl at prices that show a good profit on the original cost and much better than can be secured locally, but the difficulty in accepting the business is to secure refrigeration on vessels.

BEANS: Beans are very scarce. The canning concerns have practically bought up everything to fill war orders. Consequently dealers catering to the domestic trade have brought beans from all quarters of the globe, from Japan, Rangoon, California, British Columbia and Michigan. Three or four cars have arrived recently from Chili, via New York. Stocks in Montreal are very low and beans are likely to be scarce until the new crop comes on the market. Prices are up to \$7.75 to \$8.00 per bushel.

POTATOES: Stocks of potatoes in Montreal are at a very low ebb, as no supplies have been coming in on account of the stormy weather and embargoes on the railways. Only 15 bags were received in Montreal last week. The farmers are holding off while the market goes up. Toronto we understand is quoting as high as \$3.25 and Montreal \$3.00 per bag. The market will likely come down as soon as we have more favorable weather, and very much lower values will be seen.

Eggs:—	
Special New Laid	0.55 0.57
Extras	0.47
No. 1	0.44
Poultry—Live:	

per pound.	
Fowls, 5 lbs. and over	0.20 0.21
Fowls, small	0.17 0.18
Fresh Killed Poultry:	
Turkeys	0.29 0.30
Old Turkeys, cocks	0.27 0.28
Do., Roasting	0.29 0.30
Fowls, hens	0.17 0.18
Do., roosters	0.15 0.16
Chickens	0.21 0.22
Do., Crate fattened	0.23 0.24
Squabs, per pair	0.35 0.45
Geese	0.16 0.17
Ducks	0.17 0.18
Maple Products:—	
Pure maple syrup, quart cans	0.40
Pure maple syrup, 9-lb. tins	1.00 1.10
Extra choice syrup, 13-lb. tins	1.25 1.30
Pure Maple sugar, per lb.	0.13 0.14
Potatoes:—	
New Brunswick, Delawares, 90-lb. sacks	3.00 3.10
Quebec, 90-lb. bags	2.99 3.00
Beans:—	
Can. hand-picked car lots, per bu.	7.75 8.00
Three-lb. pickers	7.20
Five-lb. pickers	7.50 7.75
Six to seven-lb. pickers	6.90 7.00

FLOUR, CEREALS AND MILLFEED.

Conditions in the flour trade are very quiet. Many mills in the west are closed down and Montreal mills are turning out a greatly reduced production on account of the lack of transportation facilities. Embargoes on the railways are still in force all over Canada and the United States and relief can only come with more favorable weather. The demand for flour in the city is fair, but until there is an improvement in traffic conditions the demand from the country will be limited. There continue to be some orders for low grade flour from Great Britain which Canadian mills are filling to the extent of the tonnage obtainable. Enquiries are also reported for 76 per cent flour and the new \$1 per cent standard, but we understand that very little of this flour has been shipped. Ontario flour is firm as supplies are getting low. Very few cars have been

received in Montreal during the past fortnight. With regard to the new regulations for the minimum weight of flour to be carried by the railways, it has been decided that in the case of export that the minimum will be placed at 60,000 lbs. The domestic flour minimum has not yet been settled. An active demand is reported for millfeed and prices are in consequence very firm. Supplies are so low that the trade is confined to mixed cars and small lots. There is some sign of firmness in cereals again after the weakness and price cutting ten days ago. A reviving demand is experienced for both bulk and package goods.

	Montreal.	Toronto.
Flour:—		
	per 96-lb. bag.	
First patents	4.80	4.75
Second patents	4.55	4.50
Strong Bakers	4.45	4.40
Feed Flour	2.85	2.80
Winter wheat flour,		
90 per cent	4.10	4.25
Cereals:—		
Rolled Oats, 90-lb. bag	3.35	3.45
Oatmeal, 98-lb. bag	3.80	3.80
Rolled wheat 100-lb. b.	3.60	
Bag	4.95	
Rye flour, 98-lb. bag	3.75	4.00
Feeds:—		
		Per ton.
Bran	33.00	35.00
Shorts	36.00	37.00
Middlings	38.00	41.00
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	11.00

RECEIPTS OF BUTTER, CHEESE AND EGGS.

