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## The Journal of Commerce

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### Special Articles

- The World's Crop Outlook for 1917,**  
By Ernest H. Godfrey, F.S.S.
- The Buyer's Functions in the Retail Business,**  
By W. W. Swanson, Ph.D.
- Banking and Business Affairs in the U. S.,**  
By Elmer H. Youngman.
- Comments on Current Commerce,**  
By E. S. Bates.
- Conditions in the West,**  
By E. Cora Hind.

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## Conscription

THE important part of Sir Robert Borden's speech in the House of Commons on Friday was that respecting military conscription in Canada. Of course, he had to give some account of the Imperial Conference, which he had attended on the invitation of the British Government, but what he had to say on that subject was, necessarily and through no fault of his, very largely a case of much ado about nothing. His announcement that the Government had decided that from fifty to one hundred thousand men must be raised for the war by some form of selective conscription was of the utmost importance, and will open up a wide field of discussion, though the question can hardly be fully and intelligently considered until the outlines, at least, of the method proposed are laid before the public.

There will be many in every Province of the Dominion who will receive Sir Robert Borden's announcement with unqualified approval. Many others, however, will hesitate to express such endorsement. The principle of conscription is something so different from what our people have been accustomed to in the past that many will be inclined to regard it as at variance with the essential elements of our citizenship, and even in the face of the urgent reasons advanced by Sir Robert Borden they will probably still oppose it. Some, no doubt, will think that Canada should be as careful in the matter as Australia, where even such a strong Imperialist as Mr. Hughes felt that conscription should not be resorted to until it had received the approval of the people by a direct vote. There was a referendum in Australia which resulted in the defeat of the conscription proposal, although Australians generally were heart and soul with the mother country in their desire to carry on the war. Many there will be who will doubt whether such a very exceptional step as that of conscription can be effectively taken through the machinery of party government, in which, it would seem, the question of party patronage enters almost every movement. All these and other views of the subject will be presented in the discussion that is opened up.

While there will thus be many points on which differences will arise, it cannot be denied that the need of more men for service at the front is as urgent as Sir Robert Borden states it to be, and if those who are closest to the recent efforts to obtain the men by the volunteer system come to the conclusion that it can no longer serve the purpose, it will not be easy to resist the argument that some measure of compulsion, under some authority that will command the confidence of the public generally, will be necessary if Canada is to continue to do her full duty to herself and to the Empire.

Once in a while—not often, we are glad to say—one hears the question, "Has not Canada done enough? Has she not sent a sufficiently large number of her sons to the front?" Canada has indeed done wonders. For a people, nine-tenths of whom had practically no knowledge of military affairs, to raise, equip and send to the theatres of war several hundred thousand men; to put a large part of these in the very forefront of the hardest battles, and to have them acquit themselves honorably, heroically, alongside the finest soldiers of Europe—that is something of which every Canadian may well be proud. But the case that now presents itself is not one for arithmetical calculation, or rules of proportion. When the house is afire, we do not stop to calculate how many buckets of water each member of the family ought to bring. Each and every member is bound to do the utmost to extinguish the conflagration. That is our position to-day, as a young nation within the British Empire. While in many respects the progress of the war is satisfactory, it would be folly to suppose that victory has already been won, or that the end is near. There can be but one end—the triumph of democratic civilization over an almost barbarous military autocracy. But that end can only be reached by continued and increased effort on the part of Great Britain and the Allies. While Canada's forces have played a noble part in the war, it has been at a heavy cost of blood. Thousands of the flower of Canadian manhood have given up their lives for the cause of right. Their places should be filled, to the end that the sacrifices of the past may not have been in vain. Let the efforts to obtain volunteers continue; let us hope that they will be more fruitful than they have been of late; perhaps the present movement may accelerate volunteering; but if there is not the necessary response, there will be an unanswerable case for some form of conscription.

## The Irish Question

MR. LLOYD GEORGE'S Government must be credited with having made an earnest effort to find a solution of the Irish problem through their recent proposal to grant Home Rule to Ireland, excluding six Ulster counties. True, such a solution is not quite in harmony with what Mr. Lloyd George himself, as a member of the Asquith Government, agreed to when the Home Rule Act, now suspended, was placed on the statute book. But such a proposal emanating from a Government of which Sir Edward Carson is a member marks a considerable advance and indicates a disposition on his part to make some concession towards a settlement. The proposal has been received with scant favor on all sides and for the moment nothing may come of it. The alternative suggestion of Mr. Lloyd George for

a general conference of representatives of all Irish sections to consider the whole subject is cordially accepted by Mr. Redmond and his followers. Difficult though the problem is, there would be ground for hope that such a conference, if participated in by all sections, would find some grounds of common action. Unfortunately, Sir John Lonsdale, who apparently stands next to Sir Edward Carson as a leader of the Ulster party, has announced that he and his associates will have nothing to do with the proposed conference. There is here the appearance of a clash between Sir Edward Carson and Sir John Lonsdale. It is to be assumed that Mr. Lloyd George did not write his important letter to Mr. Redmond without full consultation with Sir Edward. Therefore, the latter must be held to be fully committed to the conference, and may be expected to use his great influence with the Ulstermen to induce them to send representatives to the meeting. If the conference can be arranged, and all the various Irish interests send representatives to it, one might well hope for some further advance towards the settlement that is so much to be desired.

### The Need of a Food Dictator

THE United States, universally recognized as the world's greatest food producing country, is finding it necessary to appoint a food dictator. Canada, which has been at war for nearly three years, and engaged in the colossal task of not only keeping home industries going, but in feeding the 400,000 soldiers we have sent overseas, and providing a considerable share of the requirements of the Empire, has done nothing in the matter of regulating supplies and prices of food stuffs, clothing, fuel, or any of the other commodities entering into the daily life of the people.

Some weeks ago the Government did come out of its comatose state and regulate the price at which the manufacturers of newsprint should sell their product. This was all very good as far as it went, but the consumers of newsprint only number a small proportion of the country's population, while so far as we know, everybody eats, has to be clothed, and consumes fuel in an effort to keep warm. If the Government started on a regulating policy they should not stop with an industry that does not affect the economic life of the mass of the people. A thousand and one other commodities need regulating far more than the newsprint industry needed attention.

To-day flour is selling in the neighborhood of \$15.00 a barrel, bread at 13c a loaf, coal at over \$10.00 a ton, and clothing and other necessities at unheard of levels, yet nothing is being done to eliminate the speculators and the professional traders who grow rich on the necessities of the common people. We are told that half a dozen countries in Europe are facing starvation, while there is an acute shortage of food throughout the entire world. We are urged to grow more foodstuffs, and to conserve our present supplies in every possible way; yet nothing is being done to regulate prices and to eliminate the speculator from getting in his objectionable work. We "save at the spigot but waste at the bung-hole." Canada is a partner in the world's greatest struggle—a struggle which is taxing the economic, military and financial resources of the world's greatest powers. If we are to put forth our best efforts and make our weight and influence felt as they should be felt, then it is im-

perative that the people of the country be relieved of such economic perils as now confront them in the shape of exorbitant prices for food, clothing, fuel, and other necessities. In so far as we know, every other country engaged in this war has a food dictator. It is high time that Canada did a little regulating in this matter.

### Australia

MOST Canadians, we believe, have received with pleasure the news that Premier W. M. Hughes has been sustained by majorities in both Houses of Parliament at the elections just completed in the Commonwealth of Australia. Mr. Hughes, who passed through Canada several months ago, made many friends by his eloquent addresses and his patriotic zeal in all things relating to the war. Some of the comments of our Canadian papers on the elections hardly do justice to Australia. If they are well founded the result of the electoral conflict in Australia should fill us with alarm rather than with pleasure. The battle is treated in some of these comments as one between a party favorable to the war and a party against it. On such an issue we should, of course, rejoice in Mr. Hughes' victory, but appreciation of that triumph would have to be accompanied by the saddening thought that a number approaching one-half of the people of Australia are opposed to the war and consequently out of touch with Empire sentiment. It is too early yet to make an analysis of the voting in Australia, but enough is known to establish that a very large portion of the Australian people have opposed Mr. Hughes. To assume that these people are less loyal than Mr. Hughes is very ridiculous and calculated to present Australia to the Empire in a most unfavorable light. Mr. Hughes was the head of a Labor party and a Labor Cabinet. His attitude in public affairs, and particularly his support of military conscription—on which there was a referendum—displeased many of his associates. Several of his colleagues resigned. The larger part of the Labor party withdrew its confidence from the Hughes Government. Mr. Hughes, with the remainder of the Labor men, thereupon formed a coalition with the Liberal party. It was this coalition which went to the country lately in a battle with the regular Labor party. The result shows that the combination has been sustained. But it is not to be assumed that the many thousands of Labor men who voted against the Government are less loyal or less desirous of winning the war than Mr. Hughes himself.

### Great Britain's Part

IN a general way we all know that Great Britain, a peaceful, unprepared nation, has accomplished much in her participation in the great war; but many even of her own people have not fully realized the wonders that she has worked in the realm of naval and military organization, and in the finance and industry which are closely related to the war service. Mr. Sidney Brooks, of England, who tells the story very effectively in an article in the National Geographic Magazine (Washington), points out that the British people not only lack the genius for self-advertisement, which the Germans so largely possess; but are the most inveterate self-detractors and the most persistent grumblers in the world. "Nothing," he

remarks, "that other people say about Englishmen can hope to equal what Englishmen say about themselves. The Prussians have from the beginning magnified every achievement, large or small, while the English have in many instances given too dark a color to the official announcements concerning the war. The moral Mr. Brooks draws is that you can cut all Prussian boastings and all British tamentation in half, and that when the Prussians are silent it is a sign of failure, while when the British are silent it is a proof that all is going well.

Mr. Lloyd George, in a speech made after his return from a Conference of the Allies, said he had been much struck with the increasing extent to which the Allied people are looking to Great Britain and trusting her to supply what is most needed in the prosecution of the war. This reliance is well founded, for Great Britain has been bearing the heaviest burden in supplying money and munitions for the common cause. Britain's intelligence department, though very much less advertised than that of the Germans, has kept the British authorities well informed in all things that can be learned by such an organization. Germany's one submarine that crossed the Atlantic was widely noticed, but Britain took a little fleet of submarines across from Canada and said nothing about it at the time. British submarines have rendered effective service in the Dardanelles, in the Sea of Marmora, and in the Baltic, with little or no mention of their operations. The German submarines have given trouble, but only about one in a hundred of the vessels entering or leaving British ports has been sunk. The British navy has kept supreme command of the sea, thereby enabling the commerce of the Allies to be carried on with little interruption. But for this naval supremacy the ports of the Allies would have been blockaded and the war brought to an early end, for the opponents of Germany, a disastrous conclusion. Britain, with the cooperation of the Dominions, has raised armies numbering millions and under the protection of the navy has transported them to the continent and to other fields of war with extraordinarily small loss. The transporting of troops of the Allies to distant points has been handled largely by the British navy. Simultaneous campaigns have been carried on in France, Belgium, Egypt, East Africa, the Cameroons, Southwest Africa, the Balkans and the Pacific. Enormous sums of money have been raised in Great Britain for her own part in the war and for the help of the Allies. The manufacture of munitions, which at the beginning of the war was on a very small scale, has been developed until Britain is now able to supply from her own workshop the greater part of the supply for the Allies. And, if last to be mentioned by no means least in importance, the women of the Mother Country have contributed immensely to all the work of naval and military preparation, and, by taking up many new lines of work, have released men for the service at the front.

It is a remarkable tale that is told by Mr. Brooks of the achievements of a people who were not ashamed to confess that they found more satisfaction in the last half century in cultivating the arts of peace than in perpetually preparing for war. Britain's unpreparedness is often spoken of as something to her discredit. But is it not probable that what has been accomplished in the way of war service in this time of emergency is the natural fruit of the financial and industrial power that Britain built up by her devotion to the arts of peace?

## The Situation in Russia

THE gravest anxieties of the Allies to-day are not concerning the continued heavy fighting on the Western front, nor even the submarine menace which to some extent puts in peril the transportation of troops, munitions and food. The situation that must cause the most uneasiness is that which is found in Russia. A revolt against a long-established autocracy usually thrusts to the front of public affairs men having little or no fitness for the responsibility of government, and too often some reckless and unscrupulous men who use the opportunity to promote their own ends. It was a happy condition when, for the moment at least, the revolution which so suddenly broke out in Russia found for its leaders a group of men of character and ability who, while differing widely in many things, were ready to unite in giving the country a constitutional government. Whether these men can now hold their ground or be obliged to make way for others of much more radical and irresponsible character is the most serious question, for if the men who form the present Provisional Government have to stand aside and the more radical group obtain power there will be little probability of the continued co-operation of Russia with the Allies. Indeed, there is too much room for fear that the leaders of the "Workmen's Council and Soldiers Delegates," if permitted to control the situation, would enter into peace negotiations with Germany, without stopping to consider what is due to Great Britain, France, Italy and the smaller nations joined to them in the war. The withdrawal of Russia from the Allies' cause would at this stage be a movement fraught with grave danger to the other nations at present engaged in the conflict with Germany.

The moderate attitude of the Provisional Government gave some offence to the extremists at the beginning of the revolution. To Professor Miliukoff, who had taken the position of Foreign Minister, was assigned the task of making announcement to the people of the dethronement of the Czar and the formation of the new administration. He did so in a speech which has now become famous. He pleaded earnestly for unity of action. "We, the members of the present Cabinet," he said, "have many old and important quarrels and differences. Perhaps these differences will become very important and serious; but to-day they are set aside in the face of the common and important task which has not yet been completely accomplished, the task of creating the new popular authority in the place of the old authority that has fallen. We must be united in this new movement. Therefore let us be united by setting aside political quarrels which are perhaps important, but which might to-day tear from our hands the fruits of victory." Of the manner in which the Cabinet had been formed, he said:

"Somebody asks me, 'Who elected you?' Nobody elected us, because if we had waited for a popular convention, we would not have been able to seize the authority from the hands of the enemy. We would have quarreled over whom to elect, and the enemy would have had time to organize and defeat you and us. It was the Russian revolution that elected us." (Loud and long applause). It was very fortunate that at the necessary moment, when one could not wait, there was at hand a group of men who were sufficiently known to the people through their political past, and against

whom there was no possibility to direct charges, under the blows of which the old authority fell. But we remember only too well that we ourselves only recently defended the policy that the Government must be responsible to the elected of the people. We shall not exercise this authority for a single minute after the elected of the people tell us that they wish to see in our places others more deserving of their confidence. (Applause). Believe me, gentlemen, that we do not assume authority because of desire for power. It is not reward and it is not to satisfy our desires, but service and sacrifice. (Loud applause). And as soon as we are told that the people no longer need these sacrifices, we shall step aside, thanking you for the chance you have given us. But we shall not give up this authority now, when it is necessary to strengthen the victory of the people, and when the authority, if it fell from our hands, might pass into the hands of the enemy. (Applause)."

As he proceeded to mention the names of the men in the Cabinet there were signs of some disapproval. The name of the Premier, Prince Lvoff, was received with the cry of "landlord." "Yes," said Prof. Miliukoff, "landlord, but Prince Lvoff is the leader of Zemstvo Russia, and the Zemstvo is the only organized group that will make it possible later to organize the other classes of Russian society." The explanation elicited applause, and then, to reassure the democratic sections, Prof. Miliukoff continued:

"And, gentlemen, I am glad to tell you that the more democratic elements will also have their representative in our ministry. I have just received the consent of my comrade, Kerensky, to occupy a post in Russia's first people's Cabinet. (Wild applause). We are inexpressibly happy to turn over to this faithful public worker this ministry, where he will handle justly all the supporters of the old regimes, all these Sturmists and Sukhomlinoffs. (Applause). The cowardly heroes of the days, now forever past by the will of fate, are in the hands of justice administered by Kerensky. (Wild applause and shouts). You wish to know the other names. (Shouts, 'And you?')"

Prof. Miliukoff, in modest terms, stated that he was to be Foreign Minister, an announcement that was received with great applause. "Perhaps," he said, "in this post I shall be a weak minister, but I can promise you that under my direction the secrets of the Russian people will not fall into the hands of our enemies." The applause which followed indicated that treason was one of the crimes of which some former ministers were believed to have been guilty. Prof. Miliukoff continued:

"Now I shall give a name which I know will arouse here protests. Alexander Guchkoff has been my political enemy (cries, 'Friend') during the whole existence of the Duma. But, gentlemen, we are now political friends, and one must be just to one's enemy. You know that Guchkoff, in the third Duma, worked to reorganize the Russian army, still disorganized by the Manchurian disaster. He, therefore, laid the first stone for the victory which our renovated and reborn army will win in the present great conflict. Guchkoff and I are quite different types. I am a former professor, accustomed to give lectures, while Guchkoff is a man of action. And now, at this moment, while

I talk with you in this hall, Guchkoff is on the streets, organizing for victory. (Applause). What would you have said if, instead of stationing the troops at the railway stations where one was expecting the arrival of troops hostile to the change, Guchkoff had taken part in our political discussions, and the hostile troops, having occupied the railway stations, would have occupied the streets and then this very hall? What then would have been left of you and me? (Exclamations of approval — shouts, 'It's true' — questions, 'And Minister of the Navy?') Until we find a worthy candidate, we shall also turn over to Guchkoff the Ministry of the Navy."

Prof. Miliukoff, who appeared to have the confidence of the people generally, continued to explain how they had endeavored to have all interests represented in the Provisional Government. When he mentioned that it was proposed to have the Grand Duke Michael made Regent, with Prince Alexis to succeed, there were loud cries against "the old dynasty." Prof. Miliukoff replied:

"Yes, it is the old dynasty, which perhaps you do not like and which perhaps I also do not like. But at the present moment it is not a question of what we like. We cannot leave without answer and without decision the question of the form of political organization. Our view is a parliamentary, constitutional monarchy. Perhaps others will have other views. But if we begin to quarrel about this, instead of deciding it immediately, then Russia will find herself in a state of civil war, and the regime that has just been destroyed will re-establish itself. We have not the right to allow this."

At the conclusion of the speech Prof. Miliukoff was generally applauded. But the dissent that had been manifested was evidently of a widespread character. Very soon the hostility to any further rule of the Romanoff family became so strong that the proposal respecting the Regency was abandoned and assurances were given the people that at a later stage they would be permitted to determine the new form of government. Concessions of this kind enabled the Provisional Government to hold its position for a little while, with promise of stability. Now it seems the forces of disorder are overpowering those who have labored so hard for the establishing of a strong constitutional government. The Council of Workingmen and Soldiers' Delegates are interfering with the work of the Provisional Government in a manner that may only end in disaster. The general who has accepted the command of the army in Petrograd, refusing to submit to the rule of this body, resigned in disgust. Now Guchkoff, the Minister of War, whose ability and services were so eloquently recognized by Miliukoff in the speech we have quoted, has refused to accept the Council's dictation and has resigned his office in a letter in which he warns the people that they are on the verge of conditions that are likely to bring ruin to Russia at the very moment when freedom was brought within their grasp. Kerenski, in an alarming letter, warns the people that unless a better spirit is manifested, there will be civil war. Miliukoff himself has been obliged to resign. An effort is being made to meet the situation by including in the Provisional Government some representatives of the Workmen's and Soldiers' Council, but whether these conflicting elements can be brought into successful co-operation is very doubtful.

## Conditions in the West

By E. CORA HIND.

Winnipeg, May 17th, 1917.

My last letter concluded with a copy of the special agreement made between the principal longs and shorts on the Winnipeg Grain Exchange and the agent of the Allied governments, which had then been in operation for two days. Since then there have been many happenings and as they have spread to the United States and include joint actions by their big exchanges, they are, more or less, general history, but in as much as the Journal of Commerce is, and should be, a record of important commercial events, it is probably as well to sketch briefly the various steps taken here since my last report.

The agreement has worked well and when it was submitted in detail to Allan G. Anderson, vice-chairman of the Royal Food Commission on Saturday last at Minneapolis, he not only approved of it, but based upon his advice to the Chicago Exchange, which resulted not only in Chicago following the same plan but in the joint meeting of Exchanges which took place at Chicago on Tuesday afternoon.

There was, for a few days, some difficulty with regard to the smaller longs and shorts. A good many of these had sold short on Winnipeg May, and bought Chicago July. Other shorts found difficulty in dealing with were farmers who had sold May against their own wheat, this wheat in the meantime having gone out of condition and they were therefore unable to deliver it. Finally a small committee was appointed to deal with these problems as they came up, and one by one they have all been adjusted and, in fact, the whole of May is provided for and cleaned up; this big undertaking was accomplished in exactly a week's time. July will be dealt with in the same way as it comes along.

Chicago has adopted practically the same system and there is a great deal of amusement on the Winnipeg Exchange at the boastful announcement of their president, that they had solved the problem of the food supply, when all that they have done is to follow the lead given by Winnipeg.

As indicated last week there was trouble about October and this has not been fully disposed of yet. A resolution was passed by the Exchange prohibiting the buying of October excepting for the fulfilling of contracts already made, and leaving the selling of it free, but limiting the price to be paid for it not to exceed \$2.45, and this is the way the matter stands at present, though further plans are being discussed. Commissioner Anderson expressed his ardent desire that the new crop might be handled on the same form of agreement as is now operating in regard to the balance of the 1916-17 crop. The volume of trade all week has been limited and confined very largely to the clearing up of the old business.

There is very little being done on the new Basis No. 1 contracts, the whole situation is so abnormal and really so unsettled that traders are very shy of new commitments of any kind, and this is scarcely to be wondered at.

Quite probably before this letter reaches Montreal there may be a complete change in the situation. Reports from Washington are quite plentiful that the United States Government will ask Britain and her allies to sell a portion of their large holdings on the guarantee that the United States government will return them the wheat out of the new crop. There is nothing official about this at present, though the agent of the Allied governments here admitted that something of this kind might possibly be considered.

### NAVIGATION.

The navigation of the lakes continues to be a very serious factor in the forward movement of grain. No such season has been known since the seventies, and of course, at that time there was no grain to take down the lakes. Steamers sunk; steamers with all the buckets off their wheels; steamers fast in 20 feet of windrowed ice; these are some of the messages that come along from the east end of Lake Superior. This morning the channel off Pointe aux Pines is once more filled with ice, completely blocking the downward passage for a time; while a strong fresh north-east wind is again blowing the ice into Duluth. At the upper end of the lake all is clear. Fort William reports the Bay entirely free from ice, and all steamers available loaded.

The railways are living up to their agreement of the maximum daily movement, and if there is not more relief from boats in the very near future, the big terminals at Fort William will be badly congested.

One good warm rain, and the wind in the right direction, would probably relieve the entire situation,

but at present the rain does not come, and the wind is from the wrong quarter.

### WESTERN CROP.

Since last writing, the Manitoba Free Press has issued its first crop report on the seeding, and it has proved a complete surprise to everyone, in view of the fact that spring is late. 175 points were heard from by wire on the night of Monday, the 14th, and these reports showed that 90 per cent of the wheat had been seeded up to that date; as May 15 to 18 is considered the limit of time of which it is wise to sow wheat, these reports indicate that 90 per cent of the wheat area was seeded in good time. The soil was almost universally reported in a good condition, with an abundance of moisture, and many points report that germination was rapid and that much of the early sown wheat was from an inch and a half to three inches above the ground. There was a decrease in acreage, as was to be expected from the season. Manitoba will evidently have about the same acreage as last year. She was able to get more fall ploughing done and her 1917 crop came in earlier, and where it was very badly rusted, many of the wealthier farmers simply cut and burned it and fallowed the land. Her last year's acreage, according to the new census figures, was 2,695,389 acres. Saskatchewan was not so fortunate; little fall ploughing was done and the spring season was late, owing to the great abundance of water on the land, and her decrease is about 20 per cent in wheat. Her acreage

last year was 8,532,838 acres, a reduction of 20 per cent would give her 6,836,271 acres. Alberta has possibly a 10 per cent decrease, mainly in the north. Last year's acreage was 2,571,670 acres, a 10 per cent decrease would give her 2,545,954 acres. Added together, these give an acreage of 11,077,614 against an acreage of 13,799,879 last year.

The average yield of the western prairie provinces in the last twenty years has been just a tiny fraction under 19 bushels per acre, so that with no better than an average crop, the Canadian west is reasonably safe of 220,000,000 bushels of wheat. 70,000,000 bushels should be a lavish estimate of home requirements for food and seed, so Great Britain and her Allies may with reasonable certainty count on from 125,000,000 bushels to 150,000,000 bushels of wheat from the crop which has just been seeded.

It is safe to estimate that 75 per cent at least of this decreased acreage in wheat will be seeded in either oats, barley or flax. The report shows that there will be a material increase in all of these grains. Very considerable progress had been made in the seeding of coarse grains, especially in Manitoba, a number of points reporting from 25 to 60 per cent seeded. Manitoba also reports a very considerable acreage in fall and spring rye.

The labor supply, about which there has been so much uneasiness, seems to have worked out very well for seeding. 103 points heard from give the labor supply as "sufficient," a dozen give the supply as "plentiful" and the balance say that labor is scarce. In practically all of the reports, the statement was made that increased labor would be needed for harvest; this, of course, is to be expected, as it has always been recognized in western Canada that two men can put in what it takes five men to reap.