The following table shows the receipts of butter, cheese and eggs in Montreal for the week ending February 10th, 1917, with comparisons:

	Butter,	Cheese,	Eggs,
	pkgs.	boxes.	cases.
Week ending Feb. 10, 1917	16,617	6,132	4,290
Week ending Feb. 3, 1917	1,632	7,000	2,223
Week ending Feb. 12, 1916	593	771	2,687
Total receipts May 1st, 1916,			
to Feb. 10, 1917	500,042	2,237,372	624,951
Total receipts May 1, 1915,			
to Feb. 12, 1916	396,405	1,994,939	531,853

MONTREAL PRODUCE RECEIPTS.

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

	Week end.	Week end.
	Feb. 10, '17.	Feb. 3, '17.
Wheat, bushels	187,267	156,542
Oats, bushels	64,929	141,723
Barley, bushels	10,056	2,160
Flour, bushels	8,530	10,562
Butter, packages	4,290	1,632
Cheese, boxes	1,617	7,000
Eggs, cases	6,132	677
Potatoes, bags	15	228
Hay, bales	14,918	23,377

WINNIPEG GRAIN INSPECTIONS.

The receipts of grain at Winnipeg for the week ended February 10, 1917.

	This week.	Last year.
No. 1 Northern	57	...
No. 2 Northern	215	...
No. 3 Northern	222	...
No. 4 Northern	145	...
No. 5 Northern	67	...
No. 6 Northern	33	...
Feed Wheat	22	...
Rejected	24	...
No. grade	531	...
No. 4 Special	32	...
No. 5 Special	32	...
No. 6 Special	11	...
Winter Wheat	0	...
Totals	1,418	998
Oats	598	311
Barley	67	25
Flax	53	6

THE GRAIN MARKETS.

The grain trade is frankly puzzled. The situation is too critical to invite outside speculation, and consequently trading is confined to regular operators who are disposed to be timid and change their positions on the slightest provocation. In some quarters it is felt that an actual declaration of war by the United States would have a bearish effect, for the time being at least. On the other hand prices have strengthened at times on the supposition that active hostilities would result in a more active export demand and that shipping would be given adequate protection. It is already stated that the British Government has commandeered numerous South African line steamships, and is arranging to convoy cargoes of foodstuffs from United States ports to Europe. Meanwhile, however, the submarine menace has caused a halt in exports, and as many outgoing ships have cancelled their sailings congestion is becoming pronounced at the seaboard. Bradstreet's figures show that clearances for the past week were only about half of those of the corresponding week a year ago. Stoppage of shipments to neutral countries is almost complete and little or no new business with the Allied nations is reported.

It was predicted on Saturday that a decided improvement of railway conditions would be forthcoming. Meanwhile transportation difficulties caused by overtaxed facilities have proved a decidedly bearish factor. The freight congestion in the West has become so serious that business is being hampered by the inability to move wheat. Additional railroad embargoes have been declared on account of the heavy storms all over the country.

During the week the market has been a narrow one, easily influenced one way or the other. September delivery represents possible peace and probable plenty resulting from two crops. Future prices therefore have held steady. Chicago May option closed on February 5 at \$1.74, \$1.49 for July, and \$1.38½ for October. Compared with \$1.74½ for May on Saturday, February 10, and \$1.49½ for July, no appreciable change in values has taken place during the week. The grain markets are closed to-day (Monday) in the United States on account of the national holiday. Winnipeg prices closed a week ago at \$1.73½ for May, \$1.72½ for July and \$1.40½ for September, as compared with to-day's values as \$1.75 for May, \$1.72½ for July and \$1.41½ for October.

Values in oats were fortified by exports of purchases on the part of European buyers, and damage to the Southern winter oats crop. Corn receipts were light and Argentine news bullish.

The cash grain situation is as follows.

Grains:	per bushel.	
Spring Wheat Manitoba, No. 1	1.85½	
Do., No. 2	1.82½	
Do., No. 3	1.77½	
Do., No. 4	1.68½	
Winter Wheat Ontario, No. 2	1.70	1.72
Do., No. 3	1.68	1.70
Oats:		
No. 2 C. W.	0.72	0.73
Do., No. 3 C. W.	0.70	0.71
Do., Extra No. 1 feed	0.70	0.71
Do., No. 1 feed	0.69	0.70
Do., No. 2 feed	0.68	0.69
Ontario Oats, No. 2, white	0.62	0.64
Do., No. 3	0.61	0.63
Barley, No. 3 C. W. Ref.	1.00	1.00
Do., Feed	0.99	0.99
Corn, American, ex-track	1.26	

MONTREAL GRAIN STOCKS.