## The World's Crop Outlook for 1917

By ERNEST H. GODFREY, F.S.S.

There are unmistakable indications that the sowing season which is now proceeding in countries of the northern hemisphere is of more than ordinary importance, and that it is likely to have a critical effect upon the world's food supplies in the immediate future.

That this is so will be realized by a brief consideration of the circumstances created by the great war and the harvests of the past three years. In 1914 the world's harvests were, generally speaking, under average; in 1915 abundant crops were reaped in nearly all countries, but again in 1916, largely owing to the disastrous effects of grain rust in North America and an unfavorable season in Argentina, the yield of cereals has been again considerably below average. A few figures taken from recently published calculations of the International Institute of Agriculture will make this clear. These calculations relate to twenty-one countries (18 in the northern and 3 in the southern hemisphere), and comprise 81 per cent of the world's cereal production. They include most of the allied countries at war with the central powers, including European but not Asiatic Russia; the production of Germany, Austria-Hungary and Bulgaria is not included.

To the twenty-one countries referred to, the total production of 1916 (1916-17 for the southern hemisphere), as officially reported to the Rome Institute, is 2,796 million bushels, as compared with 3,772.5 million bushels in 1915, and with 3,176.7 million bushels, the average annual production for the five years, 1911 to 1915, and 1911-12 to 1915-16. Expressed in the form of relative proportions the total wheat production, as compared with 1915 (1915-16), is 25.9 per cent less, and as compared with the five year average it is 12 per cent less. As compared with the five year average, all the large wheat-growing countries, viz., Canada, the United States, British India and European Russia showed a large decrease, and no favorable offset occurred in the case of Argentina, whose production for the year 1916-17 is reported as only 70 million bushels as against 172.6 million bushels in 1915-16 and 160 million bushels, the annual average for the period 1911-12 to 1915-16. The production for 1916-17 in Argentina was, therefore, 59.3 per cent less than in the previous year and 56.1 per cent less than the quinquennial average.

For twenty-two countries of the world reporting to the International Institute of Agriculture (excluding enemy countries), the normal consumption of wheat for the year 1916-17 is placed at 3,064 million bushels, and as the total production previously given for the same period did not exceed 2,796 million bushels there is for the year a shortage of 268 million bushels to be made good either by accumulated reserves or surpluses, or by resorting to other cereals as food. Data do not exist to enable us to deter-

mine the total reserves accumulated, and it will not be wise to assume that large reserves exist, even in Russia where the outlet for grain has been to a large extent stopped through the closing of the Dardanelles, because cereals are more or less perishable commodities, and storage facilities are limited. In calculations put forth towards the end of last year, the International Institute of Agriculture contemplated as the world's "carry over" from the 1916 crop year 158 million bushels, as compared with 459 million bushels, the surplus of the preceding year; and the Institute pointed out the serious shortage of food that was likely to occur if the world's harvests of the current year should not redress the balance.

Although wheat is the staple human food for most countries of the northern hemisphere, other cereals, including rye, oats, barley, corn and rice can and probably will be drawn upon should the yield of wheat this year prove seriously disappointing. It will be as well, therefore, briefly to review the available data in respect of the production of these crops. Rye in English-speaking countries is almost negligible as human food, but it is the chief sustenance of the people in Germany and Austria, and is also an important crop in Russia. Of the recent production of rye in the enemy countries we have now no certain knowledge; but for present practical purposes these countries may be omitted from consideration. The crop of rye anticipated this year in the United States is about 60 million bushels, which is about 13 million bushels more than that of last year. The total rye production of fifteen countries in 1916 was 1,011 million bushels, as compared with 1,068.7 million bushels in 1915 and 908 million bushels, the annual average during the five years, 1909 to 1913; so that the crop of 1916, whilst inferior to that of 1915, was above the average.

The consumption of oats, already largely used as a breakfast food, could be doubtless greatly increased for human food without much disturbing its present employment in the feeding of farm live stock. For seventeen countries the production in 1916 was 3,126.7 million bushels, as compared with 3,627.9 million bushels in 1915 and 3,031 million bushels, the annual average for the five years ended 1913. In Canada this crop, so far as quality is concerned, takes equal rank with wheat, and its export can and doubtless will be increased if the present high prices continue. Of barley the yield in 1916 and 1916-17 of nineteen countries was 1,094 million bushels as compared with 1,194 million bushels in 1915 and 1,081.9 million bushels, the annual average for the five years, 1909 to 1913. For this cereal there is the possibility of diversion from purposes of brewing and distilling alcoholic liquors to bread-making

(Continued on page 20).

# Banking and Business Affairs in the U. S.

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

(Special Correspondence of The Journal of Commerce).

NEW YORK, May 19.

Now that the military bill which has been pending in Congress for some time has become a law, and it is definitely known just what contributions of man power are to be made at the outset, business has been relieved of the uncertainty which prevailed to some extent while this measure was still under discussion.

It is quite a conservative statement to say that had the Government entered upon its part in the war in a half-hearted manner, the effect upon business would have been decidedly unfavorable, for there is a widespread feeling that the war has now become more of a disturbing factor than at any time since the first two or three months after it began. The conflict is now reaching a critical stage and the greater the effort to bring it to a conclusion favorable to the Allied Powers, the sooner will the business of the country be relieved of this frightful incubus.

That is why relief is now felt that the United States has shown its purpose to engage in the fight in earnest and with all the resources at its command, thus tending to help our Allies in the great and heroic struggle they are making to restore to the world the blessings of peace and civilization.

Our progress toward the exercise of full military strength must, under the circumstances, be slow; but a nucleus exists already, and as was the case with England we shall show continuously increasing power, which it is hoped will effectually count in helping the Allied Powers to deliver the decisive blow.

## THE LIBERTY LOAN.

That subscriptions to the Liberty Loan have not come in with the rush at first expected is no evidence of either a lack of patriotism or of money. The loan will all be taken; of that no possible question exists. Subscriptions have been slow for several reasons. In the first place, the tentative announcement of the loan on May 2nd was lacking in detailed information as to its character, but this deficiency has been entirely remedied by the very comprehensive circular issued by the Secretary of the Treasury on May 14th.

Furthermore, it must be remembered that the people of this country—at least the present generation—have had but little experience in buying Government bonds. The popular loan successfully placed during the Spanish-American War was small by comparison with the present one. Besides, the machinery for handling such a large issue had practically to be evolved. True enough, the banks were ready at hand, and they have generally offered their services; but even they required time in which to plan and to put into effect methods for bringing the loan to the attention of the public.

Finally, this country lacks a great body of trained investors, such as may be found in France and many other European countries eager to absorb offerings of high-grade securities carrying a moderate rate of interest.

But the machinery necessary to place the loan is being rapidly evolved and a vast amount of educational work has been done. Not only will the present loan all be taken by the people, but the experience gained in placing the first installment will be of great service in floating other issues soon to follow.

## SHORTAGE IN THE SUPPLY OF MEAT.

Recent estimates place the number of breeding cattle in the United States at 6,000,000 below the number fifteen years ago. This condition would be serious enough measured merely by the increase in the domestic demand through increase in population and the greater meat-consuming power due to added prosperity; but in view of the lessened world production and greatly increased demand for meat on account of the war, it can hardly be characterized otherwise than as alarming. Governmental efforts to remedy the situation by enlarging production and restricting consumption are being made, and while they will be helpful in ameliorating the situation it can hardly be expected that they will afford any material betterment at least immediately.

Practical measures for increasing the production of both hogs and cattle have been taken by the banks in many agricultural communities, and "calf clubs" and "pig clubs" are quite common. Young animals

are bought and paid for by the banks and distributed among the boys and girls to be fed and cared for until they are ready for market, or retained as the owner may elect. The person receiving the animal, of course, at a stipulated time returns to the bank the original cost, plus an agreed interest rate, usually six per cent.

Means are also being employed to stop the sale of young and immature animals for food, and such luxuries as veal and sucking pig have already disappeared from the menus of many of the most fashionable hotels and clubs.

These various efforts to increase the supply of meat products will count in time, though hardly soon enough to be of much relief to the present situation.

## HANDLING OF FOREIGN SECURITIES IN THE UNITED STATES.

The dislocation which the war has occasioned in the great European money centres naturally makes it desirable that a wider market should be established in this country for foreign securities. At present hardly more than a baker's dozen of such securities are regularly dealt in on the New York Stock Exchange, while to the other exchanges in the United States they are total strangers. Even the foreign securities now listed and dealt in at New York are almost exclusively those of the European Governments. The great railway and industrial securities that before the war were prime favorites at London, Paris, and other financial centres across the Atlantic are absolutely unknown in our markets.

The reasons which accounted for this condition in the past no longer exist to the same extent as heretofore. In the past we have lacked that abundance of capital which would impel us to compete as an international money market with such centres as London and Paris. But now the situation has changed, and for the time being we are in a better position in this respect than either of the cities named. While we have the funds which would enable us to take over the marketing of a larger share of outside securities, we are lacking in the financial mechanism and experience which would make it possible to take the place of either London or Paris as an international market.

It will be one of the banking and financial problems of the near future to endeavor to remedy this deficiency. The task will not be an easy one, as American investors are unfamiliar with the securities to be introduced, and are disposed to look with scant favor on investments representing properties so far away. Yet the difficulty of the matter need not render it altogether hopeless. If New York is to attain even a measurable degree of the importance as an international money market which has so long been the prerogative of London, it must promptly take steps to enlarge its financial horizon beyond the somewhat parochial limits which have heretofore circumscribed it. With respect to foreign Government securities, this process has already begun, but it will have to be extended much further than this.

## WOMEN AS BANK EMPLOYEES.

One of the innovations brought about by war consists in the substitution of women for men in many lines of employment. This change will be felt at first in the higher and lighter forms of service, extending gradually to even the ruder kinds of manual labor as the war makes heavier demands on the man power of the country. This has been the experience in other countries, and it will no doubt be the same here should our participation in the war be of long duration. Already in many clerical posts, formerly occupied by men, women are being chosen to take the place vacated by enlistment and that will still further be depleted when the draft goes into effect.

In many banks women are being trained in advance to supply the shortage of male labor certain to ensue upon the entrance of hundreds of thousands of men in the fighting ranks. If the experience of the London banks affords a criterion, this change will not cause the banks any loss of efficiency in service, except possibly for the comparatively short time required to accustom the women to their new duties. In London women have been taken into the banks in quite large numbers to supply vacancies caused by enlistments from the bank staffs, and generally with very satisfactory results.

While there have always been a good many women

employed in banks in the United States, their number is comparatively small relatively to the male employees. Occasionally women have risen to official positions in banks, but these instances are rare. Now they will have opportunities hitherto denied them to gain that experience in minor positions which is usually considered the necessary preliminary to greater preferment in banking.

Another development of banking in this country not without interest is the growing tendency in many banks to invite deposits from women and to make special provisions for supplying their banking needs. The result of this policy, where carefully devised and followed out, has been as a rule quite satisfactory, resulting in a material gain in the number of accounts and in the volume of deposits. It will be interesting to observe whether or not this policy will be stimulated by the entrance of women more largely into clerical and official positions in banks.

One result of the extraordinary degree of publicity being given the Liberty Loan will be to attract the attention of women to the matter of investing money—and this will not only add to the number of permanent feminine investors but should have an important educational effect upon families as well.

## GENERAL CONDITIONS.

There have been some indications of lessened confidence, but nevertheless most of the statistical records continue to give evidence of sound and active business. Cotton consumption is larger, bank clearings keep on gaining, business failures are fewer, railroad earnings are better, and so on.

With the advent of warmer weather, the crop outlook is less discouraging than earlier reports warranted, though there is no prospect that the deficiency in the winter wheat output will be made good. For vegetable products of many kinds, however, there is a decidedly improved outlook, on account of favoring weather conditions and the remarkable energy displayed in planting. This has become almost a popular craze, and no doubt will have considerable influence when the crop harvests of all kinds come to be gathered.

Prices of stocks have fallen recently to a point not far from the panic records of the past, but late in the week there was a decided recovery, which did not hold altogether as part of the gain was lost on a following day. But the prices of some really choice stocks are now so low as to stimulate investment buying, and it is believed there are other influences making for better prices.

The bond market is sagging, a condition which could hardly be otherwise in view of the tremendous calls for funds being made by our own and other Governments.

Wheat has risen to such a price that future dealing in that commodity was discontinued in Chicago, with the result that the price sharply declined.

Metals and lumber are in strong demand on Government account, movement of the former commodity being restricted on account of car shortage. The anthracite coal situation is still serious, though present movements are above those of the corresponding date a year ago.

It would be an excess of optimism to say that the business outlook is all that could be desired, for there has been some relaxation of the confident spirit heretofore manifest. This, it is believed, has been due to uncertainty of a temporary nature while the country is undergoing readjustment to the new situation and is not an evidence of permanent depression.

## WORLD'S EXPORTS OF BREADSTUFFS.

Exports of breadstuffs from the various countries July 3, 1916, to May 12, 1917, compared with the corresponding time in the previous two years:

Countries—	1916-17, bu.	1915-16, bu.	1914-15, bu.
America . . . . .	315,173,000	422,538,000	398,214,000
Russia . . . . .	6,362,000	4,842,000	12,064,000
Danubian . . . . .	.....	.....	2,475,000
India . . . . .	27,702,000	11,396,000	17,381,000
Argentina . . . . .	62,513,000	48,282,000	72,150,000
Australasia . . . . .	37,186,000	25,784,000	8,568,000
Other Countries . . . . .	5,099,000	10,980,000	6,212,000
Totals . . . . .	453,945,000	532,322,000	517,064,000

## LETHBRIDGE MUNICIPAL RAILWAY.

The gross earnings of the Lethbridge Municipal Railway for week ending May 13th were \$815.75.

## The Buyer's Functions in the Retail Business

By W. W. SWANSON, Ph. D.

It is a trite but true saying that goods bought right are half sold. The majority of people who are not directly connected with business imagine, however, that buying is important only to men directly engaged in some form of business enterprise; while others go so far as to assert that even within business itself there is a wide range of industries—timbering, farming, mining and banking—in which the buying function is relatively insignificant. After a considerable time spent in direct contact with the farmers of the West, I have come to the conclusion, however, that, no matter what outsiders may think about the question, the farmers themselves consider buying one of the most vital factors making for success in agriculture. Clothing, foods, tools and machinery and scores of other materials used upon the farm, if bought right, make all the difference between success and failure. Indeed, it is only among professional men that the art of buying becomes relatively unimportant; but even among them, in these days of high cost of living, the household budget often presents an alarming problem. The buyer's functions, therefore, are full of significance for the welfare of society in general; but, in the retail and wholesale trades, are perhaps the determining factor making for business success. This article proposes to deal briefly with some of the more significant facts in connection with the work of the buyer in the wholesale and retail trades.

In a concern of any considerable size the buyer occupies a position that demands the highest ability and the most detailed knowledge of business conditions, if success is to be achieved. In a wholesale establishment he must be conversant not only with the prices of goods, but with the raw materials from which they are manufactured, and the best methods of their storage and distribution. In fact, he must make a detailed study of all the branches of the business, whose successful operation depends upon his success as a buyer. In the large retail store it might even be claimed that the selling programme and the whole sales organization are dependent upon his achievements and ability as a buyer. If the wholesale establishment he connected directly or indirectly, as is often the case, with a manufacturing concern, the buyer must make an exhaustive study of raw materials used in the business if profits to stockholders are to be guaranteed. It is obvious that cereals, for example, are closely connected in price with quotations on the grain exchanges; and it is clear, therefore, that the buyer of such a wholesale establishment may be obliged to make a comprehensive study of speculation and future trading.

In the smaller retail establishments the buyer has an even more difficult problem to face. In this case it is essential that he should secure lowest possible prices and quick deliveries on small quantities of goods, for the smaller retail establishment secures its profits through the rapid turnover of its stock and cannot afford to buy in large quantities. It is just here that the chain stores, and the large mail order business, have an exceptional advantage over the average retailer. They can buy in huge quantities and secure the lowest cash prices. Here, in staple commodities at least, the work of the buyer is reduced to a minimum; for routine and system make it possible to reduce the process of buying to its simplest terms.

The buyer for a retail establishment is constantly faced with the dilemma of buying large amounts at low prices, or small amounts at a higher rate than his large competitors are compelled to pay. This brings up the whole question as to what is involved in truly economical buying. Of course, there is almost always an element of speculation in buying goods, whether the order is large or small; but this element is particularly evident in certain directions, as in the fruit business and the clothing trade. The nature of the materials and goods under consideration will often solve the buyer's problem at a stroke, as far as mere quantity is concerned. No matter how low the price may be the ordinary retail dealer can handle only a certain amount of any perishable commodity; and beyond that his buyer must not be tempted to purchase because of mere consideration of price. In the clothing business the retail buyer is very often given the opportunity of buying a large quantity of a certain line of garments at an exceptional price; but here again he must consider quantity to be the determining factor rather than the price offer of the wholesaler or the manufacturer. Otherwise, at the end of the season he runs the

risk of having his store stocked with a line of goods that are really perishable in nature—for a change in style will destroy the value of clothing almost as quickly as the process of decay ruins fruit. The rapidity of the turnover, therefore, will be the determining factor as to whether he can buy a quantity of any line of goods even at an exceptional price. This has become of great importance in the retail automobile business. In normal times it is dangerous to stock up with large quantities of accessories, because of the rapid changes in manufacturing processes and inventions in this particular line of business.

The retail buyer must constantly keep before him two important factors, as guiding principles in his programme: The financial status and resources of his house; and second, the element of depreciation in the particular line of goods under consideration. In the smaller retail stores financial considerations are of paramount importance—indeed, we may even go so far as to say that financial consideration outweighs all others even in the very large establishments, for the turn-over is the determining factor in business profits everywhere in the retail business. For that reason the buyer is usually given instructions, before he sets out on his trip to the leading markets, as to the maximum quantities of goods that can be handled in the various departments of the business. Of course, if an arbitrary limit is placed upon the buyer's powers, without due consideration of all the facts in each case, he may be seriously hampered in his work. At the same time it reduces the temptation to tie up too much capital in a particular class of goods. He must not consider quantity merely, as has been said, but the quality and the value of the goods offered, and the possibility that they may go quickly out of style or depreciate in value in some other way.

If the buyer has to purchase large quantities of goods, his work becomes highly speculative in nature. He therefore must have a detailed knowledge, not only of the financial resources of the concern by which he is employed, and its ability to dispose of the goods in question, but he ought also to have a thorough knowledge of the demands of customers and of the qualities and prices of goods which they are willing to buy. Above all, he must make a careful study of both present and future prices of the commodities in which he deals, and of the sources from which the supply comes.

It is incumbent upon him to acquaint himself very thoroughly with the financial resources of his own concern, of its present plans, its selling programme, and of its policy of expansion. Unless he familiarizes himself with the details of his own firm's business, he may seriously embarrass his employees, in one or other of the directions mentioned, through his buying policy. If retrenchment is the order of the day, because of labor difficulties, crop failures or other local disabilities from which his concern's immediate locality suffers, he must shape his policy accordingly. Moreover, he can never forget, if he is alert and anxious to make the best of his opportunity, that he is himself dealing with experts who are trained in selling, in each case, a particular line of goods; and that, to that extent, they have an advantage over him. As far as his time and opportunities will permit, therefore, he must make a detailed study of the manufacturing processes and of the methods of production followed in the output of each special staple commodity, to the end that he may find himself on an equal footing with the expert salesmen who are selling him these lines. If the buyer must purchase a wide variety of commodities, it will be impossible, manifestly, to know everything that pertains to the manufacturing process in each case; and in that event, he must choose those commodities, for special study, that bulk largest in his normal annual business. In this connection it is well to recall that the extent of the buyer's purchases will often depend upon the advice and opinion of the managers of the various departments of the retail house. If, on the one hand, he is limited in the extent of his purchases by the several managers, on the other he has no less authority, usually, in exercising a veto upon their demands. It is essential, therefore, that he should make a study of men as well as of materials, to the end that he may work harmoniously, and with the least possible friction, with his colleagues. The personal factor is almost always the most vital one in making for success.

One of the most difficult problems which the buyer

has to meet is determining the extent of the market, and the intensity of the demand for the goods which he buys. The factory buyer has, in these particulars, a very great advantage over the buyer for the retail store or the wholesale house; for the factory buyer is kept constantly in touch with the amount of raw materials on hand, the factory output and the demands of the particular market in question. Definite limits therefore, in his case, can be put upon the minimum and maximum quantities of goods required. In the case of the retail trade, however, there is no such absolute check that can be placed upon the work of the buyer. Indeed, in his selection of novelties, he must himself largely create the demand and the market at home, and thus keep the sales force busy.

The buyer must have a knowledge, as has been said, not only of the quality of the goods in question, their prices and their values, the raw materials out of which they are manufactured, and the manufacturing process itself, but of their production costs as well. In this last particular it is fatal for the buyer to rely wholly upon comparisons between the prices that are presented to him by competing salesmen from different concerns. If he is up to his business he will know fairly accurately, in the standardized commodities at least, what the actual manufacturing costs should be; and he will therefore always be in a position to keep before himself an "ideal" cost of production toward which the prices placed before him must approximate, and which will form for him the best basis of comparison. This implies that he will make also a careful study of the sources of raw material, and of the various economic, political and social forces that affect their production. If he is buying tea, he must know not only the qualities of the various brands placed upon the market, but the social and economic conditions under which the different teas are actually produced, whether it be in Ceylon or China or Japan. The "open door" policy in China will then become a matter of much significance to him; and rumors of labor and social unrest in India and Ceylon will help him in deciding upon the trend of future prices of the commodity in question. Aside from the war, therefore, there are many factors bearing upon prices that the buyer will always be forced to take into consideration—shipping and transportation difficulties, climatic conditions, the extent of the crop, the nature of the demand for a particular blend of tea, and a hundred and one other considerations. At the present time all these factors are important in the grain trade, and therefore in the manufacture of breakfast foods of one sort or another. A study of these problems ought not to be left, to be sure, to the buyer alone; every enlightened business man should seek to acquaint himself with prevalent economic conditions. Unfortunately the retailer is, in these respects, not much different from other business men. As a nation we are, economically, illiterate.

The ordinary business man is usually impatient of what he calls "abstract theory," and yet a careful study of economic theory would aid him tremendously in enlarging his business profits. Whether he wills it or not, the retail merchant is, above all else, a speculator. Risks must be carried by someone from the time that food and other products are produced until they are placed in the possession of the final consumer. As the retailer is merely, in his business, a link in the productive chain, he must carry certain risks each time he buys goods for sale. It is imperative therefore, that he, together with all those associated in business with him—and especially his buyer—should make a careful study of fundamental business conditions in order that he may make a reasonable estimate of the trend of future prices.

Finally, it may be said, that the buyer, if he is to be properly equipped for doing business, should consider the location and the facilities of the factory whose salesman offers him goods, and of the ability of the factory owners to carry out their agent's promises. Above all, he should analyze the business standing and the financial strength of the concern from which he buys; for its ability to deliver the goods is of no less consequence than his own concern's good faith and ability to pay for them. In a word it may be said that the intelligent and progressive buyer will make a detailed study of the sources of raw material, of manufacturing processes, of selling methods, of transportation and shipping, and of financial expedients and industrial organization if he is to achieve the best results. And let it not be supposed that the retailer in the small city or town, who does his own buying, can afford to neglect any single factor in the buying process that ultimately makes for an intelligent business policy and therefore for business success.

## Public Opinion

### THE BOOMERANG. (Boston Herald).

Those U-boats that were to bring Great Britain to her knees have brought Uncle Sam to his feet.

### HOW THE JAPS DO IT.

The highest salaried man in Japan does not receive enough money in that form to pay for gasoline used by his automobile, for salaries of the managers of business corporations are insignificantly small, says the Japan Times. Salaries, however, are not the total income of business men. Under the Japanese custom there is a liberal bonus system, and the bonus amounts to 300 or 400 times the monthly salary in some cases. The Mitsui company is regarded as the biggest corporation in Japan, and its directors are noted for their large incomes. Each director is said to receive in the form of a bonus about \$100,000 a year, although his salary may be only \$250 a month.

### THE ENGLAND OF TO-DAY. (Washington Post).

The England of to-day is not the England which, under a German King and a weak ministry, blundered into the fatal error of attempting to tyrannize over the American colonies. England now exhibits the same spirit as that which sustained Washington and Lafayette. It is battling heroically for human rights. In spite of mistakes and difficulties in the administration of its immense Empire, Great Britain stands for the essentials of self-government, home rule and individual liberty. Its subjects are free men, wherever they stand upon the earth. No war lord mortgages their lives from the cradle to the grave, or drives them like cattle in the prosecution of monstrous criminal ambitions. The British people are their own war lords. Their Empire, great as it is in extent, is greater because of the spirit of liberty that guides and defends it.

### A RACE FOR HONORS. (Tit-Bits).

During the war there has been an interesting contest between two noted regiments—the South Wales Borderers and the Rifle Brigade—in regard to the Victoria Cross. Before the war the Borderers had for some years held the record for winning the highest number of crosses—sixteen; the Riflemen following with fifteen. Then the latter won two more and held the lead for a time. But the Borderers again asserted themselves through the agency of Captain Buchanan and Private Flynn, and now hold pride of place with eighteen crosses.