The following table shows the stocks of grain and flour in store in Montreal on the dates mentioned:

	Feb. 10, 1917.	Feb. 3, 1916.	Feb. 12, 1916.
Wheat, bush.	711,532	729,598	1,275,632
Corn, bush.	18,723	17,450	10,209
Peas, bush.	2,466	2,466	261
Oats, bush.	3,369,810	3,787,793	2,229,948
Barley, bush.	155,741	147,038	181,155
Rye, bush.	17,252	18,286	25,753
Buckwheat, bush.	4,752	4,570	5,262
Flour, sacks	35,038	44,729	58,116

RAILWAY EARNINGS.

The G. T. R. and C. P. R. railway earnings for the week ending February 7th are as follows:

	1917.	1916.	%
G. T. R.	\$ 928,462	\$ 937,937	99.9
C. P. R.	1,890,000	1,876,060	100.8

LIVE STOCK.

MONTREAL: Offerings of live stock at the two sales last week amounted to 1,150 cattle, 200 sheep, 1,900 hogs and 250 calves. As a result of the limited receipts of cattle and reports of firmness at other centres, the price of steers advanced at Montreal 25c a cwt. and cows and bulls went 50c to 75c higher. Choice steers were very scarce due, no doubt, to the fact that farmers have been rushing unfinished stock on to the market in order to meet the unabated demand from butchers and packers. A record was established when a few choice butchers' cows brought \$9 and bulls \$10. Sheep and lambs were also in light supply, and as the demand was good, prices rose 25c per 100 lbs. Calves were so scarce that the market went up \$1.00, and even at the higher level the demand exceeded the supply. The hog market was unchanged. Prices held firm under a steady demand for all offerings.

TORONTO: Receipts for the past week at the Toronto stock yards amounted to 5,445 cattle, 830 calves, 9,795 hogs and 1,022 sheep. A firm market is reported for good butcher cattle, with canners and cutters also steady. Medium quality cattle was weak, with prices declining 50c to 75c, making a total easing off of 75c to \$1 for the past fortnight. Good cattle on the contrary advanced 10c, 15c and more, in sympathy with the light supplies coming forward to meet the good demand from packers. Milkers and springers met a fair demand and prospects are that values will improve during the next few weeks. The strong undertone to the hog market is the outstanding feature in last week's live stock report. Values rose as high as \$14.90 on the fed and watered basis and \$15.10 weighed off cars. The f. o. b. price was quoted at \$13.50. The market closed strong at the end of the week at the new high level of prices. Prices of small meats were steady. A good demand is reported for choice veal calves. The run of sheep and lambs was lighter than for the preceding week.

Current prices in carload lots are as follows:

	Per cwt.			
	Montreal.		Toronto.	
Butcher steers, best	10.50	10.75	10.50	11.00
Do., good	10.00	10.25	9.75	10.25
Do., fair	9.50	9.75	9.50	10.25
Do., medium	8.50	8.75	8.75	9.25
Do., rough	8.00	8.25	7.75	8.25
Butchers' cows				
Choice	8.50	8.75	7.75	8.50
Do., good	8.00	8.25	6.75	7.50
Do., fair	7.50	7.75	6.00	6.50
Butcher bulls, best	9.50	9.75	7.50	9.00
Do., good	9.00	9.25	6.75	7.25
Do., medium	8.50	8.75	5.75	6.50
Canners' cattle, bulls	6.00	6.25	4.25	4.50
Do., Cows	5.25	5.50		
Light Ewes	9.50	9.75	10.00	10.50
Heavy Sheep	9.00	9.25	7.50	9.00
Culls	9.00	9.25	4.00	7.00
Lambs, Quebec	13.25	13.50		
Do., Ontario Stock	13.75	14.25	14.00	14.50
Calves, choice				
Milked	13.75	14.25	14.00	14.50
Do., hayfed	10.00	12.00	14.00	14.50
Hogs, select, weighed				
off cars	14.50	15.00	15.00	15.10
Do., heavy weights	14.15	14.40	14.75	14.85
Sows	12.75	13.00		12.25

NEW YORK FUR MARKET.