Their earliest V.C. was Assistant-Surgeon Douglas, who won the honor in the 'sixties for saving a ship's crew near the Andaman Islands. Two noted winners were Lieuts. Melville and Coghill, whose distinctions were awarded posthumously. They swam the Tugela, after the disaster at Isandhlwana, and saved the regimental colors at the cost of their lives. Lieut. Bromhead won his Cross for gallantry at Rorke's Drift at the same period.

### PROVINCE RUNS A BANK. (Manitoba Free Press).

The first one hundred dollar bond, or certificate of deposit, of the new Manitoba Farm Loan Association, under which cheaper money will be provided for the grain growers of the province, has been sold.

The buyer of the certificate was Miss Ruth W. Winkler, daughter of the provincial minister of agriculture. Miss Winkler is just graduating from school and received a gift from her father in recognition of the event. She concluded that she could not do better with the money than lend it to some food producer and took this means of doing so.

It is a remarkable and noteworthy fact that this one hundred dollars, within 48 hours of its reception by the Farm Loans Association, will be in the hand of a Manitoba farmer, who is putting in as large a crop as possible to meet the unprecedented needs of the world.

Two applications for money from Manitoba farmers were approved by the board recently and the amount to which reference is made will be included in the remittances made in one of these cases.

The certificate of deposit is guaranteed unconditionally by the Province of Manitoba. It bears 4 per cent. interest and can be converted into currency at any moment as easily as a hundred dollar bill. The province will provide the cash instantly on demand.

### RUSSIA'S COSTLY ROYALTY. (London Chronicle).

An investigation of finances in Russia showed that it cost \$20,000,000 a year to run the Imperial household, \$600,000 of this going to autos and the Imperial stables. No wonder, with potatoes and onions at their present prices, the country found it necessary to cut down expenses at the top.

### GOD ALMIGHTY HATES A QUITTER. (Chicago Tribune).

God Almighty hates a quitter, and before long the quitter will hate himself. That goes for the whole American nation, which is not a nation of quitters.

We are in for punishment, and must accept it. Life occasionally faces punishment. It is not pleasant. It has to be endured. Pain is part of the scheme and of the ecstasy of life. It is a constituent of peaceful life. War is not the only trial. It is not the only corrosion. It does not present the only pain and the only way to dissolution, to termination.

It is one of the ways, and the person able to face the ordinary prospects of life without flinching is able to face the extraordinary prospects of life.

This nation is able to take punishment, and, taking it, to win its enterprise. It hates a quitter.

### IF GERMANY SHOULD WIN. (The World's Work).

It staggers the imagination to picture the effects upon the world if German submarines effectively should starve Great Britain. She would have to give up her fleet. The British Empire is based upon sea power. Sea power is based upon ownership of a great fleet, and therefore the British Empire would disintegrate. Canada, Australia, Egypt, India would be detached. And if Germany got the British fleet, what would we get?

Not invasion, for that would not be necessary. We would have to fight for the Monroe Doctrine with every ounce of our energy and power and all our resources. We would have to fight to prevent dictation of commercial terms. Even the grandiose German dream, for some of them have had it, of imposing an indemnity upon the United States to pay for the cost of the war might be faced in terms of actuality.

### "IF IT BE THY FIGHT." (The Wall Street Journal).

In words as clear as sunlight, President Wilson in his war message informed the world why the United States was called upon to fight. Yet there are those who to-day do not comprehend the issue involved. It rested with the Dutch cartoonist, Raemaekers, to catch and visualize its spirit, in a cartoon that deserves to be classed as a companion piece to that message.

It represents Calvary and the Crucifixion. But instead of the familiar figures of the women at the foot of the Cross, there stands the traditional figure of the United States. The gawky figure, the ill-fitting clothes and the thin hatchet face are typical of all such artistic representations of this nation. The face seems but the mirroring of the one above, toward which it is turned; and, looking at the crown of thorns, the soul of the nation shines through the eyes, while the lips seem to give utterance to the words, "If it be Thy fight, it is my fight."

Aggression, conquest, indemnities, revenge! All such thoughts are dispelled in that Presence that gave itself for others and prayed for forgiveness, not revenge, upon its enemies. The United States wants none of these. But all human rights that have slowly evolved, from the lesson of Calvary are threatened by the enemy of liberty and humanity. With the crying of famished children in our ears, there can be no doubt as to whose cause it is, this rescue of humanity.

That figure of the United States in the cartoon also sees clearly the cost. It is visualized before him, and he knows that the joy of serving mankind leads him through the Valley of the Shadow of Death.

Perishing humanity, through all the horrors since Liege and Louvain, call upon him for deliverance. The obligation is laid upon him and he accepts it. There is no hymn of hate, but indeed something nearer Gethsemane in those words, "If it be Thy fight, it is my fight."

### THE AWFUL PAIN OF A NEW IDEA. (Southern Lumberman).

What a lot we are hearing now about Red Cross work! It is interesting to reflect that as late as 1873 much prejudice existed against women nurses and that fifty years ago there were no trained nurses in this country. When certain ladies of New York decided to establish a school for nursing at Bellevue Hospital, the doctors were the chief antagonists of the plan. They said that the women were interfering with what was none of their business. A year later the same doctors passed a resolution heartily endorsing the work.

### THE KAISER STANDS ALONE. (The World's Work).

The Kaiser faces the dismemberment of his dream of world empire and the end of a personal power that has for many years threatened civilization with the present war. He is another of the long line of reactionary figures who have taken the feudal doctrines of the Middle Ages and tried to drive back the irresistible growth of individual rights and human liberty. George III. was a small character and stupid. Napoleon the First was a magnificent tyrant. Napoleon the Third was scheming and petty. But none of these, though they lived in supposedly less civilized times, ever descended to the inhuman and the conscienceless beliefs and practices which the Kaiser has adopted to reach his ends. In modern times he stands alone of all rulers, either of those who inherited power or those who acquired it by their own abilities—damned in a class by himself.

### MAUDE'S FIGHTING FAMILY. (New York Sun).

More laurels for General Frederick Stanley Maude. He has the habit of victory. At last the British have a strategist in Mesopotamia who can outwit and outfight the Germanized Turks. The passage of the Shatt-el-Adhem was another of Maude's surprises. He excels in swift attack. Taking 1,217 of the enemy, his casualties were only 73.

Maude came of a fighting family, his father, General Sir F. Maude, V.C. The son has done little else than fight for his country since he entered the army in 1884. He distinguished himself in the Sudan and in the Boer war. He has also been very much in demand as a staff officer. He was assistant director of the territorial force for three years. A well educated and experienced officer, famous for his personal bravery, Maude was ready when the call to Mesopotamia came.

### INFANTS' FOOD TO SHELLS. (The World's Work).

When Mr. Lloyd George in England undertook to organize the Ministry of Munitions a glazier began to stamp out cartridge-clips; a manufacturer of music-rolls used his equipment to make gauges; a concern engaged before the war in preparing infant's food began delivering plugs for shells; an advertising agency manufactured shell-adapters; watchmakers began adjusting fuses; a manufacturer of baking machinery became a contractor for six-inch high-explosive shells; a jewellery house devoted itself exclusively to periscopes; a phonograph concern sent millions of delicate shell parts to the assembling stations; a firm which made nothing but sheep-sheering machinery started turning out shell-cases; a cream-separator factory manufactured shell-primers. Among other producers of finished shell were candle-makers, flour mills, tobacco manufacturers, syphon-makers and the manufacturers of sporting goods.

### SUBMARINE SUCCESS. (The New Republic).

No more damaging propaganda against our cause is being promulgated than the broadcast prediction of the speedy collapse of the German Empire. The plain and unpalatable truth is that the Germans are succeeding in their submarine expectations by more than fifty per cent. We ought never for a moment to forget it. To allow our enthusiasm over the tactical successes on the western front—which will continue spasmodically all summer—of our eagerness for an internal revolution against Prussian autocracy to slow up either our building of ships or production of foodstuffs would be the real failure of America in this war. There is a chance of our failing. But there is much less chance if we believe that a democratic revolution in Germany will take place only after it has in fact taken place and if, meanwhile, we let no one in this country lack information about the comparative effectiveness of the submarine campaign. Only our apathy about ships and food can beat the Allies.

## Mentioned in Despatches

**F. P. GUTELIUS**, who has resigned from the management of the Intercolonial, has taken a position with the Delaware and Hudson. Before going to the Canadian Government Railways Mr. Gutelius was connected with the Canadian Pacific Railway.

**VICE-ADMIRAL SIR HENRY OLIVER**, chief of the Admiralty War Staff, has been promoted in the shift made by Sir Edward Carson at the Admiralty Offices. He is now a Deputy Chief of the Naval Staff and a member of the Board of the Admiralty. He entered the Navy away back in 1878, so that he has almost forty years of active naval life to his credit. He saw a great deal of service and steadily won promotion, being made a rear-admiral in 1913. He was born in 1865.

**GEN. GUTCHKOFF**. The Russian revolutionary party has further complicated matters by forcing the resignation of Gen. Gutchkoff, Minister of War and Marine. A few days before he resigned Gutchkoff issued a very pessimistic statement in which he depicted the difficulties confronting the new government. The former Minister of War and Marine was a member of the Council of the Empire, was an ex-president of the Third Duma, and prominent in the *Zemstov* movement. He is one of the most advanced liberals and radicals in Russia, and his departure is a serious blow to the Allied cause.

**ROBERT J. ALEY**. Thirty-five years ago a young lad, minus money and pull, entered Valparaiso University, Ind. He worked his way through college by shining shoes, running errands, working in stables, and doing other odd jobs around the college and in the city. When he graduated he had not the necessary three dollars with which to purchase his diploma. A few days ago he sent a cheque for it and the diploma was mailed to President Robert J. Aley, of the University of Maine. In other words, the poor college student of thirty-five years ago is now president of an important college.

**JOSEPH H. CHOATE**, who has just died in the United States, was one of the best known statesmen in that country. He was famous as an after dinner speaker, and, despite his eighty-five years, recently appeared at a banquet in New York City; he was also one of the leaders in welcoming the Hon. A. J. Balfour to the United States. Choate had an especially warm spot in his heart for Great Britain, as he was American Ambassador to the Court of St. James for a great many years, where he did much to increase friendly relations between the two countries. The late statesman was born at Salem, Mass., in 1832, educated at Harvard, and then practised law. He was formerly United States Senator from New York, and also United States delegate to the International Peace Conference at The Hague in 1907.

**SEÑOR AZCARATE**. Spain is the latest European country to show evidences of uneasiness, the Socialists and Republicans in that country starting on a somewhat elaborate campaign to attain more power. The leader of the Republican party is Señor Azcarate, who is regarded as one of the best informed and most progressive men in Spain. A short time ago King Alfonso made an effort to placate the Republican party by receiving Azcarate at the Royal Palace and conferring with him on matters of social reform, a subject in which the leader of the Republican party has always taken a keen interest. Just how the situation will turn out is difficult to say, but those most closely in touch with matters in Spain declare that it would not be at all surprising to see a Republican form of government established there before many months are over.

**THE HON. M. A. MACDONALD**, Attorney-General of British Columbia, who has just resigned, only held office for a few months. His resignation was brought about through charges made in connection with the distribution of campaign funds by the Canadian Northern. Mr. MacDonald is an Ontario man who went west to grow up with the country. In a measure, however, "Big Mac," as he was known at Osgoode Hall, Toronto, gave promise of being a power in the political life of the country, an expectation which his friends still believe they will see realized. MacDonald has been practising law in British Columbia for the past dozen years, and, has an extensive practice, is an effective speaker and debater, and altogether one of the ablest men in the province.

**THE REV. ALEXANDER LAIRD**, for the past thirteen years professor of English Literature at the Royal Military College, Kingston, has died in Montreal after a short illness. Prof. Laird was a native of Princetown, P. E. I., and was fifty-one years of age. Before taking up his appointment at the Royal Military College, he held a number of pastoral charges in the Maritime Provinces, and in Ontario.

**CAPT. T. W. H. MACDOWELL**, of Brockville, Ont., has been recommended for the Victoria Cross as a result of taking seventy-five German prisoners and five tons of explosives. "Than" MacDowell was one of the best known athletes in the eastern part of the province. He captained the Brockville hockey team two years ago, which went through the season without a defeat, and at the University of Toronto, which he left to go overseas, was prominent in athletic circles. He is one of four brothers in khaki.

**GEN. NICHOLAS V. RUSSKY**, who has been relieved of the chief command of the army on the northern front and made a member of the Council of War, is one of the best known generals Russia possesses. He achieved marked success at the beginning of the war, capturing among other places the city of Lemberg, but the heavy strain at the front broke his health and forced him to resign. He was appointed to the command of the northern army last fall, and now again gives place to another man. Russky is sixty-three years of age, saw service in the Russian-Turkish War of 1877-78, where he was wounded, and again served during the Russian-Japanese War.

**SIR ARTHUR HARDINGE**.—German intrigue and plotting is now concentrated on Spain, which is showing a tendency to drift into the Allied camp. Part of the campaign has to do with the undermining of Sir Arthur Hardinge, British Ambassador to Spain. There was a report a few days ago that Sir Arthur had received his passports and had been dismissed because he had promoted a revolutionary movement in Spain. The story was of German origin, and is just part of the German scheme to discredit the Allied Ambassadors. Sir Arthur is a diplomat of ripe experience, and has proven himself a man of the utmost tact on several occasions. He is a cousin of Lord Hardinge, former Viceroy of India, and among other posts he held before going to Madrid, was that of British Ambassador at Brussels.

**REAR-ADMIRAL SIR DUDLEY DE CHAIR**, head of the British Naval Mission now in the United States, is a Canadian by birth. This is not his first visit to Washington, as he spent several years there as naval attaché of the British Embassy. Sir Dudley has had the unique experience of having been taken prisoner and confined for some time in a Turkish harem. As a young midshipman he took part in the bombardment of Alexandria, and later was sent with despatches to an outpost on the Egyptian frontier. He lost his way and was taken prisoner and sent to Cairo. As he happened to be a particularly handsome young fellow, the ladies of a harem took a fancy to him and practically adopted him. After some weeks' stay, during which time he was well treated, he was released through the efforts of G. Lesseps, of Suez Canal fame. Admiral de Chair is a nephew of the late Admiral Sir Charles Rawson, and has had an extensive and creditable career in the Navy.

**MAXIM GORKY**, the famous Russian novelist, seems to be a stormy petrel in Russia at the present time. Through his writings he is stirring up all kinds of trouble against the new government, for some reason or other taking an anti-British and anti-French view of the situation. Gorky, since the death of Count Tolstol, is probably the best known writer in Russia. He was born in 1878 and has had a chequered career in which he has been in turn a scullery boy, a peddler, a gardener, a baker, a painter, and finally a writer. He visited the United States and Canada some ten years ago, but this was before he became famous as a writer. At the outbreak of hostilities he enlisted in the Russian Army, but ill-health compelled him to retire. It is hard to understand the cause of his present antipathy to the new Russian Government, as Gorky has always shown a tendency towards liberality in his writings.

**MR. WILLIAM RUTHERFORD**, who has been elected chairman of the Montreal branch of the Canadian Manufacturers' Association thereby paving the way for his assumption to the presidency of the whole association, is engaged in the lumber business in the commercial metropolis. He is a former mayor of Westmount, and at the last provincial elections contested his native city in the Liberal interests. Mr. Rutherford takes an extremely keen interest in educational matters being at the present time chairman of the Westmount School Board. He has two sons serving at the front.

**MONTROSE GRAHAM**.—The United States has a real live baronet living within its borders in the person of Sir Montrose Graham, of Brooklyn. He is the eleventh holder of the baronetcy and like his father, whom he succeeded a few days ago, is engaged in business in New York. Neither the present holder nor his father cared much for the title, and the probabilities are that they will not use it to any extent. Sir Edward Graham, the ninth of the line, lived in Montreal for a great many years.

**LORD LEONFIELD**, who has just been appointed Lord Lieutenant of Sussex, is one of Britain's biggest landowners. Leonfield is a nephew of Lord Rosebery, and is enormously wealthy. In the pre-war days Lord Leonfield maintained the "Old Times" coach on the road between London and Brighton, having as a competitor the late Alfred G. Vanderbilt's coach. This was a fad much indulged in by rich Americans and British peers, but the war has put an end to all of it.

**COL. GEORGE T. DENISON, Jr.**, eldest son of Toronto's well known Police Magistrate, has just been killed in action. Col. Denison went overseas with a cycle corps, but later was transferred to an infantry unit, and has been in the thick of the fighting for the past eighteen months. In order to get to the front at the earliest possible opportunity, Col. Denison took a lower rank, later winning promotion because of his all round ability. Probably no family in Canada has made a bigger contribution to the Allied cause than the Denison family. Before the outbreak of hostilities the dead officer was a lawyer and practised his profession in Toronto. He leaves a wife and family.

**MAJOR-GENERAL J. J. PERSHING**, who is to command the first American division to fight against the Germans, has seen a good deal of active service in the United States, his latest activities being along the Mexican border. Pershing was born in Missouri in 1860, and is a graduate of the United States Military Academy. To a very large extent he specialized in cavalry work and saw service in several Indian campaigns, in Cuba, and in the Philippines. During the Russian-Japanese War he was United States Military Attaché and accompanied Kuroki's army in Manchuria. He is regarded as one of the ablest and most efficient military men in the neighboring republic, and his selection as commander of a division is being favorably commented upon.

**JOSEPH LEITER**.—Twenty years ago Joseph Leiter, the Chicago grain speculator, made a sensational effort to corner the nation's wheat supply. To-day he is issuing statements condemning the policy of speculating in wheat. Times change, and evidently "Joe" Leiter looks on the world differently than when he landed in Chicago a quarter of a century ago, fresh from college, with unlimited money, social prestige, and everything else that a young man could desire. The elder Leiter had been a partner of Marshall Field's, but sold out his interests and invested in real estate, and had become a power in Chicago's financial world. In the tremendous wheat corner movement engineered by his son, the elder Leiter was soon forced to take a prominent part and back up the young man's operations with his resources. It soon became a fight between the Leiters and the Armours, and developed into a battle of giants. For a time the Leiters were able to purchase everything Armour offered, although the price kept climbing to spectacular heights. Finally Armour chartered tugs, had them break up the ice in the lakes, and brought grain by boats to Chicago, and broke the Leiter corner. The attempted corner cost the Leiters several million dollars. It is probably that expensive experience that makes Joe Leiter to-day protest against speculation in wheat. The family is one of the most prominent in Chicago, one of Leiter's sisters having been the first wife of the present Lord Curzon.



# AMONG THE COMPANIES

## THE RAILWAY QUESTION.

### Grand Trunk's President Replies to Commissioners.

In a letter to the Press Mr. E. J. Chamberlin, President of the Grand Trunk Railway System meets the points raised by the majority report of the Royal Commission appointed to inquire into Railways and Transportation in Canada, with the following statements and figures.

On Page XI, the report gives the average earnings per mile of all railways in Canada as \$6,997.00, and on Page XII, in the first table, gives the earnings of the six principal systems as follows:

	Operating Revenue.	Average mileage including branch lines, during the year.	Per mile of average mileage operated during year.
Canadian Pacific	\$124,654,571	12,994	\$9,593
Canadian Northern	33,476,275	9,702	3,657
Grand Trunk	39,155,040	3,565	10,983
Grand Trunk Pacific (excluding B.L.Co.)	6,963,188	1,968	3,538
Transcontinental	5,798,516	2,002	2,896
Intercolonial	15,686,662	1,553	10,101

This table shows the Grand Trunk Railway of Canada to have made the largest average gross earnings per mile of line of any of the principal lines in Canada, or 157.1 per cent of the average rate for all lines.

On Pages XXXIV and XXXV, the report selected for an example of the efficiency of the Grand Trunk the month of February, 1917, which is well known to have been as regards weather one of the most severe in the history of Canada, but has failed to mention the extraordinary congested conditions of the connections of the Grand Trunk at the different frontier points, a congestion quite beyond the power of the Company to control, and which congestion reacting upon the Grand Trunk made it impossible to keep its large terminals clear of cars held for delivery to other railways.

For the first four months of 1917, which includes the severe month of February referred to in the report, the Grand Trunk has moved 1,551,764 loaded cars, compared with an average for the same four months of the year's shown above of 1,697,867 cars, and for the month of April, 1917, it has moved more loaded cars than for April of any of the years shown, which are the greatest years in the history of the Railway.

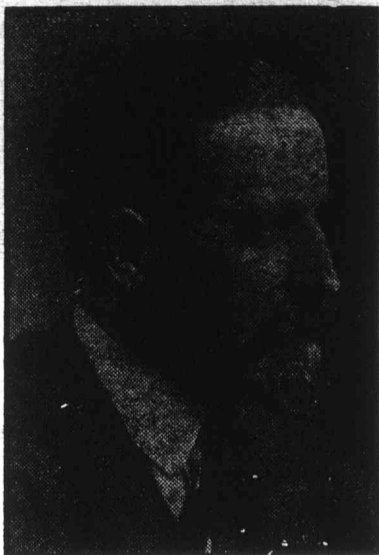
Referring to Page XXXIII, it is difficult to understand how the Commission has drawn from the official records furnished them by the Railway Company the opinion and comments occurring on this page.

The words used in the record were "Deferred Expenditures" and not "Deferred Maintenance", which is the meaning the Commission have placed upon them, whereas only \$11,761,598.00 of the \$21,181,345.07 was chargeable to Maintenance of Way, and \$1,343,400.00 to Maintenance re Replacement of Equipment, the balance being Capital Improvements. Of the amount mentioned for Maintenance of Way, \$6,182,672 was for the Grand Trunk Railway of Canada, and the balance, or \$5,578,926.00, being for the lines operated in the United States.

The items comprising the estimated expenditure for "Rebuilding and reinforcing freight car equipment," amounting to \$8,943,971.14, are for additions and betterments to equipment and are chargeable to Capital Account and not to Maintenance, and the remainder, or \$1,343,400.00 was a maintenance charge for replacing 831 freight cars of various classes which have been or are yet to be scrapped.

The remainder of the items on that page of the record referred to amounted to \$475,775.93, and were entirely for equipping locomotives, freight and passenger cars with safety appliances ordered by the Board of Railway Commissioners and the Interstate Commerce Commission, and it is strictly a capital charge, and has been and is now being expended regularly as the equipment comes into shops for repairs.

It will thus be seen that of the \$21,181,345.07 so frequently referred to in the Commission's report, as a failure to properly maintain the property, that as



SIR FREDERICK WILLIAMS-TAYLOR,  
General Manager of the Bank of Montreal.

a fact only \$13,580,774.03 is a maintenance charge covering all lines in Canada and the United States, and a portion of this is properly chargeable to capital.

It must also be noted that up to this page (XXXIII) of the report, the Commission have been dealing only with the Grand Trunk Railway of Canada, but upon this page they include all lines in both the United States and Canada; and in the paragraph referring to the required expenditure for rails, state that \$5,312,142.00 is necessary to restore the rail to normal conditions, but neglect to say that of this amount only \$1,639,550.00 applies to the lines in Canada.

The statements or supporting tables referred to on the above page of the Commission's report, on which they come to the above conclusion, were prepared as an estimate to show not, as the Commission state, the immediate requirements of the railway, but also to provide for improvements and additional facilities to meet the requirements of the railway for several years to come.

The report is also silent upon the fact, which is well known to the public, that in order to increase the output of steel for munition purposes the rail mills were not permitted by the Dominion Government to roll rail orders the past year, and that in the case of the Grand Trunk out of a total of 20,000 tons ordered for renewals in Canada in 1916, the mill was permitted to roll only 2,500 tons.

The actual provision made by the Grand Trunk for new rail for 1916, notwithstanding war conditions, was as follows:

Lines in Canada, 135.1 miles, estimated cost	\$641,376.00
Lines in U. S., 89.5 miles, estimated cost	320,000.00
Total	\$961,376.00

In the last paragraph of the page (XXXIII), the statement is made that such deferred renewals have been accumulating for a period of eleven years to the detriment of public safety.

Surely the Commission could not have intended to convey such a meaning?

The facts are that the records furnished the Commission covered a period of eleven years for the purpose of determining what the average renewals should be for any one year, and estimates were prepared from such basis, and it must be remembered that the estimates of present requirements were made at the present high prices, and at the end of a period of nearly three years of war.

The Grand Trunk Railway System will bear favorable comparison with any railway either in Canada or the United States in respect to its physical condition, its maintenance of equipment, or its efficiency of operation.

Examine in this connection the statement made on Page XXXIV referring to necessary capital expenditures required to meet the growing business of the railway, and as a protection for the future.

The item of block signalling, \$3,533,000.00: The question may well be asked, how many miles of railway in Canada are operated today under automatic block signals, and yet this was the estimate for installing such signals upon the entire double track

main line of the Grand Trunk Railway of Canada.

Another item in the statement was \$467,500.00 for the installation of a rock ballast crushing plant: How many miles of railway in Canada, with the exception of the Michigan Central, are at this time ballasted with crushed rock, and what railway would be justified in expending such a large amount of capital as would be required to ballast its line with rock ballast at this time. The item was only one of several others to which consideration has been given for future development.

In this connection, referring again to Page XXXIII; of the total amount of \$11,761,598.00, which we have considered as maintenance in the statements, the following items are truly capital expenditures:

Tie plates	\$1,650,000.00
Rail anchors	81,900.00
Tiling (farm tile in cuts)	115,000.00

Total \$1,846,900.00

None of the above items can be considered as necessary for safe maintenance, but are solely for bringing the track up to a high state of perfection such as is reached by practically few, if any, railroads on the American Continent. But it may be added, the Grand Trunk had for several years been applying tie plates gradually upon curves, using rail anchors when they can be used with resulting economy in track maintenance, and applying drain tile in cuts when its use can be justified.

In respect to the item for rail, viz., \$5,312,142, we have stated that \$1,639,550 of that amount was for Canada, and of the remainder, \$3,672,592 was for the lines in the United States, but it must be remembered that the statement was prepared to show the maximum expenditure to bring the property up to the highest state of perfection; and that the estimates for the main line rail in the United States were upon the basis of increasing the weight from 80 lbs. to 100 lbs. per yard, and assuming only a rail life of ten years.

In all fairness the report should have contained some of the heavy expenditures which the Grand Trunk Railway has made within recent years, all of which are shown in the official books of the company. Such items as the following should not be overlooked if any attention was given to the actual provisions made by the company for handling its business:

Southwark Terminal (St. Lambert)	\$ 853,370.18
Turocot Terminal additions	65,988.49
Fort Erie Terminal additions	99,520.95

\$1,018,879.62

New equipment costing \$23,467,844.37 was purchased.

All of these expenditures have been made within the past five years.

In addition to the large purchases of new equipment the old equipment has been thoroughly maintained, and the last official report shows that there was only 3.43 per cent of the freight equipment undergoing and waiting shop repairs, compared with an average of 6.44 per cent for the principal railways of Canada and the United States, as reported to the Commission on Car Service of the American Railway Association.

Referring again to Page XXXV of the report; the Commission there comment upon the facilities in Montreal, and the difficulty with which the Intercolonial handle their business. When I came to the Grand Trunk Railway in May, 1912, I found that all the business from the Intercolonial, and the Grand Trunk lines east of Montreal, consisting largely of forest products going out to the United States via St. Johns and amounting on some days to several hundred cars, was being taken across the Victoria Bridge and handled in Point St. Charles Yard, which was intended only to take care of city business. After a certain time these cars were marshalled and taken across the bridge again to the Central Vermont or Delaware & Hudson Railways. The result of this was constant congestion in the Pt. St. Charles Yard. We immediately went to work to relieve the situation, and a large extension to the Turocot Yard was constructed just west of St. Henri, and a large coaching yard at the same time constructed at St. Henri.

On the St. Lambert side we constructed a very large terminal, at a cost of \$853,370.18, to take care of the above referred to business and so avoid the congestion at Pt. St. Charles. After the yard on the St. Lambert side—known as the Southwark Yard—was

(Continued on page 10).

# 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	- - - - -	365,215,641.00

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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

## THE RAILWAY QUESTION.

(Concluded from page 9).

completed it was (and is up to the present time) occupied by the Grand Trunk Railway; but the Intercolonial management have, up until last December, refused to use the yard, claiming that they did not require it. Last December, they agreed with the Grand Trunk Railway for joint use of the yard, but under date of April 26th, 1917, cancelled the arrangement on the ground that they no longer required the use of the yard, and stated they would immediately withdraw their staff, returning to the old system of hauling traffic across the bridge and setting it out in the Pt. St. Charles Yard. In view of these circumstances, I do not feel that any criticism of the Grand Trunk Railway on the score of congestion in Montreal, such as that which appears on Page XXXV of the report is warranted.

The foregoing statistics and explanatory remarks which I have given cover only a portion of the improvements which the Grand Trunk Railway System has carried out in the past five years for the benefit of the people of Canada, but I am sure I have said enough to convince all fair-minded people that the majority report on the financial and physical position of the Grand Trunk Railway was made without a real understanding of the situation.

In conclusion I would call attention to the fact that the majority commissioners, as far as the Grand Trunk is concerned, barely make mention of the severity of the past winter, of the decreases and deficiency of labor and supplies, and of all the difficulties which the management has had to face owing to the conditions brought about by this terrible war.

Yours truly,  
E. J. CHAMBERLIN, President.

## OUR INVESTMENTS.

According to statistics compiled by Canadian trade commissioner, investment in Canadian government, municipal, railway, and corporation bonds in 1916 was as follows: by Canada, 33.60%; by United Kingdom 1.50% and by the United States 64.90%. In 1909 it was as follows: by Canada 22.10%; by United Kingdom, 74.00%; and by United States 3.90%.

## CANADIAN COTTONS, LTD.

Mr. W. J. Morrice was elected to the board of Canadian Cottons, Ltd., last week, to fill the vacancy caused by the death of his brother, David Morrice. The other directors were re-elected. The board is: President, C. R. Hosmer; vice-president, A. O. Dawson; Sir H. Montagu Allan, Hon. F. L. Beique, K.C.; George Caverhill, A. A. Morrice and W. J. Morrice.

## IMPERIAL BANK REPORT.

The profit and loss statement of the annual report of the Imperial Bank of Canada for the year ending April 30th, shows earnings of \$1,122,818 as compared with \$1,003,960 in the previous year. Balance carried forward at the end of the previous year amounted to \$1,089,656 making balance available for dividends \$2,212,475, these total \$860,000, pension and guarantee funds absorbed \$7,500 and Patriotic and Red Cross Funds, \$27,500. War Tax on circulation amounted to \$67,599. A sum of \$100,000 was set aside to cover depreciation on bonds and debentures held by the bank. After auditors' fees of \$5,000 the balance carried forward amounted to \$1,164,876.

## NEW CHARTERS.

The following new incorporations are announced in the various gazettes.

### FEDERAL CHARTERS.

Canadian Coal Fields, Limited, Toronto, \$10,000,000.  
Port aux Quilles Lumber Company, Montreal, \$100,000.  
Canada-Newfoundland Lumber Company, Montreal, \$300,000.  
Barrymore Cloth Company, Toronto, \$1,000,000.  
Dress Fabrics, Limited, Toronto, \$50,000.  
Hazelton Gold, Silver & Lead Mining Company, Toronto, \$40,000.  
Canadian Reduction & Mining Company, Montreal, \$200,000.  
Roy Shoe, Limited, Cap de la Madeleine, \$100,000.  
Burroughs Adding Machine Company of Canada, Windsor, \$250,000.

### ONTARIO CHARTERS.

The Merlin Oil & Gas Company, Limited, Merlin, \$40,000.  
West Point Assembly Hall Company, Limited, New Toronto, \$40,000.  
Union Fruit & Produce Company, Limited, Toronto, \$40,000.  
The North-Western Elevator Company, Fort William, \$250,000.  
Canadian Overall Limited, Toronto, \$40,000.  
Standish Phonograph Company, Limited, Toronto, \$400,000.  
Wilton Estate Limited, Toronto, \$300,000.  
National Potash Corporation, Limited, Toronto, \$1,500,000.  
The Hub Store, Limited, Sault Ste. Marie, \$40,000.  
Russell's, Limited, Brantford, \$40,000.  
McGinley-Teck Gold Mines, Limited, Haileybury, \$2,000,000.  
Dextrine Products, Limited, Brampton, \$40,000.  
Brown's Bread, Limited, Toronto, \$150,000.  
Cream of Rice Company, Limited, Toronto, \$1,000,000.

## THE TUCKETT TOBACCO CO., LTD.

The Tuckett Tobacco Co., Ltd., in the statement for the year ended March 31st last, now going out to shareholders, reports net profits of \$186,498, an increase of \$35,507, or about 24 per cent, over the showing of the preceding year, and an increase of \$43,704, or about 31 per cent, over that of two years ago.

Profits are therefore the best of the war period, although they fall below the before-the-war level. For the year ended March 31, 1913, the first year of the company in its present form, net profits amounted to \$303,384, and in the 1913-14 year they were \$214,325. The current statement at least shows a substantial recovery and, in view of general conditions throughout the country, there is no reason why it should not continue during the current twelve months.

In 1914-15 and in 1915-16 profits covered the preferred stock dividend with very little to spare. The margin was only \$2,794 two years ago and \$10,991 a year ago. The statement now going out shows a surplus of \$46,498. It represents earnings at the rate of less than 2 per cent on the \$2,500,000 common stock, but in view of the substantial cash holdings of the company it leaves the preferred stock position fairly strong.

Comparisons of the profit and loss figures for three years follow:

	1917.	1916.	1915.
Profits . . . . .	\$186,498	\$150,991	\$142,784
Preferred dividends . . . . .	140,000	140,000	140,000
Balance . . . . .	\$46,498	\$10,991	\$2,794
Previous balance . . . . .	229,953	218,961	216,167
Surplus . . . . .	\$276,452	\$229,953	\$218,961

## Selection of Auditors Under Section 56 of the Bank Act

Notice is hereby given that the General Managers of the Chartered Banks intend to select by ballot not less than forty persons who shall be eligible, subject to the approval of the Honourable the Minister of Finance, to be appointed auditors under the provisions of the Bank Act for the ensuing year. The names of all persons selected in 1916 will be placed in nomination without fresh application. Other applications should be made in writing to the Secretary of the Canadian Bankers' Association, National Trust Building, Montreal, not later than the 30th day of May, 1917.

E. L. PEASE, President.  
The Canadian Bankers' Association,  
Montreal, May 19th, 1917.

ESTABLISHED 1832

Paid-Up Capital  
\$6,500,000



Reserve Fund  
\$12,000,000

TOTAL ASSETS OVER \$110,000,000

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

# THE BANK OF NOVA SCOTIA

# The Canadian Bank of Commerce

ESTABLISHED 1867

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

## BOARD OF DIRECTORS

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

## BRANCHES IN CANADA

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

## BRANCHES AND AGENCIES ELSEWHERE THAN IN CANADA

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

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

## SAVINGS DEPARTMENT

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

### BANK OF MONTREAL HALF-YEARLY REPORT.

The half yearly statement of the Bank of Montreal shows that well-known financial institution to be in a sound and prosperous condition.

The total assets now stand at \$386,806,887, an increase of over \$21,000,000, as compared with the end of the Bank's last fiscal year. Just how strong and well prepared is the Bank is reflected by the condition of the assets, classed as liquid, representing as much as \$270,004,422 equal to 77.16 per cent of the liabilities to the public, compared with 75.20 per cent at the end of the fiscal year and 64.3 per cent at the end of the previous year.

The volume of the Bank's business in Canada is being well maintained, the current loans and discounts having amounted to \$91,733,975, as compared with \$93,729,065. Loans to cities, towns and municipalities, \$11,380,184, as compared with \$11,255,571. Current loans and discounts elsewhere than in Canada, \$6,200,179, as compared with \$6,478,263.

The deposit accounts have continued to show marked growth. This must be considered as especially satisfactory, as withdrawals must have been unusually large on the part of depositors anxious to subscribe to portions of the Canadian war loans. Notwithstanding these withdrawals deposits bearing interest have increased to \$232,731,994, as compared with \$210,439,031, at the end of the fiscal year, while deposits not bearing interest amount to \$91,112,234 up from \$88,767,018.

The profit and loss account shows the usual safe margin over dividend and bonus requirements and has permitted of a substantial addition to surplus account.

### WORKMEN'S COMPENSATION.

The sum of \$562,404 was paid out by the Workmen's Compensation board of Pennsylvania during 1916 for the destruction of eyes and the loss of arms, legs, feet and hands of Pennsylvania workers. The average value of an eye or a leg lost by a Pennsylvania worker is \$1,143.

### STATEMENT OF BANK OF FRANCE.

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

	Francs Increase.
Gold in hand.....	5,818,000
Silver in hand.....	158,000
Notes in circulation.....	68,874,000
Treasury deposits.....	36,983,000
General deposits.....	6,587,900*
Bills, discounted.....	62,269,000*
Advances.....	19,125,900*

(\*)-Decrease.

### THE IMPERIAL CONFERENCE PROPOSED ANNUAL MEETING.

In the British House of Commons on Thursday, Mr. Lloyd George stated that it was proposed that meetings of the Conference be held annually or oftener when urgently necessary, when the Imperial War Cabinet would consist of "the British Premier, such of his colleagues as dealt with Imperial affairs, the Dominion Premiers or specially accredited representatives, and an Indian representative, appointed by the Government of India. He hoped that this annual meeting would become an accepted convention of the British constitution."

### NORTHERN CROWN DIVIDEND.

After having declared no dividend for a period of two years, it is announced by directors of the Northern Crown Bank that a dividend at the rate of 5 per cent. will be paid for the half year ending May 31. Six per cent. was the rate paid for a number of years at the time dividends were temporarily discontinued.

### CANADIAN BANK OF COMMERCE.

A branch of the Canadian Bank of Commerce has been opened at Eckville, Alta.

### MONTREAL STOCK EXCHANGE.

The past week showed considerable improvement over the last few weeks, both in the volume of business transacted and the strength shown by the securities.

Total transactions on the Montreal Exchange during the past week amounted to 21,900 as compared with 18,600 shares for the previous week. But these records are varying and are below the showing made for the corresponding week a year ago.

An examination of the week's transactions show that stocks are now being purchased from an investment standpoint, and such issues as Brompton which yields over 19 per cent at present figures, Civic Power, Canada Cement, Canada Steamships, Steel Corporation, Scotia, Steel Company of Canada and Riordon, all of which are paying good returns on the money, were the most active during the past week. Practically every stock on the list registered gains during the week, from 8 points in the case of Riordon, to fractional gains on the part of other stocks. On the whole, however, the market cannot be characterized as being very active, although everything that did happen on the Exchange was of a favorable nature. The following shows the transactions for:

	Week ending		
	May 19, 1917.	May 12, 1917.	May 20, 1916.
Shares.....	21,918	18,639	131,984
Mines.....	1,600	.....	295
Bonds.....	\$128,650	\$91,250	\$352,400
Unlisted shares.....	372	453	2,845
Do. bonds.....	\$746,900	\$179,100	\$83,500

### THE DEMERARA ELECTRIC CO., LTD.

The earnings for March, 1917, of the Demerara Electric Company, Limited, of Halifax were:

	Gross.	Net.
Railroad.....	\$4,901.28	\$ 406.43*
Light and power.....	7,121.92	3,609.54
Miscellaneous.....	.....	17.17
		\$3,220.23

(\*)-Loss.

∴ THE ∴  
**Molsons Bank**

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

Head Office - Montreal

**COLLECTIONS**

Collections may be made through this Bank in all parts of the Dominion, and in every part of the Civilized World through our Agents and Correspondents, and returns promptly remitted at lowest rates of exchange.

COMMERCIAL LETTERS OF CREDIT AND TRAVELLERS' CIRCULAR LETTERS issued, available in all parts of the World.

Edward C. Pratt, - General Manager

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

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

SAVINGS DEPARTMENTS at all Branches

THE  
**Dominion Savings**  
AND  
**Investment Society**

Capital - \$1,000,000.00  
Reserve - 250,000.00

Interest on Deposits, 3 1-2%  
Interest on Debentures, 5%,  
payable half-yearly.

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

**LARGE WASTE OF FLOUR.**

In connection with the food-economy campaign the Department of Agriculture has issued the following statistical statement:

If every one of the country's 20,000,000 homes wastes, on an average, only one good-sized slice of bread a day, weighing about 1 ounce and containing almost three-fourths of an ounce of flour, the country is throwing away daily over 14,000,000 ounces of flour—over 875,000 pounds—or enough flour for more than 1,000,000 one-pound loaves of bread a day. At this rate there would be a yearly waste of over 319,000,000 pounds of flour—1,500,000 barrels of flour—enough to make 365,000,000 loaves. As it takes 4½ bushels of wheat to make a barrel of ordinary flour, this waste would represent the flour from over 7,000,000 bushels of wheat.

**STERLING BANK SHOWS INCREASE IN BUSINESS.**

Profits Improved in 1916-17, and Policy of Writing Off Continued—President Somers Urges Need of National Economy.

An increase in net profits is reported by the Sterling Bank which closed its fiscal year April 30th. The bank made profits of \$161,270 which compares with \$145,290 earned in 1916, \$115,111 in the 1915 year, and \$114,290 in 1914. Profits represent 10.6 per cent. on the paid-up capital and reserve. The rate of 13.3 per cent. earned on the paid-up capital compares with slightly over 12 per cent. in 1916, 9.61 per cent. in 1915, and 9.64 per cent. in 1914.

Of the year's profits, \$72,582 was devoted to dividends at the rate of 6 per cent., and the policy of a liberal allowance for depreciation of assets, which has been observed for several years, was continued. The amount transferred to contingent account for this purpose in the 1917 year was \$60,000, which compares with \$50,000 in 1916, and with \$40,000 two years ago. Various extra war taxes amounted to \$20,594, leaving a balance of profits carried forward when dividends had been paid of \$60,829, which compares with \$52,735 a year ago and \$52,183 two years ago.

The general trend of the bank's investments is easily defined in the balance sheet. The item of Canadian municipal securities and British foreign and Colonial public securities increased in the year from \$923,463 to \$2,071,000. Dominion and provincial government securities are shown at \$1,322,000, this being a new item in the assets of the bank. Call loans were reduced from \$445,000 at the end of 1916 to \$173,000 at the end of the 1917 year. Current coin gained by \$9,000 to \$52,964, and Dominion notes by \$200,000 to \$1,421,000.

Current loans stood at \$6,454,000, compared with \$5,892,000 at the close of 1916. Notice deposits increased from \$6,156,000 to \$7,237,000, and deposits not bearing interest from \$1,628,000 to \$3,440,000. Total assets are up from \$10,744,000 to \$13,759,000.

Figures for three years are as follows:

	1917.	1916.	1915.
Profits	\$161,270	\$145,290	\$115,111
Taxes	20,594	22,460	10,464
Contingent	60,000	50,000	28,800
Depreciation	60,000	50,000	40,000
Net	80,676	72,830	35,847
Dividends	72,482	72,279	71,647
Balance	8,094	511	*35,800
Previous Balance	52,735	52,184	87,984
Forward	60,829	52,735	52,184

Following is a comparative table of the most important items in the report:

	1917.	1916.	1915.
Circulation	\$ 1,269,600	\$ 1,159,880	\$ 957,045
Deposits, non-interest	3,440,590	1,638,329	1,689,422
Deposits, interest	7,237,400	6,156,492	5,152,429
Total deposits	10,677,991	7,794,821	6,841,851
Liabilities to public	12,165,974	9,165,487	7,983,244
Call loans	173,545	445,357	645,739
Current loans	6,434,898	5,912,940	5,518,246
Total assets	13,759,887	10,744,315	9,508,343

"Has the plumber finished his work?"

"Oh, yes over two hours ago. He is almost ready to leave."—Life.

**BANK OF ENGLAND STATEMENT.**

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

	Decrease.
Total reserve	£ 31,000*
Circulation	210,000
Bullion	178,832
Other securities	3,248,000
Other deposits	2,150,000
Public deposits	1,177,000
Notes reserve	46,000
Government securities	86,000

(\*)—Increase.

The proportion of the bank's reserve to liability this week is 20.42 per cent.; last week it was 20.02 per cent. Discount rates, 5 per cent.

**A WISE PRECAUTION.**

Your small boy cultivates the habit of striking matches because the blaze of light created thereby appeals to some primal impulse of his nature, that reasoning with, or punishing him will not overcome. Seek another remedy. Replace the toy feature of the match with something of a similar nature, but with the dangerous element eliminated. Try an electric pocket flashlight. Teach him how to use it. Show him that by "pressing the button" he can produce light and create for himself every sensation of joy which he has heretofore experienced in striking the match. Put the flashlight as a new toy in competition with the match. It will win nine times out of ten.—Fire Facts.

**RAILWAY EARNINGS.**

The gross earnings of the three principal Canadian railroads for the second week in May showed an increase of \$944,910, or 21.1 per cent. over those a year ago. The increase shown by the G.T.R. was 26 per cent., by the C.P.R. 20.4 per cent., and by the Canadian Northern 17.7 per cent. Last week the aggregate increase was only 10 per cent. Comparisons for the week follow:

	1917.	Increase.	P.C.
C.P.R.	\$3,123,000	\$531,000	20.4
G.T.R.	1,356,646	280,210	26.0
C.N.R.	882,000	133,700	17.7
Totals	\$5,361,646	\$944,910	21.1

**BUSINESS IS BETTER.**

A form letter was recently sent out by the Paper Makers' Advertising Club to 100 of the largest buyers of printing in this country. They were asked what their requirements would be in the current year for commercial paper, used in catalogs and other advertising matter.

Of 48 answers received 41 stated that there would be no curtailment of paper consumption, and many stated that they would buy more printing than last year.

The other seven replies indicated a curtailment of purchases, some failing to give explanation of this course; all of those who gave an explanation, however, declared that they were reducing their amount of advertising only because they were unable to secure certain raw materials necessary to their business, and so were unable to produce at capacity.

The amount of advertising a firm puts out from year to year is an excellent measure of its analysis of the business outlook.

ESTABLISHED 1873.

**STANDARD BANK**  
OF CANADA

Statement of Affairs, Condensed from Government Statement  
31st January, 1917.

RESOURCES		LIABILITIES	
Cash on Hand	\$10,762,524.47	Capital Stock	\$ 3,333,242.14
Due by Banks	2,574,239.34	Reserve Fund and Undivided Profits	4,486,835.77
Govt. and Other Bonds	7,244,943.58	Notes in Circulation	4,546,513.00
Loans on Call and Short Date	1,656,956.71	Deposits	46,292,564.57
Time Loans and Discounts	36,064,884.76	Due to Other Banks	1,026,074.06
Deposit with Govt. for Circulation	150,000.00	Dividend Payable 1st February, 1917	106,399.61
Bank Premises (freehold)	1,229,933.38	Acceptances per Contra	58,645.84
Acceptances under Letters of Credit per Contra	58,645.84		
Other Assets	108,144.91		
	\$59,850,274.99		\$59,850,274.99

## Make Gifts, not Loans, Says Bourke Cockran

The Dollars Advanced to the Entente Nations for War Purposes are Really Fighting for the United States, and it Would be as Unjust to Demand Repayment as to Charge for the Services of the Troops to be Sent Abroad

In a letter to Claude Kitchin, Democratic leader of the House of Representatives, W. Bourke Cockran, who served five terms in Congress between 1887 and 1909, urges that the United States Government shall consider its advances to the Allies on account of the war as gifts and not as loans, and gives his reasons for believing that this should be done. A copy of this letter is presented below.

I ask your attention to one aspect of the measure just enacted authorizing advances of money by this Government to other nations making common cause with us in this war, which, so far as I know, has been entirely overlooked. Every one concedes that those advances are absolutely essential to the efficient discharge of our part in this conflict. But I venture to say it is alike unwise and unfair to treat them as loans. They are properly part of our own expenses, and as such should be borne by ourselves.

However opinions may have differed about this war in the past, we have now made it our war. In doing this we have assumed an obligation to employ all our resources of men and money to gain a victory, speedy and decisive. But, though we have declared war we are not yet prepared to wage it effectively. These other nations are now bearing the part which we would gladly take if we could, and which we will take as soon as we can. These moneys, which we are advancing, will be expended in this country for material and munitions of war, that is to say, in equipping men actually fighting our battle in the trenches with means of fighting effectively. To treat such advances as loans is to require champions of our cause to pay us for the weapons used in battling for us. As well might we require the policeman who guards our lives and our property to pay us for the privilege of using the club with which he makes his guardianship effective.

Suppose we were in a position to place five million men on the fighting line within thirty days, does any one doubt it would be alike the part of duty and of policy to do so? And under such conditions would anybody even venture to suggest that we demand from the other nations fighting alongside us a certain number of dollars per head for every man that we sent into battle? Yet surely a man contributed to the fighting force is at least as valuable as the dollars contributed to equipping, feeding, and transporting him. By what right can we claim repayment, principal and interest, of money advanced, (our lesser contribution to the common cause,) while at the same time acknowledging our obligation to furnish free all the human material we can supply?

President, principle, and prudence alike concur in sustaining this view.

Had England insisted upon treating as loans the money she advanced one hundred years ago to her allies in the struggle against Napoleon, it is doubtful if the world would have enjoyed so long a period of peace as that which followed his fall. Questions about repaying these advances, or extending them, or repudiating them, must have given rise to innumerable difficulties, some of which might easily have rekindled the flame of European war within a generation of its extinction at Waterloo.

Consider for a moment the relationship which must be created between this country and these nations now our Allies, if, after the conclusion of peace they are all to be our debtors in enormous sums. Obviously, we would be deeply concerned in everything affecting their solvency. Should one of them adopt a policy considered by its people meritorious, but which, in the opinion of our Government, was wasteful to a degree that must entail bankruptcy, we could not remain indifferent to a course that might jeopardize our debt. Of course, no Government claiming to be sovereign could tolerate supervision of its affairs, much less interference with them by any other nation, and still remain sovereign. The very essence of sovereignty is that it be unconditioned—a law unto itself—sole judge of its own conduct—answerable to no other power on this earth. The moment one of its acts—even the slightest—can be questioned by any other power, that moment the sovereignty is ended.

Never before has one country, as such, become indebted to another.