The auction sale of furs held in New York at the end of January is reported to be the most successful one conducted by the New York Fur Auction Sales Corporation thus far. The buyers present included the entire New York trade, as well as a large contingent from Canada, the various States of the Union and representatives of foreign houses. The bidding was active throughout the sale, with purchasers for all articles offered. Fisher skins sold 30 per cent higher than at the September sale, the small skins being in exceptional demand. Fox sold from 20 per cent to 40 per cent higher than September which indicates the popularity of this article. Comparatively high prices were realized for Kolinsky although the collection was considered poor. Bear skins brought full September prices, going for the most part to foreign buyers. Ermine went 25 per cent above autumn values although the best skins were missing from the sale. A rather stale collection of mink was sold at an advance of 15 per cent to 25 per cent. Fresh eastern skins, however, were in great demand and fetched fully 40 per cent above stale skins, of the same section. Raccoon, under spirited bidding, went up 15 to 20 per cent over the prices obtained at the last sale. Northern skunk also saw an increase of 20 per cent. The next sale will be held beginning March 26, and it is the intention of the company to provide a much larger offering.

RECORD FUR SALE AT ST. LOUIS.

Closely following the New York Fur Auction Sale the big Funsten International sale of raw furs was held in St. Louis at the beginning of the month. A very large number of furs were offered for which prices received established new high records in the trade. On the whole prices were 20% higher than in September last and bidding was extremely active. A collection of 450 sables foxes, of such high quality that they were sold either singly or matched in pairs, brought a total of over \$100,000. Lynx, which has been neglected for some years and has sold for very low figures, advanced at this sale in sympathy with red fox. Red fox would appear to be a leading article in the American market realizing tremendously high prices. Fisher is also fashionable and skunk was in good demand. Raccoons for ladies' coats sold 30 to 40% higher. These prices would seem warranted for this purpose, but for the manufacture of gentlemen's coats values are much too high. Muskrats for Hudson Seal were in demand. An effort will also be made to push ladies natural muskrat coats. Canadian and New York dealers were the largest buyers of mink. After a dull period of three or four years this fur is bringing good prices, although there is still very little demand for the paler sorts. A small lot of Russian Sables, 250 skins in all, fetched more than \$7,000, these going chiefly to New York and Paris.

It was expected by some that the large offerings of furs in this sale would result in a general weakening of prices but the prosperity both in this country and United States was mainly responsible for the easy consumption of all the goods offered. Owing to the difficulty of transportation the American market is practically bare of Russian, Siberian and Eastern skins which shortage can only be overcome by the substitution of American furs. It would, therefore, appear probable that the high prices realized will be maintained throughout this season.

NEW STANDARD FOR BRITISH FLOUR.

A further change has been made by the British Food Controller regarding the standard grade of flour to be milled and imported into the United Kingdom.

The order which went into effect on January 29, 1917, has been drafted so as to proceed on the percentage basis to which millers are accustomed to work, but its effect may be stated without reference to technicalities.

All flour milled from wheat must be straight-run flour and the miller is required to obtain a certain percentage, called the prescribed percentage. The percentage varies with the different qualities of wheat used, and the average percentage is 76. The miller is not, however, allowed to stop at the prescribed percentage, but is required to obtain five points beyond this. These further five points may be obtained either by milling the wheat to a higher percentage or by adding flour ground from rice, barley, maize, and oats, or any mixture of those grains, or in both these ways.

In addition, the miller has an option to add a further five points obtained in the same way. The effect of this option is practically that a sack of 280-lbs. of flour may contain, in addition to any compulsory admixture, about 17-lbs. of flour ground from rice, barley, maize, or oats.

As regards the Canadian export flour trade there has been practically no flour of the eighty-one per cent produced milled as yet, but a great many mills are at present turning out a seventy-six per cent product, or a regular low grade flour for export. The point of controversy in the milling question between the old country and Canada has arisen altogether over the prospect of the eighty-one per cent standard being forced upon all imports of flour into the British Isles. Dealers in this country feel that the British millers are urging such action on the part of the British Government because they themselves are obliged to manufacture on that basis. Furthermore there is the unfavorable discrimination against the Canadian miller in the matter of freight rates. The British miller can import wheat at a rate set by the Government at 40c per 100-lbs., whereas the Canadian miller must ship his finished product at a rate of 75c a 100-lbs. Finally there is the question of offal to be considered.

Broad bran was recently quoted at £15.17s. 6d. (\$76.95) per long ton in Liverpool and much higher prices are predicted for the near future. Compared with \$33 per short ton in Canada, the British miller has a decided advantage over his Canadian competitor. At the present time, however, export business in flour is at a standstill owing to lack of tonnage offering so that competition to any extent is impossible until the shipping situation is more favorable.