National debts are of comparatively recent origin. The first was created when William III. of England borrowed £1,200,000 from William Paterson, or rather when he arranged with Paterson to raise that amount by public subscription to the stock of a banking company which was to make the loan, and which became the Bank of England. Since that time every national loan has been made to a sovereign from subjects. The sovereign could not be sued, and, therefore, the loan could be effected without impairing the sovereignty. Aliens might join in the loan, but in subscribing to it they put themselves in the same position as subjects of the sovereign.

An attempt to establish a relationship of debtor and creditor between two sovereignties must inevitably prove to be a fruitful source of dispute, probably of difficulties, possibly of war. It would be a sad ending of this glorious struggle for international right if it left us in a position where our rights as creditor could be maintained only by invading the sovereignty of one or more among these countries which are now in alliance with us for the very purpose of guarding, defending, rendering unassailable the sovereignty of every nation, great and small.

Even though the allied nations themselves should prefer that these moneys advanced to them be treated as loans we should none the less insist that they are obligations of our own and no other country should be allowed to bear them. And this not as matter of sentiment or munificence but as a necessary precaution to guard the fruits of a peace to secure which such enormous sacrifices must be made.

I refrained from making this suggestion while the measure was pending lest it might give rise to some debate that would delay passage of the appropriation.

Nothing about these funds could be so important as to provide them at once. Now that they are available if these views (which I presume on our old acquaintance to place before you) should commend themselves to your judgment and that of the House charged with control of the public purse, they can easily be made effective by supplementary legislation.

### THE BUSINESS WAR TAX.

A correspondent writes us:

"Would thank you if you could advise me what firms the War Profits as stated in Hon. Mr. White's last Budget affects.

"Does it affect only firms with a capital of at least fifty thousand dollars, and also firms with less capital, but who are making only munitions?

"The way I understood it was that it affected firms with fifty thousand dollars capital or more, and all munition making firms.

"Please give me your reply through your next issue of The Journal of Commerce."

#### REPLY.

The Act applies to every incorporated company with a capital of \$50,000 and upwards. In administering the Act, capital includes not only paid-up capital in the ordinary sense but whatever surplus from earnings has been turned into plant, or otherwise employed in the business.

If 20 per cent or more of the business of the company is manufacturing or dealing in munitions of war or in materials or supplies of any kind for war purposes, the Company is liable to the tax even if the capital be less than \$50,000.

In the case of a business owned by a private individual or firm, the same provisions apply except that in the latter case 10% allowance must be made for profits for distribution before the tax of 25% applies to the excess. In the case of incorporated companies, the tax applies after a deduction of 7% upon capital employed.

The resolutions now before Parliament made no change in the basis of the tax, but increase the rate where the annual profits exceed 15 per cent per annum.—Editor.

## 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

## THE DOMINION BANK

at  
73 CORNHILL, E.C.

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

(ESTABLISHED IN 1836)

Incorporated by Royal Charter in 1840.

## BANK OF BRITISH NORTH AMERICA

PAID-UP CAPITAL - - - - - \$4,866,666.66  
RESERVE FUND - - - - - \$3,017,333.33

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

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

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

Agents for the Colonial Bank, West Indies.

Drafts, Money Orders, Circular Letters of Credit and Travellers' Cheques issued negotiable in all parts of the world.

SAVINGS DEPARTMENT AT ALL BRANCHES

G. B. GERRARD, Manager, Montreal Branch.

ESTABLISHED 1872

## BANK OF HAMILTON

Head Office: HAMILTON

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

Business Founded 1795

## AMERICAN BANK NOTE COMPANY

(Incorporated by Act of the Parliament of Canada)  
ENGRAVERS AND PRINTERS

BANK NOTES AND CHEQUES  
CORPORATION BONDS  
STOCK CERTIFICATES  
MUNICIPAL DEBENTURES

and other MONETARY DOCUMENTS.  
Head Office and Works: OTTAWA

Branches:—

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

## UNION ASSURANCE SOCIETY

LIMITED  
OF LONDON, ENGLAND

FIRE INSURANCE SINCE A.D. 1714

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

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

AGENCIES THROUGHOUT THE DOMINION

### YOU LOOK FOR SECURITY

Whether with the intention of taking out insurance or associating yourself with some Company, you look for security.

The latest figures emphasize the unexcelled financial position of this Company.

Business in Force over - - - - \$59,500,000  
Assets over - - - - - 16,400,000  
Net Surplus over - - - - - 2,600,000

These are reasons why the Company is known as "SOLID AS THE CONTINENT"

### NORTH AMERICAN LIFE ASSURANCE COMPANY

HEAD OFFICE - - - - - TORONTO, CAN.

Founded in 1803

### THE LAW UNION AND ROCK INSURANCE CO. LIMITED

OF LONDON

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

Canada Head Office:

57 Beaver Hall Hill, MONTREAL

Agents wanted in unrepresented towns in Canada

J. E. E. DICKSON, Canadian Manager.

W. D. AIKEN, Superintendent Accident Dept.

### The London & Lancashire Life and General Assurance Association, Limited

Offers Liberal Contracts to Capable Field Men

GOOD OPPORTUNITY FOR MEN TO BUILD UP A PERMANENT CONNECTION

WE PARTICULARLY DESIRE REPRESENTATIVES FOR CITY OF MONTREAL

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

ALEX. BISSETT - - - - - Manager for Canada

### WESTERN ASSURANCE COMPANY

INCORPORATED 1851

Fire, Explosion, Ocean Marine and Inland Marine Insurance.

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

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

HEAD OFFICE - - - - - TORONTO, ONT.

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

QUEBEC PROVINCE BRANCH:  
61 ST. PETER STREET, MONTREAL

ROBERT BICKERDIKE, Manager

### The Independent Order of Foresters

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

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

Policies Issued From \$500 to \$5,000

TOTAL BENEFITS PAID (Over).....\$50,000,000

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

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

### FOOD AND FIRE

Mr. J. E. E. Dickson, Canadian Manager of the Law Union and Rock Insurance Company of London, has sent the following letter to his agents:

I desire to draw your attention to the conditions at present existing. It must be apparent to everyone that the world is face to face with a serious food shortage. Prices are advancing rapidly, which to some extent will reduce consumption and stimulate production; but under the most favourable circumstances it will be months before there can be any change for the better, and the result of a general crop failure this year would be appalling.

Many vessels carrying food have been sunk, and others probably will be; these losses we who stay at home cannot prevent, but we can do "our bit" in this crisis by lessening the loss of food by fire. If every loyal agent of this Company will, without delay, inspect the risks insured by him and where defects are found, carelessness exists, bring them immediately to the attention of the person having authority to correct them; and if the agent will repeat such inspections as frequently as possible and will urge the agents of other Companies to do likewise, the effect in checking the loss of food by fire will be incalculable. What will it profit the Country if the extra food which is grown is consumed by fire? The Company's interests, your own interests, and the higher duty of Patriotism call for your prompt assistance not only to prevent fires happening in the risks you have insured, but to do all you can to lessen the indifference of the general public to the fact that three-quarters of the fires are due to carelessness, and carelessness which at this time results in the destruction of food, is criminal.

Many of our agents and staff have nobly responded to their Country's call, and several of them have made the supreme sacrifice. Shall we who are obliged to stay at home allow these men to make that sacrifice and not do what we can to help? You have the knowledge and experience to recognize fire dangers which often are not apparent to the owner or tenant until they are pointed out to him. I trust that you will feel that it is your duty and your privilege at this time to do all that lies in your power to prevent the destruction of food by fire. Talk of it in season and out of season to everyone whom you meet, and if possible get your local papers interested in it.

### DRINK, DEATH AND INSURANCE.

Without trenching on either the moral or the social merits of the controversy between the pros and cons of the liquor question, a practical conclusion, if not solution, of the question, as far as life insurance interests are concerned, has been reached. It appears as a reasonably well-established fact, that the total abstainer as against the moderate consumer of alcohol, is a better risk for life insurance. The Manufacturers' Life Insurance Company of Toronto offers proof positive for the conclusion, based on actuarial computation and insurance history — that total abstainers have a greater average longevity than non-abstainers.

On this head some very important and no less interesting statistics are gathered from a paper read by Roderick M. Moore, actuary of the United Kingdom Temperance and General Provident Institution of Great Britain, before the British Institute of Actuaries. Mr. Moore's investigation covers sixty-one years and 135,000 individual cases.

The following results were reached: (a) Comparing total abstainers with a group of selected moderate drinkers, it developed that these abstainers were equal to the best assured lives of other British companies, including both abstainers and non-abstainers. This comparison, it is to be noted, is not between abstainers and excessive drinkers, but between abstainers and a group of moderate drinkers. (b) The teetotalers evinced a marked superiority over the non-abstainers throughout the whole period of a working life, for every class of policy.

The following table gives a clear idea of the superior record made by abstainers over non-abstainers. The figures are compiled on the basis of 100,000 lives, beginning each decade in each class:

Ages	Number of Deaths.			P.C.
	Abstainers.	Moderate Drinkers.	Excess Deaths Among Moderate Drinkers	
20-30	4,221	4,677	456	11%
30-40	4,201	7,041	2,840	68%
40-50	6,246	10,861	4,615	74%
50-60	13,056	18,524	5,468	42%
60-70	29,073	34,568	5,495	19%

Insurance Times.

### Book Review

**Unfair Competition**, by W. H. S. Stevens, Ph.D., is published by the University of Chicago Press (\$1.50 postage extra) and will be of decided value to the legal profession and also to business men who wish to study the trust problem in the United States.

Dr. Stevens discusses the subject from an economic point of view and classifies according to their elementary characters 11 forms of unfair competition. He points out that unfair competition has beclouded the issue so that it is difficult if not impossible to determine the comparative value to society of competition on the one hand, and combination and monopoly on the other.

The author deals at length with the work of the United States Federal Trade Commission. He thinks it is doubtful whether the trust problem will be solved until unfair competition is eliminated. We in Canada are likely to face shortly many of the problems dealt with in this useful book.

It is interesting to note that since the publication of this book the United States Supreme Court has decided (Victor Talking Machine Co. vs. Strauss, 230 Fed. 449) that price control agreements, in however ingenious a guise, are illegal and that there is no good ground for the claim that it is in the public welfare to compel a retailer to exact 29 per cent. profit on an article of food when the retailer is willing to sell at 9½ per cent. as in the Cream of Wheat Case.

**The Principles of Natural Taxation**, by C. B. Fillebrown of Boston, is published by A. C. McClurg & Co., of Chicago, \$1.50.

The object of this book is to trace the metamorphosis of the land question into the rent question; of the equal right to land into the joint right to the rent of land; of the common use of the earth into the collective enjoyment of ground rent; of the nationalization of land into the socialization of its rent; of private property in land, including the private appropriation of its rent, into the public appropriation of that rent without disturbance of the private ownership of land. The author points out that a multitude of lawgivers and philosophers, from Moses down have tried to solve the great social questions of the world by putting the super-abundance of land within reach of its millions; but in their teaching nothing whatever is found of the nature and office of economic rent until during the last hundred years when an increasing number of students of economics have come to believe that the answer to the insistent question may be found in the treatment of economic rent.

**Workmen's Compensation Acts**, by Donald J. Kiser is issued by The American Law Book Company of New York City the publishers of Cyc. The treatise covers in a thorough manner the English, Canadian and United States Acts and the cases arising out of these Acts.

The article will be annotated from year to year in the regular annotations to Cyc and later will be written and included in the last volume.

### A NEW PUBLICATION.

One of the signs of the increasing attention that is being paid in Canada to scientific work as applied to industrial affairs is the appearance of another technical journal. The first number of the Canadian Chemical Journal, has just been issued at Toronto under the direction of Mr. E. B. Biggar. It is a well printed monthly devoted, as its name implies, to the development of the chemical industries of Canada. The war has brought about a very clear understanding of our dependence on other countries for some things that should be and many believe can be profitably produced at home. Much inquiry and experimentation are now in progress, looking towards the production of chemicals from our woods and minerals. It is a field of industry that is very promising. Mr. Biggar's Chemical Journal comes out at a time when it should have a favorable reception.

### IT PAYS TO ADVERTISE.

Mr. James C. Clements, president of the Fire Underwriters' Association of Rochester, N. Y., gives a practical proof of his faith in the doctrine, it pays to advertise. He has just initiated a ten weeks' newspaper advertising campaign which has already begun to bear fruit in its first installment.

## NEW RECORDS

Results secured during the past year re-affirm the position of the Sun Life of Canada as the largest life assurance organization of the Dominion.

Fair-dealing and progressive business methods have given it leadership in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Total Income, Premium Income and Payments to Policy-holders.

**SUN LIFE ASSURANCE COMPANY OF CANADA**  
HEAD OFFICE—MONTREAL

## AN IDEAL INCOME

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

**Union Mutual Life Insurance Company,**  
Portland, Maine

on its

### MONTHLY INCOME PLAN

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

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

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

## Commercial Union Assurance Co. LIMITED OF LONDON, ENG.

The largest general Insurance Company in the world

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

Head Office, Canadian Branch:—Commercial Union Bldgs  
232-236 St. James Street, Montreal.

Applications for Agencies solicited in unrepresented districts.  
**J. MCGREGOR** — Mgr. Canadian Branch  
**W. S. JOPLING** — Asst Manager

## A Free Course in "Salesmanship"

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

A GOOD LIVING WAGE

A PROFITABLE FUTURE

A PROVISION FOR OLD AGE

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

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

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

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

All correspondence strictly confidential.

**CANADA LIFE ASSURANCE COMPANY**  
Head Office, Toronto.



## ONE MAN IN EVERY SEVEN KILLED.

The loss of life among Canadian troops on the battlefields of Europe is at the rate of one man in every 7 according to the reports of representatives of insurance companies in the Dominion, who are delegates to the convention of the Actuarial Association of America, at the Hotel Astor, of New York.

The highest mortality has been the infantry service, where, some of the actuaries said, the death rate at times reached 20 per cent. The lowest is in the medical corps.

Canadian and other insurance companies doing business in the Dominion paid out nearly \$7,000,000 in claims up to December 1, 1916, according to A. B. Wood, actuary of the Sun Life Insurance Company.

"The war rates of the Canadian companies run from \$75 to \$150 a thousand per year to men in service in Europe," he said. "At the outbreak of the war \$50 a thousand was charged, but as soon as the casualties began to come it was realized that this was too low and the rates were advanced.

"All the Canadian companies have protected the policies that were in force when the war began," said Mr. Wood. "They charged no extra premiums on these. At that time most of the companies charged no extra premiums on new policies for service within the country. The difficulty in fixing a war rate was that we had no definite basis to work on, for this war is unlike any other, most of the mortality being caused by battle and very little by disease."

A surprising thing about the war, he said, was that it had made the general public realize how valuable a thing insurance is. The result was that the companies, despite the millions they had paid out since the war began, were doing a larger business than ever in their history.

"The companies have been able to meet all their obligations, and have not found it necessary to make any changes in their dividends to policyholders," Mr. Wood added. "War has popularized insurance, and made the once unwelcome insurance solicitor a friend who is received with open arms.

"It is remarkable to think that, despite the fact that more than 400,000 of our best young men have gone to the front, or are on their way there, there has been a big increase in our business each year over the previous year."

## CANADIAN RULING ON WAR CLAIMS.

The Canadian Government has issued a peremptory order that all life insurance companies doing business in the Dominion must recognize as satisfactory evidence of death the official certificates, either of death or presumption of death, which are issued by the Department of Militia and Defense. This apparently drastic action is the outcome of a very large number of complications which have arisen on claims made under policies insuring Canadian soldiers reported as missing on the battle front in Europe, in which no further direct evidence of death can be furnished.

The military certificates of presumption of death are issued only in cases where soldiers at the front have been missing for a period of six months or more, and, upon a full inquiry, are presumed to be dead. The Government, by a further provision of the order, will pay to any insurance company which settles a claim upon a missing soldier policyholder, who may later be found to be alive, the sum by which the claim paid exceeds actuarial reserve on the policy, provided no recovery can be had from the beneficiary.

## MEN WHO PROVIDED IN TIME.

Every one of us must die. We realize this in a dumb sort of way. But it strikes one as a dash of cold water or a slap in the face to read a list of people who died within twelve months after taking insurance. Even to us in the business it is startling. The New York Life in 1916 paid claims on 179 male lives in the United States and Canada, all standard risks, all apparently in good health at the time they insured, but who died in the very first year after insuring. One person lived only four days, another only nine, and four less than a month. Sixteen others passed away in less than two months. Who can be callous enough to disregard a warning like this? — Insurance Times.

## KEEP HOME FIRES BURNING.

(Ottawa Citizen).  
The Canadian climate is patriotically determined that we shall keep the home fires burning.

## "A Little Nonsense Now and Then"

"Do animals show that they love us?" asked a teacher of her primary class.

"Yes, m'am," chorused the class.

"Good," said the teacher; "and now tell me what animal has the greater natural fondness for man."

A small boy promptly spoke up:

"Woman!"—Harper's Magazine.

At least one British censor has a sense of humor. When a soldier wrote home to his people that he had been buried alive for two hours in a demolished dugout he added: "I had the satisfaction of sending five of the Germans to hell." The censor drew a line through the sentence, but wrote underneath: "It is not permitted to refer to the whereabouts of the enemy."

Jim Perkins had purchased a horse, which he afterward found to be afflicted with heaves. Now, of all the misfortunes that might come to a horse, in Jim's opinion, heaves were the worst; so he advertised his horse for sale, describing him as being an unusually fine horse in every particular. A prospective buyer appeared in answer to the ad.

"Isn't he a corker? Hasn't he a fine coat?" exclaimed the owner enthusiastically.

"H'm! His coat is all right, but I don't like his pants," murmured the other.—Everybody's Magazine.

A bright-eyed little boy in a sailor-suit saluted the occupants of a passing motor-car so quaintly that they stopped to give him sixpence, according to Tit-Bits. "You're very polite, little fellow," the lady motorist said. "Do you salute all the strangers who pass in the same way?" "No, no, ma'am, only motorists," the boy stammered, fingering his sixpence nervously. "Father says I've to be polite to them, because motor-cars bring him trade." The lady seemed disappointed. "What is your father's trade, my little man? Does he repair motor-cars?" "No, ma'am; he is an undertaker," was the little fellow's response.

A visitor to St. Louis was whiling his time away by lounging about the steamboat wharves. He was leaning against a convenient post when a box of matches in his pocket caught fire. He chose the quickest and surest extinguisher by rushing the twenty-five yards to the edge of the wharf and jumping into the river. A negro hand eyed this performance dispassionately, says the New York Evening Post. He fished the stranger out of the water with a boat hook, and remarked the fact that the wet one was a newcomer, "Boss," he said, earnestly, "ef you wants ter jump dis yer river, you's suttinly got to git er longer runnin' start 'an 'at! Yas, suh!"

A soldier footballer in the trenches was complaining that he had not had a change of underclothing for many weeks, and consequently his hands were kept busy. He asked his pal if it was true that the Kaiser had a withered arm. "Quite right, old sport!" "Well, I wish to goodness that he'd both arms withered," was the reply, "and had my shirt on."—Chicago Herald.

A Galway magistrate, who was a major in the county militia, sentenced an old woman to six weeks' imprisonment for shoplifting.

"Well, thanks be to the Lord," exclaimed the prisoner fervently, "low as I am, there's wan thing I'm thankful for: not wan of me kith or kin ever had anything to do with the milishy."—London Opinion.

Mary (writing a letter)—Which shall I say, "Mrs. Brown called last evening," or "Mrs. Brown called last night?"

Father (looking up from his paper)—Either expression will do; they mean the same thing.

Mary—If that is the case, why do we say "Good evening" when a visitor calls and "Good night" when he goes?

Father—From force of habit, I suppose. Evening and night are synonymous terms.

Mary—Well, they may be synonymous, but when my name appears in society columns I guess you would rather have the report say that I appeared clad in a tasteful evening gown instead of saying I was clad in a tasteful nightgown.—Chicago Journal.

## BLACK DIAMOND FILE WORKS

Established 1863 Incorporated 1897

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

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

Owned and Operated by  
NICHOLSON FILE COMPANY

### PROFESSIONAL

THE SOCIETY FOR THE ADVANCEMENT OF INSTRUCTION IN THE LANGUAGES.—Instruction in the Languages and Mathematics. No. 91 Mance Street, or telephone East 7392 and ask for Mr. E. Kay.

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

### "AGENCIES, LIMITED."

Public notice is hereby given that, under the Quebec Companies' Act, letters patent have been issued by the Lieutenant-Governor of the province of Quebec, bearing date the twelfth day of April, 1917, incorporating Flavien Basilières, accountant; Amedee Henri Favreau, manufacturer; Angeline Gernaey, accountant, of Montreal; Jean-Baptiste-Alfred Bouchard, notary of Saint Remi, and Henry L. O'Donoghue, professor, of Shawinigan Falls, for the following purposes:

To wholesale pharmaceutical articles, perfumes, toilet powders and other goods;

To carry on the business of importers and exporters;

To act as commission and business agents generally;

To acquire, lease and dispose of trade marks, patent rights, privileges as to any invention and make use of same in connection with the company's business;

To enter into any arrangements with any company carrying on a similar business for sharing of profits, union of interests, reciprocal concessions or otherwise for the benefit of said company;

To acquire shares in any company carrying on a similar business and to pay for such shares in cash or by means of paid up shares of the present company, in whole or in part;

To unite with other companies authorized to carry on a similar business and to acquit such operations in paid up shares of the company;

To sell the business and property of the company as a going concern to any person, firm or company empowered to acquire same and to receive the price thereof in cash or in paid up shares, debentures or any other legal considerations, under the name of "Agencies Limited", with a capital stock of nineteen thousand dollars, (\$19,000.00), divided into three hundred and eighty (380) shares of fifty dollars (\$50.00) each.

The principal place of the business of the corporation, will be at Montreal.

Dated from the Office of the Provincial Secretary, this twelfth day of April, 1917.

C. J. SIMARD,  
Assistant Provincial Secretary.

## 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, also a Bonus of one per cent., both payable on and after Friday, the FIRST day of June next, to Shareholders of record of 30th April, 1917.

By order of the Board,

FREDERICK WILLIAMS-TAYLOR,  
General Manager.

Montreal, 24th April, 1917.

PROVINCE OF QUEBEC, DISTRICT OF MONTREAL, NO. 1867, SUPERIOR COURT.—Dame Bernadette Auge of Montreal, wife common as to property of F. E. Wilfrid Corbeil real estate broker, of City and District of Montreal, duly authorized to the present, Plaintiff, vs. The said F. E. Wilfrid Corbeil, Defendant. An action in separation as to property, has been taken in this case on May 16th, 1917.

BERARD & SON,  
Attorneys for Plaintiff.  
Montreal, May 16th, 1917.

## Imperial Bank of Canada

The annual meeting of the shareholders will be held at the Head Office of the Bank on Wednesday, 23rd. May 1917. The chair to be taken at noon.



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

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

L. J. LEMIEUX, Sheriff.

Sheriff's Office,  
Montreal, 11th May, 1917.

## THE Home Bank of Canada

ORIGINAL CHARTER 1854

### 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 31st of May 1917, and that the same will be payable at the Head Office and Branches on and after Friday, the 1st day of June 1917. The Transfer Books will be closed from the 17th day of May to the 31st day of May 1917, both days inclusive.

By Order of the Board,

J. COOPER MASON,  
Actg. General Manager.

Toronto, April 24th, 1917.

## The Bank of Nova Scotia.

DIVIDEND NO. 190.

Notice is hereby given that a Dividend at the rate of fourteen per cent. per annum on the paid-up Capital Stock of this Bank has been declared for the quarter ending June 30th and that the same will be payable on and after Tuesday, the 3rd day of July next, at any of the offices of the Bank.

The Stock Transfer Book will be closed from the 18th to the 30th proximo, inclusive.

By order of the Board,  
H. A. RICHARDSON,  
General Manager.

Halifax, N.S., May 15th, 1917.

### IN THE LANGUAGE OF BASEBALL.

(New York Herald.)

Germany has had her bread strike and her munition strike. All she needs now is an army strike to make it three strikes and out.

## HOW BRITAIN COPES WITH LACK OF LABOR.

The number of skilled ploughmen taken from the land in conjunction with very unfavorable weather during the early spring months has combined to produce a very great reduction in the area of land ready for cropping at the present time in Great Britain as compared with former years, says a writer in the Boston Monitor. This condition of affairs is now being rapidly overcome by the aid of motor tractors, which are at work night and day and in some cases for seven days in the week. The war agricultural committees have at present 592 motor tractors at work, including 45 caterpillar tractors loaned by the Russian Government. In addition to the above there are hundreds of privately owned tractors breaking up the land from the south of England to the north of Scotland. These tractors, in some districts, keep going for 24 hours of three eight-hour shifts. When night sets in a powerful head light is lit in the form of an acetylene lamp, and with a similar light at each end of the furrow the work goes merrily on during the hours of darkness.

The tractors are of various horse-powers and weights, the lighter tractors being suited to stiff gradients while on level ground the heavy and more powerful machines score, if the surface soil is dry.

While these operations go ahead on large farms, the market gardeners and fruit growers are not behind. The son of a market gardener in the famous vale of Evesham (Worcestershire) in conjunction with a well-known engineering firm, brought out a small motor plough. This nine horse-power motor plough takes two furrows at a time, and is so constructed that one man can guide it by means of two ordinary plough handles behind, or if the plough is working on a large field with no intricate turnings, the man is provided with a seat. Among market gardeners and fruit growers this plough has become very popular, it only stands about 3 feet 6 inches high, and the mechanism has been compressed into such small space that the plough will operate where a team of horses would be unmanageable. The plough will pass readily under the boughs of half standard and standard fruit trees and will plough, if desired, right up to the stems of the trees.

In the great market-gardening districts of Worcestershire, German prisoners are now working on the land and giving wonderful satisfaction to the growers, who only wish that their number could be increased.

## BRITISH FOOD PRICES CONTINUE TO RISE.

The official statistics of retail prices of food given in the Board of Trade Labour Gazette, of London, show an increase as of March 31, 94 per cent., as compared with July, 1914. Retail prices of food advanced between 1 and 2 per cent. during March. The greatest rise recorded was in respect of margarine, the price of which was about 9 per cent.—nearly 1d. per pound—dearer on March 31st than a month earlier. Bread rose in price by 7 per cent., or about 3/4d. per four pound, and cheese by 5 per cent., or nearly 1d. per pound, during the month. The prices of butcher's meat advanced from 2 to 4 per cent., and bacon averaged 3 per cent. dearer. Fish prices rose about 5 per cent. The prices of flour and tea advanced between 2 and 3 per cent. Eggs on the average were 21 per cent. cheaper.

## POLICIES PROVIDING Guaranteed Annuities, Payable Monthly.

A Policy that secures to the Beneficiary a definite income payable in monthly instalments throughout life is the ideal Life Assurance Contract. Such an income is guaranteed for twenty years, under Mutual-Life-of-Canada contracts issued on the Life, Limited Payment Life, and Endowment plans. The income will be increased by an interest dividend during the twenty years of guaranteed payments. Write for our booklet—"Policies Providing Guaranteed Annuities Payable Monthly." Full particulars of any desired plan may be secured by giving age of the prospective beneficiary, as well as your own.

## THE MUTUAL LIFE ASSURANCE Company of Canada

WATERLOO ONTARIO

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



## Big Business Does Not Always Pay

That there is a limit to the profitable increase of a business concern though large combinations are still the order of the day, was a leading suggestion of an address which was made before a meeting recently held in New York, by Earle Buckingham, Winchester Repeating Arms Company, New Haven, Conn. To fortify his contention, he drew from the records of the census of 1910. The census figures, he finds, throw some light on purchasing and production but none on sales or credits of a manufacturing business. He ascertained the labor cost for \$100 of sales for a number of different industries and the cost of materials for \$100 of sales. These have been added together in the accompanying table. The author's figures for the cost of materials show in general a rise as the concern is larger, and while labor costs in general are shown smaller the larger the business, the addition of the two items of labor and materials, as covering a part of the cost of articles of manufacture, still indicates a rise rather than a fall as the business is larger.

Mr. Buckingham said that these figures show that if the volume of business be doubled, labor costs decrease by an amount equal to 2 per cent of the total sales and that the industry paying the highest annual wage and permitting the shortest number of working hours, compares favorably with other industries in its labor costs.

### COST OF MATERIALS AND LABOR PER \$100 OF SALES FOR DIFFERENT INDUSTRIES.

Volume of Sales Per Year.	Carriages and Wagons		Firearms and Ammunition	
	Materials.	Labor.	Materials.	Labor.
\$5,000 and under	\$35.30	\$70.30	\$40.80	\$87.10
\$5,000 to \$20,000	37.00	74.10	40.90	87.20
\$20,000 to \$100,000	47.80	79.30	40.00	88.60
\$100,000 to \$1,000,000	55.30	80.00	39.40	75.00
\$1,000,000 and over	60.40	85.00	53.70	81.40
Average annual wage and salary		\$647		\$702

Number persons employed	70,000	15,000
Working under 54 hr. per week, per cent	11.6	0.5
Working 54 to 60 hr. per week, per cent	87.8	98.8
Working over 60 hr. per week, per cent	0.7	0.6

On the overhead charge involved also in production costs he finds the census report gives no data. As to purchasing, the census figures cover raw materials, coal for heat and power, oil, tools, etc., so that the cost of purchasing raw materials alone cannot be directly ascertained. The fact is revealed, the speaker pointed out, however, that in every line of business the cost of material shows an increase disproportionate to the growth of the business. He suggests that the figures necessarily include many overhead and advertising charges, but points out that when the amount of business is doubled, the purchasing cost increases by an amount equal to 1 per cent of the total sales. The tables also cover these figures.

In the matter of sales costs, he argued that a firm doing a \$1,000,000 business, for example, will have a sales expense of more than ten times as great as a firm with an annual turnover of \$100,000. His point is that as a firm's market widens, its efforts are more scattered and an increasing proportion of its advertising, catalogs and salesmen's visits brings no returns. He referred to a shop which a few years ago was awarded about 50 per cent of all the work it figured on, while now, after doubling in size it receives only a trifle over 10 per cent of the work for which it prepares estimates. Similarly, he believes there is no question that the cost of credit increases faster than the growth of a business. A small plant knows its customers personally and no great volume of outstanding accounts will be required, nor could it afford to carry them. As the concern grows, a personal acquaintance with the exact financial standing of all the customers is not possible, even with the aid afforded by the commercial agencies. The cost of collecting, furthermore; the carrying of outstanding accounts and the loss of accounts undoubtedly in-

creases, as the volume of business grows, and here again, he emphasized, direct figures from several concerns must be secured before information will be available. While emphasizing that the figures are not to be taken as absolute or conclusive, the inference is that the large concern offers more opportunity for leaks and that these more than consume the advantages gained by the increasing size. Such leakages, he pointed out, might be due to delegation of management, to lavish buying, to excessive expenditure on sales, to careless crediting. Thus it would seem that the large concern represents no economic gain but an actual loss. We should not jump at this conclusion, however, he admitted, until the most thorough search has been made.

### "SUNSHINE" ON CANADA'S FOREST WEALTH

The Sunshine Magazine, house organ of the Sun Life Assurance Company has blossomed forth in new form and with a most attractive cover design. The issue contains a lot of valuable hints to insurance men and data relating to the progress of the Sun Life, but in addition contains an illustrated article on Canada's Forest Wealth. The Editors, Messrs. Emory and Steedman deserve hearty congratulations for their latest effort, especially for the compilation and publication of their timely and interesting article on Canada's forest wealth.

### LIFE INSURANCE.

Teach people that you offer them life insurance—not death insurance; that a policy is a desirable possession, not a burdensome expense; that to insure is not the performance of a disagreeable duty, but the acquisition of a valuable asset. Show them also that it is life insurance in the sense that it renews life by relieving the sick man of distressing anxieties, whereas, the man who has made no provision for his family worries himself to death. In this sense moreover, life insurance is also health insurance. The content it gives "doeth like a medicine."—William Alexander.

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# THE STERLING BANK OF CANADA

Statement of the Result of the Business of the Bank for the Year Ending 30th of April, 1917, Given at the Annual General Meeting of the Shareholders, Held at the Head Office, Toronto, on Tuesday, 15th of May, 1917.

## PROFIT AND LOSS ACCOUNT.

Balance of Profit and Loss, 30th April, 1916	\$ 52,735.29
Profits for the year ending 30th April, 1917, after deducting charges of management, rebate of interest, etc.	161,270.29
Making a total of	\$214,005.49
Appropriated as follows:	
Dividend 1 1/2% 15th August, 1916	\$18,116.74
Dividend 1 1/2% 15th November, 1916	18,128.77
Dividend 1 1/2% 15th February, 1917	18,169.65
Dividend 1 1/2% 15th May, 1917	18,182.20
	\$ 72,587.36
Transferred to Contingent Account for depreciation of assets, etc.	69,999.99
War Tax on Circulation	\$11,988.21
Provincial Government Taxes	8,694.82
	\$ 20,581.04
Balance of Profits carried forward	69,829.04
	\$214,005.49

## RESERVE FUND.

Balance brought forward	\$300,000.00
-------------------------	--------------

## Comparative General Statement.

For Year Ending 30th April, 1916, and Year Ending 30th April, 1917.

	1916	1917
<b>LIABILITIES.</b>		
Notes of the Bank in Circulation	\$ 1,159,980.00	\$ 1,269,600.00
Deposits not bearing interest	1,638,329.03	2,410,590.34
Deposits bearing interest (including interest accrued to date of statement)	6,156,492.56	7,237,400.79
Balances due to other Banks in Canada	209,771.95	215,946.79
Acceptances under Letters of Credit	914.40	2,436.06
Total Liabilities to the Public	\$ 9,165,487.94	\$12,165,973.98
Capital Stock paid up	1,206,299.61	1,212,173.95
Reserve Fund	300,000.00	300,000.00
Dividends Declared and Unpaid	19,795.11	20,310.39
Balance of Profit and Loss Account carried forward	52,735.29	69,829.04
	\$10,744,315.95	\$13,759,887.27
<b>ASSETS.</b>		
Current Cash held by the Bank	\$ 43,898.89	\$ 52,764.57
Dominion Notes held	1,200,827.25	1,421,353.75
Deposit with the Minister for the purposes of the Circulation Fund	56,900.00	58,697.40
Notes of other Banks	154,443.00	173,146.00
Cheques on other Banks	557,527.34	565,289.71
Balances due by other Banks in Canada	10,312.17	5,000.00
Balances due by Banks and Banking Correspondents elsewhere than in Canada	530,007.31	467,281.38
Dominion and Provincial Government Securities, not exceeding market value		1,322,404.58
Canadian Municipal Securities, and British, Foreign and Colonial Public Securities other than Canadian	923,463.89	2,071,029.65
Railway and other Bonds, Debentures and Stocks, not exceeding market value	517,406.70	619,366.07
Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks	445,357.15	173,545.38
Other Current Loans and Discounts in Canada (less rebate of interest)	\$ 4,469,943.61	\$ 6,929,988.09
Overdue Debts (estimated loss provided for)	5,912,940.77	6,434,898.69
Bank Premises, at not more than cost, less amounts written off	17,024.37	17,680.04
Liabilities of Customers under Letters of Credit, as per contra	273,432.65	275,723.29
Other Assets not included in the foregoing	914.40	2,436.06
	70,059.15	99,161.10
	\$10,744,315.95	\$13,759,887.27

Toronto, April 30th, 1917.

G. T. SOMERS, President.  
A. H. WALKER, General Manager.

## AUDITOR'S REPORT.

This statement has been duly vouched by comparing all entries with the books at the Chief Office and certified Returns from the Branches, and in my opinion is properly drawn up so as to exhibit a correct view of the condition of the Bank.

Cash and Securities have been checked at the Chief Office at 30th April, 1917, as well as at another time during the year, as required by Section 56 of the Bank Act. I have obtained all the information and explanations required, and am of the opinion that the transactions of the Bank which have come under my notice have been within the powers of the Bank.

SHERMAN E. TOWNSEND, C.A., Auditor.

## Europe's Necessity, Canada's Opportunity

### U. S. Department of Commerce Sending Lumbermen to Europe to Study Conditions in Lumber Trade

The United States is already making comprehensive preparations to supply timber to the belligerent powers when the war ends and a necessary period of reconstruction sets in. Four expert practical lumbermen are being sent to Europe to spend two years visiting the countries now at war, to estimate just what reconstruction demands in the lumber trade will be. In addition the skilled services of other allied agencies in the U. S. will be utilized with a view to finding out from every possible angle what will be the exact situation in Europe in the near future.

Canada has great potential timber resources and in this respect is the third country of the world, Russia being first with approximately 1,000,000,000 acres of forests available and the United States second. Rus-

sian resources are largely primitive and not available for use, so that Canada and the United States lead the world.

As Europe's need of reconstruction will be comparable only to the extent of the destruction that is now taking place the probable demands for timber in the near future, are incalculable. The task of rebuilding the ruined portions of France, Belgium, Poland, Russia, Italy, Serbia, Rumania, Turkey, Montenegro, Bulgaria, Germany and Austria-Hungary, as well as catching up on the construction work now being suspended in England, Australia, Africa, Spain, Holland, etc., will call for the expenditure of hundreds of millions of dollars on lumber. Naturally the country or countries that can supply this demand

will reap a rich harvest. There is no reason why Canada should not participate to a greater extent, in this trade and thus vastly increase the markets for her surplus forest products.

Canada's present supply of commercial timber has been estimated at from 500 to 800 billion feet, board measure, covering an area of approximately 250,000,000 acres. This estimate, which is about one-half of the forested area of the Dominion, refers only to saw-timber; materials suitable for pulpwood, firewood, poles, etc., not being included.

In 1913, a year before the war broke out, the United States exported more wood products than any other country in the world, \$115,000,000 worth; Russia came next with \$88,000,000; Sweden \$34,000,000; Austria-Hungary \$68,000,000; Canada \$50,000,000, Finland \$47,000,000; Germany \$26,000,000; Norway \$24,000,000 and Rumania \$5,000,000.\* The combined European exportation was therefore \$392,000,000 and the total Canadian and American exportation \$165,000,000, giving a total of approximately \$550,000,000. It is easy to prophesy that Russia will need all of her energies and resources for rebuilding Poland and her own western provinces, Germany is using up her forest reserves now and Norway has long been overcutting her annual growth, so that it is more than probable that Sweden and Finland will be the only competitors Canada and the United States will encounter in supplying Europe with wood products. Owing to climatic and other internal conditions this competition cannot be very serious.

That Europe's need will be tremendous no one can doubt who considers the world wide dimensions of the destruction now going on. No country belligerent or neutral escaped, for the reason that the suspended building activities due to scarcity of labor and materials has spread to all nations.

(\*—These figures have been compiled by the New York Journal of Commerce.

Even in Great Britain, where there has been no actual destruction such as has occurred in Belgium, France, Poland and Serbia, millions of pounds sterling will have to be spent upon building to meet the requirement of changed economic conditions. On February 23rd the British Government issued a proclamation prohibiting from that date the importation of wood and timber of all kinds except under license from the Board of Trade. This was followed, on April 2nd, by the revocation of all general licenses then outstanding, and the order that future importations would be only under special licenses obtained for each shipment. This is the status to-day, with all the timber resources and supplies of the country under the direction and control of the Board of Timber Supplies, of which Sir Bamfylde Fuller is director, with five timber merchants his assistants and a great corps of helpers. This board controls the sales, the purchases and utilization of all timber in the Kingdom, advising as to the packing and casing of goods, in the economical construction of necessary buildings and in every other line of work where a savings of timber may be achieved. With the enforcement of this decree, coupled with the excessive freight rates and the difficulty of obtaining materials, the imports of timber products have dropped to a very small point. In spite of these restrictions, however, there is a constant demand for timber that has to be met for pit props for the collieries and road building material in France. According to the London Times the mining industries in normal times depended upon continental countries for their pit timber, about 40 per cent coming from France, Spain and Portugal, 20 per cent White Sea ports, 5 per cent from Norway and the remainder from Sweden, the Baltic and the Canadian ports. But recently Canada and Newfoundland have supplied large consignments. As negotiations are now pending between the British Government and colliery owners and the miners asking for the transference of men from the mines and even from the trenches to cut pit props, in order to keep the mines going, it is evident that no building operations are in progress in the United Kingdom.

All these conditions cannot but lead to an accumulation of work waiting to be done as soon as conditions return to anything like normal. This situation coupled with the necessary destruction of forests that is now going on and the shutting down of former continental sources of supply is bound to make Great Britain more and more dependent on trans-Atlantic countries.

What is true of the United Kingdom is doubly and trebly true of France, Belgium, portions of Germany, Poland and even sections of Russia. In fact building materials will have to be imported by nearly all the European nations and those countries prepared to meet the demand will be the ones to profit by reason of the situation.

# Comments on Current Commerce

By E. S. BATES

**FOOD CONTROLLER FOR CANADA:** The demand for action by the Federal Government on the matter of regulation of prices of foodstuffs and other commodities has become widespread and insistent. The suggestion was first made, as coming from a large body, by the Retail Merchants' Association of Canada, who demanded a Commission to sit permanently and not only fix prices but regulate and adjust difficulties arising out of the advancing cost of living. The latest body to suggest action along these lines is the Bread and Cake Manufacturers' Association. A resolution was passed at a recent meeting of the Association, as follows:

"In view of the critical situation, the Bread and Cake Manufacturers' Association, in convention assembled this 15th day of May, 1917, believe that the time has come for prompt action by the Government in the appointment of a food controller, with Cabinet rank, who should have full powers to deal with and regulate the manufacture, delivery, prices and use of all foodstuffs throughout the Dominion."

The resolution was passed unanimously, and as the Association comprises in its membership all the leading bakers of the Dominion, it should carry some weight with the Government authorities. The bakers are simply demanding similar action to that taken in Great Britain and other countries. They claim that speculative flour prices, and the greatly advanced cost of other ingredients used in bread-making, as well as increased labor costs, compels some regulative action. Such action, they claim, taken a year ago would have prevented the speculative advance in wheat prices of the past few months, and even yet much can be done to relieve the situation. Bread is now costing the consumer upwards of 100 per cent. over prices of a year ago, and the bakers state "with market prices of wheat flour still advancing, there is no telling where the price of bread may have to advance to, said price being governed solely by these conditions."

The need for action over the entire range of foodstuffs is most insistent. There is a rumor that the control will shortly be put in effect at Washington to govern both Canada and United States. If such is the case, our position would be greatly strengthened by having a Food Controller, holding the authority attached to a member of the Cabinet. Canada would be represented on the Washington Commission, but such a Commission can only exercise a very general control. The situation here requires more specific attention, and that can only be given by one thoroughly familiar with conditions. Parliament should get away from partisan discussion and give attention to this all-important question. Perhaps the Premier and his colleagues have brought back some good ideas on the subject, gleaned from their discussion with men of action over there.

Wheat prices have declined rapidly during the past week, under the influence of the prospect of restrictive measures against speculative prices. The top was reached a week ago, when May wheat closed at \$3.16 a bushel. It was then stated that the United States Government had requested Great Britain, and her Allies to relinquish immense holdings of future delivery wheat contracts purchased in the leading centres on this continent. It seems probable that the United States and Canadian Governments will take concerted action to guarantee the delivery of all available wheat supplies on this continent to Great Britain and her Allies at a reasonable price, and in this connection speculative trading will be prohibited. The fluctuation of flour prices is entirely sympathetic with the fluctuations in wheat prices. During the past week millers have reduced their prices \$2.00 per bbl., and while bread prices remain at the level of two weeks ago, the reason advanced for future increases in bread prices has been removed. It is probable that before many weeks, action will have to be taken to restrict trading privileges on the grain exchanges of this continent to such extent as to prevent excess speculative trading. In this event, consumers here will be protected against abnormally high prices on bread, and flour. Such a measure will entail close regulation, so that its application in Canada should be made efficient. This work might be done effectively by a Food Controller, and is a further argument favoring the appointment of such an official.

**INCREASED MANUFACTURING COSTS:** The large profits which we have been led to expect from industrials during the last two years under the abnormal demand for war materials are now about over. This is due, not to decreased business, but to increased manufacturing costs. The labor situation in Eastern Canada is acute. The general level of wages is higher than ever before in the history of the country, and with continued advances in the cost of living in sight, further increases in wages during the coming months may be expected. The competition for skilled and even unskilled labor is an important factor in the wage problem. The efficiency of many industrial concerns has been greatly reduced through the lack of skilled labor, so that manufacturing costs have increased through this cause, as well as through advanced wages. Raw materials are all higher. Old stocks have now been wiped out, and there is little opportunity offered for speculation in this field. All lines of supplies now cost more than before the war, and added to this increase is the question of inferior quality and difficulty in procuring shipments. Coal is much dearer than a year ago. The freight situation is still far from satisfactory, and increased rates are in prospect. In addition, the War Profits' Tax has placed a further burden on Canadian industry, the full extent of which is scarcely realized as yet. These factors will hamper production during the next year. Several concerns have already announced the stoppage of work on plant expansion owing to these increased costs. The situation will be further accentuated as commodity prices increase and labor costs advance in proportion. Conditions are moving further and further away from normal, to such extent that the effect is becoming acute and industrial leaders are beginning to fear the inevitable recession of prices that will follow the cessation of hostilities and its results.

**MONEY FOR SEED:** The Ontario Government has done much during the last month to encourage increased farm production this year. Steps have been taken to provide sufficient farm help. Now, arrangements have been made through the Canadian Bankers' Association to loan farmers of the province up to \$200 for the purchase of seed grain, thus solving the important question of inability of farmers to increase production because of lack of capital to buy seeds. The purport of the arrangement is that no farmer in the province needs to go without seed. Farmers need only apply to the nearest bank in order to secure the necessary money to buy the requisite seeds. If the crop fails, and the farmer cannot pay, the Government will assume the burden. This action removes a big difficulty which had confronted those behind the increased production campaign. Many farmers had intimated their inability to buy seed and reports from various sections of the Province had emphasized the condition. This action should not only remove this deterrent, but should insure the use of good seed. A few districts state that the offer has come too late, but this is not the case over any wide district owing to the lateness of spring and the consequent delay in seeding operations.

**FARMS FOR RETURNED SOLDIERS:** The Dominion Government's Land Settlement Scheme for returned soldiers which was presented to parliament last week in the form of a resolution appears most generous. The scheme provides for the setting aside of a special tract of Dominion Crown Lands in the three Prairie Provinces to be divided into homesteads of 160 acres each, one homestead to be given to each soldier who desires to go on the land. Loans, agricultural implements and free tuition are provided for. The scheme will apply to all soldiers of the Empire. It also provides for co-operation with the provinces in any legislation they may introduce to encourage settlement of returned soldiers on their lands. Details of the scheme are lacking, but the purpose seems to be to provide every assistance to those who are willing to go on the land and to eliminate the possibility of speculation in soldiers' script, such as followed the South African War. The resolution calls for the creation of a permanent land board to administer the act, and look after the allotment of

land-grants and credits. This, and the fact that the grants will be non-transferable, should ensure efficient administration, and do much to encourage such settlement. Reports from the front state that the soldiers are not eager to settle on the land, and that the inducement must be very great before any number will respond. No time should be lost in bringing forward a definite plan for land settlement, and such plan should be efficient in every detail so that the returned men can go right into the scheme without having to spend months in idleness due to red-tape. After the South African War, 7,340 soldiers took script; of these only 657 made personal entry for their land, and not even that number worked on the land. This is still clear in the memory of the rank and file of the soldiers, and they are not willing to be made the political football of any party, so that the Government will be well advised to come to some definite conclusion without delay, and that conclusion must be sufficient to offer inducement and all possible assistance to the men from the front.

**NO WHITE BREAD:** For some time no white bread has been made in Great Britain. In order to conserve the wheat supply the Government ordered several months ago that all flour made in Great Britain or imported must be not less than 81 per cent. of the wheat and contain a proportion of other grains. Similar action in Canada, it is estimated, would reduce the consumption of wheat some 2,000,000 bushels a year, and save the consumer upwards of \$1.00 per barrel in the cost of flour. The nutritive qualities of this flour are said to be greater than white flour, and the dark bread is said to be just as palatable as that made from the latter. A number of millers have advocated the use of roller flour, which would effect the above saving and would not entail the necessity of changing over existing plant as would be the case if the British regulations were put into effect here. In Great Britain the compulsory extraction of flour has been fixed at 81 per cent., and admixture with rice, barley, maize, oats, semolina, rye or beans to the extent of an additional 5 per cent. is compulsory, while further admixture to the extent of our additional 10 per cent. is permitted. None of the larger Canadian mills are equipped for the manufacture of this mixture flour, but on roller flour up to an extraction of 76 per cent. little difficulty would be occasioned. No doubt a cheaper flour than this can be produced, which is just as nutritive as the white flour. It would effect a great saving for the rank and file of our workmen and thereby do much to reduce the cost of living.

**FOREST FIRES:** The annual holocaust of forest fires has already begun. According to reports, last week from Northern Ontario, fires were raging in the district north of Lake Superior. The smoke being so dense as to interfere with navigation along the north side of the lake. The annual loss to Canada from forest fires is estimated in the millions of dollars. It is usual for these fires to destroy the very richest of the standing timber in the north country with the result that vast areas have been practically wiped clean of their forest resources. No doubt commendable effort is being made to prevent this wholesale destruction, but the fire protection must be totally inadequate to meet the needs, or else our system is wrong. It has already been suggested that the aeroplane will play a prominent part in the future in the protection of forest areas from fire. The idea seems feasible. With aeroplanes, the fire rangers might cover vast areas in their daily routes, and at the same time be able to keep in close touch with their central stations through the use of the wireless. The problem of using the aeroplane in this service is being given attention, and one may be tried out during the coming summer in the St. Maurice Valley. If practicable, the service would provide a good field for the hundreds of young aviators now being trained for service at the front. Because of the fact that there will be no scarcity of aviators for the work after the war, the idea should be given a thorough trial. Protection of our forest resources certainly requires a more vigorous and efficient policy than has been followed in the past.