ALTERED CONDITIONS IN THE WOOL INDUSTRY.

(Concluded from page 3).

Finance, Inc., in the United States and the Netherlands Overseas Trust in Holland, which guarantee against the re-exportation of goods so received.

"As a final step to stop suspected leaks in the wool embargo and likewise to prevent the possible purchase and subsequent storage in neutral countries until the close of the war by the Germanic allies, England on June 10, 1916, commandeered the entire wool crop of the British Isles. On November 25th it likewise commandeered the clip of Australia and New Zealand. This action has resulted, in even greater stringency in the issuance of permits. Wools thus commandeered by the Government have been taken over at approximately the market price, the recently commandeered Australasian clip having been paid for at a rate 55 per cent over the market rate in 1913-1914.

"Consumers in the United States have been fortunate in receiving a goodly portion of the wool clip of the United Kingdom. This is perhaps due largely to the fact that the Germans have brought pressure to bear in favor of the United States, because they have realized that if we were to be eliminated from the competition for their wool the price would sag, and partly because of the bearing that such exports have had upon the balance of trade and upon the rate of exchange between the two nations. At the present writing American buyers are anxiously awaiting announcements as to the course which the British Government will adopt in regard to the Australasian clip just commandeered.

After the War Conditions.

"A prophecy as to the future status of wool would not come amiss at this time. Certain it is that there will be an era of continued high prices in wool and wool-stuffs for some years to come. The flocks can only be increased gradually and an immediate appreciable increase is necessary to again bring the yearly crop up to the point where it is large enough to meet all demands. The yearly shortcomings cannot be offset by recourse to reserves, because the latter have already been seriously depleted.

"In the opinion of one high authority in woolen circles, the Allies will do everything in their power when the war is over to prevent Germany and her allies from purchasing any wool in the markets which they control. This will force the Germanic allies to bid against the entire neutral world in the independent wool markets, notably South America, in order to secure wool with which to enter immediately into the commercial battle to regain their lost foreign

trade, and will likewise keep the general level of prices high.

"Will the new entrants into the field of international trade be able to hold their newly gained markets in the trade war which is sure to follow the peace declaration? To a considerable extent they will. Japan has succeeded in taking over a large woolen trade dropped by the belligerents, most notably Germany, in the Far East, and has supplanted the textiles formerly sold there by a cheaper variety of goods containing a portion of cotton which has been very satisfactorily received. There is no reason to believe that with their shorter haul, cheaper labor, and the prestige of several years of successful dealing they will not be able to retain their share.

"The United States is likewise fairly certain to retain an appreciable portion of her trade conquests, and this applies to wools as well as to other commodities. While our foreign trade connections are rapidly being extended, so, too, are our facilities in this particular industry. Many of our staple textiles such as blue serges are manufactured on such a large scale in this country that in the matter of price we are fully able to meet the European competition. So that while some of our newly gained trade will be lost, it is safe to assume that a substantial portion will be retained after the war.

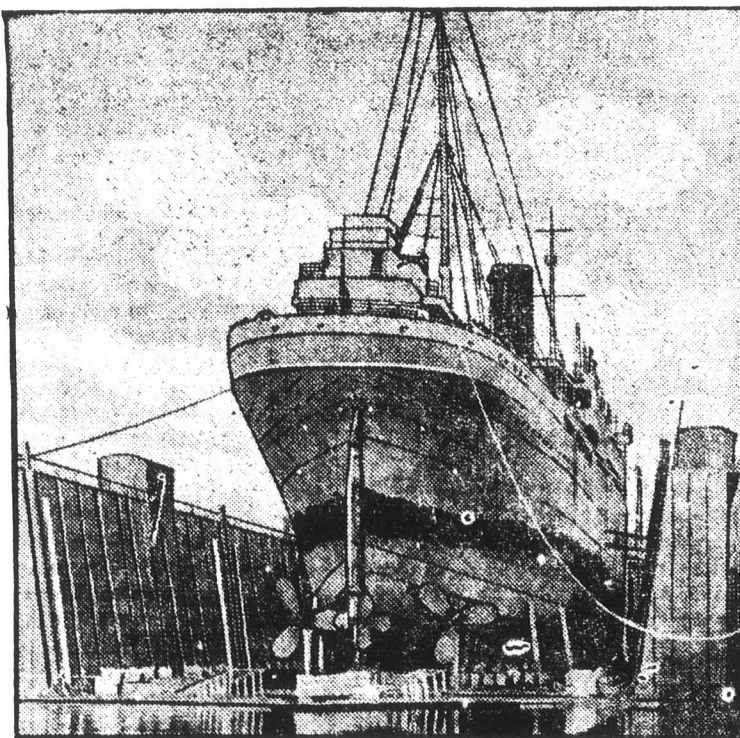
"Another after the war prediction is that a larger proportion of mixed cotton and woolen goods will be manufactured. This seems to be a logical consequence of present conditions and the trend is already visible in offerings by various manufacturers.