## THE WORLD'S CROP OUTLOOK FOR 1917.

Continued from page 4.

and it is stated that barley meal is now being mixed with wheat flour for bread-making in England. The nourishing properties that may be possessed by beverages such as beer, stout and whisky, are almost entirely due to the barley malt, and the more extended use of barley for solid food need not be regarded as a disadvantage. The United States usually produces about 90 per cent. of the world's corn or maize. In 1916 the total yield of corn in ten countries was 2,908.8 million bushels, as compared with 2,450 million bushels in 1915 and 3,307.8 million bushels, the quinquennial average from 1911 to 1915. The crop of 1916 was thus about 16 per cent. less than that of 1915 and about 12 per cent. less than the average. The crop in Argentina, the second largest corn-producing country, was for 1916-17, largely a failure, being 63½ per cent. less than in 1915 and 76.6 per cent. less than the yearly average for the five years ended 1915-16. These facts and calculations prove therefore how much depends upon the forthcoming season, both as regards the areas sown which are to a certain extent under human control and the season's growth which is beyond it.

## PROSPECTS FOR 1917.

It cannot be said that the conditions affecting the forthcoming harvests have up to the present been very auspicious. In the United States, where the fall wheat usually comprises between 65 and 70 per cent. of the total, a severe winter has told heavily upon the crop, and for May 1 the United States Crop-Reporting Bureau reported the condition as being only 73.1 per cent. of the normal as compared with 82.4 per cent. on May 1, 1916, and 86.6 per cent., the decennial average for the same date. After deducting 31 per cent., or 12,437,000 acres, from the area sown, in consequence of winter killing, the yield anticipated from the condition of the crop on the area remaining to be harvested is only 366 million bushels, as compared with 481,744,000 bushels in 1916 and 673,947,000 bushels in 1915, the proportions being 24 per cent. less than last year and 45.7 per cent. less than in 1915. In France not only does

the winter wheat crop show a decrease of nearly 2 million acres as compared with 1916, but its condition, as last reported, was below average. In Great Britain the sowing season was not favorable, and the latest report places the wheat area at about 8 per cent. less than last year. On the other hand India reports an increase in the area sown to wheat for 1916-17 of 8.6 per cent., representing 2,950,000 acres and bringing the total wheat acreage to 32,845,000. Finally, in Canada the area sown to wheat last fall was less than in the previous year, and about 23 per cent. of the area that was sown has been winter-killed; consequently both in Canada and the United States the spring seeding assumes a greater degree of importance than usual. In Canada farmers are faced with special difficulties caused by one of the latest springs on record and by the shortage of farm help owing to the absence of men overseas and at the front. It is already shown to be probable from reports received that owing to the late spring the wheat acreage in the west will be curtailed and that land intended for wheat will have to be planted with other crops.

## CANADA'S EXPORTABLE SURPLUS.

The quantity of grain available for export from Canada has, in view of the conditions in the Mother Country and their bearing upon the conduct of the war, been the subject of constant inquiry. Recently, light has been thrown upon this subject by the results of the third annual inquiry into the stocks of grain in Canada undertaken by the Census and Statistics Office. The reports on these inquiries show that on March 31, 1917, there were in Canada about 126 million bushels of wheat, this quantity representing the count of actual units except as regards 46 million bushels estimated as remaining in farmers' hands. Allowing 26¼ million bushels for the seeding of say 15 million acres this spring and reserving 21 million bushels for five months' food, April to August, the surplus wheat available for export before the next harvest amounts to about 80 million bushels. This quantity added to the actual net exports for the seven months ended March 31, 1917, viz., 93,047,962 bushels, makes the total esti-

mated exportable surplus for the current crop year to be about 173 million bushels. This is not a bad showing out of the total wheat harvest of 220,367,600 bushels in 1916; but it includes, of course, a considerable proportion of the large harvest of 1915 carried over into the succeeding year. For oats, to which with barley and flax, the inquiry was this year extended, the reports showed stocks amounting to nearly 184 million bushels, of which 136,679,000 bushels were estimated as remaining in farmers' hands. The data for the calculation of the exportable surplus of oats are not so certain as in the case of wheat; but it appears probable that Canada will be in a position to send abroad not less than about 30 or 40 million bushels of oats during the next five months, which with the quantity already exported during the seven months ended March 31, 1917, viz., 26,852,150 bushels, will make the total for the crop year to be between 50 and 60 million bushels, or the twelve months ended August 31, 1916, the exports of oats total 63,508,855 bushels.

## FEARS OF FUTURE FAMINE.

The universal conditions we have endeavored to describe have given rise to alarmist rumours of approaching famine. There may be real grounds for such apprehensions in the countries of Central Europe where the devastations of the war are having their fullest effect, and the accounts received from those countries reveal already severe hardships due to shortage of food; but in the case of the large wheat-exporting countries, which always normally exceed their own needs by a more or less large surplus production for export, only a complete failure of the total harvest could entail so disastrous a calamity. Those, however, in Canada who complain of the high prices of wheat and flour, and consequently of food, may be reminded that the prices of these commodities are not determined alone by the Canadian crop, but by world-wide conditions; and that when half the people of Canada may have to pay what they regard as exorbitant prices for food the other half receive those high prices as the reward of their labor in its cultivation. In other words the existence of comparatively high prices for wheat in a country, one of whose chief industries is the growth of that cereal for export, is a source of national prosperity.

With the present high prices for cereals, and, as shown by preceding data, with the prospect of their continuance if not increase, added to the patriotic impulse imparted by the knowledge that every acre sown helps to win the war, Canadian farmers may be trusted to do their utmost at the present critical juncture, even if, as already indicated, it may be necessary to curtail the acreage sown to wheat. The food situation, so far as Canada is concerned, may still be safeguarded by the sowing of larger quantities of later cereals and the planting of potatoes and other crops, which although not equal in importance to wheat will prove of the utmost value in maintaining the general food supplies of the country.

## \$334,000,000 FAVORABLE TRADE BALANCE OF CANADA LAST FISCAL YEAR.

The tabular "preliminary statement" of the trade of Canada for the fiscal year ending March 30 was issued last week. It shows the following comparisons with previous years:

MERCHANDISE	Twelve months ending March.		
	1917.	1916.	1915.
Exports .....	\$1,179,211,100	\$779,300,070	\$461,442,509
Imports .....	845,330,903	507,783,361	455,371,371
Favorable Balance .....	\$333,880,197	\$271,516,719	\$6,071,119

For the month of March alone the favorable balance was \$27,545,542, or almost up to the monthly average for the year, but it must be remembered that the March returns are much larger than for any other month, being held back so as to include all transactions up to the last day of the month at all points, and consequently the rate of excess of exports over imports is not now so high as in the earlier part of the fiscal year. The table is as follows:

	Twelve months ending March.		
	1915	1916.	1917.
<b>Imports for Consumption.</b>	\$	\$	\$
Dutiable Goods .....	279,717,254	289,322,729	461,708,206
Free Goods .....	175,654,117	218,450,632	383,622,697
Total imports (mdse.) .....	455,371,371	507,783,361	845,330,903
Coin and bullion .....	131,992,992	34,260,292	28,081,120
Total imports .....	587,364,363	542,043,653	873,412,023
Duty collected .....	79,183,439	103,929,426	147,623,230
<b>Exports.</b>			
<b>Canadian Produce</b>			
The mine .....	51,740,939	66,589,861	85,616,907
The fisheries .....	19,687,068	22,377,977	24,889,253
The forest .....	42,650,683	51,271,400	55,907,209
Animal produce .....	74,390,743	102,882,276	127,795,468
Agricultural products .....	134,746,050	249,661,194	373,413,701
Manufactures .....	85,539,501	242,034,998	477,399,676
Miscellaneous .....	663,892	6,792,932	6,353,554
Total Canadian produce .....	409,418,836	741,610,838	1,151,375,768
Foreign produce .....	52,023,673	37,689,432	27,835,332
Total exports (mdse.) .....	461,442,509	779,300,070	1,179,211,100
Coin and bullion .....	29,366,368	103,572,432	196,547,048
Total exports .....	490,808,877	862,872,502	1,375,758,148
<b>Aggregate Trade.</b>			
Merchandise .....	916,813,880	1,287,083,431	2,024,542,003
Coin and bullion .....	161,359,360	137,832,634	224,628,168
Total trade .....	1,078,173,240	1,424,916,065	2,249,170,171

## 449 VESSELS ARRIVED AT NEW YORK LAST MONTH.

Fifty-one more vessels entered the port of New York during April than in March, despite the German submarine menace. The increased tonnage was 96,468 tons, of which 32,470 was represented by seven more ships flying the American flag than during March.

Departures in April were decreased by thirteen vessels, or 7,562 tons, as compared with March. Eighteen fewer American ships sailed from New York. These represented 49,651 tons.

The total number of vessels of all nationalities arriving in New York last month was 449, of which 121 were American. The total tonnage was 1,149,740; American 217,202. In March the number of vessels arriving here was 398, tonnage 1,053,272; American 114, tonnage, 284,732.

## SEEDING IN SASKATCHEWAN.

The Census and Statistics Office at Ottawa have received last week from the Saskatchewan Department of Agriculture a summary of their telegraphic crop reports collected from about 100 localities in Saskatchewan, which states that the weather for seeding has been ideal during the past week. About 75 per cent. of wheat has been sown and early grain is appearing above ground. In some parts farmers are preparing land for oats. It is impossible at present to estimate the wheat acreage, but a slight decrease is expected as compared with last year.

# COMMODITY MARKETS

## Week's Wholesale Review

Farmers are complaining of the continued cold weather as retarding agriculture but reports from leading wholesale houses are rather favorable. Dry goods sorting orders are improving and travellers are meeting with better conditions on the road. All classes of woolen goods are growing more scarce and prices are moving in sympathy with the advanced quotations on the raw material. The British government has just issued an order forbidding the use of wooden boxes in shipping goods and local wholesalers are afraid that delicate fabrics in bales will be damaged in transit. Imports are arriving at a very satisfactory rate, but the export trade is finding difficulty in securing ocean tonnage. With speculation in wheat eliminated, prices for the moment declined, but the opinion of the local trade seems to be that such a move will not help the price situation. Pasturage conditions are improving all the time with the result that the demand for millfeed has fallen off and trade is slow. Eggs are in a very active market in spite of the extremely high prices that are ruling. Groceries show a steady distribution in staple lines. Stocks of canned goods are getting in narrow compass, and there has been active buying on British account. Favorable reports have been received from British Columbia regarding the spring run of salmon. For cured meats there is a fairly active demand at the high prevailing prices. The cheese market appears unsettled owing, it is said, to lack of ocean space, and some reports of the British Government fixing a maximum price for army orders.

It is a between season time in the boot and shoe trade, and the demand for leather is not brisk. There is an easier tone to the market, though prices are not notably lower. Somewhat similar conditions prevail in the hide market. Butchers and grocers both report diminished sales of bacon due to the high price prevailing for that commodity.

Bradstreet reports remittances as good, with city collections somewhat slow.

### PROVISIONS.

There have been quite a few price changes in the provision market during the past week, all, of course, of an upward tend. "The continued scarcity of hogs," said one dealer, "with the high prices prevailing for them is the reason for this movement. I do not expect to see lower prices for some time, in fact for a long time as we are just approaching the season when the demand for smoked meats of all kinds will be larger. The Chicago market, it is true, is a little easier, but the respite is only temporary. Canadian farmers are putting forth every effort to increase the number of hogs raised, but even more liberal supplies will not help matters very much. There is a demand from the packers which must be met and besides it is the lure of high prices which is causing the farmers to devote the attention they are devoting to hogs. Naturally they will ask as big prices as possible."

"Conditions as regards farm labor," said another dealer, "are critical and farmers as a result are looking for products with which they can secure the greatest return with the least amount of help. For that reason we will probably see large quantities of hogs put up for sale this fall, but whether this will have any marked effect on prices remains to be seen. It will depend entirely upon the then prevalent conditions."

Shortening has advanced another cent per pound due to prevailing quotations for cotton seed oil.

Current prices are as follows:

Hams:		Per lb.
Smoked Hams, 8-14 lbs.		0.33
Do., 14-20 lbs.		0.32
Do., 20-25 lbs.		0.30
Do., over 25 lbs.		0.29
Bacon:		Per lb.
Breakfast	0.32	0.34
Windsor Bacon, selected	0.34	0.36
Windsor Bacon, boneless	0.36	0.38
Barrel Pork:		Per bbl.
Short cut pork		50.00
Clear fat pork		50.00
Mess pork		48.00
Bean pork, American		46.00
Plate pork, 200-lbs.		44.00
Pure Lard:		Per Lb.
Tierces		0.28
Tubs		0.28 1/2
Pails		0.28 1/2

Tins	0.28 1/2
Cases, 3, 5, 10's	0.29
Compound Lard—Western Grades:	
Tubs	0.22 1/2
Pails	0.22 1/2
Tins	0.22 1/2
Cases, 3, 5, 10's	0.23 1/2
Prints	0.23 1/2
Cooked Meats:	
Roast shoulder pork	0.42
Roast hams, boneless	0.46
Cooked hams, boneless	0.40
Cooked hams, rind off	0.41
Head cheese	0.16
English brawn	0.15

### SUGAR.

"Current market conditions," said an official of one of the two local refineries which dropped prices last week, "are the only reason for the 15c decline shown in our prices. We have been quoting \$8.50 for some time past with one other refinery, but the others, although out of the market would not raise—it left us nothing to do but meet them on their own level. There is a rule here that the lowest price is the prevailing price and we found that some wholesalers were buying at \$8.35, less a trade discount, and then instead of selling at \$8.35 were charging \$8.50 and \$8.55. We were forced practically, in order to do any business, to come down to their figure." Questioned as to future prospects he declined to express any opinion except that if the proposed tariff changes should go into effect in the United States the prices here would undoubtedly raise as practically all cane is purchased through the States.

As the market now stands quotations from all refineries are uniform.

Current quotations follow:

Standard or fine, bags, 100-lbs.	Basis, \$ 8.35
Do., barrels	8.40
Do., gunnies, 5-20s.	8.50
Do., gunnies, 10-10c	8.55
Do., cartons, 20-5s	8.60
Do., cartons, 50-2s.	8.65
Light yellow, bags, 100-lbs.	7.95
Do., barrels	8.00
Brilliant yellow, bags, 100-lbs.	7.95
Do., barrels	8.00
Dark yellow, bags, 100-lbs.	7.75
Do., barrels	7.80
Extra ground (icing), barrels	8.55
Do., boxes, 50-lbs. bulk	8.75
Do., boxes, 25-lbs. bulk	8.95
Do., cartons, 50-ls	9.85
Do., cartons, 20-ls	10.10
Do., cartons, 20-ls	8.45
Powdered, barrels	8.65
Do., boxes, 25-lbs. bulk	8.85
Do., boxes, 25-lbs. bulk	9.15
Do., cartons, 50-2s.	9.60
Do., cartons, 20-2s.	9.60

### DAIRY PRODUCE.

**BUTTER:** Prices in the early part of last week were rather irregular, declining at St. Hyacinthe 1 1/2c from the former week's quotation of 41 1/2c, which was held at Cowansville, while at the auction here in the Board of Trade an advance of 1/4c to 3/4c per pound was noticed. At Gould's Cold Storage sales were made at 40 1/2c, f.o.b. country points. Trade, which had been dull and small, picked up towards the end of the week. At the Quebec Agricultural Co-operative Society sale held at the Board of Trade on Friday there were 615 packages of creamery butter offered, of which 83 packages pasteurized creamery sold at 42 1/2c per lb.; 255 packages finest at 42c, and 177 packages fine at 41 1/2c.

Dealers say that current receipts are just about sufficient to meet daily requirements, and until production increases to the point where a surplus is left on the boards lower values are not looked for.

**CHEESE:** The cheese market is in a very unsettled state, for although there is a good, steady demand, prices are very irregular, with the buyers apparently holding off, awaiting the announcement of the cheese commission. At Gould's Cold Storage on Friday 2,500 boxes of Ontario goods were offered, and were picked up at 22c to 23 1/2c, f.o.b. country points. At the Quebec Agricultural Co-operative Society sale held at the Board of Trade on the same day No. 1 white sold for 22 1/2c per lb., and No. 2 white at 21 1/2c.

At a gathering of the Brockville Dairymen's Board of Trade, the cheese situation was dealt with at length, and from opinions expressed it was quite apparent that cheese producers would not accept the price of 22 1/2c as a basis for the season. This price has been widely suggested by purchasers, but the opinion prevails that a price of from four to five cents higher is necessary to relieve the farmers.

## How the Markets Stand

Flour is down \$1.90 per bbl. for spring wheat grades, while the winter wheat varieties after a raise of 50c in the early part of the week dropped \$1.00 later and are now steady at the decline. Sugar also took a downward dip and is quoted generally at \$8.35. These two commodities finish the list of products showing a lowering of prices. Eggs are keeping high, and rose a cent or two per dozen, f.o.b., the country. This is due to keen competition, packers apparently wanting the eggs at almost any price. In provisions the same state of affairs is noticed. All pork products are up about 1c per lb. and since the season for smoked meats is just commencing, no decline is looked for. Cotton seed oil prices are the cause of the increase in shortening. Beans are in a very strong market and prices are firmer than last week, while potatoes are in about the same condition. Butter quotations have been rather irregular, wavering around 41 1/2c, but with warmer weather supplies are expected to increase and this figure lowered. Cheese is in a very unsettled market, buyers and sellers having difficulty in reaching any agreement. Feeds are in a slow state, the demand for bran in particular, having fallen off, but prices are steady at the recent decline. Wheat has been through an erratic market of late, with prices better than they have been. Oats is also quoted at a higher figure. Dried fruits are very firm and quotations in all lines, with the exception of raisins have advanced. Peanuts are higher and, in fact, wholesalers are marking new arrivals at present retail prices. The tea market at Yokohama opened last week with a better grade of tea for sale and prices not any higher than expected. Coffee is firm, it being difficult to secure supplies. Leather is a little better in price due to more inquiries being made from boot and shoe manufacturers. Hides and skins are steady at former figures. Woolen goods during the past year have practically doubled in value following the prices of wool, quotations for unwashed being 55c, and fine combing at 70c-87c.

During the last two weeks there has not been a box of cheese sold on the Brockville market, factory men, apparently, awaiting developments.

Current prices follow:

Butter:—			
Choice Fall Creamery Solids	0.40	0.41	
Fine Fall Creamery	0.38	0.39	
Finest New Milk Creamery	0.42	0.42 1/2	
Finest Dairy Butter	0.36	0.37	
Fine Dairy Butter	0.34	0.35	
Undergrade Dairy	0.31	0.32	
Cheese:—			
Finest Western	0.26	0.26	
Fine Eastern	0.25	0.25 1/2	
Winter Make	0.24	0.25	
City Selling Prices to grocers:			
Large	0.26	0.26 1/2	
Twins	0.26	0.26 1/2	
Quebec Cheese	0.24	0.27	
Canadian Strong Cheese	0.26 1/2	0.27	
Stilton		0.29	

### COUNTRY PRODUCE.

**EGGS:** There is general dissatisfaction with regard to the egg situation. Export business is at a standstill, of course, but this is a state of affairs to which exporters have become innured. The real trouble is the extreme prices farmers are asking for eggs. 40c and 41c are prevailing quotations, with a buying price of 1c to 1 1/2c higher in some cases, all f.o.b., the country. City prices have not, however, changed, and new laid eggs are selling to grocers for 44c. It is just possible that warmer weather may bring a decline, but sales for storage are being made at the above prices.

To illustrate the extent to which Canada has lost its export egg trade, it may be stated that from 1900 to 1902, we exported between 450,000 and 500,000 cases of eggs annually, or between 13,500,000 and 15,000,000 dozen. Last year, however, our exports had dwindled down to 5,481,958 dozen, and had it not been for the efforts made by the Poultry Division of the Department of Agriculture at Ottawa, the exports in 1916 would have been much less. There is an unlimited market in England, and there is no reason why the exports of 1900 and 1902 should not be doubled.

**POULTRY:** There is no fresh killed poultry on the market. Live poultry is higher, with fair supplies and demand.

**MAPLE PRODUCTS:** Maple products are all in fair demand, and prices are steady at last week's quotations.

**POTATOES:** There is no relief in sight for potatoes, and the market is very firm under small supplies.

**BEANS:** This commodity retains its firm tone, and prices have strengthened a little.

**Eggs:**

New laid	0.44
<b>Poultry—Live:</b>	Per Pound.
Fowls, 5-lb. and over	0.26 - 0.28
Fowls, small	0.24 - 0.25
<b>Storage Poultry:</b>	
Turkeys	0.32 - 0.33
Old Turkeys, cocks	0.27 - 0.23
Fowls, hens	0.20 - 0.21
Do., roosters	0.17 - 0.18
Chickens	0.22 - 0.23
Do., crate fattened	0.25 - 0.28
Squabs, per pair	0.35 - 0.45
Geese	0.18 - 0.19
Ducks	0.23 - 0.24
<b>Maple Products:</b>	
Pure maple syrup, quart cans	0.40
Pure maple syrup, 9-lb. tins	1.10 - 1.20
Extra choice syrup, 13-lb. tins	1.75 - 1.90
Pure maple sugar, per lb.	0.14 - 0.16
<b>Honey:</b>	
Buckwheat 5-10-lb. tins	0.09 - 0.10
Clover in comb	0.14 1/2 - 0.15
Do. in 5-10 lb. tins	0.12 - 0.12 1/2
<b>Potatoes:</b>	
New Brunswick, Delawares, 90-lb. sacks	4.00
Quebec's, 80-lb. bags	4.00 - 4.15
Green Mountains	4.50
<b>Beans:</b>	
Can. hand-picked, per bush.	8.50 - 9.00
Yellow eyes	7.90 - 8.25
Rangoon	8.00 - 8.40
3 lb. pickers	7.50 - 7.90
5 lb. pickers	7.00 - 7.25

**DRIED FRUITS & NUTS.**

Prunes are occupying the centre of attention in the dried fruit market at present. Some importers are informed that the production of prunes will be much larger than anticipated, and will result in a moderation of the price to a certain extent. "It must be remembered, however," said one wholesaler, "that an immense demand exists for the Allied troops, and we may find ourselves here at home short of supplies on that account. There has been an association formed," he went on, "which includes some 75 per cent. of the growers, and its opening price is bound to be higher than that quoted by the independent grower, and for that reason I expect that we will see higher quotations."

Apricots are firmer at an advance, while figs are coming from California in very small lots, the stocks there being pretty well cleaned up.

The market for nuts is steady, but with a firm undertone and in some cases prices have been marked up. This latter remark applies particularly to peanuts, which are now being quoted to jobbers at present retail prices. Some dealers express the fear that there will not be sufficient supplies to meet the demand.

Present prices are as follows:

**Dried Fruits:**

**Candied Peels (futures)—**

Citron	0.32
Lemon	0.24
Orange	0.27
<b>Currants—</b>	
Filiatras, fine, loose, cleaned	0.18 - 0.21
Do., packages, cleaned	0.20 - 0.22 1/2
Dates—Loose Hallowee	0.13
Khadravee	0.09 1/2 - 0.11
Figs—California bricks	0.11 1/2 - 0.12
Do., fancy tables	0.16 - 0.20
Spanish mats	0.13 1/2 - 0.15
Prunes, California	0.12 - 0.13 1/2
Santa Clara	0.09 1/2 - 0.10 1/2
<b>Raisins—</b>	
Malaga, table box of 22 lbs. 3-crown cluster	2.75
Muscateis, (loose) 2-crown	0.10 1/2
Muscateis, (loose), 3-crown, lb.	0.11
Cal. Seedless, 16 oz.	0.12 1/2 - 0.14
Choice seeded, 16 oz. layers	0.12
Valencias, 4-crown layers	0.11
<b>Evaporated Fruits:</b>	
Apples, choice winter, 25-lb. boxes	0.13
Apples, choice winter, 50-lb. boxes	0.13
Apricots (old crop)	0.15 - 0.19
Slabs	0.19
Choice, 25's, faced, new crop	0.28
Peaches, choice	0.11 1/2 - 0.13
Pears, choice	0.15
<b>Nuts:</b>	
Almonds, Tarragona	0.20 - 0.21
Do., shelled	0.39 - 0.41
Brazils (1916 crop)	0.21 - 0.22
Cocoanuts, 100 in bag	7.25
Filberts (Sicily)	0.18 - 0.20
Hickory Nuts	0.10 - 0.12
Peanuts	0.15 - 0.16
Pecans	0.20 - 0.21
Do., "Paper shell," large	0.40
Do., Shelled	0.75 - 0.80
Walnuts, Grenoble	0.18 - 0.20
Do., Marbot	0.13 - 0.16
Do., Shelled	0.50 - 0.52

**FLOUR AND FEED.**

It came as somewhat of a surprise to dealers that millers had dropped the price of flour. Early in the week winter wheat grades advanced 50c, to \$8.00 and \$3.15, but the volume of business was quite small. On Tuesday last, spring wheat flour was marked down \$1.00 to \$15.50 per bbl, with no change in the winter wheat varieties. Trade remained quiet at the decline. On Friday quotations were dropped another 90c, while winter wheat patents declined \$1, both movements due to the break in wheat in Winnipeg and Chicago. Millers decline to discuss the situation in any detail, and refuse to offer any explanation of the drop, except that it is a reflection of the wheat market. All dealings in flour and spot wheat are by means of private sales, and the quotations given below are merely nominal. Some of the millers complain at being unable to obtain wheat.

In the feed market there is nothing new. Prices generally are maintained, but with pasturage conditions improving, the demand for all grades of mill-feed is falling off. Bran is in the dulllest market, but is fairly steady at the recent decline.

Prices follow:

<b>Flour:</b>	per 98-lb. bag.
First patents	7.30
Second patents	7.05
Strong Bakers	6.95
Rye Flour	5.80
Winter wheat flour, 90 per cent.	7.25 - 7.40
Corn Flour, bbls.	12.00
(An extra charge of 30c is made for flour bbls.)	
<b>Cereals:</b>	
Rollad Oats, 90 lb. bag	4.25 - 4.50
Oatmeal, 98-lb. bag	4.30
Rollad wheat, 100-bbl.	4.40
Bag	5.05
<b>Feeds:</b>	Per ton.
Bran	40.00
Shorts	46.00
Middlings	48.00 - 50.00
Moullie, pure grain grades	55.00
Do., mixed	52.00
Barley feed	47.00
Crushed Oats	49.00
Outfeed	33.00
Hay, best grades	13.50 - 14.00
Do., No. 2 ordinary	13.00
Do., No. 3 Timothy	11.50
Clover, mixed	10.50
Peas, per bush.	3.90 - 4.00
Buckwheat, per bushel	2.65 - 2.75

**LIVE STOCK.**

**MONTREAL:** The offerings of live stock on the local market during the past week were 1,250 cattle, 225 sheep and lambs, 2,650 calves and 1,850 hogs as compared with the receipts of the previous week of 1,275 cattle, 150 sheep and lambs, 4,100 calves and 2,850 hogs. An easier feeling developed in the market for cattle and prices ruled about 25c per 100 lbs. lower than the week before. The reason of this decline was that the supply of cattle on sale was larger than has been the case for some time past. Butchers also were in an indifferent buying mood as they have stocks of beef on hand ample for present requirements. Trade on the whole was, as a consequence rather slow, except perhaps in the market for canning cattle where packers bought fair-sized lots around the seven dollar mark.

A feature of the trade in small meats was the weaker feeling in the market for spring lambs and prices declined \$1 to \$2 per head, which was due to the very limited demand for them on account of the fact that butchers generally have still fair supplies of frozen stock on hand. A few spring lambs sold at from \$7 to \$10 each as to size and quality. The trade in sheep and yearling lambs was quiet and prices were unchanged. The market for calves was active and steady. The demand for hogs was good and prices were firmly maintained with sales of selected lots at \$17.75 to \$18, rough stock at \$17.50 selected lots at \$17.75 to \$18, rough stock at \$17.50, sows at \$15.75 to \$16, per 100 lbs. weighed off cars.

**TORONTO:** Receipts of live stock at the stock yards during the past week amounted to 6,517 cattle, 569 sheep and lambs, 2,068 calves and 11,648 hogs as compared with the previous week's figures of 5,409 cattle, 290 sheep and lambs, 1,290 calves and 10,887 hogs.

An extra heavy run of cattle for the opening market of last week had the effect of loosening prices, and, although there was a partial recovery, trade was slow and draggy for the succeeding markets, while prices were pared at the close of the week. The heavy receipts of over 3,400 cattle on Monday gave packers an opportunity to bring down the scale of prices. There were a number of loads of choice heavy cattle on sale, but this class was neglected. Trading was inactive at the start, and there was some delay before buying began in earnest. The handyweight butchers' sold better than the heavier cattle. Prices were shaded to the extent of 10c to

**SMART WOODS LIMITED CANADA**

Manufacturers of

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**MONTREAL, TORONTO, OTTAWA, WINNIPEG**

25c, the decline being most marked in the case of weighty steers and heifers, and with light butchers' of good finish steady to 15c lower.

The fact that shipments of cattle were heavier than usual was no doubt responsible for the paring of prices, but dealers do not expect these conditions to continue for longer than a couple of weeks. The records of previous years show lighter runs during the latter part of May, and until early in July, when the pasture-fed cattle come on the market.

The run of hogs for the week was about 800 in excess of the total for the preceding seven-day period. Prices advanced 35c to 40c per hundred-weight and the market closed firm. There was a fair fall for choice calves at \$11.50 to \$13, but medium and common calves were slow. Sheep were steady, with light ewes at \$12.50 to \$14, and yearlings at \$15 to \$16. Spring lambs were decidedly weaker, and most offerings were cashed at \$5 to \$9 each.

**THE GRAIN MARKETS.**

Trade in cash wheat here was fairly good at the beginning of last week, but gradually dwindled down to a very quiet market. Country buyers were in the market and some sales of Manitoba sample wheat were made at \$2.60 ex-track, with feed barley at \$1.22. Owing to the prevailing conditions on the Chicago and Winnipeg Exchanges prices here generally declined and although they grew firmer at the end of the week trade was on the whole dull. Manitoba feed wheat closed firm and higher.

At Winnipeg trade on spot was good all week, offerings being liberal and a number of buyers in the market. The agent of the Allied governments took practically all offerings and released futures as has been the case for some time past. Some of the mills are short of wheat and created a keen demand towards the latter part of the week.

The sudden action of the directors of the Chicago Board of Trade in decreeing 48 hours stoppage of all new buying of future deliveries and in simultaneously fixing maximum values for the settlement of existing July and September contracts resulted in an instant paralysis of speculation. Three minutes of excited trading sufficed to close up urgent outstanding deals in wheat. The rest of Tuesday the market acted as if chloroformed. Wide fluctuations continued to be recorded on the blackboards, but the volume of business formed only an insignificant total. This was followed by a heavy break in prices due to the assurance given that the established limits on high prices would continue indefinitely. The bears ruled the market till Friday, when the report that the Allies would liquidate holdings did not materialize. Prices shot up again. There is a rumor to the effect that maximum prices for cash wheat would be fixed.

The local cash grain situation is as follows:

**Grains:** (Wheat prices are nominal). Per bushel.

Spring wheat, Manitoba, No. 1	3.20	3.24
Do., No. 2	3.00	3.03
Do., No. 3	2.80	2.80
Do., No. 4	2.70	2.70
Winter wheat Ontario, No. 2	2.18	2.22
Sample wheat, Manitoba	2.60	2.60
Feed wheat, Manitoba	1.55	1.57 1/2
<b>Oats:</b>		
No. 2 C. W.	0.88 1/2	0.89 1/2
Do., No. 3 C. W.	0.86	0.87
Do., Extra No. 1 feed	0.86	0.87
Do., No. 2 feed	0.85	0.86
Ontario Oats, No. 2, white	0.77	0.79
Do., No. 3	0.77	0.78
Barley, No. 4 C. W., Rejected	1.30	1.30
Do., feed	1.22	1.22
Corn, American, ex-track	1.70	1.71

# The World's Food Problem

## Where the Wheat Comes From—United States and Canada.

In the present circumstances, it seems likely that the burden of feeding the food-importing world will rest upon North America for the ensuing year. Wheat harvesting will begin in southern United States in May, and end in Canada in October. The crops of the two countries in past seasons total as follows, in bushels:

	United States.	Canada.	Total.
1916	639,886,000	220,367,000	860,253,000
1915	1,025,801,000	406,755,000	1,432,556,000
1914	891,000,000	161,280,000	1,052,280,000
5-year average.			

1910-14 . . . . . 728,225,000 196,026,000 924,251,000  
Official statistics credit Canada with a per capita consumption of 9.5 bushels, and the United States 5.3. Food and seed requirements of both countries total 700,000,000 bushels. It is customary for the United States to carry a reserve of old wheat of about 100,000,000 bushels, but in present circumstances that policy probably will be more honored by its breach than its observance, as is being done the present season.

Two-thirds of the wheat of the United States is winter and the Canadian almost all spring. The April 1 forecast of our winter wheat compares with final yields, as follows:

1917 estimate	430,000,000
1916 final yield	482,000,000
1915 final yield	674,000,000
Five-year average, 1910-14	495,000,000

The 1917 forecast was in part offset by an estimate of 60,000,000 bushels of rye, which last year yielded 47,000,000 bushels, 50,000,000 two years ago, and averaged 37,500,000 bushels in the five-year period between 1910-14. Undoubtedly the winter wheat has been reported at its worst, and subsequent reports must show improvement. It is not undue optimism at this time to assume a crop of 450,000,000 bushels of winter wheat, supplemented by 60,000,000 bushels of rye.

Blight and rust struck the spring crop of the United States in 1916. The acreage, yield, and production compared with former years as follows:

	Yield per Production	
	Acres.	acre, bu. bushels.
1916	17,965,000	8.8 158,142,000
1915	19,161,000	18.4 351,854,000
Average, 1910-14	18,799,000	12.4 233,571,000

There is an abundance of subsoil moisture in the North west, and last autumn the fall ploughing was 25 per cent. larger than the year before. Fertilizers are not used there, and scarcity will have no effect on the acreage or yield. The high price of wheat is spurring farmers to great efforts, and an acreage at least equal to 1915 can be counted upon. With average weath the spring wheat should be 275,000,000 bushels, and possibly 30,000,000.

Canada's wheat area, yield and production compared as follows:

	Yield per Production	
	Acres.	acre, bu. bushels.
1916	12,879,500	17.00 220,367,000
1915	14,675,300	28.08 426,746,000
Average, 1910-14	10,454,000	18.75 196,026,000

In Winnipeg wheat is now selling at about \$2 a bushel; soil is in good condition, seed is available, and it is a patriotic duty to raise wheat. The western Canadian farmer will be patriotic and put in 15,250,000 acres of wheat. With a yield no better than the five-year average between 1910-14, this would amount to 285,900,000 bushels. Assuming the weather will be average, let us put Canada down for 300,000,000 bushels.

The 1917-18 wheat supply of North America then may be estimated in bushels as follows:

United States:	
Winter wheat	450,000,000
Spring wheat	250,000,000
Total	700,000,000
Canada	300,000,000
Total North America	1,000,000,000
Deduct normal domestic needs	700,000,000
Total surplus for export	300,000,000

This is to be supplemented with 62,000,000 bushels of North American rye. High prices are now checking domestic consumption, and this result may be to add at least 25,000,000 bushels to the export store. With ordinary weather, North America can supply more than half the bread requirements of Europe without entailing hardship on the people here; while

closer milling would add 100,000,000 bushels to the total.

But it must not be forgotten for a moment that spring wheat is a creature of the weather. Estimates based on present conditions will not fill an empty stomach in case perverse weather causes a partial crop failure. The call is for increased production of possible substitutes.

## Morocco as Food Supply Factor

France Getting Large Quantities of Wheat and Barley — Indian Corn Also Raised — Egg Exports Grow From 40 Tons in 1914 to 5,799 Last Year — Large Trade in Wools and Hides — Beneficial Results of French Rule.

Writing from Paris on April 28, the correspondent of the New York Journal of Commerce says:

The wheat shortage of this year and the diminution of Europe's agricultural yield for years after the war together with the world's increasing demand, give interest and importance to any opening up of new resources. For a good many years past I have pointed to North Africa, and particularly to Morocco, as likely to furnish a respectable part of the needed new supplies. Algiers and Tunis, although their statistics are still kept separate, have swung into the general account of France. Morocco, under the wise and helpful French protectorate, is rapidly doing the same. I have received from the Foreign Office the figures of exports since the war. This may not be sensational, or as if another Dakota were being inaugurated, but they show a production which must be reckoned with.

Let us take cereals first, for which the soil and the population of a large part of French Morocco are already fitted. From the harvest of 1914 — practically before the influence of war was felt — the total quantity of wheat exported was 286,000 bushels, of which two thirds went to Tunis and about 60,000 bushels to Montenegro. Of barley 624,000 bushels were exported, of which one half came to France.

General Lyautey, Resident General of the French Government in Morocco, took it on himself to increase France for the next year, 1915, at least 635,000 bushels of wheat and 4,800,000 bushels of barley. Both estimates were greatly surpassed — the wheat by a sixth and the barley by an eighth, and 72,000 bushels of Indian corn were thrown in. Meanwhile, the French occupation troops had also been supplied, as well as the needs of the internationalized portion of Morocco at Tangier and the demands of Spanish Morocco, which has not yet been brought to the same degree of cultivation. And — which is much more to be noted — all these exports barely equalled one-sixth of Morocco's total production.

### GOOD SUPPLY OF GRAIN.

The crop of 1916 was still better. The exports to France were, up to the end of December alone, nearly one-half greater than Gen. Lyautey's estimate of what he could furnish and even more for barley, while Indian corn had been nearly doubled. Better still, oats appeared for the first time — to the amount of 25,000 bushels.

Now it is worth observing that neither Algiers nor any other of the older French colonies was able to furnish supplies to France in this proportion, that is, relatively to the extent of their farming lands and populations. In fact, large portions of Morocco have been under fair cultivation for a long time, with farmers laborious and skilled in agriculture not much more primitive than that of our own early American farms. The Berber, as distinguished from the Arab element of the population, is attached to the land by immemorial tradition reaching back as far as Moses in Egypt; and the negro mixture is not averse to farming. When it is remembered that Germany kept Europe on the verge of war for years by her claims to the metal mines of Morocco for her industries, which were not all of peace, this striking development of agriculture under French rule needs no comment. It is all the difference between peace and war, and its influence will be of growing importance when war is over.

A more curious development of farming in Morocco is shown by the enormous advance in the exportation of eggs. Before the war or rather, during the entire year 1914, France received from Morocco little over forty tons of eggs. In 1915, with the increase of French needs and the intensive development of Moroccan supplies, 2,200 tons were brought over to France — and, in 1916, the amount ran up to 5,799 tons. During the first months of this year

it has been possible to lower the high prices of eggs by still heavier imports from Morocco.

Like progress is shown in products which are not without significance, not only for the future prosperity of Morocco, but also for the resources of France. Such are certain fodder grains — millet, "dari," and canary seed — and, in a different line, almonds and vegetable oils.

### INCREASING WOOL TRADE.

After cereals, the chief exports of Morocco are wools and hides and these, too, are making very considerable progress. From 1910 to 1913 both together had an annual exportation of 3,000 tons, valued at about \$3,000,000. I have the figures of wools for the war years — wools of good middling quality. Particularly, they are fit for cloth manufacture.

In 1914 the exports from Morocco to France of such wools amounted to about 3,000 tons, just as in previous years not counting exports to Algiers, to Spanish Morocco, and to the Hinterland. It was not until March, 1916, that it was thought necessary to forbid any general exportation of wools fit for making troop cloth. This was before the sheep-shearing season began. The French Government became sole buyer of such wools, without any intermediaries. This made it possible to fix a price which was more profitable to the wool growers than any they had ever received and, at the same time, was cheaper for the French Treasury. It is likely that this object lesson in Government trade will be put to profit after the war is over, at least in the first difficult years. By November, 1916, the amount of these wools received in France was already 2,700 tons. It is expected that the yearly product for this single branch — wools for cloth — will be 3,000 tons, equal to the entire previous product of Morocco for all quarters and in all kinds. What is more gratifying to the French Government is that this is fully one-half of the amount needed by its army for one year of war.

As to hides, I can only say that Morocco furnished 641,000 goat skins in 1916 — and is expected to give 96,000 a month during the present year. From January to October, 1916, Morocco furnished 91,000 sheep skins to the French army.

It was only natural that this export progress of Morocco should be in the direction of France. With enemy countries like Germany and Austria, all trade had ceased. Then the French Government bought up for itself whatever was useful to its armies; and certain other export regulations have had to be made. To exporters, the future is of main importance. Is this rapid development of Morocco — a good-sized country with a large farming population — likely to continue after the war?

### MOROCCO TO BE A FACTOR.

Remember that it began before the war. It is a direct result of French administration. France will henceforth need for herself all possible resources in agricultural products and raw materials. For cereals, France has always been self-sustaining for the most part and so has not entered into American calculations directly. It is only the years of deficit in France that call on our resources. If, in the lean years certain to come after the war, Morocco can help out France it will be so much gain for the world's supply.

It is probable that Morocco, with all her possibilities in farming lands and the character of her population, will more and more have to be counted with in estimating the yearly harvests of the world. This is not a remote possibility, like the development of cotton-growing in French and English Africa, nor like the development of new petroleum wells in Algeria and Tunis, such as Germany coveted in Morocco and the Pearson combination is preparing now. Morocco has been annexed to the universe as well as to France, and her farming is here and has come to stay.

It would be a great mistake not to recognize the readiness with which the people of Morocco respond to the systematic impulse given them by the economic organization of the French Protectorate. In 1914, a special loan was to enable the Resident General to furnish the ports, beginning at Casablanca, with all necessary means and communications of trade. This has not been greatly hindered by war in Europe. Casablanca, since France came, has risen in population from 25,000 to 85,000, and its trade from \$3,000,000 to \$22,000,000. The Chaouia (Shavia) back of it has 1,500,000 acres under cultivation and as much more waiting. It has iron and phosphates and cattle of all kinds by the hundred thousand, including 15,000 camels. And the new city of Casablanca, not five years old, has 40,000 Europeans with five-story buildings rising up from Moorish wheat fields and reaching out to sea.

### ALLIED SHIPBUILDING.

The shipbuilding in 1916 in allied countries and United States, according to naval committee of French senate, was 1,439,626 tons, as follows: Great Britain 582,305, United States 521,136, France 33,333, Italy 62,944, Japan 232,858.

### NORSE VESSELS LOST.

Seventy-five Norwegian vessels were sunk by German submarines in April, and more than 100 sailors lost their lives. If such a monthly loss was maintained, Norway's merchant navy would be destroyed in a year and a half.

### SOME BURGLARY.

An amusing story, the truth of which is vouched for by the Italian military authorities, has just been published in connection with a burglary at Zurich, Switzerland. Two Italian professional safe-crackers enlisted for service in the Italian army, but after a few month's sojourn among the snowy mountain peaks, found trench life too monotonous and deserted, crossing the border into Switzerland. At Zurich they were found by the Chief of the Italian Secret Service, who hired them to burglarize the headquarters of the Austrian Hungarian Secret Service department in Switzerland. The yeggmen, armed with the latest appliances known to the profession including gas masks, cleaned out the safe securing large sums of money and a great many papers and confidential documents. As a result of their work the two burglars were pardoned by Gen. Cadorna, while the Italian Government has been able to arrest a lot of spies in Italy, and put a stop to a great deal of Austrian and German intrigue.

### BRITISH SHIP LOSSES LESS THAN HALF.

#### Total of 26 Compares with 62 in Previous Week.

Eighteen British merchant vessels of more than 1,600 tons were sunk during the past week, says the official summary of shipping losses issued. Five merchantmen of less than 1,600 tons were sunk, together with three fishing vessels. The summary:

"All nationalities—arrivals, 2,568; sailings, 2,552.  
"British vessels, mined, submarined and sunk, over 1,600 tons, including one previously, 18; under 1,600 tons, 5.

"British merchantmen unsuccessfully attacked, including five previously, 19.

"British fishing vessels sunk, 3."

A despatch to the Havas Agency from Rome says the losses to Italian shipping during the past week as a result of Germany's submarine campaign were two steamers under 1,900 tons each and seven small sailing craft. Some fishing boats also were sunk.

The foregoing British statement shows the losses for the week cut considerably more than half as regards the number of vessels sunk, the previous week's report showing 62 vessels, as compared with 26 in the current statement.

In large vessels the decrease was from 24 to 18. The most marked drop, however, was in the number of smaller vessels destroyed. Last Wednesday (May 9th), 22 merchant vessels of less than 1,600 tons were reported sunk in contrast with the five in this week's report, while the number of fishing craft dropped from 16 to only three.

The high-water mark in the destruction of large vessels was reached in the report of April 26, when 40 such vessels were announced as destroyed.

### TOLL OF WORLD'S SHIPPING TAKEN BY SUBMARINES.

The tonnage of allied ships destroyed by Teutonic submarines from the outbreak of the war to the close of the year 1916 has been figured at 4,000,000. English losses were 3,000,000 tons and French and Italian 1,-

	Ships Allied		Neutral	-Of Tonnage-		Neutral	Allied and
	Sunk.	Ships.		Over 1,600.	Under 1,600.		
To December 31, 1916. ....	..	..	401	..	..	537,500	4,537,500
January, 1917. ....	67	39	37	..	..	.....	113,994
February, .....	133	..	..	..	..	96,341	456,817
March, .....	121	97	24	32	65	56,605	.....
To April 27. ....	125	*105	20	78	27	31,856	.....

(\*)—Including ten fishing vessels.

## News of the Week

TUESDAY, MAY 15

The fight for Bullecourt continues.  
British troops have taken Roeux village.  
Russians forced to retire to left bank of Diala in Mesopotamia.

Forty German Divisions have been transferred from the Eastern to the Western front.

The strike of engineers, in England has broken down.  
Zeppelin destroyed in North Sea by British war-ships.

Three passenger vessels sunk by torpedoes.

Situation in Russia becoming serious.

Changes have been made in British Admiralty.

WEDNESDAY, MAY 16.

Furious fighting at Bullecourt.

Great artillery activity on Belgian front.

French and Venizelist troops capture enemy works in the Balkans.

The Italian artillery offensive grows in intensity on Julian front.

A Russian Coalition Government agreed to.  
German chancellor refuses to discuss peace.

Kins, George paid a visit to an American armed liner.

General Petain was appointed Commander of the French armies at the front.

A \$200,000 cheque was given to A. J. Balfour for the war widows and orphans in Britain.

THURSDAY, MAY 17.

Fierce fighting continues at Bullecourt.

Italian offensive on Italian front proving successful.

British ships sunk during week numbered 23 vessels.

British troops successful in storming enemy's line on Macedonian front.

Russian troops again forced a passage of the Diala river.

A loan of \$100,000,000 to Russia was made by the United States.

The Germans admit the loss of the Zeppelin L-22.  
General Smuts delivered a notable speech in London.

FRIDAY, MAY 18.

British troops capture Bullecourt.

Further progress reported on French Western front.

Union Canadian troops have pushed their line close to La Coulette, a mining village.

British capture enemy trenches on Struma front.  
Italian capture Diuno on the Gulf of Triest.

Two alleged rebel agitators were arrested in Ireland.  
The United States has given a total credit of \$670,-000,000 to the Allies.

Premier Lloyd George announced that the Imperial War Council would meet annually.

SATURDAY, MAY 19.

Canadian troops smashed German defence works southwest of Lens.

Russian positions strongly but vainly attacked by Germans.

Steamer Cameronia, Anchor Line, has been sunk.

Compulsory military enlistment on a selective basis will shortly be proposed by the Government of Canada.

Italian offensive making great headway.

Commander Evans, the former Antarctic explorer, will advise the U. S. squadron in British waters.

Leaders of the British engineers' strike were arraigned in London.

MONDAY, MAY 21.

British troops successful on mile front north of Bullecourt.

Italian troops capture Vodice, on the Upper Isonzo.

The torpedoing of the French steamer Colbert on April 30, by German submarine, is announced.

British passenger steamer Highland Corrie torpedoed on May 16. Eight lives lost.

000,000. Losses of neutrals in the same period amounted to 537,500 tons.

The following table shows the loss in ship tonnage from the beginning of the war up to Saturday last. Since March 1 the tonnage of allied ships sunk by submarines has not been definitely stated, the number of sinkings being reported as of vessels over or under 1,600 tons:

**ANCHOR-LINE**  
**DONALDSON LINE**

PASSENGER SERVICE

Between

MONTREAL AND GLASGOW

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

**CUNARD LINE**

PASSENGER SERVICE

BETWEEN

MONTREAL and LONDON

(Calling Falmouth to land Passengers)

AND

MONTREAL and BRISTOL

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



### SONG OF THE RAILROAD MAN.

We are the wings of the Eagle,  
Spread to the scarlet sky.  
Sturdy and strong, we speed along,  
Heeding our master's cry.  
The Eagle's beak is the army—  
The navy its curving claws  
And both may fight through day and night,  
And the wings will never pause.

We are the wings of the Eagle,  
And our steel-lined tips are spread  
From shore to shore where the oceans roar,  
From north to the Gulf Stream's bed.  
Let the soldier look to his rifle,  
And the sailor look to the sea  
And what they need with an eagle's speed,  
Be sure they will get from me.

We are the wings of the Eagle,  
Flecked with our labor's foam.  
With freight and mail we blazed the trail  
For a mighty nation's home.  
As in peace we have been your servant,  
So in war we will be your slave,  
And our wings will hum, and our pulses drum  
Till the flags of freedom wave.

We are the wings of the Eagle,  
Eager to prove our worth;  
Fitted by skill to do your will  
With the best trained men on earth.  
Then lead us up with the burden,  
And fire the opening gun;  
And remember, Sam, the railroad man  
Is ever your loyal son.

—Southern Pacific Bulletin.

### A STEAMSHIP VENTURE.

There is the case of a young business man in a New York suburb, who never made more than \$5,000 in a single year, until 1916. He staked all of his savings and some borrowed capital on a steamship venture, acquiring an option on a ship before values had risen far. He succeeded in financing the purchase, and after three exceedingly prosperous trips, sold his interest. In one year he made a round million dollars. That was income in 1916 and subject to tax, but it is principal this year, and only the interest on it can be taxed.