"An outgrowth of the situation which is bound to come and which has even now been made the subject of organized and concerted action up the part of the wool manufacturers of the United States is a campaign for more sheep throughout the world. This movement is certain to gain momentum at the close of hostilities, and will, it is hoped, bring relief from the acute situation brought on by the war."

ST. JOHN RAILWAY DEAL.

In a circular issued to stockholders the St. John Railway Company, controlling tramways, electric light and power and gas in St. John, a special meeting is called to consider an offer to purchase the entire assets of the company. The New Brunswick Investment Company, Limited, formed for the purpose, has offered \$1,300,000 for all the company's properties and franchises and, in addition, \$10 a share for each share transferred, making a total of \$140 per share net to the shareholders. The circular says, "the directors are of the opinion that the offer should be accepted."

GIANT STEAMSHIP IN DRY DOCK AT PRINCE RUPERT.



This great ship, which is being overhauled and repaired at Prince Rupert, British Columbia, is of 15,500 tons displacement and has a total length of 600 feet. She is the largest vessel that has visited the Grand Trunk Pacific Dry Dock and Ship Repairing plant, and the ease with which she has been handled demonstrates the great lifting capacity of the dock, conceded to be the best on the Pacific Coast. Few people realize that Canada has, forty miles below the Alaskan boundary line, at the Western terminal of the Grand Trunk Pacific's transcontinental line, a plant capable of building or repairing twenty-thousand ton steamships.

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COAL SITUATION DIFFICULT.

The freight embargoes on Canadian and American railroads have added many difficulties to an already critical situation in the coal industry. Soft coal is particularly scarce and prices—which are exceedingly high at the moment—are purely nominal through lack of supplies.

Many factors during the past twelve months have culminated in the present shortage. The contracts with the miners in Pennsylvania expired last year on April first, and it was some little time before the men returned to work, causing loss of production by the delay. The greatly increased activity of the steel trade made it necessary for this industry to get more men. They therefore raided the mining regions and procured as many men as possible. Consequently an acute labor shortage amounting to about 30% in both the anthracite and bituminous coal fields resulted. This together with the large shortage of cars due to the industrial situation has resulted in much less coal being shipped and mined this year compared with previous years. In the face of this, heavier supplies of coal were required to meet increased industrial operations.

Toronto has probably suffered more than Montreal, due to the fact that Toronto relies solely on the supply of soft coal from American points. In the summer time, however, they get some coal in by boat. Ever since the close of navigation there has been an embargo on all coal shipped via Buffalo and Black Rock. The consequence is that western Canada and the Toronto district have been practically unable to get coal.

The situation in Montreal is somewhat different. The Dominion Coal Company brought up quite a supply of soft coal last year, although not nearly sufficient to supply their customers. One reason for this shortage was the fact that the British Government commandeered the fleet of boats belonging to this company, thus greatly reducing the available tonnage. As a result of this, a reduction of 40% in orders of coal was necessary and many concerns on account of not being able to get coal from the Dominion coal Company had to resort to the American mines for their supply.

Thus with the very large imports, the American lines into Montreal have become congested. The very heavy snow fall of the last two weeks has simply made it impossible for the railways to even run their passenger trains regularly. This will give some idea of the situation in bituminous coal today.

As regards anthracite, Montreal and the surrounding districts at the present time are very short of this coal. This is attributed to the congestion on the railways and the fact that the output at the mines has been reduced through lack of miners and laborers. With the amount of anthracite coal arriving in Montreal by rail we have hitherto never been short of fuel supplies. During the last fortnight on account of the heavy storms and the consequent congestion on the railways, it has been practically impossible to bring in any coal. All the large firms have enough coal to supply their customers, but on account of the cold weather so many people want their bins filled at the same time it is very difficult for the coal companies to satisfy the demand. For the most part coal is being doled out in small lots to regular customers only.